Folder Title:	President Wolfensohn - Briefing Book for President's Meetings and Events - Informal Luncheon Meeting - Philippe Maystadt - Deputy PM and Minister of Foreign Trade - Belgium - January 21, 1998
Folder ID:	30490544
Series:	Meeting and event briefing materials
Dates:	12/18/1997 - 01/23/1998
Subfonds:	Records of President James D. Wolfensohn
Fonds:	Records of the Office of the President
ISAD Reference Code:	WB IBRD/IDA EXC-13-10
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(Informal) Luncheon/Meeting:
Philippe Maystadt, Deputy PM &
Minister of Foreign Trade, Belgium

Wednesday, January 21, 1998
1:00 p.m. - 2:15 p.m.
Brussels, Belgium

Archive Management for the President's Office

Document Log

Reference # : Archive-02257

1 RGS

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A. CLASSIFICATION

- [x] Meeting Material
- [ ] Trips
- [ ] Speeches
- [ ] Annual Meetings
- [ ] Corporate Management
- [ ] Communications with Staff
- [ ] Phone Logs
- [ ] Calendar
- [ ] Press Clippings/Photos
- [ ] JDW Transcripts
- [ ] Social Events
- [ ] Other

B. SUBJECT: JDW's Visit to Brussels, Belgium, Jan. 21, 1998. (INFORMAL) LUNCHEON/MEETING: PHILIPPE MAYSTADT, DEPUTY PM & MINISTER OF FOREIGN TRADE, BELGIUM. // TIME: 1:00 - 2:15 P.M. // EXC: LP
Brief includes:
--- Minutes
--- Profile: Mrs. Glenys E. Kinnock, Member of the European Parliament
--- Bio, Press Article
--- Belgium: Economic and Political Background
--- World Bank - EBRD Relations
--- Note to JDW from J. Kassum: IFC - EBRD Relations, Jan. 15; List of WBG Participants at Meeting with Charles Frank, EBRD, Jan. 8
--- HIPC Trust Fund - Bilateral Donor Funding
--- Letter from P. Donovan to Gino Alzetta, Jan. 15; Letter from C. Madavo to P. Maystadt, Dec. 18, 1997

DATE: 01/21/98

C. VPU

Corporate
- [ ] CTR
- [ ] EXT
- [ ] LEG
- [ ] MPS
- [ ] OED
- [ ] SEC/Board
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Regional
- [ ] AFR
- [ ] EAP
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Central
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- [ ] FPD
- [ ] FPR
- [ ] HRO

Affilliates
- [ ] GEF
- [ ] ICSID
- [ ] IFC
- [ ] Inspection Panel
- [ ] Kennedy Center
- [ ] MIGA

D. EXTERNAL PARTNER

- [ ] IMF
- [ ] UN
- [ ] MDB/Other IO
- [ ] NGO
- [ ] Private Sector
- [x] Part I
- [ ] Part II
- [ ] Other

E. COMMENTS:

File Location	Cleared By	Date:
☒ EXC ☐ IISC ☒ Archives	Luigi Passamonti, qd	04/28/98

View Update History

DA DE EN ES FI FR IT NL PT SV

Members of the European Parliament

Mrs Glenys E. KINNOCK
Group of the Party of European Socialists, Member
Committee on Employment and Social Affairs, Substitute
Committee on Development and Cooperation, Member
Subcommittee on Human Rights, Substitute
Joint Assembly of the Agreement between the African, Caribbean and Pacific States and the European Union (ACP-EU), First Vice-Chairman

United Kingdom
Labour Party, South Wales East
Born on 7 July 1944, Roade (Northants.)

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i

HIPC Gordon Brown.

"Mauritius Mandate"

by 2000.

GORDON BROWNE.

