

UK companies to benefit from UK-Saudi trade

The first Economic and Social Pillar meeting of the UK-Saudi Arabia Strategic Partnership Council was jointly hosted by the Chancellor of the Exchequer, Philip Hammond, and his counterpart, the Saudi Minister of Commerce and Industry, Dr Majed Bin Abdullah Al Qasabi, yesterday (7 July 2019).

Commercial opportunities that were agreed during the Strategic Partnership Council include:

- a £100 million contract with manufacturer De La Rue to help tackle illicit trade by introducing a digital tax stamp solution for soft drinks and tobacco products sold in the Kingdom
- a full banking licence for British bank Standard Chartered
- a venture capital licence for Hambro Perks

The Chancellor of the Exchequer, Philip Hammond, said:

Saudi Arabia continues to take positive steps towards a more modern and diverse economy through its Vision 2030 plan.

The UK's experience and expertise mean we are in a unique position to offer Saudi Arabia support with their economic diversification. More investment and more trade benefits both of our economies.

The UK's world-leading expertise in investment and finance is also helping Saudi Arabia to reform its economy as part of its Vision 2030 plan. In April this year, Aramco listed its first international bond, worth \$12 billion, on the London Stock Exchange, and soon the UK will open a new Export Finance office in Jeddah, to support UK companies in accessing opportunities in Saudi Arabia.

While visiting Saudi Arabia the Chancellor met the Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud, and held meetings with business and political leaders, including the Minister of Commerce and Investment of Saudi Arabia, Dr Majid bin Abdullah Al Qasabi, the Minister of Finance, Mohammed bin Abdullah Al-Jadaan, and Energy Minister, Khalid Al-Falih.

The Chancellor was also joined in Saudi Arabia by the Minister for Investment, Graham Stuart, and a delegation including David Schwimmer, CEO of the London Stock Exchange Group.

Further Information

Agreements reached as part of the Strategic Partnership Council include:

- Standard Chartered Bank has been granted their banking license in the Kingdom.
- INEOS has signed an agreement to invest \$2 billion with Saudi Aramco and Total to build its first ever plants in the Middle East.
- Alderley has announced a \$10 million contract award from Saudi Aramco for the design and manufacturing in-kingdom of Modular Skids. This is the second award of its kind awarded from Saudi Aramco to Alderley in Saudi Arabia with a total of more than £52 million in contract awards in Q1 2019.
- Health Education England signed a Memorandum of Understanding in April for the International Postgraduate Medical Training Schemes (IPGMTS) between Health Education England (HEE) & Scholarships affairs, Ministry of Education.
- Manchester, Birmingham, King's College London and Queen's Belfast Universities have each signed separate agreements with the Ministry of Education, Scholarship Department at the International Higher Education Conference this year to enable 200 Saudi nurses to join one of these UK universities.
- De La Rue announced a five-year contract with the General Authority of Zakat and Tax (GAZT) to implement and operate a digital tax stamp solution for all tobacco products and soft drinks sold in the Kingdom.
- The Royal Mint signed a contract with the Saudi Arabian Monetary Authority (SAMA) to supply both lower denominations and one Riyal coins together with supporting the Central Bank on coinage forecast advice.
- GlaxoSmithKline (GSK): GSK will be announcing the signing of a Memorandum of Understanding (MoU) with the Saudi Arabian General Investment Authority (SAGIA) in the next couple of weeks. Through this MoU, GSK aims to further expand its local manufacturing of its innovative pharmaceutical portfolio and invest in local talents and capabilities aligned with Saudi Arabia's Vision 2030 goals.
- London Stock Exchange Group (LSEG): Saudi Aramco established a Global Medium-Term Notes Programme (GMTN) and issued their inaugural \$12 billion debut bond with five tranches – the largest corporate bond from

Middle East, Africa or Asia on London Stock Exchange. This follows a US Dollar denominated sukuk (\$2 billion, 4.30%, Jan-2029), listed in September 2018.