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SINGAPORE-AFRICA START OF A BEAUTIFUL FRIENDSHIP



IFC in Singapore

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IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector in developing countries.

Established in 1956, IFC is owned by 184 member countries, a group that collectively determines our policies. Our work in more than 100 developing countries allows companies and financial institutions in emerging markets to create jobs, generate tax revenues, improve corporate governance and environmental performance, and contribute to their local communities.

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- **Mobilizing funds for infrastructure development.** IFC works with Singapore-based banks to co-finance or mobilize funds to support companies that are interested in developing infrastructure in emerging countries.
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- Investment climate: supporting Indonesian authorities in cutting red tape and implementing sustainable pro-business reforms

SUPPORTING THE DEVELOPMENT OF SEAPORT FACILITIES IN KENYA AND TANZANIA

Established in Singapore in 1988, Portek International Limited is a logistics company that provides equipment and services to ports globally. It also operates medium-sized container and multi-purpose ports.

In August 2012, IFC lent the equivalent of \$6 million to Portek to facilitate the privatization of Magerwa Dry Port in Rwanda. IFC provided a longer tenor investment for this acquisition financing, which domestic banks in Rwanda were not able to provide. IFC also supported Portek with political risk mitigation given the fact that this was the company's new venture in Rwanda.

Portek's investment in Magerwa provided capital for developing a fuel oil bunkering facility in Kigali and for other potential seaport facilities in Kenya and Tanzania. It also improved the efficiency of Magerwa's operations through management and staff capacity building.

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SINGAPORE

A testament to honest leadership

Special Report by Anver Versi

As the economic and political relations between Africa and Singapore take on more solid substance, African Business Editor, **Anver Versi**, visits the city-state to assess how the two can work together for mutual benefit. Here he gives his impressions of Singapore.

At any conference on Africa's development path and sooner or later someone will mention the 'Singapore-model' or the 'Singapore-dynamic' or any of a half dozen or so economic terms with Singapore as a prefix. Singapore is often held up as the shining city on the hill, the example to be emulated, the inspiration for what is possible and the ultimate state to aspire to. But, quite often, the reality of what one encounters falls short of the ideal descriptions of it.

This is not the case with Singapore. The reality of it supersedes the expectations. From the moment you arrive at Changi International airport and are whisked through the formalities with quiet, unobtrusive efficiency, to the drive along a highway flanked by vibrant green walls of trees and bushes and dividers bursting with flowers, to your first glimpse of a skyline that is an architectural marvel, you know you are in a special place.

It does not stop there. This must be the cleanest city in the world but it is by no means antiseptic. The high rises do not dominate the human landscape as they do in New York or Chicago or Dubai – they embellish. Every inch that is not built up overflows with flowers and shrubs, and regiments of wonderfully shaped

trees march up and down the boulevards and in between the buildings.

Singapore is a very busy corner of the earth. It is among the world's top three export-refining centres, the world's busiest transshipment port, the world's biggest manufacturer of jack-up rigs, it is number one as a global logistics hub, it is one of the world's most important financial centres, and on and on. It sits right at the heart of the world's most dynamic economic region, Southeast Asia, and is the bridge for the region to the rest of the world.

Yet, for all the bustle and activity, you do not get the impression of headless rush that you do in New York, Hong Kong or Lagos. People seem to have time to relish the day and even during the rush hours, you do not feel lost in teeming crowds as you do in most cities.

The traffic moves smoothly, thanks to a series of toll gantries that control the flow – Singapore was the first country in the world to introduce road-toll gantries designed specifically to ease traffic congestion



before other countries adopted them. There is a constant stream of colourful buses that take you anywhere on the island and the metro system is being upgraded with a new circle line that will link its east-west and north-south lines so that virtually any part of Singapore can be reached by public transport.

High taxes and other essential criteria limit car ownership and no car that is more than 10 years old is allowed on the streets. Emission levels are tightly monitored. As a result, Singapore is among the top few cities in the world with very little pollution, and the greenery all around soaks up whatever carbon is still lingering in the atmosphere.

The city centre itself is a fascinating combination of some of the best modern architecture around and historic buildings preserved in pristine condition.

Some of the prime property in the city centre is devoted to sports fields – bowling, tennis, football and cricket – while the Marina Bay along the coast has developed into a major global entertainment location with a casino, shopping plazas, the Singapore Flyer – a giant Ferris wheel that gives visitors an extraordinary bird's-eye view of the city and which is the highest in the world, beating the London Eye by some 30 metres. Singapore also stages what is considered the most spectacular Grand Prix race on the circuit, with Formula One cars thundering through the city streets. The country receives around 14m visitors every year.

What I found most impressive was the quality of public housing available to all Singaporean citizens.



Singapore's greatest resource, as people proudly point out to you, is its people

There are no sink estates or the sort of soulless urban ghettos you find in so many cities in advanced economies; on the contrary, public housing is designed to mix social classes and the often bewildering ethnic and racial mix that makes up the country's population. We shall return to this subject in another article.

Singapore's greatest, and only resource, as people will proudly point out to you, is its people. The population is made up largely of ethnic Chinese, Malays and Indians but there are also consider-

Above: Some of Singapore's many facets.

able numbers of migrant workers from all the surrounding Asian countries.

In fact, the increasing number of migrant workers became a political hot potato during the last election in 2011 with the ruling People's Action Party (PAP) losing more seats in this poll than it had ever done before.

As a result, higher levies on foreign workers and a cutback of work permits has stemmed the tide of migrants and is designed to draw back their numbers. While this move has been popular with Singaporeans worried about losing jobs, it has become a headache for the thousands of SMEs that fuel the country's \$346bn GDP, who see the labour market tightening, especially in the semi-skilled segment.

Nevertheless, with a literacy

level of around 97%, a very high quality of primary, secondary and tertiary education and a constant upgrading of skills and expertise, Singapore has easily the most efficient and competent workforce in Asia, and population on population, probably the world. It is therefore hardly surprising that thousands of multinational companies are headquartered in Singapore.

Rising from the rubble

It is easy to look at Singapore today and marvel but what makes this country so unique and the reason why African academics and economists are so fascinated by the 'Singapore model' is that some 50 years ago, when most of Africa was also attaining independence, Singapore's chances of survival as an independent entity, let alone thriving, were virtually nil.

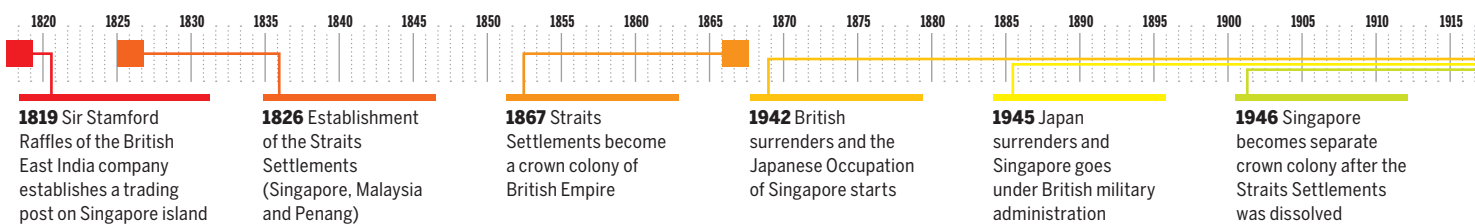
It was a tiny country bordered by the north by Malaya (now Malaysia) and in the south by Indonesia – both gigantic in comparison.

