

**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 the Luncheon with ADC Ambassadors hosted
by UNIDO during the Visit of Mr. Li Yong Director General
of UNIDO to Japan 14th May 2015**

Mr. Li Yong Director General of UNIDO

Distinguished officers of UNIDO

**Excellencies, Ambassadors present from Eastern, Western,
Southern and Northern Africa**

First let me thank and express our gratitude to UNIDO Tokyo for organizing this luncheon meeting with the African Diplomatic Corps Ambassadors.

Let me also begin my remarks by stating the obvious in this meeting of today:

Many African countries used to export food during the 1960th. The average GDP per capita of African countries was higher than the Asian countries from 1960th to the mid 1970th. Many African countries are importing food; and GDP per capita of countries in Africa is far lower than in Asia in 2015.

No matter how we see and interpret the global economic situation, it is practical and very useful to recognize the prevailing winds of change influencing global economic climate is Asia today. And, Africa is geographically next-door or we can safely say it has become a sort of a backyard to these economies. And because of this phenomenal change of the emerging economies in Asia, their reflection and influence to the economies of Africa has become more prevalent now than any time in the past.

The current FDI growth in Africa seems to be led by a few specific industries i.e. oil and gas, utilities (e.g. telecommunications, energies), banking and real estate.

Inflows to Africa are expected to continue to increase against a background of high volume of new project commitments from Japan, S. Korea, China, India, Malaysia, Thailand and other Asian countries to Africa. Nonetheless, Africa's current share in global FDI remains much lower than it used to be in the 1970's and early 1980's. As a whole, five countries (South Africa, Egypt, Nigeria, Morocco and Sudan) account for more than 70% of the region's inflows.

South Africa registered the largest inflows i.e. other leading recipients were Chad, Equatorial Guinea, Sudan, Algeria, DRC and Tunisia, which essentially were in the oil and gas investment sectors.

Prospects for FDI rise as Trans National Corporations (TNCs) from the emerging Asian countries investments i.e. in oil, gas and mining developments in many African countries are on the rise at present.

In the past decade, Trans National Corporations from Asia have begun to show a growing interest in Africa's investments. But still, FDI inflows to Africa are tilted towards primary production (mainly in oil, gas and minerals), although significant increase has occurred in the service sector particularly in banking. There is a new surge of interest for rare metals, precious metals, base metals and industrial minerals in African countries today.

Manufacturing activities did not feature prominently in FDI inflows into Africa in the past decade. Prospects for growth of FDI inflows into Africa are currently good. Rapidly rising commodity prices will be pivotal to this continued increase of

course. The regional picture, however, is not uniformly upbeat across all the sectors of our economies. African countries industrial progress still requires competitive production capacity, in addition to a better market access and a welcoming domestic regulatory framework and environment.

Honorable participants

African dream of development shall remain obscured when the countries are exporting gold, oil or gas to import food. African countries' food security and agricultural/fisheries value added food chain development is a challenge that needs to be tackled yesterday.

African dream of development shall remain more obscured if foreign and local investments don't tap in in the huge human and natural resources of our countries and industrialization become a norm in all sectors of our economies.

In conclusion let me also state, on behalf of myself and the African Diplomatic Corps present, that we are confident that the combined actions of UNIDO, Africa's governments and their development partners in the public and private sectors will tackle the challenges successfully, and accelerate the continent's industrial development.

And let me take this opportunity to call upon UNIDO to play a pivotal role, as a catalyst, in our countries of Africa to achieve this through the TICAD process and other partnership formulas offered by Asian countries to African countries

Thank you!