

Remarks

Ambassador David D. Pearce

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USABC 2009 Trade Mission

Thank you Ismael. Ladies, gentlemen, Excellencies from the Algerian Government, and distinguished members of the Algerian and American business communities, it is a pleasure to be here with you. I am particularly pleased to welcome one of my distinguished predecessors here, whom many of you know well – Ambassador Dick Erdman (who is joined by his wife Sybil) – among the members of this trade mission.

It is a most exciting time to be the American Ambassador to Algeria. This is especially true with regards to building our bilateral commercial relationship with this country. In fact, the U.S. Government has recently underscored the high priority it places on strengthening our bilateral trade relationship with Algeria by assigning for the first time in 15 years a permanent American Commercial Attaché to our Embassy in Algiers. I hope that you will all have a chance to meet with Mr. Douglas Wallace.

And I must say that our working relationship with the U.S. Algerian Business Council makes bilateral commercial development a most rewarding mutual goal. As you will see this week, Dr. Chikhoun and his

team have lined up an impressive program, and I hope you will make the kinds of contacts to realize your business goals.

I am sure you have all heard the figures that Algeria is the United States' second-largest bilateral trade partner in the MENA region and that the United States is Algeria's largest trading partner in the world. This is all true, and it can mostly be ascribed to one word: oil. For decades, U.S. oil companies and oil & gas field services companies have played an instrumental role in developing Algeria's economy.

Oil and gas will continue to play a central role in our bilateral relations with Algeria. SONATRACH recently announced a new \$45 billion investment plan for 2009-2012. Most of this is aimed at developing Algeria's petrochemical industry. The other major areas of investment include upstream exploration and development, hydrocarbon transportation facilities, and safety and environmental protection projects. Our Embassy Commercial Section is leading the first-ever Algerian business delegation to the Offshore Technology Conference in Houston in early May. This is the largest oil & gas trade show in the United States and we aim to help

establish a significant number of commercial linkages between U.S. and Algerian firms at the event.

It is also one of my highest priorities to diversify our bilateral trading relationship with Algeria. And encouraging non-hydrocarbon investment and development is also a top priority of the Algerian government. In a recent survey of five Algerian ministries, it is apparent that significant opportunities exist for U.S. firms here in a wide variety of sectors.

In the area of water resources, for example, the Algerian government expressed interest in U.S. expertise in water treatment and reclamation, remote sensing and safety systems for Algerian dams, and hydroelectric projects. U.S. involvement is also sought in modernizing and expanding mining operations, and developing Algeria's renewable energy capabilities including wind and solar. In fact, Algeria aims to develop its own solar energy industry with a goal of producing 1,200 megawatts of solar power by 2015. We welcome Algeria's commitment in this area – and I know it was an important point of discussion in Energy Minister Khelil's recent visit to Washington.

The Algerian Gas and Electricity Regulatory Commission announced recently that Algeria will increase its investments in power generation by around 7,000 megawatts to meet local demand by 2017. The Ministry of Transportation is implementing a \$66 billion budget for 2005-2013 which includes projects such as civil aviation air traffic management, vessel transportation management, and the construction of new container terminals.

Algeria is also interested in U.S. firms specialized in civil engineering techniques and technology to realize Algeria's road construction in arid and desert climates. The latter is particularly sought for the upcoming high plateau East-West Highway project.

So, the opportunities exist.

Today's event is just the first in 2009 aimed at strengthening and diversifying U.S.-Algerian trade ties. Next month, the Embassy is organizing a U.S. medical equipment and supplies promotion for U.S. manufacturers interested in tapping the Algerian market. We also have the Algiers International Trade Fair coming up May 30-June 4, 2009. This is the largest annual trade fair in Algeria, and it can offer U.S. firms exposure to

prospective new partners and customers. Since the USABC is taking the lead role in organizing the U.S. pavilion at this year's event we know it will be another success.

The U.S. Embassy is also organizing an Environmental Technologies promotion for U.S. companies in June. Then for the first time in living memory, the U.S. Department of Commerce will lead an official trade mission to Algeria and Libya in the first half of November. This will be the crowning U.S. government-sponsored North Africa trade event and it will be led by a senior Obama Administration official.

Here in Algeria, it is by no means a traditional market for U.S. firms. Language barriers and a lack of sufficient business information about Algeria have muted our commercial presence here. I encourage you to meet with our Commercial Service staff at the Embassy over the course of your stay because they can be your eyes and ears on the ground. We at the U.S. Embassy stand ready to help make commercial linkages between Algerians and Americans. I thank you for participating in today's Trade & Investment Conference and I hope you enjoy the rest of today's program.