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10 DOWNING STREET

From the Private Secretary

6 August 1984

Major Project Report

Thank you for your letter of 1 August enclosing the Eighth EX(O) Report to the Prime Minister on prospects for major contracts in the overseas projects field.

The Prime Minister has studied this carefully. She notes that a number of important opportunities exist in the countries which she will be visiting during her tour of South East Asia and Sri Lanka in September. She assumes that full briefing will be provided on these as part of the briefing for the visit.

I am copying this letter to the Private Secretaries of Members of EX(O) and to Richard Hatfield (Cabinet Office).

C D Powell

Miss Ruth Thompson
Department of Trade and Industry

ECU



CCNO

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Secretary of State for Trade and Industry

1 August 1984

Prime Minister
CDP
1/8

Charles Powell Esq
Private Secretary to the Prime Minister
10 Downing Street
London SW1

Dear Charles,

MAJOR PROJECT REPORT

I enclose the Eighth EX(0) Report to the Prime Minister on prospects for major contracts in the overseas projects field. The Report reflects the position in June.

2 Despite the continuing world recession there are still project opportunities available, though they have become increasingly sparse. In this climate, international competition, always heavy in the project sector, has become even more intense. Nevertheless, successes recorded since the last Report include:

<u>Project</u>	<u>Contractors</u>	<u>Status</u>	<u>UK Value</u>
			£m
Oman: tank storage compound	Costain International Ltd	loan agreement signed 21.3.84	60
Egypt: Greater Cairo Sewerage	<u>GEC</u> Lilley Tarmac Christiani & Neilsen	contracts awarded	60
USA: supply of 18 aircraft	Short Bros	contract awarded	115
Sri Lanka: Colombo Airport (utilities)	<u>GEC & UK</u> Airports Group	"	18
<u>Switzerland: supply of aircraft</u>	British Aerospace Airbus Industrie	"	55

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<u>Project</u>	<u>Contractors</u>	<u>Status</u>	<u>UK Value</u> £m
<u>Singapore:</u> <u>cable system</u>	BICC	<u>Contract</u> <u>awarded</u>	60
<u>Hong Kong:</u> <u>cabling</u>	BICC	"	25
South Korea: Posco 2nd Integrated steel mill (<u>Letter of Intent noted in previous Report, at value of £25m</u>)	Davy McKee	"	38 (ECGD rapid matching)
Singapore/ Western Europe: telecoms cable segment	STC	"	30
Singapore/Taiwan: telecoms cable segment	"	"	60
Australia/ Singapore: telecoms cable	"	<u>Letter of Intent</u>	103 (ATP £3m)
<u>Iraq:</u> <u>Al Musaib power</u> <u>station turbines</u>	NEI	"	50

Negotiations on the power station for BALCO - £129m (ATP £33m and bilateral aid £61m) and for the sale of Westland WG30 to India - £90m (bilateral aid £65m) are well advanced.

In addition, there have during the period been smaller-scale successes, often associated with existing projects; for example, design work worth £9m undertaken by Mott Hay & Anderson with Sir William Halcrow & Partners, and the supply of a braking system worth £5m by Westinghouse Brakes, for the Singapore mass transit system, following the £20m success for complementary work on this

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project noted in the previous EX(0) Report. Cumulatively, such smaller orders following the success in a major project can be of considerable significance.

3 The project climate is difficult: the problem of rising indebtedness has forced many developing countries, even those which have not applied for rescheduling or refinancing, to curtail or rephase their investment programmes. The seriousness and widespread nature of this problem is reflected in the fact that ECGD cover is now severely restricted for some 76 countries. This means that there are few opportunities for pursuing major business in South America and much of Africa, except in the case of a limited number of markets which either have natural resources or have been more prudent in managing their economy. Despite this unpromising situation, however, our contractors and suppliers are being encouraged to maintain their contacts in major markets in both Continents.

4 The Middle East still offers some prospects of substantial contracts, despite the uncertainty created by the Gulf War and the general reduction in spending brought about by the international change in the movements of exported oil. The best markets in the region remain Saudi Arabia, the Gulf and Oman. Iraq, despite its present precarious position, continues to attract attention because of its considerable potential. But competition for available opportunities is intense.

5 The markets with the best immediate prospects continue to be those in South East Asia, notably Thailand, Malaysia and Indonesia: and British firms are active in all project areas in these markets. However, the contraction of the world market has focused competition on this region, and stimulated the capital goods exporting countries to offer very generous financing terms for virtually all major business, including aid, mixed credits and soft loans. The French and in particular the Japanese have become most adept at putting together packages which are difficult and in some cases impossible for the UK to match.

6 Looked at by project sector:

(a) In the transport field, UK companies have been competing strongly for the mechanical and electrical contracts for the Singapore Mass Transit Railway. As indicated above, some success has been achieved by Westinghouse in particular in securing orders for signalling, platforms, doors and brakes. Metropolitan Cammell came close to obtaining the contract for rail cars, but were beaten by a substantial last minute reduction in price by the Japanese. Other major business being pursued includes the rehabilitation and upgrading of the Malaysian railway system, other railway business in Thailand and Australia, a large order for buses



for Bangkok, and airport projects in Indonesia, Thailand and Malaysia. If finance can be found, British contractors will be well placed for the contract to undertake a major road scheme between Hong Kong and Canton and participate in a new international airport project in the Shenzhen Economic Zone in China.

(b) The process plant sector is extremely depressed, with many projects being suspended, scaled down or even cancelled. Few major green field developments are in prospect: those projects which do seem likely to go ahead (eg in Thailand and Indonesia) are increasingly looking to raise finance on the security of the project itself, rather than with the explicit backing of the Governments of the countries concerned. This raises major new difficulties in assembling competitive financial packages.

(c) Continuing low mineral prices mean that projects in the mining sector are also tending to move forward more slowly, if at all. However, there are some big projects in this area (eg coal projects in India and China, copper projects in Papua New Guinea and Chile). The UK has some strengths to exploit in this area, but competition remains intense.

(d) Financing problems increasingly bedevil major hydro power projects. Largely because of the high local costs involved, these will only go ahead when substantial funding from multilateral agencies is available and/or with collaboration on construction and finance between a number of Western countries. This is, however, a sector where the UK has some major success to build on, so we should be well placed to participate in new projects to the extent that we are able to provide financial support to our contractors and suppliers.

(e) Progress in the telecommunications project sector has been slow during the last six months. Various opportunities in India, including UXD5 rural exchanges and PABXs, have either failed to materialise or have been subject to prevarication and delay by the Indians. System X has yet to notch up a major overseas order. It is worth noting the achievements of STC in pursuing a successful strategy in the submarine telecoms cables sector: this is reflected in the list of successes already given.

(f) A sector of growing interest is that of educational equipment. A programme of trial micro computers in 250 Indian schools is the first major example of increasing overseas interest in UK educational technology. Major opportunities are being pursued in Indonesia, Mexico and other markets.



listed in the previous EX(0) Report and which have been reported as lost to competition. There is, unfortunately, no discernible pattern of why these losses have occurred: in several cases price was the deciding factor, but we are not always able to obtain evidence, and the other cases are a mixed bag.

8 I am copying this letter to the Private Secretaries of Ministers whose Departments are regular participants in EX(0), and to Richard Hatfield in the Cabinet Office.

