

**UNIDO-JAPAN COOPERATION
FOR AFRICAN INDUSTRIAL DEVELOPMENT**

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UNIDO and Japan

Since its founding in 1966, the United Nations Industrial Development Organization (UNIDO) and the Government of Japan have been enjoying a close and growing relationship.

Based on its experience, Japan is a valuable partner of UNIDO as it supports the Organization's mandate of inclusive and sustainable industrial development (ISID). Moreover, Japan is consistently one of the largest contributors to UNIDO – both through its assessed contributions (which make Japan the largest contributor to the UNIDO regular budget) and through regular voluntary contributions to technical cooperation programmes and projects.



The current cooperation between the Government of Japan and UNIDO focuses on activities in the following priority areas of Japan



Empowering all people and leaving no one behind

UNIDO puts the people at the centre of its interventions. It advocates for and applies a human-security approach, amongst others, through the promotion of gender equality and women's empowerment as well as youth employment.



Creating growth markets, promoting technological innovation, quality infrastructure and investments

UNIDO fosters the uptake of new technologies, and through the Investment and Technology Promotion Office (ITPO) Tokyo promotes investment and technology transfer to Africa.



Conserving the environment, promoting energy efficiency and renewable energy, and sustainable resource use as well as mitigating climate change

Through the circular economy approach, UNIDO addresses environmental issues, including marine plastic litter. It further promotes resource-efficient and cleaner production and frontier technologies, such as the Internet of Things, in its projects.

Since 2016, UNIDO has also been actively involved in the "G20 Initiative for Africa". During the G20 Presidency of Japan in 2019, UNIDO will deliver a progress report on "Industrialization in Africa and Least Developed Countries".

In addition, UNIDO partners with Japan on its normative work and to disseminate knowledge. Most recently, a publication entitled "Structural change for inclusive and sustainable industrial development" was published with Japan's financial support. UNIDO looks forward to working together with Japan in the years to come to strengthen joint efforts on shared principles of development cooperation by taking a people-centred and capacity-development approach.



THIRD INDUSTRIAL DEVELOPMENT DECADE FOR AFRICA (IDDA III)

On 25 July 2016, the General Assembly of the United Nations through its resolution 70/293 proclaimed the period 2016–2025 as the Third Industrial Development Decade for Africa (IDDA III). It tasked the African Union Commission (AUC), the New Partnership for Africa's Development (NEPAD), the United Nations Economic Commission for Africa (UNECA), and specifically UNIDO to develop, lead, and operationalize the implementation of IDDA III.

As such, IDDA III offers an excellent opportunity to deepen the cooperation between UNIDO and Japan, also through the global forum of the Tokyo International Conference on African Development (TICAD).

The vision for the IDDA III implementation is to firmly anchor Africa on a path

towards inclusive and sustainable industrial development. The necessary enabling framework conditions include strengthening key elements of industrial productive capacity and providing support to public and private institutions that regulate and advocate industrial development. Various development interventions and broad-based partnerships are required to improve the enabling framework, as well as to encourage productive industrial investment ventures in Africa.

UNIDO has already elaborated documents to guide the implementation of IDDA III, and developed a number of key initiatives to raise the visibility of the Decade.



Formally launched at a high-level event held in September 2018 on the margins of the 73rd session of the General Assembly of the United Nations in New York, an “IDDA III Champions” initiative was created to leverage high-level political leadership for the promotion and visibility of IDDA III. Currently, eight Heads of State are IDDA III Champions for the period 2018–2020, namely the Presidents of Côte d’Ivoire, Egypt, Kenya, Malta, Niger, Senegal, South Africa, and Zambia. In March 2019, UNIDO brought together key implementing United Nations entities and development partners to develop a common understanding of and a way forward for IDDA III. **Six interconnected pillars were selected as follows:**



Global forums

Strategic support to develop and manage industrial policy instruments

Technical cooperation

Cooperation with the AUC, regional economic communities and countries

Partnerships and resource mobilization

Communication and advocacy

The successful implementation of IDDA III requires close partnerships of all stakeholders. UNIDO developed its innovative Programme for Country Partnership (PCP) model, which was piloted in Africa (Ethiopia and Senegal) in 2016, and is being expanded to other African countries (Morocco in 2018; Côte d’Ivoire, Egypt, Rwanda and Zambia in 2019). The PCP is tailored to the needs and requirements of the implementing country, aligned with the national development agenda, and focused on sectors with high growth potential. By working jointly with a variety of partners, much more can be achieved than as a single entity. Therefore, UNIDO sees a great potential to further scale up successful initiatives in Africa through the TICAD process.





