



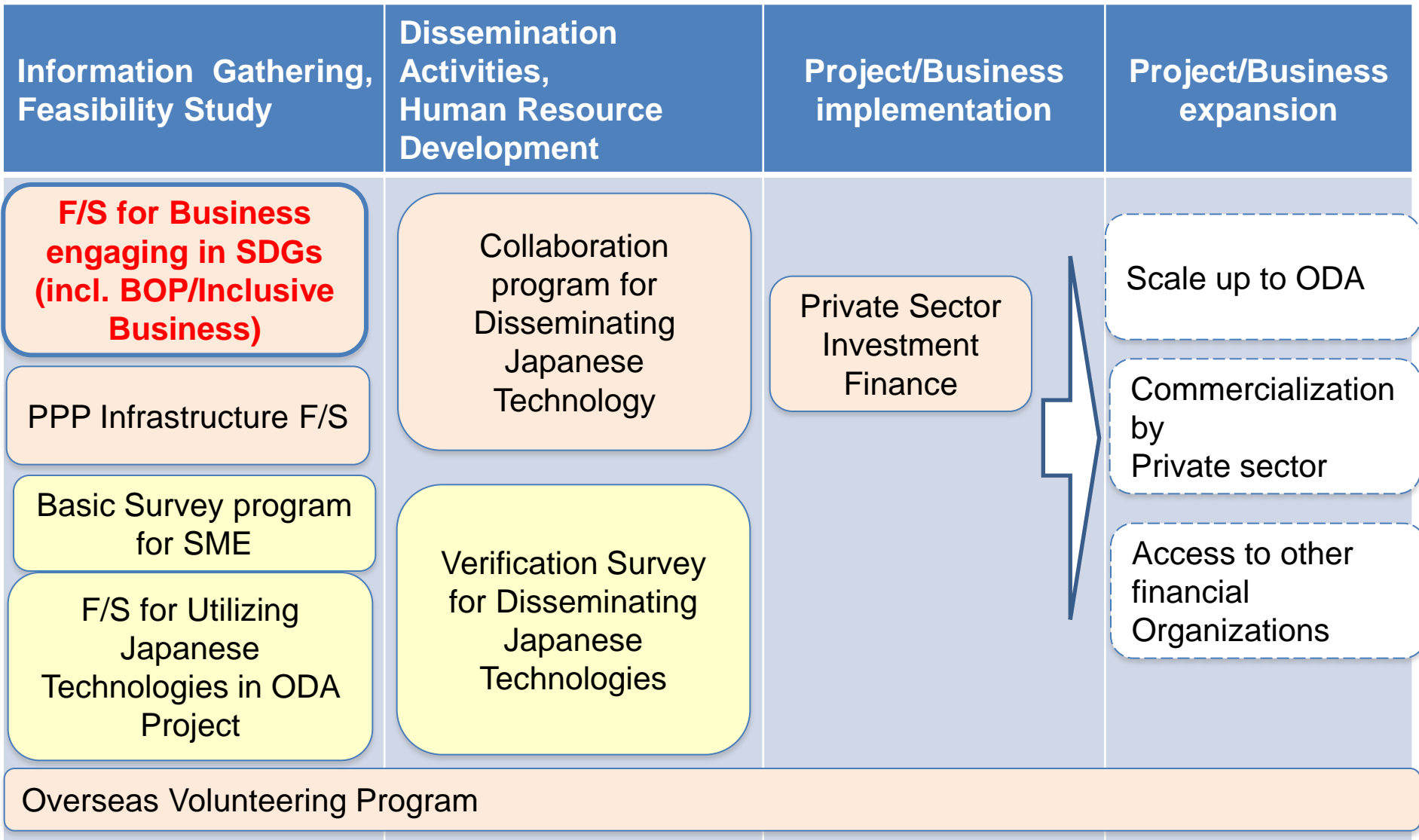
JICA's Partnership with Private Sector for SDGs in Africa


