

INVESTMENT CONSULTING ASSOCIATES African Free Zones Organization (AFZO)

AFZO 3rd Annual Meeting, Abidjan, Ivory Coast - Friday September 21st, 2018

AGENDA

- Introduction to ICA & Free Zone Advisory Services
- Free Zones: A New Global Context & Innovation
- Developing Free Zone Marketing Strategies
- NxtZones Concept
- Q&A



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Introduction ICA & Free Zone
Advisory Services

free zones
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INTRODUCTION ICA

FOUNDER OF 2 TECHNOLOGIES:

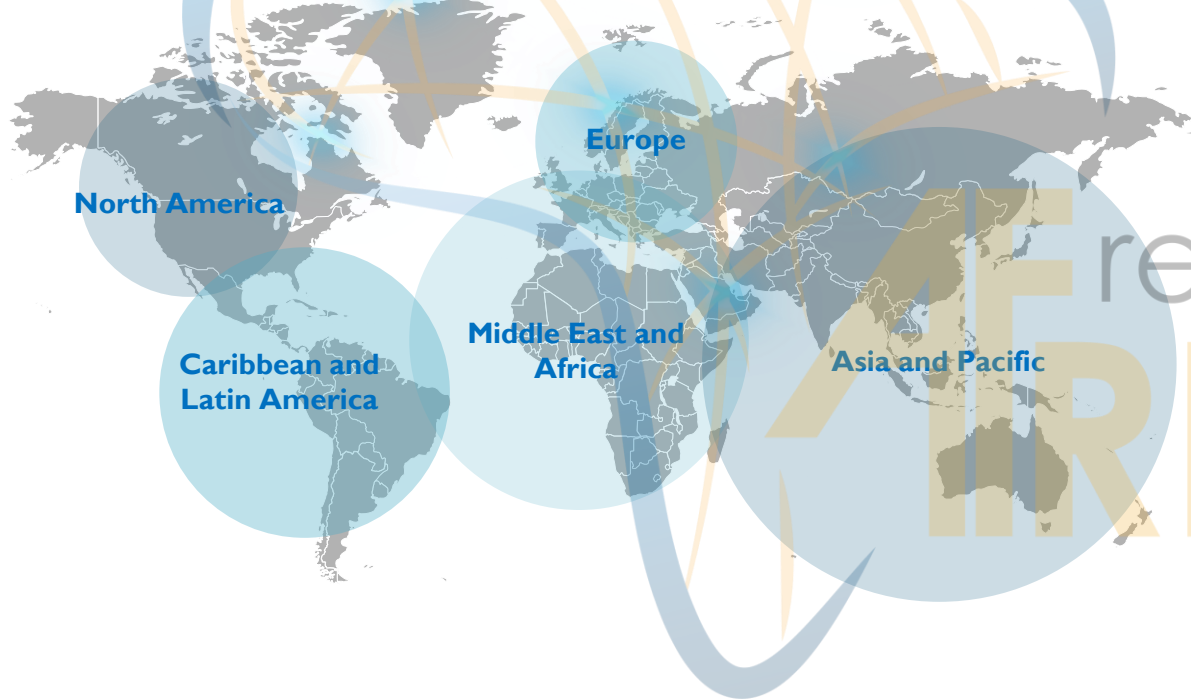


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LocationSelector.com

ICAincentives.com
Now IncentivesMonitor.com

REGION



SERVICES

- Location Strategies
- Supply Chain Optimization
- Incentive Strategies
- Real Estate Optimization
- Economic Development
- Investment Promotion
- Investor Attraction
- Incentive Policy Design
- FDI Services
- Corporate Profiling
- Marketing Strategies
- Free Zone & Foreign-Trade Zone Advisory
- Implementation & Management Support