Jane F. Kirby-Zaki

01/23/98 11:46 AM
Subject: BELGIUM: Mr. J.D.Wolfensohn's meeting with Minister of Finance P. Maystadt

Minutes for your files.
--------------------- Forwarded by Jane F. Kirby-Zaki/Person/World Bank on 01/23/98 11:47 AM ---------------------------

Spiros T. Voyadzis 01/23/98 08:44 AM

To: Mark Malloch Brown/Person/World Bank@WorldBank, Abdallah El Maaroufi/Person/World Bank@WorldBank
cc: Sven Sandstrom/Person/World Bank@WorldBank, Caio K. Koch-Weser/Person/World Bank@WorldBank, C. Madavo and J-L. Sarbib/Service/World Bank@WorldBank, Jseverino@worldbank.org @ WorldBank, Mahmed@worldbank.org @ WorldBank, Andrew N. Vorkink/Person/World Bank@WorldBank, Veronique Jacobs/Person/World Bank@WorldBank, Phillipa Kate Buscall/Person/World Bank@WorldBank, Jane F. Kirby-Zaki/Person/World Bank@WorldBank, Jane Armitage/Person/World Bank@WorldBank, Nick Van Praag/Person/World Bank@WorldBank
bcc:
Subject: BELGIUM: Mr. J.D.Wolfensohn's meeting with Minister of Finance P. Maystadt

Mark and Abdallah,

Greetings.

This is to record the lunch/meeting that took place ***on January 21, 1998.*** JDW was in Brussels to attend--as one of three guest speakers--a special meeting of the European Parliament's Development and Cooperation Committee; the other two guest speakers were Mr. Michel Camdessus and Mr. Omar Kabbaj, President of the African Development Bank.

Minister Philippe Maystadt is also Chairman of the Development Committee. Luc Hubloue, ED for Belgium, Bernard Delbecque, Advisor to the Minister, Abdallah El Maaroufi and myself also attended.

Following is a capsulized summary:

- The meeting was extremely cordial and very informal.

- JDW started the meeting by informing the Minister about the morning's session at the European Parliament and his follow-up trip to Africa and Asia.

- Most of the meeting time was taken up by the ***Asia crisis.*** JDW informed the Minister of the role of the Bank; of the collaboration between the IMF and the Bank; JDW also discussed lessons learned. In this context he informed the Minister about his idea to create a ***Special Financial Sector Team*** in the Bank to strengthen its capacity to respond appropriately in this vital sector for developing countries. The aim was to create a group of between 30-40 "true" experts in this field; the cost would be around $30 million. JDW asked the Minister to request the appropriate authorities in Belgium to assist the Bank in its recruitment of such experts. Finally, he also informed the Minister that he would be creating an Advisory Board on Financial Sector Issues to be chaired by himself. Paul Volcker had already accepted to be on it. Minister Maystadt proposed Mr. Lamfalussy, ex-Head of the European Monetary Institute. JDW was extremely happy by the Minister's proposal as he knew Mr Lamfalussy. JDW said he would like to personally call Mr Lamfalussy as soon as possible; he asked the Minister if he could first call Mr. Lamfalussy to alert him of JDW's call.

- ***HIPC was then discussed.*** JDW highlighted the fact that the day of the lunch - January 21 - the Paris Club was meeting on Mozambique. He stressed the importance of the Paris Club agreeing on the maximum possible debt relief formula. Mozambique is a very important case, JDW said, in that the Paris Club needs to go beyond its 80% debt forgiveness formula in order to maintain proportionality(88% is needed). If the Paris Club outcome is not satisfactory, this could mean "the end of HIPC altogether". The Minister indicated he had written to all his colleagues of the Paris Club membership to highlight the need to go as far as possible in granting the best terms for debt forgiveness.

- JDW then asked the Minister if the Belgian Government wanted to ***'get back into Africa'*** , by that meaning if the Government were considering the option of playing a greater political and economic role in the international arena regarding Africa. The Minister said the Government was still considering the option but no decision had been made so far.

- The Minister congratulated JDW for the work the Bank is doing on ***"Corruption".*** He proposed that the Bank ought to consider informing Part I Governments about its activities in this area. ***Abdallah was asked to follow up with HQ***.

