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Genscher, about which side started the Gulf war. Genscher on 29 July accepted an invitation to visit Baghdad for autumn talks with his Iraqi counterpart, Tariq Aziz.

Two days earlier, Baghdad had requested a postponement of the joint economic commission meeting due to be held on 4-5 August. The decision was taken in protest against remarks made by Genscher on a West German radio programme, in which he referred to the seven-year old conflict with Iran as "a terrible war which was begun by Iraq and in which poison gas has been used by Iraq."

Baghdad was "over-interpreting" the remark, a spokesman for the Foreign Affairs Ministry in Bonn said. Another government spokesman emphasised West Germany's neutrality in the war.

The Iraqi delegation to the joint commission meeting was to have been headed by Heavy Industries Minister Qassem Ahmad Taqi al-Uraibi, who arrived in Bonn on 24 July to begin preparations for the talks.

Topics to be discussed included trade relations, the balance of trade, areas of future co-operation and the problem of payment arrears, particularly short-term debt not guaranteed by West Germany's export credit insurance agency, Hermes. This includes non-confirmed letters of credit and individual claims from West German companies.

There are no precise figures on short-term debt owed to West Germany. Talks continue between **Rafidain Bank** and the main West German commercial banks about repayment of guaranteed short-term debt.

However, Bonn has already agreed — in March — to reschedule DM 1,000 million (\$537.6 million) worth of payments due in 1987; repayments will start in 1989.

There have also been reports that Baghdad's displeasure at Genscher's remarks has affected the prospects of West German companies bidding for new contracts. The most prominent is **Mannesmann Anlagenbau**, which leads one of three consortia bidding for the IPSA 2 crude oil export pipeline across Saudi Arabia. Mannesmann had no comment to make on reports that Baghdad had made it known it wished to break off negotiations.

However, one West German government official doubts "whether this will seriously affect economic relations, or even individual negotiations. Very soon, both sides will rediscover their common interest in continuing relations."

### Agriculture Ministry gets a shake-up

The number of state enterprises serving the farming sector has been halved to six, according to measures set out in Law 37 of 1987. The move is part of efforts to shake up the Agriculture Ministry.

Heading the new structure is the ministry itself, including the planning and follow-up department, administrative, financial and legal sections, the office responsible for the private sector, and the agriculture council. This formulates policy and sets objectives, as well as providing co-ordination, and tackling bottlenecks and other problems. The council, chaired by the minister, includes both undersecretaries, as well as their counterparts from the industry and irrigation ministries.

The six remaining organisations are: the **State Enterprise for Agricultural Supplies; State Enterprise for Poultry, Central & Southern Areas; State Enterprise for Poultry, Northern Area; State Enterprise for Fodder; State Enterprise for Developing Animal Wealth**, and the **State Agricultural Enterprise in Dujaila**.

Departments have been set up to cover farm protection; co-operation, training and agricultural guidance; horticulture, forests and pastures; applied research; agricultural land, and animal wealth services. Sections described as general organisations are to be responsible for agriculture in the provinces, with the exception of Arbil, Dohuk and Sulaimaniya, which will co-ordinate with the Kurdish autonomous region authority.

Abolished are the state organisation for agricultural mechanisation and agricultural supplies; animal production; development of animal resources; state farms and agricultural establishments; the state fisheries organisation, and the state enterprise for slaughterhouses.

### IN BRIEF

● **Rafidain Bank** has reported a rise in profits for the third year running. In 1986, earnings were ID 348.3 million (\$1,123.3 million), compared with 1985's ID 290.2 million (\$936.1 million — MEED 9:5:87). Total assets rose to ID 12,800 million (\$41,290 million), from ID 10,379 million (\$33,480 million).

● Tenders have been announced for the supply of 1,200 low-tension outdoor switchboards, plus 11-kV lightning arrestors and 11-kV outdoor expulsion fuse cut-outs. The client is the **State Enterprise for Minor Electricity Projects & Rural Electrification**.

● India's crude oil liftings will reach 3.5 million tonnes between April 1987-March 1988 — 25.5 per cent up from the previous year's 2.6 million tonnes. New Delhi has contracted to buy more oil in an effort to win further operation and maintenance (O&M) contracts, for which payment in oil is acceptable to the Indian government. Various O&M contracts are in the final stages of negotiation with Indian companies. S K Verma, the first secretary at India's Baghdad embassy, says. In July, New Delhi-based **RITES** won a \$147 million O&M contract for the railway between Baghdad, Akashat and Al-Qaim, the bulk of payments will be made in oil (MEED 11:7:87).

● The **Real Estate Bank**, formerly attached to

the Housing & Construction Ministry, is responsible to the Finance Ministry.

● Phosphate reserves estimated at 2,500 million tonnes have been found at Marbal, northwest of Baghdad. A further 1,500 million tonnes have been discovered in an unidentified area nearby. Total phosphate reserves, including those in the Akashat area, now amount to 7,500 million tonnes. The latest discoveries were made by the geological, survey and mineral investigations department, which on 25 July said preliminary investigations have revealed the existence of up to 307 million tonnes of bentonite, to add to proven reserves of 13.5 million tonnes. Other finds include an estimated 210 million tonnes of kaolin, plus commercial quantities of tremelite and limestone.

● More state enterprises have been set up by the Industry Ministry in line with resolution 283 of 1987 (MEED 30:5:87). They include the **State Enterprise for Drink & Mineral Water**, formed when the enterprises responsible for soft and alcoholic drinks were merged. The three organisations for gypsum, asbestos and plastic, and concrete industries have been amalgamated to form the **State Enterprise for Construction Industries**. The two sugar enterprises in Mosul and Sulaimaniya have merged into the **State Enterprise for Sugar Beet**, and the **National State Enterprise for Textiles** replaces the national state enterprise for textiles in Baghdad, and Tikrit's state enterprise for plastic sacks.

● Three Transport & Communications Ministry organisations have been abolished, according to resolution no 350. One is the state organisation for post, telegraph and telephone and its subsidiaries responsible for communications in Baghdad and the governorates, the post office department and the coaxial cables organisation. Replacing them is the **State Enterprise for Communications & Post**, which will be headed by a director-general. Another new venture is the **State Enterprise for Iraqi Railways**. This has been set up to replace the state organisation for Iraqi railways, also called the Iraq republic railways organisation, and its subordinates. The country's other railway companies were downgraded earlier in 1987 and now come under the aegis of the **State Enterprise for Implementation of Transport & Communications Projects** (MEED 16:5:87). The **State Enterprise for Iraqi Ports** has been set up to replace the former state organisation and enterprises responsible for Maaqal port, dredging, navigation and port services. Other new ministerial organisations are the **State Enterprise for Water Transport** and the **State Enterprise for Civil Aviation** (MEED 30:5:87).

● The state establishment for Iraqi oil tankers is now known as the **Iraqi Oil Tankers Company**, according to Law 275 of 1987. The new company is attached to the Oil Ministry.

● A full turn-out was reported among the first batch of university students to report for military training during the three-month summer holiday. More than 26,600 students are expected to attend, more than half the total student population of 45,317 in the academic year 1986/87 (MEED 25:7:87).

● More than 600,000 workers took part in six trades union elections on 26 July. The new unions will represent transport, public services, construction, weaving and textiles, agriculture