

**KUWAIT FUND
FOR
ARAB ECONOMIC DEVELOPMENT**

THIRD ANNUAL REPORT
1964 - 1965

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THIRD ANNUAL REPORT

1964 — 1965

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I. INTRODUCTION

The third financial year of the Kuwait Fund for Arab Economic Development was a year of important developments and satisfactory performance. Two more Arab countries, Algeria and the U.A.R., obtained loans from the Fund during the year bringing the number of countries benefiting from Fund loans to five, compared with three at the end of the second year and two at the end of the first. Similarly the number of projects financed by the Fund increased to 10, compared with 7 at the end of March 1964.

Marked expansion also took place in total capital resources. They increased from KD 28.2 m. to KD 57.2 m. This increase exceeded the significant rise in both commitments and disbursements during the year, and was mainly the result of new payments made by the Government of Kuwait toward the Fund's paid up capital. Net Income from operations and investments also contributed to some extent to this increase.

It has been a source of great satisfaction to the Fund that two of the projects it helped to finance, the Jerusalem Electricity and the Jerusalem Intercontinental Hotel, were completed and are now in operation. Also the Sudan Railways project is nearing completion and is already in operation. The rate of progress of the majority of Fund-financed projects has been satisfactory. A significant index of this progress is the substantial rise in overall disbursements during the year, which amounted to KD 10.7 m. as compared with KD 4.3 m. the year before.

The Fund continued to strengthen its relations with the Arab countries, primarily through exchange of visits. Missions went to several Arab countries during the year to study projects, consider possibilities of new loans and follow up the progress of projects already financed by the Fund. The Fund also received missions from a number of Arab countries.

One of the major tasks which occupied the Fund during the year was that of establishing wider and stronger contacts with leading national and international financial and developmental institutions in various

centres. These efforts, which began in the early days of the Fund, continued through the year and new contacts with many banks and other institutions were established recently. Close cooperation was also maintained with such international agencies as the International Bank for Reconstruction and Development, the Food and Agriculture Organization and the U.N. Special Fund.

The Fund hopes to play in the future a significant role in channelling international capital into Arab development projects. Already, there is a good degree of technical and financial cooperation between the Fund and certain international agencies on the development of Yemen. The Fund hopes that this type of cooperation would be extended into other areas and countries.

II. LOAN OPERATIONS

Three new loan agreements were concluded during the year. The first was for KD 7.5 m. to Algeria for the construction of a crude oil pipeline from Haoud El-Hamra to Arzew on the Mediterranean. The second was for KD 9.8 m. to the U.A.R. for the improvement of the Suez Canal and its approaches and the expansion of its installations. The third was signed with Jordan in March 1965. It provided for the allocation of KD 85,000 out of a previous commitment of KD 500,000 to the Industrial Development Fund of Jordan, ⁽¹⁾ to meet part of the cost of upgrading Al-Urdun hotel in Amman. These loans brought up the Fund's total commitments to KD 37,800,000 compared with KD 20,415,000 at the end of March 1964.

During the year, applications for loans were received from Algeria, Jordan, Morocco, Sudan, Syria and Tunisia. The Fund has studied and made decisions on some of these applications, while others are still under study. Projects which were under active consideration but were not finalized during the year were a sugar factory and an airport in Sudan, and an agricultural project and a pulp factory in Morocco. Appraisal of the sugar factory in Sudan was at an advanced stage by the end of

(1) The original loan of KD 500,000 was earmarked for general development projects in Jordan, but allocation of the funds for specific projects was left pending the selection of these Projects.

the year, and Fund financing of this project was approved in June 1965. Preliminary appraisals of other projects were also made and the Fund is now awaiting further information on them from Algeria, Morocco, Sudan, Syria and Tunisia.

Disbursements on loans increased substantially during the financial year 1964/65. They amounted to KD 10.7 m. as compared with KD 4.3 m during 1963/64, and KD 0.8 m. the year before. Total disbursements to the end of March 1965 amounted to KD 15.8 m. In relation to commitments, total disbursements by projects at the end of the period were as follows :

	Amount of Loan KD. 000	Amount Disbursed KD. 000	Per cent
Sudan Railways	7,000	6,498	93
Jordan Phosphate	3,000	842	28
Yarmouk Project	4,000	92	2
Jerusalem Electricity	240	240	100
Jerusalem Intercontinental Hotel ..	175	175	100
Al-Urdun Hotel	85	—	—
Medjerda Valley	2,000	1,092	55
La Goulette Electricity	4,000	1,868	47
Algeria Crude Oil Pipeline	7,500	4,202	56
The Suez Canal	9,800	789	8
Total	37,800	15,798	42

Disbursements serve, in the majority of cases, as a satisfactory index of the rate of progress in the implementation of projects. They do so, however, only after the initial stages of a project are completed. This is because preliminary studies, the drawing up of specifications, and other essential basic works require considerable time but involve relatively small expenditure. Disbursements during the coming year are expected to be of the order of KD 12 m. excluding any disbursements on new loans that may be granted during 1965/66.

III. FINANCIAL POSITION

As mentioned earlier, the Fund's capital resources increased during the year under review by KD 29 m. to KD 57.2 m. This increase resulted mainly from a contribution of KD 27 m. by the Government of Kuwait to the paid up capital of the Fund, bringing total paid up capital to KD 54 m. (1) The balance of KD 2 m. was net income from loan and investment operations.

