

THE WORLD BANK GROUP ARCHIVES

PUBLIC DISCLOSURE AUTHORIZED

Folder Title: President Wolfensohn - Briefing Book for President's Meetings and Events - His Majesty King Hussein of Jordan - June 13, 1996

Folder ID: 30485466

Series: Meeting and event briefing materials

Dates: 06/13/1996 – 06/13/1996

Subfonds: Records of President James D. Wolfensohn

Fonds: Records of the Office of the President

ISAD Reference Code: WB IBRD/IDA EXC-13-10

Digitized: 03/25/2025

To cite materials from this archival folder, please follow the following format:
[Descriptive name of item], [Folder Title], Folder ID [Folder ID], ISAD(G) Reference Code [Reference Code], [Each Level Label as applicable], World Bank Group Archives, Washington, D.C., United States.

The records in this folder were created or received by The World Bank in the course of its business.

The records that were created by the staff of The World Bank are subject to the Bank's copyright.

Please refer to <http://www.worldbank.org/terms-of-use-earchives> for full copyright terms of use and disclaimers.



THE WORLD BANK

Washington, D.C.

© International Bank for Reconstruction and Development / International Development Association or

The World Bank

1818 H Street NW

Washington DC 20433

Telephone: 202-473-1000

Internet: www.worldbank.org

PUBLIC DISCLOSURE AUTHORIZED



30485466

R2002-036 Other #: 19 Box #: 186469B
President Wolfensohn - Briefings Books for Presidents Meetings - Meeting Material
His Majesty King Hussein of Jordan - June 13, 1996

DECLASSIFIED
WBG Archives

Archive Management for the President's Office

Document Log

Reference # : Archive-00639

1/12/96

Edit

Print

A. CLASSIFICATION

- ☒ Meeting Material
- ☐ Trips
- ☐ Speeches

- ☐ Annual Meetings
- ☐ Corporate Management
- ☐ Communications with Staff

- ☐ Phone Logs
- ☐ Calendar
- ☐ Press Clippings/Photos

- ☐ JDW Transcripts
- ☐ Social Events
- ☐ Other

B. SUBJECT: MEETING: HIS MAJESTY KING HUSSEIN OF JORDAN
VENUE: RESIDENCE OF KING HUSSEIN
CONTACT: MR. LUTFI @ 81037 (EDs Office) // Ms. Arlene (Protocol Office) @ 429-0100, Rm. 836 // 301-299-7009 (Residence - Tracy)
IN ATTENDANCE: JDW, HUSSEIN (ONE-ON-ONE)
NOTE: HER MAJESTY QUEEN NOOR WILL ALSO BE IN ATTENDANCE
EXC: JOSIE

DATE: 06/13/96

C. VPU

Corporate

- ☐ CTR
- ☐ EXT
- ☐ LEG
- ☐ MPS
- ☐ OED
- ☐ SEC/Board
- ☐ TRE

Regional

- ☐ AFR
- ☐ EAP
- ☐ ECA
- ☐ LAC
- ☒ MNA
- ☐ SAS

Central

- ☐ CFS
- ☐ DEC
- ☐ ESD
- ☐ FPD
- ☐ FPR
- ☐ HRO

Affiliates

- ☐ GEF
- ☐ ICSID
- ☐ IFC
- ☐ Inspection Panel
- ☐ Kennedy Center
- ☐ MIGA

D. EXTERNAL PARTNER

- ☐ IMF
- ☐ UN
- ☐ MDB/Other IO
- ☐ NGO
- ☐ Private Sector

- ☐ Part I
- ☒ Part II
- ☐ Other

E. COMMENTS:

THE WORLD BANK/IFC/M.I.G.A.

OFFICE MEMORANDUM

DATE: June 13, 1996

TO: Mr. James D. Wolfensohn, EXC

FROM: Inder Sud, MN2DR

EXTENSION: 3-1190

SUBJECT: **Briefing for your Meeting with His Majesty King Hussein of Jordan**

Attached is a briefing note for your meeting today with the King.

Attachment

cc: Mr. Koch-Weser (EXC)

Mr. Derviş (MNAVP)

Briefing Note for Meeting with His Majesty King Hussein

Thursday, June 13, 1996; 11:30 a.m.

I. Meeting Participants

We do not know who will be joining the King in the meeting from the Jordanian side. Prime Minister Kabariti and Samir Kavar, Minister of Water (at whose farm in the Jordan Valley you had lunch) may be present.

