

3.81

ALGERIA

Improving the transportation infrastructure of Algeria remains a government priority. The main priorities will be rail, urban transit, aerospace and port improvement. The government acknowledges that 1993-1994 will be difficult times in Algeria, with security concerns predominating. Economic development will assist the government in dealing with the social problems at the root of the current unrest. The next two years will see reduced spending as the government tries to reorganize and meet its debt obligations, but the sector will remain important to Algeria.

Canada is a well respected partner in the Algerian transport sector, due in part to the similar problems facing the two countries, such as long distances and harsh, diverse climates. Canadian success at establishing such an advanced transportation network is admired by the Algerian industry. In the past, Canadian firms have provided aircraft overhaul services, locomotives, helicopters, trucks, and many other products and services.

The Algiers Subway project has been much discussed for a long time now. The Algerian Government continues to insist that it will go ahead with the project, and are seeking foreign partners and foreign capital to proceed. This project will take a long time to come to fruition, if it ever does, but the enormous potential has kept several Canadian firms interested.

Financing, technology transfer and investment will remain very important factors in the sector. Training and improvement of existing infrastructure are among the top priorities in the sector and Canadian companies should expect to include such proposals in any contract negotiation. The Algerian Government seeks to improve its own ability to produce necessary products and services and in the long term to reduce dependence on foreign technology and foreign products.

3.82

IRAN

The transportation sector as a whole accounts for some 6.5% of the GNP. Government investments in this industry has generally been inadequate, indicating only 5% of growth in real terms from 1974 to 1985. Given the rapidly rising population of Iran which now stands at approximately 60 million and growing at a rate of almost 3.5% per annum, the transportation sector must be renovated and expanded to meet the growing basic requirements of the country.

RAILWAYS

Iran Islamic Republic Railways (IIRR) under the Ministry of Roads and Transportation is the authority responsible for planning and operating the railway system of the country. The railway system currently has 4821 kms of main lines, 328 locomotives, 13,000 cargo and 800 passenger wagons.

The current Five Year Economic Development Plan (1990-94) has allocated RIs. 936 billion to railway maintenance and development, together with some US \$1.5 billion. The plan aims to increase passenger traffic on the railways by over 100%, from 7 million per year now to 16 million in 1994. Similarly, freight traffic is planned to increase from 14 million tonnes to 30 million tonnes per year. These increases in capacity are to be achieved in part by double tracking of the (as-yet-uncompleted) Bandar Abbas-Bafgh line, by renovation and upgrading of a further 1750 km of track, and by investment in rolling stock, telecommunications and electrification. Currently only the 146 km Tabriz-Jolfa line is electrified.