

Lecture on the friendship and Cooperation between Japan and Côte d'Ivoire Tokyo, September 15, 2021



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Introduction



Economic Data 2020

- ☐ Currency: XOF CFA Franc; 1 yen = 5 F CFA
- ☐ Gross Domestic Product: US \$61.348 billion
- ☐ GDP per capita: US \$2,278
- **□** GDP growth: 5.03%.
- ☐ GDP Distribution
- Agriculture: 20.1%.
- Industry: 26.6%.
- Services: 44%.
- ☐ Inflation: 2%.
- ☐ Incoming Foreign Direct Investment: US\$ 1009 million

I- Political relation Japan-Côte d'Ivoire

Political and diplomatic relationship between Japan and Côte d'Ivoire were established on August 7, 1960, the date of the independence of the country. The opening of the Embassy of Japan in Côte d'Ivoire took place in 1964. As for Côte d'Ivoire, the country opened its Embassy in Japan in 1965.

The relations between Japan and Côte d'Ivoire are therefore old and excellent. They have been developed and strengthened by two peoples, but especially by two leaders, namely His Majesty Emperor HIROHITO, grand father of His Majesty Emperor NARUHITO and His Excellency Felix HOUPHOUET-BOIGNY, the First President of the country, whose model was Japan to build the Ivorian nation.

At the political and diplomatic level, Côte d'Ivoire attaches great interest to relations with Japan.

I- Political relation Japan-Côte d'Ivoire (contd)

In 2014, the two countries commemorated the fiftieth anniversary of the opening of the Japanese Embassy in Côte d'Ivoire. This commemoration concided with the historical visit of Prime Minister ABE Shinzo to Côte d'Ivoire, the first visit made by a Japanese Head of Government in the French speaking country in West Africa.

Before that the President Alassane OUATTRA visited Japan in August 2013 on the occasion of TICAD V in Yokohama, following by the visit of the late Prime Minister Amadou GON COULIBALY in August 2019, who led the Ivorian delegation to TICAD 7 in Yokohama.

The President Alassane OUATTARA visited once again on October 2019 as part of his participation in the enthronement ceremony of His Majesty NARUHITO, the new Emperor of Japan. It should be noted that Côte d'Ivoire and Japan are in a dynamic process of strengthening their historical ties in the best interest of their respective peoples.

In this regard, the two Governments got the mutual support for the candidacies presented by their countries in the framework of elections to certain posts within International Organizations. For example, during the last Universal Postal Union (UPU) Congress held in August 2021 in Abidjan, the candidate of Japan Mr. METOKI Masahiko has been elected as a new Director General with the support of Côte d'Ivoire.

II- Economic and Trade Cooperation

Japan Cooperation started its interventions in Côte d'Ivoire in the 1970s and JICA opened its Representative office in Abidjan in 1992. At that time, JICA provided assistance mainly in traditional sectors such as agriculture, basic education, health and drinking water supply.

The official visit of Japanese Prime Minister Shinzo ABE in 2014 further accelerated the Japanese assistance in favor of Côte d'Ivoire.

With regard to trade cooperation, the volume of trade has known high and low levels in recent years.

II- Economic and Trade Cooperation (contd)

Trade volume between Côte d'Ivoire and Japan in 2019 was estimated at USD 167,932 million as shown in the table below:

(Value in millions usd)					
Year	2015	2016	2017	2018	2019
Export	6,132	2,957	2,359	2,836	3,045
Import	232,552	220,372	225,471	235,897	164,887
Trade balance	-226,420	-217,414	-223,111	-233,060	-161,841
Global Trade	238,685	223,329	227,829	238,734	167,932

The main products exported to Japan are cocoa beans, cotton, rubber and mining products. Products imported from Japan include marine products, automobiles, tractors, tricycles for agriculture, clothing, household appliances.

II- Economic and Trade Cooperation (contd)

In terms of investments, Côte d'Ivoire has registered the establishement of some Japanese companies, the main ones being: MITSUBISHI, AJINOMOTO, TOYOTA TSUSHO, ITOCHU and MARUBENI Corporation. However, this number does not reflect the level of our bilateral cooperation, which is, in my opinion, far below the potential of our two countries.

