



Digby, Lord Jones of Birmingham, welcomed both British and Saudi participants at the Saudi British Joint Business Council reception at the Institute of Civil Engineers with the following speech:

I am delighted to host this event jointly with Liz Symons – Chair of the UK side of the Business Council. I would also like to give a special welcome to our friends from Saudi Arabia, here with us this evening.

I had the pleasure of addressing the Business Council this morning, and was struck by the commitment of those around the table to playing a leading role in taking the strategic economic relationship between Saudi Arabia and the UK to the next level.

I know that the Business Council had a very productive meeting, which included the signature of an agreement aimed at carrying forward the creation of a Saudi-British Joint Investment Company. Once established, this private sector-led initiative will seek to promote greater British involvement in the development of Saudi Arabia and investment in both countries in high technology civil sectors and in support of SMEs.

This will be a significant achievement and an initiative that I very much welcome.

These are exciting times for the Kingdom. High oil prices, steady and sustainable economic reform, membership of the WTO and a healthy commitment to diversification of the economy, are stimulating strong economic growth and attracting high levels of foreign investment.

Our friends from Saudi Arabia will have heard many times about the importance of their Oil and Gas industry. But I want to deliver to UK businesses here this evening the message that, although Oil and Gas remains of obvious importance, Saudi Arabia has a good deal more to offer UK exporters and investors.

Infrastructure spending will be a major focus of future budgets with huge sums earmarked for capital projects to enhance economic growth and job creation. So there will be major opportunities in financial services, power, water, communications, transport, construction, education and healthcare over the coming years.

And British companies are already proving to be very successful at winning contracts in the Kingdom. JCB, for instance, expect to have tripled their sales in just over two years by the end of 2007. Prudential, anticipating future growth in the Saudi insurance market, have taken a significant stake in a new life insurance operation. And Zoefitig - a UK manufacturer of beam seating - have won a major contract to supply seating for the upgrade of King Abdulaziz Airport in Jeddah.

On this positive note - it gives me great pleasure to invite you all to witness the signature of two new commercial agreements this evening. The first, between Pentagon and Global Chemtech, celebrates the creation of a joint venture company - Saudi Speciality Chemicals - which will supply chemical products to both the Saudi and export markets.

The second is an agreement between the Saudi Arabian mining company Ma'aden and Saudi Comedat Company Ltd. - a contract mining company in which Kier Group UK and the Al Qahtani Group participate - aimed at creating the world's largest