"Singapore seemed destined to become a client state of more powerful neighbours, if indeed it could preserve its independence at all," wrote Henry Kissinger in the foreword to Lee Kuan Yew's, (the country's first prime minister) memoirs, *From Third World to First*.

Singapore earned its living by processing rubber, copra and other produce from the hinterland around it but its main source of income was as a British naval base and transshipment port.

After independence in 1965 and with relations with its neighbours fraught with danger, it seemed that the fate of its independent economic existence was sealed, especially as

SINGAPORE / An historic timeline



Global Economic Milestones

- One of the world's top three oil export refining centres
- World's 3rd largest oil and oil products trading hub
- World's busiest transshipment port and 2nd busiest port in terms of total shipping tonnage
- Singapore accounts for 10% of the world's wafer starts and 40% of the global hard disk media are manufactured here
- Singapore is the largest manufacturer of jack-up rigs, commanding 70% of the world market
- Singapore has 70% of the global market for the conversions of the floating production storage offloading units
- Singapore is recognised as a 'Global Hydrohub' with more than 70 companies in a vibrant water industry ecosystem
- Singapore is ranked by the World Bank as the No. 1 logistics hub amongst 155 countries globally in the 2012 Logistics Performance Index
- Leading aviation hub in Asia-Pacific, contributing more than 25% of the region's maintenance, repair and overhaul output

Britain stuck to its determination to withdraw from all its possessions east of Suez.

How could Singapore survive when it was no longer the centre of the wider area that the British once governed, pondered Lee Kuan Yew. "We had to create a new kind of economy, try new methods and schemes never tried before anywhere else in the world, because there was no other country like Singapore," he writes. "We had to make extraordinary efforts to become a tightly knit, rugged and

Top right: The landmark Marina Bay, built on reclaimed land.

adaptable people who could do things better and cheaper than our neighbours."

With no resources or land for agriculture, a shortage of water, hostile neighbours, a polyglot, mostly poor and uneducated population, the outlook was bleak. In desperation, he sent a delegation to Africa "on the off chance of picking up some business" but little trade flowed.

When Lee Kuan Yew and his cabinet first took office in 1959, it was clear to them that the only way to survive was to industrialise. But how to entice investors and industrialists to set up shop in Singapore when there were so many other more attractive options around? "We cast around for solutions and were willing to try any practical idea that could create jobs and enable us to pay our way," Lee Kuan Yew recalls.

But, he says, "We had more than our share of failures." The vast Jurong Industrial Estate that had taken precious sums to create remained empty. But the idea of depending on aid, as many other newly independent countries seemed happy to do, was anathema. "The world does not owe us a living, we cannot live by the begging bowl," he told the population.

The government decided to convert military facilities left by the British to civilian use – the dockyards at Sembawang and Keppel prospered under private management and the RAF Changi air base was expanded through reclaimed land and developed to now rank as one of the very best airports in the world – and it is still expanding.



Turning the corner

But it was essential to get the factories working. "I settled on a two-pronged strategy to overcome our disadvantages," Lee Kuan Yew recalls. The first was to leapfrog the region and link up directly with the developed world, America, Europe and Japan, and attract their manufacturers to produce in Singapore and export their products to the developed countries.

The second was "to create a First World Oasis in a Third World region".

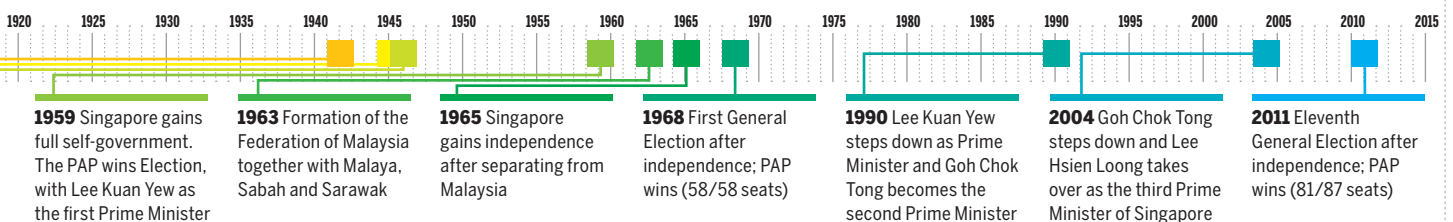
This would make Singapore a base camp for entrepreneurs, engineers, managers and other professionals who had business in the area. "This meant we had to train our people and equip them with First World standards

of service. I believed this was possible," he writes.

"We had one simple guiding principle for survival," he says, "that Singapore had to be more rugged, better organised and more efficient than others in the region. If we were only as good as our neighbours, there was no reason for businesses to be based here."

But how to entice industrialists to come to Singapore in the first place? The Economic Development Board (EDB) was set in 1961 as a one-stop agency for investors. Teams of the best and brightest were sent to the four corners of the earth to sell Singapore as an industrial base. EDB officers would sometimes call on 40 to 50 companies before getting one to visit Singapore.

The government built the infrastructure and provided well-planned industrial estates, equity participation in industries, fiscal incentives and



export promotion. “Most important of all, we established good labour relations and sound macro-economic policies,” writes Lee Kuan Yew.

Swimming against the current of other Asian leaders, who regarded US multinational corporations with distrust, Lee Kuan Yew was convinced that the future lay in that direction. Although they lacked the civility of the British and were more muscular and assertive, they were nimble, adaptive, had superior technology and were constantly upgrading their systems. He and his ministers set out to woo the US industrialists through a series of talks.

“Our break came with a visit by Texas Instruments in 1968,” he writes. The company started production of semi-conductors – at that time a high-technology product – within 50 days of their decision. National Semiconductors followed closely on their heels. Hewlett-Packard (HP) followed; General Electric set up six

different facilities and by 1970 had become the largest single employer in Singapore. By the 1980s, the country had become a major electronics exporter and, by 1997, there were nearly 200 US manufacturing companies with over S\$19bn worth of investments.

The success of the US multinationals encouraged Japanese industrials to move their middle technology factories to Singapore and in the 1970s, the British companies, who had withdrawn when their forces left the city-state, returned to set up high-value-added pharmaceutical operations.

Singapore’s rise as a financial centre came about as a chance observation that the daily financial world began in Zurich, then handed over to Frankfurt and London, who in turn handed over to New York, who passed the baton to San Francisco; but when San Francisco closed in the afternoon, there was no activity until Zurich opened in the morning.

