

Remarks by H.E. Mr. Kenji Yamada,
Parliamentary Vice-Minister for Foreign Affairs of Japan
at Plenary 2 of the TICAD Ministerial Meeting
on October 6, 2018 in Tokyo

Excellencies,

Ladies and gentlemen,

It is my honor to co-chair Plenary 2 together with Ms. Ahunna Eziakonwa, UNDP Assistant Administrator and Regional Director for Africa.

In this session so far, we have had extensive discussion on the path towards Africa's economic transformation for sustainable and inclusive growth, with the recognition that establishing a more diversified economy is urgently necessary for that purpose.

Listening to the statements made by the distinguished delegates, I am very much encouraged to know that the significant efforts have already been made by African countries in partnership with the stakeholders.

In fact, transformation is actually taking place in Africa.

In order to boost such efforts, Japan stands ready to support Africa.

I would first like to touch upon private sector development.

Key to economic diversification in Africa is the revitalization of the private sector, including the development of Micro, Small and Midium Enterprises, or MSMEs.

In Japan, 99.7% of all companies are MSMEs, and they employ approximately 70% of all workers.

We have a rich experience in fostering MSMEs and sharing the know-how with African countries.

On the top of our assistance menu stands “Kaizen”.

An "Africa-Kaizen meeting" was held in South Africa in July, and various “Kaizen stories” were shared among participants.

There, we witnessed how “Kaizen” improved productivity in many countries, particularly in the manufacturing sector.

Japan also has a long tradition of human resource development and empowerment for young Africans to reap benefit from demographic dividend.

We invited more than 1,200 trainees under the Africa Business Education Initiative, in short ABE Initiative, and trained over 800 field workers.

A number of ABE Initiative trainees have already returned home, and to my great joy, they work actively as young entrepreneurs. To enhance entrepreneurship, Japan also provides micro credits to women entrepreneurs in partnership with the World Bank.

We also promote quality infrastructure investment, which enhances connectivity within Africa and with the global value chain, promoting trade and boosting private sector’s activities.

We share Africa's views that the most crucial factor should be the promotion of Foreign Direct Investments by Japanese private enterprises.

More than 70 CEOs of Japanese companies led by Prime Minister Abe attended TICAD VI in Nairobi in 2016.

In May this year, 100 Japanese companies and 400 African companies participated in "the Japan-Africa Public-Private Economic Forum" held in South Africa and 16 Memorandums of Understanding were signed.

Japan is determined to build up on this momentum to elevate the level of public and private partnership between Japan and Africa toward TICAD 7.

The bilateral investment agreements, which Japan concluded with Egypt, Mozambique and Kenya, encouraged more Japanese companies to invest there.

We hope that ongoing negotiations with other African countries will be soon concluded to give assurance for Japanese companies in investing in Africa.

To make African economy more attractive for FDIs, sound fiscal management and debt sustainability as well as good governance, including anti-corruption measures, are crucial.

Let me also emphasize that transparent and sustainable financing as well as good governance are necessary, both for lenders and for borrowers.

Ladies and gentlemen,

The second item I would like to refer to is agriculture.

Today, 60% of the African population is engaged in this sector.

However, the amount of food production in Africa cannot meet demand in the continent.

Under these circumstances, JICA and AGRA launched a "Coalition for African Rice Development", or "CARD."

This initiative successfully doubled the rice production in only a decade by 2018.

During the side event held yesterday in the margin of this Ministerial Meeting, CARD members set a new ambitious goal to further double its production by 2030.

Another good example is the “Smallholder Horticulture Empowerment and Promotion” or SHEP, through which the salary of small-scale farmers was raised by improving productivity.

With the growing risk of food security, the world pays close attention to the agricultural sector, including in Africa, and so do Japanese companies.

Some Japanese firms, such as Kagome in Ghana, have already invested in this field.

Both as a safety net for a rapidly increasing population and as a market with much potential of becoming the driving force for the economic transformation of Africa, the modernization of agribusiness in Africa is highly expected.

Now I would like to touch upon science and innovation.

Much attention is being paid to science and technological innovation, or STI, as one of the solutions to tackle the challenges Africa is facing.

Mobile phones and electronic money are already transforming the socio-economic landscape of Africa.

Let me proudly mention that made-in-Japan LED lanterns have contributed to this new scenery.

A Japanese company established an LED lantern rental service for the very first time in Tanzania with the financial support of JICA.

Through this project, the Japanese company contributes to spreading an off-grid power system in rural areas of Africa.

Another Japanese company is exploring ways of introducing drone technology to speed up the delivery of essential medicines and kits to rural areas in Zambia.

Japan will continue to support Africa's "innovations" to shape a brighter future, promoting human resource development in the area of science, technology and

innovation, which is the foundation for industrial development.

My last item is Blue Economy.

Agenda 2063 and "Africa's Integrated Maritime Strategy" highlight the importance of blue oceans to Africa's economy.

They also underscore the importance of maritime security and rules-based maritime order in accordance with the principles of international law as reflected in UNCLOS. Indeed, in Africa, 38 countries are facing the ocean, and 90% of imports and exports are transported by water.

On the other hand, the strategy warns against the dangers of illegal fishing and climate change.

Free and open oceans where freedom of navigation and overflight is respected will benefit the whole world.

In order to make the oceans connecting Japan and Africa a blessing for mankind, Japan is ready to support Africa in the field of maritime security, including capacity building

in maritime law enforcement, along with the promotion of the fishery industry.

In closing my remark as Co-chair, I would like to thank you once again for your valuable contributions, and we reaffirm our commitment to the continued efforts towards the sustainable and inclusive growth in Africa.

Thank you very much.