



SADC – JAPAN INFRASTRUCTURE INVESTMENT SEMINAR, TOKYO JAPAN, 14 – 15 MARCH 2012

In an effort to attract investment to scale up infrastructure development in the SADC Region, given the importance of infrastructure as a pivotal means for regional integration and accelerated development, the Group of SADC Ambassadors in Japan in collaboration with the SADC Secretariat and the Ministry of Foreign Affairs of Japan, organised and convened the “**SADC-Japan Infrastructure Investment Seminar**” held in Tokyo, Japan on the 14th and 15th March 2012. The Seminar directly engaged the Government and business community in Japan and showcased the SADC infrastructure portfolio of projects, particularly in the priority areas of energy, transport, communications/ICT and water.

The key objectives of the Seminar were, among others, the following:

- Creating awareness within the Japanese business community on the obtaining investment climate in the SADC Region,
- Creating awareness of the investment opportunities in the area of infrastructure and ICT;
- Creating an opportunity for the SADC Region to present the portfolio of regional infrastructure projects to the Japanese business community and facilitating engagement between investors and SADC Member States/utilities;
- Exploring the modalities for financing the identified infrastructure projects in SADC; and
- Creating opportunities and avenues of negotiations on investment in SADC infrastructure projects with Japanese investors.

The Seminar was opened with remarks from Mr. Kato, the Parliamentary Vice Minister of Foreign Affairs of Japan and a keynote address by Honourable Mr Augusto Da Silva Tomas, Minister of Transport of the Republic of Angola, who is also the current Chairperson of the SADC Cluster of Ministers responsible Infrastructure. The Minister hailed the integrity of Japanese technology and the role Japan has played to date in the development of Africa. He

underscored the opportunities that were at the disposal for both Japanese public and private sector investors.

The Seminar, which is part of the SADC efforts to boost resource mobilisation for infrastructure investment in the region as a means to promote intra-regional trade and enhance regional integration, was attended by over 250 delegates with two thirds of them coming from the Japanese Business Community and the rest from SADC Member States. The SADC Secretariat and the Common Market for Eastern and Southern Africa (COMESA) East African Community (EAC) and SADC Secretariat attended the Seminar. The Seminar was sponsored by Japan International Cooperation Agency (JICA), Japan Bank for International Cooperation (JBIC), Japan External Trade Organisation (JETRO) and United Nations Industrial Development Organisation (UNIDO).

During the opening session, Engineer João Samuel Caholo, SADC Deputy Executive Secretary for Regional Integration gave an overview of the investment climate in the SADC Region and highlighted the investment opportunities in regional infrastructure development particularly in the priority sectors of energy, transport, communication/ICT and water. In the same session, Mr Noke, the Deputy Director General in the Ministry of Foreign Affairs of Japan underscored the importance of infrastructure development through Public Private Partnerships (PPPs) while Mr Totoki, Director of Middle East and Africa Division of the Ministry of Economy, Trade and Industry (METI) of Japan presented METI's activities in Africa. Ms Nilguen Tas and Mr Mitat Kulur of UNIDO also presented UNIDO's activities in the SADC Region. The Government of Japan also re-affirmed its support to SADC infrastructure within the framework of the Tokyo International Conference on African Development (TICAD) IV and the Yokohama Declaration and Action Plan of 2008.

The Seminar was organised into sessions, which discussed the following topics:

Session 2: Financial Modalities

Session 3: Investment opportunities in Water and Energy

Session 4: Investment opportunities in Transport and Communications

The SADC Secretariat presented the Region's priority projects as follows:

- Generation and transmission projects aimed addressing current challenges relating to regional energy security and national energy security, as elaborated by the SADC Southern African Power Pool Plan, based on least cost options for the sector;
- Priority projects in the various SADC Corridors relating to rehabilitation, expansion and modernisation of road, rail and ports related projects;
- Priority projects relating to the development of ICT broadband networks as part of implementation of the SADC Regional Information Infrastructure; and

- Priority water projects within the SADC Strategic Water Infrastructure Development Programme relating to water supply and sanitation, irrigation and hydro-power development within the SADC region and its Member States.

In addition to presentations on regional projects, the Seminar on its second day, provided an opportunity for SADC Member States to engage the Japanese business community on bilateral basis to discuss areas of mutual interest and opportunities for investment during the networking sessions.

The conference made the following notable observations, outlined below:

- That the SADC region in general, has created a conducive environment for investment by among other things, implementation of the Protocol on Finance and Investment, to put in place fundamentals aimed at investment promotion and facilitation;
- That SADC has established a Project Preparation and Development Facility (PPDF), as a window of the SADC Development Fund, to facilitate preparation of bankable projects;
- That the establishment of the Tripartite of COMESA, EAC and SADC enhances the opportunities for investment in Southern Africa. The Tripartite holds over 60% of Africa's population and contributes over 50% of Africa's GDP (2010);
- That the private sector can play an important role in the development of infrastructure to facilitate regional integration, hence the importance of developing strategic partnerships with Japanese investors under the auspices of the TICAD framework.

Based on the presentations and ensuing discussions, it was agreed that:

- The outcome of the Seminar will be presented to the upcoming TICAD Ministerial Follow-up Meeting to be held in May 2012 as well as to the next SADC Council of Ministers Meeting to be held in August 2012;
- The outcome of bilateral discussions and investment interests expressed need to be noted and followed up;
- A project identification and follow-up mechanism consisting of representatives from the SADC Group of Ambassadors (assisted by the SADC Secretariat) and the Japanese Government (assisted by the Japanese business community) should be instituted;
- A follow-up mechanism should be developed and incorporated into the annual planning cycle of the SADC Secretariat;

In his closing remarks, the Dean of SADC Ambassadors in Japan, who is also the Zimbabwe Ambassador to Japan, Mr Stuart Comberbach, expressed his appreciation to all those from both the Japanese and SADC side, that had contributed immensely towards the preparations and the running of the seminar, notably the Ministry of Foreign Affairs, JICA, JBIC, JETRO (from the Japanese side) and the Committee of SADC Ambassadors as well as the SADC Secretariat. He also hailed the overwhelming participation of the SADC Member States and its business community from the SADC region.

The Conference was held in a frank, cordial and open atmosphere, which provided for fruitful discussions and reinforced the sense of partnership between the SADC Region and the Japanese business community.

Tokyo, Japan
15th March 2012