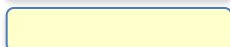
Eiji Kubo

Director of Private Sector Partnership Division
Japan International Cooperation Agency (JICA)



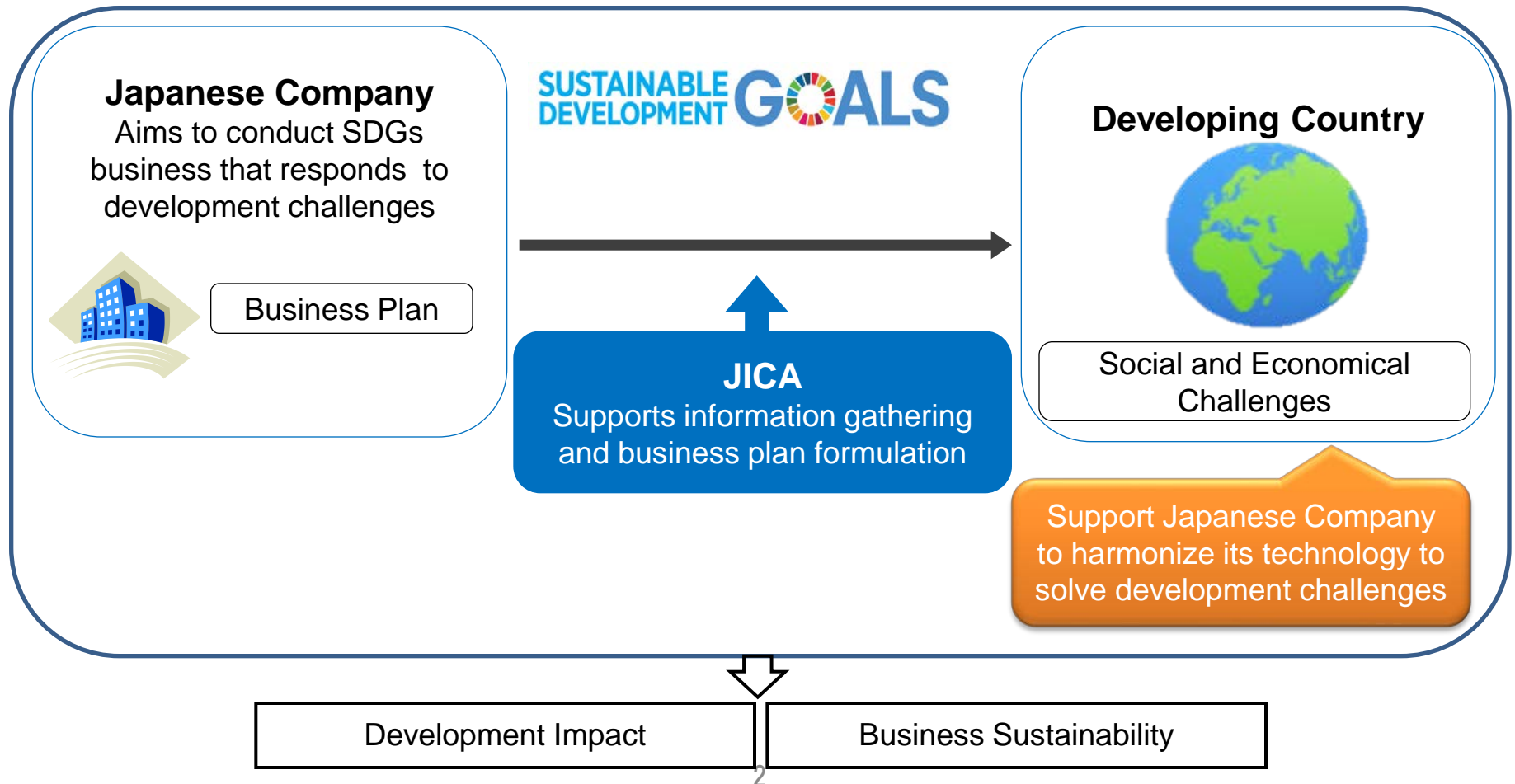
Private Sector Partnership Scheme



-  : Proposal based Program for PSE
-  : Proposal based Program for PSE (SME Only) 1