UNIDO Director General Li Yong addressing TICAD VI.

TOKYO INTERNATIONAL CONFERENCE ON AFRICAN DEVELOPMENT (TICAD)

TICAD was launched in 1993 by the Government of Japan as a pioneer forum for African development. Through its over 25 years of history, TICAD has evolved into a major open and inclusive framework for mobilizing and sustaining international support for Africa's development. Its dual principles of African "ownership" and international "partnership" have become a widely shared development philosophy. TICAD is co-organized by the Government of Japan, the United Nations, the United Nations Development Programme, the African Union Commission, and the World Bank. It engages a wide range of stakeholders.

UNIDO has been an active partner and supporter of the TICAD process since its beginning, taking advantage

of its strength in industrial development cooperation. It seeks to foster an effective collaboration between all stakeholders involved. In particular, UNIDO promotes the participation of the private sector, also through events co-organized with partners such as the African Union Commission (AUC), the Japanese Ministry of Economy, Trade and Industry (METI), and the Japan External Trade Organization (JETRO).

Main topics of TICAD 7



Economic transformation and improvements in business environment and institution through private investment and innovation

Promotion of a resilient and sustainable society

Peace and stability
(support for Africa's own proactive efforts)

UNIDO assisted in the development of an Asia-African Investment and Technology Promotion Centre in Kuala Lumpur upon request of the Prime Minister of Japan at TICAD II in 1998. The Centre was launched to contribute to economic development of African countries, with the prospect that the promotion of trade and investment from Asia would encourage private sector development in Africa. In 2007 and 2009, UNIDO served as a co-organizer of the Africa-Asia Business Forum, another initiative of the TICAD process with a similar objective.

The most recent conference, TICAD VI, was the first TICAD summit to take place on the African continent. In Nairobi, UNIDO co-organized two side events on enhancing Africa's structural economic transformation through the Agenda 2063, inclusive and sustainable industrial development, and technology enabling innovation and industrialization in Africa. As the United Nations entity leading the

implementation of IDDA III, UNIDO continues to seek synergies between the TICAD process and IDDA III. With business and investment as important agenda items of TICAD, Japan and UNIDO reinforce their common commitment for Africa's development through TICAD 7 in Yokohama and beyond.

In preparation of TICAD 7, UNIDO hosted a panel exhibition "UNIDO-Japan cooperation: Partnering for Africa's future" in the Vienna International Centre in March 2019. At the beginning of July 2019, UNIDO organized a TICAD pre-event to provide a strengthened understanding of the TICAD and IDDA III processes, as well as of industrialization and innovation in Africa.

Most of the interventions carried out by UNIDO in Africa relate to all three TICAD 7 topics. The following pages provide an overview of those projects that fall mainly under the focus of the first two topics.



**ECONOMIC TRANSFORMATION AND IMPROVEMENTS
IN BUSINESS ENVIRONMENT AND INSTITUTION
THROUGH PRIVATE INVESTMENT AND INNOVATION**



ITPO Tokyo is located in the UNU building.

Both innovation and private sector development are at the core of UNIDO's activities. Innovation has the potential to improve lives, to strengthen businesses, and to protect the environment. It can also advance the Sustainable Development Goals (SDGs), in particular, SDG 9 which calls to "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation".

Japan is a leading example for successful innovation and industrialization, as well as the transformation of existing industries to make them eco-friendly and resource-efficient. Japan is a world leader in many new technologies –

from renewable energy and energy efficiency to innovations of the Fourth Industrial Revolution.

An important step towards the future of industry is digitalization, which can help small and medium-sized enterprises overcome logistical and geographical challenges as well as improve their access to markets. The potential impact of digitalization could also contribute to the transition to a circular economy – one in which resources are kept in use for as long as possible.