Could Singapore fill in the gap

and thus deliver a 24-hour round-the-world service in money and banking? It could and did. By the 1990s, Singapore had become the fourth-largest financial centre in the world after London, New York and Tokyo.

Focus on Africa

As Lee Kuan Yew says, its only resource has been the will and determination of its people to lift themselves up from dire poverty to abounding prosperity.

But all people need leadership and this is where the country has excelled. It has been blessed with great leaders – people of outstanding intelligence, imagination and energy, who have never wavered from their chosen path to lead their people and have never been distracted by the trappings of power, political infighting for personal gains or tainted by corruption.

Singapore is testimony that honest and dedicated leaders produce honest and dedicated citizens and that, for

such, nothing is impossible, no matter what the odds. Even if this is the only thing Africa can learn from Singapore, it will be worth everything.

The above is only a potted review of the evolution of Singapore from a poor country in the backwaters of the British Empire to its leap, in one generation, to the First World’s economic high table.

The drive to explore new markets, to add value, to be the best has not diminished. The Ministry of Trade, the Singapore Business Federation and the International Enterprise Singapore are all working feverishly to expand the nation’s global reach. They have turned their focus now on Africa and are taking cautious steps towards the continent.

Could this be the start of a long and beautiful friendship? ■

Below: Singapore’s night-time Formula One racing.





SUNNY VERGHESE
CEO, OLAM INTERNATIONAL

OLAM From Africa to the world

➔ Meet Sunny Verghese, CEO of Olam International – one of the world’s top supply chain processors of food products.

Sunny George Verghese, the Group Managing Director and CEO of Olam International, is very upbeat about Africa. He reels off statistics about Africa’s growth, its natural resources, its current fiscal discipline, its increasing democratisation and points out that by 2035, Africa’s workforce will exceed that of China.

“What is most impressive,” he says, “is that 50% of Africa’s growth has been consumer-led. Currently, 80m African households from a total of around 200m earn between \$3,000-\$15,000 per annum, giving them disposable incomes. This figure is likely to grow to 130m from a total of 230m households by 2030.” This means that the African middle class is growing faster than it is in India.

Verghese, a Singaporean citizen of Indian origin, is also the chairman of International Enterprises Singapore (IE Singapore). “Our task is to help Singaporean companies to regionalise, internationalise and globalise,” he says. “We are responsible for outward FDI from Singapore. We have priority markets and there is increasing focus on Africa.”

In Verghese, Africa has an ally when it comes to encouraging more Singaporean companies to venture into the continent. He knows Africa well. In fact, one could say that Olam is an African

company that has migrated to Singapore via London.

The Kewalram Chanrai group was a business conglomerate in Nigeria with interests in textiles manufacture, cotton farming and automobiles imports, when, in 1989, it decided to set up a non-oil-based export operation, Olam, out of Nigeria, mainly to earn foreign exchange for its other commitments in the country. Verghese had joined the group in 1986 and had helped set up the cotton farm.

Olam expanded to other West African countries, then to East Africa and later to India.

Today, Olam International is one of the world’s largest supply chain managers and processor of agricultural products and food ingredients across 16 platforms in 65 countries. It has locations in 24 African countries as well as in North, Central and South America, Australasia, Europe and Asia. In 2012, it handled 10.7m tonnes of products for a sales revenue of \$17.1bn.

It is among the top 35 publicly listed companies on the Singapore stock exchange. But Africa, which provides around 20-25% of its sales revenues, remains at the heart of its business empire.

But how did Olam, an upstart in a business in which its contemporaries have solid pedigrees going back 150-200 years, achieve so much so soon?

“You can say we made a flanking move, keeping well below the

radar until we became too big to hide. Now we can compete with the best of them,” says Verghese.

It was a carefully planned and executed manoeuvre. It was based on identifying ‘adjacencies’ – such as customer sharing, or supplier sharing or capability sharing – and then migrating into the new activity, thus minimising risk. From cashews, Olam

“We have priority markets and there is increasing focus on Africa”

moved to cocoa, cotton, rice, sugar, coffee, palm, hazelnuts, almonds and packaged products.

Unlike its competitors, who do their sourcing from port cities, Olam does so as close to the farm gate as possible. It is thus able to provide customised value-added services – such as ensuring, for example, that the products it supplies do not involve forced labour, or that they are organically grown, or that they are from a specific growing region.

Olam then moved upstream into plantations. It has rubber and palm plantations in Africa; almond plantations in Australia and California; a coffee plantation in Laos; peanut farming in Argentina; rice farming in Nigeria and Mozambique; cotton farming in Mozambique; dairy

farming in Uruguay; tropical forest concessions in the Republic of Congo and Gabon, and a fertiliser manufacturing plant in Gabon.

Olam has significant projects in partnership with Gabon and these are helping create new economic engines. It has created a special economic zone to attract FDI and is developing a 50,000-hectares sustainable palm plantation, which will be the biggest in the world. It will also put gas, which is currently flared off, to good commercial use by using it as feedstock to produce 1.3m tonnes of urea fertiliser per annum, sufficient to cover 25% of Africa’s requirements.

“It is easy to get licences to operate in countries,” Verghese says. “It is much more difficult to get a licence from the community to do so. It is a journey of trust before you are accepted.” As if to underline this point, news arrived that Olam had won two global sustainability awards – the Guardian Sustainable Business and the Rainforest Alliance Sustainable Standard-Setter awards.

Olam had been headquartered in London before it was approached by Singapore’s Trade Development Board (now IE Singapore) and invited to move to Singapore. Perhaps it was something in the DNAs of both – the ability to move from a humble base and shake the world at the speed of light – that was the attraction. ■



Singapore today, with more than 80% of the population living in Public Housing

From Third World to First in One Generation

The Singapore-Surbana Story

To most Africans, there may seem little similarities between Africa and Singapore, a tiny (700 sq km) island state in Southeast Asia.

However, like many African nations, Singapore once faced daunting development challenges. When it became independent in 1965, it had hardly any natural resources, fresh water or skilled workers. There was rapid population growth, substandard housing and ethnic conflict among its people.

Today, Singapore is a peaceful global trade, finance and transportation hub. In just one generation, it has transformed from a developing country to a modern industrial economy.

How did Singapore grow from a

third world economy to a first world nation so quickly? What are the lessons that Africa can learn to achieve the same growth?

Singapore's success can be attributed to many factors, such as sound economic and social policies as well as political stability. Equally important is good planning and development.

In this respect, master planning, building and design consultant Surbana has played a key role in supporting Singapore's growth over the last 50 years.

Among others, Surbana's multi-disciplinary team of consultants has helped to create Singapore's unique skyline as well as a million homes for over 80% of the population in an integrated living environment.



Common living condition merely less than 50 years ago in Singapore

“Our ability to master plan, design and then manage the built environment ensures sustainable growth. This sets Surbana apart from other consultants,” explains Mr Louis Tay, Surbana's managing director for aviation / city management and Africa.

