

Iran, Turkey and Pakistan, in early April held a two-day meeting in Istanbul to discuss proposed joint-venture projects (see Turkey).

● Turkish authorities have handed back two air force officers and a helicopter that arrived in Turkey with four other Iranians in early April. The four who sought asylum are Squadron Leader Shahin Abbas, and his wife and two children.

IRAQ

Aradet reviews fertiliser plant

Technical studies on a proposed sodium tripolyphosphate (STPP) plant were reviewed in Baghdad on 5-6 April. Bids for the fertiliser unit were also studied at the quarterly meeting of the Baghdad-based Arab Company for Chemical Detergents (Aradet), general manager Rajih Mohieddin says. The final award will not be made before the board meets again.

Plans for a Middle East STPP plant were first put forward by Al-Khobar-based Arab Petroleum Investments Corporation (Apicorp) in the late 1970s. Studies on viability and site were carried out by Apicorp; Qaim, in northwest Iraq, was chosen because of its giant phosphate fertiliser complex. Phosphoric acid — an essential raw material for the planned STPP plant — is produced by a 1,260-tonne-a-day unit built by Belgium's Coppee-Rust, using a process developed by Prayon-Rupel Chemische Bedrijven, also of Belgium.

Construction of the STPP plant — whose annual capacity has been set at 50,000 tonnes, to be doubled at a later stage — has been delayed by various factors. These include the Gulf war; Aradet's decision to give priority to another project, a linear alkylbenzene (LAB) plant being built at Baiji; and, more recently, uncertainty about the raw material, in terms both of consistency of supply, and the price Baghdad intends to charge.

Bids for the plant were invited on a turnkey basis incorporating the process licence, for purification and neutralisation, as well as construction. Two main groups are understood to remain in contention. One comprises two Belgian companies — Abay with Coppee Lavalin; the other groups two West German ventures, Kloeckner Industrieanlagen and Deutsche Babcock. Both offers incorporate the integrated know-how and technology of Coppee Lavalin and Prayon. The most recent offers are reported to have been submitted about 18 months ago.

Aradet's other project, the ID 30 million (\$96.7 million) LAB plant at Baiji, has been commissioned (MEED 28:3:87). Annual design capacity is 50,000 tonnes of LAB and 8,000 tonnes of the aromatic toluene. Commercial production is expected to start in first-half 1987; it is intended to meet local demand for detergent raw material, and eventually to export any surplus.

Midland signs second facility

The second UK credit facility for 1987 was signed in Baghdad on 5 April. A £50 million (\$80 million) general purpose line of credit has been set up, following final agreement between the Central Bank of Iraq, Rafidain Bank, the UK's Midland Bank — which has the mandate to arrange the credit — and the UK's Export Credits Guarantee Department (ECGD), which backs the facility.

The new line is for nominated capital goods and equipment; contracts should be signed before the end of 1987. The minimum contract value is £50,000, with contracts worth £50,000-150,000 (\$80,000-240,000) attracting three years' credit only (MEED 21:3:87; 22:11:86). However, it is understood that the bulk of the credit is already spoken for.

The £50 million has been transferred from the £150 million (\$240 million) allocated for projects in the 1985 financial protocol, which was also arranged by Midland. Baghdad is reported to have requested that a further £50 million be transferred to the general purpose line, but ECGD's acceptance may depend on repayments being made on time in June and July.

Midland is also arranging a £50 million credit for pharmaceuticals products and medical equipment. This was signed earlier in 1987.

Brazil deal signals new economic accord

A fresh contract to supply beef and chicken was announced by Brazil at the beginning of April. The award coincided with the signing of an economic co-operation accord for 1987.

The order calls for the supply of 6,000 tons of chicken and 10,000 tons of processed beef by Interbras, the trading subsidiary of Petroleo Brasileiro (Petrobras). Interbras president Carlos Sant'Anna declined to reveal contract values, or the volume of oil linked to the order. Payment for Brazilian goods is guaranteed from the receipts of oil sales to Brazil, according to the 1984 agreement reached by Petrobras and the State Organisation for Oil Marketing (MEED 21:9:84).

A desire to buy more food products, as well as vehicles and weapons, was expressed by Trade Minister Hasan Ali during his visit to Brazil at the head of a team that formed part of the Iraq-Brazil joint economic commission. One large deal still pending is for the supply of 80,000 cars by Volkswagen do Brasil; it has been discussed for some time (MEED 27:9:86).

The government also intends to favour Brazil in contracts for services and development projects, Hasan Ali said. Two projects, in particular, have long held the attention of Brazilian companies. The first is an operation and maintenance (O&M) order for the 1,000-kilometre railway

between Baghdad, and Akashat and Qaim. A consortium of Ferrovia Paulista (Fepasa), Engenheiro Especializados (Engesa) and Figueiredo Ferraz Consultoria & Engenharia de Projeto has bid for the live-year contract, which may also cover another line (MEED 22:2:86; 16:11:85).

Another order being discussed is an aircraft servicing deal with Motortec Industria Aeronautica, reports say. This calls for the inspection and servicing of aircraft, mechanical components and turbines — in Iraq and Brazil — and the setting up of a helicopter repair facility in Iraq.

On the project side, Construtora Mendes Junior looked to be front-runner for the Badush dam scheme at the end of 1986. It was asked in November to submit a revised offer involving payment in dinars — a credit arranged through Banco do Brasil's foreign trade department, Cacex — plus a commercial bank loan. Mendes was seeking assurance from the client that the project had priority, and that there would be a guarantee of payment from the Central Bank of Iraq.

Brazil's Geotecnica has been awaiting a letter of intent for a contract to provide geological services at dam sites throughout Iraq (MEED 2:8:86).

Two-way trade remains in Iraq's favour. It is still Brazil's largest oil supplier, providing about 215,000 barrels a day. According to preliminary estimates, Brazil paid \$966 million for 1986 oil imports from Iraq, but its exports were worth only \$369 million.

JORDAN

Locals bid low for road scheme

Lowest of six offers for a contract to build the Naur bypass has come from a local joint venture of Al-Jafer Company and General Contracting Company, at JD 3.3 million (\$9.8 million). Bids for the work — one of four components in the Amman-Naur-Dead Sea road project — ranged up to JD 4.7 million (\$14 million), the price offered by a joint venture of the local Consolidated Contractors Company and the US' H B Zachry.

The local Trans Orient Engineering & Contracting Company (Trocon) is already working on the first section of the route, which runs from Amman airport road to the Marj al-Hammam intersection.

Tenders for the remaining two sections are expected to be called within two months. Five local/US consultancy joint ventures have been shortlisted for the work, and invited to make technical proposals for supervising construction of the Naur to Dead Sea section; deadline is 11 April.

The US Agency for International Development (USAID) has granted \$25 million for the estimated \$46 million project