Yours sincerely,
Ruth

RUTH THOMPSON
Private Secretary

PROJECT	UK CONTRACTOR(S)	SUCCESSFUL BIDDER	REASONS(S) FOR FAILURE
SAUDI ARABIA PVC/VCM COMPLEX (PROJECT NO 32)	SIM CHEM	GFR	CLIENT WILL NOT RELEASE INFORMATION
SINGAPORE MASS TRANSIT (PROJECT NO 68)	MET CAM	JAPAN	LOST ON PRICE. JAPANESE REDUCED BY 10% AT LAST MOMENT
KOREA 2ND INTEGRATED STEEL MILL (PROJECT NO 73)	BABCOCK, AIR PRODUCTS	JAPAN (1 CONTRACT) FRANCE (1 CONTRACT)	LOST TO JAPANESE ON PRICE FINANCE TERMS (FRENCH MIXED CREDIT)
TUNISIA SULPHURIC PHOSOPHORIC ACID PLANTS AT LA SHKIRA (PROJECT NO 130)	SIM CHEM	FRANCE	CONTRACT LOST TO FRENCH FOR POLITICAL REASONS

MAJOR CIVIL OVERSEAS SALES PROSPECTS - REPORT NO 8 JUNE 1984

COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
				<u>MIDDLE EAST</u>			
BAHRAIN	1 Arabian Gulf University Shepherd Robson	Unknown but 300-400 (1981 prices)	Prequalification for construction of first stage closed on 24.10.83. Director will invite tenders early in '84	Shepherd Robson have completed the master Plan. First design phase - WS Atkins and Partners (UK); Main Academic Building - (Consultancy) Kenzo Tonge (Japan); Architectural design - YRM International (UK); Quantity Surveying - Langdon and Every (UK).	PM briefed to raise during visit 9.81.	France	-
EGYPT	2 Dekheila Port Wimpey	50	1985	IBRD Loan of \$132m available. Egyptians may put in \$118.2m. However project no longer priority in Egyptian Port Programme.	-	Canada and others	-
	3 Cairo Metro 'Fixed Systems' contracts (signalling power etc) Hawker Siddeley	60-70 overall; 30 stage I	Early 1984	HS bid April 1983, decision is still awaited, following extensions to bid.	Overseas Ministerial visit.	France, Italy	ECGD matching French financial terms. OPF for precontractual expenses.
	4 Greater Cairo Sewerage. Various consortia bidding for UK funded contracts. Phase 1 project divided into 11 contracts	150	January - December 1984	4 contracts awarded to GEC, Lilley and Tarmac. 4 contracts likely to be awarded in next 3 months. Final contracts depend on extra funding being found.	No recent contact.	-	£100m ECGD support linked to £50m ODA grant. Egypt seeking further aid and credit for last stages of schemes and for cost escalation.
	5 Helwan Wastewater Fairclough International	50	March 1984		-	Germany, France, Italy	OPF application rejected.
	6 Maghara Coal Mine Babcock Morgan Grenfell	50	Management services contract imminent	Feasibility re-habilitation study complete and accepted by client. Project will be financed under Cockfield package. Initial aid offer made January 1984.	-	-	£12.5m and export credit £37.5m agreed to certain conditions.
	7 Float Glass Plant Klockner Ina Industrial Plants Limited Babcock Woodall-Duckham Ltd	55	Uncertain	Bids being evaluated. Proposed proliferation of such plants in Middle East indicate projects might not proceed.	-	France, West Germany USA	OPF application rejected.
IRAQ	8 Erbil Airport Scott Wilson Kirkpatrick	Project value approx £120m	Unknown - no provision in 1983 budget for con- struction costs.	The design study by SWK was completed in Feb 1984 and is now being considered by Iraqi Govt. Client is in no hurry to press ahead with implementation and it is unknown when prequalification of contractors might take place.	-	Not yet known but expected from France, West Germany and Brazil.	-

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
IRAQ (cont'd)	9 Baghdad Metro. Group of UK consultants led by Freeman Fox overseeing project. GEC, Hawker Siddeley, Metro Cammell working together in pursuit of contract. Ove Arup & Mott Hay and Anderson have bid for further design work.	400 potential on equipment (including railcars) - UK potential on civils not known.	Uncertain	Civil construction and hardware tenders put back because of economic consequences of Iran/Iraq war, although design contracts still continue to be awarded.	SOS(T) discussed during Joint Commission in Baghdad. Inward mission to UK. Letter of support	FRG, USA	OPF support to consultants being provided. OPF agreed for E&M bidders.
	10 Main Line Railway Development. GEC, Hawker Siddeley and other UK railway industry.	Several hundred million	Tenders issued. Bids 9.82	Main bid by UK consortium of firms formed by EGCI effectively lost although no formal award has been announced.	Overseas visit. Inward missions.	W Germany, Greece, Korea, Brazil, USA, France, Italy.	OPF
	11 Printing and Minting Complex John Laing International Wimpey & Taylor Woodrow	73	End 1984	Project currently being upgraded in Iraqi priority list.	-	Sweden, Germany, France Yugoslavia, Japan, Korea	OPF to John Laing refused as other UK firms are now bidding.
	12 Crude Oil Pipeline to Saudi Arabia for access to Red Sea. British Pipeline Engineers and Contractors Ltd leading an international consortium with French, FRG and Japanese firms.	150-175	Mid 1984	Currently out to international tender	-	West Germany, Holland etc	ECGD cover by no means certain. Will need to be put to Ministers.
	13 Al Mussaib Power Station (4 x 300 mw) GEC NEI	82	Imminent	Hyundai of South Korea has letter of intent for contract subject to satisfactory financing. NEI have now chosen to supply turbine generators. NEI are also tendering to Hyundai for boilers and are favoured supplier subject to acceptable price.	-		UK subcontracts possible candidates under £250m UK line of credit.
	14 Dual Fired Boilers for Al Yusiffiaya 4 x 300 mw. Babcock Power Ltd	82	Uncertain	acceptable price. Babcock and NEI intend to bid	-	France, Japan, W Germany, Italy	Max OPF support
	15 Reinforced concrete Reservoirs project. Anglo-Overseas Construction Corporation Ltd in joint venture with Lehane McKenzie and Shand Ltd. JMJ (Ireland) Ltd and Lilley Construction.	55-155	Uncertain	Project may be phased over 2-3 years. Bonding is a problem. Iraqis treating as low priority; no progress expected until 1984.	-	W Germany, France, Japan, India, Korea	More information required before formal submissions could be made.
	16 Oil Pipeline (Aqaba Pipeline) Iraq-Jordan	Not yet known expected to be well in excess of £50m	Uncertain	This project is known to UK, however no firm views have been taken yet as to size, nature or findings of the project.	-	-	-
	17 GEC High Voltage Switchgear	64 approx	Tender closing date 31.3.84	Subject to nomination under financial protocol indication of cover given 22.3.84	-	-	-

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
KUWAIT	18 Mirqab Transportation Centre WS Atkins	100	Mid 1984	WS Atkins designing centre. Negotiations on financial matters continuing. Tender issue late 1984.	-	Unknown	-
	19 Highway Surveillance and control system.	75 approx	-	Funds being sought prequalification bids by suppliers under consideration. Consultancy due to be awarded soon.	-	-	-
LEBANON	20 Beirut Hospital	55	Uncertain	Lack of ECGD cover. Laings are attempting to raise finance.	None	France, W Germany, Italy, USA.	OPF refused.
	21 5 x A310 (Airbus) Aircraft and spares for MEA (Middle East Airlines)	56 (£85)	November 1984	Discussion still centres on financial security - ECGD's aim being to exclude the risk on Lebanon since cover is not available on this market.	-	USA	Normal terms
	22 Supply of 2 x 165mw generators for power station. NEI Parsons.	50	Uncertain	Award of contracts unlikely until political situation clearer.	-	France	Partial initial ECGD support provisionally agreed.
OMAN	23 Dam Construction Pauling (ME) PLC	55	Uncertain	Awaiting decision on inclusion in 5 year plan.	-	-	-
	24 Design and Construction of sewage treatment system at Salalah. Cementation International George Wimpey Taylor Woodrow	53	Uncertain	-	-	-	-
	25 Equipping of the Sultan Qaboos University. UK consortium: Philip Harris (leader), Teleprint International Ltd, Gallenkamp International Ltd.	50	-	Decision on the award of contract is expected to be made Summer 1984.	HMG support has been indicated.	US, Canada, France, Germany.	OPF towards precontractual expenses has been agreed.
QATAR	26 Development of North Gasfield and management of proposed LNG plant. Shell and BP.	Could be very large.	-	BP and CFP (France) invited to form consortium 6.2.83. Final agreement now reached on joint venture with Qataris. Formal signing expected shortly.	PM supported BP's interests during her visit to Qatar, Easter 1981. SOS D/En also visited Qatar.	France, FRG, USA	-

