

Diversifying through industry

INTERVIEW WITH ABDESLAM BOUCHOUAREB

MINISTER OF INDUSTRY AND MINES, ALGERIA



ABDESLAM BOUCHOUAREB

has been the Minister of Industry and Mines since May 2014. He has diplomas in dental surgery, anthropology and public health economics. Mr Bouchouareb has held government responsibility, as minister of Industry 1996-1997, Chairman of the National Economic and Social Council (CNES), chief government delegate for employment. He has occupied many political and parliamentary functions, as a Member of the National Rally for Democracy, as a deputy in Parliament (2002-2017), and a member of the Centrist Democrat International.

What are your expectations for the visit of HE Prime Minister Abdelmalek Sellal and the high level Algerian delegation to London?

Great Britain is an important partner, with a strong presence in Algeria already established in strategic sectors such as energy. We would like to inform UK companies about our country and its huge business opportunities, the reforms that we are undergoing to modernise our economy and to enhance its attractiveness to foreign investors and partners. Our delegation to the UK includes heads of public and private companies who will discuss business with their British counterparts and establish collaborative ventures with them. A list of industrial projects, for which financial resources have already been allocated and the locations earmarked, will be made available to UK operators and businesses.

Algeria wants to diversify its economy by reducing its dependence on hydrocarbons and promoting its industrial base. Our country has undeniable assets that can enable it to play a key role in the region. Our natural resources present us with a new industrial momentum based on the productive transformation of primary resources such as gas, phosphate deposits, iron ore and solar energy.

The volume of trade between Algeria and the United Kingdom rose by US\$1.6 bn in 2010 to US\$6.7 bn in 2013; an increase of 280 per cent in three years. What are the main investment opportunities for British companies outside the oil sector in Algeria?

British industry is known for its competitiveness and technological excellence. This is the type of partner we are looking for. We expect them to bring their world-class technological expertise and managerial skills and share them with our companies. We want our partners to benefit from the strength of our domestic market and to use it as a springboard for expansion into other countries in the region.

Imports from Britain to Algeria are important and we want to expand our trade even more. We also want to move these exchanges beyond the purely commercial sphere towards strategic partnerships. Investment opportunities in areas such as chemicals, pharmaceuticals, electronics, steel, metallurgy and engineering industries are large in Algeria, and we expect to see significant involvement by British industrialists. They will find an industrial culture, an availability of skilled labour, raw materials and competitive energy sources. We have an attractive, incentive-based legal and fiscal framework for



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investment in transport infrastructure and modern communications, as well as advantageous financing conditions.

What role can the technology transfer from British companies to Algerian counterparts play, and in which sectors in particular is it most important?


We would like our foreign partners to help us initiate a virtuous circle where industrial development, supported by innovative processes, can improve our engineering and research capabilities. This would significantly enhance our technological skills and the innovative power of our companies. Our foreign partners would benefit from the scientific and technological development of our companies, which will strengthen further in a competitive international market. We provide facilities and incentives to leading UK companies for productive investment in cutting-edge technology. Companies also benefit from the guarantees and investment protection extended to them under Algerian legislation, as well as multilateral agreements and international conventions.

Algeria has great potential in the exploitation of gold, silver, copper, lead, and zinc, as well as aluminum, cement, fertilisers, solar energy and steel production, although the restrictions on foreign majority ownership have been cited as a barrier to foreign investment. What mechanisms have been put in place by your department to facilitate further investment in these sectors?

The provisions relating to investment partnerships encourage foreign investment. And indeed there is a

growing interest among foreign investors in Algeria. The mining law is one incentive and this has recently been modified to boost investment even more, particularly in the areas of exploration and research. The mining sector is open to all Algerian and foreign companies, with the exception of strategic mineral resources reserved for public companies. On the other hand, productive investment is encouraged by the State and we want to improve the business climate; making it more attractive, flexible and responsive to the creative requirements of businesses that are involved in goods and services. We have set up a national committee called “Doing Business” that works to simplify procedures related to the implementation of investment and entrepreneurship. An agreement has also been signed with the World Bank with the aim of improving the business and investment climate in Algeria. I should also mention the ongoing revision of the Investment Code to make it more attractive. A revision that will, I assure you, confirm our commitment to openness and facilitation of the investment process.

Is there anything else you would like to emphasise to our international readers in business and politics?

I would particularly emphasise that our industry is entering a new phase that opens up real prospects for partnership. Companies will find great benefit in joining our projects. There are many advantages, such as the dynamism of our market and our location in the heart of the Mediterranean, making us the link between Africa and Europe. In addition, we have a wealth of natural resources, including a great deal of sunshine across our vast territory, which will enable us to become leaders in renewable energy production. 

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Renault's new factory in Oran: Algeria is moving from reliance on imports to domestic manufacturing