

Volume 1, Issue 1 | Summer 2020

# amane currents

Designing the future of water



## **From Amane Advisors:**

**Water Industry M&A in the World of COVID**

**Getting on Board with Digitalization**

**Region Reviews: China and The Middle East**

**The Impact of COVID-19 on Consulting**





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# WELCOME TO *amane currents*



On behalf of all of us at Amane Advisors, welcome to the Summer 2020 inaugural issue of *amane currents*, our new quarterly newsletter. We have considered introducing this type of publication for some time now, and the positive response that we received during conversations with many of you earlier this year created the final impetus to move ahead with our plans.

The theme of *amane currents* is “Designing the future of water,” in line with our tag line “Designing tomorrow’s successes” and our mission to help our clients navigate the water industry. We hope that the insights and information we share in each issue inspire you to do just that. Our industry is unique in its reach into every facet of our lives, and in the important role it plays in shaping the well-being of people and economies around the world. Each of us has the opportunity not only to influence the future of our companies and our industry, but also to make the world a better, healthier, more livable and more equitable place.

The lead article in this edition addresses strategies for creating true value from mergers & acquisitions, an area where we continue to see great interest in spite of – or perhaps because of – the effects of the COVID-19 pandemic. We will also explore the implications of digitalization in the water industry and strategies for embracing its potential. Our Regional Insights section, which will be included in each issue, focuses this time on China and the Middle East and the opportunities each region presents.

We want *amane currents* to serve as a new channel to bring insights, information, and inspiration to our

clients, partners and employees. Our people are the heart and soul of our company, and so each issue will also highlight a member of our staff. We start this by introducing you to Ida Johansson from our Singapore office, who brings exceptional professionalism and enthusiasm to her clients and colleagues each day.

The word Amane means “water” in Berber, a beautiful language spoken in Northern Africa. Water is our passion, our sole focus, our *raison d’être*. With nearly 50 people on four continents, we are proud to have built the largest team of market researchers, strategy consultants, and financial advisors dedicated to our water industry. With more than 100 projects being delivered each year around the world, we feel privileged to work in partnership with the leaders and innovators of this essential industry and shape the future of water.

Thank you again for your continued support, and for the important role you play each day in designing the future of water.

All the best,

  
Thierry Noel



# WATER INDUSTRY M&A IN THE WORLD OF COVID



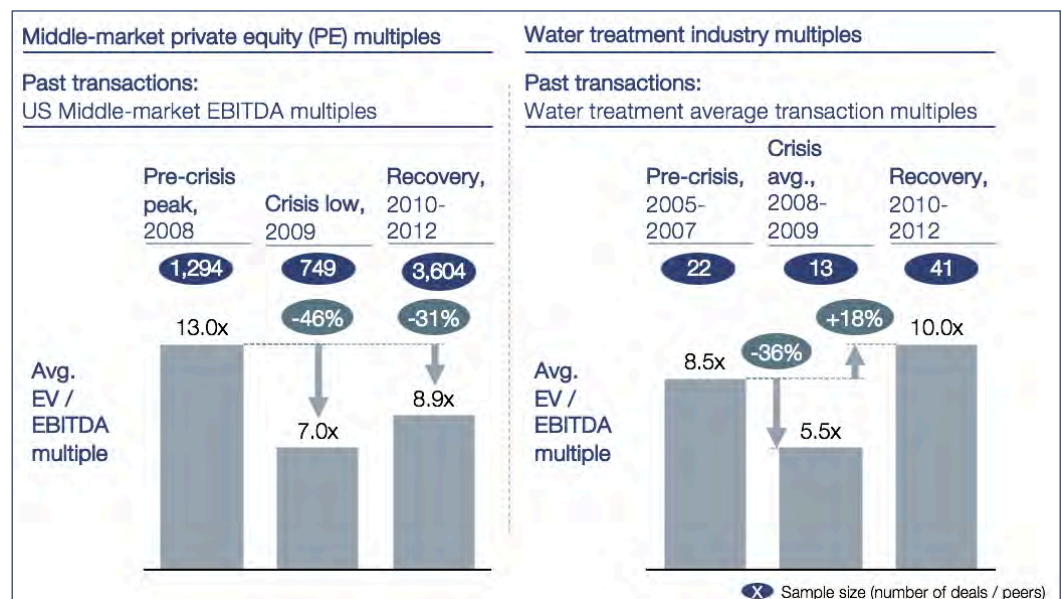
By Bill Malarkey, Managing Partner - North America

While the economic turbulence of the COVID-19 pandemic has certainly slowed M&A activity across the board, it doesn't mean things have come to a standstill – at least not in the water sector. Since the onset of the crisis we have seen deal activity continue, indicating that buyers' belief in the long-term growth potential of the industry remains undimmed. METAWATER made an early move, announcing its acquisition of system solution provider Wigen Water Technologies in April, a transaction designed to significantly expand the company's presence in the North American market. June saw KKR/XPV picking up diffused aeration systems manufacturer Environmental Dynamics International (EDI) in the initial follow-on deal for their nutrient management solutions platform, which includes Nexom and EOSi.

Should we therefore expect that it will be business as usual on the water sector deal making front? While there clearly are significant differences between the current pandemic-driven crisis and the financial crisis of 2008, a look at the behavior of the M&A markets during and after that earlier recession may give us some clues as to what lies ahead.

In 2008, both the number of deals and average valuations dropped significantly across all sectors (see Graphic 1 below). Although the average valuation for water sector transactions saw a drop of 36%, this was less dramatic than the average drop across all middle-market private equity deals, which took a 46% hit. Water valuations also rebounded more strongly post-crisis, perhaps reflecting a "flight to safety" during the recovery phase.

