
Saudi Arabia new tender for Ras Azzour water power project

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Arab News reported that Saudi authorities are expected to call for new tenders from specialized companies to establish the proposed USD 9 billion Independent Water and Power Production project in Ras Azzour.

Market sources informed that Saudi Arabia required new investments worth more than USD 50 billion for desalination projects during the next 10 years.

Mr Tarik Al-Tamimi chairman of Tamimi Group described investments in the Kingdom's water sector as the most feasible as the Kingdom depends mainly on desalinated water for the consumption of its growing population and meet industrial requirements.

Saudi Arabia is the world's largest producer of desalinated water. It consumes nearly 2.5 billion cubic meters of water annually and about half of which comes from its desalination plants on the Red Sea and Arabian Gulf. The government has decided to go ahead with Ras Azzour IWPP project. The new plant, which may receive the financial support of the state run Public Investment FundPublic Investment Fund is likely to use natural gas instead of oil for its energy requirements.

Mr Al-Tamimi said that "The scale of the Kingdom's IWPP projects has drawn massive financial and investor interest from around the globe. Shuaiba III, the biggest IWPP in the world, for example has involved some 37 banks in project finance, among them almost all the Saudi banks and major international players, such as HSBC, Societe Generale, and Sumitomo Mitsui etc. The Ras Azzour project is designed to supply power and water required by Maaden's aluminum smelter and phosphate-processing facilities in the area."

(Sourced from Arab News)

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