

exports, has moved to the Commerce Ministry. Unconfirmed reports say his position has been taken by Allahkaram Mirzai, the former head of NIOC's procurement department.

Honardoust has been influential in setting oil pricing policy in recent years. He was considered a pragmatist, and the decision to replace him is interpreted by some as signalling the start of a tougher pricing policy.

#### IN BRIEF

- o The UK's *Standard Telephones & Cables (STC)* is reported to be negotiating a contract to help to set up a cable factory; company officials declined to comment. *Telecommunications Consultants India (TCIL)* was earlier reported to be negotiating for the job.
- o Uruguay is to import \$250 million worth of Iranian crude oil a year, in exchange for wool, chickens, dairy products, rice and 12,000 tons of beef. The agreement, signed in Tehran in early May, is renewable annually, according to Uruguay's Agriculture Minister Roberto Vasquez Romero.
- o The majlis (parliament) has given a second reading to 18 clauses of the import-export regulations bill for the Iranian year started 21 March.
- o Technicians with degrees from foreign universities will be allowed to import work-related equipment, without observing normal customs regulations, the government has announced.
- o A new labour bill has gone before the majlis (parliament) for approval. Earlier bills were rejected as un-Islamic and inadequate; tougher provisions against dismissal are now proposed, as is compulsory insurance.
- o The Mostazafin (deprived) Foundation, which is holding hundreds of confiscated industries and estates, has received formal authorisation to sell some of the properties. To satisfy religious requirements, the buyer will be obliged to sell back to the original owner if the latter returns to Iran within a reasonable period. Details of the guidelines have not yet been made public.
- o The UK's *National Westminster Bank* has produced a four-page report on Iran's economy and politics.
- o Almost 2 million cattle are at risk following drought and fodder shortages in the south-eastern Sistan-Baluchistan province, officials say. The government has provided \$20 million in aid.
- o A 10-year decline in non-oil exports has been halted, and revenues in the year started 21 March will be well above \$300 million, according to Commerce Minister Hassan Abedi Jaafari. New and "effective" measures will be introduced to increase the volume of such exports, which now include higher percentages of building materials, copper, cotton and other non-traditional items, he says.
- o Direct government wheat purchases from farmers in the year started 21 March are projected at 1.5 million tonnes, up by 250,000 tonnes from the previous year, says Commerce Minister Hassan Abedi Jaafari. Total annual output averages 6 million-7 million tonnes.
- o Tea production in the year started 21 March is projected at 220,000 tons — a 17,000-ton

increase from 1984/85 — according to Commerce Minister Hassan Abedi Jaafari.

- o The International Atomic Energy Agency (IAEA) has turned down a request by Iran to expel Iraq from the organisation because of alleged attacks on an unfinished nuclear reactor near Bushehr (MEED 3:5:85). Tehran had also asked the agency to investigate the damage. IAEA replied: "The verification of reported war damage and losses in respect of a plant still under construction, not containing any radioactive material and not as yet subject to safeguards, is not appropriately a mission to be set in motion by the director-general of the IAEA."
- o Mehdi Karrubi, head of the Shahid (martyrs') Foundation and Imam Khomeini's representative, visited Lebanon in early May. He met Shia and Sunni religious leaders to congratulate them on the recent "triumph of the Muslims over Zionist occupiers in southern Lebanon." He also discussed "ways of further supporting Muslim strugglers against the Zionist state."
- o President Khamenei has called for unity between Shia and Sunni Muslims, saying that the Iranian revolution was not exclusively Shia, but "a revolution for the return of the Quran."
- o Iraj Iskandari, a founder of the Tudeh (communist) party in the early 1940s, has died in East Germany aged 77. He served as economy and industry minister in the 1946 cabinet of prime minister Qavam Saltaneh, and went into exile after a communist-inspired assassination attempt against the late Shah in 1949. He returned to Iran after the February 1979 revolution, but went into voluntary exile again after accusing the Tudeh of blindly following the Moscow line.
- o A programme to safeguard the Siberian crane, a rare species of wading bird, is to be resumed by the Environment Protection Agency, according to the World Wildlife Fund; the programme was abandoned in 1979. The Caspian sea area is a favourite migration site for the birds.

## IRAQ

### Austrians get water equipment contract

Austria's *Aqua Engineering* has a contract valued at about AS 500 million (\$22.3 million) to supply and install water treatment works. Client is the *State Organisation for Water & Sewerage (SOWS)*. The order will be funded by the Austrian government from the \$268 million credit made available in 1983 (MEED 11:11:83). The contract, an amalgamation of two tenders, involves installing 24 prefabricated water treatment plants at seven sites in Basra and Amara. These will be supplying 500,000 people with drinking water by March 1986 (MEED 16:11:84; 12:10:84). Aqua will also be responsible for supplying and laying 40 kilometres of pipes. Civil works will be done by Turkish contractor *Guris*. Aqua has most recently worked in Iraq on the \$16 million Qaiyara water treatment plant. This was built near Mosul,

in the north, between 1981-83 (MEED 29:4:83).

### Japanese win substations order

Japan has won a further order to build 132-kV substations. Contract HT 83/84 was signed with *Toyo Menka Kaisha* in Baghdad on 13 May by the Industry & Minerals Ministry. Client is the *State Organisation for Electricity* (MEED 29:3:85).

In October 1984, a Japanese group led by *Sumitomo Corporation* won a \$52 million order to build four substations around Baghdad (MEED 9:11:84).

Toyo Menka's contract is for two new substations, and the expansion of three existing ones, in the Sulaimaniya area in the north. Work will take 30 months.

Toyo Menka is also involved with *Hitachi* and *C Itoh & Company* in a \$160 million order to supply four boilers for Musayyib power station (MEED 7:7:84).

### Locals win water contract

The *State Organisation for Water & Sewerage (SOWS)* has awarded two contracts to build water supply schemes at Najaf and Qadaa al-Hai.

Industry observers have confirmed that the Najaf contract — which will supply 450,000 people in Najaf, Kufa and Abasiya until 2000 — has gone to the local *State Contracting Company for Water & Sewerage Projects (SCCWASP)*.

SCCWASP bid ID 19.9 million (\$64.2 million) for the project, underpricing companies from South Korea, India, West Germany and Lebanon (MEED 28:9:84).

Work involves building a 40 million-gallon-a-day treatment plant and associated facilities, including six large reservoirs, pumping stations and 22.5 kilometres of pipe. Designs were by Ireland's *Jennings O'Donovan*.

An unidentified contractor has won the Qadaa al-Hai order, which will supply water to 80,000 people living in Hai and the surrounding districts, including Muwaqafiya. The contract was retendered after negotiations broke down between SOWS and Turkey's *Enka*, the low bidder at ID 10 million (\$32.2 million).

#### IN BRIEF

- o A ID 30 million (\$96.8 million) order to build 1,000 homes in Basra was awarded to an unidentified company on 8 May. Work will include services, markets, schools, clinics and kindergartens, the Iraq News Agency reports. The project will be supervised by the *State Organisation for Housing*, on behalf of the *State Organisation for Workers' Pensions & Social Security* (MEED 3:8:84).
- o Turkey is to use a \$35 million Islamic Development Bank loan to buy Iraqi oil (see TURKEY).
- o A letter of intent for the sale of 20 Argentinian-made Pucara aircraft is to be