Graphic 1  
Sources: S&P Global,  
PitchBook, Amame Water  
database

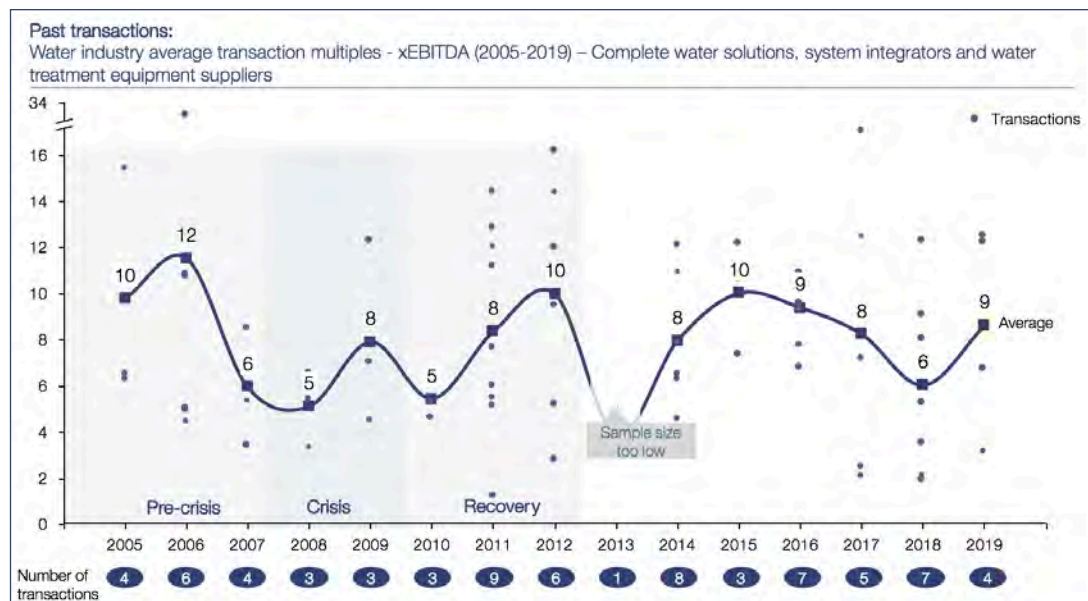


Focusing solely on the segment of water solutions providers, system integrators and water treatment equipment suppliers, we saw transaction multiples experience a significant downturn in both 2007 and

2008, falling to 6x and 5x EBITDA, respectively. (See Graphic 2 below.) However, once again the recovery was fairly rapid, as multiples soon recovered to their longer-term historic range of 8x to 10x.

Graphic 2

Sources: Amane Advisors database, GWI WaterData

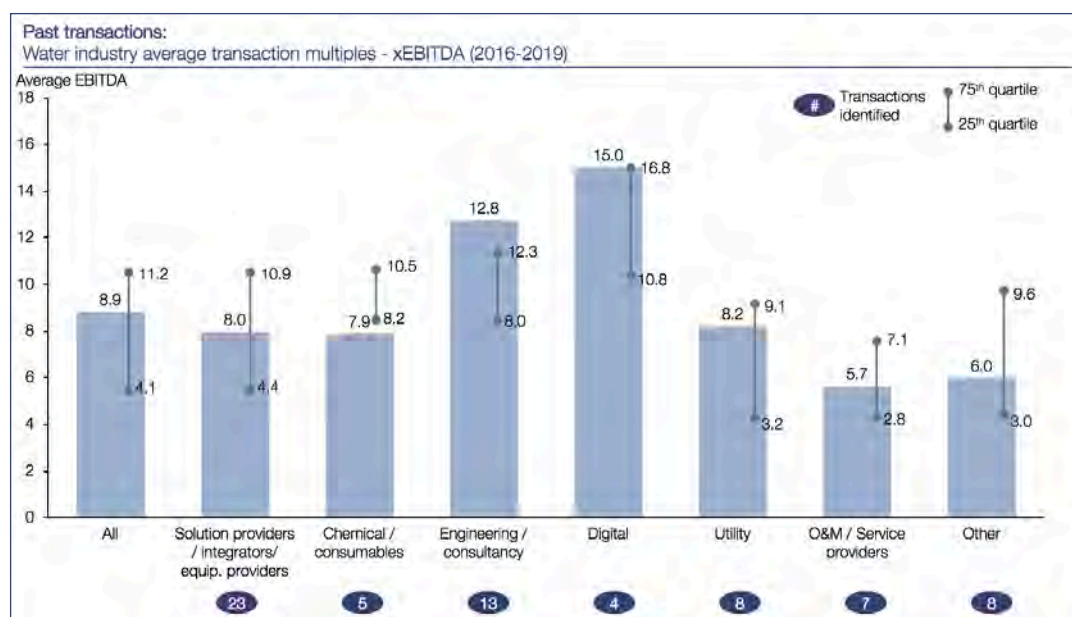


Pre-Coronavirus, global water sector M&A was certainly in a very healthy, robust phase, having seen considerable deal activity over the past three years. (See Graphic 3 below.) Deal valuations, as expected, have varied considerably across the different segments of the market. We can clearly see the upward effect

driven by the consolidation trend among engineering firms during this period, as well as the strong belief in the future of digital solutions. Solution providers, system integrators and equipment providers, as usual, made up the lion's share of all transactions.

Graphic 3

Sources: Amane Advisors database, GWI WaterData





As the market undergoes this period of tremendous disruption, Amane believes it is now more important than ever that players in every segment take the time to reconsider their entire approach to mergers and acquisitions. This applies to every step of the M&A process:

- **Strategy reassessment.** Does your growth strategy, including your M&A strategy, reflect the likely trends and drivers to emerge from the post-COVID world? Are there new sub-segments worth investing in? Will any of your traditional core businesses become less attractive, perhaps meriting an exit? Access to the latest, most accurate market data will be critical to help you recognize the emerging trends and make informed adjustments to your strategy.
- **Identification of acquisition targets.** Targeted market scans drawing from specialized, water sector specific databases can help to pinpoint candidates that offer an excellent strategic fit and the potential to create real value. Even some high-quality companies – particularly smaller, privately held players – are likely to experience financial distress as the downturn continues, perhaps opening up opportunities for deals at more favorable valuations.
- **Due diligence.** Future projections for nearly all segments of the water industry are now being regularly updated to reflect a changing market

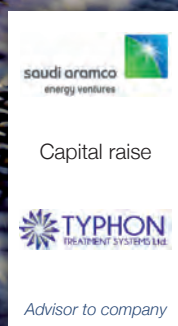
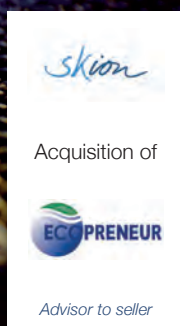
**environment.** In this atmosphere, it will be more important than ever to conduct rigorous commercial, operational and technical due diligence with the support of real industry experts who can provide an independent perspective on your target, its value, its risks and its true value creation potential.

