

US-Arab Tradeline



National U.S.-Arab Chamber of Commerce

الغرفة التجارية العربية الأمريكية الوطنية

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Regional gas programs off to a good start

M. Scott Bortot

Often hampered by a lack of economic cooperation at various levels, the Arab world is home to two recently initiated projects that hold the potential to alter this situation and result in regional prosperity.

As they wind their way across deserts, oil and gas pipelines are a common sight in the region. What is not a common however, are pipelines that traverse borders and fuel industries in neighboring countries with less natural resources.

In July, a \$70 million natural gas pipeline between Egypt and Jordan went on line. Meanwhile, the Gulf has witnessed progress in the Dolphin Energy project that aims to pump natural gas from Qatar to the UAE.

As both programs move forward, optimism is high they will reap economic dividends now and in the years ahead.

"It is a fundamental fact that the completion of the gas pipeline and development of the gas industry in our region will encourage other projects to rely on natural gas and boost the economies of the involved countries," Engineer Khaldoun Qutishat, secretary general of Jordan's Ministry of Energy and Mineral Resources, told US-Arab Tradeline with regards to the recently inaugurated Egypt-Jordan pipeline.

The 168-mile pipeline extends from Al Areeh in Egypt to Aqaba in Jordan and will transport some 38.8 billion cubic feet of liquid natural gas (LNG) to Jordan annually. Part of a larger regional scheme, this section was constructed by Egypt's EPEG consortium on a build-own-operate-transfer (BOOT) basis.

When first envisioned, the pipeline was to be built underwater from Egypt to Lebanon. This idea was scratched when the cost was compared – 30 to 60 percent less – to building it over land. The entire scheme is expected to cost some \$700 million and transport up to 123.6 billion cubic feet of Egyptian gas per year to Jordan, Syria, Lebanon and perhaps onto Turkey and the Baltic states.

While Egypt's natural resources have given life to the pipeline's construction, natural gas from Oman, and later from Qatar's giant North Field,



will help power industries in the United Arab Emirates (UAE) under the auspices of Dolphin Energy's Dolphin Gas Project.

The Dolphin Gas Project is the largest energy program of its kind to be launched in the Arab world. With its partners Total and Occidental Petroleum, Dolphin Energy is dedicated to delivering Qatari natural gas to the UAE by mid-2006.

Phase one of the multi-billion dollar project, a 124-mile natural gas pipeline from Al Ain in Oman to Fujairah in the UAE, is scheduled for completion in the fourth quarter of 2003. And by 2006, a 248.5-mile natural gas pipeline from Ras Laffan in Qatar will replace the Oman flow to Fujairah.

A spokesperson for Dolphin Energy told Tradeline the Fujairah pipeline is a step towards regional gas cooperation.

"When our gas comes on stream to Fujairah instead of the gas from Oman, the link will remain and in the long term it is very possible that the Omanis may buy gas from us to support their new industries," said the spokesperson. "We start to get the beginnings of a GCC gas grid, a phrase that we use and our CEO uses, the concept of a southern

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“If we can provide natural gas which is cleaner and comes on a long term basis, then it solves a lot of problems for the people of the UAE...”

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Gulf gas grid is becoming clearer.”

Although the notion that the UAE is already flush with natural gas is prevalent, the spokesperson explained the country does not have enough non-associated natural gas for its industrial needs. The Abu Dhabi National Oil Company (ADNOC), uses much of its natural gas supply to run existing power plants and create pressure to pump oil.

However, the UAE is a rapidly growing economy and its long-term energy needs call for a lot of natural gas. While diesel fuel is an option, it is less cost effective than natural gas and is harmful to the environment.

“If we can provide natural gas which is cleaner and comes on a long term basis, then it solves a lot of problems for the people of the UAE and of course it’s another market for the Qatargas people,” the spokesperson said.

While the Jordanians are pleased that natural gas will be less harmful to the environment, they also look forward to the other advantages the Egypt-Jordan pipeline will accrue.

The project will stimulate the kingdom’s economy as it enhances its electricity and industrial sectors, reduces reliance on different subsidized oil products and leads to energy cost savings in the short and long term. Furthermore, once the link to Syria is complete, the country will be able to collect transit fees to reinvest in its economy.

Such developments will lead to job growth – an

important issue as Jordan tackles unemployment.

“The pipeline will indirectly create value to Jordan through the creation of labor opportunities in associated sectors,” Qutishat said.

The Dolphin Energy spokesperson said his project will spark business growth in Oman, Qatar and the UAE.

“If people know there is sufficient power here then that makes it encouraging to all kinds of light industry and distribution because they know there is no worry about power cuts,” he said.

Although he can not be sure how many jobs will be created in the construction and maintenance of the Dolphin pipeline, he is sure employment will ultimately be produced from industries that will flourish as a result of the project. Both Qatar and the UAE are actively encouraging their nationals to work so as to reduce dependence on foreign workers.

“We feel that a lot of times in business when you make something available it is amazing what a catalyst is it for new industry,” the Dolphin spokesperson said.

Both projects are sure to signal a stable investment climate on the regional and international levels. The Egypt-Jordan pipeline was built by a consortium of four Egyptian companies and the Dolphin Energy project has cooperation from corporations based outside the Arab world.

While these regional initiatives have just begun, they are off to a promising start. ♦

Mobile telecom license winners

On October 6, Iraq announced the winners of its mobile telecom licenses – among the most hotly-contested contracts in Iraq to date.

The three contracts split the country geographically, with separate licenses each for the north, the central region, and the south. Thirty-five companies from around the world participated in the bidding.

The awards indicate that the selection process was more than a little influenced by concerns voiced by Iraqis and other Arabs that the US would hoard the most lucrative reconstruction contracts for its own companies.

To some, the selections seem as reflective of the current delicate political situation as they are of the competitive merits of the chosen bids. Kuwait, which has steadfastly supported the US throughout the process of confronting and displacing Hussein, was a big winner. Other Arab countries, a Kurdish firm, and the primarily Arab investors who back them were the other beneficiaries.

The Kurdish-owned Asia cell was awarded the

northern license. Egypt’s Orascom Telecom won the rights to the central region, and Atheer Tel, a joint venture split between Iraqi investors (50 percent), Kuwait’s MTC (30 percent), and other Kuwaiti investors (20 percent), claimed the southern license.

One US company, Motorola, will benefit from the selection. Motorola has deals to supply network equipment to both Orascom and MTC.

