

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Trade and Development Board, sixtieth session
Geneva, 16–27 September 2013

**Plenary on Item 9:
Investment for development: Global Value
Chains and Development**

Speaker: Olam International

Wednesday, 18 September 2013

*Not checked against delivery **

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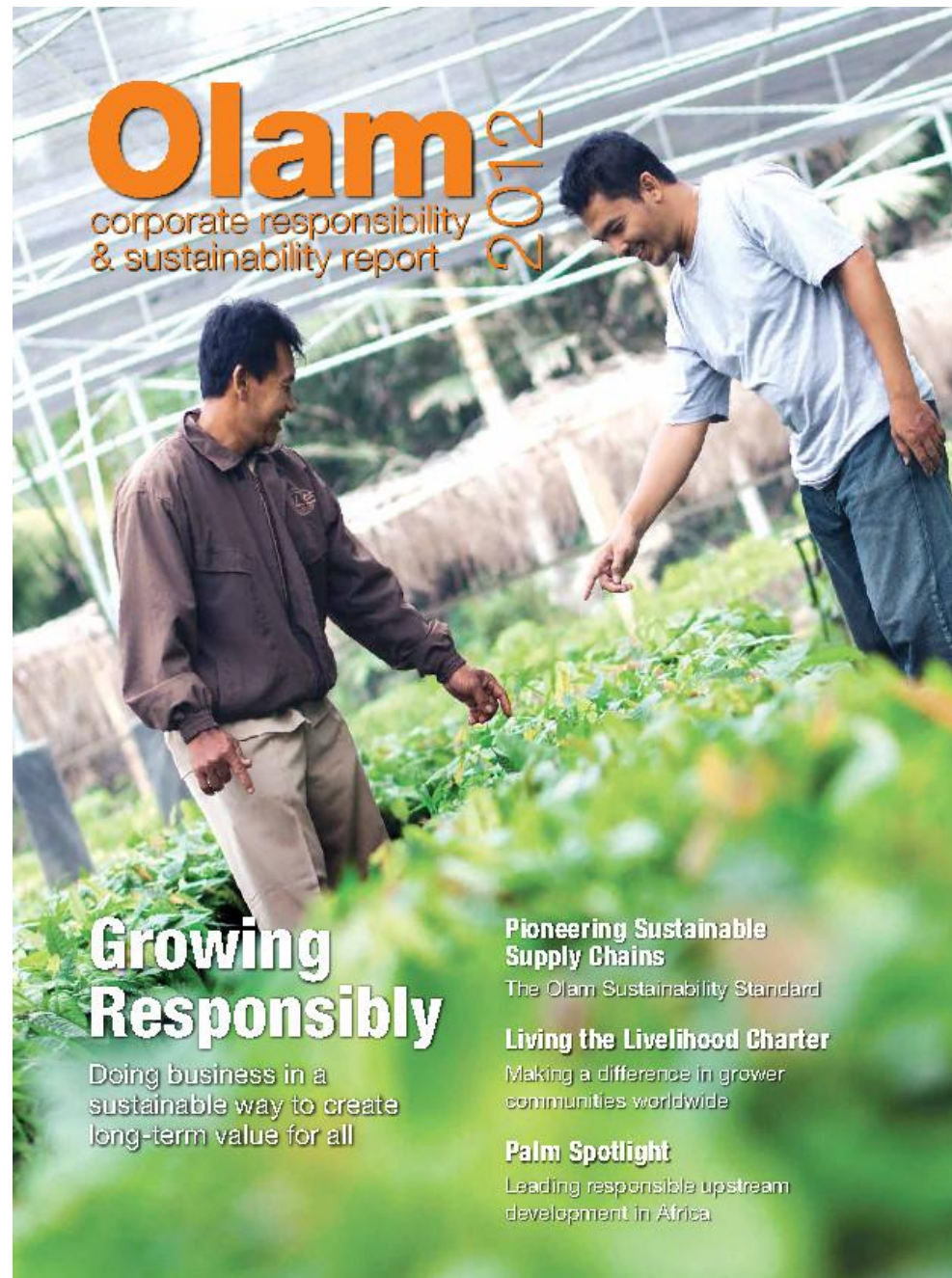


