World Trade by Mark Sonnenblick

Cost	Principals	Project/Nature of Deal	Comment
NEW DEALS			
$540 mn.	U.S.A. from Finland	Great Northern Nekoosa is joining with Finland's Kymi Kymmene to build a paper pulp mill on Leaf River in Mississippi. Mill will turn out 350,000 tpy bleached kraft pulp, the highest quality paper pulp. The Scandinavians, beset by cutting restrictions because their forests are reportedly being depleted, are anxious to secure pulp supplies from southeastern U.S.A., where forest growth is faster than cutting and wood costs ⅓ less. Finns will provide management and technological expertise and take 80,000 tpy from mill.	Great Northern, which owns 11% of state of Maine, is betting on sharp rise in pulp prices in a few years and on lower interest rates which will permit conversion of $200 mn. in short-tem borrowing needed for plant into long term bonds.
	Israel/Egypt from West Germany	Egypt and Israel have agreed to install telephone cables connecting the two countries across the northern Sinai and cables across the southern Sinai connecting Israel and Egypt with military bases in that area. Egypt will pay most of the costs, but Israel will provide much of the equipment. It has already been agreed that remaining equipment will be bought from Siemens of West Germany, a frequent participant in strategic multi-national arrangements.	Until cable installation completed around June, phone calls between Israel and Egypt will continue via underwater cables connecting each to Rome.
$2.3 bn.	Brazil from U.S.A./Canada	Brazil's state steel company, Siderbras, signed contracts for a total of 42.1 mn. tons metallurigcal coal with 11 coal producers in eastern U.S.A. and Canada. Contracts are for 3-10 yrs.	Brazil steel expansion and plans to mix imported coal with high-ash Brazilian coal will boost coal imports from 5 mn. tpy this year to 6.5 mn. in 1985.
$233 mn.	Canada/Japan	Canadian govt. signed contract for investing U.S. $233 mn. in infrastructure for exporting British Columbian coking coal from new port near Prince Rupert. Port charges will be C$3 plus 80% of inflation. 12 Japanese companies plan to import 6.7 mn. tpy coking coal.	Terminals and mine-port railroads require $1.9 bn. investment.
$1 bn.	Kuwait from Japan	Kuwait National Petroleum Co. has awarded Japan's JGC Corp. an estimated $1 bn. contract for second-phase expansion of Mina Al Ahmadi oil refinery. Expansion will raise capacity to 270,000 bpd.	JGC won first-phase expansion contract worth $700 mn. in Oct. 1980. Cost-plus-fee basis.
	India from U.S.A.	Kirloskar Oil Engines will collaborate with Ambac Industries subsidiary of United Technologies to make fuel injection systems in India.	Indian govt. encouraging competition for Bosch of Germany which holds 80% of fuel injector market.
$280 mn.	Libya from Yugoslavia	Libya gave contract for Misurata fishing port expansion to Ivan Milutinovic-PIM, which did first phase of expansion.	Partial payment in Libyan oil. Libyans prefer barter.
CANCELED DEALS			
	Yugoslavia from U.S.A.	International over-capacity in olefines is reason given for indefinite postponement of second phase of $1.2 bn. "Dina" petrochemical complex being built on Krk Island, Yugoslavia. Plans triaged include ethylene cracker and aromatics and styrene facilities. Dina is joint venture of Yugoslav INA and Dow Chemical Europe.	All resources will go to finishing plants for 70,000 tpy low-density polyethylene, 200,000 tpy vinyl chloride monomer and infrastructure.