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African BUSINESS

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SINGAPORE-AFRICA

BUSINESS SUMMIT 2014

Making the Connection



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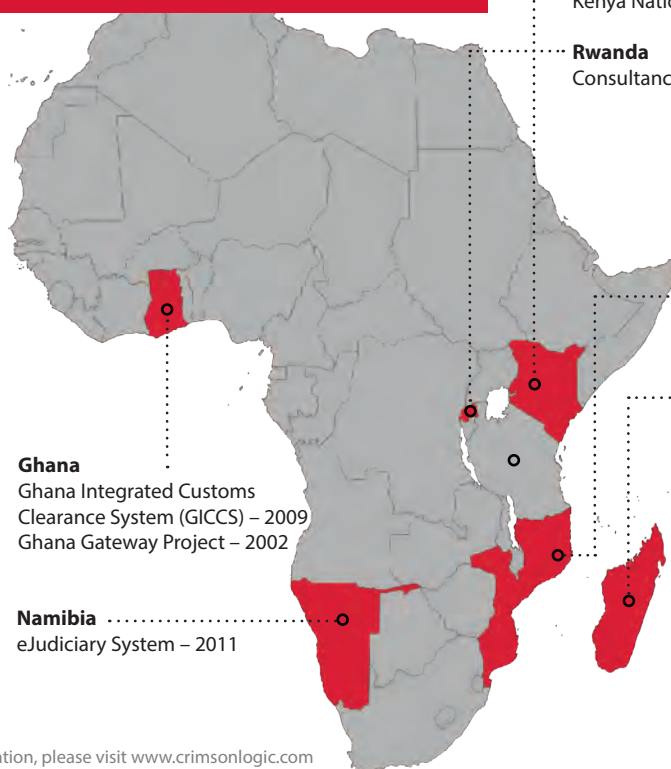
CrimsonLogic was part of Singapore's eGovernment journey more than 26 years ago when the company contributed to the country's initiative to develop **TradeNet® - the world's first single window system that revolutionised trade**. It connects multiple parties involved in external trade transactions to a single online platform for most trade documentation tasks, such as processing import and export permits, and certificates of origin. It serves both the Singapore government and trading community by processing more than nine million online transactions annually.

TradeNet® had helped to propel Singapore up the World Bank ranking of "Ease of Doing Business" and other rankings, as it continues to promote efficiencies throughout the value chain of the trading communities. Leveraging on the international success of TradeNet® and experience gained in trade facilitation, CrimsonLogic has since then ventured into eCitizen and eJudiciary domains.

With the experience and know-how garnered through the various projects implemented globally, CrimsonLogic has also brought the same high-level domain knowledge to the African region. Some national projects we have implemented include Kenya National Electronic Single Window System (KNESWS), Mauritius National Identity Scheme, and Namibia eJudiciary System.

As developing countries in Africa aim to modernise their economies and attract more Foreign Direct Investments, they look to the many best practices of the Singapore eGovernment model. CrimsonLogic is well-positioned to be a key strategic development partner to these countries to help fast-track their eGovernment journey. We take a long-term view to Africa (CrimsonLogic started operating in Africa since 1994) as we continue to assist governments to develop sustainable solutions that positively impact the lives of citizens and communities.

Our Africa Footprint



Ghana
Ghana Integrated Customs Clearance System (GICCS) – 2009
Ghana Gateway Project – 2002

Namibia
eJudiciary System – 2011

Kenya
Kenya National Electronic Single Window System (KNESWS) – 2012

Rwanda
Consultancy - Social Security of Rwanda – 2008

Mozambique
TradeNet Integrated Customs Management System – 2010

Madagascar
Madagascar TradeNet – 2007

Mauritius
Mauritius TradeNet System - 1994
Mauritius National Identity Scheme – 2012
Mauritius eJudiciary – 2010

**UNITED KINGDOM
IC PUBLICATIONS**
7 Coldbath Square
London EC1R 4LQ
Tel: +44 20 7841 3210
Fax: Admin
+44 20 7713 7898
Editorial:
+44 20 7841 3211
icpubs@icpublications.com
www.africanbusinessmagazine.com

**FRANCE
IC PUBLICATIONS**
609 Bat A
77 rue Bayen
75017 Paris
Tel: +33 1 44 30 81 00
Fax: +33 1 44 30 81 11
info@icpublications.com
www.icpublications.com

FOUNDER
Afif Ben Yedder

EDITOR
Anver Versi
a.versi@icpublications.com

ART DIRECTOR
Jason Venkatasamy
jason@icpublications.com

STRATEGIC DIRECTOR
Christian Udechukwu

ASSISTANT EDITOR
Alexa Dalby

ASSOCIATE EDITORS
Tom Nevin
Gerard Choisnet
Ridha Kefi
Hichem Ben Yaïche
Neil Ford

**CORRESPONDENT-
AT-LARGE**
Stephen Williams

EDITORIAL ASSISTANT
Carole Lambert

CORRESPONDENTS
Sherelle Jacobs
Wanjohi Kabukuru
Frederick Mordi
Lameck Masina
MJ Morgan
Richard Seymour
Dominique Magada
Nasseem Ackbarally

SUBSCRIPTIONS
Abacus e-Media
Chancery Exchange
10 Furnival Street
London
EC4A 1YH
Telephone: +44 20 8950 9117
Fax: +44 (0)208 421 8244
icpublications@alliance-media.co.uk
www.africanbusinessmagazine.com/main-articles/subs

For subscriptions, see page 39.

GROUP PUBLISHER

Omar Ben Yedder
o.benyedder
@icpublications.com

GENERAL MANAGER

Leila Ben Hassen
l.benhassen@icpublications.com

VP DEVELOPMENT

Saliba Manneh
s.manneh@icpublications.com

**SENIOR PROJECT
MANAGER**

Darren Moore
d.moore@icpublications.com

**ADVERTISING SALES
DIRECTORS**

Medrine Chitty
Elisée Marie
Nick Rosefield

SENIOR SALES EXECUTIVE

Nadia Osho-Williams

ADVERTISING

advertising@icpublications.com

DISTRIBUTION

icpubs@icpublications.com

PRODUCTION MANAGER

Richard Briggs

GHANA - DISTRIBUTION

Nana Asiamah Bekoe
Tel: +233 21 258058
kwabusek@gmail.com

**GHANA - SPECIAL PROJECTS
AND ADVERTISING**

Silvia Salvetti Ollennu
Tel: +233 24 910 5995
top@topreports.org

FRANCOPHONE AFRICA

Nathalie Desanti-Tounkara
n.desanti@icpublications.com

NORTH AFRICA

Néjib Ben Yedder
n.benyedder
@icpublications.com

IC EVENTS

info@ic-events.net

Printers
Headley Brothers Ltd
The Invicta Press
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Africa – Singapore 2014

Making the Connection

The third edition of the biannual Africa-Singapore Business Forum will be held in Singapore on the 27th-28th of August. The first Forum was held in 2010. Since then relations between various African countries

and Singapore have become stronger. Both investments and trade have increased as the information flow between the two sides has improved.

It is rapidly becoming clear that what Singapore and Africa have to offer

each other is quite unique. Already some 50 Singaporean companies are active in Africa; they range from food and agribusiness firms to urban planners, to contractors, to e-government system providers

and, now, to major investors in African energy. But what characterises this special relationship between Africa and Singapore is not the volume of trade or investment but the transformative nature of the



Anatomy of Success

interaction – exactly what African needs as it transitions to industrialised, middle-income status with a rapidly growing urban population.

It is indeed a match made in heaven. This

Special Supplement highlights some of the areas and organisations making the vital connection between the two entities.

Report written by **Anver Versi**, Editor, *African Business* magazine.

Singapore's Marina Bay, with the Marina Bay Hotel dominating the skyline.



Singapore has always been held in very high esteem in most of Africa. This was even before detailed knowledge of this tiny but mighty Asian country was as widespread as it is now becoming. African traders, combing the Asian hinterland for affordable and reliable goods to take back to their markets, also returned with tales of the extraordinary nature of this tiny island nation perched at the tip of the Malaysian Peninsula.

After independence, most African nations initially naturally gravitated towards their former colonial overlords in Europe before looking further towards North America, Eastern Europe, including the USSR, and towards China and India. The balance seems to have now swung determinedly towards the East with China now firmly in the driving seat.

Nevertheless, word began to filter through that little Singapore, on the doorstep of the gigantic Asian mainland, was the key that would unlock a host of opportunities. In addition, everyone who visited the island nation came back with glowing reports of a 'First World nation in a Third World environment'.

Even more impressive was the fact that Singapore, which shared a colonial past with Africa, had achieved its independence at roughly the same time as most African countries. In fact, its economy and the living standards of the majority of its citizens had been far worse than in all but the most wretched of African countries.

To make matters worse, unlike many African countries, it had no natural resources whatsoever; it could not feed itself; it had to import its water from its neighbours; its rivers and waterways were so filthy, the stink carried all the way to Malaysia and Indonesia; its slums were described by British writers such as Somerset Maugham as the most squalid in the world and the ethnic Chinese, Malays, Indians, Eurasians and a few Europeans who made up its population were constantly at each other's throats.

Singapore had 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. But when the British decided to leave, despite urgent pleading not to do so from the island's young leader, Lee Kwan Yew, its fate seemed doomed. In a desperate attempt to survive as an independent entity, it formed a union with its large neighbour Malaysia. Two years later, Malaysia expelled Singapore.

At this point, there were zero prospects for this young island nation cast adrift in a hostile world. Analyst Tilak Abeysinghe says that what happened next was 'a wonder created out of a tear drop'. The tears that the nation saw in the eyes of the then young leader, Lee Kuan Yew, solidified the determination of the nation to rise against all odds. The rest is history; Singapore turned its vulnerability to strength.

It is this extraordinary transformation, from a disease-ridden 'basket case'

at independence in 1959 to becoming one of the world's most successful countries today that is of particular fascination for progressive African leaders. It is a constant reminder and inspiration to Africa of what can be achieved with vision, determination and the right leadership.

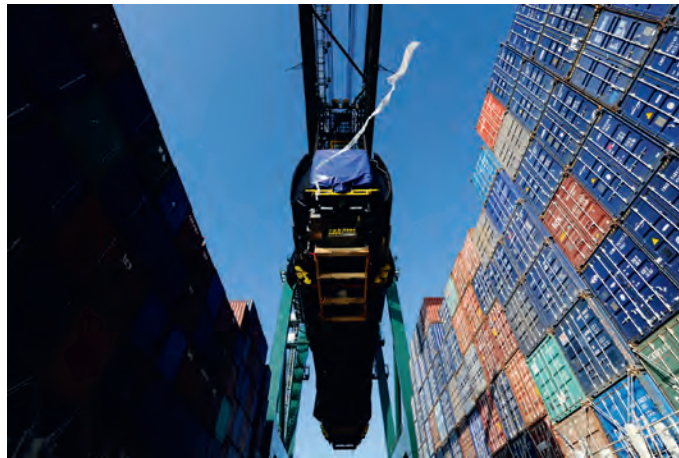
But, as Rwanda's President Paul Kagame, who has openly made Singapore the role model for his country to emulate, has pointed out, it is important for Africa to learn the right lessons from Singapore. He says it would be an error to regard Singapore as a successful 'economy' – as if a nation's economy is divorced from all other aspects of life; he wants Africans to look at Singapore as a successful country in which the quality of daily life is more important than the amount of shillings and pennies in one's pocket.

So what makes Singapore such a successful country? Let us count the ways. In terms of economics, the World Bank has again acknowledged the country as 'the best place in the world to do business'; this is the seventh consecutive year that Singapore has won this highly coveted accolade.

With a per capita income of around \$61,000, it is also the richest non-resource-based country in the world. It is also among the world's top three oil-export refining centres. It is the world's busiest transshipment port and the world's biggest manufacturer of jack-up rigs.

It is the only Asian country to have AAA credit ratings from all three major credit rating agencies – Standard & Poor's, Moody's and Fitch. It is among the world's handful of highly sophisticated financial centres and, according to the Index of Economic Freedom, is the second-freest economy in the world. It is also considered the world's most-efficient and least-corrupt nation.

Beyond economics, Singapore has the least amount of air pollution and the least



rush-hour traffic density of any capital city. It is reputed to have the best-designed and integrated public housing on earth and the swathes of trees, flowers, shrubs and parks that cover the urban infrastructure has given it the well-deserved reputation of a 'garden city'.

World-class theatres, casinos and sporting events, including a Formula 1 Grand Prix, provide well-rounded entertainment.

All these factors taken

together have made Singapore one of the world's most desirable places to invest and live in. This is of crucial importance as foreign investment is the bedrock on which Singapore has built its extraordinary success. More than 80% of net investment commitments in manufacturing come from foreign investors and around 8,000 multinational corporations have their headquarters in Singapore.

Clockwise from top left: The Formula 1 Grand Prix comes to Singapore; Singapore Finance Minister and International Monetary and Financial Committee (IMFC) chair Tharman Shanmugaratnam; Rwanda's President Paul Kagame, who has taken Singapore as a role model; and a new car being delivered for the efficient Singapore subway.

Singapore is the only Asian country to have AAA credit ratings from all three major credit rating agencies – Standard & Poor’s, Moody’s and Fitch



The African dimension

Around 500 delegates, from the African private and public sectors will attend the third Africa-Singapore Business Forum 2014 in August. This is a clear indication that, after the early skirmishes in 2010, relations between the two have now been firmly established. It seems certain that the volume of trade and the number and frequency of trips between the two entities will continue to increase.

In fact, there has been a flurry of visits by several African Heads of State all wishing to sample the ‘Singapore experience’ at first hand. Zimbabwe’s President Robert Mugabe, among others, has been a regular visitor for medical reasons and, we are told, an enthusiastic shopper!