- Finally JDW, after thanking the Minister for all his efforts so far regarding the granting of a satisfactory ***Establishment Agreement*** to the Bank office in Brussels, informed the Minister that the Bank could not accept the proposal as it now stood because of the provisions contained in the Social Security clause. The Minister promised to take the matter up with his colleagues to find a satisfactory solution.

Abdallah has seen an earlier version of this EM.

Best regards to all Spiros

To: Marisela Montoliu Munoz
Luigi Passamonti
Caroline D. Anstey
cc: Gwendoline Maria Plumley

Bio

Philippe Maystadt, Deputy Prime Minister, Minister of Finance and Foreign Trade (Belgium)

Born in Verviers (Belgium) 14/03/1948
Married, three children,

EDUCATION

-Ph.D. in Law (Catholic University of Louvain - Belgium)
-Master of Arts in public Administration (Claremont Graduate School - Los Angeles - USA)

CAREER

1970-1977	Assistant Professor at the Catholic University of Louvain
1975	Co-author of the book "L'intervention des pouvoirs publics dans la vie économique", awarded the Special Prize of the "Association des Juristes d'entreprises" (Ed. Bruylant)
1977-1991	Member of the House of Representatives
1979-1980	Secretary State for the Walloon Region in charge of the regional economy and urban planning
1980-1981	Minister for Civil Service and Scientific Policy
1981-1985	Minister of Budget, Scientific Policy and Planning
1985-1986	Minister of Economic Affairs
1986-1988	Deputy Prime Minister and Minister of Economic Affairs
1988	Author of the book "Ecouter et puis décider" (Ed. Duculot)
1988-...	Minister of Finance
1989-...	Part-time Professor at the Law Faculty of the Catholic University of Louvain
Sept' 90	Awarded title of "Finance Minister of the Year" by Euromoney Magazine
Sept'90-Sept'91	Chairman of the G-10 Ministers of Finance
Sept'93-Dec'93	Chairman of the Council of Ministers of Economy and Finance of the European Community
1993-...	Chairman of the Interim Committee of the International Monetary Fund
June'95-Sept'95	Minister of Finance and of Foreign Trade
Sept'95-...	Deputy Prime Minister, Minister of Finance and Foreign Trade
April'97-April'98	Chairman of the Council of Governors of the EBRD

European Voice

PROFILE

Philippe Maystadt

EMU believer

THERE is little doubt that Belgium will be among the first EU countries to enter economic and monetary union in January 1999.

When it does, the country's Finance Minister Philippe Maystadt, an ardent supporter of closer European integration, will have fulfilled one of his greatest ambitions.

That, and the fact that he has been in charge of the country's coffers for nearly a decade, has prompted speculation that he may be about to move on: he has been widely tipped as a possible successor to Jacques de Larosiere as head of the European Bank for Reconstruction and Development (EBRD), and there are rumours that he might otherwise move to the International Monetary Fund, where he has been chairman of the powerful interim committee since 1993.

Maystadt is one of the Belgian government's most experienced members. Since the end of the Seventies, he has never been out of office, serving first as a regional minister and later as a federal minister.

But it was only when he took charge of the finance ministry that his impact on national and international politics became clear.

When he took up the reigns of power in the treasury, Maystadt moved swiftly to introduce a major overhaul of the Belgian financial markets.

One of his first targets was the system used to finance the country's massive public debt.

In the Eighties, a consortium of Belgian banks wielded enormous power and was virtually able to dictate its conditions for lending money to the state to finance this debt in negotiations with the country's ministry of finance.

Maystadt liberalised the market and imposed a modern auction system. By doing so, he reduced the cost of debt-financing by several billion Belgian francs a year.

At the same time, he also began a revolution in the Belgian Stock Exchange, dismantling the old barriers and monopolies which had survived since 1935. The Belgian 'big bang' took place in 1990, with further liberalisation introduced just five years later.

