

news release

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Mayor announces £1bn deal to transform Royal Albert Dock into capital's next business district

- ABP to create state-of-the-art business port aimed initially at Chinese and Asian business
- Estimated 20,000 jobs to be created
- Development to be worth £6bn to the UK economy when complete

The Mayor, Boris Johnson, has announced details of a £1bn deal to transform London's historic docklands into the capital's next business district, forging new trade links with China and other economies in the Asia-Pacific region and securing billions of pounds of inward investment in the UK economy.

Owned by the Greater London Authority and situated in the heart of Royal Docks Enterprise Zone, the 35-acre site at Royal Albert Dock is set to be transformed by ABP China (Holding), a successful commercial developer, into a gateway for Asian and Chinese business seeking to establish headquarters in Europe as well as other businesses wanting to set up in the capital.

Historically the trading heartland of the capital, the deal will re-instate the Royal Docks as a commercial and trading centre for the 21st century, delivering around 20,000 full-time jobs and boosting local employment in Newham by 30 per cent. When complete the site will become London's third business district and, according to initial projections, be worth £6bn to the UK economy, generating £23m in business rates annually and acting as a catalyst for further development in the area.

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The largest development of its kind in the UK, the state-of-the-art business district will act as a platform for financial, high-tech and knowledge driven industries looking establish and drive forward their business in UK and European markets. The deal represents one of the first direct investment by a Chinese developer in London's property market and will eventually be home to over 3.2 million square feet of high quality work, retail and leisure space, including 2.5 million square feet of prime office space, creating a new, vibrant 24/7 district on London's waterways.

An experienced developer in China, this is ABP's first development project in Europe. With a track record of investing in and transforming large areas in need of regeneration, the company specialises in delivering projects of significant scale. ABP have recently completed a large development of around 15 million square feet in Beijing, while their Shenyang project in north-eastern China is even larger, with plans for 75 million square feet when complete.

Working with UK developer Stanhope and architects and masterplanners Farrells, ABP have a commitment to developing a minimum of 600,000 square feet in the first phase, with strong interest for office space already being shown by Chinese companies, including some of the country's top banks. The first occupiers are due to move in in 2017.

The deal is a key part of the Mayor's on-going commitment to regenerate London's docklands, bringing jobs and homes back to the capital's waterways and builds on the momentum of the development of the Olympic Park and Stratford City. It is the latest in a string of investments in the area including the Siemens Crystal Centre, the Emirates cable car, and new homes at Great Eastern Quay, as well as upcoming developments at Silvertown Quays and the plans to create the UK's largest floating village at Royal Victoria Dock.

Mayor of London, Boris Johnson, said: "For centuries the waterways of east London were the throbbing arteries of UK trade and commerce. This deal symbolises the revival of that great era, continuing the re-invention of this once maligned part of the capital into a 21st century centre of trade and investment. Creating a third financial district in the capital, this

development will act as a beacon for eastern investors looking west, bringing with it tens of thousands of jobs and billions of pounds of investment for the UK economy.”

Chairman of ABP, Mr Xu, said: “I am very pleased and very proud that my company ABP has reached this agreement for the Royal Albert Dock with the Greater London Authority. This project will be hugely significant for both the Chinese and UK economies. My vision is to develop a world class international business district which will initially target Asian businesses to help them secure a destination in London, which in China is seen as the gateway to both the United Kingdom and the wider European economy. Our plans aim to strengthen trade between east and west, provide new local jobs and deliver benefits for the wider London and UK economy.”

Communities Secretary Eric Pickles said: “Enterprise Zones are creating new local jobs and stimulating business ventures through significant tax incentives, simplified planning and super fast broadband that will support our economy.

“This is a significant investment deal for London and will boost employment and growth in the capital. I am delighted that the benefits of Enterprise Zone status are attracting foreign investment to the country and strengthening our trade relations with major international players like China.”

Sir Robin Wales, Mayor of Newham said: “The Royal Docks Enterprise Zone offers an unrivalled investment opportunity and this deal further strengthens Newham’s growing reputation as an ideal destination for international business.

“We welcome ABP’s ambitious vision for the Docks which are already home to London City Airport, the University of East London, the Siemens Crystal and the Excel. ABP’s proposals will bring further investment from abroad and unlock future development. It will also create benefits for local people by providing thousands of new jobs and further enhancing the waterfront for people to enjoy.