From our origins as a market intelligence and strategic consulting firm, Amane has developed end-to-end expertise in supporting clients in the conception and completion of both buy-side and sell-side M&A transactions. In 2019 alone, we advised clients on six successful water-related M&A transactions, and conducted an even wider range of due diligence analyses for financial and strategic investors. We are able to leverage both our knowledge and networks in the sector, along with our specific transaction expertise, to help clients realize their external growth plans, providing advice and support throughout the entire M&A cycle from initial acquisition strategy through to post-merger integration and business turnaround.

While much remains unknown about the shape of the water M&A market post-COVID, there is not much doubt that the benefits of taking a holistic approach to M&A-driven growth, drawing on the expertise of specialized advisors along the way, will remain just as significant going forward.



Leading advisor to companies and investors in the global water industry –  
Helping our clients navigate six successful transactions in 2019



Market Intelligence | Strategy | Commercialization | M & A | PPP Advisory | Digital

# EMBRACING DIGITALIZATION: TIME TO GET ON BOARD



*By Geoff Gage, Managing Partner, and Vinod Jose, Principal*



Digitalization is impacting every aspect of our lives. Once synonymous with technology companies, digitalization is now disrupting the way companies serving all sectors of society operate. Unlike conventional businesses where growth is linear, growth curves associated with technology and technology-enabled companies are typically exponential, and digitalization is happening much faster than we imagined. And with the cost of enabling B2B technologies dropping faster than ever, industries across the board are getting disrupted – in a positive way – by the digital world.

For the water sector, it is only a matter of when – not if – and in what ways this evolution will redefine how and what we do. In reality, Industry 4.0 is here and it's already revolutionizing the water value chain – i.e., how water is distributed, treated and consumed. Along with that change comes a whole new set of opportunities.

Even in other traditional industries such as agriculture, productivity has significantly improved thanks to large scale and fast technology adoption. The use of drones, aquaponics, digital soil mapping, and organic bio-simulants are just a few examples of technologies that have boosted productivity. Moreover, we've seen companies across all sectors that have adopted technology successfully gain a competitive advantage by improving their position on their industry cost curve.

Although there are a lot of buzzwords around technology, the benefits of digitalization generally fall into three categories:

- **Increasing revenues** – e.g., with a new product or service offering, by capturing a price premium through a value-add, or by offering a better customer experience, thus creating lock-in.
- **Enhancing productivity** – i.e., doing more with less.
- **Optimizing costs** by adopting such strategies as reducing wastages, remediating leaks and improving efficiency in operations by streamlining processes, leveraging real-time monitoring, and increasing the use of analytics to make more informed decisions.





## Digitalization in the water sector

Digital solutions are now touching every area of our industry, from utilities to commercial to industrial to residential water. Let's take a closer look at water utilities as an example.

Amane Advisors recently conducted a global study as part of our Digital Utility initiative, surveying a group of major water and wastewater utility leaders from around the world. An astounding 90 percent of these water utility leaders saw digital as a high priority to enhance their operations and to compete successfully, now and in the future.

One of the key findings in this collaborative effort was the ability of digital solutions to address a host of unmet needs for utilities.

These included:

- Reduction of physical water losses
- Reduction of commercial losses
- Lowering of energy consumption in water treatment systems and wastewater treatment plants
- Automatic monitoring of water quality
- Underground asset management and renewal and non-disruptive repairs and maintenance of the water distribution network
- Business process re-engineering
- Efficient capital procurement and delivery
- Communication of value proposition to customers

