

**REMARKS BY
MR ATSUSHI KUWABARA,
CHARGÉ D’AFFAIRES AD INTÉRIM OF JAPAN,
ON THE OCCASION OF THE LAUNCHING CEREMONY FOR THE
REMANUFACTURING PLANT FOR
HITACHI CONSTRUCTION MACHINERY ZAMBIA
LUSAKA, 15th JUNE, 2012**

Honourable, Mr. Alexander B Chikwanda, Minister of Finance of the Republic of Zambia,

Hon. John Phiri, Minister of Education, Science, Vocational Training and Early Education,

Honourable Vice Ministers,

Mr. Yukio Arima, Vice President, Hitachi Construction Machinery,

Distinguished Guests,

Ladies and Gentlemen,

It is my great pleasure to share this memorable occasion with all of you to mark the official launch of the remanufacturing plant of Hitachi Construction Machinery Zambia.

Like many of you, today, I came from the centre of Lusaka on the Great East Road. On the way, I saw signboards with Japanese and Zambian flags put up in commemoration of Japan’s assistance to improve the road. In fact, in the past 20 years, Japan has supported 126 km of roads in Lusaka alone. And another 15 km will be added with the Inner Ring Road. So every time we go to the airport, we feel proud of the Japanese people, and appreciate the Zambian people for remembering our cooperation.

But today, as I see Japanese and Zambian flags fluttering in the sky, I am even more gratified --- gratified because it opens a new chapter of the Japan-Zambia economic relationship: not a one-way relationship, but a mutually beneficial partnership.

At the groundbreaking ceremony for this plant, Hitachi Construction Machinery was congratulated for making the wise decision to invest in Zambia. Now, with the success of this plant, let us prove that their decision to invest in Zambia as a land-linked regional hub among surrounding countries was indeed a wise decision with foresight. Of course, Hitachi Construction Machinery will make every effort to succeed, but their success cannot be achieved just by them alone. I count on the Zambian leaders and officials to uphold a business-friendly environment with transparent regulations. The Embassy of Japan, on our part, will spare no efforts for the success of this plant.

Zambia's splendour and attractiveness, apparent to all of us present today, is not yet fully known to Japanese businesses --- potential investors in Zambia. Their interest in Zambia and the region is rising. In the last Tokyo International Conference on African Development, or TICAD, in 2008, a target was set to double Japan's direct investment in Africa to 3.4 billion US dollars. I am pleased to report to you that the five-year average value of Japan's investment to Africa through 2010 was 5.2 billion US dollars, thereby greatly exceeding the target. Japanese companies will watch closely the case of Hitachi Construction Machinery Zambia to evaluate Zambia as an investment destination. They will learn from the success of

this plant. They will learn from the difficulties this plant may face. So let us together generate a good model.

Honourable Ministers, Ladies and Gentlemen,

Foreign direct investment not only creates jobs but also induces change in manufacturing and business by combining technology, labour, capital and the market. In the past, Japanese manufacturers themselves introduced and improved foreign ideas on quality control, and changed the image of products “made in Japan” from cheap to high quality in a matter of decades. I believe that Hitachi Construction Machinery, as one of the most experienced Japanese companies operating globally, will provide a good example of world-class skills, quality control and work ethics, and contribute tremendously to the enhancement of technical capacities and working methods of the Zambian workforce.

Honourable Ministers, Ladies and Gentlemen,

The signboards on the Great East Road say “Welcome to Zambia” on one side and “Bon Voyage” on the other. In closing, I wish to offer both of these messages to Hitachi Construction Machinery Zambia --- Welcome to Zambia, and may your journey to the surrounding countries be full of success and excitement.

Thank you very much for your kind attention.

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