Investment Reforms in Africa
- JICA’s Approach –
Ministerial Forum
Fifth Ministerial Meeting
NEPAD-OECD Africa Investment Initiative

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Dakar, 27 April 2011
Achievements of TICAD IV: creation of the follow-up mechanism

1. Yokohama Action Plan (YAP)
Concrete targets and shared responsibility for action among Africa and partners

2. TICAD Follow-up Mechanism
Transparent monitoring of the YAP implementation

Next Ministerial Meeting held here next week (1-2 May 2011 in Dakar)

Ministerial Follow-up Meetings
Review & assess the progress and provide high-level policy guidance

Follow-up Secretariat
Information gathering/analysis/PR/website management

Joint Monitoring Committee
Adoption of the TICAD IV Annual Progress Report
JICA’s cooperation in investment reform

1. Africa: Regional Infrastructure (transport) and OSBP
2. Zambia Investment Promotion Project - Triangle of Hope
3. Using OECD’s Policy Framework for Investment (PFI)
4. Enhanced Private Sector Assistance for Africa (EPSA)
5. New Initiative for Private Sector Investment
List of Projects Approved in JFY 2008-2009

Case 1. Africa: Regional Infrastructure (transport) and OSBP

- **Agadir-Cairo Development Corridor**: Mediterranean Road Construction (Morocco, 8.5 billion yen)
- **TAH*: Dakar-N’djamena Corridor**: Construction of Bridges on the Mali/Senegal South Corridor (Mali, Senegal, 3.8 billion yen)
- **Taakoradi Corridor**: Improvement of the National Road Route 8 (Ghana, 8.8 billion yen)
- **Northern Corridor (TAH*: Lagos-Mombasa Corridor)**: Transport Facilitation for the Bamenda - Mamfe - Ekok / Mfum - Abakaliki - Enugu Corridor (Cameroon, 4.5 billion yen)
- **Rehabilitation of Poids Lourds Avenue in Kinshasa (DRC, 1.8 billion yen)**
- **Lobito Corridor / Namibe Corridor**: Emergency Rehabilitation of Port Facilities at the Port of Lobito & the Port of Namibe (Angola, 3.9 billion yen)
- **Upgrading of Atiaku-Nimule Road (Uganda, 3.4 billion yen)**
- **Reinforcement of the Capacity of Marine Transport inside the Gulf of Tadjoura, (Djibouti, 0.9 billion yen)**
- **Isebania/Sirari**
- **Taveta**
- **Lungalunga/Horohoro**
- **Mtwarra Corridor**: Masasi-Mangaka Road Rehabilitation (Tanzania, 2.3 billion yen)
- **Road Sector Support (Tanzania, 7.1 billion yen)**
- **Nacala Corridor**: Nampula-Cuamba Road Upgrading (Mozambique, 5.9 billion yen)
- **Construction of Access Road in the Southern Area of the Capital (Madagascar, 0.8 billion yen)**

*Trans African Highway

Photo: JICA

- **Chirundu**
  - Improvement of Livingstone City Road (Zambia, 1 billion yen)
  - Improvement of Ndola and Kitwe City Roads (Zambia, 2.7 billion yen)
- **Improvement of Blantyre City Road (Malawi, 0.5 billion yen)**
Case 2. Zambia Investment Promotion Project - Triangle of Hope

- Asian Experience and its applicability to Africa.

[ Triangle of Hope: Creating the Optimal Conditions for Investment ]

- Briefing the need for investment climate development from the Malaysian specialist to the president, ministers and the public
- Led to President’s Initiative to Promote TOH
- Formation of 12 public-private working groups to formulate policy for areas including ICT, Education, Tourism, Health, MSME, MFEZ, Mining.
- Dispatch of Joint Mission including Zambian government officials to seek investment from Malaysia and India

Formulation of Investment Promotion Package
Case 3: Using OECD’s Policy Framework for Investment (PFI)

- Japan/JICA strongly supports PFI
- JICA effectively utilizes PFI for its bilateral ODA in investment reform

- TICAD YAP describes “Japan … promote African efforts in investment policy reform, using multilaterally-endorsed instruments such as the OECD Policy Framework for Investment…”

