

GLOBAL YOUNG LEADERS BRINGING 'ONE WORLD, ONE DREAM' TO NINGXIA, CHINA



Watched by her colleagues, YLP participant, Madoka Tatsuno (second from right), makes her case during group discussions in developing Jinhu Enterprise's business plan. Photo: GIFT

China's development as a growing economy – and the associated social and environmental challenges – is on the minds of many. With the level of attention currently focused on China, a group of international participants on the **Global Young Leaders Programme (YLP)** run by the **Global Institute For Tomorrow (GIFT)** arrived in Beijing to assist a local social enterprise involved in combating one of China's looming environmental challenges – desertification. According to the UN, the direct economic loss to China from desertification has been estimated at \$6.5 billion dollars a year with farmers, especially in the western region, losing their land and livelihoods as a result.

Coinciding with the 28th Olympic Games held in Beijing, the YLP was conducted in the latter followed by a site visit to the Ningxia Autonomous Region in August, 2008. For Chandran Nair, Founder and chief executive of GIFT, this seventh YLP exemplified the increasing ability of the executive training and development programme to bridge gaps between having business knowledge and delivering business solutions to the real world challenges of sustainable development. "The truly global and multi-disciplinary mix of our participants hailing from as far as Cameroon and India and from corporations such as Standard Chartered, Credit Suisse, MTR, Cathay Pacific and PETRONAS ensure that our local partners continue to gain access and value from the best and brightest minds."

"We are going for gold too," he added in oblique reference to the sporting events taking place a few kilometres away from the programme.

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The uniqueness of the YLP lies in its application of experiential learning or as Nair puts it, “learning through the eyes of others.” The participants or Young Leaders were tasked with creating a business plan to assist GIFT’s local partner, Yinchuan Jinhua Eco-Agriculture Tourism Company Ltd. (Jinhua Enterprise), which had taken part in and benefited from Ningxia’s anti-desertification programme. The YLP’s objective was to help Jinhua Enterprise expand its activities into winery and eco-tourism. In doing so, this would bring about employment opportunities for the province which has not reaped the benefits of China’s rapid development. The Young Leaders also addressed other pressing social issues like gender empowerment and helping ethnic minority groups in the province.



Chandran Nair, Founder and chief executive of GIFT challenges the YLP participants during classroom exercises. Photo: GIFT

One Woman, One Dream

“Many people initially tried to convince me it was not possible to start a business in the middle of the desert. Although I did not have any farming experience or knowledge, I was determined to follow my dream of starting my own business and helping my community,” reminisces Ms. Yang Hai Lan, Founder and Director of Jinhua Enterprise. Yang spent her last ten years painstakingly converting 520 mu (86 acres) of former desert land into a vineyard, eco-tourism lodge and farm; today, high quality wine grapes are being produced as a result of her efforts.



Ms. Yang Hai Lan, owner of Jinhua Enterprise, is using her vineyard and eco-lodge to fight desertification in Ningxia. Photo: GIFT

In contrast to many parts of China, including large sections of Ningxia, where farmers are battling to save their land from desertification after decades of unsustainable farming practices, Jinhua Enterprise is a shining example of a successful anti-desertification initiative. The emergence of the enterprise’s activities is also timely as the market for quality wine and leisure travel in China is expanding rapidly at 15 percent and 10 percent respectively per year, fuelled largely by the newly found wealth of the Chinese middle class.

However, despite these encouraging trends and local government support for the eco-tourism lodge – in addition to the award-winning wines that has been produced from grapes grown at the farm - Jinhua Enterprise lacks the infrastructure, skilled labour, and marketing to upgrade its business and to expand its operations. A major barrier for Yang is the lack of access to capital - a challenge that many rural enterprises in China encounter - to invest in the construction of her winery.

In producing a business plan aimed at scaling up the winery and eco-tourism lodge in a sustainable manner, the Young Leaders were attempting to fulfil Yang's vision. In recent years, Yang has used Jinhu Enterprise as a social platform to connect with local women's groups, farmers' associations and ethnic minorities to promote training and income generation opportunities. Yang further promotes healthier 'no harm' agricultural products, which are sold at Jinhu Enterprise's eco-tourism lodge and retail store.