“We are keen to share our nation-building and city management success with our friends in Africa to help them leapfrog the development cycle in one generation with sustainable urbanisation.”

Previously part of the Singapore Government's Housing & Development Board, Surbana was corporatised in 2003 as an international consultancy business.

Since then, it has successfully ex-



ported its expertise all over the world, from Asia to the Middle East and Africa. Surbana's value proposition lies in its expertise across the whole real estate value chain, encompassing urban planning, architecture, engineering, project and construction management, coastal engineering, infrastructure, sustainable design technologies and city management.

Surbana is also the leading land reclamation consultant in Singapore for the government. Over the years, Singapore has increased its land area by more than 20%. The Marina Bay Financial Centre, a bustling business hub that fuels Singapore's economy, sits on land reclaimed by Surbana.

FROM THIRD WORLD TO FIRST IN 40 YEARS

Surbana unique role in Singapore's progress from a backward and decrepit colony to a modern, thriving metropolis in just four decades has positioned it to be a consultant of choice for many developers and governments seeking to

replicate Singapore's success.

In the 1960s, Singapore was plagued with dirty slums and severe housing shortages - most of its residents stayed in makeshift huts made out of salvaged materials.

To tackle this problem, the government conceived an astute urban plan involving the rapid production of low-cost apartment buildings. It was Surbana's consultants who executed this plan.

The high-rise flats designed by Surbana improved the lives of Singapore residents, gave them a place to call home and eliminated the housing shortage in a mere decade.

Surbana went on to master plan and design 26 vibrant townships with one million homes in Singapore. These self-sustaining townships provide holistic living environments through the strategic integration of commercial, recreational and residential areas.

The townships are also efficiently managed, thanks to Surbana's special technology platform that seamlessly integrates all estate management needs in real time.

“Our ability to master plan, design and then manage the built environment ensures sustainable growth. This sets Surbana apart from other consultants.”

VISIONARY MASTER PLANS

Successful master planning is the key to creating great, liveable spaces.

Surbana's urban designs and master plans have improved more than 100 million lives in 90 cities worldwide. These include cities in African nations such as South Africa, Rwanda, Congo, Nigeria and Angola.

“Our master plan gave Rwanda's capital city Kigali a unique identity as the financial hub of the Central African Region and led to the city's rapid development,” says Mr Jeffrey Ho, managing director of the Surbana Urban Planning Group.

By 2040, the district would be transformed into a modern city with state-of-the-art residential and commercial spaces, 2.3 million jobs and 30% protected environmentally sensitive land.

“Visionary, relevant and deliverable - these are the hallmarks of Surbana's master plans,” says Mr Ho.

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Surbana is responsible for the master planning and development of the Central Business District of the Kigali City



GRAEME ROBERTSON

GIVING POWER TO THE PEOPLE

➔ Meet Graeme Robertson, who is helping to transform East Africa's energy landscape from his base in Singapore.

Despite its glittering façade, Singapore still retains an old world charm and there is a palpable sense of adventure among the entrepreneurs who seem drawn to this metropolis vibrating between the still mysterious East and the West.

Among these is Graeme Robertson, the chairman and CEO of IntraAsiaCapital, a boutique private equity firm and investment vehicle with offices in Singapore and Sydney, who has packed in more than a lifetime's entrepreneurial adventure and is still going strong.

He was born in Australia, studied revolutionary movements for his sociology degree and wrote off to join Frelimo, the Mozambican revolution movement, so that he could study it at first hand and also indulge his passion for freelance journalism. Frelimo wrote back and asked him to send over a few thousand dollars to cover his funeral expenses should that eventuality occur. "I didn't have the money – so my father suggested I go to Indonesia where there were similar revolutionary movements and it was closer to home."

In Indonesia he worked as a lecturer for 25kg of rice and \$25 a month, before an Australian coal mining company asked him to do a survey of the coal resources in the country. "I did a thorough survey and was appointed the

company's representative." Coal mining then dominated his life. He was a pioneer in opening up Indonesia's vast reserves of coal. He became CEO and developer of what was to become the largest open-cut coal mine in the southern hemisphere, PT Adaro Indonesia, built power stations and a port to ferry his coal through a mountain barrier to the sea. "What got me going was when someone said something could not be done," he says.

His methods were unorthodox but effective. He still sees himself as primarily a humanitarian out to solve people's problems. Come the millennium and he felt he needed a change of direction. He turned his focus on Africa. "In Africa, I got the same feeling I had in Indonesia in the 1970s," he recalled.

Bewildering range of activities

He plunged into a bewildering range of activities – setting up the Afrasia Bank in Mauritius in the expectation that it would form the conduit for investment

His methods were unorthodox but effective

funds from Asia to Africa, acquired Kingdom Holdings in Zimbabwe, grew high-quality, low-glucose rice suitable for diabetics in Mauritius and returned to his first love, coal mining, in Tanzania and Malawi.

"Tanzania was importing 250,000 tonnes of coal from South Africa for its industrial needs while it was sitting on a pile of the stuff." He persuaded the government to go for import substitution in the first phase and then build a power station at the mine mouth. "We are currently working with Tanesco, (the state electricity authority) on a 200MW coal-fired station which will supply 20% of the current operating electrical capacity."

He found more coal in north Malawi and made a joint-venture with a Malawian partner. Malawi is desperately short of

power and his company signed MOUs with the government to build either a 120MW station or three 40MW plants because of the limited transmission capacity in the country. But finding financing from multilateral agencies has been difficult. "Coal is a dirty word," he says, but cutting down trees for fuel is worse for the environment, he argues. Malawi agrees with him.

In Mauritius, he set up Eco-power to use algae initially as a substitute for jatropha but found it difficult to convert the oil from the plant into diesel. Then he discovered that algae thrive on the carbon from coal-fired plants.

It can then be harvested, dried and used as feedstock in the power plants. Some species of algae can be combined with rice stalks, palletised and used for animal feed, most of which is currently expensively imported.

He then discovered that there is vast geothermal potential in Tanzania and Malawi. His company has six exploration licences in Tanzania and drilling is at an advanced stage. Then there is shale gas in Malawi. His company recently completed an aerial survey of possible drilling sites. He wants to set up mini LNG plants and use compressed natural gas as transport fuel.

Successful ideas seem to spark from Graeme Robertson like sparks from flint. Cumulatively, he is transforming large parts of Africa: "I enjoy finding solutions." ■



Left: Discussing shale gas in Malawi.



BLUEPRINT FOR AN AFRICAN SINGAPORE?

➔ Jeanine Kambanda, Rwanda's High Commissioner in Singapore, talks about her country's big ambitions.

Five African countries, Rwanda, Nigeria, Angola, Zimbabwe and Egypt have embassies in Singapore. Of these, Rwanda has gone the whole hog and adopted the 'Singapore model' in its entirety.

"Despite outward appearances," said the country's High Commissioner Jeanine Kambanda, "we see similarities between us and Singapore. Both of us are small countries without resources surrounded by larger neighbours who have resources. Both of us rely on our human resources to achieve rapid economic growth and both of us have undergone traumatic experiences in our past and need to forge new national identities for our people."

