

Interview with the South African Chargé d'Affaires (a.i.) Annelize Schroeder

# Celebrating a Century of Trust Between Japan & South Africa

By Mukesh Williams & Naoyuki Haraoka

*Japan SPOTLIGHT* met South African Chargé d'Affaires (a.i.) Annelize Schroeder at the Embassy of South Africa in Tokyo on Feb. 17, 2026, where she highlighted the 116-year relationship of trust between South Africa and Japan, and how it continues to grow. Political Counsellor Paul Siljeur joined the interview as well. Economic relations are critically important, especially in areas such as automotives, energy, and critical minerals. South Africa seeks Japanese collaboration for its Just Energy Transition, also focusing on renewables, hydrogen, and electricity grid modernization. To attract electric vehicle (EV) manufacturing, a new 150% tax deduction was introduced in March 2026. Positioned as a strategic gateway to Africa's 1.3 billion consumers, the nation is exploring further trade modalities. Bilateral ties are further strengthened through rugby, cricket, tourism, and academic research, with over 5,000 joint scientific articles published.

## Introduction

**Williams:** In this issue we will highlight the possible cooperation between Japan and the Global South. You could use *Japan SPOTLIGHT* as a platform to propose avenues for cooperation between Japan and South Africa. So we must keep that in mind regarding the areas in which Japan can help South Africa and the areas for possible grants.

**Schroeder:** We have a very strong relationship with Japan. We have the largest number of Japanese companies on the African continent.

## Overview of Bilateral Relations with Focus on Critical Minerals & Renewable Energy

**Williams:** How can Japan increase investments in South Africa, especially in renewable energy like wind and solar and critical minerals?

**Schroeder:** Well, I think there's a lot of scope in South Africa in the area of energy, and renewable energy, electricity, and critical minerals. Japan can increase investment in South Africa by aiming for long-term strategic growth rather than short term procurement opportunities. Our investment strategy centers on three pillars: a strong automotive industry, energy-and-electricity, and critical minerals. In the automotive industry, we have strong supply chains linked to companies like Toyota, Isuzu and Nissan, though the last is regrettably facing challenges.

When we look at critical minerals the world is an oyster. I think



Annelize Schroeder

there are so many opportunities in energy and critical minerals. Our relationship with Japan dates back 116 years. So it is a very long history. When we look at the investments of Japan, most of these companies go back to the late 1950s. So the first thing to understand is that we have a relationship of trust. Japanese technology will continue to be of critical importance to us. Even JETRO established their sub-Saharan African office in 1961 in South Africa.

Looking at renewable energy, the South African Integrated Resource Plan of 2025 basically says that South Africa will need 105 GW by 2039. It prescribes a new energy mix of renewables – wind, solar, battery, green hydrogen, etc. In critical minerals the opportunity lies in moving beyond extraction toward beneficiation and

processing. South Africa is a leading producer of platinum group metals and manganese which are essential for fuel cells, electric vehicles, and battery technologies. A joint venture refining and component manufacturing would secure reliable supply chains for Japanese industry while supporting industrialization and value addition for South Africa. We have put a lot of focus on energy transition. Some 80% of our electricity is generated from coal, but as we move away from coal-fired stations to renewable energy, we also have an obligation towards those workers who have lifelong been mining coal and do not know any other technology. It is a mutual responsibility to reschool them into the whole way of renewable energy like solar power which is far different from mining coal. So a just transition is important to make sure no one is left behind as we move forward.

Also, our cabinet last year took a decision to add between 14,000 and 14,500 kilometers of transmission lines in our country. These areas give us a lot of scope with Japan so we can work together in

areas of energy and electricity

We have a huge green ammonia project, called the Hive Coega Green Ammonia Project, which has a very strong presence by Itochu Japan, which has invested heavily in this area of great potential. A memorandum of cooperation was signed between Itochu and Hive in 2023. Our Minister of Electricity and Energy Dr. Kgosienshlo Ramokgopa visited Japan in December 2024. His focus was to look into collaboration in terms of green hydrogen and ammonia. He had amazing meetings with some of the leading Japanese companies. He was very impressed with Japanese technologies and called his visit to Japan a “mind shifting” one.