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
UNITED ARAB EMIRATES (ABU DHABI)	27 Al Ain Airport Scott Wilson Kirkpatrick (SWK) Sir Alexander Gibb	Not known but could be substantial (total project 135)	To be let progressively over next two years.	SWK undertook master plan and preliminary design and will be involved in tender evaluations. First contract earthworks - awarded to local company. Contract 2 - electrical and mechanical subject to some delay pending result of a competition to design the terminal building. SWK, Gibb and 9 other firms have been invited to submit designs. Prequalifiers are being considered and the contract is likely to go to tender in 6 months time.	MOS I raised this project with President and Abu Dhabi Airport Department during visit 9.81. Nothing promised by Abu Dhabi but there was an apparent understanding that UK could expect to win substantial business if competitive.	Earthworks-West Germany, France, Cyprus. Design - West Germany, France, USA, Italy, Holland.	-
	28 Airport/Town Rail Link Transmark	Substantial	Uncertain	Transmark have proposed a 35km high speed rail link between Abu Dhabi, and its International airport in competition with French TGV. No decision to proceed yet taken.	-	France	-
SAUDI ARABIA	29 Gulf Railway Transmark	Several hundred	Uncertain	Transmark proposed a study of a Gulf railway linking Iraq via Kuwait and Saudi Arabia with the Gulf States. Such a railway is amongst plans of the Gulf Cooperation Council (GCC) but unlikely to go ahead unless Saudis decide in favour of railway solution. Transmark have recently been commissioned by the GCC to undertake further work.	The Prime Minister briefed to raise during her 1981 visit to Kuwait and Bahrain.	-	-
	30 Jeddah/Mecca Railway Transmark, Freeman Fox/ Kennedy and Donkin/Halcrow Fox	Several hundred	1985	Transmark presented a study of a link between Jeddah and Mecca to Saudi Ministry of Communications in February 1982. Implementation in short term unlikely, but a further and more comprehensive study is being considered for which Transmark were asked to bid; award is however not now thought likely until 1985.	-	Japan, USA	OPF support for original study.
	31 Security Systems Shorrocks Security Systems	51	Mid 1984 (first site)	Shorrocks have submitted design and plan for project (not a detailed bid) to Saudis for security for 6 airfields. Company has been included in shortlist and invited to bid for first airfield site; if successful Shorrocks will be well placed for remaining work.	-	Germany, USA	OPF
	32 Jubail: Lube Oil Refinery. George Wimpey ME and CO Ltd	75	Tender issue awaited	Projects status uncertain; probably abandoned by Saudis.	-	-	-
	33 Multi Products Pipeline and Underground Storage installation. British Pipeline Engineers and contractors Ltd, RTZ, EPA.	450	-	Saudi MODA fact finding mission visited UK in Nov/Dec. Awaiting decision to proceed by MODA.	-	France, W Germany, Sweden	-
	34 Nine General Hospitals Taylor Woodrow leading consortium	85	Uncertain	Bids for 9 separate tenders (in 3 packages)	-	Worldwide	-

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
SAUDI ARABIA (contd)	35 To provide 2 intelsat 'A' Stations Cable & Wireless	possibly 50+	Uncertain	C&W invited to tender; NEC (Japan) as sub-contractors, Mitsubishi in competition with Marconi as sub-contractors.	-	Japan (with Marconi as subcontractor)	-
	36 Oil Pollution Control British Petroleum/Powell Duffryn	100	Uncertain	Phase 1 proposal submitted. Consortium awaiting Saudi definition if needed before submitting phase 2 proposals.	SOS(T) written in support of UK bid. HMG has offered advice experts, training etc.	None	-
	37 1) United Medical Enterprises - Management of 7 military hospital for the MOD for 3 years on cash terms.	300	-	Negotiations at an early stage. International tenders have gone out. Indication on principle given on SSG. It is expected that the contract will be split and not awarded to one company.	-	USA, GFR, France.	-
	2) International Hospital Group competitive with (1) above.	"	-	(as previous)	-	USA/GFR, France	-
AUSTRALIA	37A See Annex .. 38 Electrification of Central Queensland Coalfields Railway Network GEC Transportation Projects, Hawker Siddeley Brush, Vickers	75.8 Total project value approx 365 (in 4 stages)	August 1984 (Locomotives)	First equipment tenders, for electric locomotives submitted. GEC and HS shortlisted.	-	Japan, (Mitsui and Hitachi), (French/German) Group.	Australian dollar financing sought.
	39 12 A320 Airbus A/C and spares for Trans-Australia Airlines. British Aerospace/Airbus Industrie	£110m (£76m) approx	-	Early negotiation	Govt recently approved for A320 manufacture	Boeing USA	-
CHINA	40 Port Handling Equipment Simon Carves	50	Contract worth £14m awarded to SC - company still pursuing remaining contracts.	Simon Carves hosted visit of Chinese delegation in December 1982 and signed an MOU with Chinese.	-	Switzerland. Sweden Japan W Germany	OPF
	41 Guangxi Aluminium Smelter Project Wimpey Major Projects Ltd	225	Uncertain	Preliminary feasibility study submitted March '83. Awaiting agreement with Pechiney before negotiating full study.	-	Japan, USA	OPF
	42 Panxie Coal Mine Ambui Province Dowty Meco and Davy McKee	200	June 1986	Project at an early stage	-	-	OPF being sought
	43 Pingshoo Coal Mine Shangxi Province Occidental Petroleum Morgan Grenfell Bank of America	£135	-	A joint venture contract has been signed with China National Coal Development Corp. There are believed to be problems over the financing arrangements	-	-	Preliminary enquiry to ECGD on a borrower based in Bermuda.
	44 Guangdong Nuclear Power Project (GEC Turbine Generators)	322	Scheduled letter of intent 15.7.84	MOU signed 26.3.83 in Peking. Further agreement signed on 7.12.83. Likely suppliers Framatome (nuclear Island) GEC (conventional island). GEC submitted their bid on 15.3.84. Negotiations expected to commence 15.5.84.	Ministers, including PM have been informed of all significant developments. At EX on 29.2.84 Ministers agreed that: a) The UK's opening financial bid should	France	OPF, SFI, ECGD support agreed if UK involvement confirmed.

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
CHINA 44 (contd)					match the terms offered by the French in support of Framatome's bid; b) Officials were authorised to negotiate with the Chinese up to a maximum subsidy element of 25% of the content of GEC's contract value. FCO Sec briefed to mention on recent visit to China.		
45	100 Shearer Loaders for Coal Mining. Anderson Strathclyde	77	Uncertain	Precontract decisions to be taken.	-	France, GFR	ECGD indication given
46	Shenzhen Polymer Plant. Cementation Catalytic.	65	Uncertain	Companies preparing costed proposals for client.	-	French, Japanese	OFF granted
47	PVC Polystyrene and ABS Plants. Shenzhen Guangdong province. Unintegrated joint venture Cementation International Ltd/ Catalytic International Inc (UK branch).	75	-	Buyer has invited the companies to submit a technical and financial proposal. We understand this was submitted in mid-March 1984.	-	France, Japan and others	ECGD indication given
48	Shenzhen Airport British Airports International	75-100	Not known	BAI has made a full presentation of its proposals for the development of a new airport in the Shenzhen Special Economic Zone. The first stage will involve a feasibility study being carried out and this will hopefully lead to a Joint Venture arrangement with the Chinese to plan, design, construct and operate the airport.	-	France and USA	OFF assistance has been offered towards BAI's costs of the feasibility study.
CHINA/ HONG KONG	49 Hong Kong to Guangzhou Highway BSC British Shipbuilders Trafalgar House (Cleveland Redpath)	60 Stage 1	1984	Stage 1 involving ferries, road building and minor bridge works may go ahead in 1984. Later stages would involve major bridge works. Chinese have given go ahead for project. Hopewell Holdings of HK, who have been given operating concession for toll road, have so far resisted Trafalgar House's attempts to work at a joint venture arrangement in pursuit of the project, possibly in favour of the Japanese firm Kanecinatsu-Goslo BS supplying ferry designs.	Ministerial visits.	Japan	OFF under consideration