COUNTRIES WE HAVE WORKED IN



5 continents



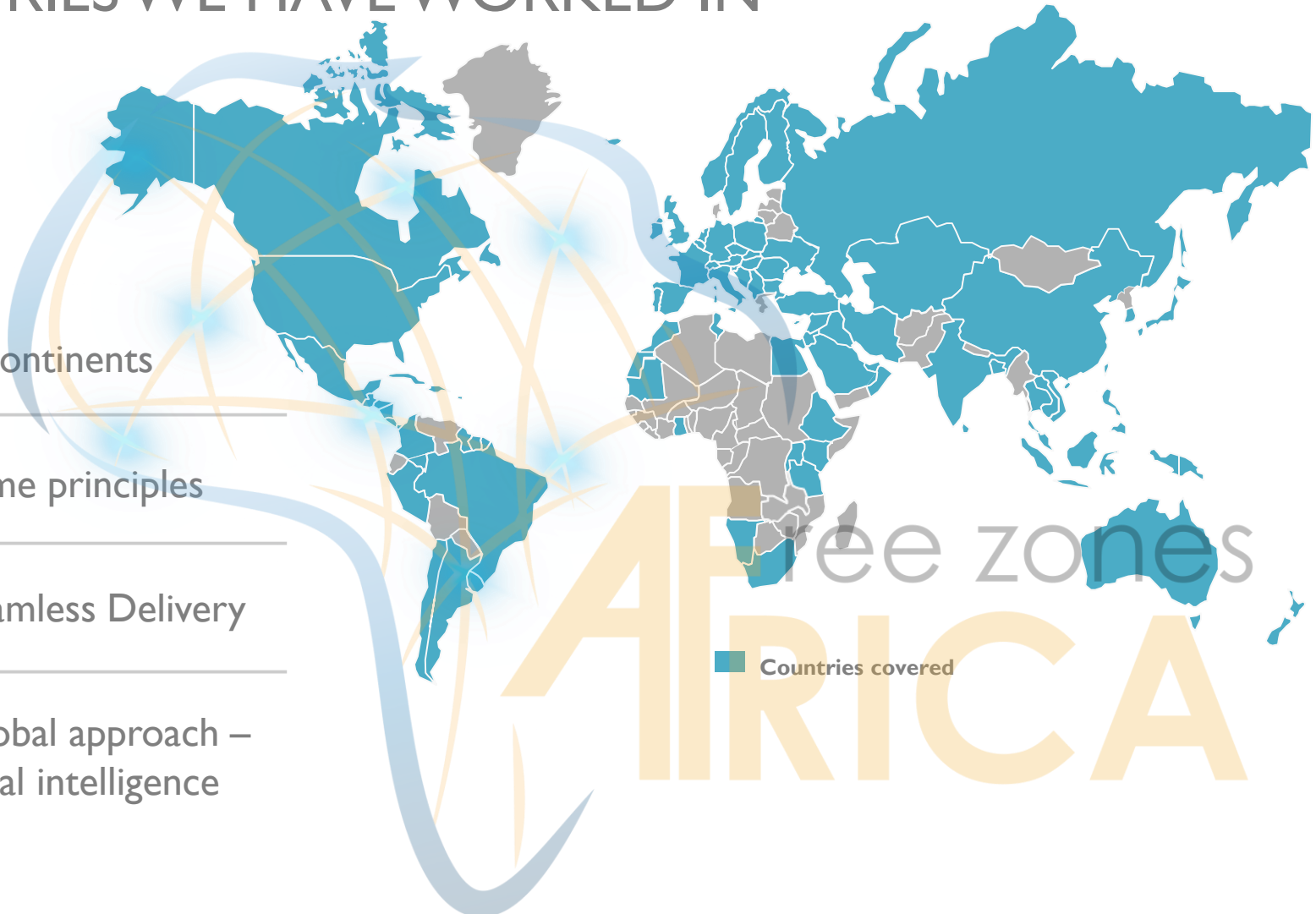
Same principles



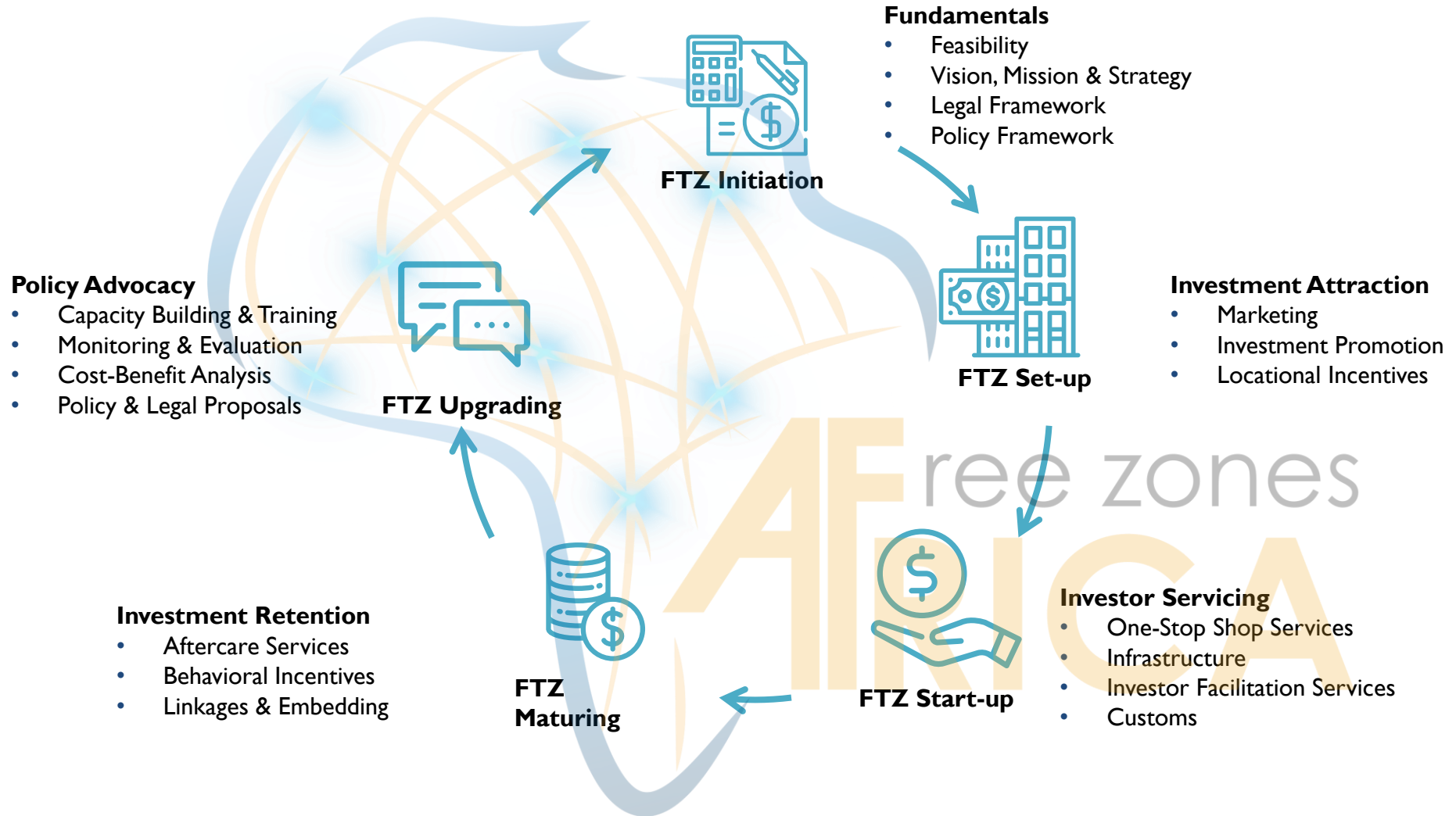
Seamless Delivery



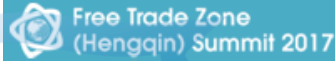
Global approach –
local intelligence



PROFESSIONAL FREE ZONE LIFE CYCLE



FREE ZONE CREDENTIALS



OFFSHORE DEVELOPMENT COMPANY (ODC)



