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## Sonatrach to re tender El-Merk pipeline

*Wednesday, 13 May, 2009*

MEED reported that State energy firm and partner approach contractors to submit bids after winner of original round pulls out. As per report, State energy giant Sonatrach and its partner, the US' Anadarko are to retender a key export pipeline package on their USD 3.8 billion El-Merk production hub.

The move comes after US contractor Bechtel which won the original bid round, turned down the contract.

A source at one Algiers based contractor close to Sonatrach said that "Bechtel had the lowest price when the bids were opened but it did not want the contract. Now are going to retender it."

Bechtel won the competitive bidding round for the pipeline construction contract in March for an undisclosed sum. However, when Sonatrach updated its list of live El-Merk contracts towards the end of the month, neither the pipeline contract nor Bechtel's name were listed.

Sources in Algeria said that Sonatrach and Anadarko it had turned down the job. Sonatrach and Anadarko have since approached international firms with experience in large pipeline projects to bid for the re tendered contract.

Algiers has a history of delaying its most important projects. It repeatedly delayed bidding at El-Merk as it struggled to agree terms and conditions with its international partner Anadarko.

(Sourced from MEED)

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