Olam International

UNCTAD Meeting

September 2013

www.olamonline.com



Our History: Rapid Growth & Expansion



FY 1989: Start-Up

- 1 product
- 1 country
- 1 end market
- 4 customers
- 2 employees
- S\$0.15M Book Value
- S\$0.15M Market Value



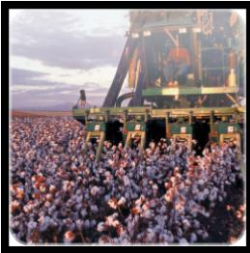
FY 2012: Present

- 21 products
- 65 countries
- 60 end-markets
- 12,300 customers
- 18,000 employees
- S\$17.1B Turnover
- S\$403.8M PAT
- \$4.0B Market Cap

Listed on
Singapore
Stock
Exchange
2005

Our Business: Supply Chain Manager of Agricultural Raw Materials – through the Global Value Chain

Integrated From Farm to Factory



Upstream Production



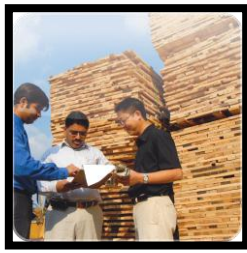
Origination



Logistics



Processing



Marketing Solutions & Services



Trading & Distribution

End-to-End Supply Chain Capability

Rule: Differential Value Chain Integration

Expanding our presence across 65 countries

- **82% in emerging markets & 18% in developed economies**
- **Strong emerging market expertise**