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
HONG KONG	50 Cross Harbour Link. Trafalgar House (Cleveland Redpath) Mott Hay and Anderson, Taylor Woodrow	60-70	Uncertain	Proposed box girder bridge across the Channel at Lye Mun creates problem of interference with airport navigation system. Further channel crossing is necessary and H K Govt are re-considering (may revert to tunnel).	Ministerial visits.	Japan, France and others.	
	51 Tuen Mun Light Rail System Several UK firms interested	50+	Summer 1984	Met Cam Balfour Beatty Hawker Siddeley and GEC are likely contenders in association with foreign partners. Go ahead given by Executive Council, Kowloon/Canton Railway Authority have been invited to build and operate system.	Ministerial visits.	Australia, Belgium, Canada, West Germany, France, Japan.	OFF. Common line of credit terms agreed by ECGD with Consensus members.
INDONESIA	52 Balikpapan Airport	50	Unknown	Proposals were submitted May 1983. Priorities have changed several times but the latest information indicates that this project will go ahead early 1984.	-	France, Japan, West Germany	£12.3m ATP offer lapsed but has been reactivated and will probably be increased to £16.59m shortly. OFF support of up to £100,000. ECGD agreed in principle 85% UK content over 8 years at 10%.
	53 Jabotabek Railway Foster Wheeler, with Hawker Siddeley, Henry Boot, Balfour Beatty, BSC	380	1984	Some elements of project being handled by French and Japanese. Still considerable opportunities for UK. FW planning to bid for Eastern sector. Indonesian's are interested in UK undertaking study as first stage of involvement.	Ministerial visit	France, West Germany, Japan	ATP for study being considered. ECGD has indicated support on 1st come 1st served basis subject to cover limit.
	54 Jambu Aye Hydro Electric and Multi-purpose reservoir project. Rendel Williamson, Hydro, Kennedy and Donkin, Tarmac International, Hawker Siddeley Power Engineering	50	Late 1984	Consortium is providing free feasibility study with OFF support under guise of Government to Government technical co-operation. Study will be completed in mid '84 when detailed proposals and finance package will be submitted.	-	-	OFF. ATP will be required for implementation stage -Tarmac- ECGD indicated support on a 1st come 1st served basis from 85% of UK contract over 10 years from final commissioning.
	55 Sulawesi : Pare Pare : Ammonia Urea Plant. Davy McKee.	100	Uncertain	Indonesian Government has yet to decide nature of development in the area	-	USA, West Germany, Japan	OFF £93,000 ECGD not approached
	56 Suralaya 2 x 400mw Thermal Power Station extension a) Boilers b) Turbine Generators a) Babcock Power Combination Engineering b) NEI	a) Approx 55+ b) Approx 58	-	Turbine generators subject to World Bank financing. At tender opening lowest price was offered by KWV/Fujiu (German/Japanese). Babcock and NEI still have chance of winning work on boilers	-	America, Canada, Japan, Germany	ECGD buyer credit on 1st come 1st served basis. On 10 year terms.
	57 Paiton 2 x 400mw Thermal Power Station Klockner Ina Ltd/NEI Ltd/GEC/BEI.	130	-	Package in preparation including training, workshop and equipment. Call for tenders expected in May.	Companies proposals put to MFT	France	ECGD not approached. ATP requirement of £30m approx.

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
INDONESIA (cont'd)	58 Diesel Generators a) 5 x 6mw sets Hawker Siddeley b) 2.5 - 3mw sets Ruston Diesel (GEC)	36 26	Expected this year	Matching ATP offer agreed for Hawker Siddeley. Similar offer for Ruston still under considera- tion.	ATP case for HS has involved SOS, MFT, Mr Lamont and EX	France, Germany, Italy, Japan	ATP £18m agreed so far. ECGD, indication issued on 1st come 1st served basis. On 10 year terms.
	59 Creation of an integrated forestry pulp and viscose fibre industry. Courtaulds Engineering International	50-100	-	Implementation likely to be delayed.	FCO Sec visited in January/February 1982 with 8 leading business- men	Austria, USA	OPF for FS assistance of 45% of net cost of the study up to a maximum of £38,700. ECGD not approached.
	60 Chlorine Caustic Plant VCM/PVC Sim Chem/ICI	85	Uncertain	ICI/Sim-Chem/Schroder Wagg have submitted (June 84) new financing proposals to client Subentra.	MFT has met client and written in support.	USA, Japan	ATP (TC) requested. ECGD indicated support on 1st come 1st served basis. On 10 year terms
	61 Forest Industries Project at Seseyop Parsons and Whittemore Lyddon leading consortium	100/200 (implementa- tion)	Contract award expected latter part of 1984	Outcome of feasibility study awaited before considering OPF on bid for implementation.	-	USA Japan, Canada	OPF under considera- tion. ECGD indicated support on 1st come 1st served basis.
	62 Integrated seamless tube plant Davy McKee	97 overall 135	-	Bid in preparation	-	-	Preliminary enquiry ECGD - indication on a 1st come 1st served basis. On 10 year terms.
	63 Pade Kembayung Hydro Power Project Pauling PLC	64	Uncertain	Project under discussion by Paulings representatives in Indonesia with Indonesians	-	France, Japan	ECGD has indicated on 1st come 1st served basis. On 10 year terms.
	64 Madura Cement Project Gatz/Fuller Ltd	69	Uncertain	Enquiry received	-	Spain	ECGD has indicated on a 1st come 1st served basis subject to acceptable security on 8 years terms.
MALAYSIA	65 East Coast Rail Line and major rehabilitation to existing lines	£1bn	Uncertain	Davey/BR with Taylor Woodrow, Wimpey etc have formed group to pursue. Keen to offer study to counter Japanese or French activity. Presentation planned for May.	Ministerial visit	France	ATP almost certainly needed for implementa- tion. OPF for study.
	66 Telecommunications and Computer Network. Easams Ltd	205	May/June 1984	Competition narrowed to Easams and Hughes (USA). Easams bid 90% compliant. Hughes 70%, Re-bids submitted from both companies mid December 1982. Negotiations still in progress. Easams may offer enhanced training package in conjunction with Essex University.	-	USA	Buyer credit agreed.

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
MALAYSIA (Cont'd)	67 Rural water and electricity supply Biwater Shellabear Balfour Beatty McDonald Binnies, Watson Hawksley	105	Uncertain	Study awarded to Biwater Shellabear	-	-	OFF
	68 Petronas 170,000 bpd oil refinery Davy McKee	666	Uncertain	Bid in preparation.	-	-	Contract in abeyance, Malaysian government is re-assessing its oil programme.
	69 Aluminium Complex Wimpey Major Projects Ltd	120	Uncertain	Wimpey considering offering free feasibility study in association with Pechiney of France.	-	Japan, USA	OFF under consideration for study.
	70 10 Airbus A/C 10 A300/A310 for Malaysia Airlines British Aerospace Airbus Industrie	£146m (£107m approx)	-	Early negotiation	-	Boeing USA	-
PHILIPPINES	71 San Roque Hydroelectric Scheme George Wimpey International	150	Uncertain	Not clear whether project will go ahead but, if so, likely to be on basis of Japanese OECF funds. Wimpey are discussing collaboration with Marubeni but 3 other Japanese Companies also interested in the project.	SOS(T) raised with Filipino Minister of energy during latter's visit in November 1982.	Sweden, Japan	ECGD support withdrawn
	72 Iligan Steel Plant Expansion Stage 2 Davy McKee (Iron and Steel)	124	Uncertain	Philippines economic problems have cast doubt on project but negotiations continue.	Considerable. Last involvement MFT letter in support of Davy.	Potentially W Germany, USA, Japan, Sweden, if Davy's negotiations fail.	£25.2m ATP offer and ECGD. Cover suspended due to Philippines debt to problems.
PAPUA NEW GUINEA	73 OK Tedi Gold and Copper Mine Development Davy McKee	Stage 2 \$223	Mid 1984	Davy McKee has completed a cost and definition study for Stage II of the project in association with BHP Australia. Davy are seeking negotiated contract.	MFT and Mr Fletcher met client in October 1983		ATP sought ECGD awaiting DIML proposals for unusual security arrangements.
SINGAPORE	74 Expansion/modernisation of oil refinery. Bechtel (UK)	133 (\$200)	Uncertain	Bid in preparation	-	-	No approach to ECGD.
	75 Teleview GEC	100	Decision on trial. Public Service 2 years.	Aragon International withdrew on technical grounds; their place taken by GEC led UK consortium including Easams and McMichael	Raised by Sim Kee Boom in meeting with Mr Baker	France	