However, it is important to put this relationship in context. While there has been a very encouraging increase

Services

Top import sources

| | |
|--------------|------------|
| South Africa | (\$474.3m) |
| Liberia | (\$437.2m) |
| Mauritius | (\$124.6m) |

Top export destinations

| | |
|--------------|------------|
| South Africa | (\$432.6m) |
| Mauritius | (\$362.5m) |
| Nigeria | (\$261.2m) |

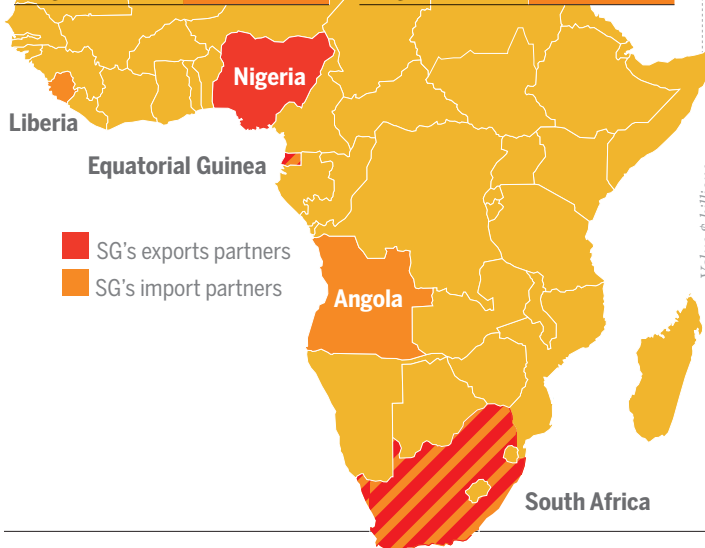
Goods

Top import sources

| | |
|--------------|----------|
| South Africa | (\$685m) |
| Eq. Guinea | (\$589m) |
| Angola | (\$181m) |

Top export destinations

| | |
|--------------|------------|
| South Africa | (\$2.19bn) |
| Eq. Guinea | (\$419m) |
| Nigeria | (\$398m) |



A flurry of bilateral visits

Singapore hosted the following visits by leaders of African countries over the last two years:

President of the United Republic of Tanzania, His Excellency Jakaya Mrisho Kikwete, in June 2013

Deputy Prime Minister and Minister of Communications and Information Technology of the Federal Republic of Ethiopia, His Excellency Dr Debretsion Gebremichael, in June 2013

Vice President of the Republic of Angola, His Excellency Manuel Vicente, in October 2013

President of the Republic of Niger, His Excellency Mahamadou Issoufou, in January 2014

Visits by Singapore leaders to sub-Saharan Africa in 2013 included:

Senior Minister of State for Foreign Affairs and Home Affairs Masagos Zulkifli made a working visit to South Africa and Nigeria in May 2013

Senior Minister of State for Trade and Industry and National Development Lee Yi Shyan visited Ghana in July 2013 for the official opening of IE Singapore’s Overseas Centre in Accra

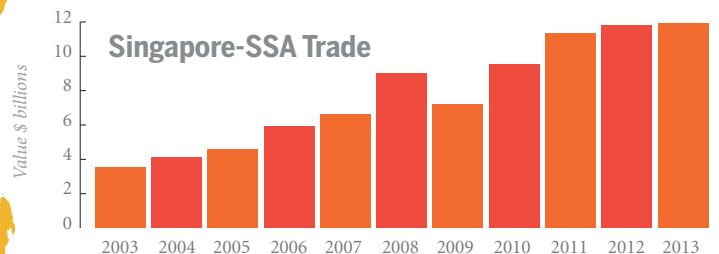
Deputy Prime Minister and Minister for Finance Tharman Shanmugaratnam made a working visit to South Africa in December 2013 as Singapore’s representative to the State Funeral of former President of South Africa Nelson Mandela

Senior Minister of State for Trade and Industry and National Development Lee Yi Shyan visited Ethiopia in December 2013 for the inaugural inbound flight by Ethiopian Airlines from Addis Ababa to Singapore

2014

International Enterprise (IE) Singapore led a business mission of 10 companies to Botswana and South Africa in May 2014 to help Singapore companies understand and explore business opportunities in e-Government (eGov)

Senior Minister of State for Foreign Affairs and Home Affairs Masagos Zulkifli was accompanied to Kenya and Tanzania in June 2014 by a 17-strong business delegation, the third to Kenya and Tanzania in the last five years, and the second to East Africa in 2014: two Memorandums of Understanding (MOUs) were signed by the Kenyan Private Sector Alliance (KEPSA) with the Singapore Business Federation (SBF) and Vector Scorecard Asia-Pacific



Upward trend in bilateral trade relations

in bilateral trade, rising from \$3.5bn in 2003 to almost \$12bn in 2013, this represents only around 1% of Singapore's total trade of around \$1,000bn per annum. Of this, almost \$10bn has been exports to African countries such as South Africa, Mauritius and Nigeria. Most of the trade with Africa in terms of value has been oil-related – although the non-oil component has been increasing.

To put this in context, almost a third of Singapore's exports go to other members of the ASEAN group (Indonesia, Malaysia, Philippines, Thailand, Brunei, Cambodia, Laos, Myanmar and Vietnam). Some 20% is destined for China and Hong Kong and around 17% goes to the EU and the US.

Bilateral trade between Singapore and Africa therefore is still negligible. (By way of comparison, trade between China and Africa is around \$200bn per annum).

Unlike China and India, Singapore is not a large importer of Africa's natural resources or commodities. Its manufacturing sector now forms only roughly 19% of its GDP with services dominating. That said, natural gas offshore Tanzania, as we shall see a little later on, could well become a very significant component of African exports to Singapore over the coming years.

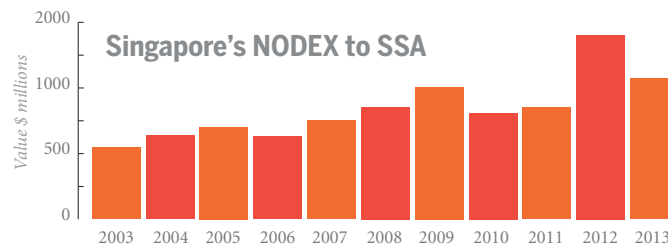
In terms of investments, for most Singaporeans, Africa is still a frontier too far. Africa is largely terra incognita on the business map of most Singaporeans and far too risky even for those searching for the more exotic markets. The bustling Asian markets closer to home and much more familiar in terms of language and culture are far more attractive.

So what is the attraction between the two? The attraction, which I believe has a huge potential, is a genuine partnership between the two. Singapore's success has been built on its human capital and on the systems and processes it has developed.



Left: Singapore's Supertree Grove, Cloud Forest and Flower Dome at Gardens by the Bay at night.

Non-Oil Domestic Exports (NODX) are increasing



It has been built on discipline, on long-term detailed planning, and the political continuity and will to carry through the plans, on an absolute intolerance of corruption. It has been built on law and order and total respect for contracts and agreements. It has been built on knowledge of how the world works, its own strengths and weaknesses and how to make the most of everything it has – its geographical position, its population structure. In short, Singapore's achievements are doable – they can be replicated, at least in some measure.

This is the area in which the two entities can resonate. Africa can, and has been, importing Singapore's superb urban planning, its logistics solutions, its civil service training, its education systems, its environmental controls, its health provisions, its public housing schemes, its efficiencies, its sanitation, its clean water delivery methods and so on.

There are approximately

50 Singaporean companies operating in Africa, including household names such as Olam and packaged foods firms such as Tolaram and Vega Foods.

Surbana, the now-legendary urban planning company, which is not only responsible for Singapore's own magnificent city but those of a host of other capitals around the world, as well has been redesigning several African cities including Kigali in Rwanda, Bujumbura in Burundi and an exciting new economic zone in the Republic of Congo, which will transform the entire economic landscape of the Oyo-Ollombo province.

Crimson Logic, the e-government expert, has successfully rolled out a single-window trade solution

For Singapore, Africa offers a vast opportunity for its services sectors to migrate to a new, virgin territory and flourish

in Kenya. Meinhardt, one of the world's most advanced engineering and project management consultancies, is considering projects in Africa; Portek, now owned by Japan's Mitsui, operates ports in Algeria, Gabon and Rwanda.

There was also a departure for Temasek, the giant investment company owned by the government of Singapore, when it invested directly in an indigenous Nigerian oil company, Seven Energy, and also bought a 20% stake through its subsidiary, Pavilion Energy, in gas fields operated off the coast of Tanzania. It has also taken a majority share in Olam. In the meanwhile, International Enterprise (IE) Singapore, the external relations branch of the Ministry of Trade, is opening yet more offices in African countries and acting as the midwife to an increasing number of companies intrigued by the possibilities available in Africa, the world's second-fastest growing region. The Ministry of Trade itself has been taking and hosting delegations to and from Africa.

For Singapore, Africa offers a vast opportunity for its services sectors to migrate to a new, virgin territory and flourish. The continent also opens up a tremendous possibility for Singapore's small and medium enterprises to set up shop with local partners as the continent moves into the next stage of its economic and social transformation.

The first two Africa-Singapore Trade Forums were 'getting to know you' affairs. This year's event is expected to usher in a new set of connections. Where and to what extent the networks thus established will lead to is anybody's guess, but there is a very good chance that this meeting between Singapore and Africa will be just what each needed at this point in time. ■

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IE Singapore

Looking after the God of Good Fortune

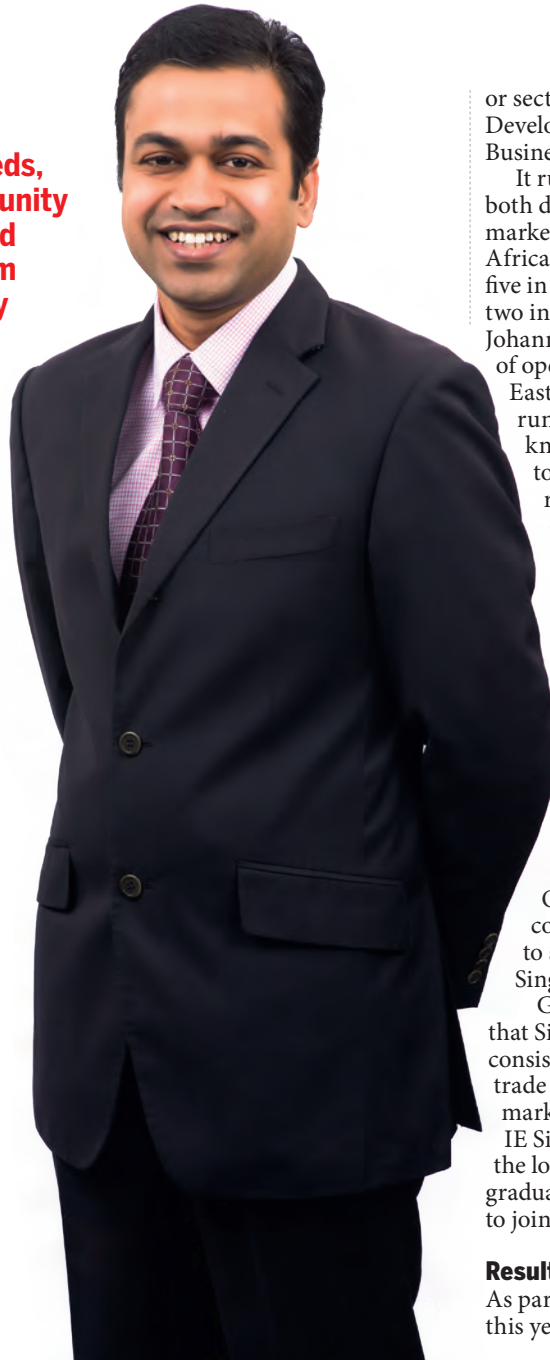
In Singapore, trade enjoys a god-like status. It is venerated and pursued in all its diverse forms. If it were a person, it would be garlanded with flowers day and night. There is good reason for this – trade has showered wealth and prosperity on all who live on the island nation. It is indeed the God of Good Fortune and all its conditions must be met lest it gets into a sulk and moves to other regions.

The first condition for trade to exist is that there must be two or more parties, with items or services to exchange, involved. Suitable partners must be sought and found wherever they may exist in the world.

This essentially is the brief given to International Enterprise Singapore (IE Singapore in short). It is a government agency exclusively devoted to promoting external trade and investments. “We spearhead the overseas growth of Singapore-based companies and do whatever is possible to promote international trade,” says Rahul Ghosh, the divisional director of the Middle East and Africa Group.

The organisation is run like a corporation, under the Ministry of Trade, with a CEO (currently Teo Eng Cheong) at the top and several deputy CEOs overseeing a whole cluster of groups that focus either on markets (North and Latin America, South Asia, Middle East and Africa, etc)

‘Given Africa’s significant development needs, we see an opportunity to collaborate and develop long-term solutions in many areas’



or sectors such as ‘Capability Development’ or ‘Lifestyle Business’ and so on.

It runs 35 overseas centres in both developed and emerging markets. The Middle East and Africa Group has seven centres, five in the Middle East and two in Africa – in Ghana and Johannesburg. There is talk of opening another centre in East Africa. The centres are run by well-drilled staff who know everything there is to know about rules and regulations, investment opportunities, local companies and pitfalls awaiting the unwary.

There is a two-way flow of information where others pick up the baton and engage with local companies in Singapore or encourage foreign companies, especially those dealing in global commodities, to relocate to Singapore. Olam was one such company that was enticed to set up its headquarters in Singapore.

Given the importance that Singapore places on consistently expanding trade and developing new markets, it is no wonder that IE Singapore is always on the lookout for the brightest graduates it can lay its hands on to join the organisation.

Results-oriented

As part of the preparation for this year’s Africa-Singapore



Opposite: Rahul Ghosh, the Divisional Director of the Middle East and Africa Group. Below: The Tanjong-Pagar Terminal; and G. Jayakrishnan, Group Director for Middle East and Africa.

with IE Singapore staff is that behind the ready smiles and humorous quips, they are actually very competitive and protective about the regions they cover. They are a mine of information about their regions and can astound you with their detailed knowledge of places that you think you know well. They are also very

results-oriented. I asked Rahul if the Africa-oriented Forums were meeting expectations. "Since 2010 when we took our first stab at Africa, the outcome has been surprisingly very, very positive." He added that by creating the Africa Business Group, some companies that had been doing very good business in Africa for a long time, such as Wilmar, Tolaram and Olam, were able to bring in the private sector perspective and that they had been of great help in making the Forums more effective. The focus of this year's Forum, he told me, would be public-private partnerships.

There are over 60 Singaporean companies in Africa already and more are expected to join them. "Singapore companies are taking concrete steps to participate more actively in Africa's growth," says G. Jayakrishnan, Group Director for Middle East and Africa. "Given Africa's significant development needs, we see an opportunity to collaborate and develop long-term solutions in many areas."

He identified these as including urban planning and development, to absorb Africa's rapid urbanisation, eGovernment, oil and gas, transport and logistics, manufacturing, special economic zones, technical and vocational training, power, water and affordable housing.

These are precisely the areas that African countries must tackle if the current economic growth is going to be translated into the transformation that the continent's populations have every right to expect.

The intervention of companies such as Surbana, Crimson Logic (eGovernment) and Portek is already playing a significant transformative role in some African countries. Given the fact that these Singaporean companies are considered some of the best in the world and experts in emerging markets, one would have expected that African



Forum, which is principally organised by IE Singapore, the agency invited a handful of African journalists to visit the island on a familiarisation tour. I was once again taken aback at the youth and efficiency of the IE staff assigned to look after us, although it was a pleasure to renew acquaintances with the likes of Rahul Ghosh and Joanna Tan, whom I had met on earlier visits.

The impression I have gained after several meetings

Given the importance that Singapore places on consistently expanding trade and developing new markets, IE Singapore is always on the lookout for the brightest graduates it can lay its hands on to join the organisation



governments would have been hammering at their doors contracts in hand.

Stream turning into a flood

This has not happened yet, but is on its way as the word gets out. Nigeria's High Commissioner to Singapore, HE Nonye Rajis-Okpara, says that the current stream of economic activity between Singapore and Africa could rapidly turn into a flood in the near future. "As you know, there is an information gap on both sides at the moment but it is being filled in. The Forums are a very good starting point and as more Africans learn about what Singapore can do for them, and vice versa, you will see a very rapid increase in bilateral economic relations."