The prospects for the future are very good: in addition to long-lasting partnerships with well-known companies, UNIDO proactively seeks closer cooperation with the


Japanese private sector and Japanese experts so that their expertise and know-how can benefit the most disadvantaged regions of the world. Accordingly, **the Investment and Technology Promotion Office (ITPO) Tokyo** helps developing and emerging countries and economies in transition in their efforts to achieve inclusive and sustainable economic development by promoting foreign direct investment and technology transfer from Japan.

For more information:



Successful Japanese investments in Africa fostered by UNIDO ITPO Tokyo:

Hiroki's leather factory in Ethiopia




Hiroki Co., Ltd. established its subsidiary in Oromia in July 2014, becoming the first Japanese company to operate a leather factory in Ethiopia in which it implemented its signature method of having a single craftsman complete each piece from start to finish. ITPO Tokyo provided support for all processes and helped prepare supporting documentation.

Fuji Film's medical equipment business in Ethiopia



With the assistance of ITPO Tokyo, which helped inter alia identify local partners, hire local staff and handle trade logistics, the Fuji Film Corporation established its first office in Ethiopia for high-tech medical equipment, accessories and consumables also in 2014. Today, Fuji Film is the preferred supplier of medical devices to both Government and private hospitals, as well as to medical centres located in Ethiopia and in the region. In addition, Fuji Film is in the process of establishing a regional maintenance service and a technical training centre to provide aftercare services.

Yazaki's wire harness activities in Morocco



Since 2000, ITPO Tokyo guided and supported Yazaki Corporation in investing in Morocco, including by facilitating bilateral discussions with Government counterparts, finding suitable locations, obtaining licenses, hiring staff, and handling logistics. Yazaki now operates plants in Tanger, Kenitra, and Meknes, and employs over 10,000 persons. Yazaki's example was followed by many other Japanese investors.

ITPO Tokyo was established in March 1981 with funds from the Ministry of Economy, Trade and Industry (METI) and has rendered invaluable services to promote the public-private dialogue between Africa and Japan. It is UNIDO's main tool to foster private investment from Japan. ITPO Tokyo is one of nine offices around the world that form UNIDO's ITPO Network.

The partnerships between Japanese companies and African partners are supported by ITPO Tokyo through several services, including seminars and capacity-building activities; the delegates programme; the Environmental Technology Database; and the ITPO Tokyo Advisor programme in Africa. Every year, ITPO Tokyo provides its matchmaking expertise to more than 100 Japanese companies.

ITPO Tokyo regularly cooperates with Government officials visiting Japan and UNIDO Advisors in Africa to promote specific sectors for foreign direct investment and technology transfer from Japan

Recent examples of delegate programme activities:

Mr. Alaaeddine Harhoura, an officer of the General Directorate of the Industrial and Technological Development of the Ministry of Industry and Mines of Algeria met with Japanese potential investors mainly from the automotive sector. The "Algeria Business and Investment Seminar" held in Tokyo in March 2019 attracted nearly 50 business people.

At the 2018 Japan International Aerospace Exhibition in Tokyo, Mr. Mohamed Aref Hassani, Managing Director, met public and private representatives from the aerospace sector in Japan and discussed cooperation opportunities. He also addressed the Morocco Aerospace Seminar in November 2018.

Delegate programme

Investment or technology promotion delegates are invited for a short-term stay (average two weeks) in Japan, to promote the delegate's country as a possible destination for Japanese investments or technology transfer.

■ Delegate Programmes in recent years



Advisors programme

UNIDO ITPO Tokyo assigns experienced African investment promotion advisors to support Japanese companies interested in starting their businesses on the continent.

■ Activities of Advisors





PROMOTION OF A RESILIENT AND SUSTAINABLE SOCIETY

Millions of people are still exposed to poverty, live in destitute situations and/or are threatened. Climate change is one of these major threats that is already having a devastating effect on many societies, particularly on vulnerable people in many African countries. They must be given help, and a long-term perspective.

Through some of its interventions in the areas of mitigation and adaptation, which are conceptually complementary strategies, UNIDO addresses climate change impacts. Creating synergies between them has multiple benefits, such as cost-effectiveness, that may not be achieved if they are addressed separately. This is especially true for the industrial sector. The interrelated nature of the SDGs makes it imperative to promote industrialization patterns that are socially inclusive and reduce pollution and greenhouse gas emissions compared to traditional technologies and practices.

