Calling the private sector:  
**STRATEGIC PARTNERSHIP FOR A „DIGITAL AFRICA“**

New technologies and innovative solutions will determine the future of our neighbouring continent, Africa. For German and European businesses, digitisation holds clear opportunities for development and huge potential for growth. Through a new strategic partnership in the field of information and communication technology (ICT), German development cooperation will be joining forces with the private sector to support the development and sustainable management of Digital Africa’s potential.

**Africa** is one of the world’s fastest growing markets for information and communication technologies. With over 1 billion inhabitants, Africa offers a huge untapped market whose most impressive features are its young population, growing mobility and technological innovation. Over the last few years modern information and communication technologies have become established in numerous areas of application. According to the World Bank, more than 650 million people in Africa currently own a mobile phone – which means Africa is home to more users than Europe or the USA. And cashless mobile payment is generating nine-figure revenues.

The private sector in Africa faces numerous challenges, however. For German businesses – especially small and medium-sized enterprises – many African countries are largely uncharted territory. The environment for doing business in the ICT sector and the sociocultural setting are difficult to assess. In business and politics, established contacts and trusted partners are usually rare. At the same time, one thing is clear: new jobs and sustainable economic growth can only result from private-sector engagement and increased investment.

The main aim of the new Africa policy of the German Federal Ministry for Economic Cooperation and Development (BMZ) is precisely this: to facilitate fresh economic prospects for Africa – especially with regard to training opportunities, decent employment and income, and a stronger local private sector. The German government’s digital agenda suggests making digitisation a key component of development cooperation. Through ICT, sustainable development goals can be achieved faster, more comprehensively and more effectively. At the same time, transparency and predictability will be increased. Even more important, though, are innovative solutions. These will be facilitated by the use of new technologies.

**OBJECTIVES OF THE STRATEGIC PARTNERSHIP**

The strategic partnership aims to effectively support and underpin private investment and responsible business in the ICT sector through development cooperation measures. This will enable the sustainable management of economic results, and deliver positive economic, social and environmental benefits for the population of Africa.

The strategic partnership also intends to concentrate on German core competencies in the ICT sector. It will focus on selected partner countries with a high potential for implementation, and support the application of ICT solutions in economically important sectors that affect development. These will include education, health, rural development, urban development, the media, public administration and good governance, as well as sustainable economic and financial systems development.

The strategic partnership should appeal to all segments of Germany’s ICT sector – from innovative start-ups to large established companies. It will be as lean as possible, and offer public and private partners a shared platform.
INPUTS BY THE BMZ

The expertise and credibility of German development cooperation in Africa and the proven partnership with the private sector provide an excellent foundation for the strategic partnership.

- Through its continuous dialogue with administrators and policy-makers, the BMZ possesses detailed knowledge of key strategies, policy measures and relevant actors in partner countries.
- The BMZ will work to help create reliable environments that provide certainty for private-sector initiatives and investment in Africa.
- The BMZ and its implementing organisations (GIZ, KfW, DEG, etc.) are trusted partners of local business networks and other key actors for sustainable economic development in Africa, and will support the further networking of these actors.
- The BMZ will support the establishment of basic (ICT) infrastructure by providing finance and technical consulting.
- The BMZ will promote local business and the training of experts in growth industries.
- To support innovation and innovative approaches in partner countries, the BMZ will make this a cross-cutting issue in all priority areas for sustainable and inclusive development in Africa.

INPUTS BY THE PRIVATE SECTOR

As strategic partners of the BMZ, companies will be able to present their engagement as a contribution to sustainable development in Africa, and as part of their strategic business interests.

- Long-term investment will provide companies with reliable supply and distribution structures, help them tap new markets and thus help strengthen the local private sector.
- Companies will enable the transfer of key technologies and profit from reciprocal processes of innovation.
- Companies will systematically involve local experts, invest in their training and integrate disadvantaged sections of the population (especially women and youth).
- By acting responsibly (i.e. by complying with social and environmental standards as well as encouraging partners to comply with them), companies will enhance their reputation, reduce business risks and strengthen local institutional structures.

INVOLVING OTHER ACTORS

Depending on the focus and the context, other actors from the fields of academia and research, non-governmental organisations (NGOs) and international organisations may also be involved and provide valuable inputs to successful implementation of the strategic partnership.

A CALL TO FURTHER DIALOGUE

We would be pleased if you could join us in further shaping the process, setting priorities in the selection of countries, sectors and instruments, and making the partnership a success.

The process of further consultation on and fleshing out of the strategic partnership “Digital Africa” was launched at the BMZ Africa Day “Africa – Continent of Opportunities: Bridging the Digital Divide” which was held at the BMZ on 11 May 2015.

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