1994

- 7 Products
- 4 Countries

2001

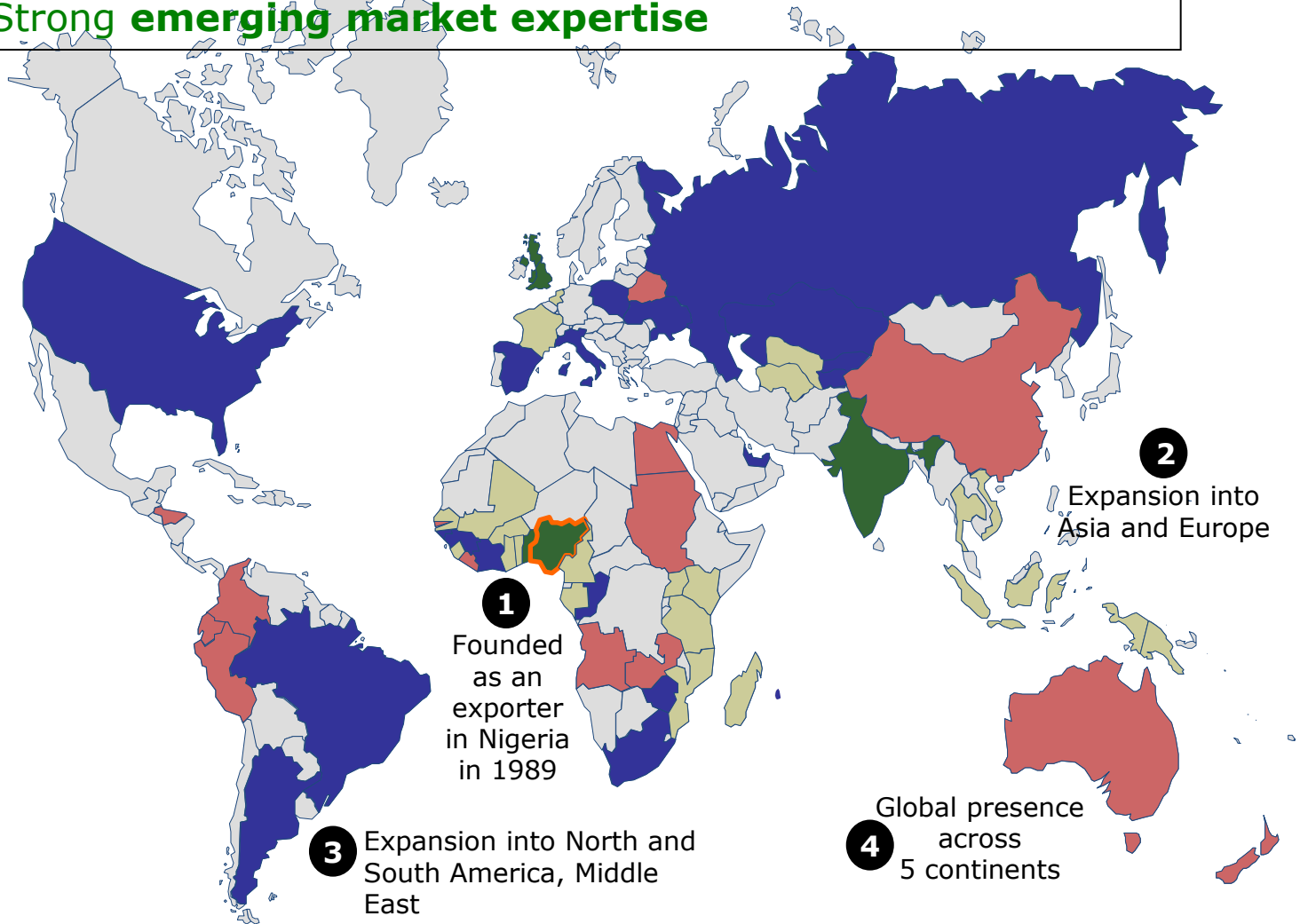
- 10 Products
- ~20 Countries

2005

- 14 Products
- ~40 Countries

Today

- 21 Products
- ~65 Countries



Our Products: Supplying from a diverse portfolio

Edible Nuts Spices & Beans

- Cashew
- Peanuts
- Almonds
- Hazelnuts
- Spices & Dehydrates
- Pulses & Beans
- Sesame