Rwanda's leadership, led by President Paul Kagame, made the decision to turn to Singapore about five years ago, and in 2010 established a full mission with Jeanine Kambanda as the first High Commissioner.

"My task is to continue to build partnerships with the Singapore government for skills and institutional learning and develop links between Singaporean companies and local ones."

The Singapore government responded enthusiastically. There was a flurry of delegations going back and forth. In the first phase, Singapore provided advisory services for Rwanda's aviation industry, its pension scheme and



Above: A vision of the new Kigali.

hospitality management for tourism. The second phase involves addressing the key pillars of the economy. Rwanda had won international accolades for the scope and depth of its reforms and has been displaying the same sort of determination to succeed as Singapore did in its early days. "Singaporean companies are working with our *Jua Kali* (SMEs) to make them more competitive and help them push further into the East African Community of which we are members," says Kambanda.

Master plan for Kigali

On average, one delegation per month from various government departments visits Singapore to study policy making and implementation. An increasing number of Rwandese entrepreneurs are also seeking partnerships with their Singaporean counter-

parts. A Singaporean company, Rwanda Honey, is working with local producers to commercialise the product and find markets in Europe and the Middle East. It is also exploring how the honey can be used in cosmetics by manufacturers in Southeast Asia.

"Singaporean companies are helping us to establish e-government so that we can roll out an increasing amount of online services both to our citizens and investors and vocational and technical advice is helping us frame our Work Development Agency." Equipment from Singapore is helping bolster Rwanda's

Institute of Technical Education and create tech incubators for an increasingly computerised nation.

The aim is to emulate what Singapore did to raise standards to international levels both at governance levels and in the world of commerce. The combination of advanced institution building, efficient bureaucracy, public policy reforms and a keener edge in business is already showing results.

For example, Singapore's Portek, one of the world's most advanced suppliers of equipment and manager of medium-sized ports, now runs the dry port in Kigali, which handles 90% of Rwanda's goods traffic. For a landlocked country like Rwanda, efficient logistics is a matter of economic life or death.

Rwanda, like Singapore, wants to position itself as an investment and financial hub in the heart of Eastern Africa. What it loses from its distance from the sea, it gains in its proximity to a number of fast-growing countries in the region. "Like Singapore, we are investing heavily in education," says Kambanda. But the most ambitious project is the new master plan for Kigali designed by Surbana, which will transform Rwanda's capital into a modern financial and industrial hub without sacrificing the spectacularly verdant environment surrounding it. Could we see an African version of Singapore rising amid the rainforest in Eastern Africa? ■

"We both rely on human resources to achieve rapid economic growth"

BUILDING the city of dreams

➔ Visit Surbana International, creator of Singapore's outstanding urban landscape.

Discuss Singapore's extraordinary urban infrastructure and Louis Tay beams and takes a bow. He takes a parent's – and an artist's – pride in the magnificent examples of advanced architectural concepts that make up the city's urban landscape. He is Surbana International Consulting's Managing Director for aviation/city management and Africa, and virtually everything you see in Singapore, particularly public housing, began life on the drawing boards at Surbana.

Surbana itself developed out of the Housing Development Board set up by the government in the 1960s to provide affordable housing to the population. "Singapore was plagued with dirty slums and severe housing shortages – most of its residents stayed in makeshift huts made out of salvaged materials," he recalls. There was no master plan for the city until

the 1970s, but city planners were keen to learn from experts overseas, particularly England. They went at it with a will and, at one time, one apartment unit was completed every eight minutes. Today there are over a million apartments providing excellent housing for 85% of the population.

But there were several other challenges. How to fit in a grow-

wasteland? How to make room for the increasing number of offices, shopping malls and entertainment centres without the island bursting at the seams? How to preserve and, indeed, increase greenery to soften the urban jungle and finally, how to seamlessly integrate all these requirements to create as pleasant and invigorating an environment as possible in which to live, work and play?

Planning of the highest order

This called for creative thinking of the highest order. In addition, other factors, such as land titles and relocation of people had to be sorted out. Out of the chaos of clashing needs and tumult of ideas, a master plan finally emerged.

"Today, every inch of Singapore is master planned," says Tay. The size of the main island was increased by 20% by reclaiming land from the sea. "The Marina Bay Financial Centre, a bustling business hub that fuels Singapore's economy, sits on land reclaimed by Surbana."

The acute problem of water shortage was tackled by building 15 reservoirs and the country is now almost self-sufficient in its water requirements. In 1986, when the population was 2.7m, greenery formed 36% of the environment; in 2007, when the population had risen to 4.6m, somehow greenery had also increased to 47%. To avoid social polarisation, allocation of apartments ensured that all classes and ethnicities shared the same apartment blocks and could meet, mingle and play in common areas. The Pinnacle is an

outstanding example of the very best in public housing.

"Housing is social engineering," says Tay. By making it easy for people to buy their own properties, you give them a stake in the country and loyalty to the state. "People do not bite the hand that feeds," he adds.

"But maintenance and upgrading of the build is just as important," he insists. Hi-tech systems installed in the apartment blocks ensure that all problems are dealt with quickly and efficiently.

No surprise that a cascade of international awards have followed and Surbana consultancy services are in high demand around the world. It has projects in 86 countries, including in Rwanda, South Africa, Nigeria, Congo and Angola. "If we took 40 years to get to where we are today, there is no reason why resource-rich African countries with larger populations than ours, cannot do so in less than 40 years," says Tay. We say amen to that. ■

"By making it easy for people to buy their own properties, you give them a stake in the country and loyalty to the state"

Below:
The Pinnacle, the best in public housing.

ing population made up of different classes and ethnicities without creating polarised ghettos? How to squeeze in a rapidly expanding industrial sector, which included large petro-chemical complexes, without creating an industrial



LOUIS TAY
INTERNATIONAL CONSULTING'S MANAGING DIRECTOR FOR AVIATION/CITY MANAGEMENT & AFRICA, SURBANA



SINGAPORE CHANGI AIRPORT

Looks to Africa for next growth market



Terminal 3 Departure Hall

Changi's Top 10

BUSIEST ROUTES

Jakarta
Hong Kong
Bangkok
Kuala Lumpur
Manila
Tokyo
London
Bali
Sydney
Ho Chi Minh
City

PASSENGER MARKETS

Indonesia
Thailand
Australia
Malaysia
China
Hong Kong
India
Philippines
Japan
Vietnam

2012 Another Fruitful Year for Singapore Changi Airport

Singapore Changi Airport closed a fruitful 2012 with a new record of 51.2 million annual passenger movements, making it the world's 7th largest airport by international passenger movements. This new milestone was also a testament to Singapore's status as a dynamic business hub and tourist destination. During the same period, visitor arrivals into Singapore continued to surpass the preceding year with 14.4 million visitors. On the cargo front, Changi was ranked the world's 8th busiest cargo airport, handling 1.81 million tonnes of cargo in 2012.

