

Water deals worth SR9 billion signed

10 May 2009

RIYADH: In a major move to boost water supplies to the Saudi capital and its surrounding areas, Saudi Arabia awarded contracts worth SR9 billion yesterday. The contracts are for implementing water projects that will ensure adequate supplies of water and power to the Central Region.

On behalf of the Kingdom, Minister of Water and Electricity Abdullah Al-Hussayen signed the contracts with a group of leading Saudi and foreign companies. Speaking on the occasion, Al-Hussayen said that the completion of the contracts would ensure transfer of 900,000 cubic meters of water daily from Ras Al-Zour to Riyadh. He said that this project was the biggest single contract package signed by **SWCC** in its history so far. The contracts will help to cater for the water requirements of Riyadh's growing population. The city, situated in the center of the Arabian peninsula on a large plateau, suffers from water shortages especially during summer.

These contracts, the minister said, would help to address the water problems of over 5.5 million people who live and work in the city. A number of consumers have been complaining about water shortages in the city which is divided into 15 municipal districts. Many municipal districts, especially Wazarat and Batha, are experiencing many problems.

Spelling out the salient features of the contracts, Al-Hussayen pointed out that the contracts would also increase supplies to small towns such as Sudeir, Majmah, Shaqra, Ghat, Thadiq and Zulfi where hundreds of thousands of people live. The contracts will be implemented within 42 months of the date of signing, said the minister. He said that 900,000 cubic meters of desalinated water would be supplied from Ras Al-Zour to Riyadh on a daily basis.

Speaking on the occasion, a senior official said that 100,000 cubic meters of water would be allocated to smaller towns and villages. Saudi Arabia plans to spend some \$60 billion over the next 20 years to meet the Kingdom's water needs, according to a report published recently, he added. About \$40 billion or more of the total will be for capital expenditure, and the rest for operational costs and maintenance.

Water demand in the Kingdom is growing at about six percent per year, which requires massive investments in the water sector. Projects must be implemented on a priority basis in order to cope with water shortage problems. The Kingdom's current water use is approximately 5.7 million cubic meters per day and will reach 10 million cubic meters per day within the next 15 years, said a report published recently.

(Zawya)