- Effectively used in Cambodia as the first JICA project to utilise the PFI in its cooperation on investment promotion as an important analytical tool

- Followed by other JICA projects to utilise PFI in Zambia, Mongolia, Ukraine and others

- Thematic issue guideline on trade and investment: currently being revised and PFI is to be included as a useful tool
Case 4: Enhanced Private Sector Assistance for Africa (EPSA)

- EPSA contributes to Africa's economic infrastructure and private sector development

Concrete Commitment

Commit JICA ODA loans up to 1 billion USD over the next 5 years since 2005
Preparatory Research Study
- PPP Infrastructure F/S Support Program
- BOP Business F/S Support Program

Financial Support
- Private Sector Investment Finance (PSIF)
JICA’s VISION

“Inclusive and Dynamic Development”

http://www.jica.go.jp/english
http://www.jica.go.jp/french

Thank you

Merci
Focused areas of the “Yokohama Action Plan”

I Boosting Economic Growth
1) Infrastructure
2) Trade, Investment and Tourism
3) Agriculture and Rural Development

II Ensuring Human Security
1) MDGs (Community Development, Education, Health)
2) Consolidation of Peace, Good Governance

III Addressing Environmental Issues and Climate Change

IV Broadening Partnership
Appendix

Japan’s commitment: Fukuda Initiative

“Doubling total ODA to Africa by 2012”

<table>
<thead>
<tr>
<th>ODA by Modality</th>
<th>Average Annual Level (2003-2007)</th>
<th>Targeted Amount in 2012 (Cumulative)</th>
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<tbody>
<tr>
<td>Grants (Bilateral)</td>
<td>USD 0.7 billion</td>
<td>USD 1.4 billion</td>
</tr>
<tr>
<td>ODA loan (Net)</td>
<td>USD 80 million</td>
<td>Over USD 160 million</td>
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<tr>
<td>Disbursement to AfDB</td>
<td>USD 120 million</td>
<td>USD 240 million</td>
</tr>
<tr>
<td>Total ODA to Africa</td>
<td><strong>USD 0.9 billion</strong></td>
<td><strong>USD 1.8 billion</strong></td>
</tr>
</tbody>
</table>

Average (2003-2007)
- Yen Loan
- T/C & Grants

Average (2003-2012)
- Grants
- Technical Cooperation
- ODA loan (Net)

Disbursement to AfDB
- USD 120 million
- USD 240 million

Total ODA to Africa
- USD 0.9 billion
- USD 1.8 billion
Integrated regional development model in Nacala, Mozambique

- Integration of transport infrastructure, agriculture and others
- Agriculture M/P plans to include Responsible Agriculture Investment

【Survey】
Road Improvement Plan on Nacala Corridor (Mandimba-Lichinga)

【Survey】
Road Improvement Plan and OSBP on Nacala Corridor (Cuamba-Mandimba)

【Loan】
Montepuez-Lichinga Road Project
(2007.03 E/N signed, 3,282 mln JPY)

【Loan】
Nampula-Cuamba Road Upgrading Project
(2010.03 E/N signed, 5,978 mln JPY)

【Grant Aid】
The Project for the Construction of the Cuamba Teacher Training Center
(2007.06 E/N signed, 998 mln JPY)

【Grant Aid】
The Project for Construction of Bridges of the Road between Ile and Cuamba

【Grant Aid】
The Project for Construction of a Primary Teacher Training Institute in Nampula Province

【Grant Aid】
The Project for the Construction of a Medical Practitioner, Training Institute in Nampula Province

【Agriculture Development Program】
Preparatory Survey of Japan-Brazil-Mozambique Tripartite Cooperation on Tropical Savanna Agriculture Development

【T/C】Agricultural Research Capacity Development
【T/C】Comprehensive regional agriculture development
【T/C】Pilot Project

The Project for Construction of 20 Secondary Schools in the Northern Region of Mozambique

Preparatory Survey on Nacala Port Development Project

The Project for the Construction of a Medical Practitioner, Training Institute in Nampula Province