Feasibility Survey for SDGs Business

Feasibility survey for SDGs Business (incl. inclusive business) which contributes to meeting and responding to development challenges in developing countries.
(Former “Preparatory Survey for BOP Business Promotion”)

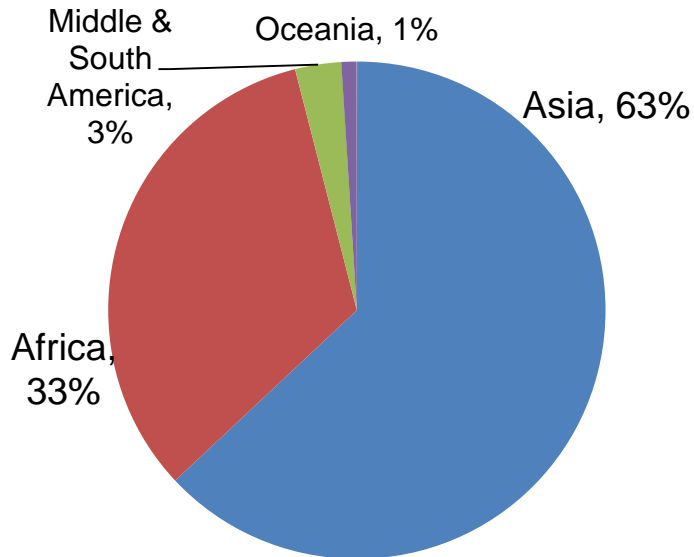




Project Attributes (Preparatory Survey for BOP Business Promotion)

33% of the projects target African countries, while 63% target Asian. Projects in agriculture, healthcare and energy sectors account for more than 80%.

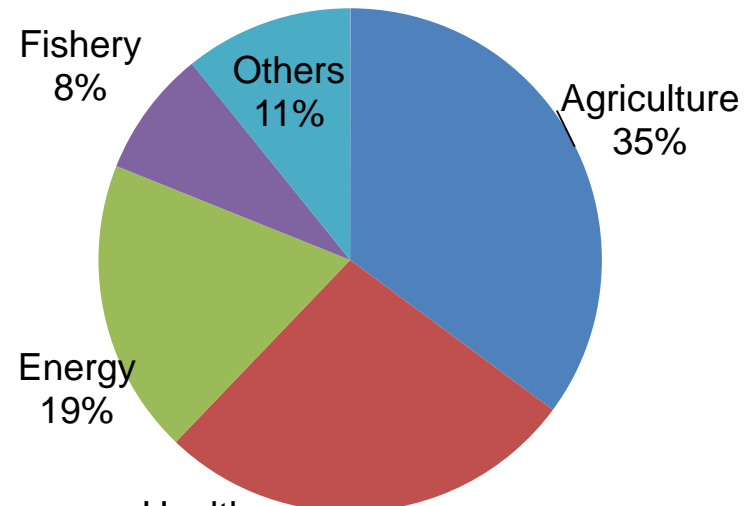
Project Areas



N=114

Kenya 9, Ghana 6, Tanzania 5, Mozambique 3, Senegal 3, Morocco 2, Uganda 2, Ethiopia, Nigeria, Malawi, Rwanda, South Africa, Tunisia, Zambia

