
Saudis Railway awards SAR 2.7 billion contract to consortium

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Emirates Business 24|7 reported that Saudi Railway Organization has awarded a SAR 2.7 billion contract to implement the main railroad linking Riyadh with Qassim.

This was part of the kingdom's North South railway linking the northern mineral belt with Riyadh and the industrial city of Jubail which will be ready for freight movements by 2010 and passenger traffic within 2 years.

The new contract was awarded to a consortium that includes China Civil Engineering Construction Corporation to build a rail link. The group includes Al Ayuni Trading and Contracting Company and Al Abdulaziz Al Omer Establishment for Trading and Contracting. The contract involves civil works for the 500 kilometers rail section linking Riyadh to Al Qassim part of the mega north south rail project. The Chinese firm will install the tracks.

Saudi Arabia is spending billions of dollars to expand its rail network to meet the transportation needs of its growing population of 25 million and improve an antiquated logistics infrastructure.

The north south railway will carry minerals from the Al Jalamid and Al Zabirah mines in the north to the industrial city of Ras Al Zour and operate a passenger and freight service between Riyadh and Al Haditha on the Jordanian border. The north south railway is given priority due to its importance to the kingdom's industrial development.

Sponsored by the Public Investment Fund this rail line is integral to planned phosphate and bauxite mining projects in the north of the country that will link up with processing and smelters on the Gulf coast. It will also reduce the distance between north and south by 500 kilometers.

The PIF officials will sign the project contracts with the winning companies to implement various phases of the project. The total allocations for the giant project will be SAR 15 billion and are expected to reach SAR 20 billion on completion of the project.

(Sourced from Emirates Business 24|7)

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