Nigeria, now officially the largest economy in Africa, has wasted no time signing a whole sheaf of contracts and MOUs with Singaporean organisations, including IE Singapore.

"Asia is enjoying a period of upward growth and remains one of the bright spots amid the current global landscape," says Jayakrishnan. "To tap into this growth, we welcome African companies to partner Singaporean companies, leverage Singapore's position and connectivity to expand into the region."

But while organisations such as IE Singapore, the Africa Business Group, the Ministry of Trade and the private sector involved in Africa can beat the drum for the continent, persuading the medium-sized companies to actually take the plunge can be much more of a challenge. "There has been quite a dramatic increase in the number of business delegations going to various African countries," says Ghosh, "and various African countries are doing a good job in selling themselves, but the realities on the ground can come as a bit of a shock to Singaporeans."

He points to the often underdeveloped state of the

Use Singapore to thrive – Minister Lee Yi Shyan



Singapore's Senior Minister of State for Trade and Industry, Lee Yi Shyan, has been a stalwart champion of Africa-Singapore relations since I first met him in 2010. He has made several visits to the continent and also seems to find the time to meet delegations from Africa, including in our case a couple of months ago, a group of journalists.

It is part of his responsibility to identify new trading opportunities and forge enduring partnerships once these have been located. Next comes the delicate task of nurturing budding relationships, especially through the early fragile phases, and seeing them successfully take root and begin to flower.

Over the decades, Singapore has faithfully followed this pattern of identifying new trading opportunities, consolidating them and building them up. The results have often been spectacular with the emergence of great global companies.

During discussions, Lee Yi Shyan has always kept his feet firmly on the ground. He says that since 2010, "progress has been good. We have certainly seen more trade relations and more business visits." But he also quickly pointed out that trade with Africa, at around \$12bn, is miniscule in the context of its overall trade of over \$1,000bn.

Then he outlines the potential. Singapore is at the heart of the world's most dynamic region, Southeast Asia, and dominates ASEAN. "Singapore is trying to bring the two regions, Africa and ASEAN together," he says. "ASEAN accounts for about one quarter of Singapore's trade. So if you trade with Singapore, you connect with the other Southeast Asian countries."

He also points out that virtually all the goods from the Asian hinterland, including to and from Africa, pass through the Malacca Straits, making Singapore one of the world's busiest ports and a natural geographic hub for Africa-Asia commerce.

"We are switching over to natural gas for our energy needs," he says. "It is most likely we will buy it from you," referring to the acquisition of a 20% stake by Pavilion Energy in Tanzania gas fields operated by Ophir. Pavilion is a subsidiary of Singapore's giant investment organ, Temasek, which has also invested directly into Seven Energy, a Nigeria oil and gas company. This is the first time that the Singaporean company had invested in upstream oil and gas. Is this a trend for the future in terms of African-Singaporean relations?

Lee Yi Shyan feels that the entry of the big players in the African space, and the success of Singapore-based companies in various African geographies, will go a long way to encouraging others to follow suit – in case they miss out.

However, he sees Singapore's main contribution to Africa to going "beyond technical knowledge. It is to build capacity in government." Singapore has achieved its great efficiency because "we attract good people in government. You have to be among the top 30% academically to join government. You must pay them well." He related that Apple had said that Singapore was the only country in the world where people left the private sector to join government.

He believes the time is right for African governments to make good use of the financial resources realised from the export of commodities to invest in basic infrastructure and, more importantly, in its people. "When you have capacity and expertise in your people, anything is possible, even if you run out of resources or don't have any, as in our case." But the burden of growth should not be solely on the state. "By creating the right environment, you attract the necessary investment and skills that lead to growth." When growth is broad based instead of being concentrated in few hands, it leads to a wider middle class, the foundation of any thriving economy, he says.

basic infrastructure in most of Africa, the bureaucracy, slowness and inefficiency associated with most state activities, the congested ports and poor transport infrastructure that make logistics in Africa the most expensive in the world, the endemic corruption as the major constraint on greater volumes of Singaporean investment.

Ian Lee, director of IE Singapore's centre in Accra, says the problems begin even before a potential investor has set foot in an African country. "The problem we often have is that when the investor comes, he cannot get in the country. We are working very hard to facilitate these kinds of visa waivers, but there are still problems. If the investor cannot go into the country, how can the money go in?" he asks with impeccable logic.

Is this another case of a government's left hand destroying all the good work that the right hand is doing?

"There is often also a lack of transparency in the affairs of many companies that Singaporeans would like to partner with," adds Ghosh. "This is a major disincentive," he adds. Some potential investors told me that what is holding them back is the almost total lack of reliable statistics and current information on various African countries. They are also worried about the legal system and the independence of courts.

"However," Ghosh concludes, "You can look at the situation from different angles – all the challenges that Africa throws up are also opportunities for Singaporean companies to help put right. We did this in our own country and are doing so in emerging markets which throw up the same challenges as most of Africa."

Indeed, it is all a matter of perspective and the view of Africa from Singapore is brightening all the time. ■

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AFRICA: THE NEXT GROWTH FRONTIER

Singapore Changi Airport continues to break new ground



Terminal 3 Departure Hall

Changi's Top 10

BUSIEST ROUTES

Jakarta
Bangkok
Kuala Lumpur
Hong Kong
Manila
Tokyo
Denpasar
Taipei
Sydney
Ho Chi Minh
City

PASSENGER MARKETS

Indonesia
Malaysia
Thailand
Australia
China
Hong Kong
India
Philippines
Japan
Vietnam

ANOTHER STRONG YEAR FOR CHANGI AIRPORT

Singapore Changi Airport registered a strong performance in 2013 with a new record of 53.7 million passenger movements, making it the world's 6th largest airport by international passenger movements. Reaffirming Singapore's position as a dynamic business hub and tourist destination, visitor arrivals into Singapore also surpassed the preceding year with 15.6 international million visitors. On the cargo front, 1.85 million tonnes of cargo were handled for the year.

Singapore Changi Airport was also named the World's Best Airport at the 2013 Skytrax World Airport Awards, an honour that Changi has achieved four times. This accolade highlights another year of excellence during which Changi received a total of 30 awards including Business Traveller's Best Airport in the World award for the 26th year running.

For the past year, Changi Airport enhanced its global network with the addition of seven new Chinese city links (Guilin, Jinan, Lijiang, Nanchang, Nanning, Ningbo and Wuxi), bringing the total to 31 and accentuating its position as the most connected Southeast Asian air hub to China. Besides the new Chinese cities, Changi's connectivity was also

enhanced with the launch of new services to Mandalay in Myanmar, Kalibo in the Philippines and Addis Ababa in Ethiopia. As at 1 July 2014, more than 100 airlines operate at Changi Airport, connecting Singapore to 300 cities in 74 countries and territories worldwide.

Changi Airport's passenger traffic growth in 2013 was driven by strong travel demand within the Asia Pacific region. As the premier gateway to Asia Pacific, traffic to Southeast Asia and Northeast Asia, which accounts for close to 70% of Changi Airport's total, rose 8.2% and 7.0% respectively. Indonesia continues to be Changi's top country market, with more than 7.4 million passengers passing through during the year, an 8.8% increase. Jakarta again topped the list of Changi Airport's busiest routes followed by Bangkok, Kuala Lumpur, Hong Kong and Manila.

ETHIOPIAN AIRLINES: CHANGI'S FIRST EAST AFRICAN CARRIER

On 3 December 2013, Changi Airport welcomed its first East African carrier, Ethiopian Airlines, Africa's fastest-growing and most profitable airline. The new Addis Ababa to Singapore service via Bangkok marks a significant milestone as it builds a new air bridge between Africa and Asia Pacific. Singapore and Ethiopia can be gateways for each other into their respective hinterlands.

From its Addis Ababa hub, Ethiopian Airlines' new service provides Singapore with unparalleled access to the African continent through the airlines' dense intra-Africa network of more than 50 major cities such as Nairobi, Lagos, Accra, Luanda and Dar es Salaam. Likewise, Singapore will be Ethiopia's gateway in Asia Pacific, with over 100 city links through Ethiopian Airlines' partnership with Singapore Airlines and other airline partners. Passengers can also look forward to more exciting developments as Ethiopian Airlines has plans to convert the existing service into a direct non-stop service between Addis Ababa to Singapore operated with a Boeing 787 Dreamliner.

AFRICA: THE NEXT MARKET FRONTIER

Total trade between Singapore and Africa has grown at a compounded annual growth rate of 11.7% since 2009 to 2013, and registered S\$14.1 billion in value last year. Singapore has also significant investments in the sectors of consumer products, water preservation and construction. In the other direction, African companies have also been progressively using Singapore as a springboard to venture into the burgeoning Asia-Pacific region. In terms of passenger movements, point-to-point air passenger traffic between Singapore and Africa reached over 144,000 passengers.

African carriers can leverage on Changi Airport's strategic position as a gateway to the Asia Pacific region to tap on the growing demand for air travel. With Changi's strong connectivity to countries in Asia and Southwest Pacific, this can help bolster trade flows and passengers movements between Africa and the respective regions. Some of Changi's top market includes Indonesia, where there are 470 weekly passenger services and 100,000 one-way weekly seats and Australia, where there are 240 weekly passenger services and 73,000 one-way weekly seats.

Cargo volumes between Africa and Asia Pacific also grew by 17.7% in 2013. African logistics players can tap into this growth by leveraging on Changi Airport's excellent connectivity into Af-

rica's key cargo markets in Asia Pacific such as China, Australia, South Korea and Singapore. In addition, Singapore was ranked 5th in the World Bank's Logistics Performance index, which is the top among's Asia Pacific airports.

Changi Airport also offers world class cargo facilities such as the SATS Coolport@Changi and dnata Coolchain which are temperature-controlled facilities at Changi Airport, dedicated to the handling of temperature-sensitive cargo such as perishables and pharmaceuticals. Both facilities have a combined handling capacity of more than 300,000 tonnes per annum, and are HAC-CP-certified (Hazard Analysis Critical Control Point) for ensuring food safety. Both facilities also boast multi-tiered temperature zones and are capable of storing perishables ranging from -28°C to 18°C. In Oct 2013, SATS Coolport has also embarked on upgrading their facility and capabilities to meet the stringent standards for pharmaceutical handling. Recognizing on the excellence in handling pharmaceutical cargo, SATS Coolport was recently certified as the world's first Centre of Excellence in Pharmaceutical Handling by IATA.

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 value collectibles such as fine art, precious metals and high end wine.

CHANGI INVESTS IN NEW CAPACITY

In providing adequate headroom for passenger growth over the next few decades and cementing Changi Airport's global air hub status, Changi has recently announced a series of infrastructure development plans. These developments, which comprises of the construction of two new passenger terminals, an iconic mixed-use complex codenamed Project Jewel and a third runway, will bring Changi Airport's existing passenger handling capacity to handle 135 million passengers per annum by the mid 2020s.

More notably, Project Jewel will be a game changer to how passengers travel and transit. The new complex, built in front of Terminal 1, is envisaged to be a world-class, signature lifestyle destination that will enable Changi to capture tourism mindshare and strongly boost Singapore's appeal as a stopover point for global travellers. The complex will offer unique leisure destinations,



(left) Ethiopian Airlines Inaugural Flight Celebrations
(below) Project Jewel



African carriers can leverage on Changi Airport's strategic position as a gateway to the Asia Pacific region to tap on the growing demand for air travel.

aviation and travel-related facilities and a wide range of retail options. Another significant mention is the development of Terminal 5, a terminal with a capacity handling of 50 million passengers per annum which, upon completion, makes it one of the world's largest terminals.

PROMOTING AIR LINKS BETWEEN AFRICA & SINGAPORE

Air links plays a crucial role in connecting people and business across the globe. With increased air connectivity, the growing bilateral trade and investment flows between Singapore and Africa can be further enhanced.

In the past year, Changi Airport has increased its marketing efforts to increase passenger flows between Africa and Asia via Singapore. On 4 June 2013, Changi Airport signed a memorandum of co-operation (MoC) with South African Tourism and Singapore Airlines to promote travel to South Africa. Under the agreement, the parties will collectively invest more than US\$1 million in cash and in-kind over a one year period to support marketing activities to promote tourist traffic to South

Africa through Singapore Airlines' services to Cape Town and Johannesburg via Singapore Changi Airport. In the same period, Changi has also worked with Ethiopian Airlines to organise several travel trade seminars in cities such as Luanda, Accra and Addis Ababa to promote Singapore and Changi Airport as the preferred gateway to Asia Pacific.

Changi Airport 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. Changi Airport will also be participating in the upcoming African Airlines Association (AFRAA)'s 46th Annual General Assembly (AGA) held in Algiers. This platform allows Changi Airport to stay engaged with African airlines and to update them on route development opportunities.

Changi continues to look forward to forging deeper relationships with existing and new African airline partners and stakeholders in bringing Africa-Asia passenger and cargo traffic to greater heights in Singapore.

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


CHANGI
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Africa Business Group

Fine-tuning a delicate relationship

You will find few people more enthusiastic about business relations between Africa and Singapore than Shabbir Hassanbhai (opposite), chairman of the Africa Business Group (AfBG). This body was created during the inaugural Africa-Singapore Business Forum in 2010 with the specific aim of acting as the link between Singaporean and sub-Saharan African companies.

The AfBG itself comes under the umbrella of the Singapore Business Federation, the apex organisation of all companies operating in the country. Hassanbhai is also vice-chairman of the Singapore Business Federation, which means that companies wishing to engage with Africa, or African companies looking for opportunities in Singapore have a seamless connection with virtually all business organisations and firms in Singapore.

The vice-chairmen of the African Business Group represent some of the most important firms with the largest investments in Africa. They include: Sumit Aggarwal, Standard Chartered Bank Singapore; Haresh Aswani, Tolaram Corporation; Neal Chandaria, Comcraft; V. Srivathsan, Olam International; Kuok Khoon Hong, Wilmar International; Darius Lim, Pavilion Energy; Elson Ng K., Golden Fortune Capital; Graeme Robertson, Intrasia Capital; Christina Tan, GMT Investcorp; Teo Siong Seng,

Pacific International Lines; and Yao Xing Liang, GMG Global.

Hassanbhai, himself a successful businessman with a fascinating history, is also the non-resident High Commissioner to Nigeria. This means that while he lives in Singapore instead of in Nigeria, he acts, to all intents and purposes, as the Singaporean Ambassador to Nigeria. Incidentally, Nigeria is one of the very few African countries to have a full ambassador resident in Singapore.

He makes several official trips to Nigeria per year but is always available to meet business delegations from Africa or to give real-time advice and provide contacts to the increasing number of Singaporean companies that are beginning to take an interest in Africa.

Behind his genial, calm exterior, Hassanbhai has enormous appetite and capacity for running organisations. Apart from being involved in his family businesses dealing in recycling of scrap metal and timber and an independent director of public listed companies, he is also co-chair of the Singapore-Oman Business Council, chairman of the Middle East Business Group, is a vice-president of Singapore Indian Development Association and has served as president of the Singapore Indian Chamber of Commerce and Industry.