Sectors in Africa



N=38

Case Study: Ajinomoto

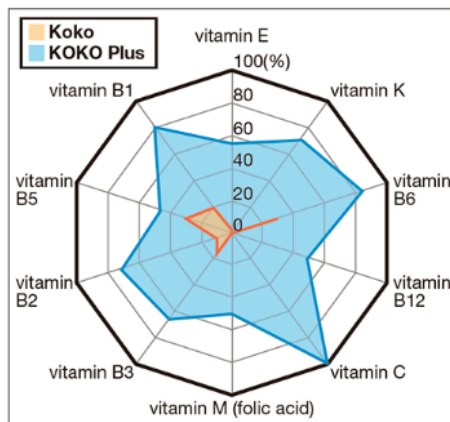
In 2009, Ajinomoto launched the Ghana Nutrition Improvement, a multi-stakeholder collaboration including the government of Ghana, the University of Ghana, and other international NGOs and corporates aiming to improve child nutrition.

【Ghana】

Nutrition supplement introduced in Ghana using JICA BOP/inclusive business program



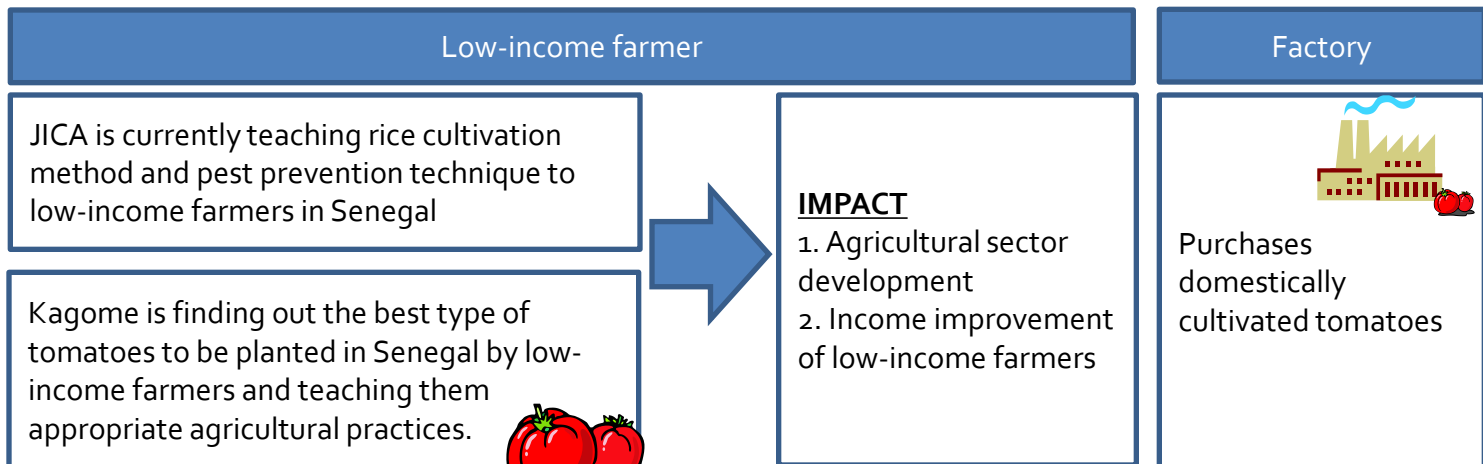
- *Koko* is a traditional weaning food in Ghana, deficient in energy, protein, and micronutrients. *Koko Plus* can be added to *koko* to fulfill nutritional requirements
- Social business model based on understanding local needs, developing local partnerships, educating mothers on importance of nutrition and building up an innovative distribution model



JICA and Kagome, a Japanese food processing company, collaborate to develop agricultural sector and improve low-income farmer's economic situation in Senegal.

【Senegal】

Kagome considers developing agricultural practices and establishing a tomato processing factory and collaborates with a JICA's technical assistance project.



Yamaha, a Japanese musical instrument manufacturer, aims at creating sustainable supply chain for African Black Wood together with local NGOs that advocate sustainable forestry and community management.

【Tanzania】

Yamaha is conducting a feasibility study to create FSC certified sustainable supply chain for its major raw materials, African Black Woods, and establish efficient and traceable procurement system.



