
Saudi Arabia calls for fresh bids on Landbridge project

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MEED reported that the government of Saudi Arabia and the Saudi Railways Organization are calling for fresh prices from all four original consortiums namely Agility, Mada, Tarabot and Tracc due to financial turbulence.

As per report, Saudi Railways Organization is re opening the bidding on the Saudi Landbridge rail project and asking all four original consortiums to submit revised financial proposals.

The Saudi government and the Saudi Railways Organization is now asking for fresh bids in the light of the global financial crisis and falling raw materials costs, in move designed to achieve more accurate costs for completing the railway.

The Landbridge had been estimated to cost up to USD 7 billion and it is not clear whether the increase in the cost of debt due to the financial crisis will be wholly offset by the fall in the price of raw materials. Linking Saudi Arabia's Gulf and Red Sea coasts, from Jeddah to Dammam via Riyadh, the Landbridge will revolutionize the kingdom's passenger transport and cargo routes. Once completed, cargo will be able to be transported between the east and west coast ports in 24 hours.

(Sourced from The MEED)

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