

to expand the Beni Suef works (MEED 18:10:86).

The prospective bidders are West Germany's **Lurgi**, the UK's **Davy McKee** and a Japanese consortium of **Kobe Steel Company** and **Mitsubishi Corporation**. Client is the **National Cement Company**. Beni Suef's first line is being built by Kobe and Mitsubishi, according to a 45,000 million yen (\$280 million) contract signed in late 1985. A concessionary loan from Tokyo to help to finance the scheme — which was restricted to Japanese bidders — was finally approved by the people's assembly in mid-1986 (MEED 14:6:86).

The government recently ruled that cement works must be built in a complete turnkey operation. Fifty per cent of the equipment must be locally made, and half the payments made in local currency. Projects must be put out to international tender.

In an effort to improve the generally low performance of the industry, a plan is going ahead to set up a joint venture to manage and maintain cement works. The scheme is being handled by **Arab Swiss Engineering Company (ASEC)**, a joint venture between the five local cement companies and Switzerland's **Holderbank Management & Consulting** (MEED 25:10:86).

International companies have also expressed interest in a plan to reclaim cement dust which, at present, is wasted in

the production process. An estimated 400 tonnes a day could be reclaimed countrywide if the appropriate equipment were to be installed, industry observers say.

Fresh options studied for Cairo treatment plant

Fresh proposals for the disposal of sewage from the east bank area of Cairo are being studied by the Cairo Wastewater Organisation (CWO). The original plan to award two contracts for building and equipping a treatment works at Gabal el-Asfar, as part of the first phase of the Greater Cairo Wastewater Project, was abandoned because the bids exceeded the foreign currency ceiling set by the client. The east bank work is being financed by grants and loans from the UK (MEED 13:9:86).

The new proposals have been prepared by **American-British Consultants (Ambric)**, which is supervising the citywide scheme. Ambric comprises the UK's **Taylor Binnie & Partners**, and two US consultants — **Black & Veatch International Company** and **Camp Dresser McKee**. Work on the west bank of the Nile is being financed by the US Agency for International Development (USAID).

Two basic options are being studied, both entailing the disposal of 1 million

cubic metres of wastewater a day. The first ensures the flow of sewage from the east bank system to Gabal el-Asfar, northeast of the city, and into a drain that will carry the effluent to Lake Manzala, west of Port Said. The second is to build a complete wastewater treatment plant at Gabal el-Asfar.

The first option, which could include some preliminary sewage treatment, is cheaper. Plans for a full treatment works are preferable on sanitation grounds, but would require substantial additional finance, industry observers say. The original plan entailed building a 250,000-cubic-metre-a-day treatment plant as part of the first phase, with daily capacity being raised to 1 million cubic metres in later stages.

In two rounds of bidding for the civil works contract for Gabal el-Asfar — as originally conceived — all the offers exceeded the £30 million sterling (\$42 million) foreign currency limit. The revised plans have raised the possibility of non-British firms becoming involved in the east bank project, which until now has been an exclusively UK-local preserve.

The delay on the treatment plant means the east bank scheme now comprises nine contracts, with a combined value of about £210 million sterling (\$296 million), plus £E 427 million (\$314 million). Work is proceeding on eight of the contracts; negotiations about price revisions are

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going on for the final job, contract 9.

The UK's **Kier International**, with local partner **El-Nasr Building & Construction Company (Egyco)**, was awarded contract 9 in late 1985 for £36 million sterling (\$51 million), plus £E 38 million (\$28 million). However, Kier was unable to proceed because of delays in approving the UK line of credit for the work, and CWO's difficulty in raising the necessary downpayments. Both problems have now been resolved, but the contractor is understood to be seeking approval for price increases resulting from the delay.

IN BRIEF

● Discounts of up to \$1.30 a barrel for contract buyers of crude oil have been announced by the **Egyptian General Petroleum Corporation (EGPC)**. The discounts — available for 1-5 November liftings — brought the price of the top grade Suez blend and Ras Bahar crudes down to \$11.20 a barrel, from \$12.50 in the second half of October. The prices of cheaper grades came down by about \$1 a barrel. Falling sales in mid-October obliged EGPC to cut prices by \$0.60 a barrel (MEED 25:10:86).

● Hungary's **Ongrachem** has supplied 15,000 tonnes of ammonia, calcium ammonium nitrate and urea fertilisers to local buyers so far in 1986. The fertilisers have been supplied at discounted prices, Budapest press reports say.

● The civic design department of the UK's Liverpool university has been retained as consultant for a scheme to carry out part of a masterplan for Alexandria in 2005. A team from the university completed the masterplan in early 1984. The new scheme entails carrying out a pilot residential element of the plan, to provide integrated housing and community development. Government involvement is to be kept to a minimum, and urban development is to be harmonised with the needs of agriculture and land reclamation. The work is being financed by the UK's Overseas Development Administration.