Maystadt's goal was to ensure that Brussels would survive as an attractive financial market with a modern financial system and professional players.

The dramatic changes he introduced into Belgium's financial world won plaudits from many independent observers, culminating in his election as 'Finance Minister of the Year' by *Euromoney* magazine in 1990 – an award which did much to raise Maystadt's international profile and reputation.

Maystadt has always been a convinced European, stressing the importance of closer cooperation in the European Union, and an ardent defender of the single currency.

Together with central bank governor Alfons Verplaetse, he devised a new monetary policy which involved pegging the Belgian franc to the German mark. This stringent approach to monetary policy did not win universal support, but Maystadt and Verplaetse stuck to their guns, even in 1993 when the Belgian franc came under heavy fire from speculators.

At the height of the speculation, EU finance ministers held a crisis meeting to decide how to respond to a situation which threatened to bring about the collapse of the Exchange Rate Mechanism (ERM). Tensions were running high, but Maystadt succeeded in getting what he wanted in the end by negotiating separately with each of his counterparts.

The range of fluctuation was enlarged from 2.5% to 15%. Critics doubted whether the system could survive, but the compromise saved the ERM and paved the way for the euro.

Maystadt's support for the single currency is based on his belief that it will bring major benefits both for Belgium and for Europe as a whole, generating a larger market for European industry and thereby creating jobs.

But he firmly believes that the creation of the single market and the single currency should be combined with fiscal harmonisation – and has not had all that much success in his attempts to persuade other EU finance ministers that the two must go hand in hand.

Fiscal fraud is common in Belgium and many Belgians prefer to keep their money in banks in the Netherlands or Luxembourg. The Grand Duchy is particularly attractive because the country already has the same currency as Belgium.

As finance minister, Maystadt is responsible for tackling fiscal fraud. But in Belgium, this seems to be a never-ending cat-and-mouse game.

Getting agreement on ways to tackle the problem at the EU level is far from easy. The Union's fiscal policy cannot be changed without the unanimous agreement of all 15 finance ministers and those who have tried to find a consensus for a more streamlined fiscal policy have had to walk a long and rocky road.

After months of negotiation, Union finance ministers finally agreed on a code of conduct last month aimed at ending unfair fiscal competition between member states, but even that was only a small step and one which may not bear fruit for several years to come.

Maystadt is very familiar with such problems. He has spent years trying to improve his country's fiscal administration, but as yet it is far from clear whether the changes he has introduced are working.

Belgium's fiscal administration is dominated by in-fighting of every kind, and things can turn nasty.

In 1996, the so-called 'swap affair' captured the headlines as the country's Liberal opposition accused the treasury of mismanaging the public debt.

By swapping Belgian francs for weaker European currencies, the treasury lost billions of francs. Maystadt was politically responsible and, for a time, considered stepping down.

In the end he decided to stay on, but gave a series of interviews insisting that this term in office would be his last.

There are many in Belgium who believe that the time has come for him to move on.

Ten years as finance minister is, by any measure, a long time, especially in Belgium, and the revolutionary changes which Maystadt has introduced in the country's financial world have not always been pleasant for those on the receiving end. Bankers claimed that he was too rough with them on a series of issues from money-laundering to fiscal policy.

What had been an advantage – the stability of a ministerial post – has become more and more of a disadvantage, and there are clear signs that Maystadt is now looking for another job.

A decision on the future head of the EBRD is due to be taken before the end of this month. Maystadt is among the front runners, but even if he is pipped at the post, many believe he may still leave Belgium for another international job.

One possibility is that he might go to the IMF, where he has always argued for a social approach and for stronger ties with the developing countries.

Maystadt's approach towards politics is a mainly 'technical' one. All Belgian politicians are, of necessity, well versed in the art of reaching compromises – and Maystadt is no exception.

Whatever he sets out to do, he always tries first to convince all those involved to go along with his plan and only imposes his vision of the way forward when no compromise can be found.

