

projects in Iraq is great, and they are being completed in record time," Al-Chalabi said. Key schemes such as the extension of gas pipelines to industrial areas have been carried out since January. These were excluded from the annual development plan, but are going ahead to meet the oil sector's requirements, he said.

Much of the work on the domestic oil and gas pipelines is being done in-house (MEED 1:2:86). However, the trans-Iraq dry gas line is being built by the Soviet Union's **Tsvetmetpromexport (TSMPE)** — MEED 23:5:87; 10:1:87; 14:6:86). Western subcontractors are involved — one, Italy's **Sytco**, recently signed a \$2 million order to build a gas metering station at Nasiriya, where the line's first stage begins. TSMPE has been discussing building the second stage north from Baghdad to the Turkish border.

The Soviet firm has also been involved in talks with SCOP about building a loopline, thought to be for the strategic north-south oil line. An initial contract, valued at about \$24 million, has been signed for an eight-kilometre stretch of 48-inch line near Basra. This will effectively route the line further away from the war front. Sytco will supply pipe and associated materials. A second stage is expected to involve a further 500-600 kilometres of pipe, also to be installed in the south.

In the past few months, oil output and exports have increased. Projects or contracts mentioned by Al-Chalabi include:

- the 250,000-b/d Baiji lube oil refinery. This is now meeting domestic needs and providing a surplus for export
- expansion of the line through Turkey, bringing export capacity to the Mediterranean to 1.5 million b/d
- award of a contract to build the second stage of the export pipeline across Saudi Arabia (IPSA 2) to Italy's **Saipem**. This will add 1.15 million b/d to the line's 500,000-b/d capacity.

Al-Chalabi also confirmed that the Soviet Union signed a contract to develop an oil field in September. According to a protocol signed by SCOP with **Technoexport** earlier in 1987, the Soviet firm will develop the West Qurna field's Mishref reservoir to produce 200,000 b/d (MEED 26:9:87). Bids from Western subcontractors were submitted at the beginning of November. Technical and commercial discussions are expected later in the month.

Separately, Al-Chalabi said oil production is now averaging 2.75 million b/d, and plans are under way to increase capacity gradually to about 3 million b/d. The rise can be achieved using existing facilities, he told the Nicosia weekly Middle East Economic Survey. "When we say we can go up to 3 million b/d, this does not include new projects. We can do this with our current facilities, with some stretching of

what is available to us now through refining, trucking and the pipelines."

Oil output expected to come on stream soon includes 30,000 b/d from the East Baghdad field. This should start up in early 1988 (MEED 16:5:87).

Al-Chalabi emphasised that Iraq is ready to reduce output and agree the same OPEC production quota as Iran (MEED 31:10:87). The level must be approved by all OPEC members, he says. OPEC next meets in Vienna on 9 December.

IN BRIEF

- Diplomatic relations are to be renewed with Egypt, First Deputy Premier Taha Yassin Ramadan said in Amman on 11 November. The Libyan embassy in Baghdad has reopened after the two countries agreed to restore diplomatic ties in September 1987. The Iraqi embassy in Tripoli reopened in early October. Libyan charge d'affairs Abbas Ahmed al-Massrati said on 7 November.
- Eleven people were killed and 123 wounded when an Iranian missile struck a residential area in Baghdad on 8 November. It was the 17th missile to hit the capital since January.
- April Glaspie will be nominated as the next US ambassador to replace David Newton, reports from Washington say. A career diplomat, Glaspie now heads the Jordan, Lebanon and Syria office at the US State Department.
- Yugoslavia's **RAD** is completing work on three military hospitals, the Yugoslav news agency Tanjug reports. RAD's contract is worth \$210 million in total. Its previous projects in Iraq have included the headquarters building for the ruling Arab Baath Socialist Party.
- Universities and higher education institutes admitted 53,921 students for the 1987/88 academic year, the daily Baghdad Observer reports.

JORDAN

Highland development work let to local firm

The local **Al-Manar Consulting Engineers** has a contract for design and construction supervision of a national agricultural research and technology transfer centre and four regional centres. Construction tenders should be ready in about five months. The regional centres are to be built in Ramtha, Shobak, Al-Mushaqqar and Al-Rabba.

The work forms part of the \$62.3 million highland development project, designed to increase extension and research services in the rain-fed uplands.

The government is providing \$34 million for the scheme. The US Agency for International Development (USAID) is lending \$7 million towards the centres' design and construction, and granting \$20.5 million for technical assistance, training and project evaluation.

The US Consortium for International Development was awarded a consultancy contract for the project in January

Tenders go out for Hammad basin irrigation

Tenders have been issued for contracts to drill wells and build dams as part of the \$11 million Hammad basin pilot project, in the northeast. The scheme aims to improve the quality of livestock by providing more reliable water supplies, better grazing and more veterinary services.

The area has a population of around 27,000, of whom just above half are settled. The Hammad basin extends into Saudi Arabia, Iraq and Syria, all of which plan to develop the area eventually. The Kuwait-based Arab Fund for Economic & Social Development is providing \$5.25 million for the Jordanian scheme.

IN BRIEF

- France's **Siraga Industries**, a subsidiary of **Compagnie Industrielle de Montage**, has a contract to build two liquefied petroleum gas (LPG) filling stations, in Amman and Irbid. The turnkey project, valued at JD 1.8 million (\$4.7 million), is for **Jordan Petroleum Company**. Consultant is **SRMIES International**, also of France.
- A 25,000-tonne shipment of white cement was to leave Aqaba for North Yemen in the week ending 13 November. It is part of an agreement to provide Yemen with 200,000 tonnes of cement.
- Sales of petroleum products totalled about 2.16 million tonnes in the first nine months of 1987 — 3 per cent up on sales last year. Sales of liquid gas rose by 8 per cent and of aviation fuel by 6 per cent. Kerosene sales increased by 20 per cent.
- Saudi Arabia has given \$119 million — representing the third and last instalment of the annual aid commitment agreed at the 1978 Baghdad summit (MEED 22:8:87).
- Overdue tax, and fees on building and real estate, can be paid in instalments, the government has decided. Sums not exceeding JD 100 (\$290) can be paid over 12 months. Sums between JD 1,000-2,000 (\$2,870-5,750) can be paid over 18 months, up to JD 5,000 (\$14,370) over two years, up to JD 10,000 (\$28,740) over 30 months and above JD 30,000 (\$86,210) over three years.
- An official trade team is to visit India on 13 November for talks about ways of boosting imports of Indian goods.

KUWAIT

Local firm designs information centre HQ

Preliminary designs for a new headquarters for the Public Authority for Civil Information (PACI) have been completed by the local **Pan Arab Consulting Engineers (PACE)**. The contract was awarded to PACE — which is working with **The Architects Collaborative (TAC)** of the US — earlier in 1987 (MEED 29:11:86, page 19).

The offices, costing an estimated KD 12 million (\$43 million), will comprise two