



**Institute of Certified Public Accountants of Kenya  
The 4<sup>th</sup> Annual ICPAK Chapter Seminar – South Africa**

**Date: 28<sup>th</sup> to 30<sup>th</sup> August 2019**

**Venue: The Capital Empire, 177 Empire Place, Cnr. Rivonia Road, Sandhurst,  
Sandton, Johannesburg, 2031, South Africa.**

**Theme: Harnessing Sustainable Economic Growth and Human Development  
in Africa",**

**CHAIRPERSONS NOTES**

**Session7: Doing business in Africa**

**Day and time:** Thursday August 29, 14.30 -15.45.

***Background***

The seminar will focus on how the accountancy profession can contribute in harnessing sustainable economic growth and human development in Africa. The specific topics that will be explored by the target delegates<sup>1</sup> include: infrastructure development in Africa, doing business in Africa, digital economy, budget practices in Kenya and South Africa, taxation practices, role of accountancy profession in Africa development agenda and corporate governance developments.

**Doing business in Africa session**

Africa is a continent with huge proportions of natural resources and human capital (60% of the Africa population (1.2b) is below 25 years. However, Africans have not managed to realize full economic and social benefit from these resources. Africa remains the poorest region. The number of poor people living on less than \$ 1.90 per day has increased from 278m 1990 to 413m in 2015 (out of the 700m globally). This is a developmental and social problem that requires urgent attention. This requires improving investment climate in Africa: provide appropriate environment where entrepreneurs would incubate and operate successful businesses.

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<sup>1</sup> Targeting 50 delegates including senior government officials from Kenya public sector (senators, members of national assembly) and Finance and Accounting professionals in senior management and boards in public and private sectors from both Kenya and South Africa.

The session will explore Doing business opportunities and challenges in Africa through the eyes of Gerald Mahinda, the Managing Director of Kellogg Africa, Middle East & Turkey, based on his experience in serving in executive positions in major multinationals in Africa. The objective is to inspire delegates who may be exploring opportunities to operate businesses in Africa or thinking of serving as leaders in operations outside Kenya or South Africa, and also influence policies to further strengthen business environment in Kenya.

**Chair: Suprian Karumba, ICPAK South Africa Chapter Board member**

The format of the session will be “*conversation based*” where the facilitator will pose questions below to Gerald and also invite other questions from participants.

### **Speaker**

**Gerald Mahinda**

**The Managing Director of Kellogg Africa, Middle East & Turkey**

### **Session format**

- |                                       |        |
|---------------------------------------|--------|
| 1. Introductory comments by the Chair | 5 min  |
| 2. Conversation with Gerald           | 65 min |

#### **2.1 Introductory presentation by Gerald – *could use a Power point***

**Your career journey:** Briefly highlight your career journey - noting the key factors that informed your decisions at each stage e.g from one company to the other, or one company to the other. (*this information may benefit delegates thinking of changing their careers*)

**Briefly introduce Kellogg to the delegates**

#### **2.2. Overall, what is your view on Africa as an investment destination?**

#### **2.3 Investment factors**

You have been involved in managing businesses in Africa for many years. What are the factors that you consider in deciding to invest in a specific country? If possible, use specific example(s) to explain such factors. *E.g the recent Eswatini example.*

#### **2.4 Challenges of operating a business in Africa**

What are the top 3 key challenges of doing business in Africa that you have faced and how did you address or attempt to address them?

*The chair may ask more probing questions relating to the noted challenges + governance, labour issues, access to finance, immigration, racial discrimination, gender discrimination*

**2.5 Regional integration and African Continental Free Trade Agreement are being highlighted as key opportunities for attracting investments and increasing trade amongst African countries? Do you agree and why?**

**2.6 Advice to Kenya to strengthen investment climate**

- What can the Government of Kenya or County Government do to further strengthen business environment?
- “Harnessing the talents and expertise of the African Diaspora can help to bolster Africa's workforce development and accelerate Africa's social and economic development”. Do you think Kenya is fully benefiting from the educated, optimistic and actively working Diasporans? What initiatives can be implemented for Kenya to maximize its benefit from this asset?

**2.7 Advice to Kenyans seeking opportunities to invest in a foreign country**

- What would be your advice to a Kenyan planning to start an entrepreneurial business in diaspora?
- What more can Government of Kenya do to support Kenyans who want do business in diaspora?

