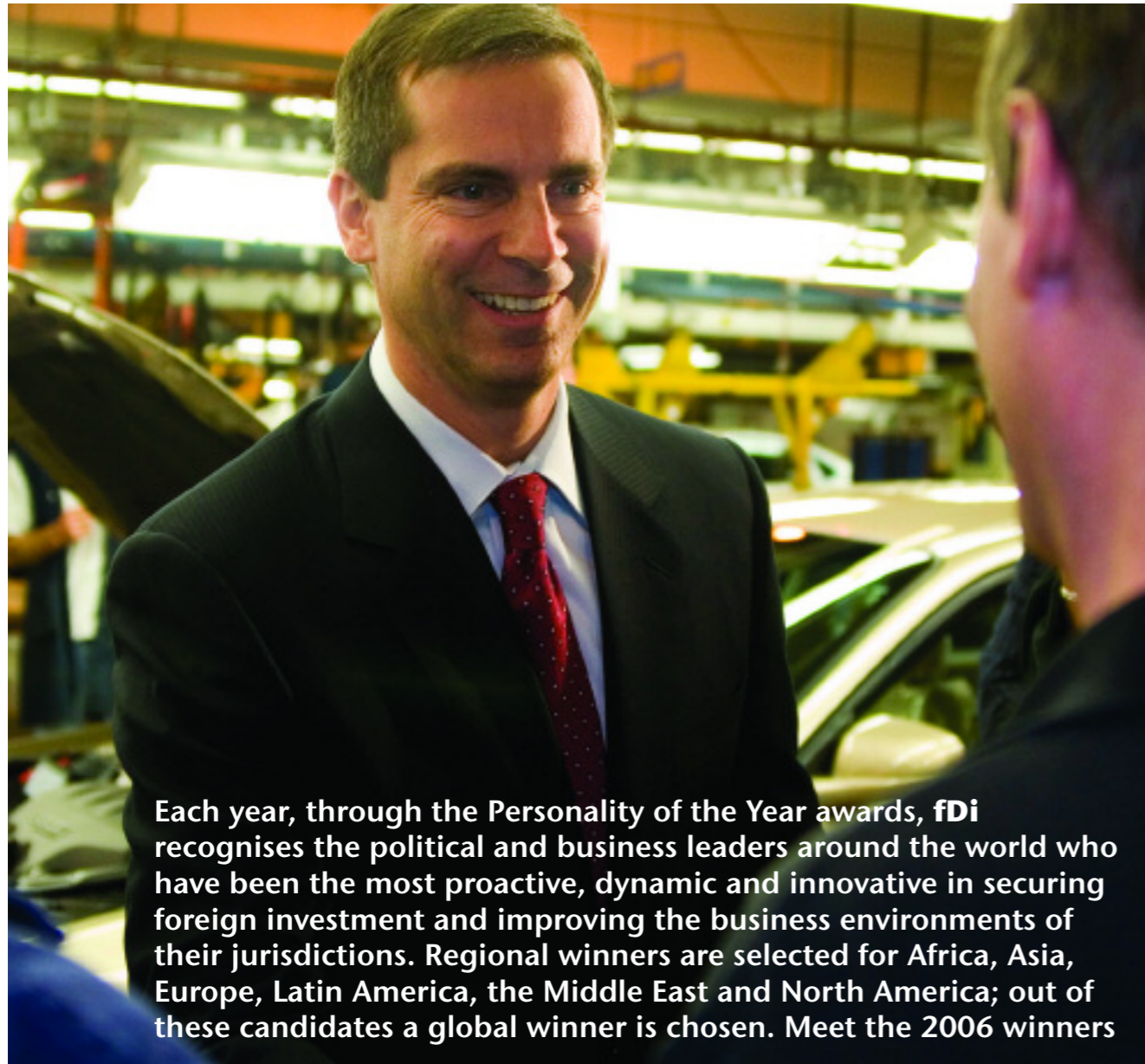


fDi personality of the year 2006



Each year, through the Personality of the Year awards, fDi recognises the political and business leaders around the world who have been the most proactive, dynamic and innovative in securing foreign investment and improving the business environments of their jurisdictions. Regional winners are selected for Africa, Asia, Europe, Latin America, the Middle East and North America; out of these candidates a global winner is chosen. Meet the 2006 winners

GLOBAL WINNER/NORTH AMERICA

DALTON MCGUINITY

PREMIER OF ONTARIO

“I’m simply bowled over,” was Ontario premier Dalton McGuinty’s reaction to being named fDi’s Personality of the Year 2006. But his win should not come as too great a surprise. Outgoing and upbeat in that very North American way, Mr McGuinty displays an infectious enthusiasm when outlining his plans for the Canadian province.

