

Remarks made by H.E. Mr. ESTIFANOS Afeworki, Ambassador of the State of Eritrea to Japan and Dean of the African Diplomatic Corps (ADC) in Tokyo on the Occasion of NIKKEI GLOBAL STRATEGY FORUM FOR TICAD VI - May 27, 2016:

- **Mr. Norio Maruyama, Ambassador, Director-General, African Affairs, Department, Ministry of Foreign Affairs, Japan**
- **Mr. Yutaka Kase, Chairman, Committee on Sub-Saharan Africa, Keidanren, and Chairman of the Board, Sojitz Corporation**
- **Mr. Katsumi Hirano, Executive Vice President, Japan External Trade Organization (JETRO)**
- **Excellencies and Dear Colleagues**
- **Ladies and Gentlemen**

African countries (54 of them) are committed and keen to foster trade by encouraging all kinds of private and public investment with Japan especially those with a future to promote export capacity. To make their commitment real, most of our countries in the continent have implemented liberal investment laws, tax regime and adopted a responsible fiscal policy. In most of our countries, domestic capital and FDI are given equal opportunity, and inflow is encouraged and protected by an ideal investment atmosphere.

Foreign capital may establish business entities on its own or in partnership with local capital. Labor laws, tax regime, foreign exchange regulations, business licensing and guarantees are addressed appropriately and have been made responsive to the competitive world situations.

Investment into the development and utilization of the rich natural and human resources; import substituting businesses; introducing new technology to enhance and improve production competitiveness and thereby optimize resource exploitation, which include and not exclude expansion of SMEs and industries; equitable regional growth and development, etc. are wholly promoted and encouraged in Africa, both at the local and regional level. Most of our countries have an established centralized "one stop"- licensing center to facilitate the speedy formation of business ventures.

Ladies and gentlemen,

Companies from Japan can participate in different forms of business organization, including ordinary partnerships, limited partnerships, share companies formation in various investment areas of our countries through ODA loan, equity and shares.

In most of our countries investment are expected to give priority in employment to the locals with the requisite qualifications. In the absence of national experts, investors may employ expatriates in technical or managerial level, but might be obliged to train nationals during their ventures to replace expatriates.

Some of the unique free zones engaged in trading, industry, storage or other activities in strategic location of our countries need not pay any tax including personal tax on profit, bank interests from accounts, or bank business documents or shares.

African countries are endowed with diverse and huge unexploited resources. The balance between natural resources and population is at its lowest stage with ample opportunities for future development via synchronized mutual investment ventures.

African countries' prospects for harnessing their natural resources, especially agriculture, fisheries (marine resources) through the enhanced participation of the public and private participation of investment from Japan and other partners are not only extremely high and but very useful to the national development imperatives of our countries at this juncture of their history.

African countries when appropriately approached and partnered can also serve as a hub for regional and international business, investment and financial dealings from Japan.

Agriculture, industries, fisheries/marine resources, manufacturing, natural resources, tourism, transportation, infrastructure, other services: such as banking, insurance and financial system are seen as priorities of priorities where our governments in Africa shall give support to your ventures from Japan.

Production of food and export cereals, cash crops, animal husbandry, livestock fattening, poultry, animal feed, forest products, fruits, vegetables, flowers, fresh and processed dairy and meat products, hides, skins and leather production, sea food processing, aquaculture, boat construction/maintenance, beach/marine resorts, dive centers, cruise/boat charters, water sports, hotels, restaurants, entertainment, golf course, sport clubs, leisure centers, conference/convention centers, tour itineraries, hot springs, parks and reserves, roads, railways, dams, sea and airports, water supply, power, telecommunications, business and residential houses, modern land, air and sea transport systems, hospitals, schools that can meet domestic, regional and international demands, etc. do provide immense opportunities to companies from Japan.

All these opportunities that I just mentioned and what each and every African country complements with many more others that I didn't can avail themselves by providing their already existing business base in the very strategic locations of Africa facing the economic neighborhoods of Middle East, Asia, America and Europe. Especially the blue economy of Africa is there, virgin, alive and kicking, to intertwine with the developed economies – crisscrossing the Indian Ocean, Red Sea, Mediterranean and Atlantic Ocean.

Representing the world's highest economic growth arena, Africa has now entered into an age of investment as opposed to just traditional aid. There is an increasing move towards leveraging aid for greater trade and investment and to

supporting small and medium sized enterprises, which are the backbone of African economies.

Therefore, I believe, given this changing background, it is time for the Japanese government and relevant private stakeholders, to be engaged constructively with African leaders through TICAD VI, which will be held in Nairobi Kenya coming August 2016. Tokyo International Cooperation on African Development, as it stands today, remains a key component and facilitator of Japan and African countries business tie-up mechanisms. Hence I believe, given the current background of the opportunities in our continent, the corporates of Japan will transform their approach and attitude to reflect the economic growth priorities in Africa. Those corporates who treat these huge opportunities with indifference will definitely pay for their neglect.

To conclude, welcome to Africa. Don't forget to *Come and See* my country Eritrea. Seeing is believing. Lets build a bridge of partnership between African counties and Japan businesses together.

Thank you,