Africa and Irish Business Opportunities

AFRICA DAY PRESENTATION
25 MAY 2011
EOIN GAHAN

Forfás
Economic Cooperation

- Objective: to increase economic links with the rest of the world economy
- Types of linkages:
  - Imports
  - Exports
  - FDI
  - ODI
  - Education
  - Tourism
  - R&D
- Win-win: both sides benefit, usually in different ways
- Cumulative process
Irish Outward Direct Investment to rest of world

Total ODI from Ireland (€ Million) 2005-2009

- 2005: 88,287
- 2006: 91,669
- 2007: 101,936
- 2008: 121,381
- 2009: 189,710

Forfás
Agriculture and food: Irish companies in Africa

- **Kerry**
  - Kerry Bio-Science Egypt Misr L.L. Co.
  - Kerry Ingredients South Africa (Pty) Limited

- **Glanbia**
  - Supplier of consumer dairy products; 50:50 joint venture in Nigeria
  - Export market for Dairy Ingredients Ireland
  - 2 manufacturing/processing locations
  - 1 sales and technical support location 345 employees

- **Origin**
  - Sudan
Kenmare Resources
- Kenmare operates the Moma Mine, Mozambique (titanium, zirconium)

Tullow Oil
- Ghana, Uganda, Sierra Leone, Kenya, Ethiopia

Providence
- Interest in offshore gas, Nigeria

Kentz
- Engineering services in Mauritius, Mozambique, South Africa
Other opportunities for Irish companies in Africa

- Green industries and clean technology
- Clean Development Mechanism (CDM)
- Music industry
- Hotels and tourism development
## Renewables

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<th>Ireland’s Strengths</th>
<th>Opportunity in Africa?</th>
<th>Company Example</th>
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| **Bioenergy**       | • Strong food base & large international companies  
• Emerging bioenergy SMEs | Products and services (e.g. consultancy) | Open-Oil - converting waste plastics back to oil – S. African site |
| **Solar**           | • Research base (e.g. Solar Energy Conversion Cluster)  
• ICT company base | Niche solar products | Solar Print – advanced nanomaterials |
| **Wind**            | • Ireland rapidly deploying onshore wind  
• Offshore strengths also (Arklow world’s 1st, other windfarms planned) | • Development, construction and operation.  
• Supplying software and niche products. | Mainstream Renewables – 4000MW of wind and solar in development in Africa |
| **Ocean (Wave and Tidal)** | • Innovative companies  
• Strong base of research  
• Key test-bedding sites (e.g. SmartBay) | • Potential opportunity in goods and services for deployment in longer term? | Open Hydro and Wavebob |
## Electricity Grid and Energy Efficiency

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| • Ireland investing heavily in smart grid  
  • Irish companies testing new products and services | • Equipment (e.g. power system equipment design, energy storage, power system monitoring)  
  • Services (e.g. demand side management, optimised energy use, microgeneration) | FM Tech – technology to monitor electricity distribution and transmission networks |

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<td>• A number of companies serving international markets (e.g. Kingspan, Glen Dimplex)</td>
<td>Energy efficiency goods and services (e.g. high-efficiency heating, ventilation and air conditioning, energy control solutions, low-emission lighting)</td>
<td>Heatsolve – has manufacturing operation in S. Africa</td>
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## Water and Waste

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| • Irish research base  
• Strong engineering companies  
• ICT base (software, sensoring, quality monitoring) | • Project management  
• Equipment  
• Maintenance  
• Services (data management, analytical services, water quality) | Kent Stainless - purification equipment |
Clean Development Mechanism (CDM)

- Part of Kyoto Protocol: emission-reduction projects in developing countries earn certified emission reduction (CER) credits, which can be traded and sold, and used by industrialized countries to help Kyoto targets.
- To date, only 55 projects in Africa from a world total of 3,128.
- Nairobi Framework (NF) initiated by UNDP, UNEP, World Bank, World Bank Group, African Development Bank, and the Secretariat of the United Nations Framework UNFCCC to help developing countries, especially those in sub-Saharan Africa, to improve their level of participation in the CDM.
Investor Countries and projects
Music industry

- Africa has a vibrant music industry whose international potential has not yet been realised.
- Ireland has significant strengths in:
  - music production
  - event management
  - Digital rights
  - marketing
Hotels and tourism development

- African tourism projected to grow by 5.5 per cent per annum to 2020
- Africa’s share of world tourism to increase from 3.6 per cent in 1995 to 5.0 per cent by 2020
- Tourism growth was positive in all world (sub)regions during January and February 2011, with the exception of the Middle East and North Africa. Subsaharan Africa (+13%) and Central and Eastern Europe (+12%).
- Opportunities for Irish hotel companies and related industries
- Potential for eco-tourism, heritage tourism