As a veteran in politics, he knows all too well where the limits are. Another of his strengths is that he knows his dossiers extremely well. In that respect, he is a very un-Belgian kind of politician.

14 March 1948:	Born in Verviers
1970:	PhD in law (Catholic University of Louvain)
1971:	MA in public administration (Claremont, US)
1973-77:	Assistant professor at the Catholic University of Louvain
1977-81:	Member of the house of representatives
1979-80:	Secretary of state for Walloon Region
1980-81:	Minister for civil service and scientific policy
1981-85:	Minister of budget, scientific policy, planning
1985-88:	Minister of economic affairs
1986-88:	Vice-prime minister and minister of economic affairs
1988:	Appointed minister of finance
1991-95	Member of the senate
1993-	Chairman of IMF interim committee
1995-	Vice prime minister, minister of finance and foreign trade.

Belgium: Economic
& Political Background

Belgium: Economic and Political Background[1]

Growth is increasing steadily in Belgium and ***should top about 3 percent in 1998, up from 1.5 percent in 1996.*** Prime Minister Dehaene (a Flemish Christian Democrat) and Belgium's four-party Christian Democrat-Socialist coalition succeeded ***in bringing the budget deficit down*** from over 4.1 percent in 1995 to 2.4 percent in 1997, which is below the Maastricht Treaty's 3 percent ceiling. ***They have also made inroads on Belgium's massive public debt.*** At 125 percent of GDP in 1997, Belgium's debt is still one of the highest in the European Union, but it is now clear to both the European Commission and the OECD that it is now "on a firmly declining trend." The Prime Minister and Minister Maystadt are particularly proud of the achievement. With its European partners impressed by its debt reduction efforts, and no difficulty in meeting the other Maastricht criteria (inflation, interest rates, the exchange rate and the budget deficit), Belgium is expected to qualify for the first wave of EMU membership.

Yet the public mood is morose. ***Unemployment remains high*** - the EU harmonized rate is around 9.4 percent, and highly visible plant closures (1997) have sharpened public awareness that the Government's priority has been meeting EMU criteria, not reducing unemployment. A tragic cluster of child murders has all but wiped out public confidence in law enforcement and the judiciary. Meanwhile, a series of corruption scandals has especially tainted the francophone Socialist Party.

The Belgian aid system, damaged by scandals and corruption, has undergone serious reforms in recent years. The General Administration for Development Co-operation (AGCD) is being reorganized, partly into an independent public corporation, and is responsible for some 60 percent of Belgium's aid program. The State Secretary for Development Cooperation has drawn up a comprehensive cooperation strategy which reflects the emphasis on local participation and ownership in results-oriented development partnerships.

The volume of Belgian Development assistance fell by 6.4 percent in real terms in 1996, to a total of $937 million, which represents 0.35 percent of GDP, placing Belgium in seventh position among DAC countries.

[1] Data in this note are often latest available, mainly from national sources, and not necessarily the same as the data presented in the historical "Basic Statistics."

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January 13, 1998

Basic Statistics

Belgium

Macro Economic Indicators a/

Population 1995: 10.14 million
GDP 1996 US$ billions: 269.2
Per capita GDP 1995: $US 26,550

	1992	1993	1994	1995	1996	*Forecast* 1997
Real Growth rate:	1.7	-1.4	2.3	1.9	1.4	2.2
Unemployment rate /b	7.7	8.6	9.6	9.5	9.3	9.1
Current Account/GDP (%) /d	3.0	5.4	5.4	5.7	6.0	6.0
General Gov't Financial Bal/GDP	-7.2	-7.5	-5.1	-4.1	-3.4	-2.8
General Gov't Gross Debt/GDP	130.6	136.8	134.8	133.5	130.1	127.2
Average Inflation rate (CPI)	2.4	2.7	2.4	1.4	2.1	1.6
Interest rate (Discount,eop)	7.8	5.3	4.5	3.0	2.5	2.50 /c
Average Exchange rate (BFr/US$)	32.150	34.597	33.456	29.480	30.962	37.565 /c

