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12.02.2015

Tags: pharmaceuticals



The general manager gives tips on how to succeed in the Algerian market and explains how there is something in it for all types of business.

Can you introduce yourself, introduce the CCIAF, and how the Chamber of Commerce has evolved over times?

The CCIAF is a non-profit organization, approved by the agrarian authorities since February 2011. Its mission is twofold: to help French companies come and settle in Algeria, and to help Algerian companies get in touch with them and start to work together. To do so, we need to explain and popularize the information on business regulatory context, and bring together French and Algerian companies.

It is also often found that French companies are not fully informed about Algerian regulations, and therefore do not measure the opportunities of the country. Our role is to explain what the Algerian market can be today.

The Algerian-French Chamber of Commerce and Industry (CCIAF) represents today 1.130 companies, to date in their dues, and about 200 French businesses out of 300 listed. One third of them are SMEs, another third are intermediate sized (50 to 100 employees) and the last third are over one hundred employees. The most represented sectors are services, construction, food processing and pharmaceutical industries. 40% of our members are into industry, against 60% in services.

The challenge that we are facing is to establish a distinct perception between the current Algerian market and the Algerian market within its long history. French companies typically have a wrong perception, and are misguided by a priori. The real issue is a visibility and interpretation one.

When we meet with French businesses, we encounter two types of entrepreneurs: first, the entrepreneur who knows Algeria’s history, who thinks that he knows the country, reckons that it is a complicated one and then does not come here. This is a rather passive approach. On the other hand, there is the CEO who does not know Algeria and comes with no prejudice, to discover the place. He is ready to have a look, so he leads a more interrogative approach. For Cartesian companies, which are very much into reflection, this market has got a certain profitability, with opportunities, therefore they are in action coming to Algeria.

The market reality is this: Algeria is a 39 million inhabitant country, with resources, and a strategic location. It is a developing country that offers opportunities, despite a few practical and regulatory challenges.

Anyhow, we can see that the Algerian-French relationship is in a very positive dynamic. We welcomed one hundred companies in 2013, and our goal is to convince CEOs to come to Algeria, discuss with them about administrative specificities, and arrange meetings with local businesses. It is important that the companies come without apprehension.

The greatest challenge is not the past, but the image that the French companies have of Algeria. Yet, when they come in the country, they realize that there is good business and good competition.

Nowadays, French companies tend towards exporting to Algeria. However, we can see that in recent years, these exporting French companies have been experiencing difficulties, because of competition and constantly decreasing prices. Therefore, the question for them is to know whether they should lower their export prices or form a partnership to produce all or part of their production locally. What we advise them is to consider a strategy to establish in Algeria.

Globally, emerging markets are a priority. You have been head of the CCIAF since 2001, what are the changes, in terms of regulation, that could provide a better framework for the future?

There is a real government awareness, at a ministerial level, that the regulatory environment and administrative procedures need to be simplified. In that perspective, a single-window system has been created, to ease business start-up and address all administrative issues. Also, regarding the National Registry Center, procedures now take place within a week and are computerized.

Over the past twenty years, there has been a genuine desire for change. Considering tax administration, we saw the creation of the Large Businesses Directorate, which is in charge with managing relationships with big corporations on tax aspects. We are convinced that on a strategic level, they want to grow and develop. Yet, there are still a few questions, locally, that must be addressed, especially regarding misunderstandings.

We can see that generally speaking, Algeria is a country where companies stand to gain. None of them has left our territory yet, and they all are in a full swing and making profits.

Return on investment in Algeria stands at around ? to 12%, crisis effects can hardly be felt. Buoyant sectors are the food-processing industry, construction, pharmacy, agriculture, new technologies and energy.

Concerning the pharmaceutical industry, Algeria wants to become a regional hub. Is the country in a position to take this place?

The pharmacy sector grew beforehand, in the 1990s, and every laboratory present today already had a partnership for production. Therefore, the country must capitalize on this development, strengthen it, and take position in the region as a leading player in the sector.

African countries are strong growth-potential ones. These are the markets where Algeria also should position itself, like Morocco already does.

Algeria already has an existing east-west road axis, hence ease of transport. Port infrastructures, on the other hand, need further development with a deep-water port. To open on Africa, a North-South highway is necessary, as well as means of telecommunication.

What are your expectations for the five years to come?

Come spend a few days in Algeria, get a feeling on the market, meet companies and make up your own mind. The Algerian market is growing and evolving, with payment capabilities, it is offering a

lot of opportunities. Take interest in this market, a closer look at it.

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