The contracts mandate that Orascom, Atheer, and Asia Cell must have services up and running within two months. Iraqi Communications Minister Haidar Jawad al-Aubadi said that he hopes that services may be up within weeks, possibly by the end of October. He estimates that calls will initially cost between 8 and 10 cents a minute, and the phones themselves between 50 and 60 dollars.

For many Iraqis, the opportunity to talk on a mobile phone will be their first, as the use of mobile phones was illegal under the Hussein regime. ♦

Rebecca Givner-Forbes

Report offers economic remedies for region

Rebecca Givner-Forbes

A new IMF study, entitled "Challenges to Growth and Globalization in the Middle East and North Africa," delivers a mixed verdict on the present state of Arab economies, while remaining cautiously optimistic about the future. George T. Abed and Hamid R. Davoodi, the report's authors, line up the most pressing economic issues pertaining to the region, then prescribe measures necessary to sustain a rising standard of living and stay on a positive development track.

The diagnosis made by Abed and Davoodi is positive and negative. Compared to other developing regions, the MENA area has been characterized by increasing transparency, low inflation, narrowing fiscal deficits, resilience to international crises, and, in many countries, relatively low external and domestic deficits. They also mention important economic and political reforms passed by a number of MENA governments.

On the other hand, the rate of growth, integration with the global economy, and rate of employment generation lag behind their potential. At fault are "a legacy of central planning," "large and costly public sectors," and "high population growth and low productivity." The education systems, financial sectors, fiscal policies, and trade and exchange rate regimes are also areas that must continue to be the targets of reform in several countries.

Most of Abed and Davoodi's suggestions are policy recommendations, addressed to government leaders. It is clear by the tone of the report that the responsibility for taking the first steps towards a better economic future lies with the region's national governments.

The challenges are described as weighty but not insurmountable.

"It is the reform of public and private sector institutions that, in the final analysis, will make the difference," Abed and Davoodi write. "Strengthening the quality of institutions in the MENA region to that of the advanced economies could result in a 20-fold increase in real per capita GDP and a 3 percentage point increase in growth of real per capita GDP."

Their prescriptions are typical of those frequently passed down by international institutions to developing countries, including increasing privatization, accelerating trade liberalization, and improving transparency. However, some of the challenges discussed are unique to the MENA region.

For instance, over the last thirty years, employment generation has grown steadily, sometimes at rates faster than other developing areas, but is chronically outstripped by unusually high population growth. It is clear that even the most ambitious efforts on the part of governments to improve policies, liberalize trade and industry, and strengthen institutions will hardly be felt unless the region gets a handle on its population growth.

The large and unwieldy public sectors that are criti-

cized as hindering private sector development are related to the population growth problem. Often, attempts at shrinking government budgets and rationalizing the state's role in the economy are thwarted because the government is forced into the position of "employer of last resort," compounding bureaucracies and state-owned businesses to create jobs for new labor market entrants.

The low level of global integration is cited as a large part of the reason why foreign direct investment inflows have not approached what they could be in MENA. Foreign portfolio investment will also remain below potential until local equity markets are strengthened. Trade liberalization, one of the most important aspects of global integration and successful globalization, gets mixed reviews across the region.

"In the MENA region, there is a dichotomy in trade regimes," Abed and Davoodi explain, citing GCC countries, Yemen, Mauritania, and to an extent Algeria as examples of countries with relatively liberal trade regimes.

Improving productivity, referred to in the report as Total Factor Productivity (TFP), should also be a special focus for MENA region governments. The Arab countries that have improved their TFP rates over the past 30 years are also the countries that have achieved high growth rates, namely Egypt, Tunisia, and Morocco. Leaders can begin with policies focused on improving productivity:

"To reverse the region's low and negative TFP growth, policymakers need to focus on improving governance and quality of institutions, investing in human capital, and establishing market-friendly and peaceful political environments. Fortunately, these are the same factors that promote investment and GDP growth, which in turn help boost employment growth."

Although the report examines the MENA region as a whole, it recognizes certain countries that have made advances to distinguish themselves from their peers. Qatar and Sudan have each succeeded in generating a six percent annual growth rate—the rate of growth that the IMF and World Bank say is needed across the region to generate enough jobs to keep up with new entrants into the job market. The GCC countries, Lebanon, and Jordan are praised for having already well-developed financial sectors, while Egypt, Morocco, and Tunisia are distinguished for having made important reforms in this sector.

Oil producing nations are also given separate consideration, as they face some unique challenges. Foremost, the rates of growth in these countries have been markedly lower than those of non-oil economies, even, surprisingly, during the oil-boom years of the 1970's. This is attributed to the very high rates of population growth that depressed

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"It is the reform of public and private sector institutions that, in the final analysis, will make the difference"

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per capita GDP growth, even while substantial revenues flowed in from oil sales. Growth is also highly volatile and vulnerable to cyclicalities in these countries, as government spending rises and falls with the fluctuations in the oil market, intensifying the effects of these fluctuations on the domestic economy rather than cushioning against them:

“Fiscal policy, the single most important policy instrument in the oil-producing countries, needs to cushion the effects on the economy of booms and busts in the oil markets ... Although some countries have taken steps to delink government spending from current oil receipts, a much more considered and comprehensive approach is needed to help diversify the economy and remove obstacles to developing the non-oil sector.”

Oil producing countries must also ward against the

deflation of their local currency that is caused when oil sales generate large inflows of foreign currency. This side effect of resource wealth hinders the development of the non-oil economy by driving up the relative price on non-oil exports on the world market. Abed and Davoodi point out that countries like Kuwait and Oman have taken positive steps to alleviate this effect by holding receipts from oil sales abroad.

Across the region, governments have made a commitment to pushing through needed reforms in several critical target areas. Many countries have made steady and encouraging headway in at least a couple of these issues each. Significant economic achievements are in sight; what is required now are foresight and commitment on the part of governments to sustain the drive forward. ♦

Hidden fiscal treasures likely in Iraq

Rebecca Givner-Forbes

A new way of thinking about capitalism may change the course of economic development in Iraq and in any number of other countries. Developed in Peru, the ideas and development strategy engineered by Dr. Hernando de Soto and his Institute for Liberty and Democracy (ILD) are attracting attention around the world, and providing the basis for new development methods in Asia, the Middle East, and Latin America.

In June, Hernando de Soto delivered a speech to the Senate Joint Economic Committee discussing the elements of ILD’s development program that could be relevant to Iraq. ILD’s approach is based on property laws.