During the year, the airport added 6 new passenger city links into its global network including Gold Coast in Australia, Paro in Bhutan, Taiyuan in China, Visakhapatnam in India, Kota Bharu in Malaysia and Iloilo in the Philippines. Today, Changi is served by more than 105 airlines operating more than 6,500 scheduled weekly flights to some 250 cities worldwide.

Changi saw an annual increase of 6% and 8% in services and one-way seat capacity respectively to Asia

Pacific in 2012. Amongst Changi's busiest passenger routes, Jakarta, Hong Kong, Bangkok, Kuala Lumpur and Manila occupied the top five positions, out of which Singapore-Jakarta, Singapore-Kuala Lumpur and Singapore-Bangkok represented three of the world's busiest international routes by seat capacity. Changi continued to achieve strong traffic growth to its top three regions - Southeast Asia (12.4%), Northeast Asia (9.9%) and South-west Pacific (9.4%), accentuating its position as a premier gateway to Asia Pacific.

Resilient to the slowdown in global trade, Changi saw encouraging growth in cargo volumes to/from key markets such as Australia, Hong Kong, Thailand and United Kingdom.

SINGAPORE'S GROWING RELEVANCE IN AFRICA

Last year, Changi also made big strides in Africa. In contrast to IATA's report on a 1.5% contraction in the global air cargo market in 2012, cargo volumes between Singapore and Africa grew by a strong 21.7% year-on-year to 24,500 tonnes, as more African logistics players choose Changi as a key transshipment hub to serve Asia.

Notably, emerging markets such as Nigeria and South Africa have risen to take up Changi's top ten growth markets for 2012. Point-to-Point air passenger traffic between Singapore and Africa reached some 155,000 passengers, with strong year-on-year growth registered to/from fast-emerging African markets such as Algeria, Angola and Nigeria.

Singapore and Africa continued to enjoy strong political and economic ties, and our bilateral relations are slated to expand further. Over just a short period of 5 years, Singapore's bilateral trade with Africa grew at a cumulative annual growth rate (CAGR) of 6% to reach US\$10.68 billion in 2012. Singapore remains as the largest ASEAN investor in Africa with our direct investments into Africa reaching US\$18.9 billion. Today, some 48 Singapore companies have business interests in 42 African countries in sectors ranging from commodities, master-planning, port development, logistics and e-government solutions. In the other direction, Singapore has been a successful springboard for African companies such as Sonangol, Sasol and Dangote Group to enter the Asian market. Singapore has also been playing an integral role in Africa's urban development as Singapore companies share developmental experience with African top government and business leaders.

SINGAPORE AS AFRICAN AIRLINES' SPRINGBOARD TO ASIA PACIFIC

Changi sees itself as very relevant to African airlines' Asia Pacific expansion plans, particularly to China. As Sino-Africa ties rapidly expand, African airlines can potentially partner with 19 airlines operating between Singapore and 24 cities in China.

China is Changi's 5th largest passenger market, and with close to 300 weekly passenger services and 63,000 one-way weekly seats, Changi offers African airlines and passengers easy access to China. Furthermore, Singapore is also a top desti-



As Sino-Africa ties rapidly expand, African airlines can potentially partner with 19 airlines operating between Singapore and 24 cities in China.



Africa Singapore Business Forum 2012



Safari@Changi Event

nation for Chinese visitors with over 1.5 million Chinese visitor arrivals per year. Given our strong tourism appeal for the Chinese visitors, Singapore provides the perfect destination to be twinned with African countries, offering a delightful combination of city, beach and safari holiday experience.

African freighter operators, traders and logistics players who wish to tap on the growing Sino-Africa trade can leverage on Changi's world-class cargo facilities. One exemplary example is the SATS Coolport@Changi, a dedicated perishables handling facility with multi-tiered zones with temperatures ranging from -28°C to 18°C, which allows African businesses to deepen their perishables trade with Asia via Singapore. Leveraging on the growth of perishables cargo, Dnata, one of Changi Airport's ground handling agents has also embarked on the construction of a perishables handling facility which would be completed by the second half of 2013.

African businesses which deal with high-value cargo can also make use of another of Changi's cornerstone facilities - the Singapore Freeport - which

provides cutting edge, high security storage facility for high values collectibles such as fine art, precious metals and high end wine. Today, Singapore is home to regional bases of 20 out of the world's top 25 logistics providers, as well as home to the regional or global distribution centers of many multi-national companies (MNCs). This is a competitive strength in providing stable demand for African airlines providing uplift at Changi.

AFRICA AS CHANGI'S NEXT FRONTIER

Air links play a crucial role in connecting people and businesses across the globe, and serve as a crucial enabler of economic growth and development. In its continued pursuit of deepening global air connectivity, Changi has identified Africa as the next frontier.

The last one year has also seen Changi stepping up its marketing efforts in increasing passenger flows between Africa and Asia via Singapore. For example, with the support of the South African High Commission in Singapore and South African Tourism,

Changi successfully organized the Safari@Changi in-airport event to profile South Africa as a tourist destination to both local and regional travelers. In the other direction, Changi has also been active in raising awareness about Singapore and Changi amongst the African travel trade through road shows and trade shows in Botswana, Namibia and South Africa.

In the same period, Changi has also forged closer ties with African airlines. Last November, Changi participated in African Airlines Association (AFRAA)'s 44th Annual General Assembly (AGA) held in Johannesburg. This is the third consecutive year where Changi was invited to attend the AGA to stay engaged with African airlines and to update them on route development opportunities in Asia.

Changi is committed to working closely with African airlines, national tourism organizations (NTOs) and relevant government and non-government agencies to use Singapore as a springboard to Asia Pacific, and to increase passenger and cargo traffic flow between Africa and Asia.

To explore partnership opportunities with Singapore Changi Airport, please visit changiairportgroup.com/partnership

Singapore Changi Airport. We serve up more of Northeast Asia.

Japan
136 services
weekly

Korea
49 services
weekly



Taiwan
74 services
weekly

China
452 services
weekly

On average, Singapore Changi Airport makes a connection to Northeast Asia every 15 minutes. That's a total of 711 connections a week to 34 capitals and secondary cities in China, Japan, Korea and Taiwan. All served by an extensive selection of airlines, from an airhub that's renowned for award-winning efficiency and services.

To grow your business in Asia, write to us at changi.marketing@changiairport.com or visit changiairportgroup.com/partnership.

TELLING it like it is

➔ Various diplomats concerned with Africa give their views on the continent and how it can improve its international image.

There is a feeling in Africa that despite the fact that Singapore is held in such high esteem on the continent and is held up as a model to emulate, trade and investment between the two is still not yet at the level it should be. While some Singapore-based companies are some of the largest investors in Africa, many of the smaller companies still seem to be fighting shy of the continent.