Motivated by a desire to make Ontario, Canada, “a hotbed of innovation”, earlier this year he set up a Ministry of Research and Innovation and appointed himself minister. “I want to send a signal to the world at large that if you have an exciting idea that you would like to develop further, and in particular if you would like to pilot a new technology, a new process or a new application, we’re the place to do it,” the premier says.

The ministry is investing nearly \$1.7bn over five years in research, commercialisation and outreach programmes throughout Ontario. Targeted investments in innovation will aim to promote creativity in schools, businesses, cultural institutions and government. Initiatives include a \$24m Innovation Demonstration fund to help individual entrepreneurs, inventors and small businesses to develop new ideas further, and a \$46m Market Readiness programme to provide innovative companies with management expertise, training, mentoring and leadership to help them get new discoveries to market.

“We did an internal review of the innovation infrastructure in place in Ontario and discovered we needed more of the right kinds of money and more of the right kinds of people,” he explains. “So the Innovation Demonstration Fund helps to meet the need



‘I want to send a signal to the world at large that if you have an exciting idea that you would like to develop further, we’re the place to do it’

for the right kinds of money and the Market Readiness programme is all about ensuring we’ve got the right kinds of people.”

Mr McGuinty can see from his Queen’s Park office a more visual testament to the province’s push for innovation: the MARS (Medical and Related Sciences) ‘discovery district’ in Toronto city centre. Established a year ago, MARS “is already considered a leading example internationally of innovation,” he says. “It brings business, venture capital and research networks all under one roof to help move new discoveries from the lab to the market place. We are now doubling its capacity from 700,000 square feet to over one-and-a-half million square feet.”

A practising lawyer with a science

degree from McMaster University, Mr McGuinty entered politics in 1990, when he was first elected to the Ontario legislature. By 1996, he was leader of the Ontario Liberal Party; he became premier in October 2003.

“I am the first premier with a science background,” he told fDi in April, while attending the BIO 2006 conference in Chicago. “I am passionate about this subject.”

His passion is obvious, and it extends to other areas of Ontario’s economy, from manufacturing to healthcare to environmental technologies. Ontario has attracted nearly \$7bn in auto investments from companies such as DaimlerChrysler, Ford, General Motors, Honda and Toyota. A \$500m advanced manufacturing investment strategy aims to keep the successes coming; it offers repayable loans that are interest free for up to five years.

The life sciences sector is also thriving: it generates more than \$10bn in annual revenues and employs 40,000 people in more than 800 companies in Ontario.

Under a plan to guarantee Canada’s most populous province a safe, clean and reliable supply of electricity, the government has added 3000 megawatts of supply and put the wheels in motion for almost 11,000 megawatts of new electricity. This, the premier says, is more than any other place in North America and enough to power about five million homes.

“By 2007, 5% of our capacity will come from new renewable sources of electricity, rising to 10% by 2010, putting us at the forefront in North America,” he says.

Should Ontarians run short on energy, though, they could always plug into their high-octane leader.

AFRICA

Patrick Ramiaramananana, mayor of Antananarivo

Mayor Patrick Ramiaramananana has a clear priority for his time in office: to make the capital of Madagascar “a developed and clean city where people enjoy living”.

He has his work cut out for him. Antananarivo suffers from dire poverty, shoddy infrastructure, thick pollution, heavy traffic and poor sanitation. Six years ago, flooding caused a cholera outbreak in the city.

But the mayor is chipping away at all of these problems and pursuing an ambitious urban renewal policy built on a vision of creating sustainable development.