“Creating a property system is more than just building a system to record ownership; it is the cornerstone of the rule of law and the market economy,” de Soto said. “The consequences for a genuine property system and the future of capital formation in Iraq are profound.”

In his native country of Peru, de Soto observed some years ago that the poor and middle classes were keeping their businesses and properties outside the legal framework. He discovered that the labyrinthine jumble of bureaucratic processes required to legally obtain the title to property or license a business compelled much of the country to operate completely outside the law. Experimentation showed that it took 289 days, working eight hours a day, to register one sewing machine in Peru.

Studies in other countries revealed similar or even more insurmountable bureaucratic requirements: in Egypt, measures required to title a bakery were found to take 540 days of work and cost 84 times the average wage. In Mexico, foreclosing a mortgage takes 3 years and seven months.

De Soto’s findings challenged notions that people in developing countries simply did not understand market principles, or had cultures unamenable to capitalism, or wanted to stay outside the law for corrupt or insidious



reasons.

“People think that these people stay extralegal because they want to avoid taxes,” said Peter Schaefer of ILD, “that simply is not true. There is a lot of lost income, a lot of things are lost by staying outside the law.”

Though operating in the informal economy is often the only feasible option, holding assets extralegally has the effect of depriving people from access to the capital they have invested in their homes and businesses. Removed from the formal market, assets can no longer be turned into investment.

Studies in other developing and post-authoritarian countries showed this was the case across the board. The ILD found that in many countries in the former Soviet Union, Latin America, the Middle East, and Asia, the majority of national assets are held in this unofficial economy.

In Egypt, for instance, ILD discovered that 92 percent of homes and 88 percent of businesses were held outside the formal economy. The size of this hidden economy turned out to be 30 times larger than Egypt’s legal businesses.

“In Egypt, we found a quarter trillion in assets, 250 million in assets, all of it ‘dead,’” Schaefer said. The money is dead, because, once put into extralegal structures

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“Creating a property system is more than just building a system to record ownership”

and land, it can no longer be used to invest.

“Housing is how most people store their savings,” Schaefer said, “and when money that could be used to invest gets turned into a dead asset, their savings goes from liquid to illiquid. You have a system where you’re constantly sucking liquidity out of the market.”

According to ILD’s approach, the key to development lies in formalizing the informal economy so that all of a nation’s assets can be leveraged and people can obtain the loans, mortgages, and other credit instruments that have been available to citizens of industrialized countries for decades. ILD has been working to help countries with this process.

“We have a specific process where we go into a country and do a diagnosis of the informal economy, and then design a program to transform the legal structure and property law so that people will prefer to come into the legal system rather than stay outside. We also design a program to educate the people about the changes,” Schaefer said.

The ILD performs a full inventory to find out who owns what properties and structures, and what businesses are in operation. They help governments come up with property laws to bring everyone into the system. They help develop business laws that protect poor and middle class entrepreneurship and allow small businesses to have access to the tools they need to grow.

Harnessing these assets can be “enormously powerful,” Schaefer said. In Peru, de Soto first tried out his methodology at the behest of the Fujimori government in the early 1990’s. De Soto and his team implemented 189 legal modifications. These modifications gave property rights to 6.3 million poor Peruvians, and legalized 380,000 businesses. The time it took to register a business dropped from 300 days to one.

The changes yielded the highest growth rate in the world for Peru in 1994, at 13 percent. There were other important social effects as well. Giving property rights to farmers made them accountable to the law and helped reduce coca growing. Also, “Shining Path,” Peru’s radical Marxist proletariat terrorist group, saw its base of support diminish as de Soto’s methodology enfranchised the poor.

Implementation is not overly difficult. Convincing people to come inside the system is “the easy part,” according to Schaefer. “The poor people understand the benefits immediately... [they] realize its more expensive to be extralegal or informal.”

In Iraq, the CPA’s goal of fostering a modern market economy may prove to be a case of uncovering the hidden economy that is already there.

The ILD thinks Iraq’s informal sector is potentially as large as Egypt’s.

On paper, the Hussein government owned 80 percent of the land and the majority of people were employed by the state. However, if Iraq is like other authoritarian countries, there was a sizable market economy off the record that would provide an ideal basis for the new

Iraqi economy. Getting a full inventory of Iraqi businesses and a registry of land use that honestly reflects the reality on the ground would be the first step in the process. The next would be to design a new system of laws, which the ILD has done for various developing countries since its success in Peru.

The ILD developed its approach based not just on their experience in the third world, but also based on what was done in the United States, Europe, and Japan in the 19th and 20th centuries. Democratic property systems in these countries helped drive development in the industrial world once, giving all citizens a stake in the system and a chance to own and leverage assets that to start or grow a business, pay for education, invest in companies, and buy government T-bills to help their countries grow. It is surprising that the importance of property laws, routinely recognized by historians as vital to America and Europe’s development, has been largely overlooked in plotting the development of third world countries.

Instead, there is a tendency to focus primarily on natural resources and foreign investment, missing out on this large domestic asset base that the ILD is uncovering around the world

“In Mexico, we found that the value of extralegal holdings was seven times the value of the country’s oil resources. What’s more important here, oil or the land rights system?” Schaefer said.

Foreign investment, while important, tends to be more flighty than domestic investment, and also pales in comparison to the assets ILD uncovers. The \$250 million Egyptian informal asset base is 55 times the level of foreign investment to Egypt.

Furthermore, foreign investment follows domestic investment. If the people that live in a place are not investing in their own nation, foreign investors are likely to stay away as well. ILD’s legal adjustments aim to mobilize domestic investment.

“Beneficiaries of property programs are also in a position to access instruments that store and transfer their values of assets, such as shares of corporate stock, patent rights, promissory notes, bills of exchange, and bonds,” de Soto said in his Senate testimony last June. Many Arab countries have solid sovereign credit ratings and growing bourses that would be ideal outlets for domestic liquidity.

“In Egypt, we are ready to implement the program.” Schaefer said. “We’ve gone through the entire process of analysis, developing a system. We are holding a Middle Eastern launch in November, to inaugurate the implementation of the Egyptian plan and demonstrate what ILD does.”

Schaefer added that “officials from other Middle Eastern countries have been invited – the Iraqis will be there.”

“The goal [in Iraq] would be to provide a common bedrock law for all citizens. The current extralegal rules

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“The consequences for a genuine property system and the future of capital formation in Iraq are profound.”