We have a large dependency on coal. We looked into the future and thought about how we can bring in green hydrogen in our national frame. Japanese companies in general really played a huge role, led by companies such as Mitsubishi Heavy Industries and Mitsui, in assisting South Africa in creating green energy initiatives. We have had a problem with electricity in South Africa, especially load shedding, but when we look at the last year, we haven't had load shedding. We are very appreciative towards Japan for the assistance it has given us in securing a stable electricity supply.

When we look at mineral resources and mining there is a lot of scope for foreign investment. In mineral resources, South Africa is a huge producer of PGMs (platinum group minerals). Our whole industrialization policy is centered around localization and beneficiation and in that we can assist Japan in terms of a stable supply chain. Joint ventures for us are incredibly important. If you look at a company like Toyota, it brings its whole supply chain to South Africa in close proximity. Toyota today produces some of the most sought-after vehicles in our country because they are super reliable, and Toyota has been in South Africa for more than 60 years. Economically speaking, Toyota is affordable for South Africans, as the whole supply chain is in close proximity of the manufacturing plant. So partnership in investment and technology and supply chain integration where we can contribute are extremely important to us.

There are so many Japanese companies involved in PGM extraction. We have rich sources of manganese and iron ore. Japanese companies play a critical role in job creation because we have around 150,000 South Africans employed by Japanese companies and that is something amazing. What is also amazing is what Japanese companies put into the community through social programs. A company like Sumitomo Rubber has invested in the Free State Province, one of the poorest areas in South Africa. What they have done is, for example, to assist in building classrooms for children. Our previous ambassador said that Japan is like a fish: a fish lays thousands of eggs, but it does so quietly. The chicken lays one egg and the whole village knows about it. This is the critical value of Japanese investment, the way they do things, and what they bring to society. The question is how we do it. For us it is very important to create a framework in which we can have a dialogue between South Africa and Japan, what we call the Partnership Forum. Relations between our two countries were upgraded to a Strategic Partnership in 2010. Through the Partnership Forum we have created various working groups on trade and investment where lots of policies and opportunities can be discussed.

Also, I want to talk about the generation of new energy. In 2024

JETRO led a high-level delegation to look into the green hydrogen and ammonia sectors to South Africa. A week later Keidanren undertook a business visit to South Africa. We also have the Business Leadership South Africa (BLSA) forum with which Keidanren has a strong relationship. We also look at opportunities to engage with Japanese organizations and agencies like *Keizai Doyukai* and Keidanren. The Japanese Development Financial Institutions like the JBIC and NEXI have a very important role to play through co-financing. In renewable energy and mining projects we have lots of scope. These are unique institutions and have a great place in South Africa and have been working for a long time.

One thing that I cannot overemphasize is the long relationship between Japan and South Africa in terms of joint exploration and mining projects. Localization and joint ventures are extremely important, and skills and technology transfers are areas we have been focusing on. We have an exceptionally good partnership with JICA where they provide training programs to students in a variety of fields, and we have a strong collaboration with Japan in research and development at the university level. In 2009 the two countries formed the South Africa Japan University Forum (SAJU). Between 2017 and 2024, South African and Japanese scientists have written and published more than 5,000 research articles together on a variety of topics like health and astronomy. So I think public-private partnerships are very important. In February this year, in South Africa we hosted the Mining Indaba in Cape Town where we had a strong Japanese presence. One of the aspects that was highlighted in the South African media was a company called SORA Technologies in Nagoya. They exhibited AI and a drone-driven mining intelligence platform that was quite unique. On the 31st of March, our president will host an investment conference in South Africa. He has invited many of the Japanese companies to join. We need new partnerships and collaborations.