Elected in December 2003, Mr

Ramiaramananana has a doctorate in chemistry from Düsseldorf University in Germany and held managerial

He is pursuing an ambitious urban renewal policy built on a vision of creating sustainable development

positions in business before joining the municipal government as an inspector in 2002.

Eager to promote his city globally and exchange best practice with other

municipalities, he has been active internationally, too, participating in forums such as the Cités et Gouvernements Locaux Unis, the Association Internationale des Maires Francophones, and Metropolis. Last year, he was elected vice-president of the African region representing African countries in Metropolis.

fDi magazine is not the only entity to recognise the mayor's achievements: he was named Man of the Year 2003 in a local contest, received the Metropolis Award at the organisation's conference in Berlin last May, and was a finalist in the 2005 World Mayor awards.

ASIA

Dato Seri Rafidah Aziz, Malaysia trade minister



Dato Seri Rafidah Aziz, minister of international trade and industry of Malaysia for the past 15 years, stole the show at a well-attended Malaysia investment road show in Birmingham, England, in March. A fraction of the size of most of the other speakers, the diminutive dynamo commanded the stage. Never was she more charismatic than when talking up Malaysia.

“AT Kearney ranked Malaysia last year the third best country in the world for outsourcing, after India and China – and that's a close three,” she told delegates. “So when you think outsourcing, don't just think India and China; also think Malaysia.”

Many investors are thinking about Malaysia, and this is partly a consequence of the minister's tireless travel around the world signing trade deals, promoting inward investment and making the business case

for setting up operations in Malaysia.

Mrs Rafidah is candid when describing the perception problems her country faces in dealing with international investors. “I am a fundamentalist Muslim,” she announced when addressing the question of whether Malaysia is a safe location. “The real tenants of fundamental Islam are tolerance, respect for other religions, non-violence and moderation. By this definition, the majority of Malaysians are fundamentalist Muslims,” she said.

She is equally straightforward about the rigours of crafting trade agreements: “World Trade Organization negotiations are a tortuous process – I am ageing in the process.”

She shows no signs of giving up, though. The day after her Birmingham appearance, she was travelling to the US to make a joint announcement about a prospective free trade agreement between Malaysia and the US.

EUROPE

Peter Hain, UK minister

Sometimes, to secure a fiercely fought-over inward investment, it is not only the buy-in of high-ranking political officials that is needed but also their active involvement. Peter Hain, first minister for Northern Ireland and Wales, who is being tipped as a future contender for the job of deputy prime minister, has developed a reputation in investment circles as a deal-closer.

“He was very supportive in terms of helping us come into Northern Ireland,” says Matthew Vallance, CEO of ICICI One Source, an Indian business process outsourcing company that recently committed to opening two

outsourcing centres in Northern Ireland, creating 1000 jobs (see page 44).

A former union leader and chairman of a newspaper group, Mr Hain was elected to the UK parliament in 1991, representing Wales' Neath constituency. Having served as minister in the Welsh Office, minister for Africa in the Foreign Office, minister for energy at the Department of Trade & Industry, and minister for Europe at the Foreign Office, he was promoted to the Cabinet in 2002 when he became secretary of state for Wales. He took on the additional brief of secretary of state for Northern Ireland last May.



LATIN AMERICA



Leo Starkman, Honduras investment minister

minister, 37-year-old Leo Starkman Milla has shown that he is not afraid of a challenge and he is just the kind of youthful and flexible livewire that Honduran investment needs.

During a recent visit by fDi magazine to Tegucigalpa, the capital of Honduras, Mr Starkman found time to talk, even given less than 24 hours' notice, and was full of ideas about how to improve his country's investment environment. “We have an open-door policy. Investors can meet with the president if they wish,” he says.

Honduras is one of the poorest and least developed countries in Latin America, with two-thirds of the population living in poverty and sky-high unemployment. To solve these problems, FDI is badly needed but, given the limited size of the domestic market and the fierce competition from countries with good access to the US market such as Mexico, the challenges are many.

In accepting the role of investment

One of his ideas is to make the entire Bay Islands area off the country's Caribbean coast a free trade zone to boost development of hotels and other tourism facilities; another is to apply the principles that have worked in attracting textile investment to the country to other areas of manufacturing, such as automotive harnesses.