### Digital solutions can help address many unmet needs of water utilities

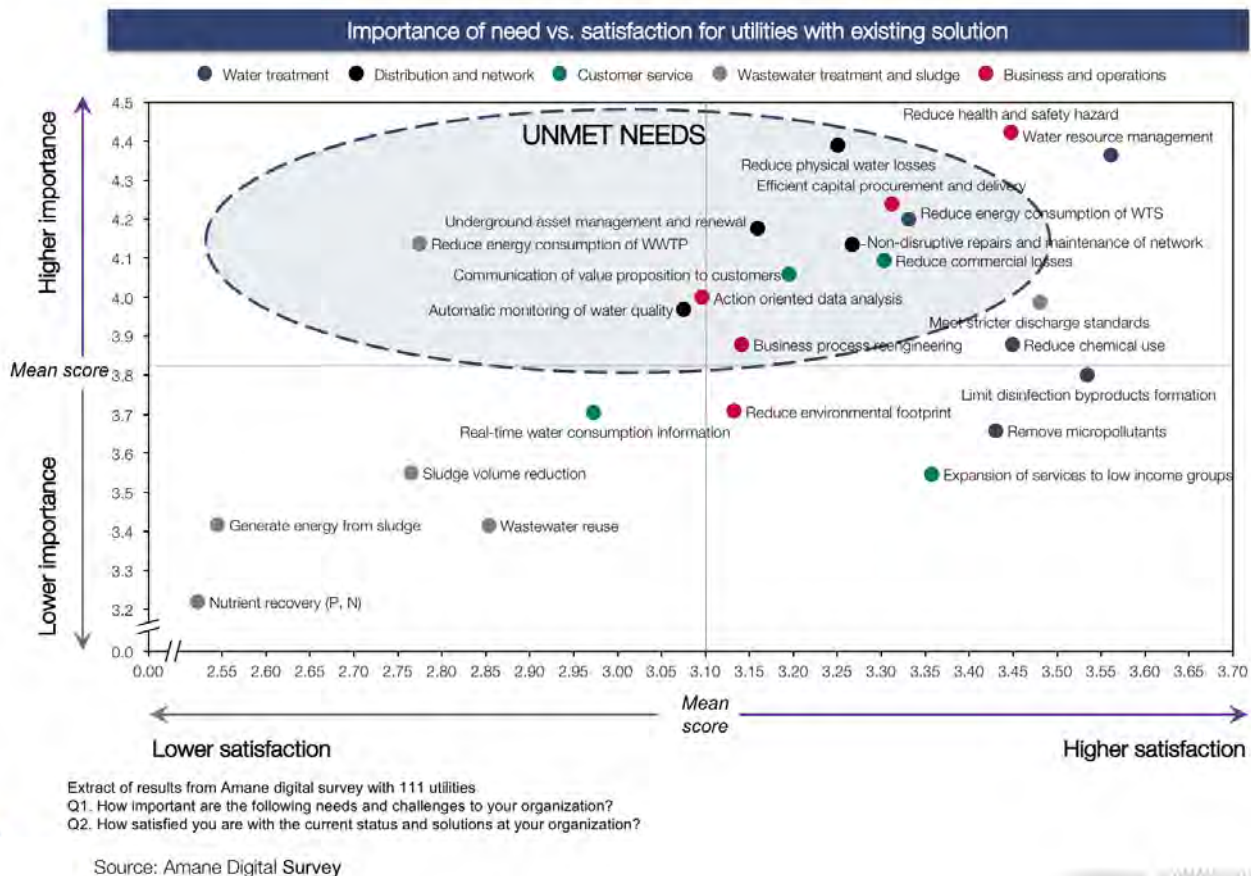


Fig. 1 – Meeting Unmet Needs

Consider this: even a leading utility can save 10-20% of OpEx and CapEx from levers including Big Data, advanced analytics, machine learning and automation. Scaling this up implies that the potential impact globally is ~\$80+ billion in increased efficiencies. In addition, we see an exponential explosion of internal data as the cost of sensors, data access, data storage, and communications has fallen, increasing the power and affordability of sophisticated digital solutions.





The following infographic illustrates a potential configuration of a fully digitally enabled water utility.

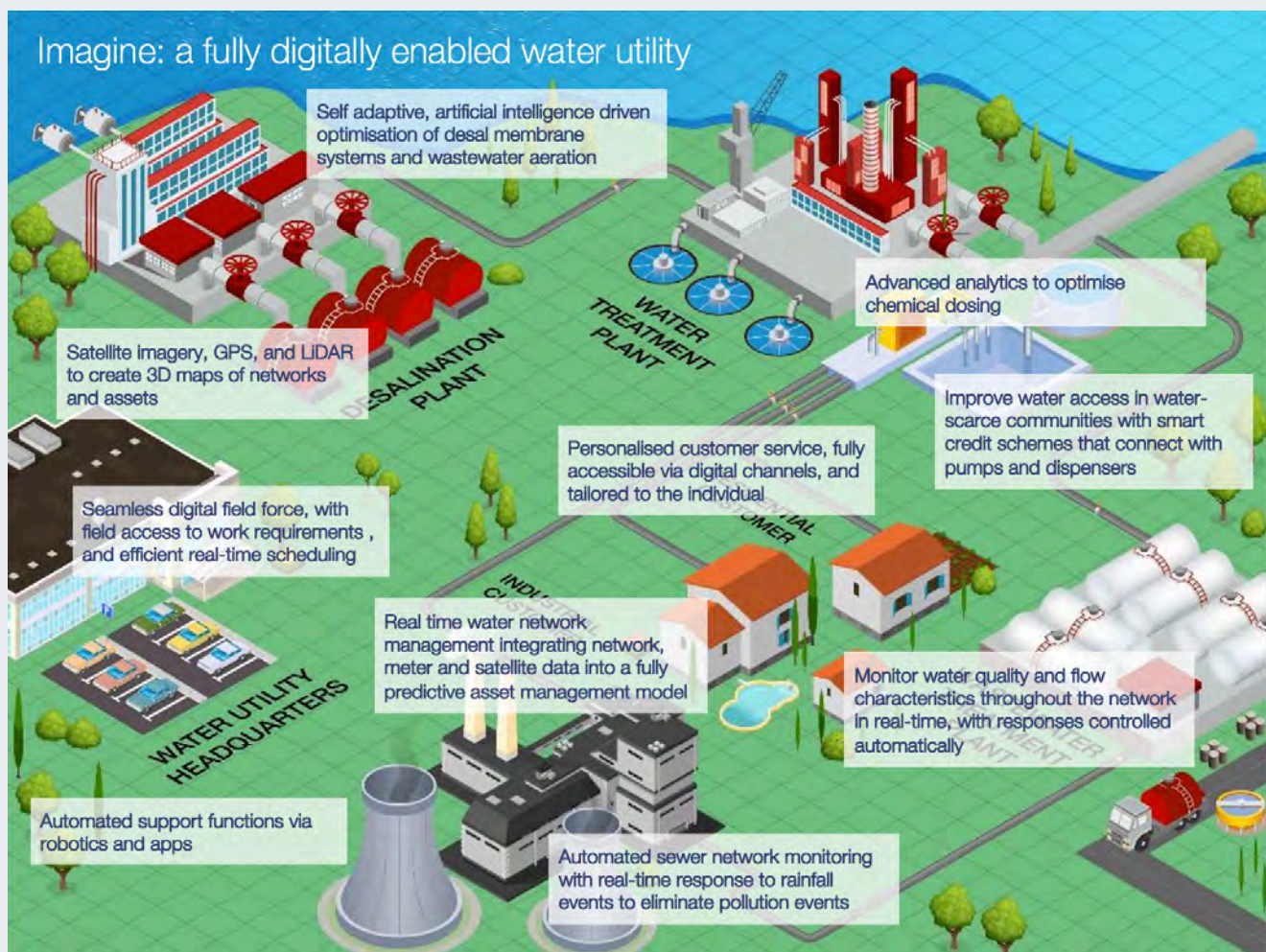


Fig. 2 – Fully digitally enabled water utility

Equipped with these digital tools, utilities can initiate preventive measures and take real time actions to minimize inconveniences and service disruptions. Digital technology's ability to shift an existing reactive model to a more proactive *modus operandi* is one of its greatest values.

Another benefit for utilities is that digitalization enables them to improve customer satisfaction and engagement. This is a key goal of utilities, and digital is seen as a tool to strengthen service reliability and substantially improve their customers' experience, rather than drive costs down. Of course, digitalization is disrupting the world around us, and customer expectations are changing rapidly, with faster, more accurate communication, greater transparency and closer relationships expected across all industries.

Another interesting insight – and an important opportunity – pertains to the impact that the trend towards digitalization is having on investments in the water sector. Overall, venture capital and private

equity investment in water represents a smaller market in comparison with other sectors. Moreover, the COVID-19 pandemic has affected deals overall, but even so, there is an appetite for investing in digital solutions in water.

In fact, it is clear that private finance interest in digital solutions is increasing at this time. Thus, valuations of digitally-oriented companies are high, with investors willing to pay a premium for digital water companies over their traditional water sector counterparts.