سلطة واحة دبي للسيليكون
Dubai Silicon Oasis Authority



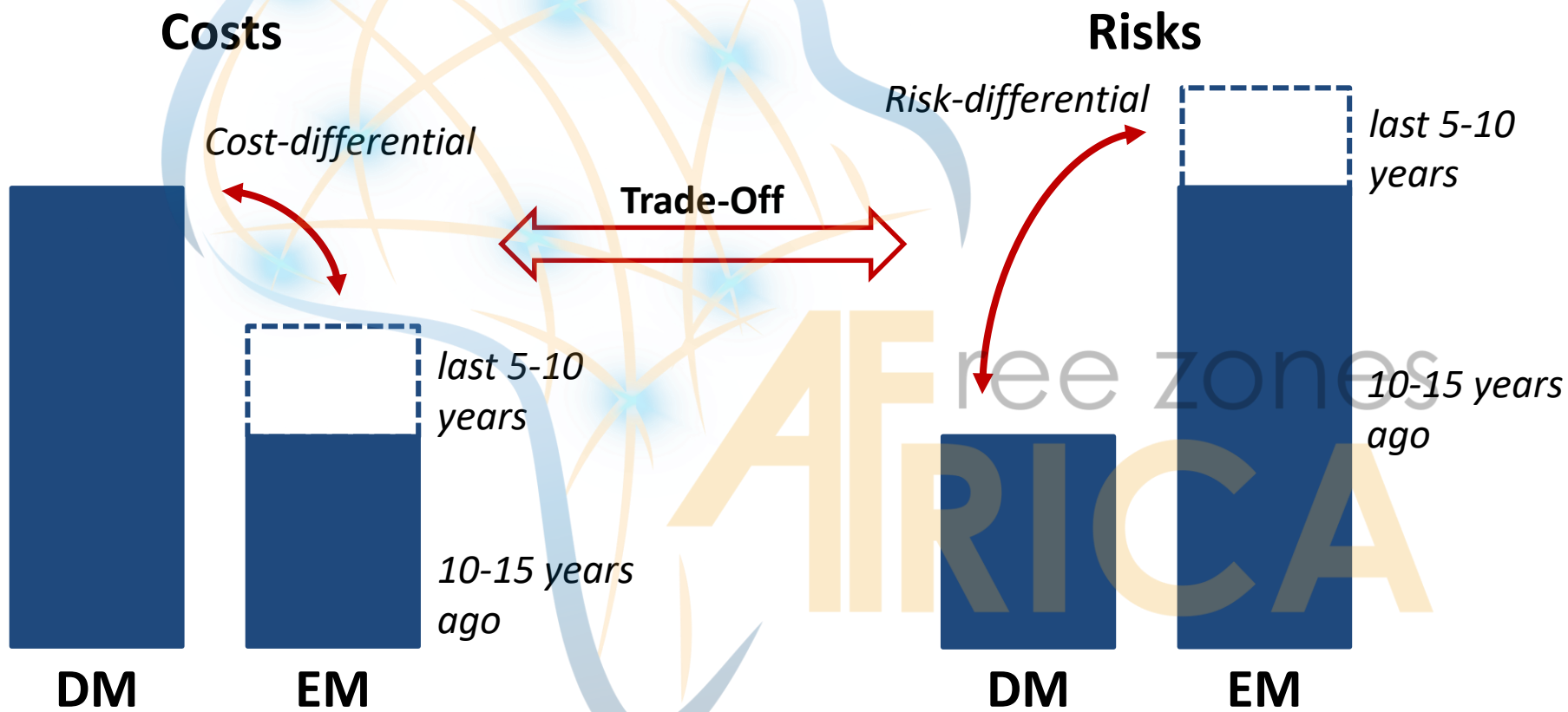


Free Zones: A New Global Context & Innovation

AFree zones
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A NEW GLOBAL CONTEXT



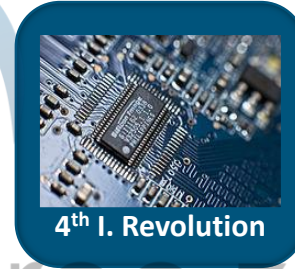
DM = Developed Markets EM = Emerging Markets