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SOUTH KOREA	76 Petroleum Refinery at Busan (in 3 phases) Badger Ltd	55		Badger have been awarded a framework contract but precise scope remains to be determined.	Phase 1 in progress	-	-	ECGD support indicated
	77 Posco Steel Development Extension (previous list no 75 - now on success and failures list) Koreans have indicated further equipment may be ordered from UK companies especially Davy and Air Products	56 Total	1984		Koreans awaiting finance offers	-	Japan, Australia, W Germany; France	Exceptional HMG assistance sought.
TAIWAN	78 Taipei Metro GEC (Hawker Siddeley; Balfour Beatty and Met Cam are also interested) Freeman Fox leading the British Mass Transit consultancy group.	100+		Tenders may be issued 1984	Initial design study has been carried out by UK consultants. GEC will lead UK bidding for hardware contracts (agreement to this reached by Metrotec a grouping of main interested UK firms)	-	France, US	OPF support to consultants being provided
	79 2 x 950mw Turbine Generators for nuclear units 7 and 8 for Taiwan Power Company NEI Parsons	79	-		Contract signed in May 1982, but approval of Taiwan authorities was withheld. Project might be revived this year.	-	-	ECGD buyer credit cover agreed and maintained pending Govt approval. But commitments to 7% consensus interest rate expired 12.4.84.
	80 China Steel Expansion Project at Kooshiung. Davy McKee	130		Uncertain	Very preliminary enquiry from Davy.	-	-	Preliminary. ECGD indication Jan 84.
	81 Steel Plant Davy	85		Early 85	Davy exploring reciprocal trade deal.	-	USA, France, W Germany	ECGD at consensus
THAILAND	82 Laem, Chabang Port Pauling Tarmac with Swedish firm	150 (Stage 1:57)	1984		Thai Cabinet approval given but current situation confused. Thais have sought bids from UK (Paulings) and Germans. Japanese may be offering OECF aid for project but Thai Govt have not as yet confirmed this. Tarmac (UK) have also expressed interest in project.	PM and MFT have raised with Thai Ministers during recent visits. Foreign and Commonwealth - Sec visited in Jan/Feb 82 accompanied by businessmen. PUS (Transport) raised in visit Nov 82.	Japan, Holland, West Germany	OFF, ATP support to match Germany and Japan under consideration in ODA. ECGD indicated support on 1st come 1st served basis July 1983.
	83 Bangkok Metro Hawker Siddeley	200	1984/5		Proposals under revision following lack of success of offer and operating concession. HS have expressed interest and will be leading "Metrotec" group for this project.	MFT raised with Thai Ministers. Foreign and Commonwealth Sec visited in Jan/Feb 82, accompanied by 8 leading businessmen.	Japan, France, W Germany	-
	84 Don Muang Airport Tarmac	116m Phases I & II	Unknown		Extension of the existing airport at Don Muang is now being considered as more feasible alternative to the new Cobra Swamp Airport.	Mr Baker met the Thai Communications Minister in November 1983	-	ATP offer of £0.5m for feasibility study by Tarmac has been made. ECGD indication to Tarmac for arrival building (Phase 4) (£12m)

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
THAILAND (cont'd)	85 Extension to Oil Refinery at Sriracha. Joint venture: Davy McKee and Technip, France Sriracha.	120	Before end of '84	Contract signed April 1982 subject to arrangement of finance. Following finance problems ATP offer made to Thais in concert with French offer of mixed credit. Thais now re-assessing project.	Ministers have agreed initiating mixed credit	Strong international competition if thrown open to tendering. In such event little prospect of UK retaining the business.	ATP offer. ECGD indication issued May 1982.
	86 300 mw combined cycle gas turbine station (north east Thailand)	80	-	JBE are attempting to obtain a negotiated contract with EGAT. A free feasibility study is being carried out by Ewbank Preece.	-	-	£20m of ATP likely to be required
	87 National Fertiliser Complex Davy; Kellog; Lummus; Lurgi	100	end 1984	4 UK groups in prequalified consortium - bidding July '84	-	Japan, France, W Germany, Italy	ECGD preliminary indication given on first come, first served basis. ATP applied for.
	88 Bangkok Bus Supply Leyland Bus	Up to 430	Mid 1984	Leyland submitted proposal on 30 March 1984 with Ministerial letter of support. Thais expecting to complete evaluation by late summer 84. Unlikely that contract will be placed for full value of proposal.	Letter of support	Belgium, France, Spain, Italy, Japan, Sweden	ECGD credit and ATP under consideration
	89 Petro Chemical Complex (Management Contract) Davy Lurgi/Trichem	25	Early 85	UK companies preparing bids.	-	USA, Japan, France	ATP applied for, ECGD indication given
	90 Nhava Sheva Port UK consortia led by: 1) Pauling/Wimpey 2) Taylor Woodrow	250	1984	<u>INDIAN SUB-CONTINENT</u> Taylor Woodrow and Pauling short-listed for civil works. Bids to be submitted by 24 April. Project to build 6 new berths approved by World Bank.	Raised during Mrs Gandhi's discussions with PM in March 82. CHOGM Nov 83 IBEC discussions Jan 1984	Korea, Italy, Japan, Netherlands, USA, France, W Germany	ECGD has given a preliminary indication. Largely World Bank financed/Co-financing may be necessary
	91 Helicopters for ONGC etc Westland Helicopters Ltd	95	Imminent	Protracted negotiations have led to revised aid offer of £65m to include small element of Rolls Royce engines. UK package now under consideration by ONGC together with French and US bids.	Personal message recently sent by PM to Mrs Gandhi	France	
	92 Major Hydroelectric Project (previously Dhauliganga) Balfour Beatty Engineering Limited GEC Lazard Brothers Boving and Company	250	Possibly 1985	BB submitted outline proposals based on Dhauliganga scheme but Indian client (NHPC) has now indicated a desire to negotiate a contract for the Koel Karo hydroelectric project.	-	-	OPF. Aid and RTA and ECGD cover required for implementation stage.
	93 Durgapur Steel Plant (Modernisation) BSC(OS)	395	1984/85	UK proposals submitted August 1983. Formal response awaited. PB approved. Awaiting Cabinet endorsement. Indians have gone for international bidding but BSC may be awarded consultancy.	Mr Parkinson and Mr Channon met Indian Minister of Steel and Mines July 1983. Mr Baker visited plant September 1983. Project raised by PM at meeting with Mrs Gandhi at CHOGM and later in letter from PM.	Japan and others interested.	Aid package