UNIDO and Japan work together to foster sustainable energy solutions and develop climate-resilient industries in Africa.





Low Carbon Low Emission Technology Transfer (LCET) Programme

Results

In Kenya, LCET installed ultra-low head hydro power (ULH-MHP) to power Productive Use Centres, including retail space and services. In Ethiopia, LCET enhanced the access of rural communities to sustainable energy by promoting innovative technologies, and in Morocco, the implementation of the Vanadium Flow Battery (VFB) system and the Battery Energy Storage System (BESS) facilitated building a local manufacturing platform by identifying a related technology supply chain while enhancing job creation capacities. These interventions pave the way for increased, reliable, and affordable access to clean energy and sustainable growth.

In 2013, UNIDO and the Ministry of Economy, Trade and Industry of Japan initiated **the global LCET programme** to simultaneously address energy poverty, job creation, and climate change. The programme demonstrates the technical feasibility and commercial viability of low-carbon technologies by conducting trainings to operate, maintain, and localize low-carbon technology solutions. The programme also identifies renewable technology opportunities with mini-grid solutions linked to productive use. It can draw on lessons from demonstration projects, practice-based policies, and developed market insights. The LCET programme fosters technology demonstration and dissemination of innovative low carbon low emission clean energy technologies, products, systems, and services.

For more information:





“I believe that the global LCET programme provides a path in achieving a low carbon society while raising the living-standards of the African people. In years to come, strategies to further disseminate such low-carbon low-emission technologies and to implement them are necessary for more people to benefit.”

**Takashi Konno, Director, Technical Cooperation Division, Trade and Economic Cooperation Bureau,
Ministry of Economy, Trade and Industry of Japan**

Generating energy from geothermal power technologies

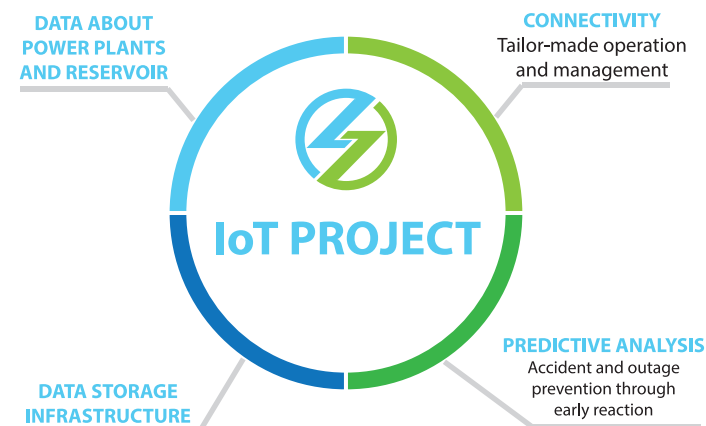
Capacity strengthening of operation and maintenance with Internet of Things technologies for the Olkaria Geothermal Power Station in Kenya

Kenya has set a target of 100 per cent electrification by 2030, which could be achieved by also utilizing the country's large geothermal power potential. The project promotes geothermal power generation and its related technologies through technology demonstration; access to information and management of technical knowledge; capacity-building activities; identification of viable, sustainable and suitable business models; and the strengthening of market conditions for investment in Africa. UNIDO will facilitate scaling-up investments and public-private partnerships.

The project uses cutting-edge Japanese technologies offering Internet of Things solutions to geothermal power plants to ensure tailor-made operations and management, as well as accident and outage prevention. It is based on the Government of Kenya's strong commitment, and a solid partnership with the Japan International Cooperation Agency (JICA).