FOREIGN DIRECT INVESTMENT- GLOBAL TRENDS 2007-2017

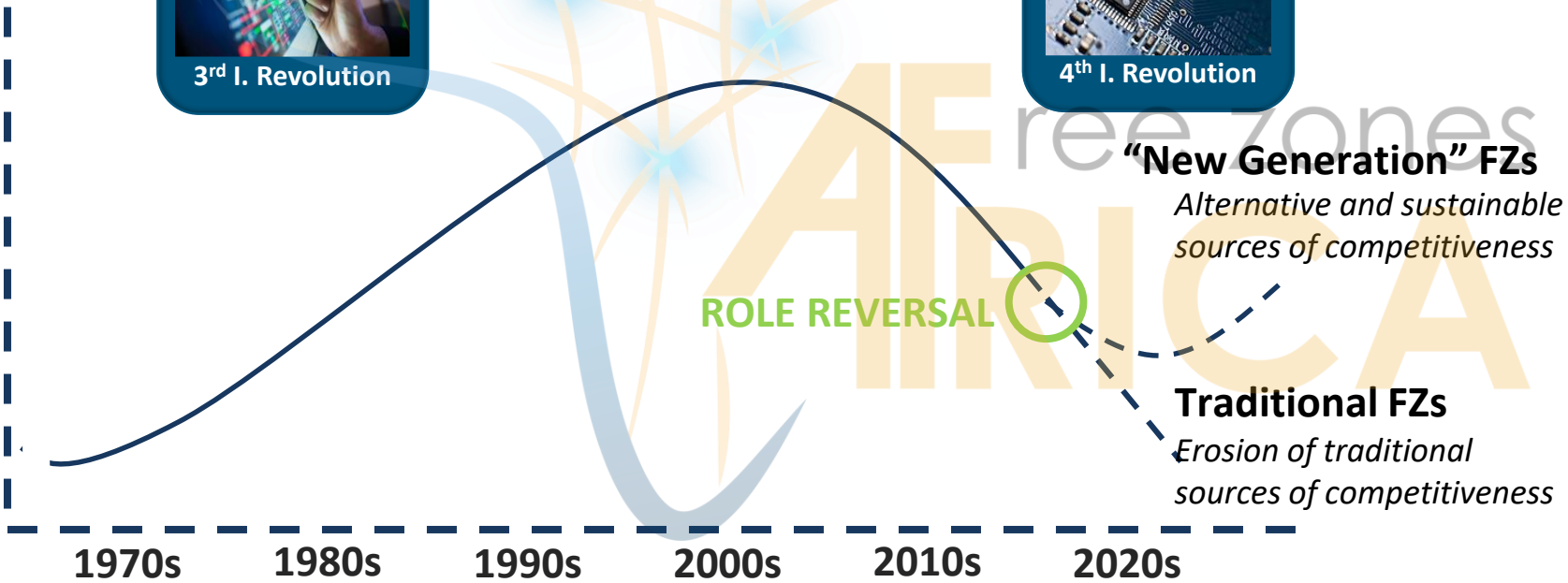
FDI Motive	2007	2017	Change
Proximity to markets or customers	43.3%	39.5%	-3.8%
Domestic market growth potential	50.9%	32.8%	-18.1%
Skilled workforce availability	13.1%	20.7%	+7.6%
Regulations or business climate	9.9%	17.4%	+7.5%
Technology or innovation	1.6%	10.0%	+8.4%
Infrastructure and logistics	9.3%	9.4%	+0.1%
Industry cluster	5.7%	6.5%	+0.8%
Attractiveness and quality of life	3.1%	4.0%	+0.9%
IPA or government support	5.3%	3.6%	-1.7%
Universities or researchers	2.0%	3.6%	+1.6%
Presence of Suppliers or JV Partners	2.9%	2.2%	-0.7%
Lower costs	5.4%	2.1%	-3.3%
Facilities site or real estate	2.0%	1.7%	-0.3%
ICT infrastructure	1.0%	1.5%	+0.5%
Language Skills	1.3%	1.3%	+0.0%

Source: fDi Markets from FT Ltd. Date range: 2007 & 2017

FREE ZONES- EVOLUTION & CHALLENGES



FZ Competitiveness



CONVENTIONAL FREE ZONE INCENTIVES “MENU”



INNOVATION IN FREE ZONE INCENTIVES

“Traditional” FZs

Type of Incentives & Services

Investment Incentives

Provision of financing options primarily aimed to offset capital expenditures required for start-up, upgrade and/or stabilization of operation(s)

Land and Infrastructure Incentives

Reduced rates and/or direct provision of land, public utilities or transportation granted for specific investments

Training and Employment Incentives

Subsidized training programs and education subsidies to reduce investors’ training costs to develop workforce skills

R&D Incentives

Grants, credits and lending instruments to support investments in R&D and innovation

Direct Incentives



“New Generation” FZs

Type of Incentives & Services

Regulatory and Administrative Incentives & Services

Granting exceptions from rules and regulations in combination with streamlined and simplified administrative procedures through One-Stop Shop services (OSS)

Technical Incentives & Services

Investment facilitation services, information provision and aftercare to ensure a “soft landing” of the investment project or further expansion