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
INDIA (cont'd)	94 Hindustan zinc (i) Mine Development (ii) Smelter (iii) Captive Power Station Lurgi/Davy	(i) 40 (ii) 43 (iii) 60	Decision delayed	Lurgi/Davy are front runners for smelter. Power Station would probably be open tender in the UK.	-	Japan, Australia	Bilateral aid and RTA
	95 Khadia Opencast Coalmine British Mining Consultants	80	-	Khadia is being developed to provide coal for ANPARA B. Contract for ANPARA B still not signed.	-	USA (Horrison Knudson)	Bilateral aid and Retrospective Terms of Adjustment are available. Preliminary enquiry to ECGD.
	96 Balco Captive Power Plant GEC	140	Imminent	Aid finance package was considered by Ministers.	PM has written to Mrs Gandhi.	BHEL - India Aistham - France.	100% aid financing requested by GOI.
	97 Delhi Electricity Master Plan Development GEC/BEI	100	Consultancy imminent	BEI are front runners to win the consultancy contract for the proposed improvement of Delhi's electricity.	-	France, Sweden, Lqmeyer (Germany).	OPF agreed in principle.
	98 Rihand/Delhi Electricity Transmission Scheme GEC/BEI	120	Tenders June 1984. Contracts June 1985.	Indians have applied for WB finance for the project.	-	Sweden, USA, W Germany.	Financial package including aid and ECGD credits. No approach has been received by ECGD.
	99 Bombay - UAE Submarine Cable Standard Telephone and Cables	50	Delayed	Consultancy phase likely to follow Consultancy and Maintenance Agreement. Technical approval given.	Included at aid talks.	Japan, France.	Bilateral aid suggested to Indians.
	100 Digital Transmission Studies and Equipment Supply GEC BT	50 first phase 250 potential	Mid 1984 (for studies)	Two part consultancy study by GEC and BT offered to Indians, to be followed by equipment supply including Bombay-Madras digital microwave link (11.5m).	Mr Baker handed over letters to Indian Minister of Communications during visits to Delhi and London in September and October 1983.	France, Japan.	Part 1 study £400k. 50% OPF support agreed. Part 2 study £1.6m to be funded from bilateral aid programme (ODA agreement in principle given).
	101 Gujarat State Sardar Saronar (Narmada Dam) Wimpey International	100	Uncertain	Confirmation of Wimpey pre-qualification awaited.	-	-	-
	102 Karnal Refinery Hydrocracker, Foster Wheeler Energy Limited	150	-	Project in abeyance pending re-scheduling of major projects.	-	-	-
	103 State of Maharashtra Newsprint Plant Beloit Walmsley.	50	Mid 1984	-	-	Brazil, GFR, Japan, Finland.	ECGD preliminary indication given.
	104 Offshore Platforms for Oil and Natural Gas Commission Redpath Dorman Long	137	-	Revised tenders have been called for.	-	Japan, Korea, Italy.	ECGD have not yet been approached by RDL on the new basis.

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
INDIA (cont'd)	105 Hazira to Jaipur Gas Pipeline British Steel Corporation British Pipeline Engineers and Contractors Limited	Up to 250	Uncertain	Prequalification bids expected to be invited shortly. BSC intend to bid independently or in collaboration with Canadians or others to supply pipe. A consortium of UK enterprises led by BPEC intend bidding to design and construct the pipeline and are watching closely developments.	-	usual	Aid likely to be sought.
	106 Hazira-Jaipur Gas Pipeline	Up to several hundred million	-	Decisions by Indians awaited as to when and how bids will be invited. BSC interested in supplying pipeline. BPEC in turnkey bid overall for specific sections.	-	Japan, USA, Korea, France etc.	-
	107 Muradnager Power Station GEC	420	-	-	-		Aid and export credit sought.
	108 Chandrapur Power Station Extension GEC	318	Tender 1st quarter of 1984	ECGD indication given.	-	France, W Germany, Japan, USA, Switzerland	
	109 10 Airbus A/C A300/A310 + spares for Indian Airlines. British Aerospace/Airbus Industrie	£100m £69m	-	In negotiation	-	Boeing USA	-
PAKISTAN	110 Electrification of Khanewal to Karachi railway line. Transmark, GEC, Balfour Beatty.	UK content not yet defined. Only a small portion of total cost £527m in 1983 estimates would be borne by UK.	Possibly 1984	Transmark secured feasibility study in 1982. World Bank will need to be involved in implementation. UK involvement will depend on bilateral aid. Possibility that further design study (1.5m) to be awarded mid 1984.	-	Italy, Japan, W Germany	Aid and World Bank involvement essential to further progress
SRI LANKA	111 Samanalawewa Hydroelectric Scheme Balfour Beatty GEC Sir Alexander Gibb	188	Uncertain	Sri Lanka authorities sought proposals for this project in view of good UK performance on Victoria Dam. The OPF supported. Free feasibility study has been completed and the UK group are seeking an aid/export credit package to accompany their implementation proposals. Lack of ECGD cover is a major problem in view of present state of Sri Lankan economy.	-	Russia, Japan.	OPF support for study ATP or Bilateral Aid plus export credits support would be required for implementation.
	112 120mw Coal Fired Power Station (Triconmabee) GEC, NEI, Babcock, BBL.	70	-	Feasibility study being financed by Asian Development Bank. Bids due mid-April. Joint Kennedy and Donkin/Halcrow/BEI bid. Japan has also offered free feasibility study.	-	Japan	OPF requested by consultants.

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				<u>AFRICA</u>			
ALGERIA	113 Bellara (formerly Jijel) Engineering and Project Management W S Atkins	50-70 split into phases	Unknown	Project put in abeyance for 9 months site now Bellara; 1st phase £20m, July 1983. New feasibility study. Atkins bidding.	Minister for Trade visited Algeria 24-27 March to try to unblock stalled negotiations.	France, Italy, W Germany	OPF applied for.
	114 Housing and New Town Planning 20,000 housing units Wimpey) British Cementation) Construction McAlpine) Group Douglas)	600-700	Uncertain	Contract for design of 2,000 units signed and proceeding smoothly. Construction contract worth around 100m under negotiation.	MFT visited Algiers 9-11 October 1981 to sign MOU. Minister for Housing and Construction visited Algeria end October 1982 inter-alia to head official negotiations. MFT visited 24-27 March 1984.	Worldwide negotiated contract likely.	ECGD backed loan. Increased market limit agreed by ECGD. OPF support.
	115 Construction of 2 military hospitals. Tarmac Overseas Ltd	84	Early 1984	Closing date for receipt of bids was October 1983.	-	Not known.	ATP case under consideration.
	116 460 Bed Constantine military hospital. Tarmac Overseas Ltd.	102	Early 1984	Closing date for bids was 14 February 1984.	-	Not known.	OPF support
	117 Urbanisation of Frais Vallon Area - pilot area housing of 1,000 units.	34	1985	Confirmation of invitation to bid expected in Summer 1984. OPF under consideration.	-	Not known.	OPF under consideration
	118 Costain International Ltd.						
ANGOLA	Takula Offshore Oilfield development Operator: Gulf Oil	US \$125m	Uncertain	Awaiting call for tenders on supply contracts to be placed.	-	USA France, FRG	ECGD cover offered.
CAMEROON	119 LNG Project Davy McKee	Several hundred million	Uncertain	Status uncertain.	-	France	-
GABON	120 Feeder roads project connecting Libreville and Port Gentil to Trans Gabonese Railway Taylor Woodrow/Wimpey.	80-100	Uncertain	Proposals submitted March 1983 under evaluation.	Gabonese Minister for Transportation invited to UK.	-	OPF support.
IVORY COAST	121 Abidjan International Airport Plessey Airports.	80 (Stage II)	Not yet known.	Plessey were awarded Stage I contract value £26m and Stage II studies for design of terminal building. It is expected that a total package will be required to complete the development but time-scale dependent on improved economic situation. President Houphouet Boigny told the PM on 27 July that the new airport will be British built.	-	France	OPF support for first time contracts.

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
LIBYA	122 Civil International Airport The Anglo/Swedish Construction Co Ltd	71	Not known	Tenders under consideration.	-	-	Joint venture with Ab skanska of Sweden.
	123 Tripoli Airport - aircraft maintenance hangars. Fairclough International	130	Uncertain	Project a priority but implementation delayed due to Libyan economic problems. Project may begin to move again 2nd quarter 1984 when new development budgets approved.	-	W Germany and Netherlands	OPF supported.
	124 Broadcasting Stations Network. Marconi Communications Systems.	210	Uncertain	MCS have submitted a turnkey bid. Evaluation repeatedly postponed due to Libyan economic difficulties.	-	-	-
	125 Zwara Aluminium Smelter. George Wimpey Int.	60	1983/84	US firm Kaiser Engineering have won main contract but Wimpey seeking contracts for engineering works and construction of pot lines. Lord Selston is trying to enlarge the UK scope of the project.	-	West Germany, Italy	Credit now requested by Libya.
	126 Misurata Steelworks Consultancy BSC(OS) Ltd. Possibly Ingersoll	85		BSC negotiating for consultancy.	-	Italy	BSC awarded OPF
NIGERIA	*127 National Assembly Building at Abuja. Taylor Woodrow International	80-115	Uncertain	Although project is of a high priority tenders are unlikely to be issued in the near future.	PM sent letter to President Shagari of Nigeria handed over by Minister for Housing (DOE) who also supported project during own visit.	France	OPF assistance provided for Taylor Woodrow £44,800, £300m line of credit offered back by ECGD.
	*128 (Oil) Products Pipeline and Depots. Pell Frischmann Offshore	110	-	Economic and technical studies to be completed shortly, which PF hope will help them to win detailed engineering design and construction supervision contracts. Matters very slow moving.	-	-	ECGD cover position under review.
	*129 Escravos to Lagos Gas Pipeline. International Management and Engineering Group Ltd in consortium with Russian and West German firms.	350	Early 1984	Bids still being evaluated 1st of 3 part contract awarded to Italian consortium.	-	France, West Germany, Netherlands, Italy, Japan, USA.	ECGD cover position under review.
	*130 Port Harcourt Oil Refinery. Foster Wheeler Energy Ltd M W Kellogg Ltd Klockner Industrial Plants Ltd in J/V with two Japanese firms Lummus UK Ltd.	Up to 200	Uncertain	Uncertain	-	Japan, USA, Netherlands, Italy, France	ECGD cover position under review.

