

Construction Week

The Middle East's top construction contracts of April 2020

EXCLUSIVE: From Galfar to Target, Hassan Allam to Hill Int'l, ACCIONA to Abengo, L&T, it was raining contracts for these contractors



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Despite the economic downturn due to the COVID-19 pandemic, countries and companies in these countries are taking one-step at a time to mitigate the risks associated with the outbreak.

For the Middle East as well, these times have been no less challenging. In fact for the construction sector, which continued to tackle the problems by applying preventive measures in place, it had been a better month compared to March 2020.

Major construction players including L&T, ACWA Power, Hassan Allam, Hill International, ACCIONA, Galfar Engineering and Contracting saw contracts raining in the month of April.

The Middle East's top construction contracts of April 2020 were:

- 1. Malaysia's Serba Dinamik bags \$1.8bn EPC deal from Block 7 in Abu Dhabi**
- 2. ACWA Power-led consortium to design, build SWPC's Jubail 3A IWP**
- 3. Oman's Galfar wins \$24.5m Fahud runway revamp project from PDO**
- 4. India-listed L&T Construction bags contracts in Kuwait, Oman, Egypt**
- 5. Finland's Wärtsilä to equip 44MW solar plant at Saudi gold mine**
- 6. Wabag wins \$11.9m O&M contract for Bahrain's Al Madinat Salman STP**
- 7. Arabtec's Target wins industrial, real estate contracts worth \$57m**
- 8. Abengoa, Sepco3 win contract for Saudi Arabia's Jubail 3A desal plant**
- 9. Etihad Rail awards \$230.33m contract to build O&M facility**
- 10. Hassan Allam, CCC win Address Hotel Marassi contract from Emaar Misr**
- 11. Hill Int'l wins project management for AAIB's new HQ in New Cairo Egypt**
- 12. ACCIONA to build \$500m desalination plant in Saudi Arabia**

Please note that this list is not a ranking.

- 1. Malaysia's Serba Dinamik bags \$1.8bn EPC deal from Block 7 in Abu Dhabi**

Bursa Malaysia-listed Serba Dinamik Holdings has secured an engineering, procurement, and construction (EPC) services contract worth \$1.8bn (AED6.6bn) from US-based Block 7 Investments at the UAE capital, Abu Dhabi.

The EPC contract has been awarded to Serba Dinamik International Ltd (SDIL), a wholly-owned subsidiary of Serba Dinamik Holdings.

The scope of work includes, but is not limited to, designing, engineering, procuring, supervising, managing, supplying, transporting, constructing, commissioning, and the remedying of any defects in connection with the project works.

2. ACWA Power-led consortium to design, build SWPC's Jubail 3A IWP

Saudi Water Partnership Company (SWPC) has picked a consortium comprising ACWA Power, Gulf Investment Corporation (GIC), and Al Bawani Water & Power Company as the preferred bidder for the Jubail 3A independent water project (IWP).

Once operational will have a capacity to produce 600,000m³ per day. Located in the South of Jubail City, the plant will serve Riyadh, Wassim, and Eastern provinces by providing potable water.

As the preferred bidder, the consortium will be responsible for the development, design, financing, construction, commissioning as well as operation and maintenance (O&M) of the plant. The project also includes storage tanks of one day production as well as in-house solar power to reduce the power consumption from the network.

3. Oman's Galfar wins \$24.5m Fahud runway revamp project from PDO

Oman's Muscat Securities Exchange-listed (MSM) Galfar Engineering & Contracting has secured a \$24.5m (OMR9.5m) contract for the Fahud Runway Rehabilitation Project from the Sultanate's state-held Petroleum Development Oman (PDO).

In a stock market filing at that time, the company said that the contract has been awarded for a period of 11.5 months, which is effective from 7 April 2020, with the contract being awarded on 31 March.

4. India-listed L&T Construction bags contracts in Kuwait, Oman, Egypt

India-based Larsen & Tourbo's power and transmission distribution business, a part of its subsidiary, L&T Construction, has secured 'major' contracts for projects in Kuwait, Oman, and Egypt in the Middle East.

A major contract is classified as the one valued between \$655.4m to \$917.6m.

In Kuwait, the contracting heavyweight has been awarded a contract to upgrade substations and related power facilities in Kuwait National Petroleum Company's (KNPC) Mina Al Ahmadi oil refinery. L&T Construction will use the latest technology to revamp the network of distribution substations to increase the reliability of power supply and facilitate expansion for the refinery.

5. Finland's Wärtsilä to equip 44MW solar plant at Saudi gold mine

Finland's Helsinki Stock Exchange-listed Wärtsilä, a manufacturer of power sources and equipment in the marine and energy markets, has won a supply contract from India's Larsen & Toubro (L&T) for a 44MW power plant that will be installed at the Mansourah & Massarah Gold Project mine in Saudi Arabia.

