

# Ethiopia and JICA Partner on Three-Year Initiative to Strengthen Startup Ecosystem

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**The Ministry of Innovation & Technology (MINT) of Ethiopia and the Japan International Cooperation Agency (JICA) have formalized a three-year collaborative project aimed at significantly bolstering Ethiopia's burgeoning startup ecosystem. The agreement, documented through a signed Record of Discussions, outlines the objectives of this technical cooperation project. The signing ceremony was attended by Kenuske Oshima, Chief Representative of the JICA Ethiopia Office, and Bayissa Badada (PhD), State Minister of Innovation and Technology.**

The initiative, titled the "Startup Ecosystem Enhancement Project in the Eastern African Region," will extend its implementation scope to include Kenya and Tanzania.

Tadesse Anbesse, Head of the Startup Desk at MiNT, indicated that the project will involve the recruitment of technical experts in the coming months. These experts will play a crucial role in assisting throughout the project's lifecycle. He expressed confidence that this comprehensive initiative will build the necessary capacity to formulate effective strategies for addressing the various challenges hindering the growth of local startups.

"This will be much more comprehensive than previous projects," stated Tadesse.

Under the agreement, JICA will undertake the development of a National Master Plan and action plan, facilitate in-depth research and analysis of the startup ecosystem, and initiate pilot projects in collaboration with relevant stakeholders to foster its growth. Furthermore, the project is expected to create opportunities for Ethiopian startups to engage in collaborative ventures and research with corporations based in Japan.

While a high-level agreement on the project framework has been established, specific budgetary allocations for each participating country are yet to be finalized. A detailed project design matrix will be developed by the technical staff who will be recruited in the near future. A key focus area of the project will be to enhance the capabilities of MiNT officials to effectively support ecosystem development.

This new initiative builds upon previous collaborations between JICA and Ethiopia in the startup space. Notably, in 2020, JICA supported Ethiopian startups through Project NINJA (Next Innovation with Japan), which included business plan competitions and acceleration programs. More recently, JICA entered into another three-year agreement with MiNT to support tech-based enterprises and is currently providing direct support to incubation centers within Ethiopian universities.

The current partnership with JICA is anticipated to contribute to a more favorable environment for Ethiopian startups, which have faced challenges in scaling their operations due to financial, legal, and technical obstacles. It is also hoped that the project's focus on international perspectives and technical expertise within the Ministry will facilitate the swift ratification of a long-awaited startup proclamation. Tanzania entered into a similar agreement with JICA in September of the previous year, highlighting a regional focus on strengthening startup ecosystems.