* Please note the new administrations examination of all major projects and the outcome of their discussions with the IMF (which will affect the availability of ECGD's support) raise doubts about the timing and implementation of project nos 127-137.

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
NIGERIA (cont'd)	• 131 Oji River 2x60 mw Power Station and associated coal mine development.	300	-	Consortium have prepared new proposals and await indication of Nigerian interest.	1981 MFT delivered Aide Memoire 1982, FUSS Department of Energy signed MOU with Nigerians. Mr Baker letters 25/2/83 and June 83 to Nigerian Minister of Mines and Power.	-	OPF ECGD cover.
	• 132 Open University of Nigeria. Possible UK consortium of De-Brant Joyce, British Council, BBC Peat and Open University UK.	500 potential	F S Commercial 10.81 May lead to management/design Marwick contracts in 83.	De Brant and Peat Marwick leading feasibility study with contribution from other possible consortium members. UK's lead in distance learning techniques puts in a strong position for subsequent contracts. Initial operation design study has been submitted.	May be required later.	USA, France	Initial OPF assistance offered £9,000.
	• 133 Flats Steel Plant Davy McKee	500-800	Uncertain	Nigerians have yet to take a final decision on whether or not to proceed with the project. Davy forming a consortium with Kobe Steel Japan.	-	Not known.	-
	• 134 Aluminium Smelter BSCL	400-500	Uncertain	W S Atkins (UK) have submitted a feasibility study. BSCL interested in main contract but Nigerians still to decide whether to proceed.	-	Kaiser (USA or UK)	-
	• 135 New Mint, Abuja and associated complex (ie generating plant and housing units) De La Rue	Potential 135-143	Uncertain	No further movement.	-	-	-
	• 136 Hotel Office Block and Market. Aprofirm	80	Uncertain	Bid submitted.	-	France, Switzerland	ECGD under consideration.
	• 137 Petrochemical Complex Phase II. Davy McKee, Sim Chem, Babcock Woodall-Duckham JBE Co Ltd.	Substantial	Uncertain	Foster Wheeler (UK) awarded project management contract. First contract for ethylene Plant likely to be awarded early 1984. UK companies are in the running for other plants.	-	World wide Japanese keenly interested.	-
SOUTH AFRICA	138 Lechwe Power Station Turbines, boilers, cooling equipment and associated auxiliary plant for 6x600mw series of power stations. Babcock Power Ltd - boilers. GEC - turbines.	700	Uncertain	Following review of budget estimates to 1988, ESCOM have reduced capital expenditure programme and work on Lechwe not now expected before 1986.	-	Japan, FRG, USA.	ECGD indication given without commitment subject to cover being available.

* Please note the new administrations examination of all major projects and the outcome of their discussions with the IMF (which will affect the availability of ECGD's support) raise doubts about the timing and implementation of project nos 127-137.

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SOUTH AFRICA (cont'd)	139 Tosa Tube Mill. Davy.	21	End 1984	Davy have submitted technical and financial proposals.	-	W Germany	ECGD approved cover in principle.
SUDAN	140 Jonglei Canal. Cementation International.	50	Uncertain	Awaiting outcome of possible EDF support. OFF and ATP under consideration.	None	-	
TUNISIA	141 Zarzis Port George Wimpey International	50	Mid 1984	Project viewed as high priority by Tunisians. Therefore likely to go ahead in near future.	-	France, Japan, Sweden, Italy, Holland, W Germany, Turkey, Romania, Korea.	ATP case under consideration.
ZIMBABWE	142 Salisbury/Gwelo Mainline Railway Electrification Stage II. GEC, Hawker Siddeley, Balfour Beatty	100	Decision to proceed awaited.	No prospect of early commencement although UK group who secured Phase I fixed systems continue to pursue.	Lord Carrington pressed UK interests during visit in February 1982.	50 cycle group (European), USA, Canada.	Aid will be necessary.
	143 Extension to Kariba South Hydroelectric Power Station. Balfour Beatty GEC Bovings Sir Alexander Gibb.	65	Uncertain	Disagreement between Zimbabwe and Zambia on future of project has caused considerable delay and several attempts to secure a negotiated contract for UK have been unsuccessful. Project may be implemented in 3-4 years. Post and BB are monitoring developments.	-	France, Canada, Sweden, FRG.	OFF refused for earlier preemptive bid.
	144 Chisumbanje Irrigation. Taylor Woodrow International	60	June 1984	Discussions being held between Taylor Woodrow and Zimbabwean Government.	-	Worldwide.	OFF refused. Initial approach to ECGD.
	145 Zisco Development Programme which includes Sinter Plant, casting plants to a Rolling Mill. Davy.	67-84	Uncertain	Development plan approved, finance being sought.	-	Austria, FRG.	Export credits - credit line use.
<u>LATIN AMERICA, CARIBBEAN</u>							
BELIZE	146 Turnkey supply of a 60mw wood fired power station, transmission system, woodyard, roads and township. NEI Projects Ltd.	78	Uncertain	ATP application made by NEI and a national interest case put forward by the company for ECGD support is under consideration.	-	Canada - but no decision taken by the Canadian credit insurer on whether to provide support.	Application received by ECGD but support declined on grounds of project size and Belize's economic capacity to service debt.
CHILE	147 Tocopilla 125mw coal fired Power Station new or second-hand (depending on negotiations with customer). British Electrical International, Northern Engineering Industries, Babcock.	50-55	Tender issue possibly April 1984.	BEI and Babcocks considering bid involving second hand turbines and new boilers. NEI may bid with new equipment.	-	-	Original ECGD indication has lapsed due to review of Chilean economic outlook.

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
CHILE (cont'd)	148 Cerro Colorado copper mine project. Davy McKee (Stockton) Ltd	50/60	Uncertain	Davy McKee did the underlying feasibility study. Bid was to have been submitted in Jan 1984.	-	Canada	ECGD approached but support unlikely due to limited amount of cover available - final decision not yet taken.
COLOMBIA	149 Bogota Mass Transit Hawker Siddeley, GEC and Met Cam	50+	Uncertain but possibly 1984.	Colombian Government decision awaited on speed of implementation French/Spanish feasibility study completed.	-	France, Spain, Colombia West Germany, Belgium, USA Japan.	OPF sought for feasibility study by HS. No application for ECGD support.
	150 Medellin Mass Transit GEC/MetCam/Italy/West Germany; Hawker Siddeley/Canada (consortia)	250	Tender issue end February 1983 Award delayed.	ATP granted for GEC. ATP available to HS UK if Canadians offered aid. Contract award to Spanish - W German group likely. GEC and French group have registered protests. Formal reviewing tender evaluation underway.	MFT visited head of Metro Authority September 1983.	France and others, West Germany, Belgium, Canada, Spain, Italy, Brazil.	ATP agreed to match competition.
MEXICO	151 High Speed (100 mph) suburban railway link from Taluca Nacaulpan to link with Mexico City Metro GEC	90	Unknown	GEC undertook feasibility study August 1982 further developments awaited	-	Japan, West Germany, France	OPF, for feasibility study.
PANAMA	152 Coal Gasification/Methanol complex at Chiriqui, Granada, Humphreys and Glasgow	Study £950,000	Uncertain	Humphreys and Glasgow evaluating BGC slagging gasifier as part of a longer study. Project not likely to proceed until finance raised.	-	-	OPF agreed to H&G to part finance part of study.
PERU	153 Development of 4 sugar estates and Refineries in Selva Region Tate and Lyle - Agri business.	140	Uncertain	Feasibility study to commence shortly. Site has been agreed.	MFT negotiated with the PM Ulloa the terms of UK assistance during his visit to Lima 7.81 nominating TEL as the company to undertake the FS - confirmed by letter. Memorandum of Understanding between Peruvian and UK Governments signed on 4 February 1983 to comply with Peruvian regulation.		OPF for FS assistance of £200,000. All Peruvian cases are in abeyance due to debt re-scheduling non availability of ECGD M/LT cover.
	154 Los Olmos Hydro Electricity and Irrigation System in Northern Peru. Tarmac International Wimpey International	140	Timescale under discussion	There have been no developments on the project for sometime. Wimpey International and Tarmac Overseas (in competition) were on list of prequalified bidders published in May 1983.	Tarmac accompanied Mr Parkinson on his visit to Peru when projects were discussed with Ministers.	Negotiated contract is hoped for.	Probably credit from Sweden, UK, Brazil and USSR. All Peruvian cases are in abeyance due to debt, re-scheduling non-availability of ECGD M/LT cover.