He is also chairman of the advisory board of the recently set up Centre for African Studies in conjunction with

'ASEAN, of course, is our main playground and the rest of Asia is huge but, as we have all learnt, markets can suddenly dry up or even collapse. Africa is important for several reasons and it offers a wonderful opportunity to diversify. On the other hand, Singapore offers Africans the gateway to a market of 600m in ASEAN'

the Nanyang Technological University and the Singapore Business Federation. The centre is the first of its kind in Southeast Asia and is providing business insights into African markets for the public and private sectors.

In a nutshell, once the government had come to the conclusion that there was real business to be done between Singapore and Africa, and had asked Hassanbhai to bend his considerable organisational and networking skills to the task, he has been leaving no stone unturned in his bid to galvanise interest in Africa and make fruitful connections work.

"At the first Africa-Singapore Forum in 2010, there was a lot of enthusiasm from companies based here and who had been trading in Africa for a while but for the rest, Africa was just a blank with wild animals and unstable governments,"

he recalls. "Nevertheless, there was curiosity – after all, China, which is, of course, very important in this part of the world, was very active in Africa. If China was so keen to get into Africa, there had to be something there."

Nevertheless, Hassanbhai believes that a great deal has developed over the past four years. "Senior Minister of State for Trade and Industry, Lee Yi Shyan, has been very active. He believes very strongly that Africa has tremendous potential for Singapore and he has been pushing for more intense economic relations. IE Singapore has also been extremely active and opened in June 2013 its 38th global office, in Accra, Ghana."

Despite these efforts, he says, the lack of information about Africa – even such basic facts that the continent is made up of 54 very different countries at different levels of development – is still the main obstacle to greater economic ties between the two. "The idea of setting up the Centre for African Studies came up in order to further try and fill this gap via education. We are also trying to persuade the national newspapers here to provide more coverage of Africa, particularly the business aspects."

Each succeeding forum has ratcheted up interest in Africa, he says. "There was a higher level of representation during the second Forum with several ministerial delegations attending. This year's Forum will raise the bar yet again. Singapore's

Deputy Prime Minister and Minister of Finance, Tharman Shanmugaratnam will be the guest of honour.”

Street-smart activities

As a businessman with interests in many parts of the world, Hassanbhai is well aware of the need to diversify markets. “For us in Singapore, the traditional mature markets of Europe and the US are becoming more challenging.

“ASEAN, of course, is our main playground and the rest of Asia is huge but, as we have all learnt, markets can suddenly dry up or even collapse. Africa is important for several reasons and it offers a wonderful opportunity to diversify. On the other hand, Singapore offers Africans the gateway to a market of 600m in ASEAN.”

He says that the situation can be looked at from two levels: level one involves government to government and the larger, publicly listed corporations – Temasek, Olam, Pavilion, Surbana and so on; and level two, involving “the smaller, bite-sized, street-smart activities”.

He is confident that the island’s throng of innovative and efficient SME-sector companies would find Africa a very fertile ground on which to thrive and grow, and at the same time go a long way to establishing the continent’s own industrial and service-related sections.

“Since 2010, we have been fine-tuning our approach to the Singaporean SMEs and, although the relationship is still at a delicate level, there has been a remarkable change of mindset. They are no longer reluctant to engage with Africa. Forums such as this one provide them with the opportunity to look at the options and see what they can tap into.”



At any rate, he says, Singaporean companies have always thrived in new markets – Vietnam, China, India. “We have generally been first movers and now have excellent experience in handling emerging markets. Our agencies, like IE Singapore, are all over the world. They are well trained in spotting and identifying opportunities and in hand-holding new companies in unfamiliar markets.”

But Shabbir Hassanbhai, like many other business people we talked to in Singapore, singles out the poor connections between African countries and the island as perhaps the most profound impediment to greater economic ties. At present, there is only one direct flight by Singapore Airlines (SIA) to Johannesburg although as a result of a code-share with Ethiopian Airlines, it has opened access to major cities. SIA has freight services to Nigeria and East Africa that started two years ago. There is talk that India’s Tata and Singapore Airlines’ launch of a new airline could see new routes to several African capitals. “The other common grouses about Africa that you hear repeated in Singapore are the business of obtaining visas, lack of local banking support and facilities for managing risk,” he says.

What does his role as non-resident ambassador to Nigeria entail? “Nigeria is a very important market for many of our businesses here. My role is to bring our two countries closer together politically, economically and culturally. In addition, of course, I would like to spread our belief in good governance, something on which Singapore has built its success, and share our experiences, having gone through the metamorphosis from developing to First World country ourselves.” ■

Biomax Technologies

A fertiliser factory in your backyard?

The world of business is replete with stories of very unlikely beginnings leading to fame and fortune but few can match the tale of Mr Sim Eng Tong, his bacteria and his digester.

He had invited me to meet him and his associates, since he speaks little English, for breakfast at the Shangri-La Hotel, downtown Singapore. I was introduced to a slim, middle-aged man in a plain white shirt, slicked back-hair and a solemn, almost reverential manner.

Sim Eng Tong “had grown up working”, he said, and could not afford formal education. He turned his hand to anything that earned him income before settling for exporting fresh foods, including fruit and vegetables, to chefs running Chinese restaurants in Europe.

A good deal of the produce went bad before it could be shipped out. This was normal and the spoiled food was simply thrown away. But it irked Sim Eng Tong, who was brought up to not waste anything at all. He kept wondering if the waste produce could be turned into something useful.

By coincidence, one of his friends, Dr Puah Chum Mok, was a scientist working in microbiology trying to develop a cure for HIV/Aids. Sim Eng Tong wondered if an enzyme could be produced that would rapidly decompose the waste and turn it into organic waste. The doctor initially said it could



not. But Sim Eng Tong became obsessed with the idea. He kept on at it, urging the doctor to continue experimenting and five long years later, the magic enzyme appeared. But to work, it needed a ‘digester’ into which organic waste would be fed, combined with the enzyme and heated to produce the fertiliser.

But again Sim Eng Tong ran into a wall of rejections. His designs would not work, the whole thing was a joke, etc. But by now, there was no turning back for him. Eventually he found a fabricator in South Korea who made the digester.

Now was the moment of truth. He placed 15 tons of organic waste in the metal digester and kept it at a constant 80 degrees Celsius. Twenty-four hours later, the waste had turned into rich, organic fertiliser free of harmful bacteria and with not an ounce of chemicals.

Turning waste into fertiliser is, of course, as old as agriculture itself but it is a

Above: Sim Eng Tong in front of a Biomax digester.

slow, smelly process and the various components have to be separated out as the rates of decomposition vary. With Sim Eng Tong’s system, you can load all sorts of organic waste, including livestock, add the secret enzyme, fire up the digester and one day later, you have tons of quality fertiliser ready for the market. The yield is around 70% of fertiliser; the rest is lost as water vapour. There is no smell, no pollutants and very little that is wasted. The equipment (which comes in two sizes, 15 tonnes and 50 tonnes) takes up little room on a field and needs only two workers to make it function.

Profound implications

The implications of the system are profound. It not only eliminates organic waste without harming the environment but turns it very rapidly into high-quality

fertiliser for which there is a very ready market.

Since 2011, Biomax Technologies has sold 30 units, in Australia, Malaysia, Turkey, Thailand and South Africa among other destinations. But these are very early days and word is still spreading. In 2013, the thermophilic digester (to give it its proper title) won the Frost and Sullivan Best Practice Award for achieving a major technological breakthrough.

The potential for this system in Africa is vast. The continent needs enormous quantities of fertiliser if it is to achieve anywhere near its Green Revolution targets. Fertiliser, even chemical fertiliser, is expensive and governments often have to subsidise the cost of these inputs. Here is a system that cuts through all that. Stand it up in a plantation or cluster of fields and you will be guaranteed a supply of raw material, the organic waste, and guaranteed a market for the fertiliser that will result. And as a bonus, everything is very eco-friendly and will not contribute to global warming.

The cost of each unit, which comes flat-packed to be assembled by the company’s engineers, at around \$1m seems prohibitive until you realise the earning potential of both waste disposal as well as fertiliser production – on a daily basis.

Somehow, I feel Mr Sim Eng Tong will be asked to make frequent trips to various African countries in the near future. ■



Masterminding Dream Cities for Africa

THE LAST DECADE HAS SEEN TREMENDOUS growth in many parts of Africa, lifting these countries out of their economic doldrums. Many African countries are at a critical point of their economic growth. Before the end of this decade, it is estimated that more Africans will be living in urban areas than in the rural countryside.

Africa already has some of the largest cities in terms of population in the world and these cities are still growing. Many other major cities are emerging. This has brought the critical issue of urban planning to the fore. City authorities all over the continent have been looking for solutions that will ensure that their cities of the future are pleasant spaces in which to live, work and play.

This calls for careful, strategic planning that takes into account current needs and builds in the expected future expansion to ensure harmonious and prosperous lifestyles for their citizens.

Cities are the engines of economic growth and the crucibles of innovative ideas. Thus, for the majority of African governments, few issues are more important than the development and management of their cities. They therefore require a sustainable development strategy articulated through a well-defined masterplan for their cities, underscored by good city management.

Sub-Saharan Africa is one of the fastest growing regions in the world. GDP growth is forecast to grow at around 6% between 2013 and 2018. The continent's population is estimat-

ed to be nearly a billion strong, with a population growth rate of 2.6%. Currently, 40% of the population is under 15 years of age. The total population is expected to double by 2050, when Africa will have the highest proportion of working people in the world. These factors point to a strong inherent demand for long-term sustainable development, which will drive the economy and accommodate its population as well as their needs.

CUSTOMISING SOLUTIONS FOR A LOCAL MARKET

In terms of urban planning and city management, few cities in the world can claim to match the outstanding success of Singapore. For Africa, Singapore is often seen as the outstanding model for which to aspire. The urban solutions consultant that is

Surbana International Consultants Pte Ltd
168 Jalan Bukit Merah
Surbana One
Singapore 150168
Website:
www.surbana.com

Louis Tay
Managing Director
Aviation / City Management & Africa
louistay@surbana.com

Djoko Prihanto
Deputy Managing Director
Surbana Urban Planning Group
Djoko@surbana.com



**Surbana International Consultant's
Managing Director for Aviation,
City Management and Africa, Louis Tay.**

largely responsible for shaping townships in modern Singapore is Surbana International Consultants.

Surbana has successfully planned, designed and completed master-planned and designed more than a million homes across 26 vibrant townships with one million homes in Singapore.

It has gone on to export Singapore's concept of integrated townships in Asia, Africa and beyond, adapting it to meet local needs to create holistic and sustainable living environments.

Since 2005, Surbana has worked on projects in South Africa, Rwanda, Republic of Congo, Nigeria, Angola and Mauritius. With strong experience in providing end-to-end solutions in urban planning, housing and city management, Surbana's value proposition lies in being able to help emerging economies shape their development strategy towards sustainable growth, thereby facilitating growth for the region.

In the near future, Surbana will work with the government of Tanzania to help redesign, modernise and sculpt the cities, as well as skylines, of Mwanza and Arusha. Surbana will also assist the Burundi government to masterplan the capital city of Burundi, Bujumbura.

Africa is not homogeneous. It comprises 54 countries, each with its unique political system, economic model and local culture.

Surbana's Managing Director for Aviation, City Management and Africa, Louis Tay, says, "Singapore is a unique case – and our experience here has shaped our philosophy that we cannot adopt a one-size-fits-all

approach for every city. We need to first have an in-depth understanding of the environment and by working closely with the local governments, we are better able to customise solutions to meet their local conditions, thereby ensuring a greater chance of success."

Very often, he says, after a masterplan has been drawn up, there are obstacles that inhibit people, governments and stakeholders from realising their developmental goals. In addition, the talent pool in administration and project management needs to grow. A lack of capacity and skills to implement the plans can pose challenges as well.

COMMITMENT TO CAPACITY BUILDING

Another key factor that sets Surbana apart from its competitors is the firm's commitment to capacity building. Louis Tay adds, "Our motive in capacity building is twofold. It is preparing a group of responsible people with the right mindset, knowledge, skills, systems, confidence and will to appreciate and implement the masterplan, and to do so in a sustainable way to meet the needs of the future generation.

"It is getting to know the organisation and working culture of the client, the needs of the stakeholders and the local people, and informal ground intelligence that help in synchronising our thoughts with all relevant parties, and working with them as a team to develop a meaningful and impactful masterplan."

Sixty years ago, most of Singapore was little more than a squalid, overcrowded series of unhygienic slums with poor conditions.

Its transformation into the most admired city in the world over such a short period of time has been little short of miraculous.

Tay attributes this extraordinary achievement to a carefully thought-out and holistic urban planning strategy and disciplined approach to implement the masterplan.

He sees no reason why African cities, with the guidance and hands-on assistance that Surbana provides, cannot follow the path that Singapore has gone down. ■

Case Study

The Oyo-Ollombo Special Economic Zone (SEZ), Republic of Congo

In conversation

Alain Akouala Atipault, Minister at the Presidency in charge of Special Economic Zones, Republic of Congo

Congratulations on your government's decision to create a Special Economic Zone (SEZ) at Oyo-Ollombo. What are the aims of this project?

The decision to create Special Economic Zones was motivated by the need to industrialise and diversify the Congolese economy. Currently, the Republic of Congo derives its main resources from its oil operations. Though oil brings in significant budgetary revenues, it has not enabled the country to create an industrial, diversified and dynamic economy. To address this, His Excellency the President, Denis Sassou Nguesso, decided to create Special Economic Zones (SEZs). These are geographic areas and new towns that will act as springboards to create clusters of economic and industrial development which will create further wealth and new jobs.

Four SEZs have been created so far, notably Oyo-Ollombo on the edge of the River Alima. The three other zones are Brazzaville, Pointe-Noire and Ouesso.

Why have you situated the SEZ at Oyo-Ollombo?

The Oyo-Ollombo location was mainly chosen because of three factors:

- The area is predisposed to sectors of the green economy comprising agriculture, fishing and agri-industry accompanied by areas of fertile land, and access to rivers and streams which are helpful for developing these sectors.
- It is near the international airport and a river port on the River Alima, which is accessible all year round. A multi-modal transport and logistics hub will support the area by distributing locally produced goods to African regional and sub-regional markets as well as other continental markets.
- The Oyo-Ollombo SEZ is situated in the centre of the Republic of Congo and, with the road and rail links that will connect it to Pointe-Noire on Atlantic coast, enabling it to reach markets in Europe, the Americas and the rest of Africa, it makes for an ideal geographical location from which to conquer international markets.



Above: Minister Alain Akouala Atipault.
Right: Artist's impression of the waterfront town centre in Oyo-Ollombo SEZ when completed.



In 2012, your Ministry and the Ministry of Grands Travaux invited Singapore Corporation Enterprise (SCE) and urban planning experts, Surbana, to draw up a Masterplan to develop the SEZ into the 'Green capital of Congo'. What does the plan entail?

We wanted to take inspiration from the experience of Singapore, when it comes to city management.

The overall plan we have commissioned aims to draw up the blueprint for a new, modern city.

