

JAPAN-AFRICA BUSINESS FORUM

**HOW TO SUCCEED IN AFRICA:
UNLOCKING GROWTH AND OPPORTUNITIES IN AFRICA**



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Risk Factors

- ◆ Risk of losing investment constitutes one of the biggest concerns for investors;
- ◆ African countries are seen s risky because they are distant, remote and unknown to those with capital;
- ◆ Uncertainty of political stability due to frequent wars and changes in political leadership;
- ◆ Uncertainty due to inconsistency policy framework

- ◆ Lack of legislation to protect investment;
- ◆ Foreign exchange restrictions and uncertainty due to exchange rate deterioration/fluctuation;
- ◆ Lack of or low technology and poor work culture;
- ◆ Poor or inadequate infrastructure including roads, rail, telecoms, storage facilities;
- ◆ Land tenure due to uncertainty of land management legislation;
- ◆ Slow public service or poor responsiveness.

Risk Mitigation

- ◆ Overall change;
 - ◆ Most African countries have changed considerably over the last 20 years and faster in the last decade;
 - ◆ All African countries are members of AU which enforces a code of behave;
 - ◆ African countries belong to one of the six (6) Economic Communities which have code of practice, e.g. SADC and COMESA;
 - ◆ African countries have established constitutional provisions and investment based on specific legislation

Securing Investment: The case of Zambia

- ❑ Encouraging private sector-led investment, Private-Sector;
- ❑ Joint Ventures between local people and Japanese; Investors, as well as Public–Private Partnership, where these can best serve private sector investment needs;
- ❑ Promoting **Value-Addition** to its several natural resources/raw materials in areas with advantageous endowment;
- ❑ Having specific Laws which have been established through the regulatory and supportive institutions:
 - ✓ Zambia Development Agency (ZDA)- ACT 2006 (***for Foreign Direct Investment and Private Sector***)
 - ✓ Citizens Economic Empowerment (CEEC) ACT – 2006.

- Youthful population
 - ✓ 84% up to 35 years
 - ✓ 68% up to 25 years;
- Millions youth seeking productive work
- Some readily available Industrial Infra-structure;

Benefits

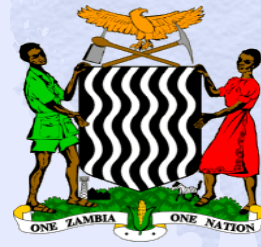
- ◆ Land and water availability;
- ◆ High payback and Internal Rate of Return (IRR);
- ◆ Free foreign exchange management

Conclusion

**YOU HAVE AN OPPORTUNITY TO
COME AND INVEST SAFELY IN
AFRICA AND ZAMBIA**

***THE INVESTMENT OPPORTUNITY
WINDOW DOES NOT LAST
FOREVER.***

SO COME NOW.



THANK YOU