

# An exceptional opportunity

By LORD RISBY

PRIME MINISTER'S TRADE ENVOY TO ALGERIA



LORD RISBY studied at Cape Town University and then at Cambridge. He was a Vice President at Merrill Lynch, served as Member of Parliament (MP) for Bury St Edmunds from 1992 to 1997, and for West Suffolk from 1997 to 2010. He joined the House of Lords in 2010 and is currently the Prime Minister's Trade Envoy to Algeria.

History and geography forge the character of a nation. It was the arrival of the Romans, Carthaginians, Umayyads and Ottomans, amongst others, which helped to forge the Algerian nation. In 1830 the French took control of the country and it ultimately became technically part of France. The war of independence was long and ferocious and then, in the early 1990s, there was an Islamist takeover which led to terrible destruction and violence. The legacy of all this is a people firmly anchored in a strong desire for stability, and happily this very stability characterises Algeria today, greatly to the benefit of its 38 million inhabitants.

Our mutual contact was historically limited. In 2006 that began to change with the successful visit to London of President Bouteflika, a hero of Algeria's history. Then, in January 2013, David Cameron's visit to Algeria helped to further propel a step change in our bilateral relationship. What has emerged today is a truly remarkable partnership, in part built on the fact that for fifty years Algeria has been a reliable and much-valued supplier of energy to these shores. In the current turbulent world of unstable energy supply, this is a proud record. The country continues to explore

its southern basin and new discoveries coming on stream will create supply chain and services contracts. Sonatrach (the national oil company) plans to invest US\$80 bn in upstream petrochemical and refining projects. It is Europe's third largest gas supplier and ranks 7th in the world for LNG exports. Conventional gas reserves are estimated at 15 trillion cubic feet and initial estimates suggest 1,000 trillion cubic feet of recoverable shale gas. Algeria's Renewable Energy Strategy envisages an investment of US\$100 bn by 2030 to produce one-third of domestic energy from renewable sources. As Algeria seeks to increase and diversify energy production, including renewables, on and off shore, new opportunities are presenting themselves. The country is also blessed with other natural resources, including iron ore, phosphates, uranium, lead and zinc.

Today, our two countries have a strategic security partnership – a clear recognition of the country's geopolitical and strategic importance, its stability, and our shared aversion to terrorism with our mutual rejection of ransom payments.

Two years ago, I was appointed as the Prime Minister's Trade Envoy to Algeria and have made seven

Open markets are an essential feature of Algerian life and a colourful attraction for tourists



visits there. Whilst British energy companies have long-standing operations there, today they are fully involved in very diversified investments in Algeria.

Algeria's US\$280 bn five-year national infrastructure plan offers considerable opportunities in health and education, amongst a whole spectrum of other activity. The desire to learn English is enormous and next year will see a considerable expansion of the British Council in Algiers, to teach and train in our language. This has the personal commitment of our Prime Minister, following his fruitful discussions with President Bouteflika. The conference taking place in London this December on the theme of Algeria being open for business, symbolises the recent substantial increase in trade and investment. It will be the first time ever that an Algerian Prime Minister and a sizeable ministerial team will have travelled abroad with the intention of putting Algeria so firmly on the business map in a foreign country. Extensive new links are being established to our world-beating financial services industry in the City of London, particularly since the visit of the Lord Mayor of London there this year.


The conference is the basis for a whole series of bilateral direct business and sector engagement discussions. A double taxation agreement will come into effect, and a number of new contracts and memoranda of understanding will be signed. British companies are engaging in the design, building and management of university teaching hospitals; our pharmaceutical companies are looking to expand their facilities there. At least three £500 million contracts to design, build and manage separate university teaching hospitals are in clear prospect, as well as a refurbishment project on an existing one thousand-bed hospital. We are seeking to assist in the country's ambitious national cancer management strategy as Algeria seeks to improve its health services provision. Specifically, this will include the construction and running of a series of cancer centres. The country is among the top African markets for exports, and for the UK, the fourth biggest market in Africa. This conference will provide further opportunities in agriculture, manufacturing, security, defence, aviation and more, and is being organised to ensure a

clear focus on these sectors. With their considerable financial reserves, the clear commitment by the Algerian government to upgrade both its social and physical infrastructure can be internally financed, as the country is virtually debt-free.

As a result of the remarkable progress made, UK Trade and Investment is very focused on driving forward our bilateral business relationship further. For too long Algeria has been insufficiently on British exporters' radars, but British business partners are being accorded a strong welcome.

Existing leading British investors include: BP, Petrofac, Unilever, British Airways, HSBC, British American Tobacco, International Hospitals Group, Glaxo Smith Kline (GSK), AstraZeneca, Biwater, Shell, BG, United Insurance Brokers and the British Arab Commercial Bank. Other multinationals such as Anadarko and GE Healthcare are active in Algeria but with extensive UK-based operations covering Algeria. BP's hydrocarbon projects mean that it is amongst the largest foreign investors in Algeria.

British expertise in project management, architecture and design are well recognised. Architects such as Zaha Hadid, Tangram and HLM have either won contracts or are engaged in discussions. Five hundred PhD students will study in the UK over the next five years and Air Algérie pilots will be trained here.

In my role as the Prime Minister's Trade Envoy, I have had the privilege of getting to know this vast and beautiful country with all its attractions. I remain very enthusiastic about sharing with British investors the opportunities which this exceptional country offers. 



**Algeria's US\$280 bn five-year national infrastructure plan offers considerable opportunities in health and education, amongst a whole spectrum of other activity**

Algeria is a major supplier of conventional gas to Europe, and is estimated to have the world's third largest share of unconventional gas