It will enable us to set the development priorities for the city and roll out public infrastructure to fulfil the various needs of a city such as economic development, traffic circulation and transport, safety and household waste treatment, recreational areas and amenities and housing amongst others.

What impact will the development of this SEZ have on the economy of the Republic of Congo and how many new jobs will it create?

Based on the studies we conducted with the support of Surbana International Consultants, we believe that this area could create 120,000 jobs by 2032.

That is on average 6,500 jobs a year. GDP for the same period is estimated at \$1,528bn. That is nearly 11% of the Republic of Congo's current GDP.

What was the experience like working with these Singaporean companies?

We have enjoyed working with Singaporean companies and have acquired many interesting experiences in the process. These companies are good examples of seriousness, quality and effectiveness.

The quality of the work accomplished together with the government of Congo has been lauded by international experts, with whom we are working to promote the SEZs. Put simply, this first experience of working together has been a success. ■

The Oyo-Ollombo Special Economic Zone

This ambitious project is located 400 km north of Brazzaville, the capital city of the Republic of Congo (ROC). Oyo-Ollombo, covering 7,600 sq km, has been designated as one of four Special Economic Zones (SEZ) identified by the government of the Republic of Congo (ROC) to grow and diversify its economy.

The Oyo-Ollombo SEZ is slated to be the 'Green Capital' of the Republic. It will be the business and R&D hub for agribusiness, agro-industries and eco-tourism. It will also set the benchmark in terms of urban liveability by leading the application of sustainable development principles in the ROC. The ultimate goal is to improve the business environment and strengthen the competitiveness of ROC in the region.

Based on these key principles, a distinctive masterplan was proposed for the SEZ's urban core, integrating the existing Oyo and Ollombo towns.

To guide its proper development and growth, and in order to achieve its overall aims, the Oyo-Ollombo project needed a sustainable and long-term masterplan. In 2012, the government of ROC invited SEC and Surbana to share their expertise by conducting a feasibility study and designing the masterplan for the SEZ and these were completed mid-2013.

The masterplan considered an integrated planning approach to establish an agriculture-based SEZ by carefully optimising available land resources, while conserving forest and other natural environmental features.

Surbana has also provided a strategic framework that integrates all the key elements on how to implement the SEZ effectively. Strategic goals have been identified and specific industrial sectors are recommended based on the regional potential. Excellent urban infrastructure such as efficient transportation, range of housing choices, supporting utilities and social amenities are all planned. A horticulture area, food processing zones, a scenic waterfront town centre and an attractive central park are amongst the key features of the masterplan. Care was also taken to conserve the extensive bodies of water and dense tropical forests. Public transport and non-motorised transport are emphasised by designing compact neighbourhoods, higher density urban corridors, and extensive green networks.

In 15-20 years' time, the city will be home to around 300,000 and serve as a new regional hub in the central region of ROC, creating local jobs. In 20 years, annual GDP of Oyo-Ollombo SEZ is projected to reach \$1.5bn.

In conversation**Venkataramani Srivathsan**

Olam's Managing Director for Africa and Middle East

How Africa can feed the world

What are Olam's current operations in Africa?

We currently have operations in 25 African countries, and these extend right across the value chain from seed to shelf. We have upstream palm and rubber plantations in Gabon, rice farms in Nigeria and coffee in Tanzania and Zambia.

We continue to source products including cashew, cotton, cocoa and sesame from our network of approximately 3m smallholders.

At the mid-stream level processing level our operations include wheat mills in Ghana and Nigeria, with two more coming on line in Senegal and Cameroon, as well as cocoa, cashew and palm oil processing plants in various countries. Finally, we have our downstream Packaged Foods Business, selling consumer staples such as Tasty Tom Tomato Paste and Cherie Noodles. We continue to invest in our smallholder producer networks, supporting farmers through field schools, interest-free micro-finance, inputs such as fertiliser and seedlings, and social investments such as health centres and schools.

By collaborating with the NGO sector we have been able to advance social and environmental best practice. For example, this is our sixth year of leveraging our extensive networks and partnerships with GIZ (Gesellschaft für Internationale Zusammenarbeit GmbH) and EngenderHealth to support programmes for the



prevention and treatment of HIV/AIDS across Africa.

How much have you invested in Africa to date?

Our commitment to the African region runs deep: Olam started sourcing our first product – cashews – from the farm gate in Nigeria 25 years ago. Since then, Olam has invested \$1.26bn in support of our operations across the continent.

How do these investments fit in with your global strategy?

Our global strategy can be best understood as a series of interrelated steps of adjacent product, geographic and value chain expansion, with each step building on prior initiatives without losing focus of our core supply-chain trading business.

Above: Venkataramani Srivathsan, Olam's Managing Director for Africa and Middle East.

This has led to our strategy of selectively integrating into high value upstream and mid/downstream segments of the value chain – and nowhere is this more apparent than in Africa.

Which are the major growth markets for agribusiness in Africa?

We see opportunity in local value addition in African supply chains, and we have developed 25 tier one processing plants in the region including units for cashew, rice, cocoa and sesame among others. Processing crops in-country has a number of

advantages – not only does it provide employment, reduce transport costs and emissions, but it gives farmers confidence that there is a ready buyer for their harvest, knowing we will commit to a fair price.

Africa is also increasingly a destination market, and not just an export market. Olam has invested in processing units for imports such as tomatoes and wheat to support growth in our packaged foods business.

Africa is set to become the region with the fastest-growing consumer market, with McKinsey predicting an imminent boom in African consumer spending of \$1.4 trillion by 2020, of which approximately 46% will be on food and consumer goods. Naturally Olam is keen to be part of the expansion in this sector. We are already the second-largest producer of branded tomato paste in West Africa, selling through three brand names: Tasty Tom, De Rica and Festin.

How big is the packaged foods market in Africa? What are your most popular brands?

Our portfolio currently counts six key brands that are marketed to more than 10 South and West African markets, and we now have leading positions in most of the categories that we participate in.

This has been achieved through a strong distribution set-up that reaches to the smallest towns and villages in each of our target markets.

We are concurrently making significant investments in brand building and in developing deep insight into African consumers' needs and wants. This, we believe, will be a source of enduring and powerful competitive advantage for us. Our popular products include tomato paste, pasta, biscuits, edible oil, instant noodles and beverages.

What are the major challenges for investing in Africa?

Olam's deep experience in emerging markets and our long heritage in Africa means that we are able to adapt our operations in challenging and often unstable environments, and can successfully mitigate the associated risks.

In terms of challenges on the ground, poor infrastructure is the most significant issue as it creates bottlenecks and inefficiencies. This issue is common to many of the emerging markets where Olam operates, and the company is well practised in meeting this challenge through the development of roads, warehouses and alternative transport networks.

For example, in the area surrounding our rice nucleus in Nasarawa state, we have constructed over 40km of roads to facilitate access and egress at the farm.

How do you ensure that the Olam philosophy runs through all your operations?

Today, our "Rite of Passage" programme (which is known at Olam as 'Sunny's MBA') sends our management team to some of the most physically, socially and demographically challenging geographies within our business footprint.

This embeds the entrepreneurial spirit which permeates the Olam culture, and gives these individuals perspective, teaches them respect for each role within our organisation and within a community, and creates an appreciation of what growing

responsibly really means.

Transparency and fairness have always been key watchwords and remain part of our commitment to long-term growth and investment.

As an international corporation working in challenging markets, we have always focused strongly on good governance as well as unlocking value for our farming communities economically, socially and environmentally.



'We continue to source products including cashew, cotton, cocoa and sesame from our network of approximately 3m smallholders'

Developing local talent and building capacity throughout operations is vital to Olam's durability in local markets. Initiatives such as the West Africa Trainee programme help to bridge the skills gap in management.

Nigeria's President Goodluck Jonathan recently toured your rice plantations in the country. Nigeria still cannot produce anywhere near the rice it consumes. How are you trying to close the gap?

Olam is enhancing Nigeria's domestic food security through scaling up rice cultivation in the country. Our rice farm and integrated mill in Nasarawa state are supporting the government's ambitions to reduce the levels of imported

rice consumed in Nigeria, by producing and processing home-grown, high-quality rice at a large scale.

Olam's 6,000ha rice farm is the largest in West Africa, and will provide 36,000 metric tonnes of milled rice to the domestic market, thanks to the four varieties of high-yield rice that have been developed with the West African Rice

Below: The Olam rice farm in Nasarawa State, Nigeria.

During his recent visit to the Olam rice farm, President Goodluck Ebele Jonathan commented: "Our goal of making Nigeria a net exporter of rice will be achieved faster by encouraging large commercial farms that will complement our small-scale farmers. Large mechanised rice farms like Olam's 6,000-hectare farm will not only boost food production but also provide significant opportunities for jobs in rural areas. These mills are producing high-quality local rice that meets international standards and competes well with imported rice."

I believe you started in Africa and are now in charge of operations there. What is so special about Africa?

Africa will always hold a special place in my heart – it is a unique and hugely diverse continent that holds so much energy and so much potential. It is a very exciting thing that today Africa has the youngest population in the world. The next generation must be equipped to seize the opportunities that are on the horizon in the next 30-40 years, and that are already right under our noses. Quite simply, Africa is the place to be – and the best is yet to come.

How far is Africa from achieving a sustainable Green Revolution and what does it need to do to get there?

When you look at comparative productivity for the African region with the rest of the world, the yield gap is stark. Sub-Saharan Africa's actual crop yield is estimated at 25% of potential yield, compared to East Asia at almost 90%.

I see a huge opportunity for sub-Saharan Africa to catch up and even overtake other regions as a global agricultural powerhouse.

If Africa could double its yield to 50%, the continent would be able to not only feed itself, but also become a net food exporter. ■

CrimsonLogic

Applying the magic powder to trade

If governments and, for that matter, traders in Africa were granted one wish to make their lives easier, chances are they would ask for a magic system that would, at the touch of a key, cut through all the jungles of bureaucracy and form filling that blight everyday transactions on the continent.

"That is exactly the wish that the government of Singapore made back in the 1980s," says Saw Ken Wye, CEO of CrimsonLogic. "As you know, trade is Singapore's lifeblood. We were going through a painful recession and a lot of the revenues were being lost to cumbersome processes. The question was how to make trade more productive, more efficient?"

That, says Saw Ken Wye, was the start of a remarkable journey that led to the development of the world's first 'single-window' system and in time, to a full spectrum of eGovernment services.

Set up jointly by IE Singapore (then the Singapore Trade Development Board), the Civil Aviation Authority of Singapore, PSA Corporation and Singapore Telecommunications, CrimsonLogic began operations in 1988.

It developed TradeNet®, a single-window system that connected multiple parties involved in external trade. The system, as defined by the UN, is a "facility that allows parties involved in trade and transport to lodge standardised informa-

tion and documents with a single entry point to fulfil import, export and transit-related regulatory requirements".

It enables traders to have 24-hour access to the electronic transmission of trade documents. "TradeNet® allowed us to connect Singapore Customs, Port Authorities and 33 other government controlling agencies to a single online platform for most trade documentation tasks, such as processing import and export permits, and certificates of origin. It facilitates the processing and approval of trade permits, reducing processing time to less than three minutes per application," recalls Saw Ken Wye. "Today, we process about nine million online transactions annually."

Contrast this with agonisingly slow processing and clearance at even some of the best African ports – the only exceptions are where CrimsonLogic has applied its magic wand. Of all the obstacles that stand in the way of a rapid expansion of African trade, the worst culprit has been the often unbelievably sluggish movement of goods from ship to shore and from storage to wherever the final destination may lie. This is not only the

slowest in the world, it is the most expensive in the world to boot. The costs are, of course, passed on to the final consumer, who, in effect, is often paying several times more for the same product than anybody else anywhere in the world is paying. Little wonder that it has been so difficult to raise the poverty level of the continent despite Africa's impressive growth rates.

Encouraged by the success of TradeNet®, "and the experience gained in trade facilitation, CrimsonLogic ventured into other areas of eGovernment, such as eServices, eCitizens, eJustice and so on," says Saw Ken Wye.

Unbelievable numbers

The numbers that Saw Ken Wye quotes in terms of annual transactions are so far outside the league of most African ports as to be almost unbelievable. But they explain why Singapore's trade is three times the size of its GDP and why it is one of the world's busiest and most efficient ports. One can only imagine what the economic gains would be for Africa if it could achieve even half the same efficiency as Singapore.

"But, of course, Africa can," says Saw Ken Wye. All African





The inspiration behind the CrimsonLogic logo is the Nautilus shell, also known as nature's perfection. The proportion of one concentric layer to the next layer is a constant numeric value. This ratio, sometimes known as the Golden Ratio, can be found throughout nature. The proportional precision of the spiral exhibits an aura of intelligence and a strong sense of discipline in our approach to developing world-class solutions



Opposite: Saw Ken Wye, CEO of CrimsonLogic, developers of systems to facilitate trade (above).

countries have to do is to invite CrimsonLogic to take a look at their systems and sort them out, as many other countries around the world have done.

"We help governments design and run innovative and sustainable services to collaborate more seamlessly with their citizens and ecosystems," says Saw Ken Wye. "With over two decades of experience in eGovernment, we have a deep understanding of the way agencies work, interact and deliver services. TradeNet, eJudiciary, eStamping and CertOfOrigin are some of our world-first innovations being used everyday by government agencies worldwide."

These include a handful of African countries such as Ghana, Madagascar, Mauritius, and Mozambique. The company is involved in two projects in Ghana: the Ghana Integrated Customs Clearance System,

Kenya launches national single-window

Kenya's President Uhuru Kenyatta officially rolled out the Kenya Electronic Single Window System, known as Kenya TradeNet, in May this year. The system is CrimsonLogic's 18th live trade-facilitation implementation so far, and its first major project in Kenya.

Kenya TradeNet is the first comprehensive Single Window system in the East African Community, and one of the very few in the world that integrates a complex heterogeneous government-agencies ecosystem onto a single common platform, streamlining clearance processes for sea, air and land cargo.

With the country's annual trade volumes exceeding \$22.4bn, Kenya TradeNet is a flagship project under Kenya's Vision 2030 programme to position the country as a key trading hub in Africa. The system is expected to reduce cargo dwell time at ports, and improve the ease of doing business.

Although it was officially launched this year, Kenya TradeNet had been rolled out to the trading community in November 2013.

The Kenya TradeNet provides a single point of access for the Kenyan trading community to electronically submit and receive approvals from regulatory agencies, enabling easier, faster and more transparent processes, providing significant cost savings to the trading community.

Key regulatory agencies such as the Kenya Revenue Authority, Kenya Ports Authority, Kenya Maritime Authority, Kenya Airports Authority, Kenya Bureau of Standards, Kenya Plant Health Inspectorate Services, Department of Veterinary Services, Horticultural Crops Development Authority, Pharmacy & Poisons Board and Port Health (and eventually over 20 partner government agencies) are integrated with Kenya TradeNet.

Kenya TradeNet is owned and managed by Kenya Trade Network Agency (KenTrade), a state corporation mandated to implement, operationalise and manage the system.