- Yamaha intends to give back the extra profit resulting from the new efficient procurement system to the local low-income farmers

Case Study: Digital Grid Solutions

JICA supports small start-up companies with innovative technologies such as Digital Grid Solutions, a venture from Tokyo University. With its technology that enables access to electricity according to consumers' affordability, the company conducted a F/S in Kenya and now launched its operation targeting to expand to Africa region.

【Tanzania】

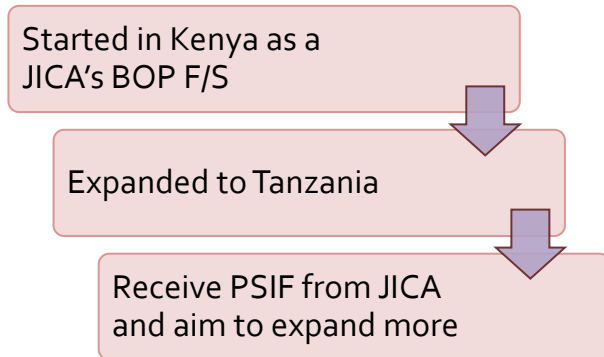
The company developed an electricity controlling system called “Digital Grid” that enables electricity to be used through a pay-per-use basis. This technique is unique as the customers are able to access electricity in an affordable way.



Digital Grid Inc.