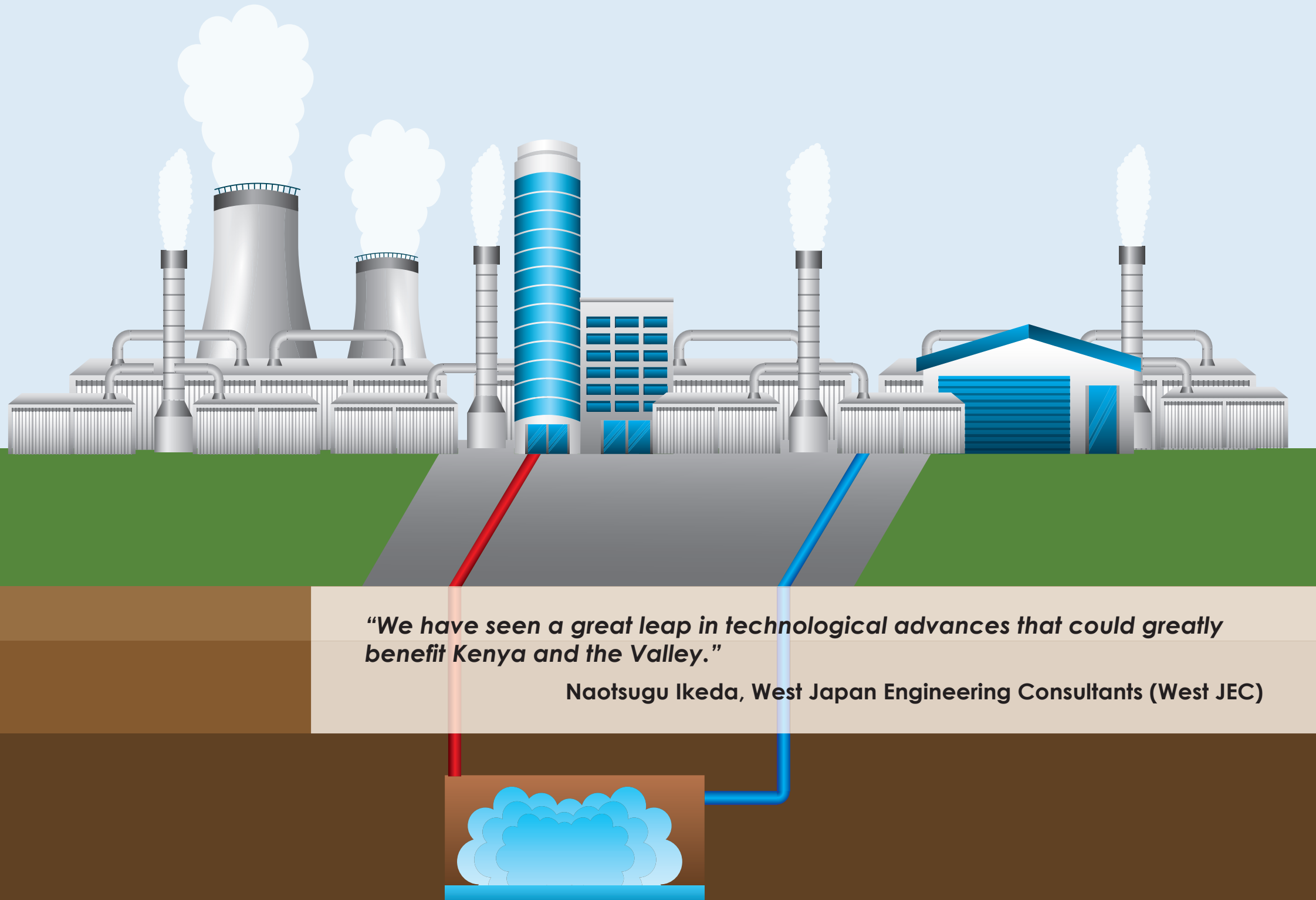
(Expected) results

The project will consist of Internet of Things technology installation, capacity-building including technical training, and awareness building to promote Internet of Things solutions across the energy sectors in Kenya and the Great Rift Valley.



For more information:





"We have seen a great leap in technological advances that could greatly benefit Kenya and the Valley."

Naotsugu Ikeda, West Japan Engineering Consultants (West JEC)



Low Carbon and Climate Resilient Industrial Development project (LCCR)

Japan funded the **Low Carbon and Climate Resilient Industrial Development (LCCR)** project to create awareness and demonstrate the opportunities and benefits of low-carbon growth and climate-resilient development.