Of course, there are challenges in embracing digital transformation. Obstacles that have slowed adoption include small budgets and such issues as integration of advanced digital solutions with existing systems, overcoming resistance in risk-averse cultures, the proliferation of outdated procurement models, and the ability to cope with ever-increasing amounts of data to manage. But these challenges can – and must – be overcome if the water sector is to realize the power and potential of digitalization.



Interestingly, we have seen another trend emerge during the COVID-19 pandemic: A number of the digital initiatives that were in the pipeline and even planned for implementation over 12-18-month timelines, are getting massively accelerated. In one instance, a critical digitalization program at a major utility was implemented in only 2-3 weeks, versus the original plan for implementation over 12 months – all due to new demands being made on business operations during the pandemic. This experience clearly illustrates what prioritization and focus can do.

## The path to digitalization

As with any business plan, the path to digitalization starts with a solid strategy that includes clarity about its purpose, a solid vision for its scope and structure, and a clear and realistic definition of ambition levels for your digital strategy. In other words, you need to take a comprehensive approach from strategy to implementation – both internal and external.

In terms of the program dimensions, there are three key focus areas that need to be considered:

- Your business model;
- Your value chain including operations, marketing & sales, and support functions; and
- Your technology stack including communications, physical assets, data collection, automation & control, and data analytics.

In addition, there are several critical enablers that need to be evaluated and addressed to ensure the success of your operating model.

Digital Maturity: How mature is the organization currently, and how can you keep track of it?

Culture and Leadership: How can you revive the entrepreneurial spirit of your employees? What is the role of your leaders when introducing new technology?

Process: How can you remove entry barriers for new technology?

Systems: Which supporting software and tools are required for integrating technologies?

Organizational Structure: How will you set up teams in order to allow for the effective introduction of new technology?

People and Skills: What are the competencies you will require in times of new technology? Who will “own” the digitalization program within your company? What skill sets will you need to add or improve?

So, what does all of this mean, especially if you are late to the party? And what are potential risks and learnings that you need to factor into your decision to leverage the power of digitalization in your organization?

## Here are five tips to consider.

- Don't dive in blindly. Take time to think through what technology adoption / going digital means for your organization. Then write down these points. If you do not articulate your strategy, chances are that it will not manifest in action.
- Don't immediately start scouting for the ‘coolest’ technology. Instead, identify all the pieces of the puzzle and systematically approach it, ensuring that you lay the foundation and build upwards to create a real, lasting impact on your strategy.
- Don't look for only incremental changes but also consider what can truly create a step change. For example, don't invest in a technology that will help you do a currently manual process faster, but rather think about the next paradigm shift. By looking into the future and thinking outside the box, you will take a critical step towards identifying the right problems to solve, not just the most obvious ones or the most expedient fixes.
- Don't try to do everything yourself. There are better innovators and specialized solution providers out there – after all, that is their core competency, that can create the right engagement model for a fruitful partnership. Of course, you should still think about what you still want to keep in-house and which technological capabilities you still want to develop internally rather than on an outsourced basis.
- Don't underestimate the resistance to change internally; that is a natural reaction to any such shift. Instead, plan for thoughtful change management that also addresses your organization's culture to ensure that there is buy-in across all levels of the organization.

In short, digitalization is quickly becoming the future of the water industry. Its adoption needs to be an essential and intentional strategy, not an arbitrary choice, in order for companies to succeed. And with the world changing more each day, now is the time that our industry needs to embrace its potential by developing and implementing a well-thought program that not only meets today's needs but also can be scaled up to take advantages of future technological advancements. It's time to get on board!





# REGIONAL INSIGHTS

# CHINA



## THE CHINA WATER MARKET OFFERS NUMEROUS GROWTH OPPORTUNITIES

*By Alex Zhang, Managing Partner - China*



The water market in China continues to flourish in the wake of the COVID-19 pandemic. As the China water market experiences increasing momentum, international players are looking for business opportunities inside the country, while domestic players are exploring opportunities overseas for growth.

Amane Advisors sees several primary drivers that are creating new opportunities for international and domestic companies alike. As a result, Amane Advisors' China office has been busier than ever.

### Growth opportunities inside and outside China

Many international players, who have witnessed the robustness and stability of the Chinese market during this hardship, are looking to Amane to provide consulting services such as analysis of the China water market, research into opportunities for market entry, or strategies to support their growth strategy. For example, two existing Amane clients have extended their engagements to include China commercialization support services, as they perceive China as offering the best opportunity to scale up their business globally.

Conversely, domestic Chinese players also have engaged Amane to offer global market analysis or conduct M&A scans to identify suitable international targets for acquisition. These clients see opportunities arising in this turbulent period to gain a broader global presence and stronger market competitiveness.



## Impact of China's government in encouraging foreign investment including investment in the environmental industry

China's Ministry of Commerce recently announced that China will continue to implement the country's Foreign Investment Law, in order to protect foreign investors' legitimate rights and intellectual property, and to increase the confidence of foreign investors in long-term investment in China. It is hoped that this will make foreign investors more willing to come with a long-term perspective for development in the Chinese market.

The robustness and stability of China's economic environment, the openness of the market and the improving protection of foreign investment makes China particularly attractive. Many foreign investors have elected to stay in the China market as the COVID-19 situation has improved, and large-scale withdrawal of foreign investment exiting from China has not occurred.

The government is encouraging foreign investment in China's environmental industry. This sector currently accounts for about 1.48% of China's GDP, and it is estimated that this number should be 2-3% in order for China to better achieve its stated environmental goals. This indicates a huge potential for development.

## "New infrastructure" projects aimed at mitigating the economic impact of COVID-19, and the push for smart water solutions

In February 2020, the state council published a national policy to promote "new infrastructure" projects across China to tackle the economic downturn in the aftermath of COVID-19. These are defined as information-based infrastructure, converged infrastructure supported by the application of the internet, Big Data and artificial intelligence and innovative infrastructure that supports scientific research, technology growth and product development.

Specifically, this also means new environmental infrastructure, mainly for investment in smart environmental solutions, with an emphasis on smart water platforms, smart water distribution networks, and other digital applications. This results in a golden opportunity for both international and domestic smart water solution providers to thrive in China.