II. Messages You May Give His Majesty

- We are very impressed with good economic management in Jordan. Steps taken consistently in the last 5 years to maintain macroeconomic stability have been commendable and have resulted in sustained growth of 6%+ in recent years with low inflation (about 4%). We welcome the major structural reforms to open the Jordanian economy to private investment and are pleased to be associated in supporting these efforts through our series of Economic Reform and Development Loans (the first one approved in November 1995 for \$80 million with \$92 million of cofinancing). We will continue our strong support, including increasing the volume of lending.
- Although overall macroeconomic performance has been excellent, you were also struck by the issues of poverty and unemployment. Bank staff have started work, as a matter of priority, in two areas -- microenterprise lending and upgrading of poor neighborhoods.
- Jordan faces very serious issues of scarcity and deteriorating quality in the water sector. New sources of water will be very difficult and expensive to develop. Improved management and conservation deserve major attention while pursuing new sources. We are pleased to be working closely with Minister Kavar and his team.

III. Status of Key Issues Discussed During Your Visit

1. Mobilizing Increased Donor Financing

Currently approved Bank lending levels are \$140 million per annum for the next three years. We expect to increase this amount to around \$200 million as a special measure. We would continue to have a significant part (50%) of financing in the next 2 years for BOP support. Our colleagues in the Risk Management Group are reviewing the implications prior to consideration by the MDs. We expect to announce the decision at the forthcoming CG.

A Consultative Group Meeting has been set for Paris on July 9-10. A tour by a Bank/Fund/Government team to some of the major European capitals and Ottawa is scheduled for next week to lay the groundwork. We expect to use the tour (and the CG) to try to bring some additional donors to support Jordan.

Although donors continue to be willing to support project financing in a significant way, it has not been possible to persuade the major donors (Japan and the EU) to provide additional balance of payments support as an additional cushion against redemption of Jordanian Dinar circulating in WBG. At this stage, only small additional BOP funds seem possible (perhaps Netherlands and Italy). The main hope is for the CG to lay the basis for a change in the position of Japan in the future. Fortunately, the reserve situation although not very comfortable, continues to improve.

2. Microenterprise Development

A joint IFC/Bank team visited Jordan (and WBG) last month. A \$20 million project has been identified for small-scale lending (loan size around \$15,000). IFC plans to contribute 40% with the participating commercial banks contributing an equal amount. Grants from donors for the remaining 20% are needed for the project to be viable. IFC expects to finalize the project by end-July.

3. Upgrading of the Camps

Since your visit, a mission visited Jordan to follow up on your discussions with the Crown Prince. The mission visited several refugee camps and other poor areas. Its conclusions are that poverty in these areas is much deeper than previously reported. Improvement in health (and related infrastructure) and employment emerged as the highest priorities. The mission identified: (a) a package of upgrading which would particularly emphasize health and sanitation; and (b) a community-based employment generation program that could include small-scale works and microenterprise support (to complement the small enterprise lending that IFC has proposed). The Minister of Planning asked the mission to prepare a strategy note, including costs and institutional arrangements, that they could consider. We expect to have a specific proposal ready by end-June for discussions with the Minister of Planning during her forthcoming visit.

4. Water

The Minister of Water, Samir Kawar, organized a 3-day meeting between his senior staff and the Bank (led by the Country Director) in Aqaba in mid-May. It was an extremely productive meeting. It focused on the major sectoral issues and constraints and outlined a short- and medium-term strategy. Among some of the main conclusions were: (a) the need to dramatically improve efficiency by inviting private concessionaires for one or more urban areas; (b) proposals to improve wastewater quality urgently, particularly around Amman and Irbid, starting with a build-own contract for a treatment plant; (c) steps to tap the 'peace water' which Israel has agreed

in principle but which remains elusive; (d) potential new sources and steps needed to develop them; and (e) immediate need to improve water management institutions. The water situation in Jordan is very serious and requires urgent actions on a broad front. We have offered to support through a series of projects and by supporting institutional development.

IV. Other Matters

GEF Grant for Aqaba. The Board approved today (Thursday, June 13) a GEF grant of \$2.7 million in support of an Environmental Action Plan for the Gulf of Aqaba, your point of entry into Jordan during your visit last March.

FY97 Lending Program. Our lending program for FY97 includes three projects: (i) a Housing and Urban Sector Reform Project (\$20 million), basically in support of developing a secondary mortgage facility; (ii) the Second Economic Reform and Development Loan (\$80-120 million), in support of the economic reform program; and (iii) a Second Tourism Development Project (\$15 million) in support of policy reform and strategic planning in the sector as well as investments in the infrastructure related to Petra and Wadi Rum.