● Indian companies have orders worth Rs 50 million (\$3.9 million) for the supply of pharmaceuticals. The contracts were placed at an October exposition held in Cairo by a group of Indian manufacturers. Additional pharmaceutical contracts, with a combined value of about Rs 200 million (\$15.6 million), are expected to be signed in early 1987, says Ramu S Deora, who chairs the Chemicals & Allied Products Export Promotion Council of India.

● A contract to supply 11,000 bales of jute goods has gone to **Wah Singapore**. The merchant shipper quoted \$1.5 million for the January shipment of 8,000 bales of sacking and 3,000 bales of cotton packs.

● Talks about UK-financed projects are to be held by the Egyptian-British co-operation committee in London in mid-November. The

main issues on the agenda will be delays and financing problems on the Greater Cairo Wastewater Project, and a scheme to reopen the Maghara coal mine in Sinai (see above).

● A plan to allow commercial banks to deal direct in foreign currency, according to a flexible exchange rate, is being studied by the Central Bank of Egypt. Exchange rate reform is one of the key issues being discussed with the IMF, which has had a negotiating team in Cairo since late October. The government is optimistic that agreement on an IMF standby credit can be reached soon (MEED 1:11:86).

● A revised exchange rate of \$1 = £E 1.80 has been introduced for officials claiming foreign currency allowances.

● Plans are in hand to build a motion picture city off the Alexandria to Cairo desert road. Information Minister Safwat el-Sherif says.

● The EEC has agreed to provide a ECU 1.9 million (\$1.9 million) grant for training at the Egyptian Institute for Labour Representation.

● Co-operation with Jordan in coal-fired electricity schemes is envisaged, according to an energy protocol signed on 1 November. A joint plan will be drawn up for coal imports for power stations in both countries, and for the construction of coal storage depots on the Red Sea coast. Electricity & Energy Minister Mohamed Maher Abaza says. Egypt is planning to build a 2,600-MW coal-fired power station and coal port at Zaafarana, on the Gulf of Suez. Jordan has plans to build a coal-fired station at Aqaba (MEED 1:11:86).

● About 100 Islamic activists were arrested in clashes with police in Asyut in late October and early November.

● Sweden's King Carl Gustav ended a five-day visit on 4 November.

● A 50-year-old Cairo musician who applied for a telephone line 15 years ago dropped dead as he was reaching to sign his long-awaited contract at a Cairo telephone company office, local newspapers report.

ETHIOPIA

● **Ethiopian Airlines** has started a fortnightly service to East Berlin, via Khartoum, Cairo and Athens. Flights, which began on 4 November, leave Addis Ababa every second Tuesday, returning the following day.

● Lieutenant-Colonel Berhanu Bayih was appointed foreign affairs minister on 4 November. A founding member of the ruling dergue, he has until now held the labour and social affairs portfolio. Bayih replaces Goshu Wolde, who resigned on 27 October, saying he could no longer serve in a government that was leading the country into "misery and destruction."

IRAN

\$1 billion gas refinery nears completion

A \$1,000 million gas-gathering and refining complex at Nar-Kangan, on the Gulf, is nearing completion, the Oil Ministry said in October. Construction work for the Nar field will be complete by late 1987; the nearby Kangan field — which is bigger — will be brought on stream later.

The complex, known as Vali Asr, was planned before the 1979 revolution; much of the equipment was delivered then. Construction did not begin until late 1984, with a workforce of nearly 2,500, including more than 1,000 South Koreans.

Vali Asr will have a daily refining capacity of 34 million cubic metres, expandable to 80 million cubic metres, project manager Hossain-Khani says. The four refining units will be fed by 23 gas wells.

The Nar-Kangan gas fields were originally intended to supply the Soviet Union through the planned IGAT-2 trunkline. However, work on the line stopped at Isfahan, after the revolutionary authorities cancelled the deal. There is now talk of reviving the agreement with eventual gas supplies of 90 million cubic metres a day (MEED 30:8:86).

Consultant for Nar-Kangan is an unidentified Iranian company. The identities of the foreign firms involved are also not known.

West Germans to supply fishing vessels

A \$70 million order for 16 fishing trawlers has gone to West Germany's **Jansen Werft**. The vessels are for delivery over the next few years. The first four will be built in West Germany, with Jansen helping to build the remainder at an Iranian shipyard.

The 45-metre trawlers will have processing and deep-freezing facilities for shrimp. The Iranian fisheries organisation says the vessels will help to raise the annual shrimp catch to 30,000 tons in five years. Twenty-two shrimp trawlers are now working in the Gulf.

Officials announced in October that 10 250-500-ton fishing vessels chartered from China would start operating near the Strait of Hormuz in late November (MEED 1:11:86). The government said some years ago that it planned to build up a large fleet to exploit Gulf fisheries resources for export.

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