Expansion phase

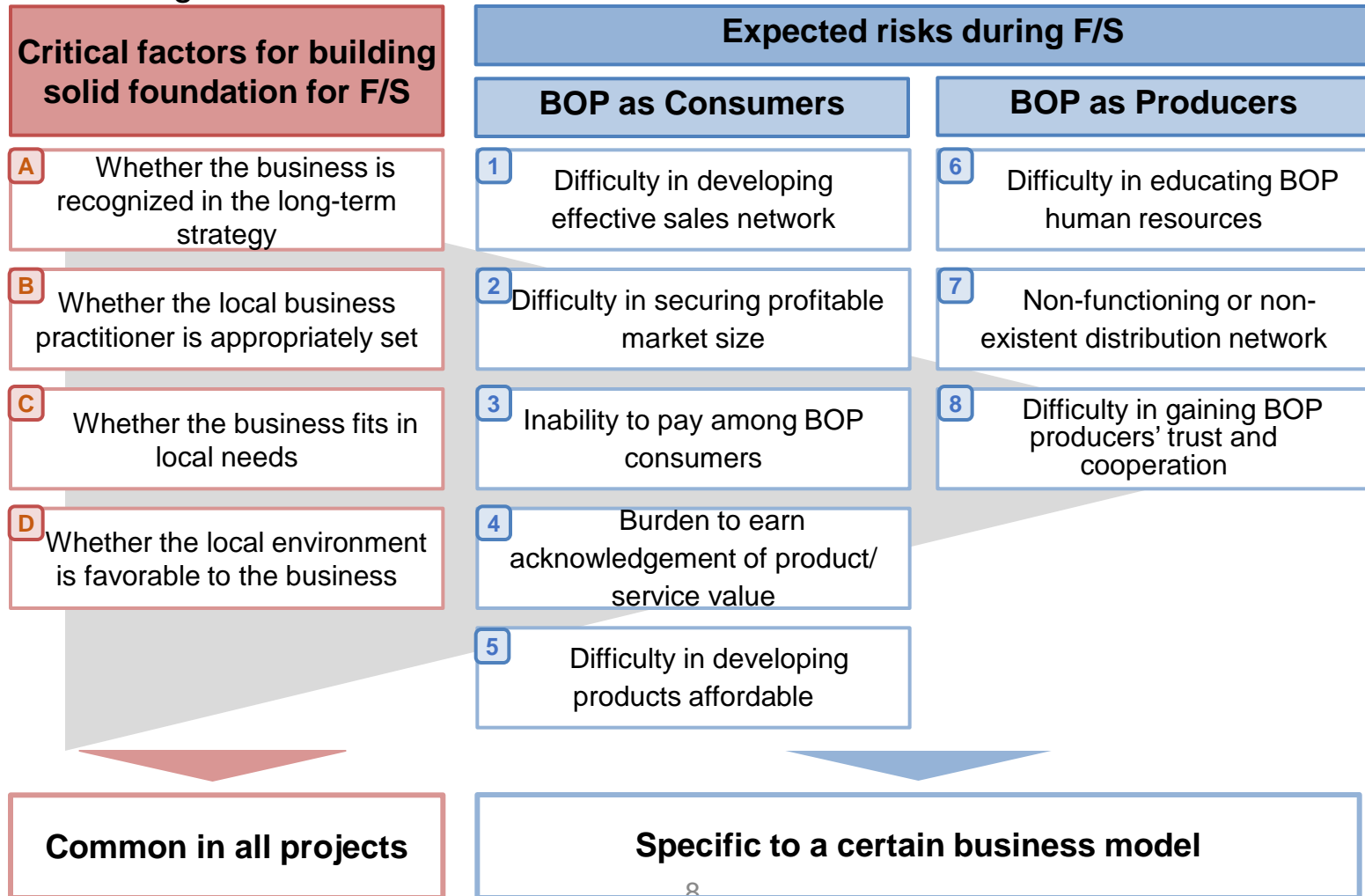


Business model



Critical Factors and Expected Risks





Based on the analysis from the completed projects, there are 4 critical factors for a strong foundation for F/S that are common in all the successful cases and 8 risks that need to be aware of during F/S.



Expected Risks in Main Sectors

The expected risks during the feasibility study terms are different according to business sectors of the projects. Each risks have different level of impacts on the companies' business development.

★: Sector-specific risks

| Sectors | Expected Risks | Impact on Biz Dev. |
|--|--|--------------------|
|  Agriculture | ★ Difficulty in adapting technologies and crops to local environment | High |
| | 3 Inability to pay among BOP consumers | Medium |
| | 8 Difficulty in gaining BOP producers' trust and cooperation | Medium |
|  Healthcare | 3 Inability to pay among BOP consumers | High |
| | ★ Burden to earn acknowledgement of product/ service value | Medium |
| | ★ Difficulty in gaining local partners' trust and cooperation | Low |
|  Energy | ★ Difficulty in overcoming local government's energy policy and market trend of energy | Significantly High |
| | 5 Difficulty in developing products affordable | High |
| | 3 Inability to pay among BOP consumers | High |
|  Water | 3 Inability to pay among BOP consumers | Significantly High |
| | 4 Burden to earn acknowledgement of product/ service value | Significantly High |
| | ★ Difficulty in gaining local partners' trust and cooperation | Medium |

From BOP to SDGs Business

SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD

BOP-oriented areas

| | | | | | |
|---|---|---|---|---|---|
| <p>1 NO POVERTY</p> | <p>2 ZERO HUNGER</p> | <p>3 GOOD HEALTH AND WELL-BEING</p> | <p>4 QUALITY EDUCATION</p> | <p>5 GENDER EQUALITY</p> | <p>6 CLEAN WATER AND SANITATION</p> |
| <p>7 AFFORDABLE AND CLEAN ENERGY</p> | <p>8 DECENT WORK AND ECONOMIC GROWTH</p> | <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> | <p>10 REDUCED INEQUALITIES</p> | <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> | <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> |
| <p>13 CLIMATE ACTION</p> | <p>14 LIFE BELOW WATER</p> | <p>15 LIFE ON LAND</p> | <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> | <p>17 PARTNERSHIPS FOR THE GOALS</p> | <p>SUSTAINABLE DEVELOPMENT GOALS</p> |

Expanded areas

Partnership Promotion