October

16th-19th

Arab World Travel and Tourism Exchange – Beirut

The Arab World Travel and Tourism Exchange (AWTTE) is perfect for anyone in the travel and tourism business. The Exhibition will unite pan-Arab and world tourism markets allowing trade buyers and suppliers to network and participate in a conference which features the region's top tourism ministries and experts. AWTTE 2003 comes at a very opportune time for the industry to ascertain its position and plan its direction and the many ways in which to drive capital investment in the MENA region. The AWTTE 2003 conference affords attendees the chance to meet with field experts and decision makers and exchange ideas and experiences together. Furthermore, the Hosted Buyers Program brings together a select group of AWTTE 2003 participants who make up a considerable wealth of potential buying power. Around 200 hosted buyers will be on-site to network with attendees on mutually beneficial business deals. For more information please visit: www.iktissad.com/EN/Conferences/ConferenceDetails.asp?Q=EN&CNFID=30 or contact: Al Iktissad Wal Aamal Group. PO Box 113-6194, Beirut, Lebanon.

Tel: 961 1 780200 • Fax: 961 1 780206.
Email: info@iktissad.com.

16th-19th

PLASTEX 2003 – Cairo

PLASTEX 2003 is a leading international trade fair for the plastic and rubber industry. The fair presents products and services, technologies and innovations, trends and tendencies for the markets of tomorrow. It is an international meeting place for all plastic and related industry areas. The event features a range of products from chemicals, resins and equipment to molding tools and computer services. PLASTEX 2003 is the largest fair in the Arab- African region offering attendees a perfect platform to launch new products or learn about the latest trends in the industry, and where they will meet top decision makers from all industrial areas. For more information please visit: www.acg-itefairs.com/plastex/ or contact: ACG and ITE International Trade Fairs. 30 Adnan El Madani Street, Sahafeyeen, Mohandeseen, Cairo, Egypt.

Tel: 20 2 3023605 • Fax: 20 2 3023628.
Email: info@acg-itefairs.com.

19th-22nd

Middle East Industrial Show – Sharjah

The Middle East Industrial Show in Sharjah has continually proved its importance as a delivery platform for UAE and international decision-makers in industrial sectors. The organizers have brought together the leading national and international manufacturers with their counterparts in the regional target markets. The show provides an ideal opportunity to present the latest product developments and technical advancements in the sector. For more information please visit: www.expo-centre.co.ae/meis or contact: Expo Centre Sharjah. PO Box 3222, Sharjah, United Arab Emirates.

Tel: 971 6 5770000 • Fax: 971 6 5770111.
Email: info@expo-centre.co.ae.

19th-23rd

GITEX 2003 – Dubai

The GITEX 2003 conference aims to propagate the use of information technology, which is the driving force behind the global business. As knowledge is expanding exponentially this conference gives you the best opportunity to keep abreast with the latest in information technology. This annual event discusses the changing information technology trends, applications, latest development methodologies, and ways to incorporate niche technology into enterprises. The conference seeks to facilitate cooperation between academic and industry professionals. For more information please visit: www.gitex.com/main.html or contact: Datamatix. PO Box 60019, Dubai, United Arab Emirates.

Tel: 971 4 3326688 • Fax: 971 4 3328223.
Email: info@datamatix-dubai.com.

19th-21st

Environment Protection in the Cement and Building Materials Industries – Abu Dhabi

Themes for the 4th International Conference and Exhibition on Environment Protection in the Cement and Building Materials Industries will include new developments in pollution control technological systems in the cement industry; process control systems for pollution control technologies; legislation and standard specifications for environmental pollution in cement industry; practical case studies in characterization and pollution abatement; technologies for monitoring the dust generating from cement industry activities within the surrounding environment; procedures to abate dust emissions resulting from cement industry related activities, such as conveying, storage, filling, etc.; and industrial protection and safety. For more information please visit: www.aucbm.org/english/activiti/confs/4thEnv.htm or contact: Arab Union for Cement and Building Materials (AUCBM). PO Box 9015, Damascus, Syria.

Tel: 963 11 6115412 • Fax: 963 11 6121731.
Email: aucbm@net.sy.

20th-23rd

9th Annual Middle East Gas Summit – Cairo

The region's immense reserves of natural gas have helped establish the Middle East Gas Summit (MEGAS) as one of the region's most dynamic energy events. MEGAS will again feature a comprehensive and high profile program, aimed at informing delegates of the strategic direction and investment opportunities that exist in the Middle East gas industry including issues relating to major projects in production, gas-to-liquids, utilization and transportation. Our country focus sessions on Egypt, Qatar, Iran and Iraq will feature senior officials, many of whom are the architects of their country's gas industry. For more information please visit: www.ibcgulf.com/megas or contact: IBC Gulf Conferences. Sarita Singh. PO Box 15078, Dubai, United Arab Emirates.

Tel: 971 4 3369992 • Fax: 971 4 3360116.
Email: sarita.singh@ibc-gulf.com.

20th-21st

The Rehabilitation and Development of Iraq's Petroleum Sector – Geneva

With a fantastic line up, including the opportunity to hear from and speak with senior figures from the Iraqi Ministry of Oil, this timely meeting has taken over 150 bookings already. The future of Iraq's Petroleum Sector has implications for the global petroleum industry and this meeting will provide vital information and networking opportunities for all participating companies. For more information please visit: www.thecwcgroup.com/conf_detail_home.asp?FP=1&CID=5 or contact: The CWC Group, 3 Tyers Gate, London, United Kingdom.

Tel: 44 20 70894200 • Fax: 44 20 70894201.

Email: info@thecwcgroup.com.

20th-21st

3rd GTL Commercialization – Doha

The 3rd Annual GTL Commercialization will feature the latest on GTL initiatives by the major companies in the sector, advanced syngas technologies, GTL financing and legal issues, and a techno-economic evaluation of GTL versus LNG. Many majors are planning demonstration and commercial scale GTL plants around the globe. The growing and evolving worldwide market for GTL products and its easy transportation continues to draw focus to GTL's competition with LNG projects. In hotbed regions – from Qatar to Iran, to Indonesia and Western Australia, there is trend of government support to encourage GTL investments in their countries. A discussion of whether, given the high initial capital cost and the complexities in obtaining financing, is there room for every player in the GTL industry? And lastly, what are the variety of legal, risk and financing issues that affect lenders and sponsors? For more information please visit: www.cmtevents.com/gtl.htm or contact: Centre for Management Technology, Ms. Cynthia Yeo, 80 Marine Parade Rd. #13-02, Parkway Parade, Singapore, Singapore.

Tel: 65 63469132 • Fax: 65 63455928.