Since 2013, the Ivorian Government has been engaged in a process of constant improvement of the business climate with a focus to welcoming foreign investments, including those from Japan.

In addition, since August 2018, our country has a new investment code which contains a set of incentives put in place in order to adapt the private investment regime to the new economic data, especially to the growth prospects.

II- Economic and Trade Cooperation (contd)

The main objective of this investment code is to encourage and promote the investments in Côte d'Ivoire by leading it towards the processing of its local raw materials.

As far as Japan is concerned, the idea of establishing a "Committee for the Improvement of the Business Environment for the Promotion of Japanese Foreign Direct Investment (FDI) to Côte d'Ivoire", advocated by Prime Minister ABE Shinzo during his visit to Côte d'Ivoire in 2014 in order to encourage the establishment of Japanese companies has manifested itself through the creation in August 2017 of the "Japan Desk" at the Centre for Investment Promotion in Côte d'Ivoire (CEPICI) and the signing in January 2020 of the Agreement on the Reciprocal Promotion and Protection of Investments between the Government of Côte d'Ivoire and the Government of Japan. This Agreement entered into force since March 2021.

III - Bilateral Agreements between Côte d'Ivoire and Japan

In addition to this institutional framework, Côte d'Ivoire and Japan have strengthened their economic cooperation at the bilateral level by signing an Agreement on the Promotion and Protection of Investments in Abidjan on 13 January 2020, as I already mentioned.

Through this Agreement, Japanese investors will be better protected and will be free to invest their capital and earnings or to return to them.

Besides the Agreement on the Promotion and Reciprocal Protection of Investments, a Memorandum of Understanding (MOU) was signed in 2016, in Nairobi, Kenya between JETRO and CEPICI. Also a MOU was concluded in 2016 in Nairobi, Kenya between the Ministry of Health and Public Hygiene of Côte d'Ivoire and MARUBENI Corporation for the rehabilitation of the Cocody Hospital and University Centre. These different agreements represent the strategic framework for our cooperation.

Indeed, the education and training component of our cooperation is more active with the granting by Japan in recent years of training scholarships to young Ivorians in various fields through the training programme "African Business Education Initiative for Youth", known as ABE Initiative, set up under TICAD process.

III - Bilateral Agreements between Côte d'Ivoire and Japan (contd)

This Master's program, intended for young Africans, is endowed with a scholarship. At the end of the training, the students return to their respective countries to contribute to their development. They could be, if necessary, employed by Japanese companies established in their countries. Up to now, 24 Ivorian students have already benefited from this scholarship.

Côte d'Ivoire would therefore like to rely on a solid and confident partnership with Japan, the world's 3rd largest economy, in the implementation of its National Development Plan (NDP). With a population of approximately 126 million inhabitants, Japan represents an opportunity for the Ivorian economy to export its agricultural products, which are still very little exploited.

As far as Côte d'Ivoire is concerned, with only 26 million inhabitants and nearly same surface area like Japan, Japanese companies have an opportunity to get the land in order to establish and develop their branches in Côte d'Ivoire.

IV - Outlook for Ivorian-Japanese relations

The outlook is promising, but it is up to the Ivorian and Japanese relevant authorities to identify together the eventual difficulties in the implementation of some sectors of the activities of this cooperation in order to find the solutions and to organize the new foundations of solid and mutual partnership for both parties.

The existing bilateral agreements certainly constitute a strategic framework for our cooperation, but this framework will benefit from being supplemented by other agreements currently being examined or negotiated, such as the Draft Framework Agreement on Cultural Cooperation and the Draft Tax Convention for the Avoidance of Double Taxation. These agreements will bring assurance and confidence to the business communities of both countries.

Conclusion

Through these agreements, the initiatives of our economic actors, our young students like you and businessmen, as well as our people themselves, will revitalize the cooperation between Côte d'Ivoire and Japan.

Thank you for your attention.