The Finnish firm will supply the equipment, engineering, and provide technical advisory for the power plant that will be the first newbuild power project in the country to utilise a hybrid concept, with engine technology and solar energy.

L&T placed the order with the firm in March, with the power plant set to comprise six Wärtsilä 32 engines, with five in operation and one on constant stand-by.

6. Wabag wins \$11.9m O&M contract for Bahrain's Al Madinat Salman STP

India's National Stock Exchange-listed (NSE) VA Tech Wabag — also referred to as Wabag — has secured \$11.9m (BHD4.5m) operations and maintenance (O&M) contract from Bahrain's Ministry of Works, Municipalities Affairs, and Urban Planning for Al Madinat Salman Sewage Treatment Plant (STP) and long sea outfall.

Wabag also secured management works for a period of five years from the ministry.

The Chennai-headquartered company had previously secured the engineering, procurement, and construction (EPC) contract for the STP — which has a capacity of 40 million litres per day (MLD) — in October 2015 from the ministry. The plant will fulfil the water needs of approximately 100,000 people.

7. Arabtec's Target wins industrial, real estate contracts worth \$57m

Dubai Financial Market-listed contractor Arabtec Holding has said that its fully-owned subsidiary Target Engineering has been awarded two projects valued at \$57.2m (AED210m).

The first contract, valued at \$22.9m (AED84m) has been awarded by ADNOC Offshore to carry out the engineering, procurement, construction, and commissioning (EPCC) works for the replacement of existing slug catchers, static equipment used in the upstream oil production facilities to minimise the slug from oil and gas pipelines, at the Satah Plant on Zirku Island in Abu Dhabi.

8. Abengoa, Sepco3 win contract for Saudi Arabia's Jubail 3A desal plant

Madrid Stock Exchange-listed Abengoa, which uses innovative technology solutions for sustainability in the infrastructure, energy, and water sectors, has won a contract alongside Chinese engineering and construction firm Sepco3 to construct the Jubail 3A reverse osmosis (RO) desalination plant for Saudi Arabia's ACWA Power.

Abengoa's scope of work for the plant is worth more than \$200m (SAR752.6m). The Seville-based firm will be responsible for the engineering, supply, and construction of the desalination plant, which is located to the south of Jubail in the Eastern province of Saudi Arabia.

9. Etihad Rail awards \$230.33m contract to build O&M facility

The UAE's national railway network Etihad Rail's board of directors has awarded a contract worth \$230.33m (AED846m) to a joint venture led by Vinci Construction France for the construction of the central operation and maintenance (O&M) facility at Al Faya, Abu Dhabi.

The facility will be the largest and the most important facility on the network, as it will be responsible for warehousing, installations, operations, and the maintenance of locomotives and wagons.

The facility will also include an administrative building to control the operations of the whole network.

10. Hassan Allam, CCC win Address Hotel Marassi contract from Emaar Misr

Egypt-based Hassan Allam Holding, which recently built the biggest agricultural drainage treatment, recycling and reuse plant in the world, has secured contracts from Emaar Misr to construct the Address Hotel and Village A Resorts Complex in the Marassi North Coast compound.

In a LinkedIn statement, Hassan Allam Holding said that the contracts have been awarded to a joint venture of Hassan Allam Construction (HAC) and Consolidated Contractors Company (CCC).

As part of the contract, the JV will build 593 rooms and the five star hotel complex, in addition to more than 57,000m² of landscaping and infrastructure.

The development also includes two restaurants, a health club, gym, spa and pool, as well as lobbies for the hotel and residential building.

11. Hill Int'l wins project management for AAIB's new HQ in New Cairo Egypt

New York Stock Exchange-listed construction consultancy Hill International has been awarded a contract to provide project management services for the new headquarters of the Arab African International Bank (AAIB) in 1-Ninety, Fifth District, New Cairo, Egypt.

In a stock market filing, Hill International said that the project covered design and construction of the five-storey building that spans a total area of approximately 28,100m².

Additionally, the project also involves the construction of three basement parking levels with a total area of about 25,300m².

12. ACCIONA to build \$500m desalination plant in Saudi Arabia

Saudi Arabia's Saline Water Conversion Corporation (SWCC) has awarded sustainable infrastructure solutions company ACCIONA and its partner RTCC a \$500m contract for the construction of the Al Khobar 2 desalination plant at Khobar.

The facility, which will be ACCIONA's fourth desalination plant in the kingdom, will be equipped with reverse osmosis technology and a daily capacity of more than 600,000 m³.

The plant will be among the biggest in the country as well as KSA's largest reverse osmosis plant under the EPC scheme to be awarded in a single shot.