Indirect Incentives

INNOVATION IN FREE ZONE SERVICES

LABOR FORCE SERVICES



Recruitment & HR
Support



Training &
Education




University
Partnerships




Thought Leadership

INFRASTRUCTURE **free zones**




On-Site Data Center



Cloud Storage &
Services



Green &
Renewable Utilities



Green
Transportation



Free zones
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Developing Free Zone Marketing Strategies

EFFECTIVE MARKETING STRATEGIES & TOOLS

- Free Zones have a number of strategies and tools at their disposal that could improve their effectiveness throughout the four stages of the investment life cycle. These tools and strategies may be used for internal and/or external purposes:
- Image Building & Marketing
 - Developing marketing and promotional materials (internal)
- Lead Generation & Targeting
 - Understanding and identifying investment opportunities (internal)
 - Identifying investors (internal)
 - Targeting investors (external)
- Investor Servicing & Facilitation
 - Providing effective investor services to attract investors in the first place (external)
 - Developing training programs for capacity building of Free Zone staff (internal)
- Investor Aftercare & Policy Advocacy
 - Providing effective aftercare services to retain investors and encourage reinvestment (external)
 - Developing channels for effective policy advocacy (internal)
 - Developing training programs for capacity building of Free Zone staff (internal)

EFFECTIVE MARKETING STRATEGIES & TOOLS

	Image Building & Marketing	Lead Generation & Targeting	Investor Servicing & Facilitation	Investor Aftercare & Policy Advocacy
Brand Book	X			
Competitiveness Benchmarks & Analyses	X			
Local Value Proposition	X			
Website & Social Media	X	X		
FDI Benchmarks & Analyses		X		
Country Profiles		X		
Sector Profiles		X		
Investment Opportunities Booklet		X		
Investor Guide			X	X
Public Databases	X	X	X	X
Paid Databases	X	X	X	X
CRM System		X	X	X
Training Needs Assessment & Program	X	X	X	X

BEST PRACTICE: MARKETING INNOVATION IN SERVICE DELIVERY

05

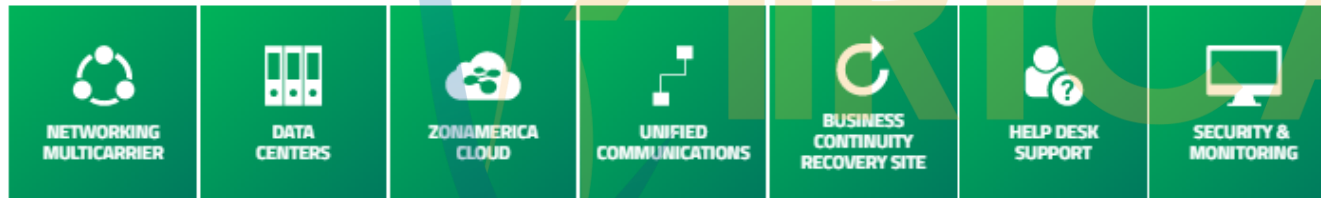
IT SERVICES & CONNECTIVITY

With a highly secure location, access to a wide range of connectivity options and state-of-the-art technology, Zonamerica helps you to place your company global, by providing a set of IT Solutions tailored to your specific needs.

Zonamerica is a “One Stop Solution” services concept, tailored to every client’s specific needs.

- *High availability of our customer services, secure location and redundant capacity.*
- *Services tailored to our clients needs.*
- *World-class security systems for your network, data and infrastructure.*

The following IT Services are combined to create personalized solutions for our clients.



Our Zonamerica Cloud services are hosted in two datacenters on our campus. They combine the latest hardware and high performance internet infrastructure. Our highly trained IT Support team is available 24/7.

Source: ZonAmerica Website, 2018

BEST PRACTICE: MARKETING INNOVATION IN SERVICE DELIVERY

06

TALENT SERVICES

Uruguay has some of the best human resources in the region, and Zonamerica is a strong attraction and aspirational workplace for those talents. The positive environment of collaboration on the Campus has proven to reduce turnover rates, promote professional development, and benefit the growth of the businesses installed here.

Zonamerica offers solutions tailored to your business for everything from the recruitment of talent to orienting and training new employees, as well as in creating a motivational environment for your team.



