

build a 17,000-dwt bulk carrier for the Chinese government. The equipment is needed to fulfill the order.

The contract to design the \$650,000 bulk carrier went to the Marine Equipment Research Institute. Construction is to start in September, for completion in 1990.

This is the first of two contracts for 17,000-dwt bulk carriers China is expected to award to KSEW. Beijing aims to correct the imbalance in trade between the two countries, which is now in its favour.

Islamic financing package signed

A short-term financing package worth \$100 million for the **Cotton Export Corporation of Pakistan (CEC)** was signed on 21 May by **Massraf Faisal al-Islami** of Bahrain. The bank is lead managing a syndicate of 19 Islamic and conventional banks. Bahrain-based **Arab Banking Corporation** is manager.

CEC will use the funds – being syndicated according to Islamic principles – to buy cotton locally at an agreed price. Proceeds from exports will then be used to repay the syndicate members, who will share in the profits according to their involvement.

The government's decision to take on such a loan to fund exports at the end of the cotton season has come as a surprise to exporters and bankers.

The facility follows CEC's early repayment of a 180-day, \$50 million trade finance deal arranged by MFI in November (MEED 28:11:87). Twenty-one financial institutions participated in a \$100 million financing package arranged earlier this year by MFI for the **Rice Export Corporation of Pakistan**.

IN BRIEF

● The US' **Phillips Petroleum** is to sign two contracts worth \$12 million with the government to explore for oil in Sind province. The US company has a 95 per cent share in the development work; the state-owned **Oil & Gas Development Corporation** has 5 per cent. According to the agreement, profits will be split on a 50:50 basis. Phillips already holds a 50 per cent share in a concession at Thatta, also in Sind province. The US' **Occidental Petroleum Corporation** is expected to sign a \$10 million contract to drill for oil in Potohar, Baluchistan province, in which Belgium's **Petrofina** has also expressed interest.

● Finland is to provide a Rs 360 million (\$20.5 million) concessionary loan to buy diagnostic equipment for district hospitals countrywide.

QATAR

Fifth North Field contract awarded

The local **Gulf Housing Corporation** has the contract for package 16 of the North Field gas project – the fifth contract on the scheme awarded since January. Work on the order, for completion by the end of the year, entails construction of a temporary camp for 150 people.

Award of a sixth contract is imminent. This is package 18, for construction services, including inspection and test facilities.

The UK's **Decca Racal** in April began work on the offshore pipe route survey – package 20, estimated to be worth around \$250,000. Work is expected to be finished soon.

Pre-mobilisation details are being sorted out by the Bahrain office of the US' **Brown & Root**, which has received a telexed letter of intent for package 19, offshore installation. The job involves installing jackets and modules for topside facilities, including treatment, living and utility platforms, using cranes and barges. A formal contract award is awaited, but work on the first two packages awarded this year began before formal contracts were signed, on the strength of letters of intent.

The other two contracts went to the local **Tayseer Contracting & Trading** and to Abu Dhabi's **National Petroleum Construction Company (NPCC)**. Tayseer was in March awarded package 8 – site preparation for a new natural gas liquids plant; NPCC received a letter of intent for fabrication of two wellhead platforms (MEED 6:5:88; 26:3:88; 16:1:88).

Steady growth at QNB

Qatar National Bank (QNB), the biggest of the five local banks, recorded a 23.3 per cent increase in assets to QR 11,136 million (\$3,000 million) in 1987.

Shareholders' equity increased by 22.2 per cent to QR 919 million (\$252 million). Net income doubled to QR 191 million (\$53 million), mainly because of lower provisioning.

Short-term loans to the private sector represent 85 per cent of QNB's total loan portfolio. Interest income increased by 8 per cent in 1987. Reserves now stand at QR 786 million (\$216 million) and the bank is said to have provisions valued at two-

Qatar National Bank: results, 1986-87

	(QR million)		% change
	1987	1986	
Total assets	11,13	9,034	+23.3
Cash and due from banks	5,256	3,858	+36.2
Loans	5,427	4,818	+12.6
Shareholders' equity, of which general reserve	919	752	+22.2
	660	490	+34.7
Net income	191	94	+103.0

Exchange rate: \$1=3.641 (May 1988)

Source: Qatar National Bank

and-a-half times its non-performing loan portfolio.

IN BRIEF

● The local **Al-Waha** is low bidder, at QR 10.5 million (\$3 million), for a contract to install a 12-kilometre pipeline to provide effluent for irrigation to a government farm at Al-Rakkiyah. Consultant is the UK's **Pencol International**. Around 10 local firms bid for the work: **Qatar Building Company** offered QR 13.7 million (\$3.8 million) and **Darwish Engineering** slightly more. The job entails installation of a twin 800-millimetre-diameter glass-reinforced plastic pipeline. Al-Waha recently won the civil works contract for the QR 58 million (\$15.9 million) Doha stormwater drainage scheme. The company will carry out work on the structure of the pumping station, including earthworks and pipelines. An award is still awaited for associated infrastructure. This contract is expected to go to the local **HBK Contracting** (MEED 29:4:88).

● **Qatar Fertiliser Company (Qafco)** plans to set up a third ammonia production unit with a design capacity of 1,500 tonnes a day. The unit is being built to meet growing world demand for ammonia, the Industry & Agriculture Ministry says. Qafco's first fertiliser plant, which started up in 1973, produces 900 tonnes of ammonia and 1,000 tonnes of urea a day. The two plants commissioned in 1979 have a daily capacity of 1,800 tonnes of ammonia and 2,000 tonnes of urea.

● Labour & Social Affairs Minister Ali Bin Ahmad al-Ansari visited Algiers at the end of May for talks aimed at promoting co-operation. His next stop was to be Geneva, to take part in the International Labour Organisation's (ILO's) 75th session from 1-22 June. Arab teams will meet before the conference to co-ordinate their stance on the agenda and formulate a draft resolution on the Gulf war and the Palestinian issue, the Kuwait news agency reports Al-Ansari as saying.



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