“Newham will work closely with ABP and their UK development partner, Stanhope, to ensure that as many of these jobs as possible are accessible to local residents. Our successful Workplace jobs brokerage scheme is ideally placed to ensure this happens.”

Situated in the Royal Docks Enterprise Zone, the Albert Dock site, when complete, will have some of the best transport links in the capital, with direct access to central and western London via the new Crossrail station coming in 2018. It also benefits from close proximity to the University of East London and City Airport, providing direct links to Europe’s key business destinations.

Ends

Notes to editors

- ABP is an experienced and successful developer in China, with a track record of investing in and transforming large areas in need of regeneration. ABP Beijing, for example, is a completed 15 million square foot development, home to around 50,000 employees of the businesses based there. It consists of 400 large office buildings of which many are more than 15 storeys high and includes apartments, shops, restaurants, leisure facilities and a hotel (with Mayan cultural artefacts). Over 95 per cent of the buildings have been sold. To find out more visit www.abp-london.co.uk
- ABP has a number of other large scale projects under construction and on track, including a development in Shenyang, the largest city in north eastern China. The Shenyang project is five times the size of the development in Beijing and ABP have already completed 120 buildings, with a further 300 or so to complete over the next two years. The latest ABP project is in the eastern coastal city of Qingdao where the company is on track to complete the first 100 of 300 office buildings next year.
- The Mayor, who inherited over 600 hectares of land as a result of the Localism Act in April 2012, is currently one of the largest owners of public land in London. He is determined to bring more public land, like this site, forward for development.
- ABP (London) will lead the development of the 35-acre site, with UK partner Stanhope acting as development manager. ABP were chosen following a procurement process to identify a developer to develop out the site for employment focused uses.

- The £1bn deal relates to the estimated gross development value of the development.
- The development will be made up of 2.5 million square feet of office space not including other supporting uses including leisure, retail and serviced apartments, to ensure that this a vibrant 24/7 location
- Subject to gaining planning permission, the first phase of minimum 600,000 square feet of development is due to open in 2017 with work on the site targeted to be completed by 2021/22.
- Stanhope plc creates and delivers major commercial and mixed-use developments in London and the South East. The company is known for the quality of its research, for driving excellent design and for innovative responses to occupier requirements. Stanhope has over 30 years experience as developer, development partner and development manager. During this time it has been wholly or jointly responsible for the delivery of commercial projects in excess of £13bn of commercial value. Recent projects include Central Saint Giles, 23 Savile Row and AirW1, as well as headquarter offices for NM Rothschild and Unilever.
- Farrells are considered to be the UKs leading architect planners with offices in London, Hong Kong and Shanghai. For forty years the practice has shaped the debate on urban design and believes passionately in the creation of the civic realm and the vital spaces in between buildings.
- The Royal Docks lies within the stretch of land running from Stratford down the River Lea to the Thames, an 'arc of opportunity' with £22 billion of development potential. It is home to ExCeL, the international exhibition and convention centre and London City Airport. The Mayors of London and the London Borough of Newham have set out a joint vision to develop the Royal Docks.
- The Royal Docks 'Vision & Strategy' was published in July 2010 - a jointly agreed approach between the Mayor of London and the Mayor of Newham setting out the key objectives which has formed the direction for the regeneration of this strategically important area, building on the momentum of progress achieved with the opening of the Olympic Park and Stratford City and the continuing investment in Canning Town - all key projects in the evolution of London - 'City East'.
- The Royal Docks was granted Enterprise Zone status from April 2012 in recognition of its strategic importance.

- 50ha rates relief (if in area by April 2015)
- Enhanced Capital Allowances at RAD (up to April 2017) – good for capital intense industry e.g. biotech
- Simplified planning – GLA/LBN/TfL/Developer Project Planning Performance Agreement
- Broadband – part of successful £25m Urban Broadband Fund bid (up to 1gb/ps if there is demand)
- Business rate uplift retention for 25 years

For media enquiries related to the Mayor/GLA please contact Leona Janson-Smith or Jessica Roscoe on housingdesk@london.gov.uk or call 020 7983 4186.

For media enquires related to ABP please contact Nabil Hanafi, London Communications Agency, nh@londoncommunications.co.uk, 07875 266269/ Jane Groom, London Communications Agency, jg@londoncommunications.co.uk, 07815 **518591**

For media enquires related to Farrells contact Laura Berman, lberman@terryfarrell.co.uk/ 020 7878 6135

Numbers not for publication.

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For non-media enquiries please call the Public Liaison Unit on 020 7983 4100.