“There is still the problem of negative perception of Africa among many Singaporeans,” admits Singa-



Giam Chin Toon

pore's outgoing non-resident High Commissioner to Ghana, Giam Chin Toon. The non-resident ambassadors are all highly experienced in foreign affairs and serve to form the link between Singapore and its trading and diplomatic partners.

“Perception is everything,” Giam Chin Toon elaborated. “The overriding image of Africa most people get is what they see on television and read in the papers. They have no way of telling that these images do not even begin to tell the real story of Africa. I think it is important that

Africa, as a whole, perhaps through the African Union, takes control of how it is portrayed to the outside world and replaces the negative with positive images.”

The non-resident ambassadors, who make frequent trips to their designated countries, often accompanied by delegations, believe that African countries should not compete with each other in terms of the image they present to the outside



Vanu Gopala Menon

world. “They should take a united position and package and sell the region as a whole. Many nations do it all the time and give people outside something new and exciting to latch on to.”

Vanu Gopala Menon, Deputy Secretary (Southeast Asia and International Organisations) at the Ministry of Foreign Affairs, had just returned after presenting his credentials as Singapore's non-resident ambassador to Ethiopia and the African Union. He found the Ethiopians a serious, well-disciplined people following clear government policies aimed at rapid economic growth. He suggested that cultural tours by Ethiopians to Singapore would help

to break the ice and set up a people-to-people rapport that would ultimately be of mutual benefit. Better air links between Singapore and Africa would go a long way to intensify relations, he felt.

Changing perceptions

Yatiman Yusof, the non-resident High Commissioner to Kenya and Rwanda, agrees. He has travelled all over Africa and is saddened that the persisting negative image of the continent is getting in the way of increased trade and investment. “However,” he points out, “the World



Yatiman Yusof

Cup in South Africa changed a lot of perceptions. People could see for themselves that it was a sophisticated, well-developed country with fabulous people and tremendous organising ability. Suddenly, the viewpoint changes and you start thinking about a place and people very differently.”

This view was reinforced later when I met the South African High Commissioner to Singapore, HF Ngubeni, who said in passing that “we have to tell our own story and not let others do it for us”.

The South African mission to

Singapore was established in 1993. “Relations have been very cordial between us,” Ms Ngubeni said. She had been at her post only five weeks when I met her but she felt the Singaporeans were “very gracious in wanting to share best practice with us” and there were several aspects such as education, health insurance and metropolitan water quality that South Africa could replicate. But she feels relations can be far more intense and



HF Ngubeni

trade could easily increase ten-fold.

Trade between Singapore and South Africa had increased by 9.7% amounting to S\$2.7bn in 2012 compared to S\$2.5bn in 2011. South Africa is also one of the very few African countries to have outward FDI into Singapore amounting to S\$19.4m while inward FDI into South Africa stood at S\$491m.

Earlier this year, International Enterprise Singapore opened a mission in Johannesburg, marking its first footprint on the African continent, and a number of MOUs were signed. Meanwhile, Surbana has provided a master plan for the Royal Bafokeng Nation, in the North West Province of South Africa, which will help it to diversify its economy. ■

AFRICA'S GATEWAY TO THE WORLD?

➔ Is Singapore the one-stop growth destination for Africa's public and private sectors?

Despite a growth of around 6% between 1999 and 2011, trade between Africa and Singapore remains very modest – it forms only 1% of Singapore's external trade of around S\$1 trillion. In 2011, trade rose to 11bn from \$9.64bn in 2010, while FDI flows into the continent reached S\$23.8bn in 2010, a 29% increase on 2009. Singapore is the largest investor into Africa from the ASEAN group of countries comprising Indonesia, Malaysia, Philippines, Singapore and Thailand.

"The growth is small and steady, but the good thing is that it is increasing," says Ho Meng Kit, the CEO of the Singapore Business Federation (SBF), the largest business chamber in Singapore with 19,000 members – these include all companies, local and foreign, registered in Singapore with a paid up capital of \$0.5m and above. It is also a federation of various chambers – some ethnic, like Chinese, Malay or India, and others based on sectors such as banking, tourism and manufacturing.

"We act as the bridge between business and the government," adds Ho Meng Kit, "and convey government policy directions to businesses and feedback from them back to the government. This helps the state to make adjustments to their policies. In 2012, we had 470 activities with over 70,000 participants."



Left: Babatunde Onitiri of IFC Singapore.

Ho Meng Kit explains that the Singapore market is small and his organisation helps companies that want to expand to connect with opportunities abroad. Last year, it arranged 21 missions abroad and received 117 delegations. SBF works with the Ministry of Trade and IE Singapore to make the transition as seamless and pain-free for Singaporean companies as possible.

The biannual Africa-Singapore Business Forum is becoming an increasingly important event to introduce both Africans and Singaporean-based businesses to each other. The next edition is planned for 2014. "Interest in participating has been growing rapidly," Ho Men Kit adds. "We expect the next event to be the biggest one yet." The SBF began to actively look at Africa from 2006,



Left: Ho Meng Kit of the Singapore Business Federation.

achieving considerable results – it has engaged in over 40 African countries and brought Singaporean businesses to 32 countries on the continent.

It is important to keep in mind that although Singapore itself has world-class companies, it is essentially a hub for global, particularly Asian, companies. Some 8,000 multinational firms have their headquarters in Singapore. Plugging into Singapore therefore means plugging into the world. In a sense, it is the gateway to and from Asia. For example, a vast amount of China's \$100bn trade with Africa passes through the Malacca Straits and is carried by a Singaporean shipping firm, PIL Shipping.

Another international organisation that is becoming an increasingly significant point of interaction between Singapore and emerging markets, particularly Africa, is IFC, which belongs to the World Bank Group.

Babatunde Onitiri, Country Manager at IFC Singapore and himself a Nigerian, says that Singaporean companies, attracted by Africa's growth, are looking for more opportunities on the continent, "but perhaps not on the scale we would like to see".

This is not surprising because "If I am a Singapore-based company, I am thinking much more in terms of ASEAN and Asia – which have high growth prospects and present great opportunities. So I would have to be a bit more



Above: Neal Chandaria of the Chandaria Group.

adventurous to look at Latin America or Africa.”

Nevertheless, he believes that “Africa now presents tremendous opportunities for any company, global, domestic or foreign. So, no matter how comfortable companies are in this particular region, it makes sense to look outside of Asia – and Africa would be a very attractive place to look at.”

He says that many companies

are deterred by the challenges that Africa presents, including understanding the various political, social and business cultures that prevail on the continent. “It takes a long time to come to terms with the local business environment without spending a lot of time there. But if you are willing to spend time, then it makes sense to set up a base locally in Africa rather than going backwards and forwards.”

For example, he says that Tolaram, a broad-based manufacturing company based in Singapore that produces instant noodles in Nigeria, “know Africa as well as any Nigerians and are doing exceptionally well. Then you have Olam which is across the continent and has heavy investment in Gabon, GMG Global in Côte d’Ivoire and Portek, a client of ours in Rwanda – to name just a few.”

