

British Business Association – Eastern Province

2 April 2017

Members' Update

Dear BBA Member

The first quarter of 2017 has already passed us by. The end of March was marked by Prime Minister May serving the United Kingdom's formal notice of withdrawal from the European Union under Article 50. Who is brave enough to predict the position in which each of the UK and EU will find itself, when the exit process has finally run its course in two years' time?

British business in this part of the world will wish to keep a close eye on the twists and turns of the negotiations, as well as for signs of the UK preparing the ground for a new set of worldwide trading relationships. Of more immediate concern to those of us in the Eastern Province is that, not only are we yet to see a solid and sustained upward movement in the oil price, but the task of identifying where the real opportunities lie in the local and global economies remains frustrating. The BBA Committee hopes that members' companies are managing to maintain market share in Saudi Arabia and to identify areas of growth where possible.

Despite the disappointment of the cancellation of the Al-Jouf and Rafha solar power projects in late February, there are a steady stream of major projects being implemented in the Kingdom including in the Eastern Province. The Fadhili Independent Power Project (IPP) has now reached financial close, Saudi Aramco is pressing ahead with new gas developments, and a major maritime industries scheme is under planning for Ras Al Khair (to be operated by a joint venture formed of Aramco, Bahri, Lamprell and Hyundai Heavy Industries). All these projects will stimulate the supply chain and offer opportunities for existing and new British business interests.

Looking ahead, prospects seem reasonably healthy too – a new entity called the Renewable Energy Project Development Office has launched its first solar and wind IPPs, railway and airport reform is on the cards, the Sadara complex is gradually coming online, and there is talk of further expansion projects at the Royal Commission in Jubail and at the SATORP refinery.

The BBA continues in very good shape and the Committee has made sure that members' diaries have remained full. February delivered a BBA brunch at the Bahrain Sofitel and a business dinner on the subject of the Ras Al Khair maritime project. March featured a networking reception for members, as well as the participation of the BBA's Oil and Gas Special Interest Group in a highly informative briefing about the status of Aramco's IKTV initiative. Thank you to Stuart Neilson for organising this event and to Tom Deeb for so kindly leading the session.

The BBA is also pleased to be supporting a business mission to the Eastern Province which has been organised by the Saudi British Joint Business Council. The mission has been designed to examine how British Small & Medium-sized Enterprises (SMEs) can best invest in the Saudi energy sector, and will centre around a one-day forum for SMEs to be held at the Asharqiya Chamber on 4 April.

Annual General Meeting and Annual Dinner - 5 April

The BBA will be holding its AGM at 50A on the evening of 5 April. Flyers and reminders have gone out, however do not be afraid to sign up at the last minute (by close of business on 2 April, please). It would be excellent to see this occasion well supported by members.

The evening will open with the formal business of the AGM and will be followed by our Annual Dinner.

The Committee will be stepping down at the AGM and a new committee elected. The current Committee would like to thank the entire BBA membership for its support over the past year, and to record its appreciation of all those who have volunteered to arrange or otherwise support our events.

We extend a special word of gratitude to Steve Graham (Head of the BTO) for his steadfast backing of the BBA and for his regular hospitality over the last twelve months, as well as to Luisa Graham (our Office Administrator) for keeping the show firmly on the road. Many, many thanks to you both.

Website / LinkedIn

Members are, as usual, requested to continue monitoring the BBA website (www.bbaep.org) for announcements and useful links. Please also make full use of the BBA's LinkedIn pages.

The out-going Committee wishes all members a very enjoyable spring and early summer. We have had a busy and successful year, so please continue to support the association, the new committee and each other over the coming twelve months.

Kind regards,

Edward Rose, Chairman