a/Source: IMF *International Financial Statistics*, and OECD *Economic Outlook* #61, June 1997

b/ OECD: 'Standardized Unemployment Rate'

c/Latest available

/d covers Belgium-Luxembourg Economic Union

n.a. =not available

IBRD Participation

IBRD Allocated Shares:	1.92%
Rank:	13th
Potential Voting Power:	1.88%
Unsubscribed Shares:	0
IBRD Paid-in Capital:	US$215.8million

as of June 30, 1997

IDA Participation

IDA11/ITF Share:	1.55%
Rank:	12th
Potential Voting Power:	1.17%
Cumulative Share:	1.58%

History of IDA Contributions

	Basic (US$M)	% of Total	Suppl (US$M)		Basic (US$M)	% of Total	Suppl (US$M)		Basic US$M	% of Total	Suppl (US$M)
Initial	8.25	1.02		**IDA5**	124.60	1.63		**IDA8**	193.20	1.65	
IDA1	8.25	1.11		**IDA6**	201.60	1.67		**IDA9**	227.93	1.55	
IDA2	20.40	1.72		**FY84**	39.98	2.02		**IDA10**	278.65	1.55	
IDA3	40.80	1.69		**IDA7**	151.20	1.66		**ITF**	46.50	1.55	
IDA4	76.50	1.69		**SFA**	15.80	0.86		**IDA11**	78.29	1.55	

Aid Trends

Volume in 1996 US $ 937 million **ODA/GNP:** 0.35%

Trend: Belgian assistance fell by 6.4% in real terms from 1995. The ODA/GNP ratio dropped from 0.38%in 1995 to 0.35% in 1996.

ODA Per capita (US 1994 $) * 81
Total DAC: 69

** Source: latest available data 1994/1995

Staff on Board *FY 97*

Higher Level (18-30):	49	1.15%
Managers(level26+):	6	0.99%
Total Staff:	69*	1.10%
***11-17:**	20	

Cofinancing

Ten year volume:	US$163.6 million
SPA3 Pledge:	*1,500 million
SPA4 Pledge:	*1,500 million

* Unless shown with $ sign,numbers are in donor currency

Procurement

Procurement Share	Total	IBRD	IDA
FY97:	0.75%	0.56%	1.13%
Cumulative:	1.69%	1.41%	2.46%
Absolute cum. total value:	US$ 2,630 million		

GEF

GEF-P:Core Fund (as of 12/1/96):	US $ 5.00 million
GEF-1 Pledge (as of 8/25/97):	US $ 22.86 million
GEF-1 Contributions Due from Donors:	0

World Bank - EBRD
Relations

Selected Issues in World Bank-EBRD Relations

European Union (EU) enlargement

- In July 1997, the European Commission (EC) issued its opinion on the application for membership in the European Union. **The key document - "Agenda 2000" - argues strongly that the challenges ahead, both in terms of required institution building and investments, cannot be shouldered alone by the EC. It thus invites the relevant IFIs - EBRD, EIB and the World Bank - to be closely associated with the enlargement process.** During a high level meeting in October 1997, chaired by Francois Lamoureux, Deputy Director General of DG1a, and attended by Johannes Linn for the Bank, Guy de Selliers for EBRD and Walter Cernoia for EIB and their respective associates, it was decided to create a **joint working group among the four parties to work out the details of future collaboration which are to be reflected in a Memorandum of Understanding (MoU).** The MoU spells out, inter alia, the EC's readiness to cofinance projects with the IFIs via the Phare grant facility as well as to provide some Phare funding for relevant upstream work. It also spells out the broad sectoral policies and institutional development objectives which should govern the joint interventions of the parties. The joint working group is making good progress; **the MoU is scheduled to be formally endorsed by the next high level meeting,** scheduled to take place on March 2.