Email: cynthia@cmtsp.com.sg.

20th-22nd

Fujairah Bunkering & Fuel Oil Forum – Fujairah

Key issues to be covered at the Fujairah Bunkering & Fuel Oil Forum will include: the outlook for Fujairah's long term business for tankers and trading; the impact of demand and supply changes to Fujairah's role as a bunker supply location; oil and shipping industry perspectives to changes in the world fleet and its impact on trade; the changing landscape of the bunkering market and its players; fuel oil pricing models and their methodology and challenges; improvements in refining procedures; pollution and oil spill response initiatives; maritime security and key port state control issues; prospects for Port of Fujairah's infrastructural facilities & services. For more information please visit: www.cconnection.org/FUJCON2003Home.htm or contact: The Conference Connection Group, 105 Cecil Street #07-02, The Octagon, Singapore, Singapore.

Tel: 65 62220230 • Fax: 65 6222012.

Email: info@cconnection.org.

20th-November 5th

FOODEX 2003 – Sana'a

FOODEX 2003, the 5th International Food Fair, is organized to facilitate the introduction of new food products and technology into the Yemen market. Being one of the biggest and most well-attended international trade shows for food, beverages and hospitality industry in Yemen, the FOODEX 2003 show will feature trade exhibitors from over 30 countries. Companies involved in providing the following categories are welcomed to participate in this event: Food and beverages products (with the exception of alcoholic and pork based products); food and beverage related products; hotel and catering equipment and hospitality products and services; and food processing equipment, home appliances, kitchen wares, and related products. For more information please visit: www.exposanaa.com/FOODEX.htm or contact: Apollo International Exhibitions, Omar Al-Nihmy, PO Box 15434, Sana'a, Yemen.

Tel: 967 1 441000 • Fax: 967 1 448086.

Email: apollo.exb2@y.net.ye.

22nd-25th

Intermedi: The International Medicine Exhibition – Amman

InterMedi, the International Medicine Exhibition, is the first of its kind event in Amman, which introduces and promotes an international business-to-business environment for the medicine and drug industry. For more information please contact: BHG, PO Box 416, El Gezira, Zamalak, Cairo, Egypt.

Tel: 20 2 4030589 • Fax: 20 2 4047267.

Email: info@bhg-expo.com.

23rd-26th

Banking, Insurance & Real Estate – Beirut

Uniquely positioned, Banks, Insurance & Real Estate 2003, is Lebanon's first exhibition aimed squarely at promoting bank products, insurance policies and real estate to corporate, commercial and individual customers. Banks, Insurance & Real Estate 2003 will bring together banks, credit cards companies insurance companies, property developers and real estate brokers with clients from Lebanon and throughout the region. For more information please visit: www.promofair.com.lb/Promofair_II/show_overview.asp?show_id=30 or contact: Promofair, PO Box 165972, Beirut, Lebanon.

Tel: 961 1 561600 • Fax: 961 1 561600.

Email: promofair@inco.com.lb.



General

- ◆ On September 1, Abu Dhabi endorsed a venture to transform a coastal manmade island into a major tourism center that will comprise an amusement park, hotels, restaurants, a wildlife preserve and other facilities. A decree issued by Sheikh Khalifa bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces, created the General Corporation for Development and Investment of Lulu Island. The company has a capital of \$27.2 million.
- ◆ The UN Relief and Works Agency (UNRWA) is making a plea to donor countries to secure an emergency \$103 million for critical relief to Palestinian refugees. Since making the emergency appeal in June, UNRWA has only been able to secure pledges of \$38 million, with \$31 million of that amount coming from the US. As a result of the dearth in funding, one million refugees in Gaza will have severe cuts in their food rations. Instead of covering 60 percent of a family's nutritional needs, UNRWA will now only be able to supply 30 percent. Other programs have also sustained severe cuts: only 12 percent of planned shelters have been constructed, just 23 percent of planned work days in the emergency job initiative have been created, and a plan to provide shoes and school uniforms to 70,000 refugee children has been cancelled.
- ◆ Land Rover's flagship model helped drive sales up 42 percent in the GCC for the first seven months of 2003 compared to the same period last year. Land Rover saw sales grow by 41 percent in 2002. Until the end of July, sales of the Range Rover rocketed by 52 percent in the Gulf and the Discovery model remains popular, recording a 44 percent sales increase across the region from January to July 2003.
- ◆ On September 28, Egypt's National Democratic Party approved an extensive economic and political reform package that aims to boost foreign investment and privatization. The reforms include democratization, accelerating privatization, encouraging investment, and improving public transportation.
- ◆ Gulf Air announced in the first week of September that 684,341 passengers traveled on the airline during the month of August to its network's 45 destinations. Premium traffic is also up and the number of first class passengers increased by 33.5 percent over August 2002, with particularly strong growth experienced in the European sector. There was also a 12.2 percent increase in cargo traffic.
- ◆ On September 10, Syrian President Bashar Al-Assad accepted the resignation of Prime Minister Mustafa Miro. The move had been expected since Assad's announcement in August that a new government would be formed to quicken economic reforms. Parliament Speaker Naji Al Otari replaces Miro and will lead a new government that is expected to push a reform agenda.
- ◆ The UN Security Council ended 11 years of sanctions against Libya September 12. Adopting its resolution by a vote of 13 to 0 with the United States and France

abstaining, the council officially ended the sanctions that were suspended in 1999 when Libya allowed two suspects in the Lockerbie bombing to stand trial. The series of sanctions, imposed between 1992 and 1994, included air and arms embargoes, a ban on the sale of certain oil equipment to Libya, and a freeze on financial assets.

- ◆ Saudi Arabia has announced a plan to spend \$347 million over the next five years to develop tourist infrastructure and programs. Prince Sultan, secretary-general of the Supreme Commission for Tourism, said the money would be used for an intense restructuring of the tourist sector, including a tourism information and research center, joint ventures, the development of new tourism areas, and measures to attract investments. Currently, the majority of the Kingdom's yearly 7.5 billion visitors are Hajj pilgrims, but Sultan plans to expand attractions to include sports and recreation, historical sites, and culture.
- ◆ Passenger traffic at Beirut International Airport increased by 16.7 percent in August 2003 compared to the same period last year as some 419,000 travelers passed through the facility. The airport's traffic for the first eight months of 2003 climbed to 1.89 million visitors, up from 1.78 million for the same period in 2002. Travelers destined for Lebanon accounted for 41 percent of the total.