The IFC lent the equivalent of \$6m to Portek – one of the world’s leading logistics and port-building companies – to facilitate the privatisation of Magerwa Dry Dock in Kigali, Rwanda. “On the same day we signed the agreement with Portek, it was acquired by Mitsui of Japan. It is now looking for more opportunities in Africa.”

Interestingly, there is a good deal of knowledge sharing among companies involved in Africa and advice to newcomers who want to venture into the continent. SBF and International Enterprise Singapore are very active in bringing interested parties together. The African Business Group meets regularly to discuss opportunities and other issues involving Africa. IE Singapore opened a mission in Johannesburg earlier this year and the



Above: Fazil Musa of VSC.

Minister of Trade and Industry will inaugurate their second African footprint in Accra, Ghana, in July. There is a good possibility that a mission will also be opened in the near future in Nairobi.

It was also encouraging to see an African-origin company – Comcraft, which is part of Kenya’s Chandaria Group – availing itself of the unique opportunities that Singapore provides to expand globally. Neal Chandaria, who heads the company’s Asia Pacific segment, says that many more products in Africa now come from Asia, and Singapore is much more convenient in terms of banking and as a conduit for Asian companies that may not want direct exposure yet to Africa. Aluzinc Asia, which is also part of the group, now supplies over a 100,000 tonnes of high-quality roofing throughout Africa as the continent moves rapidly from thatched roofs to metal ones.

Singapore, it would seem, could well be the one-stop destination for Africa’s public and private sectors to pick and choose whatever aspect they need for their rapid development – it seems custom made for the continent. ■

Calling Africa

Developing ‘soft’ infrastructure is just as important as hard infrastructure for Africa’s rapid growth and Africa can tap into Singapore’s vein of innovation that has evolved over the decades.

For example, CrimsonLogic, which began as a state organ, is now one of the most highly respected solutions providers in the world. It is helping Rwanda rapidly migrate to e-government and e-commerce.

Another company, VSC collects data and analyses it to help governments and companies to fine-tune their policies in terms of impact. “It has been particularly effective in enabling SMEs to reduce their costs, become more competitive and achieve higher profits,” says Fazil Musa, its head of African markets. It is now working in Nigeria, South Africa, Mauritius, Gabon, Togo and Senegal.

➔ **At the other end of the scale is Huatong Holdings, a civil engineering company that started 35 years ago with the founder, Lee Chin Tiong, operating one small excavator. Today it has over 600 employees and 700 construction vehicles. It says it can lift and move anything that needs to be lifted and moved and, given the construction boom in Africa, it is looking to provide its specialised expertise in this market.**

➔ **In the agribusiness sector, Biomax is an advanced organic-waste to fertiliser company looking for opportunities in Africa, while Asiatic Agricultural Industries, which is involved in herbicides and pesticides, has an R&D unit in Ethiopia.**

➔ **Finally, a Singaporean entrepreneur, inspired by the fact that Kenya produces outstanding runners, has built up a highly competitive team of racing cyclists, called Kenyan Riders. The dream is for a rider from Kenya to one day win the Tour de France. Given past history, this might happened sooner than most expect. The organisation is currently looking for sponsors.**

Singapore-based companies in Africa

➔ Some of the major Singapore-based companies in Africa include:

Olam International	Shankar’s Emporium	Tolaram Group
GMG Global	Food Empire	GMT-Investcorp
Wilmar International	Tionale Enterprises	Informatics
Vita Grain Mauritius	Bonvests Holdings	Jurong Consultants
Surbana International Consultants	Pacific International Lines (PIL)	Singapore Technologies Engineering
Vega Foods Corp	Portek International	
Real Kaiten	CrimsonLogic	



Farming in Africa - the new frontier

Singaporean company Vita Grain Pte Ltd is successfully growing rice in a country that has never grown rice before. Now it is seeking to expand agricultural development on continental Africa.

Rice is Mauritius' most important staple yet 100% of total consumption (c. 76,000 tonnes) has always been imported. This has resulted in vulnerability to trading fluctuations, price instability and continuity of supply issues. Now, this has all changed thanks to Vita Grain Pte Ltd, a private agricultural holding company established in Singapore since 2008.

Taking action

Through its vertically integrated Mauritian subsidiary, Vita Rice Ltd, the company is successfully producing, processing and marketing premium low GI (glycemic index) rice: Mighty Rice® - a proprietary naturally cross-pollinated rice seed variety which is high yielding. As well as being grown domestically and contributing to domestic food security, Mighty Rice® is being exported to the USA.

Vita Grain has also set up rice trading operations to trade in exotic rice varieties.

Engaging smallholder estates

Vita Rice's strategic development in Mauritius is based on engaging smallholder farmers. By providing access to inputs, mechanisation, storage, drying, milling and a guaranteed market for their crop at a transparent forward price, Vita Rice intends to empower smallholder farmers.

Healthy rice

Mauritius has one of the world's highest incidence of diabetes. Mighty Rice® is one of the healthiest rice varieties available: rigorous in-vivo testing at Sydney University showed an ultra-low GI level of 48. Other tests have also revealed it to have among the lowest level of inorganic arsenic of any rice in the world.



Expanding into continental Africa

Currently, farming in Africa is predominantly at a level of subsistence, leading to increased imports to satisfy the continent's growing population. However, over the past few years the suppliers of Africa's staple foods are being challenged by export controls in the country of origin, as their authorities seek to control their own food security. This has made African governments and investors look at the continent's own agricultural resources. It is estimated that 60% of the world's available farmland is in Africa.

Vita Grain Group Chairman Graeme Robertson is keen to expand group operations in Africa, "We are actively seeking partners to facilitate further agricultural development in the region. Vita Grain's initial success with Mighty Rice® in Mauritius is a blueprint the company is intending to replicate on continental Africa".

Agronomic due diligence service

Commercial management of investment funds in agriculture can falter if adequate research into resources is not carried out.

Vita Grain's subsidiary, Vita Agri Consult, provides agronomic consultation and due diligence services to firms looking to invest in agribusiness in Africa. Detailed investigation into all natural resources, irrigation options, on-farm and supply delivery infrastructure ensures clients are able to make prudent capital investment decisions.

Drawing upon 85 years of collective experience in hands on agricultural development across four continents, Vita Agri Consult is well placed to provide accurate, technical and cultural advice.

Touching People's Lives

24 countries

in Africa where Olam operates

1.74 million tonnes

of agricultural products sourced by
Olam in Africa last year

3.4 million farmers

in Olam's African network

19 processing facilities

in Africa for cashew, grain, sesame,
rice, cocoa, dairy and packaged foods

3 awards in 2012

International Corporation of the Year,
Africa CEO Forum
Leadership in Sustainable Investment in
Africa, *Africa Investor*
Beyond Business Awards, *This is Africa*

Over the past 24 years we at OLAM have touched people's lives, from the farm, to the factory, to the shelf.

Our 18,000 global staff supply the needs of 12,000 customers. This would not be possible without our African employees, farmers and partners.



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