**Williams: Wonderful. You have given us a picture of the trust South Africa and Japan share with each other.**

## **Common Ground on Energy & Environment Policy**

**Haraoka: I just want to confirm that your energy policy is moving in the same direction as ours, that environmental concerns, energy security, and economic growth are well-balanced, and that we should not take a single-purpose approach.**

**Schroeder:** That would be right. How can we bring economy, employment, and climate together and what financial mechanisms are there to do so? We are very much interested in Japan's industrialization policy and finding areas of collaboration. The memorandum of cooperation on decarbonization is a clear example of how multi-focused this whole approach is. I was invited by one of the largest Japanese companies to see how they extract lithium and tritium from platforms. The technologies and applications are quite fascinating.



(from left) Naoyuki Haraoka, Prof. Mukesh Williams & Annelize Schroeder

**Williams:** Basically, a lot of R&D is necessary to bring them together. The key to collaboration is to create a balance between renewable energy and cutting-edge technology, between economy and development, because otherwise it will become costly. Do you think cutting-edge technologies are the key for collaboration to create a balance?

**Schroeder:** For us, offtake agreements or long-term agreements are also important. We have requirements from our clients. As a producer you don't get the commensurate value as other players inflate the price, creating a huge cost that's not good for the global economy.

**Williams:** What is the impact of the 2025 Memorandum of Cooperation on decarbonization?

**Schroeder:** It is a wonderful step forward because it's not only deepening strategic cooperation, but is also focusing on what issue is of critical importance for both countries. Last year we focused specifically on green energy. It reflects South Africa's and Japan's expanding energy partnership. It reflects both countries' commitments to sustainable energy production. It opens new ways of deepening our strategic collaboration and boosting clean energy partnerships. Decarbonization introduces a new area of collaboration. Technology transfer and clean energy project deployment are important. They all enhance trade and investment.

## How South Africa Views Rules-Based International Trading System

**Williams:** After TICAD 9 what is the progress towards a Free Trade Agreement?

**Schroeder:** In South Africa's case, it's a little bit complicated because as a member of the Southern African Customs Union (SACU) it is quite difficult to sign free trade agreements. The South African government is exploring modalities for an FTA.

**Haraoka:** What do you think about the WTO?

**Schroeder:** South Africa believes in a rules-based international trade system that is fair and predictable. And we do recognize the central role played by the WTO. However, like with the Bretton Woods institutions, we believe that the WTO should be reformed to better reflect and address issues of the Global South, so that important issues are discussed which can lead to the development of Global South countries and their economies and that they are not impeded by some of the regulations of the WTO. As the only member of the G20, South Africa takes its role very seriously and last year we re-emphasized that the international trade system must make provisions for the Global South to allow for development. Our approach is not to reject the system but to reshape it so that it has a favorable outcome for the Global South. Critical to this is the restoration of the dispute settlement system and the strengthening of the predictability of global trade, reforms of agricultural subsidies, and development policy for industrialization. We are a bridge between the North and the South.

## South Africa – Strategic Gateway for Japanese Business to Africa

**Williams:** How can Japanese firms realize more trade? What can Japan get out of it that will attract Japanese companies to South Africa? What is that economic hook?

**Schroeder:** You sit now with a market of 1.3 billion people in the African Continental Free Trade Area (AFCFTA). It is huge. According to JETRO, most of the companies operating in Africa are based in South Africa – more than 250. Many of the Japanese companies deal with Africa from Europe or the Middle East, which is not ideal because working from outside of Africa, it is not truly possible to understand the situation on the ground. It would be critical for these companies to come and establish a base where they are visible. There is a need for Africa to be known in Japan and for Japan to be known in Africa. Africa is not that visible in Japan. Japanese companies see South Africa as the hub from where they can go into the continent. I think for the South African market and the international market, South Africa and Japan can work together to enter the strategic gateway which is South Africa.

**Haraoka:** Supply chain resilience could be restored through this cooperation, and India is playing an important role as a mediator between Africa and Japan. That is why India is proposing Indo-Pacific Cooperation.

**Schroeder:** Indo-Pacific Cooperation is an important notion as South Africa has an Indian Ocean coastline. It is of great economic security that we protect this line. When we had a war last year in the Middle East, Japanese liners could not get through the Middle East to their markets in Europe and America and that is why many Japanese ships had to come via the African coastline to deliver products. In case of

instability, it is increasingly important that the Indo-Pacific supply chain is secured and strengthened.

