



“Bahrain will need Japanese technology for its own future development as well as to sustain its economy in the short and medium terms in many different sectors”

Interview

His Excellency Takeshi Kondo **Ambassador of Japan to Bahrain**

Your Excellency, how would you characterize relations between Japan and Bahrain?

I think that I can use three words to describe those relations: Excellent, Happy and Important. I will tell you why:

- ✧ **Excellent:** Relations between Japan and Bahrain have been excellent for almost a century. Bahrain was the first country to export a crude oil to Japan in 1934. As you know, oil was discovered in Bahrain in 1932 and the first cargo of crude oil to be exported was to Japan. Previous to that date very interesting commercial relations existed between the two countries. These relations have continued to grow and remain excellent at the present time. Last year, Japan imported oil, aluminum and other products from Bahrain for a total amount of 400 million dollars. On its part, Bahrain brought Japanese products for a total amount of 1 billion dollars. Those amounts have been increasing over the past few years and we expect them to continue to increase in coming years.

There has been a very interesting development in relations between the two countries. Last October, His Highness the Crown Prince, Sheikh Salman made his first visit to Japan and he was received by the highest authorities in Tokyo,

including the Emperor, the Crown Prince, the Prime Minister, and the Minister of Foreign Affairs. He made a major speech in Waseda University referring to the relations between the two countries as well as the future of Bahrain and the G.C.C. Countries.

Moreover, last year, we established the first Bahraini-Japanese Friendship Society. This society is organized and managed by the private sectors of the two countries. What is more, two years ago, Japanese and Bahraini Parliamentarians agreed to establish the Bahraini-Japanese Parliamentarians Group in order to organize business trips for parliamentarians from each country.

Such examples of cooperation are numerous, and, as you can see, relations between the two countries are excellent at all levels.

“Many projects have been accomplished by Japanese companies including petrochemical, aluminum, gas and telecommunication projects as well as the designing of the Arab Gulf University building”

✧ **Happy:** As a result of these excellent relations there are good prospects for the future; we are sure that our relations will be even closer in the future and we are happy to build on existing ties.

Many people are talking about mutual enhancement of exchanges in several sectors, not only business sectors but also in the sphere of culture. I would like to point out an exhibition of drawings by Bahraini and Japanese children that received much acclaim in both countries. Although this is only one small instance, it reflects the large number of cultural exchanges that exist on a variety of levels.

Another example is the 'Boat Used Worldwide' project, which enabled young Bahrainis to visit Japan. Additionally there is also a decorative panel designed by Bahraini children denoting the flag of the Kingdom of Bahrain in red and white origami (the traditional Japanese art of paper folding) in which cranes symbolize Bahraini youngsters hopes for world peace. The children involved took part in an origami workshop held at the Youth Innovation Centre in cooperation with the Japanese Embassy and the alumni of the Bahraini Ship for World Youth, in July 2007.

Many such projects took place simultaneously and are an excellent reflection of bilateral relations.

✧ **Important:** As I said in my opening words, Japan is importing almost 90% of its oil from Bahrain. Thanks to excellent commercial and diplomatic relations, both countries are contributing to prosperity and peace. On its side, Bahrain imports Japanese goods to a value of \$US 1 billion. These include automobiles, textiles, electronic goods and ceramics. Many Japanese companies are involved in such sectors of the economy as power generation and electricity.

In a certain sense, Japan and Japanese companies are making their own contribution to the welfare of Bahrain.

Bahrain will need Japanese technology for its own future development as well as to sustain its economy in the short and medium terms in many different sectors, (technology, human resources, industry...).

"I definitely think that Bahrain will play an important role between East and West because Bahrain has everything required"

How many Japanese companies are established in Bahrain and what are their priorities?

The number of Japanese residents as of January 2009 was about 220. They have a Japanese Community Association, and a Japanese School has been established since 1984. The number of its students is 20 and this will probably reach 30 by the end of this year.

In terms of companies, there are around 15 Japanese companies in Bahrain, 5 of them in the financial sector, 4 in the trading sector and 6 in the manufacturing sector.

Your Excellency, why should Japanese investors consider opportunities in Bahrain and what do you consider to be some of the best opportunities for direct foreign investment?

Many projects have been accomplished by Japanese

companies including petrochemical, aluminum, gas and telecommunication projects as well as the designing of the Arab Gulf University building (now the University of Bahrain Building) in Sakhir.

Other recent projects include a pellet plant in Hidd, Hidd IWPP Project, and the construction of a hotel in Amwaj.

Moreover, Japanese companies are firmly involved in the steel sector. As you probably know, Bahrain will be soon the first steel exporting country in the region. That is the reason why the Japanese company Kobe Steel is building a factory here in Bahrain, which will produce some 6 million tons. Another Japanese steel company, Yamato Steel, is going to build a second Steel Factory in the Kingdom. These two companies will invest a total of \$US 1.2 billion to launch their two factories, which will help Bahrain to become the first steel exporter in the region.

Other Japanese firms will be associated

with a number of groundbreaking projects vital for Bahrain's future such as the implementation of a public transport system. I am also aware that some Japanese companies have chosen Bahrain as their operational base in order to operate more efficiently in the region. This will be beneficial not only for Bahrain but also for the G.C.C. as a whole. A case in point is Toyota which set up its Toyota Training Centre here in Bahrain, a move which has not only proved beneficial to Bahrain but for the region as well as a larger geographic area including parts of the African continent. Bahrain is rapidly becoming a regional hub for Japanese companies.

How do you see the evolution of Bahrain in the short and medium terms?

This country will be very important both for economy reasons and for reasons of security. Very soon, we will

see the realization of monetary union between the G.C.C. countries and Bahrain is likely to be the seat of the G.C.C.'s Central Bank. In my opinion, Bahrain is very likely to be the seat of the Central Bank as it benefits from such advantages as transparency, a high degree of professionalism and a significant rate of growth. Moreover, Bahrain offers many advantages in terms of tax regimes, regulation and a free market. In fact, I think Bahrain go further than its present role as a gateway to the Gulf. Japan, additionally has much in common with Bahrain in terms of its human resources – which blend tradition with innovation. I definitely think that Bahrain will play an important role between East and West because Bahrain has everything required (security, political and economical stability) to be important in the near future and its role will grow in the region, which is the reason why countries like Japan should consider participating in the future development of Bahrain.