



Investment of
MARUHA Corporation
in Africa

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Maruha's Investment in Africa

- Countries : Mozambique & Madagascar
- Business : to catch / culture shrimps
- Long history
 - Since 1963 (Madagascar) : 40 years
 - Since 1973 (Mozambique) : 30 years
- Joint venture
 - Gov-t of Mozambique : Maruha = 51% : 49%
 - Gov-t of Madagascar : Maruha : Others
=42% : 47% : 11%

Great contribution for economy of the two countries

- Jointly in Mozambique & Madagascar,
 - Catch natural shrimps : 5000 tons / annually
 - Culture shrimps : 600 tons / annually
 - Export US \$40 million frozen shrimps to Europe & Japan
 - 1,900 workers
- Share of export of Maruha for two countries
 - 6 % of total Mozambique export
 - 3 % of total Madagascar export





Volume of Investment from Maruha

- Mozambique since 1973 :
 - 6.2 billion yen

- Madagascar since 1963 :
 - 7.6 billion yen

Challenges for African Investment

1. Resources management policy
2. Protection of investors' interests
3. Remittance of profits / Devaluation of local currency
4. Taxation
5. Human Resources Development
6. Labor relations

1. Resource management policy

- Resource management policy by African countries are very important.
- Scientific approach
- Balance
 - Resource protection
 - Sustainable & profitable business

2. Protection of Investors' interests

- Stable & predictable policy is vital
- Sudden change of quota for catching prawns should be avoided

3. Remittance of profits / Devaluation of local currency

- 1970 – 1980 : remittance of profits are limited
- Devaluation of local currency : 1/600
(from 1978 to 2002, to US\$)

Decrease of profits

4. Taxation

- Heavy tax on fuel oil
- Price of 1 kl. fuel oil = US\$ 400
 - Two times higher than in Indonesia

5. Human resources development

- Vocational education is precondition for technology transfer
- Assistance in education area : priority

6. Labor relations

- Labor laws
 - Too much emphasis on labor protection
 - Little protection for company's interests



Thank you !

MARUHA CORPORATION