Inherent to the project is the application of Green Industry principles and Resource Efficient and Cleaner Production practices to overcome climate vulnerability. The project promotes business partnership between Africa and Japan, with UNIDO finding Japanese technology suppliers to match the adaptation needs of the factories in the target

countries. The LCCR project also engages with a wide range of stakeholders to assess national policies towards climate change, identify vulnerabilities of selected sub-industries, and tackle adaptation needs through low-carbon technology installations and demonstrations at factory-level. Building on long-standing experience in safeguarding the environment, UNIDO takes a holistic approach to facilitate the transformation of industries in developing countries and economies towards a low-emission and climate-resilient future.

Results

Various companies, such as BlueSkies and Frozena in Egypt, Kiamokama Tea Factory in Kenya, SirFruit in South Africa and 4 small companies in Senegal's cereal milling and fruit processing sectors, introduced technologies, which makes their production process more climate resilient with substantial energy savings.

For more information:





“The Japanese technology allows for subtle adjustment of air volume depending on temperature and humidity; this greatly reduced energy consumption.”

Keraita Mokamba, Factory Unit Manager, Kiamokama Tea Factory

“Climate change is driving up cooling demand and we were able to save over 40 per cent of energy with our new, more efficient Japanese chiller. The company now plans to invest those cost savings in solar panels to further increase energy savings to over 50 per cent.”

SirFruit representative

“Because of the new technologies, the drying time is significantly reduced. Energy savings are substantial and we can increase our production capacity, rain is not a problem anymore.”

Ms. Dembe, owner of agro producer Free Work Service in Senegal

Still today, millions of people are exposed to poverty, hunger, un- and underemployment, gender inequalities, lack of education, training and income-generating opportunities. Adding to this are conflicts, natural disasters, economic downturns, infectious diseases or the threat of human rights violations, often stemming from protracted crises and fragile post-conflict situations. Human security is a holistic approach to counter such widespread and cross-cutting challenges. It addresses the interlinked threats to Freedom from Want, Freedom from Fear and Freedom to live in Dignity. UNIDO understands human security as a key development issue that helps work towards creating shared prosperity.

Japan has been promoting human security for many years, as exemplified by funding the United Nations Trust Fund for Human Security (UNTFHS) created in 1999. Japan also provides resources to UNIDO through its supplementary budget and grant assistance schemes. Ever since, UNIDO has been actively supporting human security around the world and has been implementing a wide array of projects financed by Japan in this field.





Promoting social stabilization through entrepreneurship development of youth in north-eastern Nigeria

In the northeastern part of Nigeria, armed conflicts and terrorist attacks have gravely harmed the civilian population generating millions of internally-displaced persons, in addition to refugees from neighboring countries. At the same time, Nigeria is faced with the challenges of an extremely young population, with 70 per cent under the age of 35. Developing human capacity towards self-reliance and livelihood opportunities is key to promoting social stabilization. The project provides trade and entrepreneurial competencies to

increase youth employability and encourage self-employment. In coordination with the Nigerian Educational and Research Development Council (NERDC), UNIDO developed a revised trade and entrepreneurship curricula piloted at six schools, which focuses on hard and soft skills. By promoting trade and entrepreneurship education, the project seeks to strengthen economic resilience and social stabilization and, in turn, inhibit the resurgence of extremism among vulnerable communities in northeastern Nigeria.

Results

Over 540 senior secondary school students will have acquired the new curricula, with 45 in-service teachers in six senior secondary schools trained, and over 7,515 students studying the revised trades and entrepreneurship subjects. 18 officials have also been trained to monitor, supervise and guide pilot schools in teaching the 34 revised trades and entrepreneurship subjects.

For more information:





Countering violent extremism amongst vulnerable youth in southern Somalia

Decades of conflict have negatively impacted the productive capacity of all economic sectors in southern Somalia, affecting income and employment creation and the country's capacity to reconcile differences. The resulting youth unemployment, disenfranchisement and lack of opportunities can lead youth to join Al-Shabaab as the only means of livelihood. The project in Beledweyne, Hirshabelle, has been designed based on lessons learned from a previous intervention (2014-2015) in Kismayo. The projects aim to enhance personal life skills and small-group conflict minimization along with technical vocational skills to provide each beneficiary the skills to gain

employment and contribute to social and economic cohesion to prevent extremism. One of the key takeaways from Kismayo was the need to strengthen the conflict prevention component. Under the current project, this has been achieved by a strategic partnership with the Japan Center for Conflict Prevention (JCCP), an international Japanese NGO focused on working with people in conflict-affected areas. The combination of a market-relevant, private-sector-led skills training, coupled with a context specific, multi-stakeholder extremism prevention training programme developed by JCCP, is set to contribute to stability and social cohesion.

