
BNP Paribas to lead the advisory team of Jordanian rail link

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MEED reported that Amman has selected French bank BNP Paribas to lead an international advisory team for the JOD 4.5 billion rail project that will run the length of the country, linking the port city of Aqaba with the Syrian border.

The Transport Ministry signed an agreement on April 21st 2009 with the bank to lead the team of Canada's CPCS Transcom, which will act as technical consultant and US law firm Chadbourne & Parke and the local IB Law which will provide legal support.

One official at BNP Paribas said that "The project will commence within two weeks. BNP Paribas and its team will design the concession terms for the project and conduct an international tender for the selection of a private operator."

The planned railway will link the Red Sea port of Aqaba with Jordan's major population centers including the capital and the industrial city of Zarqa. A branch of the line will run east to the border with Saudi Arabia via Azraq.

Mr Sahl Majali Transport Minister of Jordan said that the government is still considering financing structures for the project. BNP Paribas and its team will help finalize the financing model.

On 9 April, Amman decided to completely restructure the JOD 236 million Amman-Zarqa rail project after terminating the contract of a winning consortium for the second time. Amman scrapped a contract award to Kuwait's Aknan Global and Spain's Ineco after the consortium failed to raise funding for the project by the agreed deadline.

In March 2008, a consortium of Pakistan's Infrastructure Development Company and China Railway Engineering Corporation was dropped from the project for unspecified legal reasons.

(Sourced from MEED)

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