"The journey towards modernising our Trade Facilitation system has benefited from the wealth of knowledge and expertise that CrimsonLogic has brought into this project," said Alex Kabuga, CEO of KenTrade. "CrimsonLogic is our valuable partner that delivered this challenging project on time, enabling us to positively manage the expectations of our stakeholders and trading community."

'All African countries have to do is to invite CrimsonLogic to take a look at their systems and sort them out, as many other countries around the world have done'

which is a web-based facility to control customs excise and preventative services; and the Ghana Gateway Project, which is a single window trade facilitation and customs management system.

In Mauritius CrimsonLogic set up the National Identity scheme in 2012 and the Mauritius eJudiciary project. The first project replaces paper-based national identity cards with polycarbonate smart cards for all citizens. The cards can be used for a variety of online services. The eJudiciary project has replaced mountains of case files and is an integrated court management system that has increased transparency and cut through the earlier labyrinthine manual processes.

"CrimsonLogic was entrusted to look into all the technical aspects of the eJudiciary system because of their experience and success in setting up the Electronic Filing System in Singapore. This eJudiciary system enables us to prove to investors that we are responsive to their needs by accelerating commercial claims," said Y K J Yeung Sik Yuen, the Chief Justice of Mauritius.

There are any number of African judicial systems that can happily do with this system and unclog the logjams that are currently standard.

Mozambique applied CrimsonLogic's TradeNet® in 2010 and now enjoys one of the most streamlined clearance systems in Southern Africa. Namibia has also taken advantage of the eJudiciary system to cut its court costs, prevent tampering with documents and improve transparency and efficiency. Rwanda has consulted the company on achieving an IT platform for its social security services and Kenya has launched a major single-window system (See box).

With most of Africa looking for ways and means to unclutter and speed up its trade processes, it would seem that CrimsonLogic is just what they would have wished for. ■

Vega Foods

brand with a conscience

The belief that good quality and enjoyable food should not be the preserve only of the affluent but available to all was the starting point of Vega Foods, says the company's CEO, Vikram Chand.

Although the brand is only 10 years old, it is now present in several countries across the length and breadth of Africa. It has been giving venerable and old-established packaged foods companies a good run for their money.

Vega Foods is among a handful of Singaporean companies that focuses almost exclusively on the African market. "The key for us is value," says Chand. "Our products are excellent value for money and we make sure they are affordable for the majority. I will never sell anything that I do not eat myself."

There is an astonishing range of canned, boxed, bottled and bagged foods on display at their headquarters in Singapore. Dairy, canned fish, canned meats, spaghetti, juice, biscuits, sauces – all jostle for attention on the crowded shelves.

Container loads of the enticingly packaged food products are shipped out to teeming markets, stalls, shops and supermarkets across Francophone and Anglophone countries spanning the African continent.

Chand says Vega Foods provide not only a bit of affordable luxury to the

ordinary African shopper but often essential proteins and vitamins to complement their often simple meals.

But while Vega Foods is not the only packaged foods exporter to Africa, its story is unique. Chand looks very much an Indian but we were astonished to hear him talk fluently in Japanese at a restaurant nearby.

"Japanese is my first language," he said,

'Our products are excellent value for money but we make sure they are affordable by the majority. I will never sell anything that I do not eat myself'



"followed by English and a host of other languages." He was born in Japan to an Indian family that had lived there for over 70 years. Vega Foods is a small part of the GRUPO KAYBEE, which specialises in yarn, fibres, fabrics, garments, apparel and steel trading. "Food forms less than 20% of the business – but it has a great future," he believes.

As an export-oriented organisation, the company is always on the lookout for new markets. "We saw a gap in the processed foods market in Africa," he recalls and although the company was not then involved in foods, "we decided to go in."

Chand says he felt Africans were getting a raw deal from the established foods industries, many of which had been set up in colonial times. "Africa was a bit of a dumping ground." "We sensed that if we could provide good quality at affordable prices, we had a future."

But, of course, while Africa provided enormous opportunity, it also posed considerable challenges. "There are 54 'Africas,'" he says, referring to the number of countries on the continent. "Each is different, each has a distinct palate. Some like more salt, some less, some love mild foods, others cannot abide anything that is not spicy or tangy."

Then there is the whole issue of volatility to contend

with. “Currencies can suddenly lose value and one can lose years of income in a few months.”

Risk management is the key

Managing risk is the name of the game. “There are a lot of nuances which need to be understood, business is a lot more tedious, detailed and complicated than people think.”

But for those who can ride the storms, Africa is a great market. Vega Foods started trading in Cameroon, where it quickly gained 60% of the condensed milk market. This success was replicated in other neighbouring countries. The widely used CFA currency, which is pegged to the euro, provided a degree of price stability.

As the demand for a greater variety of foods sourced globally began to grow, the company concentrated on



‘We formed partnerships with strong local distributing companies. They are experts at what they do, while we concentrate on our own expertise’

providing the right products at the right prices.

“We formed partnerships with strong local distributing companies. They are experts at what they do, while we concentrate on our own expertise.” The foods that have found such favour in Africa are now being sold in China and parts of Australia.

Has he considered manufacturing foods in Africa itself? “Not yet,” says Chand. “But we are looking at the tremendous possibilities that, for example, the cassava presents.”

For the time being, Vega Foods is content to provide the African customer with the best food available for the price. Summing up why Vega Foods has made such inroads over a short time, Chand says: “It is difficult to build a business without a conscience so we’re trying to be a brand with a conscience.” ■



Over 2 million times a day, Vega brand touches the lives of people in Africa.

120 Lower Delta Road, #14-01, Cendex Centre, Singapore 169208 . info@vegafoods.com . www.vegafoods.com

Maximising Throughput Accelerating Growth

Since 2005, a Singaporean midsize port operator has been helping the African continent bolster its economic development.

Portek International is one of the pioneer Singaporean companies leading the Africa-Singapore business front. From its origins as a port equipment engineering specialist in 1988, Portek is now an operator of medium-sized terminals and a one-stop provider of port equipment engineering solutions to ports around the world.

Portek is currently involved in the operations and management of 4 terminals in 3 African countries – Algeria, Gabon and Rwanda. In addition to terminal operations, it also provides a full spectrum of engineering services, including the supply, modification, mobilisation, modernisation and holistic leasing solution of port equipment.

The company has been operating in Africa since 2005, when its affiliate, Béjaïa Mediterranean Terminal SPA won a 20 year concession to establish and operate a container facility in Béjaïa, Algeria. The terminal has grown to become the third largest in Algeria and is a great example of Portek's



Portek's first African terminal, the Béjaïa Mediterranean Terminal located in Béjaïa, Algeria

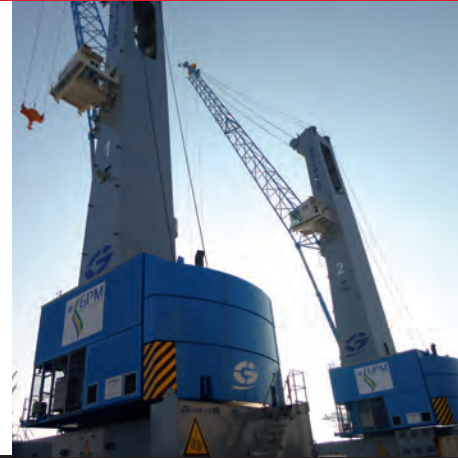
ability to rapidly transform a port into a role model of efficiency in container terminal operations and foresight to initiate integrated logistics services to serve customers outside Béjaïa.

In 2007, Portek ventured into Gabon and through its wholly owned subsidiary, Gabon Port Management S.A, it won a 25 year concession for the management of the country's two main ports – Port d'Owendo and Port of Port Gentil. Port d'Owendo, located in Gabon's capital of Libreville, has seen rapid increases in cargo volumes in recent years, facilitating the country's rapid economic growth. Three MHCs deployed in 2012 & 2013 have greatly improved productivities at quay side, positioning Port d'Owendo as one of the most efficient terminals in West Africa. Port of Port Gentil is the main facility supporting the activities of Gabon's burgeoning oil and gas sector.

Portek's latest foray in Africa is the acquisition of a controlling stake in Magerwa Ltd, Rwanda's main inland cargo handling facility located in the capital of Kigali. In its main 16-hectare facility of Gikondo, Magerwa operates warehouses and provides clients with a wide range of logistics services to serve Rwanda and its neighbouring countries.

www.portek.com

A Mitsui & Co., Ltd. Subsidiary



Gabon's Port d'Owendo is equipped with modern container handling equipment

"Our ethos is "Maximising Throughput and Accelerating Growth" for our ports and their local economies."

Takao Omori, CEO



The Magerwa dryport offers importers bonded warehouses and a fleet of handling equipment

In addition to these African operations, Portek also operates 3 terminals in Indonesia and 2 in Europe. Headquartered in Singapore, Portek has offices in over 9 countries throughout Africa, Europe and Asia, with staff strength of more than 1400 employees.

Portek's unique combination of port engineering, port management and port information technology expertise with financing capabilities can quickly gear up the capacity of terminals, establish its operational infrastructure and build up port throughput within a short time frame.

Mr Takao Omori, CEO of Portek, commented, "Our objective combines our port management and equipment engineering expertise with innovative financial solutions to create value for all stakeholders in the countries and regions we invest in. We take a long term view in such value creation – improving efficiencies, raising employment levels, reducing transport costs, along with technology transfer. In short our ethos is "Maximising Throughput and Accelerating Growth" for our ports and their local economies."

In Conversation with Takao Omori, CEO, Portek

Building trade lifelines

What difference has your inland port in Rwanda made to trade to and from the country?
Magerwa Limited, our subsidiary, forms the central logistics platform in the country.

Our facilities include warehouses in the capital providing 1.4 hectares of covered space; the Gikondo facility which offers 16 hectares of yard space for storing bulk cargo, containers and parking space for up to 250 trucks, plus space for smaller vehicles; 10 border posts with handling and warehousing facilities across the country; one state-of-the-art cold room at the Kigali International airport; and two oil tanker-truck transit yards.

Rwanda is a landlocked country and the smooth flow of goods into and out of it is essential for its economic development. The high standard of our handling services as well as the excellent warehousing facilities we provide, at very competitive prices, are vital for this flow of goods.

So you can say that our facilities have made all the difference in the world for the economic prospects of Rwanda. Magerwa Limited also plays an important role in the region for transit cargo to neighbouring countries such as the DR Congo.

It is now looking at extending its services to Mombasa, Kenya, and Dar es Salaam, Tanzania. This will enable it to service its clients in the East African Community under the single customs territory implementation.



We attribute our success in the region to the 'can do' spirit of our people and local partners. This has enabled them to overcome these challenges and achieve excellent results over the years

How important is your relationship with local players, including governments?

One of the primary reasons behind the success of the Bejaia Mediterranean Terminal in Algeria (BMT), and many of our terminals, has been the ability of our partners to complement each other and form stronger partnerships than otherwise.

Our commitments are always to ensure positive contributions to our partners and to the countries in which we invest – in line with Portek's philosophy of maximising throughput and accelerating growth. We feel African governments should provide investment incentives, such as freedom of capital flows, tax

incentives, efficient ancillary logistics infrastructure and customs processes to encourage investments from private investors.

The main drawback is that fees in Africa are generally high due to the lack of efficient port and supporting infrastructure – as well as the lack of the volume that would justify the greater investment.

But in the long term, efficient infrastructure will create the impetus for volumes to grow, as it stimulates industry growth and consumption.

Since both private and public partners have a common long-term vision, the interests of both sides can be very much aligned.

You have operations in Asia, Europe and Africa. Are there any special challenges to operating in Africa compared to the other regions?

Examples of the challenges we hear about from traditional operations in Africa include long anchorage and long vessel dwell time and congested yards. These, in turn, lead to high operating costs. However, our African affiliates are performing better than most among our group – if not the best.

We attribute our success in the region to the 'can do' spirit of our people and local partners. This has enabled them to overcome these challenges and achieve excellent results over the years.

Specifically, we would like to highlight our achievement at Port d'Owendo in Gabon. Through the introduction of two mobile harbour cranes in 2012 and a third one in 2013, the port doubled its productivity (20 TEUs per hour per vessel) and helped to decrease the vessel waiting and dwell time by almost half.

How important are your African operations in terms of your global footprint?

Africa will certainly continue to feature prominently in our expansion going forward. We regard ourselves as a specialist in unlocking value for emerging markets with high growth potential. We are innovative in finding technical, financial and strategic solutions for Africa. We are actively seeking opportunities throughout the continent. ■

Meinhardt

End-to-end expertise

Your first contact with Singapore is most likely to be Changi International Airport.

If you are a frequent traveller and have often been subjected to the trials and tribulations of negotiating your way around the world's airports, you quickly realise why Changi has won more 'best airport' awards than anyone else over the years. But of course, what you don't see is the engineering that makes Changi and many of the country's magnificent structures work so effectively.

Delivering this high quality engineering is the responsibility of the Meinhardt engineering consultancy. "We carried out the upgrade of terminal one at Changi without disrupting any of the airport's business," says Omar Shahzad – who at 35 is the surprisingly young CEO of the group.

Meinhardt is one of the world's few multi-disciplinary and truly integrated engineering, infrastructure and project management consulting firms.

Singapore's glittering cityscape owes a great deal to the expertise of Meinhardt engineers. For example, the Marina Bay Financial Centre, an elegant cluster of glass and steel high-rises which dominates the city centre, and the superb 'Gardens By the Bay' are both Meinhardt projects. Another Meinhardt project is the thrilling and awe-inspiring Resort World, including Universal Studios, at Santosa.

In fact, travel the world and the chances are that the most imposing structures you are likely to come across will be



'With our Australian heritage, our presence in Singapore provided us with easy access to both the East and West and this has helped us to gain a very competitive foothold in Asia Pacific'

Left: Omar Shahzad, CEO of Meinhardt.

Meinhardt projects:

The Dubai Mall, the World Trade Centre 2 in Indonesia, the KL Central Station in Malaysia, the Greater Bangalore Water Supply Distribution Network in India, the Azia Centre in Shanghai, BHP Global headquarters in Melbourne, 151 City Road Hotel in London and literally hundreds of other outstanding projects around the world.

The total number of completed projects Meinhardt has been involved in is well over 100,000.

With annual contracts worth around \$15bn, Meinhardt is ranked among the world's largest independent engineering consulting firms. It has over 3,700 consultants working in 39 offices worldwide, including in Australia, Greater China, India, Pakistan, Singapore, Malaysia, Indonesia, Thailand, Vietnam, the Philippines, Middle East and North Africa and the United Kingdom.

one-stop shop in terms of engineering. We provide a single point of contact – we take the lead, and if things go wrong, we take the blame," he says.

Avoiding costly mistakes

Meinhardt has become increasingly involved in some of the biggest projects in the Middle East and is now looking towards Africa. "If you examine the global trends, Africa is next in line for mega projects that require world-class engineering. African economies are growing rapidly, their cities are expanding and the continent is becoming more integrated into the rest of the world. This calls for efficiencies and best practice all around. What is more, Africa can avoid many of the costly mistakes that other emerging markets have made."