PUBLISHING JOB
OPENINGS



RECRUITMENT, SELECTION
AND INTERVIEWS



APTITUDE TESTS

+60.000 TALENT SERVICES DATA BASE | STUDENTS & PROFESSIONALS CV'S

EN

ENGLISH SKILLS



WORK EXPERIENCE



BETWEEN 20 & 40 YEARS



ECONOMICS



INTERNATIONAL
RELATIONS



LAW



IT+SOFTWARE



BIOTECHNOLOGY



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Free zones
AFRICA
NxtZones Concept

A number of developments are converging



Free zones (as well as Governments)

are looking for new innovative opportunities to attract more investment and new forms of incentives other than traditional financial incentives – incentives that are less government dependent. Firms in free zones are not only tenants

Sustainability

Sustainability and sustainable industrial parks are becoming increasingly popular. In addition, free zones should not only compete with each other but offer a more collaborative solution

Services and technology driven companies (small and mid sized)

are the fastest growing industries but, often look for opportunities to collaborate

These companies are looking at new ways to expand beyond traditional FDI and prefer JVs and partnerships

Companies in this industry require different services by Governments and Free Zones

The concept of NxtZones



Develop a Free Zone Real Estate Technology Concept that creates unique office space and facilities in a number of Free Zones around the world

What does the concept of NxtZones entail?

- Building of tailor-made high class sustainable office space –based on a unique style and concept replicated in all locations - in Free Zones starting with 8-10 locations (technology hubs): Dubai, Uruguay, Panama, Nairobi, Shanghai, etc.
- Management and operation of the global technology Free Zone concept in 8-10 different zones
- Offering a technology platform (website and app) for companies in the zones that connects them and it allows for cross border cooperation and project collaboration, resource sharing and communication: a global B2B connection platform
- Providing unique services for tenants (market entry, facilities, linking suppliers, training) in its offices within the free zones in which it operates, combined with financial incentives offered by the free zones
- Based 100% on Green Zone Principles and sustainable facilities services

For whom?

- Free Zones looking for new services to provide to technology driven firms (domestic and foreign)
- Internationalizing small and mid sized technology firms and start ups both domestic and foreign firms
- NxtZones as an (digital) ecosystem among Free Zones

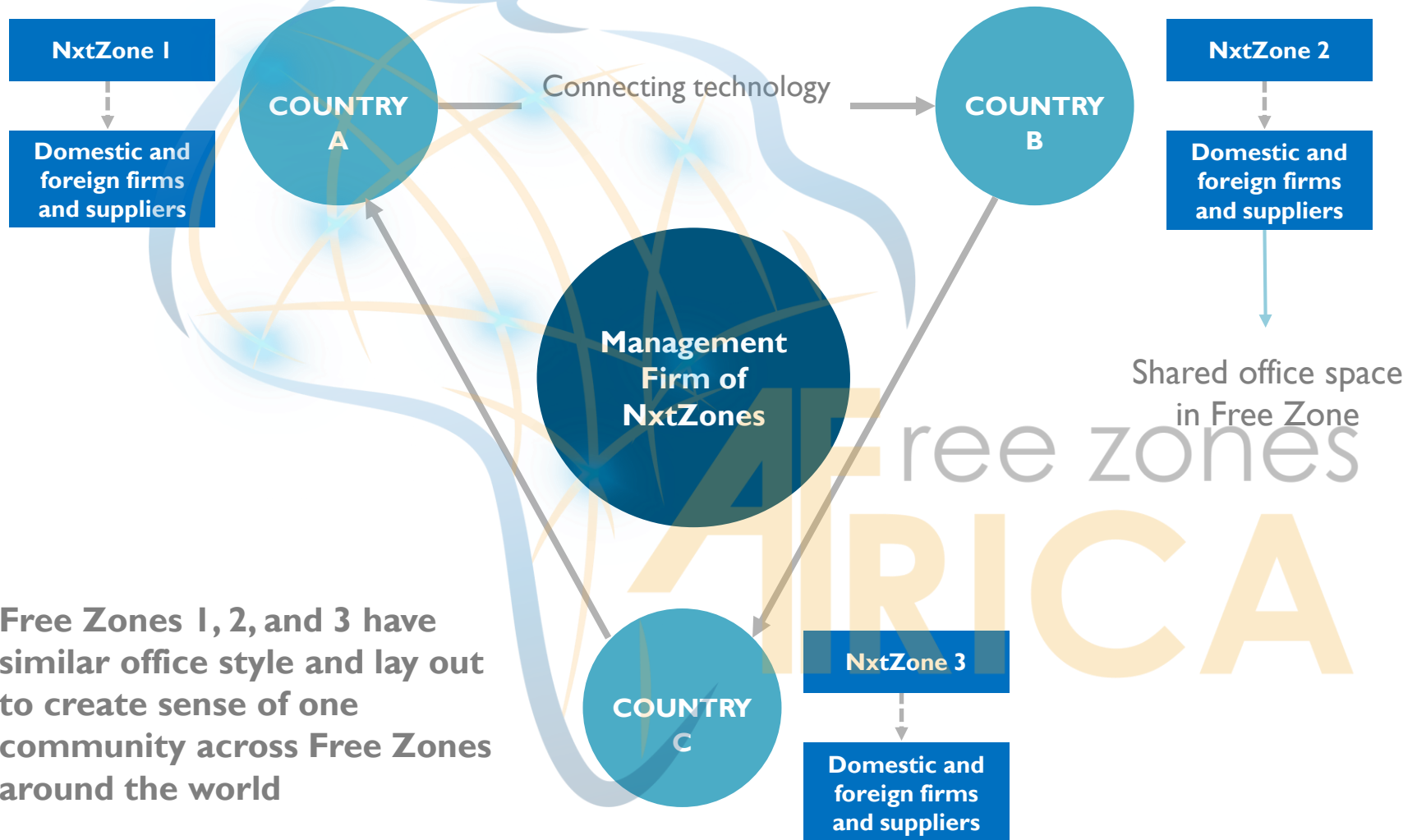
NxtZones concept is compatible with the UN Sustainable Development Goals (SDGs)



