

29/7

Union (MTU — 11 per cent) and Italy's *Fiat Aviazione* (6 per cent).

o New motor vehicle registrations fell by 14.2 per cent to 23,587 last year, in reaction to higher customs duties introduced in mid-1983. Japan has 69.5 per cent of the market.

o Strike action by *Cyprus Airways* staff, which caused chaos at Larnaca airport and threatened to disrupt the tourism industry, ended on 24 April after all-night talks that followed government intervention. Negotiations on pay and conditions between the airline and the ground staff union will continue.

o The March retail price index rose by 0.81 per cent to 124.17, against February's level of 123.17 (1981 = 100).

o Imports in January totalled £C 66.6 million (\$ 110 million), 12.7 per cent more than in January 1984. Total exports fell by 18.6 per cent to £C 20.1 million (\$ 33 million), leaving a trade deficit of £C 46.5 million (\$ 77 million) — 34 per cent up on January 1984's figure.

o The government is drafting a bill to restrict further the right of foreigners to acquire property on the island, Interior Minister Rois Nicolaides says.

DJIBOUTI

o The Austrian government has refused to provide finance for the Ali Sabieh cement works, casting doubt on the project's future. Con-

struction of the es
Djibouti's first — w
commercial credit fi
Laenderbank. This v
by the Kuwait-based
Guarantee Corporation and interest
rate subsidised by Austrian aid turn. Planned
output was 60,000 tonnes a year. However, a
study by Austrian consultant *Austroplan* —
submitted to the Industry & Industrial Co-
operation Ministry in September 1984 — says
the local market can absorb only 40,000 tonnes
of cement annually, and that exports will be
limited. As a stop-gap measure, it has suggested
setting up a clinker crushing plant. Neverthe-
less, the government is understood to be eager
to go ahead with the cement works, targeting
completion for 1987-88; it is now seeking
other sources of finance.

EGYPT

UK firms bid for sewerage

Eight British companies have been invited to bid for contract 10, valued at \$ 100 million-150 million, in the UK-funded east bank section of the Greater Cairo Wastewater Project. Closing date is 19 July. The tender call means all 11 contracts in the estimated \$ 750 million first phase of the east bank project have been awarded or are at various stages of bid evaluation (MEED 29:3:85).

Bids have been invited from: *Balfour*

Beatty Construction, Christiani & Nielsen, Costain International, Fairclough International Construction, Kier International, John Laing Construction, Wimpey Construction with Mowlem International, and a consortium of Tarmac Overseas, Cementation International and the local Arab Contractors (Osman Ahmed Osman & Company).

The contract is for civil works at the Gabal el-Asfar treatment plant. Bids for mechanical and electrical works — contract 11 — are due in from seven pre-qualified UK firms by 19 May.

Of the remaining contracts in the first phase, seven have been awarded, a letter of intent has been issued for another, and one is in the final stages of bid evaluation. The last is contract 9, for the Khalag/Kossous pumping station; very little separates the two lowest bidders — John Laing and Kier — which are both offering prices equivalent to about £85 million sterling (\$ 108 million).

Japan wins petrochemicals contract

Japan's *Kawasaki Heavy Industries* has a contract valued at about \$ 60 million to build a hexane and kerosene solvent hydrotreating plant near Alexandria. The order was won in competition with several European and Far East firms. Client is the *Alexandria Petroleum Company*.

The plant — to be supplied on a turnkey basis, in co-operation with the *Kanematsu-Gosho* trading house, also of Japan, will be capable of processing 20,000 tonnes a year of hexane and 10,000 tonnes a year of kerosene. It is due for completion in 1986.

Austrians set for rail order

Austria's *Swietelsky* has a letter of intent for an estimated \$ 25 million contract to upgrade the railway between Sohag and Naga Hammadi, in Upper Egypt (MEED 16:11:84). The formal contract signing awaits the conclusion of talks with *Egyptian National Railways (ENR)* about concessionary financing terms.

Other offers for the contract came from Spain's *Cubiernas & Mzov*, Romania's *Contrasimex Interprindere de Comert Exterior*, the *Indian Railway Construction Company*, and two West German concerns — *Ferrostaal* and *Anton Rappel & Sohn*.

Work involves laying 88 kilometres of double track and renewing existing lines, without disrupting traffic. It also involves remodelling 20 marshalling yards and 250 crossings, and replacing signalling equipment.

In addition, ENR is evaluating bids for an estimated \$ 90 million contract to modernise the 273-kilometre stretch of track between Beni Suef and Asyut. Front-runners for the order are understood to be West Germany's *Siemens*, and a French consortium grouping *Jeumont Schneider, Alstom-Atlantique,*

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AB

NEWS