World Bank Group collaboration with EBRD in public and private sectors

- On January 8, **Charles Frank, First Vice President of EBRD, met with a wide group of senior World Bank Group staff.** The objective was to exchange views on how to improve cooperation between the EBRD and the World Bank Group, and to reduce areas of conflicting approaches. Each of the organizations has comparative advantages in certain areas; the goal is to find where such comparative advantages lie and coordinate cooperation. **While EBRD operates as one entity on both the private and public sectors, the differing mandates of IFC and IBRD mean that coordination both within the WBG and between the WBG and EBRD needs to be improved.** It was agreed that EBRD and the WBG also need to work much closer in terms of coordinating their sector strategies, suctructural approach to individual transactions, and pricing.

ECA Regional cooperation with the EBRD on the Infrastructure Sector (Urban, Water)

- We are sharing strategies in the area of municipal development on a sector/subsector basis as well as country basis.

- Regular meetings are proposed (first took place in October, next scheduled for February) in London to review individual operations in which we cooperate, might cooperate, etc. Sector staff are encouraged to pass through London for discussions with their counterparts.

- We are identifying early on potential disagreements on policy choices - this is important because the devils always lies in the detail, not the broad strategy.

- We need to explore more effective cooperation by focusing on each institution's particular strength; less on competition as has been the case in the past. This is beginning; e.g. in the Poland Flood Emergency Project in which both the EBRD and the Bank had initially independent interests, we have now decided to divide the pot with EBRD taking on the urban transport part, the component with the most direct cost recovery potential. The EBRD is now negotiating a non-sovereign loan, while our funds are being passed on as Government grants to local authorities for emergency reconstruction purposes only.

Cooperation on the Power Sector

- We will have a joint team, with some outside experts, develop a joint strategy for the two institution to deal with the situation in the power sector of Ukraine. As you know this is a high profile item on the G7/G8 agenda.

- We will assist EBRD in the preparation of lending operations with the possibility of charging them for our staff time and expenses. This could take two forms; either in the form of joint financing of operations where we would do the processing on behalf of both institutions, or in the form of providing assistance in operations which are primarily EBRD business. In the latter case we would do it if we see some indirect benefit to the Bank.

January 16, 1998
ECA Region:
Franz Kaps, Projects Advisor, ECAVP
Margret Thalwitz, Sector Leader, ECSIN
Hossein Razavi, Sector Director, ECSEG
IFC Operations:
Darius Lilaoonwala, CIOVP

IFC - EBRD
Relations

Record Removal Notice

File Title	Barcode No.
President Wolfensohn - Briefing Book for President's Meetings and Events - Informal Luncheon Meeting - Philippe Maystadt - Deputy PM and Minister of Foreign Trade - Belgium - January 21, 1998	30490544

Document Date	Document Type
January 15, 1998	Memorandum

Correspondents / Participants
To: James D. Wolfensohn
From: Jemal-ud-din Kassum

Subject / Title
Meeting with EBRD to exchange views on how EBRD and WBG could work more closely

Exception(s)
Information Provided by Member Countries or Third Parties in Confidence

Additional Comments

The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.

Withdrawn by	Date
Diego Hernández	May 21, 2025

HIPC Trust Fund

HIPC TRUST FUND -- BILATERAL DONOR FUNDING

1. Total donor contributions paid in = US $ 83.5 million equiv. (in cash or promisory notes)

Greece	$1 million
Luxembourg	$0.5 million
Denmark	$4 million
Netherlands	$38 million
Norway	$26 million
Switzerland	$14 million

2. Additional Contributions pledged = US $ 84 million equiv. (in cash or promisory notes)

- Belgium has indicated it will contribute $ 8.5 million in 1998.

- Denmark pledged $18 million for the AfDB component--to be paid in early 1998.

- Indonesia announced in Hong Kong that it would contribute $10 million to the HIPC Trust Fund.

- Japan has indicated that it will be making a $10 million contribution to the HIPC Trust Fund in March of 1988.

- Sweden has confirmed its decision to make an initial contribution of $13 million.