AKanaan/ISud

Biography of King Hussein

His Majesty King Hussein, a direct descendant of the Prophet Muhammad, was born in Amman on November 14, 1935. King Hussein completed his elementary education at Victoria College in Alexandria, Egypt, and at Harrow School in England. Thereafter, His Majesty attended the prestigious Royal Military Academy in Sandhurst, England where he received his military education.

Over his 40-year reign, King Hussein has presided over the transformation of his country from a tribal society to a fully modern state with a well-functioning infrastructure, and literacy and education levels that are among the best in the developing world. He is committed to popular constitution and participation in government as well as respect for human rights throughout the Arab world.

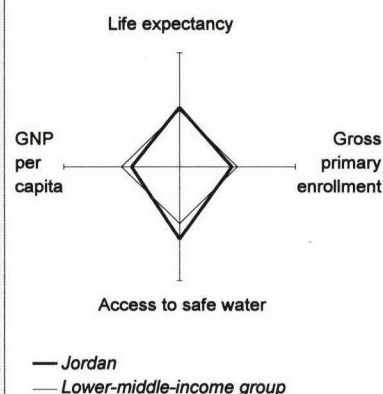
His Majesty has written three books: **Uneasy Lies the Head** (1962) about his childhood and early years as King, **My War with Israel** (1969), and **Mon Metier de Roi** (1975). King Hussein is an accomplished sportsman in the fields of water sports, fencing, skiing and tennis. His hobbies include flying, motorcycling, race-car driving and amateur ham radio.

Jordan at a glance

POVERTY and SOCIAL

	Jordan	M. East & North Africa	Lower- middle- income
Population mid-1994 (<i>millions</i>)	4.0	267	1,097
GNP per capita 1994 (<i>US\$</i>)	1,390	..	1,680
Average annual growth, 1990-94			
Population (%)	6.0	2.8	1.4
Labor force (%)	4.2	3.2	1.6
Most recent estimate (latest year available since 1989)			
Poverty: headcount index (% of population)	..	..	..
Urban population (% of total population)	72	54	54
Life expectancy at birth (<i>years</i>)	70	65	67
Infant mortality (<i>per 1,000 live births</i>)	32	49	35
Child malnutrition (% of children under 5)	17	..	..
Access to safe water (% of population)	99	..	78
Illiteracy (% of population age 15+)	20	45	..
Gross primary enrollment (% of school-age population)	94	97	104
Male	94	104	105
Female	95	90	101

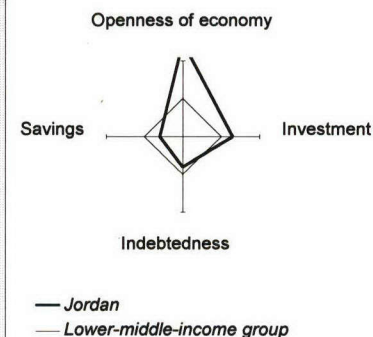
Development diamond*



KEY ECONOMIC RATIOS and LONG-TERM TRENDS

	1975	1985	1994	1995
Gross domestic investment/GDP	..	21.7	33.2	32.8
Exports of goods and non-factor services/GDP	..	37.2	49.8	53.0
Gross domestic savings/GDP	..	-17.4	12.7	14.3
Gross national savings/GDP	..	-2.4	24.1	26.8
Current account balance/GDP	..	-19.9	-6.7	-3.7
Interest payments/GDP	..	3.8	3.4	6.0
Total debt/GDP	..	80.6	126.3	117.7
Total debt service/exports	3.7	17.2	12.2	13.0
Present value of debt/GDP	..	..	88.0	..
Present value of debt/exports	..	..	129.4	..
(average annual growth)				
GDP	..	-0.1	5.8	6.4
GNP per capita	..	-5.6	1.8	3.7
Exports of goods and nfs	..	8.7	1.9	11.0

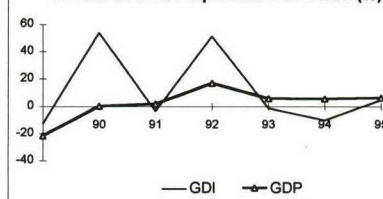
Economic ratios*



STRUCTURE of the ECONOMY

	1975	1985	1994	1995
(% of GDP)				
Agriculture	..	4.9	4.8	4.8
Industry	..	26.9	23.7	23.5
Manufacturing	..	11.9	11.8	11.3
Services	..	68.2	55.7	55.0
Private consumption	..	90.6	64.6	62.5
General government consumption	..	26.8	22.7	23.1
Imports of goods and non-factor services	..	76.3	73.3	74.4