Breaking barriers and creating results



GIFT staff, Amanda Chiu (left), in discussion with YLP participant, Delphine Desuinyuy (right), during a site-visit to Jinhu Enterprise's eco-lodge. Photo: Anita Yang

Navigating their way through an unfamiliar culture and the barriers of language, the Young Leaders interacted with key stakeholders from local households, wineries, eco-tourism lodges, tourism boards and government offices to better understand the market for local wine and eco-tourism as well as the value that social enterprises like Jinhu Enterprise could create for their local communities.

For Sanjay Ratra, Director at Standard Chartered India, the site visit was “an eye opener for business opportunities in the rural sector and corporate social responsibility as well as an individual's social responsibility.”

Whilst Olympic athletes were breaking world records back in Beijing, the participants set their own standards by working intensely to develop the business plan within a week. The group's mix of cultures and backgrounds provided great scope for ideas and innovative thinking.

“[It] made one think of one’s strength and weaknesses, [being] brought out in this unique situation, out of the usual comfort zone, environment and familiar people.” mused Edna Lam, Communications Director of Credit Suisse, Asia Pacific.

Indeed, new perspectives and insights were nurtured as bankers wrestled with community issues such as how stakeholders may be impacted by expansion of the eco-tourism lodge while others, including NGO representatives, struggled to master marketing strategies to best position the Jinhu Enterprise wines as a premium brand.

The potential community benefits and local economic development from the project inspired many of the participants to consider applying their new knowledge in their own organizations.

Noor Suhailah Othman from PETRONAS hopes to “replicate this programme as part of our corporate sustainability framework initiatives in improving the livelihood of affected communities,” back in her company in Malaysia.

We are one – planting the dream

The sense of accomplishment was buoyant when the group finally presented the business plan to Yang and several high ranking local government officials in Ningxia. The plan outlined a need for capital investment of RMB9.3 million for upgrading the eco-tourism lodge and constructing the winery, in addition to the establishment of a CSR fund to re-invest money from the enterprise into training and income generation opportunities for ethnic minorities and women’s groups. Education on sustainable farming practices for the local community was also considered as an activity for this innovative venture. The current business plan resonates well with the government’s objective of fighting desertification and promoting local sustainable economic development.



YLP Participant, Atsushi Tsukahara (right) and George Zhao (left) from the British Embassy share discussions over Jinhu Enterprise’s wine after the investor conference. Photo: GIFT

multi-national company, and the UNDP, an aid organization; CFO Asia, the respected journal for finance practitioners, also formed the audience together with other leading institutes and media.

Flying back to Beijing, the next task for the Young Leaders was to present the business plan at an investor conference organized for the programme by GIFT in partnership with the China Association for NGO Cooperation (CANGO) and Clear World Energy (CWE). In attendance was a wide ranging group of potential investors including Standard Chartered, Credit Suisse, JP Morgan, HSBC and Japanese Bank for International Cooperation (JBIC). Other interested parties also attended such as APCO, a media relations agency, Proctor & Gamble, a

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Interest in the business plan was plentiful and evident as potential investors stayed after the conference to speak with the Young Leaders and to sample the enterprise's outstanding wine product. For Nair, though, there would be no resting on laurels – “the focus for GIFT in the coming months will be to maintain the momentum necessary to connect keen investors with high-potential projects such as Jinhu Enterprise so as to create the access to capital needed to enable these social enterprises to bring valuable products and services into under-served communities,” he stated.

As GIFT's seventh YLP drew to a close, the last words are appropriately left to Yang who spoke to the participants, “In helping me, you are allowing me to make a small difference to a mother and her family. In doing so, together we are influencing the community and the generations to come.”

About the Global Institute for Tomorrow

Based in Hong Kong, GIFT is an independent think tank aimed at bringing together technical and commercial expertise with key knowledge on the issues concerning corporate social responsibility and sustainable development, and the influence of the region's economies. The organisation works with business leaders and government policy makers on the challenges of globalisation and Asia's development needs to realise the opportunities therein.

Note: If you are interested in the business plan and the opportunity to invest in this unique project, please contact GIFT.

For further information, please visit our website at: www.globalinstitutefortomorrow.org

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