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NEWS

Several fields, including Khabbaz, were listed in June by Oil Minister Issam Abdel-Rahim al-Chalabi as likely to increase production capacity by a total of 500,000 b/d over the next two years (MEED 17:6:88).

Indians bid low for Samarra sewerage scheme

India's **Jaiprakash Industries** is the low bidder for the Samarra sewerage project. The scheme was retendered as a turnkey contract after the client — the **General Establishment for Water & Sewerage** — was reported to be unhappy with the contract price offered by the quasi-state **Al-Farouq Contracting Company** (MEED 20:5:88). The bids are reported to be:

- **Jaiprakash** with the local **Abdul-Karim Thiab al-Khirbit** — ID 20.05 million (\$64.7 million) with a 70 per cent foreign currency portion
- India's **Continental Construction** — ID 20.17 million (\$65.1 million) with a 68 per cent foreign currency portion
- the local **Dezayi Company** — ID 21.39 million (\$69 million) with a £10.9 million (\$18.4 million) foreign currency element
- the local **Habib al-Haloo** — ID 22.9 million (\$73.9 million) with a £3.5 million (\$5.9 million) foreign currency portion
- **Al-Farouq Contracting Company** — ID 26.5 million (\$85.5 million) with a 12 per cent foreign currency element.

Jaiprakash Al-Khirbit is also the main contractor for the third stage of the Basra sewage scheme. The \$201 million contract was awarded in February 1986, but work has been delayed because of the war.

However, Jaiprakash says about 100 workers have been employed on the contract since May 1988. As the situation improves, more will join them. The company has received its 5 per cent advance mobilisation payment (MEED 1:3:86).

Pan-Arab glass works gets go-ahead . . .

The technical committee in charge of promoting a proposed pan-Arab float glass factory has secured the estimated \$126 million capital necessary for the new company which will run the project.

The firm — to be known as the Iraqi-Gulf Glass Works Company — will be based in Baghdad. Iraq will be the largest shareholder; others are expected to include Saudi Arabia, Qatar and the Amman-based **Arab Mining Company**. The company's status will be officially confirmed at a meeting scheduled for 5 September, when the project's designs will also be approved.

The float glass works, initiated by the Doha-based **Gulf Organisation for Industrial Consulting (GOIC)**, will produce about 100,000 tonnes of glass a year. It will be built at Ramadi, 250 kilometres west of Baghdad, in an area rich in high quality sand. About

half the output will be exported to Gulf states and Jordan. The estimated \$100 million-150 million factory is also expected to provide 300 jobs.

The first studies for the project were done by GOIC and the UK's **Pilkington Brothers** in the early 1980s; more recent technical and economic feasibility studies were carried out by GOIC with Sweden's **Scandiaconsult** (MEED 4:1:86; 15:2:85).

. . . as detergents plant makes progress

Companies from the US, Japan and Europe have been invited to bid for a proposed detergents plant. The project — estimated to cost ID 8 million (\$26 million) — will be awarded on a turnkey basis, says Adnan Younis Khidhir, director-general of the Baghdad-based **Iraqi-Jordanian Company for Industry (IJCI)**, which is sponsoring the scheme (MEED 27:5:88).

The factory, to be built near Baiji, will produce 60,000 tonnes of powdered detergent a year. The main contractor will be expected to award subcontracts to local companies for building non-productive elements, such as stores, laboratories and offices. Local and Jordanian contractors will also be asked to bid for civil works.

IJCI will begin soon to study offers for the factory, and expects to complete contract negotiations by early 1989. It will also be responsible for setting up a firm to run the factory. Documents establishing the firm, the **Iraqi-Jordanian Company for Detergent Industry**, have been approved. IJCI will offer 49 per cent of the company's shares for subscription in Iraq and Jordan.

Wheat purchases level off as output rises

Wheat imports are expected to hold steady in the 1988/89 season, at around 2.8 million tonnes. The US, Australia and Canada will be the main suppliers. The US expects to deliver about 1 million tonnes of wheat, as well as feed grain — where it says Iraqi imports will rise — and barley. Roughly 250,000 tonnes

of American barley have already been shipped.

Better rains and the introduction of new agricultural techniques mean local production of wheat and barley should increase this season, Agriculture & Irrigation Minister Karim Hassan Redha says. About 2.6 million hectares will be planted with the two crops, of which 250,000 hectares have been leased to private companies or individuals (see box).

Redha also expects a rise in output of crops such as maize, sunflowers, cotton, soya bean and sorghum. Farmers have been encouraged to build greenhouses to allow year-round production of vegetables; about 300,000 hectares is now given over to vegetables.

IN BRIEF

● Companies have been invited to express interest in bidding for two contracts related to work on Baghdad's medical city, industry reports say. The orders are for operations and maintenance (O&M) and equipment supply for stage 2B. Offers to equip 2B's 650-bed surgical hospital and a 220-bed children's hospital were first invited in 1984. The O&M tender was originally announced in late-1986 (MEED 8:11:86). The latest invitations were issued by the Health Ministry, which has requested deferred payment terms.

● Abdel-Salem Mohammed Saeed, a member of the presidential diwan, has been appointed acting Health Minister in a Revolution Command Council decision announced on 1 August. Saeed, who was director of security affairs in the president's office, has been given full ministerial powers. He succeeds Interior Minister Samir Mohammad Abdel-Wahab who was temporarily minister following the sacking of Sadiq Hamid Alloush in May (MEED 20:5:88).

● The UK's **Rotary Group** is understood to be a leading contender for a contract to supply mechanical and electrical equipment for a new horse racing track planned for Baghdad. Designs have been prepared by the local **Hisham Buni**. Work will include building a grandstand and stables. Other contracts for international firms are reported to include supply of starting gates and associated electronic equipment, and a computer-controlled betting system.

● There will be no more price increases for basic commodities, Trade Minister Mohammed Mehdi Saleh said on television in July. The country has enough stocks to meet local demands for more than one year. The minister spoke to dispel speculation about a fresh price hike following a sudden five-fold increase in the cost of tomato paste — the price of an 850-gram tin increased to ID 2.13 (\$6.90) from ID 0.44 (\$1.40). The rise was approved by the president's office, to cut back imports and encourage consumption of locally grown, fresh tomatoes. The president's office also called for prompt delivery from abroad of the red-rock tomato seed which is suited to the climate and is particularly good for the local tomato paste industry, Saleh said. He added that only 30 per cent of the 1988 allocation for tomato paste imports would be available in 1989, and imports would be suspended in 1990.

	Total yield	Yield a hectare
Wheat		
1988/89	1,350,000	1.1
1987/88	722,000	0.6
1986/87	1,033,000	0.8
Barley		
1988/89	1,840,000	1.4
1987/88	743,000	0.5
1986/87	1,045,000	0.7
Rice		
1988/89	726,000	7.1
1987/88	196,000	2.7
1986/87	141,000	2.7

Source: Agriculture & Irrigation Ministry