

Strong and enduring partnership

By **ALDERMAN ALAN YARROW**

LORD MAYOR OF THE CITY OF LONDON



ALAN YARROW graduated from Manchester Business School. He left Dresdner Kleinwort in December 2009 after 37 years with the group, latterly as Group Vice Chairman and Chairman of the UK Bank. He was formerly Deputy Chairman of the FSA Practitioner Panel, Chairman of LIBA, Director of Complinet, a member of the Takeover Panel and of the Council of the British Bankers Association. He was appointed Chairman of CISI (Chartered Institute of Securities and Investment) in September 2009. He was also a member of the Chancellor of the Exchequer's High Level Stakeholder Group and was appointed Lord Mayor of the City of London in November 2014.

Although our economy is on the path to recovery, we in the UK are certainly not resting on our laurels. Not least because a gauntlet of risks, each able to destabilise growth in the country, remains. Among the most pressing is slack demand from our traditional trading partners in Europe. To mitigate that risk, the UK must reach out to fast growing, emerging markets. Markets like Algeria.

That is why my predecessor as Lord Mayor, Fiona Woolf, paid a visit to Algiers only as recently as June this year and was joined by a delegation of senior leaders from businesses including Mayer Brown, Citibank, Clifford Chance, Reuters, and Shell. There she was able to promote our ambitious firms to the expanding opportunities that are on offer in the burgeoning marketplace of Algeria.

Frankly, UK plc has neglected Algeria for some time. There is immense business potential – both public and private – and we have not reached out for it with as much relish as it deserved. As a nation, we probably relied too much on trade with Europe and with the Commonwealth, where more convenient or visible ties already existed.

While it is correct to say there might not have been this thriving trading partnership with Algeria previously, small pockets of British-Algeria business have always existed and indeed thrived. BP have been importing liquefied natural gas for the last 50 years, DLA Piper have a legal presence in the country and we have one British bank with an Algerian presence – HSBC – with the others either local or French institutions. The other major parts of the British presence are limited to the oil, gas and pharmaceutical industries, namely BG Group, GSK and AstraZeneca.

However, as the Algerian government has huge, ambitious plans to diversify its economy away from hydrocarbons, it looks as though there will be plenty of exciting new opportunities for all levels of British business.

Measures like the Double Taxation Agreement, which will come into force from 1 January 2016, are also a move in the right direction and our respective Prime Ministers will sign up to this during a visit to London in December. Combined with their application to join the World Trade Organisation, it is clear that Algeria really is serious about joining the world of capital markets.

Our commitment to Algeria's growth has been further strengthened by the appointment of Lord Risby as the British Prime Minister's Trade Envoy. Trade between our two countries is growing: it was nearly £4 billion in 2013, a 62 per cent increase from 2012, and this year already looks likely to be even more successful. We really do want to keep improving our cooperation across the range of our interests on security, defence, trade, prosperity, English language and higher education.

It is extremely difficult to boil down a rich and diverse business relationship into one top line. But if I had to, that line would be that we are absolutely committed to developing a strong and enduring partnership between Algeria and the UK. This has already benefitted in recent years from the visit of President Bouteflika to London in 2006 and of Prime Minister David Cameron to Algiers in January 2013.

Algeria will now need to further develop its infrastructure to meet the demands of growth. Public Private Partnerships (PPP) are a great way to kickstart these developments and have been utilised in the UK to deliver a range of major infrastructure projects and services in education, justice, healthcare and defence.

We are already home to world class firms working on PPP projects from design and implementation through to delivery. They hold the right skills, expertise and connections in so many areas, and we are in a great position to seize this opportunity and support Algeria with their ambitious growth agenda.

Investment by British companies is creating jobs in Algeria and helping the government's policy of diversification. Together with Algerian partners, we are helping to build hospitals, launch satellites, invest in the agricultural sector and improve teaching.

When Fiona Woolf returned from Algeria, she was buzzing about the opportunities that existed there. And she was right. Algerian potential is huge and largely unrealised, and presents a real opening for ambitious UK-based firms who want to move into a fast-developing market. As Lord Mayor, I want to do all I can to strengthen the business ties between our two countries, in part by developing those links that already exist but also by cultivating new channels of communication.

Acting as an ambassador for the City, I am able to cement the next generation of ties between the UK and Algeria. That can only be good news for people and businesses in both countries.