

Egypt evaluates bids for Cairo wastewater project

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Consortium led by the local Hassan Allam Construction is low bidder for Cairo wastewater project

The Cairo and Alexandria Potable and Wastewater Agency (CAPW) is currently evaluating bids for the contract to build the second phase of the Gabal el-Asfar Wastewater Treatment Plant in Cairo.

CAPW received bids from three groups in August for the contract to build the 500,000-cubic-metre primary and secondary wastewater plant. The water agency has prequalified two of the three bidding consortiums on the technical proponents of their bids and is currently assessing the proposals from both groups.

The low bidder is the consortium of the local Hassan Allam Construction/Acciona (Spain)/Passavant (Germany). The other bidder, which was prequalified on its technical submission, is the consortium comprising France's Degremont and the local Arab Contractors.

The Gabal El-Asfar project will have a catchment area covering the middle and lower parts of the Eastern part of Cairo, which currently houses about 8 million people. The project will take four years to complete.

Egypt is also planning to build a public-private partnership (PPP) [Abu Rawash](#) Wastewater treatment plant.

The country's PPP Central Unit produced a list of seven prequalified companies to bid to build the wastewater treatment plant in March 2011. The project has faced several delays due to political instability and changes to the design of the scheme.

The seven prequalifiers for the project are:

- Orascom (local), Veolia (France), Aqualia Gestion (Spain) and Aqualia Infrastructure (Spain)
- Mohamed Abdulmohsin al-Kharafi & Sons Company (Kuwait) and EMIT (Italy)
- AAW (local), Degremont (France), Miahona (Saudi Arabia) and Arab Contractors (local)
- Acciona Agua (Spain), Icat (local), Samcrete (local), GS Engineering (South Korea) and K-Water (South Korea)
- Samsung Engineering (South Korea), Macquarie (Australia) and Aktor (Greece)
- Hassan Allam Group (local), Samsung C&T (South Korea) and Cadagua (Spain)
- Hochtief (Germany), [Metito](#) (UAE) and PWT (Germany)

The winning bidder will sign a 20-year PPP agreement for the design, financing and construction of a secondary treatment stage, sludge management facilities and cogeneration unit.

Power from the cogeneration unit will feed into the wastewater treatment project. The costs associated with adding power generation to the project is to be absorbed by the bidders in higher bid prices.

The tender is being run by Egypt's Housing, Utilities and Urban Development Ministry represented by the Construction Authority for Potable Water and Wastewater with technical assistance from the PPP Central Unit of the Finance Ministry.

The UK's Trowers & Hamlins and KPMG are the government's legal and financial advisers respectively.