- Switzerland has pledged an additional $14 million equivalent to the HIPC Trust Fund; this is expected to become available in early 1998 (once there are significant contributions from other donors).

- The UK has pledged $10.5 million to the HIPC Trust Fund for debt relief for Uganda. Payment is imminent.

3. Additional Contributions expected soon

- Finland has indicated that it plans to make a contribution in early 1998.

- Italy has repeatedly indicated it would make a contribution (most likely for Ethiopia).

- Portugal has indicated it will contribute (particularly to benefit Mozambique) in 1998.

- Spain has indicated the intention to make a contribution in support of Bolivia's debt reduction under the HIPC Initiative (most likely through the Trust Fund).

Recent
Correspondence

THE WORLD BANK
Washington, D.C. 20433
U.S.A.

Paula Donovan
Director, Resource Mobilization Department
Tel.: 202-473-2390
Fax: 202-477-0861

January 15, 1998

Mr. Gino P. Alzetta
Auditor
International Relations Department
Ministry of Finance
30 Avenue des Arts
1040 Brussels
Belgium

Dear Gino:

Happy New Year. I hope that you had a good holiday season.

As we move into the New Year, the first meeting of the IDA Deputies on February 25-27, 1998, in Paris rapidly approaches. I wanted therefore to quickly follow up on our letter and documents of December 22. 1997, with additional information concerning the February meeting and provide some preliminary information about the subsequent meeting.

As noted above the February 25-27 IDA Deputies' meeting will be held in Paris at the World Bank Office (66 avenue d'Iena). Below is a tentative agenda for the February meeting.

- Global Needs and Opportunities -- an overview of the overall "needs" of low-income countries, including the evolving private capital flows to these countries.
- Country Performance and IDA Lending -- a review of the strong link between policy performance and lending.
- IDA Portfolio Review -- the trends in IDA's portfolio performance.
- IDA11 Implementation to date (Status and Prospects for IDA lending).
- Open session -- a discussion of the issues which Deputies believe need to be addressed during IDA12 and logistical matters.

At the end of January, we plan to send you two papers for the February meeting as background to two of the agenda items:

- IDA portfolio review; and
- Country Performance and IDA Lending.

Based on informal discussions that we have had with some of you over the last several weeks we have also tentatively scheduled the second IDA Deputies' meeting for May 20-22, 1998. Two likely topics for discussion at that meeting are: (i) the Financial Framework for IDA12 (sources and uses); and (ii) IDA and the Private Sector.

A venue for that meeting has not yet been determined. We will, however, need to decide quickly on the venue and any suggestions from Deputies would be welcome, especially in the next two to three weeks.

Sincerely,

Paula

Paula Donovan
Director
Resource Mobilization Department

cc: Mr. Luc Hubloue, Executive Director

The World Bank
Washington, D.C. 20433
U.S.A.

CALLISTO E. MADAVO
Vice President
Africa Region

JC

December 18, 1997

H.E. Philippe Maystadt
Minister of Finance
Ministry of Finance
12, rue de la Loi
Brussels, 1000, Belgium

Dear Minister Maystadt

Please accept my sincere appreciation for your support to the 'Friends of Congo' meeting which took place on December 3-4, 1997 in Brussels. I greatly appreciated Belgium's generosity for hosting this meeting and the excellent arrangements that were made. I know that Belgium's support was important for the success of the meeting.

We are pleased with the results of the meetings and that a dialogue has been reestablished between the international community and the Democratic Republic of Congo.

I look forward to continuing to work together to promote development in the Congo and peace in the Great Lakes.

Sincerely,

Callisto Madavo

copy: Mr. Réginald Moreels, State Secretary for Development Cooperation
Mr. Bernard Delbecque, Ministry of Finance, Advisor
Mr. Luc Hubloue, World Bank, Executive Director
Mr. Guido Dumon, Chef de Cabinet

cc: Messrs./Mmes Voyadsis; Malloch-Brown; Barbone; AISC; Unit files