Confectionary & Beverage Items

- Coffee
- Cocoa
- Shea
- Specialty Fats



Food Staples & Packaged Foods

- Sugar
- Rice
- Dairy Products
- Grains
- Packaged Foods

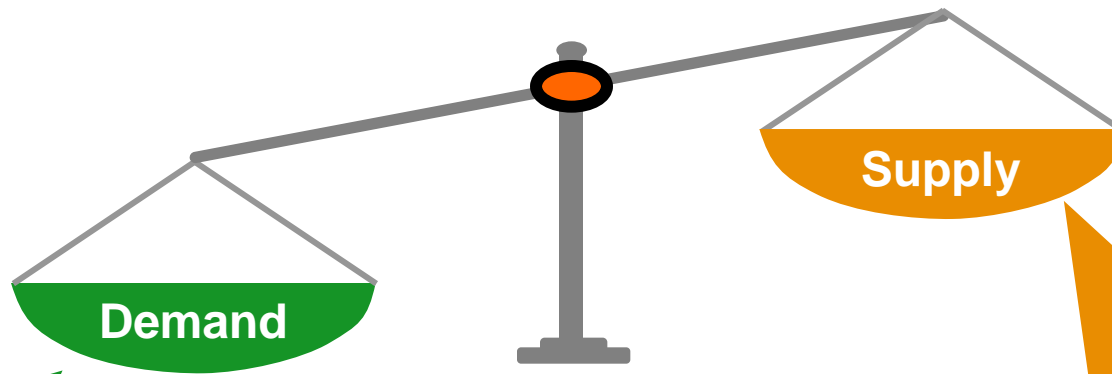


Industrial Raw Material

- Cotton
- Wool
- Wood Products
- Rubber



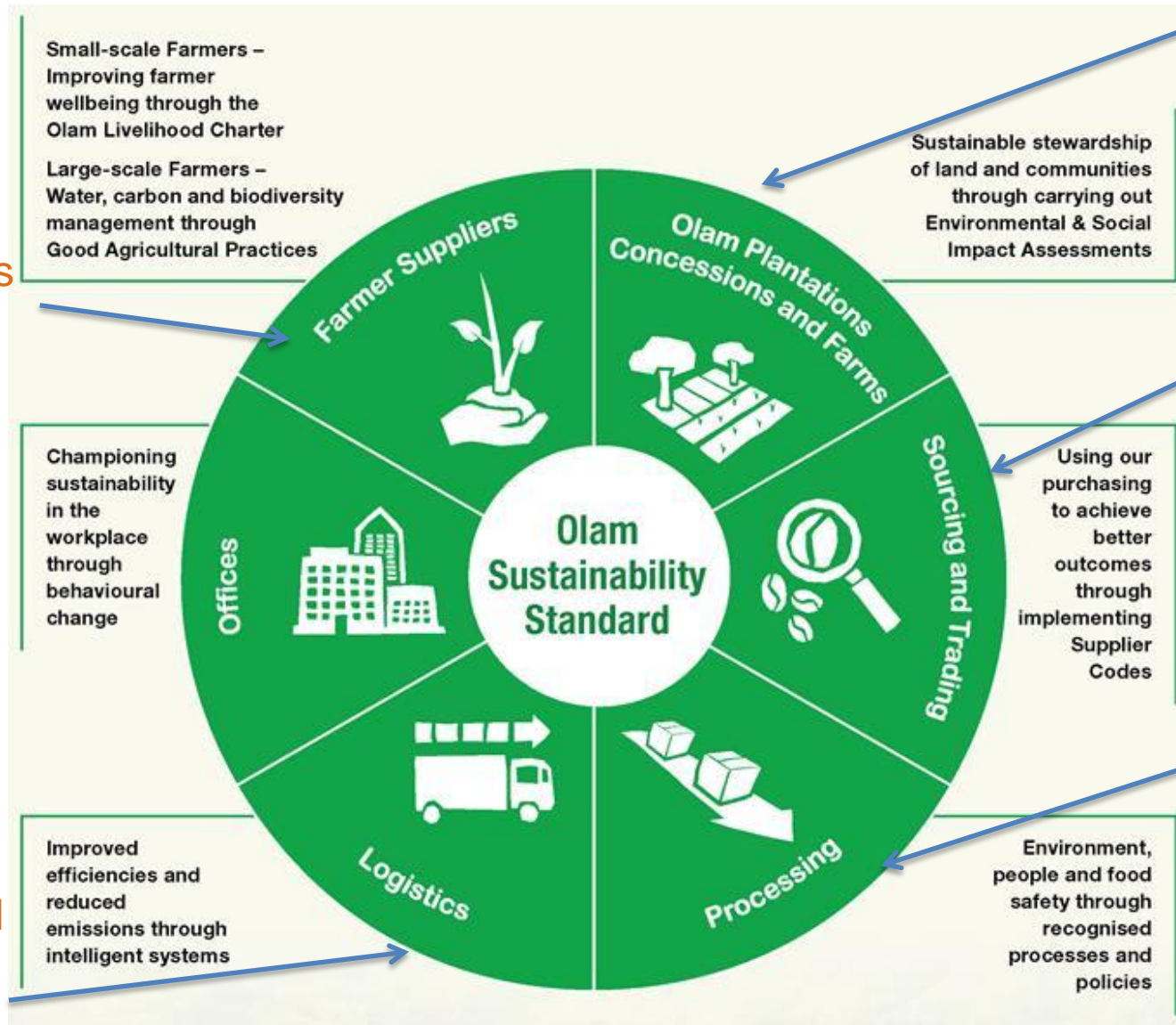
Sustainability: agri-commodity demand-supply



- Growing population
- Increasing food consumption per capita with rising income
- Dietary shift to protein and fat rich diets
- Rapid urbanisation resulting in higher per capita consumption
- Growing use of biofuel

- Decline in agricultural productivity
- Declining arable land
- Urbanisation impact
- Water constraints
- Carbon constraints
- Impact of climate change
- Environmental constraints
- Logistics and storage chokes