## The national development plan for western China and the market need for industrial wastewater treatment and ZLD technology adoption

In May 2020, the national government re-emphasized its prioritization of industrialization and economic development in Sichuan, Xinjiang, Gansu, Shaanxi and other western provinces. More than 20 greenfield and brownfield coal and refinery projects are to be launched in Xinjiang province alone this year. This almost certainly will stimulate market need for wastewater treatment, especially zero liquid discharge (ZLD) projects as western provinces have a lack of fresh water, and discharge of wastewater is not allowed.

## Enactment of severe penalties for environment polluters

In late May, the state council officially published "The Civil Code of China" – a major consolidated legislation touching almost every facet of civil society, including environmental protection. The code, which will take effect starting January 1, 2021, specifically adds "ecological destruction" as a liability for violators, who will be charged with civil claims and will be held fully responsible for remediation costs resulting from environmental damage they have caused. This development demonstrates the national government's desire to more strongly protect the environment and will place more regulatory pressure on industrial end-users to comply with strict discharge standards.

## Conclusion

In summary, China's water industry is a fast-growing market as a result of economic development, government policy promotion, and public awareness. After COVID-19, new regulations and policy, as well as the encouragement of capital and construction investment, are driving accelerated development of the water industry, from quantitative to qualitative improvement, such as smart water, pipeline leakage control and efficiency improvement. Industrial water/waste treatment will see more investment, water assets will experience more consolidated and capitalization, mergers and acquisitions will be more frequent, more environmental protection companies will be listed, and more capital will be invested into the country's water industry.



# REGIONAL INSIGHTS THE MIDDLE EAST



## COVID-19 AS AN ACCELERATOR OF PRIVATE SECTOR PARTICIPATION IN THE MUNICIPAL WATER MARKET



*By Christophe Guillet, Managing Partner, MENA Region*

As highlighted in a recent article from GWI, “the Middle East’s water spending is dealing with two simultaneous crises: the economic freeze caused by COVID-19 and a massive drop in energy prices in a region where government spending is built on oil income.”

The first impact in the Middle East Region estimated by GWI is the reduction of utilities’ capital expenditures with a drop of 16% in 2020 and a massive drop around 40% for the CapEx allocated to wastewater treatment plants. In addition to this CapEx drop, utilities in the region have implemented a timid OpEx saving plan to face the decrease of their revenues: They have mainly cut scheduled maintenance and postponed all “non-routine” maintenance.

Beyond these two crises and the immediate impacts on OpEx/CapEx forecasts, the more sustainable impact in the region should be the confirmation and acceleration of the Private Sector Participation (PPP) in the water industry. Indeed, the private sector can address the two impacts of the crisis and propose some more sustainable and resilient solutions for the future.



## Business model accelerator for desalination and wastewater treatment plants

The region has still some high level of investment and challenges in water treatment driven by population growth and replacement of MSF plants and/or groundwater plants with RO plants. These investments are, of course, the priority for the countries, and we see that Saudi Water Partnership Company (SWPC) in Saudi Arabia has decided to maintain its investment plan post-crisis with the same IWP programs and timeline. Before the crisis, the trend in the region was already for some countries to shift to the PPP framework for IWP – SWRO plants. But these crises have accelerated this trend to all the countries in the region – even those most resistant to the PPP framework like Egypt and Jordan.

For wastewater, we see for 2020 that countries have postponed their investment. However, the needs over the long term will remain, and the sanitary situation, with a low sewage treatment coverage in the region, will force the governments to prioritize this sector and to study the feasibility of the PPP framework for independent sewage treatment plants (ISTPs) to replace utility investment and finance in these plants through the private sector.

As an example of Private Sector Participation in the region, Saudi Arabia is preparing a new business model for small- and medium-size sewage treatment plants (SSTPs). The objective is to use the PPP framework with one project integrating several small wastewater treatment plants plus the sewage collection network. The developer will have to finance, build and operate the plants plus the network during a 25-year contract. The decision from the Saudi government is expected in the next weeks to give a new mandate to SWPC to implement this PPP framework. The COVID-19 context should incentivize the Saudi government to accelerate the implementation of this program with a solution that will be in the spotlights of all the countries in the region.

## Accelerator for utility management and cost optimization

The contribution of the private sector to utility management before the COVID-19 crisis was still low with some few examples of O&M agreements or management contracts (e.g., Abu Dhabi, Qatar and Saudi Arabia).

During the last months, utilities have faced some difficulties with the reduction of their revenue, but we can expect a return to normal in the next months. The main consequence of COVID-19 on the utilities will probably be the request of the government to participate in the national effort and to be more driven by performance (e.g., non-revenue water, reduction of the dependence on expat workers, energy efficiency, etc.).

Two countries – Saudi Arabia and Oman – decided before the crisis to shift to the concession/lease agreement model for their utilities in the future. Other countries have selected the Performance Basis O&M contract to leverage on the Private Sector Participation to improve their utilities.

The impact of the crisis should affirm these countries in their strategy to optimize their utilities through the Private Sector Participation. The exit of the crisis and the acceleration of the feasibility study or/and tendering process should also be a good indicator to confirm the privatization trend expected in the region.





# KING SALMAN ENERGY PARK (SPARK) AWARDS CONTRACT TO AMANE ADVISORS TO PROVIDE WATER ADVISORY SERVICES

Amane Advisors is proud to have been selected by King Salman Energy Park (SPARK) to provide water advisory service for this landmark project in the Kingdom of Saudi Arabia. The comprehensive scope of services includes helping define a strategy for developing and operating SPARK's entire water and wastewater infrastructure.

Energy City Development Company (ECDC) is developing and operating SPARK, a new energy hub, with the strategic objectives to contribute to the Kingdom's vision 2030, strengthen Saudi Arabia's position as a global energy hub, enhance the energy supply chain reliability, enable industry 4.0 and support economic development and job creation in the Kingdom. The city is targeting energy related sector's value chains including upstream oil and gas, downstream oil and gas, petrochemicals and power. This smart city will also host digital and innovation hubs that will act as accelerators for the fourth industrial revolution in the energy industry and satellite sectors.

The economic targets are to contribute USD 6 billion to Saudi Arabia's annual GDP, and 100,000 direct and indirect jobs created at maturity. SPARK is being developed with a unique value proposition in the GCC markets. It is a smart, green industrial city development with world class operations and integrated residential and educational facilities. SPARK has already secured a large number of anchor tenants of leading international and local players in the energy industry, including Schlumberger, Baker Hughes GE, Halliburton, Yokogawa and Emerson, to list only a few.

