

## EGYPT

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The bidders for the new unit at Asyut include the Japanese consortium of **Mitsubishi Heavy Industries** and **Toshiba Corporation** that is working on the first 300-MW unit in the Upper Egypt town. This contract was awarded on the basis of a bid originally submitted for Demanhour. The other groups are:

□ **Gruppo Industrie Elettromeccaniche per Impianti all'Estero (GIE)** and **Sadelmi Cogepi** — both of Italy — with **Babcock & Wilcox Canada**

□ Japan's **Citoh & Company** with the European group, **ABB Asea Brown Boveri**, and South Korea's **Hyundai Engineering & Construction Company**

□ Romania's **Romenergo**

□ West Germany's **Kraftwerk Union (KWU)**

□ France's **Alstom**

□ Austria's **Waagner-Biro**, with the UK's **NEI Parsons**, **ACEC** of Belgium and Spain's **Dragados & Construcciones**

□ a Japanese consortium of **Marubeni Corporation**, **Hitachi** and **Ishikawajima-Harima Heavy Industries**

□ **Westinghouse Electric Corporation** of the US, with France's **Bouygues**.

The commercial bids will include financing proposals.

### Arab funds sought for industry

Talks have been held in Cairo with a visiting UAE team about financing three industrial projects. The discussions also dealt with a project to reclaim 155,000 feddans (65,100 hectares) of marginal land to be developed for agriculture.

The Abu Dhabi Fund for Arab Economic Development (ADFAED) has already pledged to lend \$75 million for the 65,000-feddan (27,300-hectare) first phase of the scheme (MEED 17:6:88).

The government has proposed three industrial projects as candidates for Arab aid funds. Originally conceived as public or mixed-sector schemes, the schemes will now be carried out as entirely private-sector ventures. They are:

□ The Qus paper mill, in Upper Egypt. The mill will process bagasse — dry sugar cane pulp — to produce 60,000 tonnes of paper a year. Bids were submitted for the estimated \$200 million scheme in 1985. However, the project was shelved because of a bribery scandal. The representative of one of the bidders — Switzerland's **Sulzer Escher Wyss** — was jailed, along with a commercial agent and several Industry Ministry officials. The Sulzer official was recently released (MEED 5:4:86).

□ Plate glass. A contract was signed in 1985 to build a plate glass factory in 10 Ramadan City. The technology was to be provided by France's **Saint-Gobain**, with the plant built by **Technip**, also of France. It was suspended because the depreciation of the local currency worked against its financial viability.

The estimated \$150 million plant was to have an annual production capacity of 100,000 tonnes of plate glass (MEED 25:4:87).

□ A sugar beet factory. This is to extend the existing plant built by France's **Fives-Cail Babcock** in the Kafr el-Shaikh area of the Delta.

### IN BRIEF

● Supply & Home Trade Minister Galal Abul-Dahab has issued a ruling to extend to one month the period within which importers must provide details of their import costs to pricing committees. The period was previously one week. Importers said they needed the extra time to gather all the figures on freight and insurance costs, and other charges. However, Abul-Dahab has rejected a request from importers to include interest charges in the total costs. According to decrees 120 and 121 of 1986, the pricing committee sets wholesale and retail prices at a margin above the import cost.

● The UK's **Kennedy & Donkin** has signed a contract for supervision and design control services for the 300-MW thermal power plant extension being built in Suez by West Germany's **Kraftwerk Union (KWU)**. The British firm will be working with its local partner, **Egyptian Consulting Group**. The order is one of four tendered in late 1987. Awards for the other three — for power stations in Asyut, Demanhour and Abu Qir — have been delayed because of difficult negotiations with local authorities (MEED 19:12:87).

