

The time is right for Algeria

By **THE RT HON MARK SIMMONDS, MP**

MEMBER OF PARLIAMENT AND SPECIAL ADVISER TO FIRST



MARK SIMMONDS

was Parliamentary Under Secretary of State at the Foreign and Commonwealth Office for 5 September 2012 to 11 August 2014.

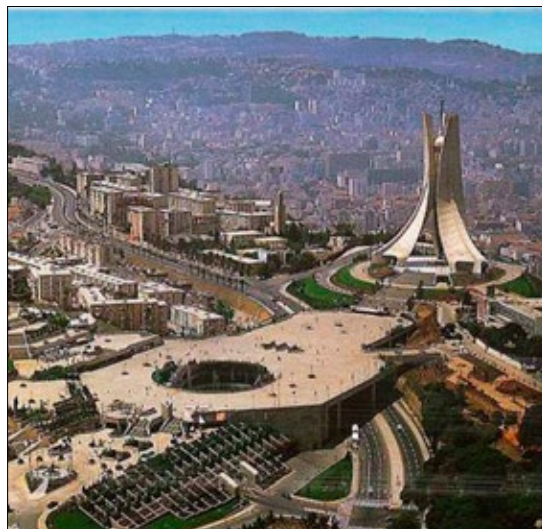
He first entered Parliament in 2001 and is the Member of Parliament for Boston and Skegness.

Born in 1964, he was educated at Worksop College and Trent University. Mark was elected onto Wandsworth Borough Council for the Southfield Ward in Putney in 1990 where he remained until 1994 when he stepped down to pursue a parliamentary career. He became a Privy Counsellor in November 2014

2014 has undoubtedly been a strong year for Algeria. The Algerian people re-elected their incumbent President and the Algerian Government has made significant progress in its World Trade Organisation membership negotiations. In 2010 the Algerian Government launched an investment programme worth US\$285bn and have announced that they intend to do the same for the next 5 years. This investment has led to significant developments in infrastructure and human capital, dramatically improving Algeria's ability to do business.

In my role as Africa Minister in the Foreign & Commonwealth Office, I was responsible for the UK's relationship with many African countries and identifying opportunities for Britain's businesses. Remaining static, committing resources only to trade with our EU partners is no longer an option. As Minister for Africa I encouraged a real focus around the UK's prosperity agenda, opening new embassies across the continent, creating FCO prosperity officers and additional resources to UK Trade and Investment in Africa, all to drive our export led economic recovery. We should take advantage of the UK's well established and positive relationship with Algeria who are primed for growth and offer a wealth of investment opportunities.

Prime Minister Sellal will be attending the Investment Forum in London on 10th December, clearly indicating that Algeria is open to forming new commercial relationships and diversifying its economy.



Algiers has become a major commercial hub for the region

David Cameron was the first British Prime Minister to visit Algeria since it gained independence in 1962 when he travelled there last year with his trade envoy Lord Risby. Lord Risby and other FCO Ministers have since travelled back to further cement relationships and lay the foundations for trade with Britain. The opportunities are numerous.

Although traditionally Algeria's main export and source of trade with the UK has been hydrocarbons (accounting for nearly 30 per cent of GDP and 97 per cent of export earnings) there is significant room for investment and expansion in other sectors ranging from the healthcare sector, agriculture, retail, technical and vocational training and renewable energy. Algeria's neighbours are recognising their training successes and the value of focusing on preparing their young people for economic growth and prosperity. The hi-tech and added value manufacturing industry is in its infancy but with the rate of growth in sectors such as agriculture and transport, demand will increase rapidly.

Algeria has benefitted from political stability with consistent growth of approximately 3 per cent (growth for 2014 is projected at 4.3 per cent) and thanks to a carefully implemented monetary policy and fiscal consolidation inflation has fallen from 8.9 to 3.3 per cent. The Algerian Government are committed to keeping external debt low and maintaining their strong foreign exchange reserves, equivalent to more than three years of imports.

Countries like China and Turkey are already taking advantage of what Algeria has to offer. France also plays a large role in its imports market, supplying 11.4 per cent of its imported goods. The bilateral relationship between Algeria and the UK is positive and Algeria is keen to attract investment from the UK. There are British businesses who are already in Algeria and have built an excellent reputation for British businesses in the region. Unilever has been present in Oran since 2002, employing over 400 people locally, 800 people nationally, and producing some of Algeria's most well-known brands. Already they play an important role in the economy.

The Algerian Government is looking to diversify its economy and the UK is looking to diversify our trading partners. The UK has an opportunity to become a key, dynamic and innovative trading partner with Algeria. Now is the time to consider the opportunities to invest in Algeria.