**2.8 Technology has become an important tool of doing business and increasing efficiency in service delivery to public. Based on your experiences and observations, is Africa ready to benefit from this tool?**

**2.9 Serving as MD of Kelloggs is obviously a demanding task. Have you achieved a work-life balance? How does this look for you?** *(to benefit senior officials struggling with work life balance)*

Concluding remarks by the Chair

5 min

Total

**75 min**

## Gerald Mahinda

*A Globally experienced General Management Executive with 25+ years of proven success generating sustainable shareholder value for diverse consumer goods and services companies, with focus on innovation and value creation through people development, strategic market and product line expansion, restructuring, and M&As. Visionary, highly competitive, experienced in managing complex joint ventures.*



**Gerald Mahinda** is a high-energy, innovation focused general management executive with a proven track record creating profitable and sustainable businesses in Africa with clear vision and well-defined short- and long-term goals that benefit all stakeholders including the company's management team, work force, and shareholders. Executive assessment shows him to have a key strength in "Creating Possibilities"—setting

ambitious goals, driving for step-change, and inspirationally freeing up his teams to think outside-the-box and drive impressive growth. He readily aligns people on stretch goals, connecting brilliantly with people to manage stakeholders—articulating the journey required, "banging the drum" of new expectations, and driving a coaching culture at the organizational level.

Mr. Mahinda has held a variety of executive positions including CEO and Managing Director roles for major multinationals across Africa, Middle East & Turkey region. The exceptional results he has invariably delivered come from his focus on strategic planning, people development, and technology utilization, supported by another "spike" strength in innovation and value creation through restructuring, M&As, and joint ventures.

Mr. Mahinda is currently the **Managing Director of Kellogg Africa, Middle East & Turkey** based out of Dubai and Johannesburg. He has been with Kellogg since the start of 2014. His primary objective is to provide Leadership, Inspiration and Strategic direction for the newly created Africa, Middle East & Turkey region for Kellogg's in order to deliver the long-term growth potential for Kellogg's developed and emerging markets strategy. This includes growing the African businesses, expanding and opening new markets in Turkey and Pakistan in order to deliver a profitable and sustainable business across the region. In 2015 Kellogg's invested approximately \$850 million for a major stake in one of Nigeria's leading food company. He is also a key member of the Group's Asia Pacific – Middle East – Africa [AMEA] Leadership Group.

From August 2009 until June 2013 Mr. Mahinda served as CEO for Brandhouse South Africa, a Diageo and Heineken joint venture company before taking up the role of Managing Director for Diageo Africa Spirits Transformation. During his tenure at Brandhouse the company grew significantly to become the second largest alcohol

beverage company in South Africa with brands like Johnnie Walker and Smirnoff tripling and doubling respectively over a three-year period.

Working since 1999 with various member companies, subsidiaries, and partners of a global leader in the beverages industry, Diageo International, Gerald had been a major contributor to its profitable growth. As CEO of East African Breweries Limited (EABL) in Kenya, Mr. Mahinda took EABL to rank as Diageo's largest profit pool through execution of a variety of acquisitions, market and product line expansion and automation strategies. Strategic diversification into soft drinks and spirits helped to drive this growth, not least through a new "Senator" draft beer product that grew to become the country's largest, accounting for more than 40% of the business portfolio. Geographic expansion into six more countries and acquisition of a \$100 million brewery were also instrumental in EABL's outstanding success from 2004 to 2009.

In 2003 Mr. Mahinda had accepted the challenge to apply his proven talents to another subsidiary, Guinness Nigeria PLC, where strategies and change processes he initiated during his year there improved the company's market position and enabled it to compete favorably in the marketplace. As Group Finance and Strategy Director for EABL from 1999 to 2003, Mr. Mahinda spearheaded financial strategies including share swap deals, minority buyouts, and acquisitions, along with process improvement and technology automation that returned the company to a positive cash position in just 24 months. He is proud of having grown EABL to being the largest company in East Africa, which garnered Price Waterhouse's "Most Respected Company" status for five consecutive years.

Mr. Mahinda's early career in the financial and human resources arena included serving as Executive Director Finance for Standard Chartered Bank Kenya Limited, where he led the bank through restructuring, automation, centralization, and cost management initiatives that returned it to profitability in two years and positioned it as a top league bank in East Africa. At AIG subsidiary American Life Insurance Company (ALICO) in Kenya, Mr. Mahinda worked closely with the Country Manager in a restructuring that delivered greater efficiency and profitable top line growth.

Mr. Mahinda holds a Bachelor of Commerce in Accounting from the University of Nairobi, is a Certified Public Accountant in Kenya, and completed INSEAD and Harvard International Executive Management Programs and numerous advanced level executive management courses at institutions including INSEAD, GAP International, and Harvard Law School. He has served on many corporate Boards of Directors, and has been an active member of professional organizations including The Kenya Institute of Management and the Institute of Certified Public Accountants. Mr. Mahinda was recognized as a Hall of Fame Nominee by AIESEC Global. Mr. Mahinda is a recipient of the **Moran Order of the Burning Spear** from Kenya's President in recognition of his distinguished service to the nation.