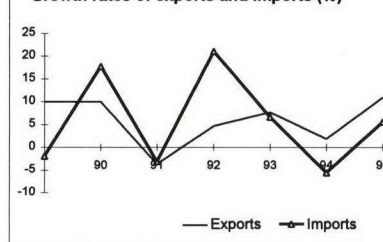
Growth rates of output and investment (%)



(average annual growth)

	1975-84	1985-95	1994	1995
Agriculture	..	11.9	1.0	4.0
Industry	..	2.0	6.5	5.8
Manufacturing	..	5.3	9.3	3.0
Services	..	-3.3	5.5	5.0
Private consumption	..	-3.0	5.2	2.2
General government consumption	..	-0.9	8.5	7.7
Gross domestic investment	..	9.9	-9.9	4.9
Imports of goods and non-factor services	..	5.8	-5.5	5.6
Gross national product	..	-0.8	5.9	7.4

Growth rates of exports and imports (%)

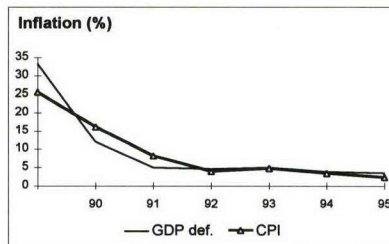


Note: 1995 data are preliminary estimates. Figures in *italics* are for years other than those specified.

* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

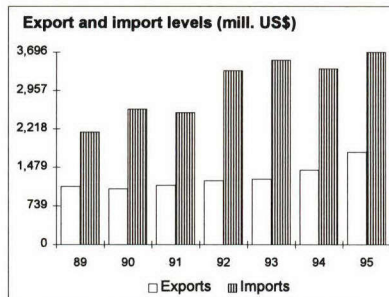
PRICES and GOVERNMENT FINANCE

	1975	1985	1994	1995
Domestic prices				
(% change)				
Consumer prices (1995 to October: 1.9)	12.0	3.0	3.5	2.4
Implicit GDP deflator	..	-0.3	3.9	3.6
Government finance				
(% of GDP)				
Current revenue	..	22.4	29.7	31.4
Current budget balance	..	-11.6	-0.1	1.7
Overall surplus/deficit	..	-21.6	-5.9	-5.1



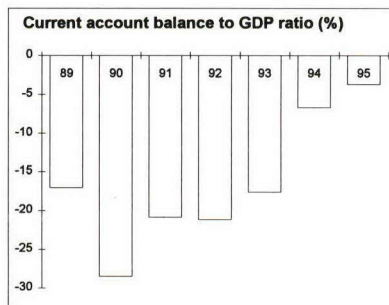
TRADE

	1975	1985	1994	1995
(millions US\$)				
Total exports (fob)	..	789	1,425	1,771
Phosphorus	..	168	117	151
Other metals	..	79	166	174
Manufactures	..	282	607	704
Total imports (cif)	..	2,720	3,374	3,696
Food	..	386	582	598
Fuel and energy	..	490	427	480
Capital goods	..	661	858	906
Export price index (1987=100)	..	94	122	130
Import price index (1987=100)	..	92	107	113
Terms of trade (1987=100)	..	102	114	114



BALANCE of PAYMENTS

	1975	1985	1994	1995
(millions US\$)				
Exports of goods and non-factor services	379	1,976	2,986	3,490
Imports of goods and non-factor services	942	3,723	4,395	4,905
Resource balance	-562	-1,747	-1,409	-1,415
Net factor income	26	-89	-315	-296
Net current transfers	172	845	1,002	1,118
Current account balance, before official transfers	-365	-991	-722	-593
Financing items (net)	538	1,145	974	1,084
Changes in net reserves	-173	-154	-252	-491
Memo:				
Reserves including gold (mill. US\$)	571	770	716	713
Conversion rate (local/US\$)	0.3	0.4	0.7	0.7



EXTERNAL DEBT and RESOURCE FLOWS

	1975	1985	1993	1994
(millions US\$)				
Total debt outstanding and disbursed	345	4,022	6,905	7,051
IBRD	0	168	592	635
IDA	33	82	73	71
Total debt service	21	531	560	505
IBRD	0	21	101	102
IDA	0	2	2	2
Composition of net resource flows				
Official grants	357	453	73	306
Official creditors	71	210	51	109
Private creditors	19	190	-108	-162
Foreign direct investment	26	25	-34	3
Portfolio equity	0	0	0	0
World Bank program				
Commitments	12	97	135	107
Disbursements	10	64	69	58
Principal repayments	0	10	59	58
Net flows	10	54	10	0
Interest payments	0	12	44	46
Net transfers	10	42	-33	-46