● **Alexandria Shipyard Company** is negotiating with the **Egyptian Navigation Company (ENC)** about a contract to build two 12,600-dwt multipurpose vessels, the London daily Lloyd's List reports. Denmark's **Burmeister & Wain** has been approached with a view to providing designs and technical assistance. The shipyard is at present working on only two 3,000-dwt roll-on, roll-off (ro-ro) vessels designed by West Germany's **Schlichting-Werft**. Talks have been held with Denmark's **Aalborg Vaerft** about an order for two 2,200-dwt ferries (MEED 12:7:86).

● The local **El-Nasr Casting Company** has a \$3.5 million contract to lay water pipelines at Demanhour and Shoubra Khit, in the Delta. The project is part of the World Bank-financed Beheira water supply scheme.

● **Badr Camp for Tourism** is to start weekly flights to Cyprus from Alexandria, in partnership with **Air Alexandria**. The flights will leave Alexandria every Friday. Badr Camp is part of the Badr Islamic investment group.

● Three coal fields have been discovered in Sinai, the **Egyptian Geological Survey & Mining Authority (EGSMA)** says. The fields lie east of El-Arish. EGSMA chairman Ahmed Abdel-Halim says reserves in the largest of the three fields are estimated at about 15 million tonnes. This compares with reserves of 27 million tonnes in the nearby Maghara mine, which is being developed with UK help. The fields are to be assessed for commercial viability.

● The world's largest tanker passed through the Suez Canal on 16 July, taking advantage of special discounts offered by the **Suez Canal Authority (SCA)**. The vessel — the UK-owned **Esso Express**, 516,000 dwt, 406 metres long and 71 metres wide — traversed the canal from

north to south en route for the Gulf. SCA chairman Mohamed Ezzat Adel says large tankers are being given 58 per cent discounts to induce them to use the canal, rather than taking the Cape of Good Hope route. The Esso Express paid \$190,000 in net tolls for its crossing, he said.

● Contractors are expressing concern at the recent increase in the price of reinforced steel bars (rebars). In the past three months, the price has risen to more than £E 1,000 (\$ 435) a tonne from £E 600 (\$ 260). Government officials say they believe Islamic investment companies are hoarding rebars to push up the price. Cement prices have also been raised, by government decree. Contractors which have omitted to include clauses in their contract documents providing for cost increases are facing heavy losses.

● The government has drawn up an environment law aimed at protecting soil and water resources from pollution. The law's enactment will be supervised by Cabinet Affairs Minister Atef Obeid, who is to set up an operations room to work round the clock on the issue. The legislation will be presented to the people's assembly soon.

● A countrywide hunt is being made for three convicted members of the Jihad organisation who escaped from Torah prison on 17 July. Jihad is an extremist Islamic group which plotted the assassination of president Sadat in 1981. Three of the 11 men arrested on charges of belonging to the Egypt's Revolution group have been granted bail. The group is alleged to have carried out several attacks on Israeli and US diplomats.

## IRAN

### Chemicals complex hit again in air raid

Japanese firms plan fresh talks with Tehran about the fate of the incomplete Bandar Khomeini petrochemicals complex, but have ruled out further investment. The Japanese statement came on the day Iran reported an Iraqi air attack on the \$4,000 million facility, in the south.

The complex, bombed several times during the Gulf war, is owned by **Iran Japan Petrochemical Company (IJPC)**, a joint venture between the Japanese **Iran Chemical Development Company (ICDC)** consortium and the **National Petrochemical Company (NPC)** of Iran. ICDC is led by the **Mitsui Group**.

The Japanese withdrew from the site on the Gulf coast after a November 1986 Iraqi air raid. In August the following year, they showed big write-offs in their accounts. Mitsui alone has made provisions of ¥ 125,000 million (\$943.4 million). The scheme was started in 1973 and was nearly 85 per cent complete at the time of the 1979 revolution; it has been dogged by cost overruns amounting to more than 1,000 per cent.

A Mitsui official said on 19 July that the situation would be discussed with the Iranians and the Japanese government, but there was no question of further investment.