These, he says, have been caused by taking piecemeal approaches to projects. "Someone provides the architectural designs, someone else the engineering, yet someone else supervises the construction and so on. You end up with pieces of a jigsaw that don't fit together."

Take design, for instance, he says. "Design may be the smallest component in a project but it is critical. Good, well-thought-out design could save as much as 15% of construction cost. Engineers can work out the optimal use of steel and glass for example, how to position components so that there is less need for reinforcement."

He believes that Africa, like some emerging markets,

The engineering consultancy was started by Bill Meinhardt in Melbourne in 1955. "He could foresee that the real growth in construction would come from emerging Asia," Shahzad told me.

Through a joint venture with Bylander Waddell from the UK, Meinhardt's first overseas office was established in Singapore in 1973. "With our Australian heritage, our presence in Singapore provided us with easy access to both the East and West and this has helped us to gain a very competitive foothold in Asia Pacific," said Shahzad.

The firm provides what Shahzad calls "end-to-end consultancy". This includes feasibility studies, master planning, detailed design, construction supervision, testing, commissioning and project management to delivery.

"The same team stays involved throughout the project. Basically, we are a

have not yet fully grasped the importance of good design and the need to integrate it with engineering so that the whole process is seamless. “What you need is a good team that will take the project from start to finish,” he says.

A good project team, for example, he says “should understand the requirements of the client, the sort of project they want, their budget, how quickly the project needs to be completed and the lifespan of the project”.

The role of the project team, he says, “is key from the feasibility study right through to the concept and detailed design, preparation and calling for tenders, making sure the right type of contractors tender for the job, giving the right advice to the client and recommending the most



suitable contractor to take on the job based on the client’s objectives”.

There is no doubt that Africa has more than its fair share of shoddy construction. Cities are full of structures that are ugly, often dark and dank,

Above: Changi Airport – Meinhardt was responsible for the terminal one upgrade.

unhealthy, poorly planned, inefficient and given to crumbling and disintegrating at the slightest encouragement. These are often ‘off the shelf’ designs that take no account of local environments or the use to which the structure will be put. They are often hastily and cheaply put together and look attractive from the outside. But in no time, the cosmetic veneer fades away and we are left with expensive mistakes.

“When we look at a project in a developing country, where the quality of construction may not be the same as in Singapore, we tend to have a higher involvement because we need to be more hands on,” says Omar Shahzad.

Something tells me Meinhardt will be kept quite busy in Africa for a while to come. ■

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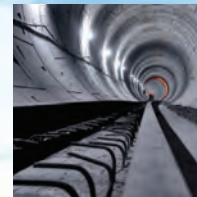
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THE NEW SPIRIT OF AFRICA

In conversation: HE Nonye Rajis-Okpara, High Commissioner for Nigeria in Singapore

Nigeria is one of the few African countries to have a full diplomatic mission in Singapore. Her Excellency Nonye Rajis-Okpara (pictured) was appointed the High Commissioner in 2012. She is reputed to have injected new vitality and energy into her post and to have raised the level of interaction between the two countries several fold.

Smooth Operator

What is the current state of bilateral trade and diplomatic relations with Singapore?

Diplomatic relations between Nigeria and Singapore are very cordial and have continued to move forward, especially in the international fora.

The volume of exports from Singapore to Nigeria in 2013 amounted to S\$21.247bn (\$17.1bn) while exports from Nigeria to Singapore came to S\$5.4m (\$4.2m).

Imports from Nigeria include soya beans, sesame seeds, groundnuts, cashew, cocoa and some precious stones, all in their raw state. Exports from Singapore are mostly electronics, cars, spare parts and general services.

As you may be aware, Temasek Holdings, in conjunction with IFC, the private sector arm of the World Bank Group, and its subsidiary, the IFC's African, Latin American and Caribbean Fund, have invested \$150m, \$75m and \$30m respectively in a Nigerian firm, Seven Energy. Temasek Holdings is the principal investor. It has also bought 50% shares in Olam Nigeria.

You have been very active in establishing greater cooperation with Singapore since you took over your position two years ago. Can you give more examples of



cooperation with Singaporean companies?

There have been a number of MOUs as well as agreements. For example, SmartCity Resorts Plc has signed an MOU with Surbana International Consultants for the establishment of a smart city in the capital, Abuja; the Nigeria Investment Promotion Commission (NIPC) and the IE Singapore have signed an MOU to set up a framework for trade, industry and investment; the Federal Capital Territory Administration (FCTA) and Hyflux Limited have signed an MOU for water treatment and also with Surbana for the urban redevelopment of Abuja.

Other significant developments include the construction of a deepwater port in Nigeria by the Tolaram Group; cooperation between the Cross River State of Nigeria and Wilmar International in the area of plantations and palm oil mills; the construction of a container port by Pacific International Lines (PIL) for the Ogun State government and Vector Scorecard is working with the FCTA to provide its expertise to promote workforce development as well as stimulate micro and SMEs in Nigeria.

What activities has the High Commission undertaken to

strengthen relationships with Singapore?

We have been busy as a great deal needs to be done. We arrange high-level bilateral meetings to breach the gap between the two countries and arrange study tours for Nigerian government officials to visit Singapore and learn from its best practice.

We have managed to reduce the visa waiting period to two to three days and, in fact, we have reciprocated the visa waiver for holders of Singaporean diplomatic and official passports. This has made travel for diplomats and government officials far easier.

We are also working closely with the Singapore government to conclude the Bilateral Air Services Agreement, Double Taxation Agreement and Investment Guarantee Agreement.

What would you say is the most important role that Singapore can play in Nigeria's development programme?

As the most populous country in Africa, Nigeria is facing challenges in developing its infrastructure, such as access to clean water, constant power supply, affordable housing and accessible roads. Developing our infrastructure is critical in facilitating economic growth. This means that in order to develop the Nigerian economy, infrastructural development must improve. Singapore's world-class companies, with their vast experience in emerging markets, can be of great help here.

Similarly, capacity-building programmes for the Nigerian workforce are of paramount importance. Singapore can partner with Nigeria to accurately determine the deficiencies in capacity-building programmes and put into place plans to rectify this.

Vocational education is just as critical as we embark on our industrialisation campaign. In this area, there is good collaboration between

the Institute of Technical Education (ITE) Singapore and the Education Trust Fund Nigeria and the Nasarawa and Imo state governments.

In terms of port management, the Nigerian Ports Authority is working closely with Singapore's PSA International, one of the world's largest port operators.

The Nanyang Technological University, Singapore, is working with the Nigerian Maritime Administration and Safety Agency to help with the establishment of the Nigerian Maritime University in Okerenkoko, Delta state in Nigeria.

What are the opportunities for Singaporean companies in Nigeria, and vice versa?

Investment and business opportunities are huge in Nigeria, Africa's largest economy. Singaporean companies such as Tolaram, Indorama, Olam, Temasek, Wilmar, to name just a few, will testify to the massive opportunities that Nigeria offers.

There are also a number of companies owned by Nigerians here in Singapore. These include HARPS Holding, Sahara Energy International, Fortress Intelligence and Norfin Offshore. All these companies are doing well in their respective areas.

What are you doing to increase knowledge of Nigeria in Singapore and vice versa?

A great deal of this happens during the day-to-day interactions with Singaporeans from all walks of life. I take the opportunity to shed more light about Nigeria, its people, its culture, its potentials and investment opportunities.

Not so long ago, we organised the Nigeria-Singapore Business and Investment Forum 2013, which attracted over 800 delegates from Nigeria, Singapore and the Asia Pacific region. The Forum was the biggest bilateral

\$4.2m

The volume of exports from Singapore to Nigeria in 2013 amounted to S\$21.247bn (\$17.1bn) while exports from Nigeria to Singapore came to S\$5.4m (\$4.2m)

'Not so long ago, we organised the Nigeria-Singapore Business and Investment Forum 2013, which attracted over 800 delegates from Nigeria, Singapore and the Asia Pacific region. The forum was the biggest bilateral event Singapore has ever seen. During the forum, five MOUs were signed'

event Singapore has ever seen. During the Forum, five MOUs were signed.

Awareness of Nigeria has now multiplied several fold in Singapore. Evidence of this is the number of visas the High Commission now issues to prospective investors seeking to enter the Nigerian market.

We also organise visits for Singaporean companies to visit Nigeria and provide linkages to the right businesses in the country.

What are your personal observations about Singapore and what can Africa learn from it?

Singapore is very clean and very organised. They are a reserved people but very passionate about the welfare of their people. It has been a tremendous success story over a very short period of time. A lot of this is the result of continuity in government policy. Successive governments build on what has been achieved, rather than change direction. Perhaps this is something we in Africa can learn from Singapore.

However, there is very little knowledge about Africa outside specialised sectors. They tended to confuse Nigeria and Ghana – but not since I took office! Now they all know about Nigeria! But, seriously, we in Africa have to do more to spread the right kind of information about the continent. Publications like yours are doing a great job but we need a more concerted effort. Africa must sell itself – just as Singapore does.

The Nigeria-Singapore Forum last year, for example was an eye-opener for both Nigerians as well as Singaporeans and a number of agreements were entered into. This kind of face-to-face meeting, followed up by diplomatic and political support goes a long way to cementing relations.

Part of my responsibility here is to drive more FDI into Nigeria. I tell my Singaporean counterparts that we have been boyfriend and girlfriend long enough – it is time to tie the knot and commit!

Africa can of course learn a great deal from Singapore – the importance of education, infrastructure, efficient, clean government, law and order, meritocracy, being united and so on.

This country has no natural resources at all, yet look at how well it has done. We have huge reserves of natural resources – think how far we can get if we can put all the other aspects of developing successful nations in place. ■

InfoTech Global

Going the extra mile

For IT solutions provider InfoTech Global, Africa is where it is at. “Africa forms 40% of our global business,” says managing director Suresh Agarwal. “But there is plenty of scope for more. There was a myth among some countries that they did not have the money for IT solutions. In fact, they have started to realise that projects begin to pay back in months rather than in years.”

There is a vast market, especially in Africa, for the sort of expertise that companies like InfoTech provide.

Most African countries are in the process of migrating from traditional systems which rely on paper and manual transactions to electronic, automated systems. “We provide the means by which they can do so in the most cost effective yet efficient manner,” says Agarwal.

They work with global solution providers such as Cisco, Oracle, Huawei, Microsoft and others to tailor packages perfectly suited to their clients’ needs.

Agarwal says that although the field his company is in is becoming very competitive, there is plenty of room for companies that are flexible and prepared to go where others won’t.

“What is important for us is to provide quality solutions where they are most needed. We have several models that ensure that our clients can afford our services without much financial strain.”

The first essential, he believes, is to find the right local partner. This can be a



Above: Suresh Agarwal, managing director of InfoTech Global.

Tanzania

Tanzania Revenue Authority

The Tanzania Revenue Authority is one of the biggest government organisations of the country, which deals with different sectors and provides services to all its citizens.

Their set-up is massive, as they have dozens of different applications running simultaneously, being used by different departments as well as by some outside contractors.

InfoTech implemented Oracle Identity Management Suite, which integrated all the applications with one single solution and provided one interface for the users. Oracle ESSO provided single sign-on for all the applications, so the users could easily perform management-related activities from a single interface.

‘The challenge was to achieve a seamless transition of a paper-based exchange to an electronic market place over a fairly short period of time’

Ghana

Automation of News Management System

Ghana News Agency, an expanding business, faced technological constraints as communications became difficult between the head office and the regional and district offices. They were facing problems managing the large flows of information and the generation of news reports and distribution of news information. InfoTech implemented an automated News Management System that smoothed out the wrinkles.

Automation of Ghana Stock Exchange

Ghana Stock Exchange wanted to bring its activities closer to international standards and place Ghana in a strong position to compete as an investment destination, improve liquidity and the surveillance of trading related activities. InfoTech implemented an Automated Trading System, Clearing and Settlement Systems, Central Depository System and Surveillance Systems at GSE.

Electronic Surveillance System for the Securities and Exchange Commission

The Securities and Exchange Commission (SEC) is the apex regulator of the securities market in Ghana. They initiated the project for the development of an information system that supports electronic surveillance and provides a regulatory compliance portal for the entire securities market in Ghana.

The establishment of the system and the scope of services provided by InfoTech team also included the procurement and installation of hardware, network communication) and overall project management. InfoTech also provided software, training and system integration with the existing Automated Trading System (GATS) of the Ghana Stock Exchange and yearly maintenance.

Information Systems for Revenue Generating Agencies

With the inception of the e-Ghana initiative, each government agency was tasked with improving the interaction between citizens and businesses. The objective was to create a more citizen-friendly public service delivery system for the Ministry of Communications.

InfoTech developed and provisioned a range of applications and shared web services for the Ministry of Communications of Ghana and Registrar General's Department (RGD) of Ghana.

Ministry of Communications Electronic Systems

The Ministry of Communications of Ghana represented the public sector in this PPP project. The purpose was to design, build, operate, finance and transfer electronic systems to be used by the Internal Revenue Service, Revenue Agencies Governing Board, VAT services, Large Tax Payers Unit and the Registrar General Department. InfoTech improved RGD's computerised systems and business processes, incorporating e-Ghana principles, e-Government services and e-GIF standards, resulting in significant improvement in the efficiency and effectiveness of tax administration and time and cost of registering a business.

CAL Brokers Online Trading System

After the successful automation of Ghana Stock Exchange, CAL Brokers became the first stock brokerage firm to go live with their back-office and online trading system. Their clients across the world now trade directly on GSE using InfoTech's Online Trading System. InfoTech deployed the complete system including broker back-office.

Databank Online Trading System

Databank is the largest stock brokerage firm in Ghana with diverse operations. They aimed to replace and integrate their system.

InfoTech deployed and integrated the system with Databank's back-end system. A web trading module of the back-office system allowed customers to do online trading through web browsers and while they were on the move.

high-net-worth individual or someone who is running a successful business.

"Not necessarily in IT, but if so, then it is a bonus," he says "and while not essential, it helps if the partner has worked with international companies."

A number of different agreements can be entered into once projects have been identified and agreed upon. "We can invest our money and keep the revenue, or give a commission or fees; or we do part of the work and receive part of the revenue," he says.

InfoTech can deliver a vast range of solutions for eGovernment projects such as various registrations for citizens, IT systems for customs and excise, tax and licensing authorities, banking services and stock exchange platforms.

Africa has been a happy hunting ground for InfoTech. It has been busiest in Ghana. The Ghana Stock Exchange, for example, was manually trading for only a few hours in a day over a white board before InfoTech got to work on it in 2008.

"The challenge was to achieve a seamless transition of a paper-based exchange to an electronic market place over a fairly short period of time," Agarwal recalls. "We did this before the scheduled completion dates."

The difference was immediate and remarkable – not only was trading very much faster and more transparent, the GSE won the 'Most Innovative Stock Exchange Award, 2009' award.

The company also delivered solutions to the Ghana

Securities and Exchange Commission.

InfoTech has also worked for the Ghanaian government to migrate some of its most essential public services to an IT system. This included registration of companies, registration of marriage, estate administration and issuing the relevant certificates.