How are some the SDGs met with NxtZones?

- Aligning environmental and economic goals and objectives through collaboration
- Sustainability is the common theme among NxtZones
- Inclusiveness: NxtZones provides a platform to include local firms and entrepreneurship and connects these firms with more global players
- Isolated regions can become part of a global network of firms
- Strong collaboration with local and global universities enhances knowledge sharing and builds clusters
- State of the art sustainable infrastructure
- Building partnerships and collaboration is more important than competition among zones and among the firms within NxtZones
- Innovation and knowledge development is the cornerstone of NxtZones through global collaboration and local expertise
- Creating a separate currency/Token for payments among NxtZones

Connecting free zones and firms globally through shared office space, one brand & technology



Free Zones 1, 2, and 3 have similar office style and lay out to create sense of one community across Free Zones around the world

free zones
AFRICA

Services provided on NxtZones



Cutting Edge and Unique Services Provided in NxtZones

Example of Services provided by NxtZones

Investors feel that they are just treated as tenants and they only see the operator for the rental invoice. What more soft services can be provided?

- Recruiting portal for tenants
- Database of all tenants of NxtZones (Blockchain)
- Data center facilities
- Incubator Center – start up funding institutes. Accelerator center: to prepare start-ups for success
- IT support
- Business support (chamber of commerce services)
- Transportation, Food and other Facilities
- Sport and leisure facilities
- Digital facilities (blockchain custom services)
- One Stop Shop
- Hotels – short and long stay
- Car rental
- Investor attraction: Central branding, marketing and investor targeting, also at events (by ICA)
- Training Academy with strong partners
- All free zone operational services

Different types of zones can participate

- Zones at various stages of development can participate
- For whom?
- Three tiers of free zones that can participate:
 - Tier 1: successful already existing zones that are interested in joining the NxtZones network of free zones around the world
 - Tier 2: existing zones that want to reserve space on their premises to build a fully tailored NxtZones office building which is part of the global network for NxtZones
 - Tier 3: new zones that are being developed and fully tailored to the NxtZones concept

Key benefits of the zones participating in NxtZones

- Be part of a global one brand and uniform concept: central coordinated branding
- Managed and operated by one firm: NxtZones (by ICA)
- Connected to other NxtZones around the world
- Key and unique services provided by operator
- Investor attraction services delivered by global operator
- Access to key investors and anchor investors
- Partners for various services: and trainings
- Database in Blockchain technology

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