Mr Starkman says that his ministry has defined four requirements that investors will have: abundant energy

at competitive prices, efficient logistics, an efficient labour force and standard rules.

The need for standard rules should be met by the Central America Free Trade Agreement and the logistics by the port of Puerto Cortés, which has been declared a secure port by the US authorities, enabling it to act as a trans-shipment point to the US. “We have the largest and most efficient port in the region,” notes Mr Starkman.

Honduras has established minimum wage levels by geographical area to encourage investment away from the industrial area of San Pedro Sula, where Mr Starkman's family business Remsa is based. He ran the company before taking up political office.

“Energy is our biggest headache,” says Mr Starkman. He goes on to talk about a massive hydroelectric plan for Honduras. As in every country, there are political obstacles to negotiate but if there is a way, Mr Starkman will probably find it.

THE MIDDLE EAST

Mohammed Alabbar, property developer

Selecting the Personality of the Year for the Middle East was not difficult – one name came up repeatedly: Mohammed Alabbar.

A close confidant of Dubai's Crown Prince, Sheikh Mohammed bin Rashid Al Maktoum, Mr Alabbar is arguably one of the most influential men in the Middle East. He is a director of the Dubai Economic Development Department, represented the UAE at the World Economic Forum last year, and serves as chairman of Dubai Bank, Amlak Finance and the Dubai Aluminium Company. But his most influential role is that of chairman of Emaar Properties, a construction and real estate development company with annual revenue of more than \$1bn.

fDi's award comes just as Mr Alabbar celebrates another astounding success. A 10-day initial public offering of Emaar the Economic City (EEC), which opened on July 22, was oversubscribed in just three days. In the end, it fetched SR7.18bn (\$1.9bn) with about 10 million Saudis – nearly half the national population – subscribing



and setting a new record in the kingdom's capital market history.

EEC is a consortium headed by Emaar Properties and several high-profile Saudi investors that is carrying out Saudi Arabia's largest ever private sector initiative, the SR100bn King Abdullah Economic City project, which Mr Alabbar says "will usher in a new era of economic prosperity to the kingdom".

"The King Abdullah Economic City, the first fully private sector-funded economic zone and the single largest private sector investment in the kingdom, has the potential to attract increased foreign investment through its comprehensive development plan," says Mr Alabbar. "The six key components of the project are all geared up to generate more employment opportunities for Saudi nationals, build the kingdom's infrastructure and facilitate sustained investor interest."

King Abdullah Economic City, spread across 55 million square metres of land, will include a seaport, industrial district, financial island, educational and health care zone, resorts and a residential area. In close proximity to the holy cities of Makkah and Madina, it will also have a dedicated Hajj terminal. The overall project will be completed in stages, with residents expected to take possession of the first batch of commercial houses in about three years.

With Mr Alabbar at the helm, the project can hardly fail.

PREVIOUS PERSONALITIES OF THE YEAR

2005 WINNERS

Global winner: Lee Myung-bak, mayor of Seoul, Korea

Africa: Ebrahim Rasool, premier of Western Cape, South Africa

Europe: Wolfgang Tiefensee, mayor of Leipzig, Germany

Latin America: Eduardo Lizano, former governor of the central bank, Costa Rica

Middle East: Kaya Tuncer, founder of the Aegean Free Zone, Turkey

North America: Mark Warner, governor of Virginia, US

2004 WINNERS

Global winner: Luis Inácio Lula da Silva, president of Brazil

Africa: Mwai Kibaki, president of Kenya

Asia: George Yeo, minister of trade and industry, Singapore

Europe: Sir Howard Bernstein, CEO of Manchester City Council, UK

Middle East: Prince Abdullah, chairman of the Saudi Arabian General Investment Authority

2003 WINNERS

Global winner: Vicente Fox, president of Mexico

Africa: Hidipo Hamutenya, Namibian minister of foreign affairs

Asia: James R Thompson, chairman of Crown Worldwide Holdings, Hong Kong

Europe: Josu Bergara, prime minister of the Biscaya region, Spain

Middle East: Sheikh Mohammed Bin Rashid Al-Maktoum, crown prince of Dubai