## How to Promote South Africa Further for Young Japanese

**Williams:** Media must be able to present South Africa in a bigger way to the younger generation. What do you think?

**Siljeur:** There is a massive opportunity for Japanese companies as well. The youth of today is the middle class of tomorrow. Japanese companies must not take too long to come and should instead seize the moment and trade and invest in the continent now. There is competition on the continent from India, the EU, the United States and China. Many Africans think that some of the Japanese companies are African. South Africa is the most obvious choice because of our long tradition of Japanese companies' presence in our country.

**Schroeder:** Our financial services are some of the best in the world, comparable with most G7 countries. Banks are an important aspect of our financial agreement. ABSA Bank has an agreement with SMBC and Standard Bank with Mizuho Bank. So we have a network of knowledge and economic relations.

## Developing Manufacturing Sector for Job Creation

**Haraoka:** I guess job creation for South Africa is very important. If so, manufacturing companies from Japan would be welcome. What do you expect most from Japanese investment in your country?

**Schroeder:** For South Africa, market access and job creation are incredibly important. It took us 22 years to negotiate the export of South African avocados to Japan; in that period, you couldn't negotiate anything else. We unfortunately have a large unemployment figure, and the government is doing its utmost to create opportunities for employment. As you said, manufacturing is important as a creator of employment for local people.

**Williams:** How can both countries strengthen the supply chain for EVs?

**Schroeder:** Our companies are investing heavily in R&D, and we are close to companies like Toyota and Isuzu. We have started introducing some concessions and incentives to attract investment in electric and new energy vehicles. Not only from Japan but all over the automotive industry. The government has introduced six initiatives. One of the most important ones is enhanced investment tax incentive and will come into force on March 1 this year which will allow EV and hydrogen vehicle manufacturers to claim 150% tax deduction on qualifying investment on holdings, machinery, and equipment. Also, there is the reduced capital investment for global production and expanding the capabilities of EV manufacturing in South Africa.

Then we have the industrial development support fund where the National Treasury has allocated about US\$450 million to support local production of EV batteries and related infrastructure development. Then there is also the Automotive Investment Scheme. Incentive promoting non-taxable cash grants of 20% to 35 % on productive assets are available. One of the important programs is the Automotive Production and Development Program. South Africa is working now on amending these regulations to support ICE vehicles to EVs. Then we have the trade export and incentive layer. The shift to EVs will create an export-oriented support which will assist production by providing tax breaks, 15% corporate tax, duty free imports and subsidized infrastructure. We also have the Global Clean Tech Innovation Program supporting start-ups. JICA started the JICA-Ninja accelerator program in South Africa. They have done an amazing job. We have a ministry dedicated to Small Business Development.

## People-to-people Connections

**Williams:** What are some of the ways to expand people-to-people connections between the two countries? How can Japan promote exhibitions, rugby, or cricket through collaborations?

**Schroeder:** Something that Japan did very well was to organize the 2019 Rugby World Cup because that created a lot of interest amongst South Africans in Japan. We have around 12 Springbok players playing rugby here in the Japan Rugby League One. We have a cricket collaboration where South Africa is involved in cricket development in Japan. For South Africans, interest in manga and anime is huge. We have a student exchange program between the universities of Stellenbosch and Yamanashi on wine making and SDGs. Culturally, South African music groups like Amapiano and DJ Black Coffee are popular. We export the unique South African Strelitzia flower to Japan which is famous in ikebana.

**Williams:** The South African Development Community (SADC) is doing very well at the university level generating a lot of interest amongst students in South Africa.

**Schroeder:** We have an annual SADC university lecture series with Soka, Waseda, and Tokyo University of Foreign Studies universities. In the last two years there has been a marked increase in the number of students who want to go to South Africa to study there. To be successful in Japan you must be visible, and you must be relevant.

**Williams:** Thank you very much.

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Prof. Mukesh Williams is a poet and media writer who taught literature and cultural history in Japan and India. Formerly a faculty member at Keio and Soka universities, he is now Distinguished Professor at Shoolini University and advisor on academic exchange and global culture.  
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