

Asia/Africa/Arab 55 26th regular meeting

2023/5/31 18:00~20:30

AWLF participants: Ai Sasaki (Chairperson), Shoko Zama (Assistant Director)

A summary of the contents is provided below as a report of AWLF participation.

Moderator: Urara Kitamura

【Part One】

■ Opening remarks

Mr. Hisafumi Koga, General Incorporated Association Asia-Africa 20 Chairperson

- Hosted by the Ambassador of the Republic of Malawi
- Half a month ago, the G7 summit was a great success. It was of great significance that the leaders of each country actually saw the tragic situation and agreed to abolish nuclear weapons. Inviting people from the Global South was also a big point. People of the Global South are essential to establish freedom and democracy.
- Six years ago, our organization strongly felt the need for this, and started with 10 countries each in Asia and Africa. Currently, Arabs are also welcomed, and 55 countries.
- I am proud that cultural and economic exchanges at the private sector level will lead to the realization of the world we are aiming for at the G7 Summit.

■ Greetings from the host ambassador

His Excellency Mr. Kwacha CHISIZA

Ambassador Extraordinary and Plenipotentiary of the Republic of Malawi

- Malawi is a landlocked country in southern Africa.
 - Area: 118,000 km Estimated population: 20 million
150 million people including neighboring countries A country with extensive business opportunities
 - Malawi has never had a civil war or a war with another country in its history. I will continue to do so. Stable land suitable for running a business
 - Malawi has investment opportunities in agriculture, energy, industry and tourism.
 - I think the reason for my presentation this time is to convey and show the significance of a new era for investment in Malawi.
- Malawi is called the warm heart of Africa
- Malawi Embassy provides strong support for investment

■ Malawi Investment and Trade Center (MITC)

CEO Mr. Paul KWENGWERE

- I will talk about investment opportunities in Malawi.
- The government of Malawi provides incentive programs for investment.

○ Malawi at a glance

- Population at 20 million, 80% below 35 years
- GDP growth 0.9% (2022), per capita US\$634.8 (2021)
- Agro-based economy, contributes 23% to GDP

- Main exports: tobacco, tea, coffee and sugar
- Emerging value chains; oil seeds, macadamia nuts, legumes
- Key sectors for investment: Agri- culture / Agro Processing: Mining: Energy and Tourism

○Reason for investment

- 1 is stable
- 2 Safe (Rational investment process is prepared)
- 3 Good access to markets

○Examples of incentives

●General Incentives All priority sectors

- Import duty and import VAT exemptions on importation of most machinery
- Import duty and import VAT exemptions on importation of special purpose vehicles
- Losses carried forward up to 5 years
- 100% capital allowance on cost of new and unused machinery

●Priority Industry:Agro-processing & Power Generation

- Tax holiday up to 10 years
- Exemption of duty on importation of capital goods and building materials

For minimum investment capital of US\$5 million for agro-processing and US\$30 million for power generation

●Industrial Rebate Scheme:Manufacturing

- Import and excise duty exemption of raw materials for designated manufacturing industries, but VAT is payable at 16.5%.
- Raw materials for the manufacture of fertilizer, medicaments and pharmaceuticals are both import and VAT free under the scheme

○The One Stop Service Centre to Facilitate your Investment

- 4 institutions under OSSC to facilitate your investment process
- 1. Malawi Revenue Authority
- 2. Registrar of Companies
- 3. Department of Immigration
- 4. Ministry of Lands
- Minimum investment requirement: US\$50,000
- There is a system that can receive one-stop service
 - We also support the permitting process.
 - We have a support system in place because we are able to cooperate with most ministries and agencies

○Example <Energy Solid Municipal Waste to Energy>

○Example:<INFRASTRUCTURE: Rehabilitation and Upgrading of the Limbe-Bangula Railway section>

- Goal : Reduce transportation cost through facilitating modal shift from road to rail and reduced road maintenance
 - Modal shift in road maintenance Switching transportation from road to rail
 - A public-private project to create a product that can withstand up to 20t
- A certain amount of milestones have been reached. Currently 15t is OK, so it reaches 70% strength.

○CONTACT US

www.mitc.mw

■ Keynote speech

Mr. Yutaka Arima, Minister for Foreign Affairs, General Manager for Southern Asia

- Introducing the highlights of the Hiroshima Summit
- I will talk about the contents of Prime Minister Kishida's speech in Nikkei "Future of Asia".
- According to Prime Minister Kishida's speech, the G7 Hiroshima Summit had three important achievements.

(1) The importance of strengthening a free and open international order was discussed

- In the midst of the Russia-Ukraine war, the international community united

(2) G7 approached and invited the global south which is an international partner this time. This should be further strengthened

- The various global issues (including environmental issues) that we face must be addressed with feasibility on a daily basis.

• We must work together to address not only the problems of Ukraine, but also the global problems of the G7 countries.

• Prime Minister Kishida talked about four important points in a conversation with Ukrainian President Zelenskyy

1. Claim and defend all sovereignty and territorial integrity
2. Various problems and conflicts should be resolved peacefully through dialogue
3. Armed solutions should not be tolerated anywhere in the world
4. Importance of a free and open international order

(3) Results of the Hiroshima Summit

- The message that the use of nuclear weapons is unacceptable was shared among the participating countries.

• The leaders of each country actually visited Hiroshima's Peace Park and Memorial Hall and saw how tragic the situation was.

• With the above three major achievements, I would like to promote what was raised at the Hiroshima Summit at future international conferences.

• There were many keywords such as "Free". "Free" means that each country has sovereignty regardless of the size of the country. The rule of law is important for that. Open refers to adhering to the principle of openness.

• A fair economic order is important. It should not be used to the advantage of any one country.

• Accept diverse values, cultures and values. Practically solve various problems through dialogue while staying close to each other

• In ASEAN, Japan is advocating the concept of "heart-to-heart communication." Partners on an equal footing. This is the attitude of all countries. Must work with mutual trust and respect

■ Company video introduction

MR. Maffat Hamilton Gama, Processing & Services Director at JTI (Japan Tobacco International) Malawi Office