Earlier, trying to locate such records, as anyone who has tried to do so will attest, used to be a lengthy and fraught undertaking often ending in failure.

"We provided a state-of-the-art system and now companies can be registered within a day and records can be retrieved almost instantly," says Agarwal. (See box.) In Sudan, InfoTech connected up all bank branches to the Central Bank so customers can access their accounts from anywhere. The firm is also involved in projects in Kenya, Uganda, Tanzania and Congo.

"We would like to get involved in the Portuguese- and Spanish-speaking African countries, including Mozambique, Angola and Equatorial Guinea," says Agarwal.

The African business forms about 40% of the company's total commitments.

"We have been successful in Africa because we follow the Singaporean motto: 'Quote 100%, deliver 125%'."

With this attitude and with Africa determined to move into the modern age as rapidly as possible, one expects InfoTech's African business to tip over past the 50% mark in the very near future. ■

The Africa-South East Asia Chamber of Commerce

Building business champions

One organisation that has been set up to take the full advantage of the position of Singapore in the heart of Africa is the Africa-South East Asia Chamber of Commerce (ASEACC).

Southeast Asian countries form the Association of Southeast Asian Nations (ASEAN), the third economic growth power in the emerging Asia, next to China and India. It has a population of over 670m and a GDP estimated at \$2.3 trillion and growing at around 5.5% per annum.

Africa, with its own GDP projected to reach \$2.6 trillion by 2020, a rapidly growing middle class and with its wealth of natural resources and agricultural potential, offers enormous scope for mutually beneficial partnerships between itself and ASEAN.

It was with this in mind that Paulo Gomes, a businessman from Guinea-Bissau, co-organised the first Africa-South East Asia Business Forum in Singapore in 2010. The forum was very successful and it became obvious that a more permanent structure was required to help build partnerships between the two regions. Another conference was held a year later in Kuala Lumpur and again it was clear that there were several areas that were ripe for partnerships between companies from the two regions.

This led to the foundation of the Africa-South East Asia Chamber of Commerce which was officially launched in November 2013, with



Singapore's Senior Minister of State for Trade and Industry and National Development, Lee Yi Shyan, in attendance.

The Chamber was formed by a group of 13 companies from both the African and Southeast Asia regions. Members include Hyflux, PIL, one of the world's largest shipping lines with a very strong presence in Africa, Ecobank, and food giants Wilmar and Olam.

"The Chamber is selective in terms of membership," says treasurer Kelvin Tan. "We

believe Africa should move away from the current formula of providing natural resources in exchange for infrastructure and instead add value and create an environment for business champions to accelerate regional integration. Joint ventures will create such champions who can spread their wings and bring growth and prosperity to their respective regions."

Interestingly, Hyflux International, a subsidiary of Singapore's Hyflux

L-R: Kelvin Tan, ASEACC Treasurer; Didier Acouetey, ASEACC Secretary General (Africa); Jean Kacou Diagou, ASEACC Co-Chair (Africa); Senior Minister of State of Singapore, Lee Yi Shyan; S.S. Teo, ASEACC Co-Chair (South East Asia); Kola Adediji, ASEACC Secretary General (South East Asia); Béné Lawson, MD of Groupe NSIA.

water company, signed an agreement with Tolaram to explore opportunities for the development of a membrane-based water treatment plant in Nigeria. Hyflux is already working in Algeria (See box).

The co-founder and chairman of the Chamber's advisory board, Paulo Gomes, had a solid pedigree in both the public and private sectors.

He served as the planning director and principal advisor to the Minister of Finance in Guinea-Bissau, was executive director for 25 African countries at the World Bank and on the board of directors of the West Africa Development Bank.

Within the private sector, he served on the board of Ecobank and currently sits on the boards of Asky Airlines and AFIG private equity fund. He is the founder of Constelor Investment Holdings, based in Dakar with offices in Accra. It provides strategic advice to companies including Mars, BHP Billiton, Rio Tinto as well as to countries such as Gabon, Angola and Equatorial Guinea on issues of mining.

Gomes entered the 2014 Presidential elections in Guinea-Bissau as an independent candidate and came third among 13 candidates. ■

HYFLUX – the water kings

Hyflux is one of the world's leading fully-integrated water solutions companies. It has gained a well-deserved reputation as perhaps the most advanced company in terms of water desalination, water recycling and wastewater treatment.

The acute shortage of water in Singapore at independence concentrated minds to find solutions other than relying on expensive water imports from neighbouring countries. This led to the emergence of one of the world's most innovative water solutions companies, Hyflux. It has become a global expert in seawater desalination, especially in deploying its membrane technology.


Hyflux's entry into Africa began when it won an award to build a 200,000 cubic metre per day seawater reverse-osmosis desalination plant in Tlemcen, Algeria.

This was followed by a landmark win, amid intense international competition, to build the world's largest membrane-based seawater desalination plant at Magtaa, also in Algeria.

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Lifestyle

The Little Red Dot's balancing act

There is an unspoken rule of thumb when navigating the aromatic labyrinths that are Singapore's hawker centres: if the queue for a stall is long, then the food must be good. For a country that prides itself on being a food paradise, with local dishes reflecting its hodgepodge of multiple cultures, this is certainly not any ordinary case of herd mentality.

Rather, the reasoning stems from an inextricable facet of the Singaporean psyche – being *kiasu*, or Hokkien for 'afraid to tell you'. And sure enough, by not getting in line, you would probably be missing out on what might be the best *bak chor mee* (minced pork noodles) or *nasi lemak* (coconut milk rice) that you would have ever tasted, at least until your next hunt for the longest queue of hungry people.

Being *kiasu* is a way of life that, arguably, has both united and divided Singaporeans. On the one hand, it has grown to become somewhat of a rallying point and common identity – as a people we are competitive by nature and constantly strive to emerge as winners. So committed are we to this spirit that we even have a cartoon character named after it (Mr Kiasu).

But on the other hand, being *kiasu* can mean crossing the line, becoming over-competitive and stepping on each other's toes, sometimes even literally during morning



and evening peak hours on public transport. This struggle to strike a balance is something which underpins many aspects of the country, including its renowned education system.

Boasting a literacy rate of 96%, Singaporeans typically spend six years in primary school, where they given a foundation in a broad range of subjects including English,

social studies, physical education, arts and crafts, mathematics and science.

This is often followed by four to five years of secondary education that culminates in the GCE O-level examinations. Most classes are instructed in English, one of four official languages (along with Standard Chinese, Tamil and Malay), and one of the many hints at the country's past as a British colony.

The only exceptions are 'Mother Tongue' classes, which are made compulsory under the government's bilingualism policy. Co-curricular activities, ranging from sports to performance arts, are also mandatory in primary and secondary schools.

Depending on whether students choose a vocational or academic track, they then go on to polytechnics or junior colleges, where they pursue either an International Baccalaureate diploma or GCE A-levels certificate. More than one in four Singaporeans proceed to attain an undergraduate degree.

For many here, the traditional attitude towards study is a practical and, as you may have guessed, *kiasu* one – do well or get left behind. But for a country that has no natural resources other than its people, this do-or-die approach when it comes to hitting the books is unsurprising.

Many parents volunteer with "good schools" to increase the chances of their children's

Above: Singapore is renowned for its delicious specialities. Opposite, top: A street musician busks during Chinese New Year.



enrollment, while others invest in tuition classes in a bid to ensure that their children ace examinations.

Local filmmaker Jack Neo's comedy *I Not Stupid* in 2002 about three primary school pupils struggling with academic pressure was a box-office hit not solely because it accurately highlighted the stresses that come with Singapore's meritocratic yet competitive education system, but also because it made light of our heavy emphasis on securing good grades.

Jaw-dropping prices

A highly educated youth population means that the more lower-skilled, labour-intensive jobs such as construction work are left to migrant workers. As of December last year, there were about 360,000 foreign workers in the construction sector. However, many wealthy foreigners, including Facebook co-founder Eduardo Saverin, also find Singapore an

attractive place to settle, not least because of its low levels of crime and a maximum income tax rate of 20%. According to a recent report by research firm Mercer, however, the Republic has become the fourth most expensive city for expatriates.

Of the city-state's 5.3m, about 40% are permanent residents or foreign workers and students. Foreigners also make up about a third of the workforce. A recent population white paper by the government set out a planning parameter of up to 6.9m people here by 2030, but raised concerns of overcrowding among citizens, given the country's humble land area of about 700 sq km. While this modest size has given rise to its affectionate moniker, the Little Red Dot, the inevitable physical limitations are keenly felt when it comes to transport and housing.

When the cast of the film *Fast & Furious 6* were interviewed last year in Manila by a journalist from

Singapore, they were asked to guess the prices of certain car models here. Actress Michelle Rodriguez's jaw literally dropped upon learning that a Nissan Sylphy 1.6 litre cost \$90,000, more than twice the \$40,000 that she had estimated.

Locals, however, are not astonished by the notoriously high vehicle prices, given that they include the cost of mandatory certificates of entitlement, or COEs, which were introduced to discourage car ownership and ease congestion on the roads.

To the same end, Electronic Road Pricing (ERP) gantries, which toll passing vehicles, are also a common fixture on busy roads. But despite frequent complaints about these costs, the money seems to be the lesser of two evils, as our roads and highways do not suffer from traffic jams nearly as debilitating as those in cities like Bangkok or Sao Paulo.

And for those who cannot afford cars, there is thankfully

fairly efficient public transport in the form of buses and trains, which are easily accessible from most parts of the main island.

Space constraints have also affected housing. More than 80% of the population live in high-rise public housing provided by the Housing Development Board, a government statutory body. Of these, 90% also own their flat. But even as the buildings grow taller, perennial land scarcity has driven property prices up, especially in recent years.

This prompted the government to introduce a series of cooling measures which have helped in stabilising prices. But while the cooling market has pleased the *kiasu* buyers, it has understandably upset some equally *kiasu* sellers, who are finding their properties less valuable than they had hoped.

Rocketing property prices have also driven rental for retail spaces up, which in turn make it rather costly to shop here.

While the malls and stores along popular shopping belt Orchard Road are a hit with tourists, many locals, ironically, prefer to hop on a budget flight to nearby Bangkok or Hong Kong, where clothes and shoes are cheaper, partly because of the weaker currencies.

Pomp and ceremony

In March, the Economist Intelligence Unit ranked Singapore as the most expensive city to live in, although some have argued that this reflects the high-end spending of expatriates, and not the day-to-day expenditure of an average Singaporean. But one thing is certain: living in Singapore is not getting cheaper.

With a high-pressure education system, rising prices and a constant jostle for space, it is little wonder that a study by international pollster Gallup in 2012 found Singapore to be the least positive and most unhappy country in the world, even ahead of conflict-ridden places like Iraq and Afghanistan.

But the accuracy of this study was questioned by many indignant locals, who were quick to defend their Little Red Dot and show that there are, in fact, many things to cheer about living here.

It is not simply the strong economy, immunity from natural disasters and streets which are clean and safe that these locals are so proud of. They will also rave about the crimson pomp during Chinese New Year, when for about two weeks, Chinatown and about three-quarters of the local households are filled with spring blossoms, red paper cuttings and couplets symbolising good luck and wealth, and irresistible snacks like pineapple tarts and *bak kwa* (sweet and savoury dried meat). Not to forget the accompanying commotion of *mahjong* games, lion and dragon dances, and the annual Chingay Parade with striking



Above: There is a thriving nightlife for teenagers and young adults.

floats and glittery costumes that could easily give Mardi Gras a run for its money.

Or they may tell you about how dazzling and fragrant Little India is during *Deepavali*, when Hindu devotees celebrate the triumph of good over evil, igniting candles and oil lamps to symbolise light overcoming darkness, wearing fresh flower garlands and dyeing their hands with intricately painted henna art.

Others would speak fondly of the bustling evening bazaars in Kampong Glam and Geylang Serai during the Muslim-fasting month of Ramadan, selling anything from Ramly burgers and *otak-otak* (fish cakes wrapped in banana leaves) to Persian carpets and handicraft.

At the end of the month, Malay families don their colour-coordinated traditional costumes (*baju melayu* and *baju kurung*) for Hari Raya Aidilfitri, and whip up more festive dishes in their kitchen such as chicken and beef *rendang* and *lontong* with *sayur lodeh* (rice cakes and vegetables in coconut broth).

Spoilt for choice

Locals would further admit that they are spoilt for choice not just in food, but also in entertainment. Clubs like Zouk and The Butter Factory have been reliable nightlife haunts for teenagers and young adults alike, who also enjoy the occasional tipple at myriad bars

along Clarke Quay and Duxton Hill, or post-dinner coffee at some of the new-age hipster cafes in Tiong Bahru.

Those eager to experience wildlife in a concrete jungle can also count on a plethora of options: Bukit Timah Nature Reserve, the Singapore Zoo, Jurong Bird Park, and S.E.A. Aquarium just to name a few. A visit to the Universal Studios theme park on Sentosa would easily satiate one's thirst for thrilling roller coasters, while a stroll along Gardens by the Bay followed by a concert at the durian-shaped Esplanade would mirror how the city-state treads a thin line between modernisation and self-preservation.

Off the beaten tourist track, indie music bands perform regularly along Aliwal Street and Bali Lane, parks and park connectors provide convenient getaways for hiking and cycling, while prawn fishing farms allow you to barbecue your catch on the spot.

Locals longing for a throwback to the rustic *kampung* (Malay for village) days also make day-trips to Pulau Ubin, a quiet, less-developed offshore island which is home to wetlands populated with mudskippers, mangroves and other wildlife. History buffs visit Bukit Brown Cemetery, the largest Chinese cemetery outside of China, and

where many of Singapore's first immigrants are buried.

But the days are numbered for many familiar landmarks like Bukit Brown and Zouk, which have become national icons in their own right. Part of the cemetery will be exhumed to make way for a new highway, while the nightclub might close for good by the end of this year as authorities do not intend to extend its lease. The country's resilient quest for progress, it seems, has begun encroaching on its heritage.

Today's dinner could be a 'chop chop' affair over a \$4 plate of chicken rice at a *kopitiam* (coffee shop), but tomorrow's might be a \$40 prime-cut steak with an equally pricey bespoke cocktail at one of the many refurbished shophouses that betray the country's gradual gentrification.

This ongoing battle between old and new is somewhat reminiscent of the great Singlish debate, which has patriotic proponents rooting for the preservation and proliferation of Singapore's unique, creole twist on English, and naysayers cringing at its disregard for conventional grammar. There seems to be a faulty assumption that proper English and Singlish are mutually exclusive, or that chicken rice would go down horribly with a cocktail.

But as the Republic develops and modernises to align itself with an increasingly globalised world, perhaps it does not have to do so at the expense of what little heritage it possesses as a young nation. There will be plenty of fanfare next year when the country celebrates its 50th year of independence. As someone who calls this place home, my wish is for Singapore to continue striking the fine balance between cultural richness and economic prosperity, and to cherish its past as much as it values its future. After all, it would be rather un-*kiasu* of me not to want the best of both worlds. ■

By Jo Yeo



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