

Inter-Arab Investment Guarantee Corporation.

In addition, the conference discussed reducing AIDO's annual budget from \$14 million to \$12 million.

India looks to O&M work

India has reiterated its desire to take part in more operation and maintenance (O&M) work, rather than increase involvement in construction contracts. The message was conveyed to the Iraqi team visiting New Delhi on 24-25 October for the joint commission meeting. The Indian government has still not lifted its restriction on Indian firms bidding for construction schemes (MEED 26:7:86).

A tourism co-operation protocol was signed during the meeting, ostensibly providing for hotel O&M work. **Indian Tobacco Company**, which runs a chain of hotels in India, is understood to be chasing an order. Three hotels in Baghdad and Mosul are already run by the **Oberoi Hotels** group.

Other Indian companies negotiating for O&M contracts include **Damodhartec International** and **Rail India Technical & Economic Services**. **Associated Cement Company** is doing O&M for the Upper Euphrates cement works (MEED 10:5:86).

Baghdad handed over a list of requirements for Indian specialists and for training facilities in India in 1986-87. Interest was also shown in the possible management of farms by Indians.

Issues taken up by the Indian team included the withholding of mobilisation advance payments for schemes awarded in the past two years, and delays in the release of project completion certificates. No solutions emerged, however. The team was led by Petroleum & Natural Gas Minister Brahm Dutt; the Iraqis were headed by Oil Minister Qassem Ahmad Taqi al-Uraibi.

IN BRIEF

● Government employees who accept bribes now face fines of ID 500-5,000 (\$1,600-16,000). The penalties will be imposed on those "who accept, directly or indirectly, gifts, interest or privileges to carry out their duties as employees," a Revolution Command Council (RCC) decision says. Six local businessmen and the former Oil Ministry undersecretary were recently executed for accepting commissions (MEED 11:10:86).

● The Najaf/Kufa unified water supply scheme should be carried out as soon as possible, First Deputy Premier Taha Yassin Ramadan said in October during a visit to Najaf governorate. The local **State Contracting Company for Water & Sewerage Projects** has started work on the scheme, which is expected to take up to three years to complete. The mechanical and electrical subcontractor has still to be confirmed (MEED 25:10:86).

● **National Construction Company (Pakistan — NCCP)** is to wind up its operations in Iraq and several other Arab countries because of payments problems. NCCP has been working

on the Ishaqi land reclamation scheme. Similar problems face a second company, **Mechanised Construction of Pakistan (MCP)**, Karachi reports say. MCP, which has been working on the South Ruz, Daimaj and Khalis irrigation projects, is owed millions of dollars by Baghdad; there are no prospects of immediate payment (MEED 20:9:86).

● Consumer goods are to be made available in 1987 from reserve stores, trade officials have decided. At an October meeting held to discuss the 1987 import plan, they agreed that the main aim should be to provide essential consumer items, as well as the raw materials needed for local industry. First Deputy Premier Taha Yassin Ramadan, who chaired the meeting, emphasised that solutions must be found to the problems plaguing the marketing and distribution systems.

● About 2,500 lines are to be added to Kirkuk telephone exchange, the Transport & Communications Ministry says.

● **The State Establishment for Leather Industries** has produced 1 million school bags and 500,000 pairs of sports shoes for the local market. A further 150,000 pairs of shoes were to go on sale on 1 November. Sales are made through 114 private agents, as well as state marketing outlets.

● Oil Ministry undersecretary and **Iraq National Oil Company** chairman Issam al-Chalabi is leading the team going to Moscow to attend the joint commission meetings that were to start on 30 October. Topics for discussion are likely to include the gas pipeline and West Qurna oil field projects, both of which have been awarded to Soviet companies (MEED 1:2:86). Accompanying Al-Chalabi were officials from the industry and minerals and trade ministries, and the Central Bank of Iraq.

JORDAN

UK bank considers West Bank reopening

A leading UK bank has discussed with the Central Bank of Jordan the reopening of its branches in the Israeli-occupied West Bank. **Grindlays Bank's** move follows the reopening of **Cairo Amman Bank's** Nablus branch, and the Jordanian government's announcement of a five-year development plan for the West Bank (MEED 4:10:86, page 13).

Grindlays says the discussions were brief, and that they did not amount to detailed negotiations. "We are prepared to consider reopening only in the context of the West Bank as part of Jordan, and under the supervision, rules and regulations of the Central Bank of Jordan," a Grindlays official says.

This means that accounts will only be opened in Jordanian dinars, and that dealings in other currencies — including the Israeli shekel — would be treated as foreign exchange transactions.

Jordan believes non-Israeli banks would make it easier to implement the development plan for the West Bank. But

Grindlays says there will still be problems even if the branches are reopened. "We would not be prepared to open letters of credit for plan-related imports that contravene Central Bank of Jordan regulations." These usually stipulate Aqaba as the port of entry, and Israel may object to imports over the Jordan river bridges. There are also questions about the bridges' capacity to carry heavy imports.

Grindlays had five branches in the West Bank until 1967 — one each in Ramallah, Nablus and Bethlehem, and two in Jerusalem. Israel is thought unlikely to agree to the reopening of the Jerusalem branches under Jordanian regulations.

Water projects progress

International consulting engineers have been invited by the **Water Authority of Jordan (WAJ)** to prequalify for supervision of the JD 13 million-15 million (\$41 million-47 million) South Amman water project.

Tenders for the scheme, which entails building pumping stations, reservoirs, water transmission lines and telemetry systems, are to be issued in five packages. Consultants must bid in joint venture with a local engineering company. Applications are due by 22 November.

WAJ has opened offers from six groups of companies bidding for a scheme to carry out a hydraulic analysis of the greater Amman water system (MEED 18:10:86). The bidders are: **Sir William Halcrow & Partners** and **Haiste International** — both of the UK — and the local **International Consulting Office**; two British concerns — **Sir Malcolm Macdonald & Partners** and **Water Research Centre** — with the local **Sigma Company Consulting Engineers**; a UK venture of **Watson Hawksley and Sir Alexander Gibb & Partners** with **Thames Water** and **WRC Engineering**; **James M Montgomery** of the US with Switzerland's **Lahmeyer** and the local **Jordan Engineering Consult**; the UK's **John Taylor & Sons** with the local **Ruqh al-Handasah**, and France's **Sogreah** with Amman-based **Jouzy & Partners**.

Bids have also been opened for contract MN2 — supplying and installing part of the Maan water and sewerage network. Low bidder was the local **Bitar & Saleh**, at JD 902,443 (\$2.8 million).

IN BRIEF

● A consortium of Indian companies, led by **Som Datt Builders**, has a letter of intent to build the \$110 million, 180-kilometre Jafr to Azuag section of the Amman to Azraq highway (MEED 25:8:86). Thirty per cent of the cost is to be made in fertiliser supplies to the **Minerals & Metals Trading Corporation of India (MMTC)**. Construction will be done by Som Datt.

● Tenders for construction of Irbid's integrated nursing and paramedical training institute have been reissued by the Public Works Department (MEED 14:6:86). The move is understood to follow the resolution of a procedural problem with the World Bank, which is financing the \$3

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