Energy: Oil, Electricity and Water

- ◆ The Iraqi Governing Council is preparing to contract foreign companies for upstream oil investment before the United States' Coalition Provisional Authority transfers power. The output levels of new interim Iraqi oil minister Ibrahi Bahr Al Uloum require \$2 billion in immediate investment to update and repair oil infrastructure. The oil ministry hopes to raise output from the current level of 1.8 million bpd to 3.5-4 million bpd by the end of 2005.
- ◆ At the beginning of September, it was announced that US forces in Iraq completed the installation of a generator at Kish. The generator will provide water for some 120,000 acres of farmland in southern and central Iraq. Additionally, US forces are helping the Iraqi Public Safety Office draft a \$10 million contract for communications assets to be earmarked for ambulance services, fire departments and the Ministry of Civil Defense.

Trade and Investment

- ◆ On September 15, Bahrain and US-based aluminium producer Alcoa signed a memorandum of understanding (MOU), opening the way for Alcoa to acquire up to a 26 percent equity stake in Aluminium Bahrain (Alba). The four-potline Alba smelter is one of the world's lowest cost facilities and serves markets in the Middle East and Asia. Alba is currently adding a fifth line and the MOU aims to accelerate plans for an additional expansion.
- ◆ According to a September 21 AFP report, Iraq's interim finance minister Kamel Al-Kilani has announced an economic reform program that allows 100 percent foreign ownership of ventures in all sectors excluding oil. Under

the reforms, foreign companies can acquire Iraqi firms and set up joint ventures with Iraqi partners. Foreign businesses can also open branches in the country.

- ◆ Saks Incorporated has entered into a licensing agreement to open four stores in the UAE, Qatar, Kuwait, and Bahrain starting in 2004. A regional group of businesses - Al-Mana Group, Chalhoub Group, Damas Jewellery, and Kapico Group - have formed Style Avenue Middle East to own and manage the stores under the license agreement with US-based Saks Fifth Avenue. The first Saks Fifth Avenue store to open under the agreement will total 80,000 square feet and be located in Dubai.
- ◆ On September 30 it was announced that First Islamic Investment Bank and its co-investors acquired a major interest in American Pad & Paper (Ampad), a manufacturer and distributor of paper-based office products in the United States. Based in Texas, Ampad's customers include many office product retailers and distributors in North America, including Staples and Wal-Mart.
- ◆ Longbow, a joint venture between US companies Lockheed Martin and Northrop Grumman, has won a contract valued at more than \$46 million from the government of Kuwait. Longbow will provide eight fire control radars as part of an earlier purchase by the Kuwaiti government of 16 AH-64D Apache helicopters, which are manufactured by Boeing, another US company.
- ◆ Visa International has announced a 42 percent increase in annual retail card expenditure across the Middle East with \$6.4 billion reached in the year ending June 30, 2003. Kuwait was the fastest growing market in the Middle East, where retail card expenditures rose by 81 percent to reach \$1.6 billion. Saudi Arabia followed Kuwait, where sales volumes increased by almost 50 percent, while in Lebanon retail spending grew by 26 percent to reach over \$200 million.
- ◆ Aramex International, a Middle East-based freight forwarding and logistics solutions provider announced mid-year revenues of \$80.1 million. The figure reflects a growth of approximately 27 percent over the same period last year. Aramex's mid-year net income rose to \$4.5 million, an 83 percent increase compared to last year's half yearly figure of \$2.4 million - the highest growth achieved in the company's history.
- ◆ A bilateral market agreement has been signed between Saudi Arabia and the European Union. While the agreement will help Saudi Arabia in its efforts to join the WTO, there are still numerous details to be worked out. The deal signed covers the commitments that Saudi Arabia will take on when it enters the WTO for both goods and services. The average tariff level that Saudi Arabia undertakes to apply for industrial goods will be around 12 percent with similar commitments assumed for agricultural goods.

Finance

- ◆ Moody's Investors Service announced on September 4 that it upgraded the foreign currency deposit ratings of several Jordanian banks and placed a positive outlook on Arab Bank's non-Jordanian branch foreign currency

deposit rating ceiling. According to Moody's, the positive outlook on the non-Jordanian branch deposit rating ceiling of Arab Bank stems from improvements in the head office regional operating environment, and recent steps taken by the bank to improve treasury IT systems and enhance risk management.

- ◆ Dubai Islamic Bank (DIB) announced on September 8 the launch of its first investment project in Lebanon - the 'Matal Al Qamar.' Consisting of residential units to be offered on a freehold basis, Matal Al Qamar will be built near the Quernayel Falougha area, in Beirut's suburbs. The project is composed of 80 residential units and includes townhouses, duplex and triplex apartments and special units set near a waterfall area.
- ◆ Standard & Poor (S&P)'s has upgraded the long-term credit rating of National Bank of Kuwait (NBK) to A from A-. NBK is Kuwait's largest bank, with total consolidated assets of \$17.3 billion as of June 30, 2003. NBK has the leading market share in retail banking and has privileged access to most of the country's major corporations. The bank is looking to expand regionally in the Arab world, with the aim of increasing revenues and diversifying geographically.
- ◆ The Banker magazine has accorded the National Bank of Kuwait (NBK) the Middle East Bank of the Year Award. The magazine said NBK is maintaining its predominant position in Kuwait and the region amid increasing competition at home and abroad. In 2002, NBK expanded its regional financing role, advising on major telecoms deals in Jordan and Bahrain and using its strong balance sheet to capitalize on the overall opening up of the GCC financial sector.

Technology

- ◆ On September 8, Jordan Telecom launched its new e-payment gateway. This move will make the company the second telecommunications firm in the area to offer customers a full e-commerce service. Jordan Telecom customers will be able to pay telecommunications bills online for now but there are plans to expand services to include online shopping and online payment options for utility bills.
- ◆ According to a report compiled by Madar Research, personal computers, computer accessories and peripherals will constitute a major part of Iraq's IT spending for the next couple of years. Jordan and the UAE, followed by Lebanon are expected to be major suppliers of computer equipment to Iraq. The report says the public and private sectors in Iraq are expected to purchase an estimated 450,000 PCs between 2004 and 2008 annually with IT spending reaching an estimated \$1.42 billion by 2008.
- ◆ Intel Corporation finalized an agreement with the American University of Beirut (AUB) on September 16 to develop a finance competency center to support the university's academic programs. The US-based corporation will supply advanced computer systems to benefit AUB's business and finance programs. In addition, it will provide students with real time access to state-of-the-art technology solutions.

