

# Synergy and development

By **LAKHDAR REKHROUKH**

CHIEF EXECUTIVE OFFICER, COSIDER



**LAKHDAR REKHROUKH** has been the head of Algeria's leading public works and construction company for the past 12 years. He joined Cosider in 1984 after earning degrees in mathematics and in civil engineering. He was named CEO in 2002. Cosider was founded in 1979 as a joint company by SNS, Algeria's national steel company and the Danish group Christian Nielson, which was bought out by SNS in 1982. The annual turnover of Cosider, 18bn dinars in 2002, will be 110 bn dinars this year.

Developing a sound infrastructure is important for industrial production

The year 2014 represents for Algeria the culmination of three five-year development plans, which have helped to radically transform the economic and social landscape of the country.

During this period the government has implemented a huge financial budget of over \$ 180 billion to carry out major projects aimed at:

- The upgrade of basic infrastructure,
- The improvement and enhancement of the living conditions of the population in housing, employment, education and health.
- Rehabilitation and organisation of the means and capacity of industrial production.

The year 2015 will see the launch of a new development plan for 2015-2019 to strengthen and complement previous work, considered a prerequisite for the consecration and the consolidation of the national economic modernisation process.

Major infrastructure projects to be implemented are many and concern various sectors. These include a motorway over the high plateaus of over 1,000 km distance, several motorway interconnections and links amounting to more than 660 kms, the duplication of the entire northern rail bypass of 12,000 kms, and a multitude of large and medium projects in the areas of water infrastructure, air and sea transport and cable TV, as well as the extension of the Algiers metro and the realisation of the Oran metro and of tram lines in several cities.

Achieving this ambitious programme for a total of over US\$200 bn is in the line with government policy



aiming at continuing development and at modernising and intensifying the infrastructure network so as to bring together all the necessary conditions to cater better for the needs and expectations of citizens and to set the company on the road to modernity.

It also aims to permanently keep the national economy on the path of growth and progress to respond to the many challenges posed by globalization. This approach requires the mobilisation of the means for efficient and responsive production that is able to contribute to the management of this colossal public equipment programme.

The Cosider group, endowed with its eight subsidiaries, was established, in line with its performance and capacity, to deliver projects increasingly large and complex, and as a large-scale company whose reputation is such that it is frequently asked to build large-scale facilities, requiring advanced techniques.

The main management indicators support the prominent place occupied by the Cosider group in the building and public works sector. At the close of 2014, the group posts a turnover of US\$1.4bn, as the result of constant annual growth of nearly 25 per cent for approximately eight consecutive years. The profit represents between 12 and 15 per cent of annual turnover. The group's workforce has more than doubled in three years, going from 12,000 employees to over 30,000. The workload or future order book held by group companies represents a total budget of 600 bn dinars, more than US\$8bn. These elements illustrate the dynamics of the group whose development is notable both quantitatively and qualitatively.

An ambitious investment plan launched by the group has strengthened its stature as leader in public works and construction and is a measure of its determination to open up to international markets. In this perspective, its significant equipment and technical processes, its human resources and engineering capabilities are all elements that prove its ability to conquer increasingly important markets. This pragmatic approach taken by the group is among the actions it plans to continue optimising the creation of win-win partnerships with internationally renowned groups active in its areas of preference and specialisation – building and public works – in response to strong national and regional demand.