The Olam Sustainability Standard – across the global value chain



Investing in direct production

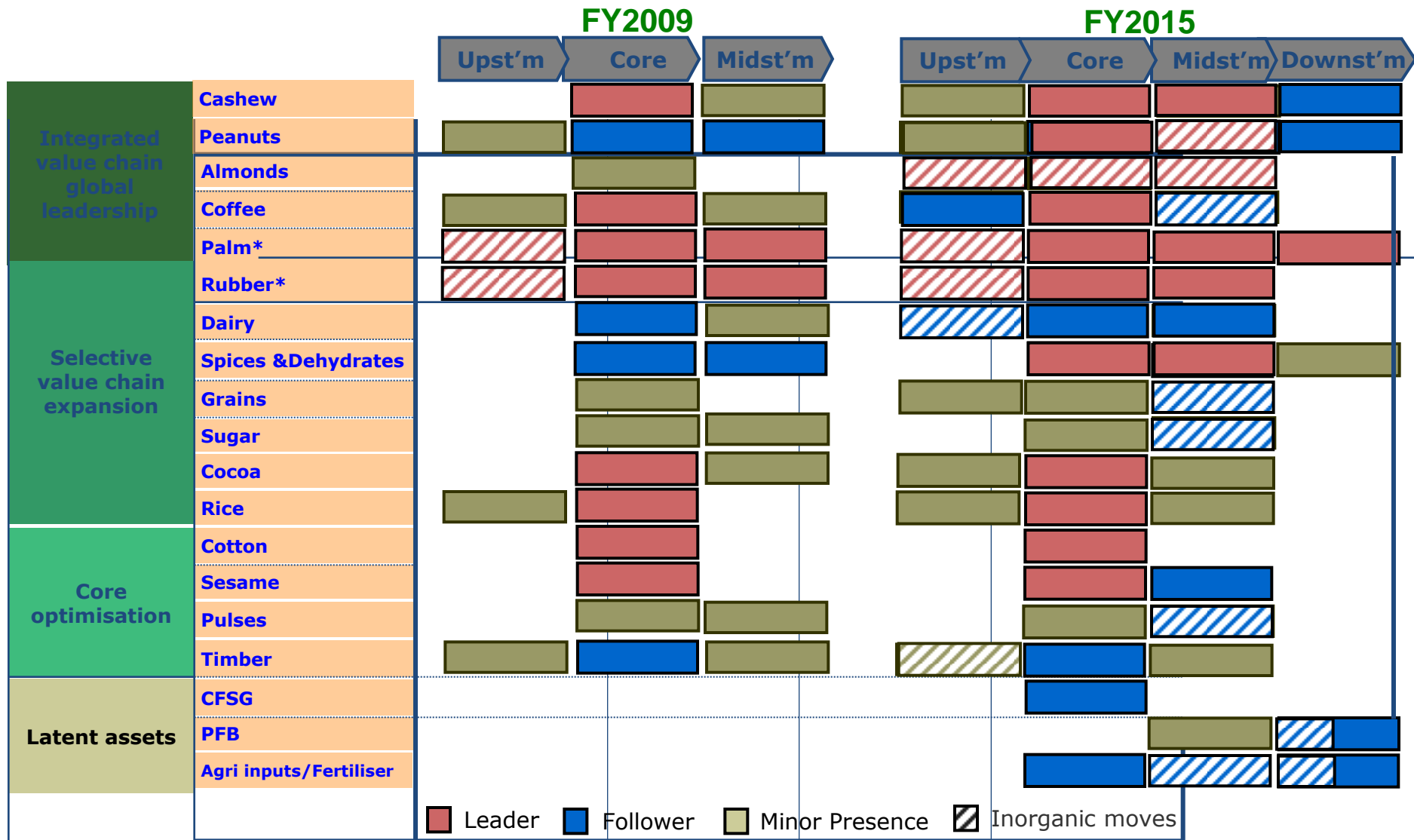
Connecting to 3.9 million small-holders

Managing 110 processing units

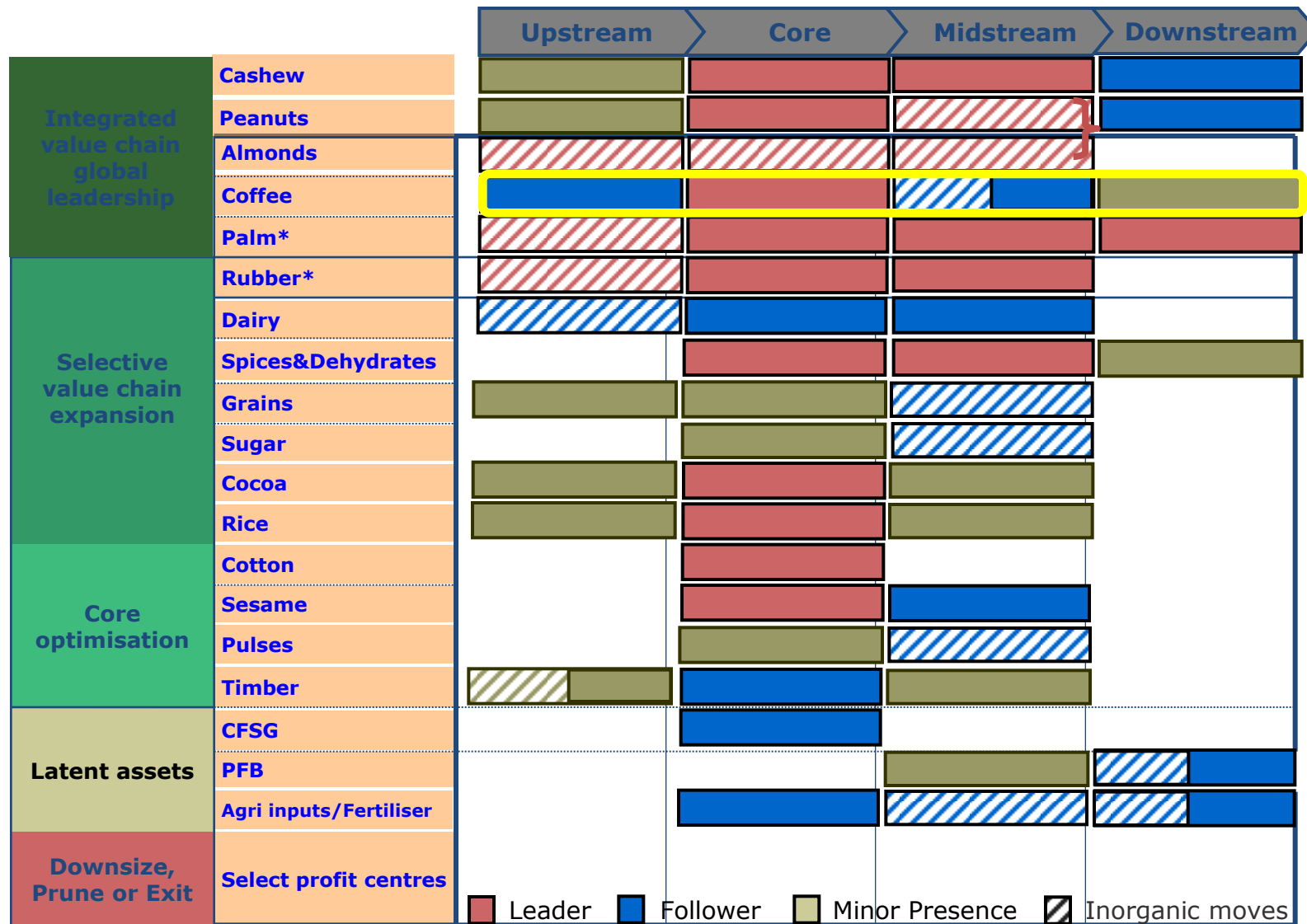
330,000 outgrowers

Long-term contracted shipping

Investing in producing origins



Representing a capital investment of US\$ 3.5 billion



Investments requires managing



National support to agricultural global value chains

1. **Land reform** – ongoing but the process needs to be accelerated, a key output must be an agreed Land Registry
2. **Infrastructure** – more investment required especially; roads, electricity, ports & communications
3. **Social services** – nationally delivering health & educational needs to support the location of investments, esp. rural
4. **Research** – needs to be increased and aligned to the needs of the small-holders
5. **Technology access** – significant investment required in linking farmers to a range of services of boost yields and incomes that are now available
6. **Import duties** – increased dialogue required as duties have a huge impact on the viability of an investment such as rice

Thank You



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