Amane Advisors was awarded this contract following a competitive tendering process. In addition to helping to define SPARK's strategy for developing and operating its entire water and wastewater infrastructure, Amane will assist SPARK in the development of a Request for



Proposals (RFP) pack for the selection of its eventual private operator, secure fair water purchase and wastewater treatment agreements, and outline the terms of agreements for provision of utility services to its tenants.

Since 2015, Amane Advisors has developed its activities in the MENA Region through the office in Bahrain and has delivered more than 30 consulting projects in the region. Our expertise and experience across all aspects of the water sector will ensure that SPARK is equipped with the most effective capabilities to deliver the highest level of customer value to its tenants and to integrate the overarching strategic goals of Saudi Arabia's Vision 2030 into SPARK's utility infrastructure.

SPARK is located in the Eastern Province within an hour drive from Dhahran, Saudi Arabia. It is being developed with a vision to be a fully integrated city designed that will become the leading gateway to the regional energy sector. SPARK will include an industrial area, dry port and logistics zone, as well as vibrant residential, educational and commercial zones.

The city has already attracted a number of key anchor investors with over 70% of Phase 1 land allocated. Execution is planned over three phases, with \$1.6 billion investment into Phase 1 which will be completed by year-end 2021.



# ASK AMANE:



## WHAT WILL COVID MEAN TO THE FUTURE OF CONSULTING?

*Insight by Bill Malarkey*

When the Coronavirus outbreak first began to disrupt societies and economies across the globe in early March, most of us may have naively assumed that we would be heading back to our offices and getting back to normal within a couple of weeks. However, as lockdowns and calls for social distancing extended into weeks and then months, it became clear that the impact of this pandemic would be both far reaching and long lasting. The time for waiting it out, hoping for a “return to normal,” is long past, and it is time to prepare for a new world of work. This will apply to our work as consultants no less than that of our clients.

In the early days of the pandemic, Amane Advisors was able to adapt quickly to the requirements of remote working. Our practice of staffing projects globally from across our six offices, combined with our culture emphasizing agility and communication, served us well in helping us to make a seamless switch, in some cases for project teams that only days before had been embedded on-site with client teams. We have learned and adapted, often through trial and error, adjusting our own approaches and expectations as well as those of clients, and demonstrated that first class work can also be delivered by remote teams.

We are obviously working hard to recognize and help shape the new market dynamics that COVID is bringing to the water sector, and adjusting our advisory focus accordingly. But we are also very active in preparing for the changes that we expect to see in consulting going forward. It is still hard to tell which of these changes will be permanent and which will be temporary, but it is certain that things will not just eventually go back to the way they were pre-pandemic.



Travel will change, not just in terms of quarantine policies or the hygiene and distancing practices being introduced by airlines and hotels, but also in terms of shifting attitudes around eagerness to fly, for example. We will see new ways of working in which remote and digital solutions will be seen as perfectly normal, and hygiene concerns might make team brainstorming and problem-solving sessions a thing of the past, replaced by virtual meetings – even when the participants work on the same floor of a building. We will find ourselves continuing to reimagine our business processes – just like we’ve been telling our clients to do for years!

In any case, one key aspect of consulting will become more crucial than ever: communication, both with our clients and within our own teams. It will be more important than ever to stress clear communication

to ensure clarity around goals and expectations, and consistent communication to provide regular updates and opportunities for feedback and iteration. Finally, we will have to work even harder to maintain our usual high standard of open and honest communication with our clients, to create and nurture the trust-based relationships that are critical in this profession.

Direct, in-person interaction with clients and colleagues will always be important, and we all look forward to the day when it again becomes possible, but in the meantime, Amane is ready to serve in this new world for consulting.



Submit a  
Question,  
Suggest  
a Topic



In keeping with our goal of making *amane currents* a valuable and useful tool for you, we invite you to ask a question for one of our upcoming issues and submit your suggestions about topics or issues that you would like us to cover. We welcome your feedback; please [let us know what is on your mind](#), so that we can make *amane currents* as relevant as possible.





# LEARNING, COLLABORATION AND GROWTH... REFLECTIONS ON AMANE ADVISORS' COMPANY RETREAT

*Reported by Natalie Peña, Senior Consultant*



“The Amane retreat was a fantastic time of inspiration, motivation and recognition of all the talented professionals Amane is blessed with. We are united to served our clients and help each other, leveraging a unique mix of cultural diversity.”

*– Dorothée Chabredier, Paris office*

Amane Advisors has always been a place for people to learn and thrive. Looking back at the third Amane Advisors company retreat held on January 6-10 in Bahrain, I recall the words of the firm's Founding Partner, Thierry Noel: “Our people are the heart and soul of Amane, and I believe that investing in time together has a direct impact on the work we deliver. That's why we make it a point to get together every couple years to talk about our future, learn and have fun together.”

Hosted by our local office, we flew in the team from five other offices to gather for a time of strategic planning, training and team bonding. For many, it was the first time meeting face-to-face, despite having worked together on projects remotely.

Mohamed Basheer, Senior Consultant in Bahrain who helped plan the retreat, reflects: “The retreat was a great opportunity to meet new colleagues in person for the first time and get to know them outside of work and build rapport. Personally, it was thrilling to contribute to organize activities like the desert tour and evening campfire near the Tree of Life, which was a first-time experience for many.”

## A carefully-planned agenda

One of the first sessions at the retreat was aimed at giving everyone a look at how far we had come since Amane's formative years. For many, there was a sense that Amane was reaching an inflection point in 2020, having seen rapid growth in recent years, with the team doubling in size. We also spent time prioritizing Amane's Top 10 strategic initiatives for 2020, to set a clear direction and get personal commitments from the team.

Workshops on interpersonal skills at the workplace were also conducted by experienced trainers. During these sessions we learned about giving feedback, improving our listening skills and reducing defensiveness through role plays and interactive discussions.



“We recognize the importance of investing in the interpersonal skills of our people, which are crucial for creating successful relationships with clients and with colleagues especially in our situation, as we often work in international teams across offices. Interpersonal skills training is best done face-to-face, and hence, we made that a core focus of the retreat,” said Ida Johansson, People Development Lead at Amane.

Visits to local district cooling, desalination and wastewater treatment plants were also arranged to help the team build up our technical knowledge on a variety of water topics.