Results

As a result of the aforementioned integrated interventions, the youth in Kismayo have become more adept to addressing conflict in their daily lives and entering the workforce, thereby reducing their likelihood of joining extremist groups. One beneficiary in Kismayo also noted that communication between individuals of different clans, gender, age and location had improved following joint training. Additionally, equipped with new skills and competences, the trainees noticed they were receiving more respect from the community and were less likely to join a militia. Beneficiaries such as the Brothers Welding Group, who had successfully set up their own businesses in Kismayo after the training, welcomed the trainers from Beledweyne to transfer both their technical knowledge and inspiration to the other project beneficiaries.

For more information:



“UNIDO and the Japan Center for Conflict Prevention (JCCP) joining hands in Somalia brings the best of both Organizations together to address causes of conflict and achieve maximum impact to prevent and counter violent extremism.”

Rumiko Seya, President of JCCP





Increased resilience and self-help capacities for reconstruction of livelihoods and sustained nutritional food security in South Sudan

Since its independence in 2011, South Sudan has faced continued civil unrest, claiming thousands of lives and having driven nearly four million people from their homes. Inside the country, nearly two million people are displaced, most affected of which are women and youth. At the same time, the country's food security is severely undermined and poverty levels have increased. Therefore, the project aimed at promoting employment opportunities for youth and women and to introduce diversified livelihoods through business activity demonstrations that focus on agribusinesses, food processing, and micro-enterprise trade.

Results

Two food processing centres (baked foods, vegetable processing and juice production) were established, and a modern HPLC testing facility was procured to facilitate the production of safe, quality food. Import and export guidelines for processed food and food products were published, allowing for a standardization of procedures related to food product exchange. Agro enterprises as well as internally displaced persons were trained on operation and utilization of the centres' services, which will help them sell their own products. The project made a valuable contribution towards strengthening the self-help capacities of South Sudan's agricultural sector, which in turn will support the country's long-term economic development.

For more information:





“Promoting agro business adds value - Japan’s support seeks to help South Sudanese stand on their own.”
His Excellency, Mr. Kiya Masahiko, former Ambassador of Japan to South Sudan

“I completed the training to support myself, and to feed my children. One day I will open my own business, and I will be able to run it thanks to the skills I acquired.”

Sunday Yok, project beneficiary



Looking ahead

TICAD provides an excellent platform to discuss the sustainable development of Africa in the context of numerous challenges such as climate change, economic crises, migration, and digital transformation. Japan's strength in business and investment and UNIDO's experience in promoting economic transformation and human security offer an invaluable opportunity to accelerate the achievement of the SDGs and Agenda 2063.

UNIDO stands ready to intensify the cooperation with Japan and beneficiary countries to contribute to the central principles of the 2030 Agenda for Sustainable Development: universality, leaving no one behind, and a strengthened global partnership.

Japan has long been a shining example of the important role of industry for economic development and social progress. Today, it is an undisputed leader in promoting industrial development, innovation, and eco-friendly and energy-efficient technologies. Building on this expertise, youth and adults could be empowered with the relevant knowledge and skills to shape more resilient, inclusive and sustainable societies.

The importance of industry as a driver of economic development has not changed. Industrial development continues to play a major role for employment. UNIDO is exploring new methodologies, approaches and technologies in the way technical cooperation is provided in developing and emerging countries. An increased cooperation between public and private sectors, regional organizations, and development partners is required to support Africa's development and efforts to take advantage of the digital transformation. A higher number of tech-enabled businesses will create additional jobs and open new markets.

The vision for the implementation of IDDA III is to firmly anchor Africa on a path towards inclusive and sustainable industrial development and to contribute to the progress of African countries. Through partnerships and international cooperation we will be able to find viable solutions to face the most fundamental challenges and help the most vulnerable groups, including rural women and youth.









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