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
PERU (cont'd)	155 Montara Sheque Water Supply and Hydro Projects Binnie and Partners	100	Uncertain	Binnie and Partners leading international consortium for final design and tender stages. Bechtel of USA hope to win management consultancy opportunities in equipment supply. Committee set up end 1982 to determine if project still necessary. Tender design work continues independent of committee investigations.	-	Complementary rather than competitive bids	All Peruvian cases are in abeyance due to debt re-scheduling non availability of ECGD M/LT cover.
URUGUAY	156 Combined Cycle Thermal Power Station John Brown Engineering	Total Content approx US\$100m	Not known	An application for cover on national interest grounds was turned down by the Treasury but it is possible JBE will challenge this decision.	-	-	-
VENEZUELA	157 Corpoven Gas Pipeline. British Pipeline Engineers and Contractors Ltd, Prime, IMEG, GEC, Morgan Grenfell.	Could be very large	Uncertain	Despite possibility that projects initial development could be financed from Corpoven's internal resources it remains uncertain that it will go ahead given Venezuela's current external debt problems.	-	France	ECGD cover suspended.
TRINIDAD & TOBAGO	158 Methanol Plant Davy	60	Uncertain	Negotiations on study with client.	-	Japan	OFF
				<u>INTERNATIONAL</u>			
	159 Maritime Satellite System for Inmarsat. BAC in joint venture with Hughes Inc of USA. GEC - Marconi	90/120	1984	Bids to be submitted in April 1984		USA, France	ECGD vires problem because INMARSAT is based in UK. Therefore ECGD cannot support a direct sale to INMARSAT. Have indicated willingness to support a sale to an overseas leasing company on normal terms.
				<u>NORTH AMERICA</u>			
Canada	160 6 x A310 Aircraft for Wardair. British Aerospace (Airbus Industrie)	66	25 March 1981	Deferred delivery to 1985-87. ECGD cover agreed, but there are problems on loan security.	-	USA	Normal terms
USA	161 Coal Gasification Slagging Gasifier Consortium Babcock Woodhall Duckham British Gas and BOC	200	July 1984	Consortium preparing second bid and seeking new US sponsor/customer Changes in Synfuel Corp will delay.	-	USA	OFF
	162 Mojave Desert GED thermal Energy Development (Up to 125 MW)	60 approx	Possibly 1984		-	-	OFF
	163 New Jersey Waste Fired Energy Project Balfour Beatty	60	Possibly 1984		-	-	OFF

COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
USA (cont'd)	164 Development and Manufacture of Engine Nascelles and Trust Assemblies for New Gulfstream IV Corporate jet. Lucas Aerospace	74	2-3 months	Lucas have been shortlisted with 2 or 3 other companies from USA.	-	-	ECGD support indicated
	166 Design and Construction of office accommodation Bovis International	80	-	-	-	-	ECGD support indicated
				<u>EUROPE</u>			
CYPRUS	166 Southern Conveyor Project. Water Supply Costain, Balfour Beatty, Shepherd Hill, Lehane McKenzie Shand and others	104	Not known	Project to be let in 15 separate contracts. Costains in second position on price for 1st major contract under phase 1. Tender deadline for other major contracts likely to be June 1984	Ministers agreed to make cover available outside existing market limits	France, West Germany, Brazil, Austria and others	
GREECE	167 Megalopolis Power Station Unit IV (1 x 300 MW lignite fire) NEI, Babcock Power	375 approx	-	NEI tender for turbine generators rejected as non-compliant. Babcock submitted lowest tender for boilers and hope to be called to negotiate with client	-	-	-
ITALY	168 7 x A300 Airbus Aircraft and spares for Alitalia British Aerospace (Airbus Industrie)	66	Unknown	ECGD cover agreed. Negotiations continuing slowly.	-	USA	Normal terms
PORTUGAL	169 Extension to Lisbon Metro Mowlem/Laing/GEC led UK consortium, Freeman Fox, Kennedy and Donkin	60	Unknown	Metropolitano working with UK group on proposals. Project yet to be approved by Portuguese Government.	SOS(T) raised October 1982	France, West Germany	OFF
	170 Digital Exchange Project System X Plessey	50	-	Several systems (including System X) have been recommended by CCT to Ministers as technically suitable. Award of contract will be made on attractiveness of politico - economic package offered. No invitations to tender have been issued but Plessey have been included in group of companies invited to supply trial exchanges for evaluation.	Portuguese SOS (Telecommunications) has accepted Mr Baker's invitation to visit the UK. Probable date June 1984.		
	171 Nuclear Power Project NEI Parsons and George Wimpey International	100-200	Not before end 1985	NEI and Wimpeys have formed a joint venture with Atomic Energy of Canada Ltd (AECL) offering a CANDU reactor. Wimpeys/NEI originally proposed UK content of about £370m but ECGD indicated cover restricted. Companies now considering how to reduce UK content to a level acceptable to ECGD, and/or possibly of using commercial financing sources.	In February SOS(T) sent letter to Canadian Minister for Energy, Mines and resources encouraging commercial co-operation in an Anglo Canadian venture. In March, Mr Giles Shaw, PUS/D Engery headed a presentation in Lisbon on broad range of UK nuclear capabilities. PM visited Portugal 17-19 April 84	France, Germany, Spain	To be agreed

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COUNTRY	PROJECT/UK INVOLVEMENT	UK CONTENT £M	CONTRACT DATE	STATE OF PLAY	MINISTERIAL INVOLVEMENT	COMPETITION	ASSISTANCE CREDIT
USSR	172 Tengis Gas Treatment Plant Davy McKee (London) Ltd joint bid with Nichimen Japan	120	1984	Likely to be lost to French for political rather than technical reasons.	MFT support for Davy's bid at 10th British Soviet Joint Commission, Sept 1982 and during meeting between MFT and Soviet Deputy Prime Minister in October 1983. Company represented at 11th British Soviet Joint Commission, May 1983. MFT support for Davy's bid during recent meeting in London with a Soviet Ministry of Foreign Trade delegation	France, West Germany, Japan	OFF £187,000 ECGD (CGBD) cover for £200m indicated in principle.
	173 Synthetic Protein Plant John Brown Engineers and constructors Ltd (Using ICI licence)	54 (excluding licence fee)	early 1985/6	Full fixed price proposals submitted by company in April 1983. Negotiations continuing	MFT support for John Brown/ICI project during meeting with Soviet Deputy Prime Minister in October 1983 and during Economic and Industrial review in 1984. Company represented at 11th British Soviet Joint Commission, May 1983.	Not specified	ECGD cover indicated in principle, 1982 (No further develop- ments.

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ANNEX

Country	Project/UK Involvement	UK Content £M	Contract Date	State of Play	Ministerial Involvement	Competition	Assistance Credit
37A SAUDI ARABIA	RB211-524 engines for 10 Boeing 747s	200+	Imminent	Award of Contracts not formally announced	Letter from PM to King Fahd January 1984	USA	—