Besides that, we also had time to experience the local culture and get to know each other better, with visits to the Muharraq old city and Grand Mosque, as well as evenings spent in a desert camp and the city’s Formula One go-karting circuit, where we had an unforgettable team race.

“The retreat was a precious team building experience where I felt engaged, inspired, and ready to thrive.”

– Zoey Xu, Shanghai office



*Learning about complex water flow and treatment trains in a local district cooling plant*



*Our international team from six offices gathered in the same room to learn together and inspire one another*

“This retreat has given me the opportunity to increase my understanding of how personalities, talents and backgrounds fit in with the development roadmap of the company. It improved my vision of how I can better contribute to Amane and to my project teams based on my own strengths and aspirations.”

– Alexia Gaube, Paris office



*Taking a tour of the Grand Mosque between sessions*



*All smiles at the go-karting circuit, before going head-to-head in some intense team competition*



Describe the retreat in 3 words?

Positive Memorable  
Welcoming  
Engaging Motivating  
Effective  
Team-Building  
Enjoyable Instructive  
Educational  
Cultural Intense Exhausting  
Emotive Wonderful  
Fun Reflective  
Successful  
Inspiring Finally Energetic



*Enjoying the Bahraini sunset as colleagues and friends*

### A lasting impact

It was clear from the feedback we collected after the retreat that most found it to be not only a learning experience, but also an inspiring and energizing time as we looked forward to a new year and new decade for Amane. Many mentioned that they felt closer to colleagues, and that they had picked up useful skills that could improve their daily work life.

Half a year on, as we deal with the repercussions of the COVID-19 pandemic, we continue to reap the many benefits of the time we spent together in Bahrain.

All in all, the retreat has enabled the team to develop important skills, strengthen bonds, and deepen our passion for water, all of which we strive to translate into meaningful value for each of our clients. In the words of Konstantinos Tsochas, based in our UK office, "The greatest accomplishment of the retreat was bonding with the team and learning how we, together, can achieve our targets as a company and also help our clients grow."

### Amane Retreat in numbers:

3rd company retreat  
36 attendees, flown in from  
5 countries  
11 different nationalities  
5 days  
2 strategy workshops  
4 training sessions  
3 site visits

“ I formed stronger bonds with my colleagues, and I feel a greater spirit of teamwork that we need for projects. I also learned effective communication skills which have gone a long way in helping me engage better with my colleagues, as well as clients. ”

– Padma Lyra, Singapore office





## Employee Spotlight:

# IDA JOHANSSON



**Position:** Principal, Market Research Practice Lead and People Development Lead

**Office:** Singapore

**Joined Amane Advisors:** 2014

**Nationality:** Swedish

**Languages Spoken:** Fluent in English and Swedish. Basic Bahasa Indonesian and French.



### Describe a typical day at Amane Advisors:

With my dual responsibility in serving clients and being involved in people development, two days never look alike as I'm juggling several duties. Typically, my day would start with finding the most suitable resources for a new project or commercial request, followed by a check-in with my team to prioritize the day's tasks and deliverables for each client project. Thereafter, the day would typically consist of reviewing progress on client deliverables, conducting a problem-solving session to discuss certain topics, and holding a client meeting to share insights from the project. It could also include commercial activities, such as developing a proposal for a client. It may end with a training session for the people in the company, which I could be chairing or coordinating.

### What do you like best about your job (or find most rewarding) and why?

Delivering results to meet our clients' needs and exceed their expectations, while at the same time helping our people grow, so that each project is a rewarding experience for everyone involved. I truly value Amane's family-oriented spirit, where everyone looks out for each other, gives a helping hand, and collaborates.

### What three words would your colleagues use to describe you?

I think they would say that I am caring (empathetic), supportive (open and willing to discuss, collaborative, helpful), and adaptable (able to adjust to the different working styles of our clients and people to create successful relationships). That's more than three words, but I think these are important points to clarify.

### Name something about you that most people would find surprising.

I love dancing lindy hop with my friends! Lindy hop is a social swing dance from the 1930s and 40s, which I have been doing for more than four years. It brings a lot of joy to my life. During my time learning to dance lindy hop, I also learned solo jazz and have taken part in several lindy hop amateur performances in Singapore.

### What are your favorite non-work activities?

Spending time with my 1-year old son, preferably in nature – cycling, walking or playing in the park. And dancing lindy hop!

### What is the best advice you have ever received, and who did it come from?

My mum's simple advice to "follow your passion" has impacted everything I have done in my life, from my choice of hobbies and the direction of my studies, to the industry I'm working in and the region I am living in (a Swede living in Southeast Asia). She never sought to influence me, and as a result I am filling my life with things I am passionate about.

### What is your passion in life?

Sustainability is very important to me. Through my actions, I am trying my best to reduce my footprint on the world, which includes choosing to be vegetarian, not having a car (which is also backed by a financial reason in Singapore!), conserving energy and water, and buying durable (and fewer) goods that I don't have to throw away tomorrow but will last me for years to come. My passion for the environment is also a key reason that I choose to work in the water industry.



# NEW TEAM MEMBERS:

## JANUARY – JUNE 2020

Since January 1, Amane Advisors has added three new members to our team:



### Pravi Bansal, Partner

- Joined the Singapore office in January 2020
- 22 years of consulting experience in Southeast Asia and India, with a focus on strategy development and implementation, mergers & acquisitions, restructuring, corporate and project finance
- Previously an Associate Partner with EY in Singapore



### Vinod Jose, Principal

- Joined the Philadelphia office in January 2020
- 12 years of management consulting and technology experience in India, Europe, Africa and the Middle East focused on growth strategy, commercial excellence, go-to-market strategies, including digital
- Previously a Principal with Singular Group, a Swiss-based international boutique consulting firm



### Barrett Simmons, Consultant

- Joined the Philadelphia office in January 2020
- Graduate of Temple University, majored in Entrepreneurship & Innovation Management, with a minor in Management Consulting
- Gained experience as a student consultant with Temple's Fox Management Consulting



# AMANE IN THE NEWS

Amane Advisors has been featured in many of the world's leading publications. Here are some of the publications in which we have appeared since the beginning of 2020.



The Drop video interview (COVID-19), June



Commentary: Sustainable Investing to Navigate the Future, April



Amane Advisors Expands Presence in Southeast Asia



Insights about COVID, June





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