The News Briefs section is compiled from a variety of on-line and print newspapers, journals, and magazines. For links to sources and daily news briefs via the Internet, please visit www.ArabDataNet.com



Algeria

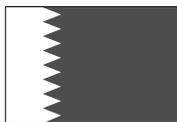
Tap changer

A tender has been issued for the supply, installation and putting into service of an on-load tap changer for a 66/5.5-kV power transformer at the GL2.Z complex Banque Exterieur d'Algerie, Arzew branch. The closing date for the tender is October 25. For further details contact: Societe Nationale Sonatrach, Activite Aval/Division GNL, Complexe GL2.Z, BP 166, Bethioua 31210, Oran, Algeria.

Tel: 213 41 470437/489199/489614
Fax: 213 41 479301/479366.

Desalination plant

A tender has been issued for the supply, set up and activation of a desalination plant. The closing date for the tender is October 18. For further information contact: Societe Nationale de la Petrochimie, Complexe Matieres Plastiques, BP 115, Skikda 21000, Algeria. Tel: 213 38 745304/745309 • Fax: 213 38 745325.



Bahrain

Street lighting

The Ministry of Electricity and Water has offered a tender for street lighting works at the Jaww area. Closing date for bids is October 21. For more information contact: The Ministry of Electricity and Water, PO Box 2, Manama, Bahrain.

Tel: 973 546666 • Fax: 973 537096.

Pipe replacements

A tender has been offered for the replacement of pipes at Ruffaidah nursing hostel. The closing date for this tender is October 28. For more details please contact: The Ministry of Health, PO Box 12, Manama, Bahrain.

Tel: 973 255555 • Fax: 973 252569.



Egypt

Railway equipment supplies

A tender has been issued by the Egyptian National Railways for the supply of manganese frog and ribbed sole plates. The final date for bids is October 26. For more information contact: The Egyptian National Railways, Purchases and Stores Department, Railways Building, 5th Floor, Cairo, Egypt.

Fax: 20 2 5761337.

Health consultancy

The provision of consultancy services for building the capacities of the Health Insurance Organisation (top management and middle level) as part of the health sector reform program is sought. There is an open date for bid offers. All training programs will be conducted in Arabic and English and materials will also be in Arabic and English. The project is financed by the World Bank. For more information contact: The Health and Popula-

tion Ministry, Health Sector Reform Program, Central Administration for Technical Support & Projects, Hanem Abd el-Azeem Zaher, Director, 3 Magles El-Shaab Street, Cairo, Egypt.

Tel: 20 2 7922571/7949623/7941481
Fax: 20 2 7950597.

Cosmetic surgical equipment

A tender has been issued for the acquisition of medical equipment (cosmetic surgical equipment) for Ahmed Maher Hospitals. Closing date for bids is October 29. For further details contact: Ahmed Maher Hospitals, Medical and Health establishments, Cairo, Egypt.

Tel: 20 2 3923366/3918838 • Fax : 20 2 3914455.



Jordan

Student/faculty network

The National Center for Human Resources Development has offered a bid for the provision of an info-student/faculty network and personal computers as part of the information technology sector's higher education development project. The closing date for offers for this World Bank financed project is October 21. For further information contact: The National Center for Human Resources Development, Project Implementation Unit, Higher Education Development Project, Engineer Zaidoun Rashdan, Project Director, PO Box 560, Aljubeiha 11941, Jordan.

Tel: 962 5331451 • Fax: 962 5340356.



Kuwait

Construction of hangars, workshops and offices

A tender for the construction of hangars, workshops and offices in Ahmadi for the Kuwait Oil Company has been offered. The closing date for bids is October 26. For more information contact: The Central Tenders Committee, PO Box 1070, Safat 13011, Kuwait.

Tel: 965 2401200 • Fax: 965 2416574.

Gas line replacement

A tender has been issued for the replacement of a 16-inch HP gas line between M/F (O) and M/F (Q) for the Kuwait Oil Company. The closing date for bids is October 26. For more information contact: The Central Tenders Committee, PO Box 1070, Safat 13011, Kuwait.

Tel: 965 2401200 • Fax: 965 2416574.



Oman

Water supply scheme

Bids are requested for a billing contract for Al Masarat water supply scheme. The closing date for bids is October 25. For further information please contact: The Ministry of Regional Municipalities, Environment and Water Resources, PO Box 323, Muscat 113, Oman.

Tel: 968 692550.

Elevator maintenance

A tender has been issued for maintenance services of a VIP elevator in the ministry of transport and communications. Final date for bids is November 3. For more information contact: The Ministry of Transport and Communications, PO Box 338, Postal code 112, Ruwi, Oman.

Tel: 968 697870 • Fax : 968 696817.



Qatar

Engineering procurement

A tender has been issued for the implementation engineering, procurement, installation and commissioning of minor modifications in the Dukhan fields. The closing date for bids is November 9. For more details contact: Qatar Petroleum, PO Box 3212, Room No 2, Building No 24, Contracts Department, Doha, Qatar.

Tel: 974 4717172/4716051.



Saudi Arabia

Water network

The Ministry of Municipalities and Rural Affairs has offered a tender for the construction of a water network with two water tanks in Muzahimiyah. The closing date for bids is October 25. For more information contact: The Ministry of Municipalities and Rural Affairs, PO Box 955, Nassiriya Street, Riyadh 11136, Saudi Arabia.

Tel: 966 1 4415434 • Fax: 966 1 4412118.

Education center construction

A tender has been issued for the construction of a girls' education center. The last day for bids is November 8. For further information contact: The Girls Colleges Division, Riyadh, Saudi Arabia.

Tel: 966 1 4023331.

Palace renovation

The Ministry of Education has offered a tender for the renovation of the Abu Jafan archaeology palace in Kharj. The closing date for bids is October 25. For more information contact: The Ministry of Education, Airport Road, Riyadh 11148, Saudi Arabia.

Tel: 966 1 4042888/4042952 • Fax: 966 1 4012365.



Syria

Circuit breakers

A tender has been issued for the supply of 200 vacuum-type, 20-kV circuit breakers and spare parts. The final date for offers is November 12. For more information contact: The Public Establishment for Exploitation and Distribution of Electric Energy, PO Box 35199, Damascus, Syria.

Tel: 963 11 3324963/3323952 • Fax: 963 11 2223686.

Boiler restoration

The Mehardeh Public Generation Company has issued a tender for the restoration of boilers at units 3 and 4, on a turnkey basis, to work with fuel oil and natural gas into safety operation conditions according to thermal calculations and technical conditions. The final date for bids is October 29. For further details contact: The Mehardeh Public Generation Company, Hama, Mehardeh, Syria.

Tel: 963 33 730522/731796-7 • Fax: 963 33 731795.



Tunisia

Transport sector study

Expressions of interest are sought for the provision of consultants to carry out a transport sector project for the bus, metro and train network in Tunis. Financed by the World Bank, the project has a closing date for bids of October 31. For further information contact: Societe du Metro Leger de Tunis, Salah Belaïd, Directeur des Etudes & du Developpement, 60 Avenue Jean Jaures, Tunis 1001, Tunisia.

Tel: 216 71 348555 • Fax: 216 71 338100.

Water treatment

A tender has been issued for the renovation of the South Sousse water treatment station and the construction of the new Sousse Hamdoun Water treatment station, including supply and installation of equipment and water transfer systems. The closing date for this tender is October 28. For more information contact: ONAS, 32 Rue Hedi Nouira, 1001 Tunis, Tunisia.

Tel: 216 71 343200 • Fax: 216 71 350410.



UAE

Control room development

The Department of Civil Aviation has issued a tender for the development of a control room and sub-station at Abu Dhabi international airport. The closing date for bids is October 20. For further inquiries contact: The Department of Civil Aviation, PO Box 20, Abu Dhabi, UAE.

Tel: 971 2 5757500 • Fax: 971 4 5053552.



Yemen

Engineering project

A tender has been issued for the provision of consultants for engineering project management services as part of a health reform support project financed by the World Bank. The scope of works comprises providing engineering project management services in coordination with the engineering department of the Public Health and Population Ministry for the rehabilitation and extension works of eight district hospitals and 16 health centers. The final date for expressions of interest is October 30. For further information contact: The Health Reform Support Project, Public Health and Population Ministry, Dr Naseeb Qirbi, Credit Administration Unit, PO Box 1330, Al Hasaba, Sana'a, Yemen.

Tel: 967 1 252224 • Fax: 967 1 251622.



Iraq: Challenges, Opportunities, and the Way Forward

On October 6, the National US-Arab Chamber of Commerce and the American-Iraqi Chamber of Commerce hosted a roundtable discussion at the Madison Hotel in Washington, DC. Entitled, "Iraq" Challenges, Opportunities, and the Way Forward," the event brought together some of the most prominent players in Iraqi reconstruction as well as a host of diplomats and media representatives.

With over 50 attendees, roundtable discussions tackled the major challenges facing Iraq's reconstruction: Security issues, infrastructure development, finance and banking, were all candidly discussed by both attendees and panelists. Vibrant question and answer sessions followed each panel.

After opening remarks by Dr. Sam Kubba, chairman and CEO, American-Iraqi Chamber of Commerce, and Mazhar Samman, executive vice-president, National US-Arab Chamber of Commerce, His Excellency Karim Kawar, ambassador of the Hashemite Kingdom of Jordan to the US, commenced the discussion by speaking about his country's view of events.

The event was also attended by His Excellency Bader Omar Al-Daffa, ambassador of the State of Qatar to the US.

The first panel wrestled with the challenges currently facing Iraq and was moderated by His Excellency Michael Ussery, former US ambassador to Morocco. Speakers on this panel included Brian Berry of Blackwater Security Consultants, who spoke about the security issues that face foreigners in Iraq.

Peter B. Saba, general counsel, EXIM Bank, was next on the panel and talked about the importance of financing businesses in Iraq. After Saba's presentation, Dr. Linton Wells II, principal deputy assistant secretary of defense

for networks and information integration, Department of Defense, discussed the potentialities, developments and challenges to building Iraq's IT and telecommunication sectors.

Last to speak on the panel was Saba Shami, director, Virginia Taskforce for Business Development with Iraq. His presentation highlighted the complexities of insuring projects in Iraq.

The second panel, moderated by Ayaz R. Shaikh of Pillsbury Winthrop, looked at the opportunities available in Iraq for both American and Iraqi entrepreneurs. Dr. Sam Kubba started the discussion with a PowerPoint presentation on the ways in which businesses can get a foothold in Iraq.

Merriam Mashatt, of the Coalition Provisional Authority, then discussed the latest reconstruction progress and what still needs to be done. Michael McAdams, senior vice president and general counsel of the Amira Group, followed Mashatt with an impassioned speech on the need for transparency and openness in the contract selection process.

The final speaker on the second panel was Dr. Peter Reiss of Development Alternatives Inc. (DAI). Dr. Reiss talked about DAI's efforts to aid the Iraqis of the southern marshes and the business opportunities it will yield US businesses.

The roundtable was followed by lunch where diners listened to speeches about Iraqi and Arab culture.

John Simmons, creative director of the Cultural Strategies Institute, talked about the preservation of Iraqi artifacts at the country's museums and historical sites. After Simmons' speech, the subject of cultural complexities was raised by Lobna Ismail of Connecting Cultures, who talked about the importance of grasping Arab customs and traditions. ♦

Bahrain FTA Coalition roundtable and luncheon

The National US-Arab Chamber of Commerce participated in a luncheon hosted by the Embassy of Bahrain on October 1 at the Ritz-Carlton Hotel in Washington, DC. The focus of the luncheon was regarding the US-Bahrain Free Trade Agreement (FTA).

Prior to the luncheon, a roundtable was held where His Excellency Abdulla Hassan Saif, minister of finance and national economy of Bahrain, asked participants to voice their support of the FTA through their community, business and political contacts.

Kathy Novelli, assistant United States Trade Representative (USTR), echoed this request and said the USTR was positive about moving forward with the FTA. She

stressed this was vital for the relationship with Bahrain and that it was important for Congress and the private sector to hear from participants about their support for this initiative.

Following Novelli's remarks, roundtable participants expressed their support for the FTA. In addition to companies such as ExxonMobil, Grumman and Microsoft, Mazhar Samman, executive vice president of the National US-Arab Chamber of Commerce, expressed the organization's support for the FTA.

At the luncheon, ALCOA, with its new investment in Alba, Bahrain's national aluminum company, said Bahrain was a "very easy story to support." ♦

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that govern most Iraqis should be deconstructed in order to identify the principles that underlie them and see how they can be integrated into a new property law that can be trusted by everyone." De Soto told the Senate. "This

is how the rule of law begins—with property law that protects what poor people cherish the most and leads them to quickly understand the value of a system of rules that applies to everyone." ♦

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