The year's gross income amounted to KD 2.1 m., compared with KD 0.9 m. for the previous year.(2) Though in absolute terms earnings from investments continued to provide the larger part of income, the relative contribution of interest on loans increased in 1964/65 over the previous year as disbursements on loans increased.

The past financial year witnessed a significant development in the size and composition of the investment portfolio. In size, the portfolio expanded by about KD 16 m. to about KD 41 m. as a result of the increase in capital resources. Also the portfolio's composition was under constant revision with the object of enhancing yields without impairing the security and liquidity of investments, and of achieving diversification as to the forms, currencies and countries in which investments were held.

Longer average maturities of investments and the general rise of interest rates in the major money centres in the world contributed to a significant increase in the average yield on investments in 1964/65 over the previous years. The yield would have been appreciably higher had it not been for the conservative investment policy of the Fund. For, notwithstanding the lengthening of its maturity, the Fund's investment portfolio continued to show a high degree of liquidity.

The factors which the Fund takes into account when determining its investment policy will be reviewed in the following section.

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- (1) In April 1965, the Government contributed another KD 6 m. to the fund's paid up capital.
 - (2) Whereas the accrual basis of accounting is applied in relation to income from investments, the more conservative cash basis is observed with respect to interest on loans.

IV. FUND POLICIES AND PROCEDURES

1. Lending Policy

In carrying out its functions, the Fund deals with widely different economic systems and institutions. In view of the broad range of these different situations, the Fund attempts within the framework of its Charter, to be as flexible as possible in its approach to the problems of development.

For practical purposes, the Fund has worked out certain rules and procedures to guide it in its operations. It is gratifying to report that these rules and procedures are receiving greater and more universal acceptance by the countries concerned. The Fund in its turn is sparing no effort to accommodate the special needs of Arab development. In the Yemen, for example, it was found necessary to undertake a general economic survey of the country before the Yemen could embark on an extensive development program. Accordingly, the Fund undertook to carry out at its own expense such a survey which, when completed, will be the first technical assistance contribution rendered by the Fund to an Arab country. Another example is the Fund's agreement in principle to participate with the U.N. Special Fund and F.A.O. in the preliminary stage of developing Wadi Surdud in Yemen.

In its operations, the Fund has consistently adhered to the principle that it would only finance projects which are technically and economically sound, financially viable and have high priority rating in the development plans of the borrowing countries. It often gives priority also to projects designed to overcome major problems such as balance of payments difficulties. Because most Arab countries in fact experience such difficulties, the Fund has so far financed mainly projects which contribute directly or indirectly to improve the payments position. The economic and social effects of employment created by a project, as well as its other economic benefits, naturally receive serious consideration.

The procedure adopted by the Fund in considering applications for loans is briefly as follows : once an application is received, the Fund carries out a preliminary appraisal of the project's feasibility to ascertain that it falls within the category mentioned above. It then thoroughly appraises the feasibility studies supplied by the applicant country in support of the application, and critically examines all aspects of the project. Once the Fund is satisfied of the feasibility and soundness of the project, the size of the loan is determined with regard to many factors, chiefly, the needs of the project and the availability of other sources of finance. The Fund continues to hold the view that its loans should be considered as supplementary to rather than as a substitute for capital from other sources. It has therefore avoided financing projects for which capital can be attracted on reasonable terms from other sources, domestic or foreign.

The period for which loans are granted is also determined by many considerations primarily the cash inflow potential of the project and the state of the balance of payments of the country. Where other lenders are involved, the Fund has been particularly accommodating to allow the borrowing country to utilize foreign sources of capital. The duration of Fund loans ranges between 10 and 25 years, but most loans have a duration of over 15 years. However, the practice of escalating repayments adopted in the majority of cases lengthens the average duration of loans considerably. The Fund's liberal policy is also reflected in its low interest rates. The majority of loans were made at 4 per cent, inclusive of service charges, while three were at 3 per cent.

2. Financial Policy

The Fund's financial operations include loan disbursements and the investment of unutilized funds. Disbursements are usually effected in accordance with a standard procedure which permits the use of alternative methods of financing depending on the requirements of individual projects or borrowers. These include reimbursement of expenditures previously made, direct payments to suppliers of goods for a project, and the Fund's assumption of letters of credit under qualified or irrevocable agreements to reimburse. Other procedures are sometimes arranged with borrowers to facilitate the execution of a project.

The Fund's investment of its unutilized resources is carried out in the light of two guiding principles: first, that the safety and convertibility of its funds are assured, and second, that a sufficient degree of liquidity to meet disbursement demands is maintained. Within this general framework, the Fund attempts to maximize the rate of return on its investments. Estimates of liquidity requirements are revised at frequent intervals in the light of past experience in order to achieve a more rational employment of the Fund's resources.

As mentioned earlier, the average maturity of the investment portfolio continued to increase, though the Fund's investments continued to show a high degree of liquidity. At present, the bulk of Fund investments mature within one year and almost all the rest have a maturity of one to two years ; a very small percentage has a maturity of over two years.

The Fund has taken steps to spread its holdings over a number of currencies, countries and institutions. Whereas, all unutilized resources were held during the first year in one currency, in very short term securities, and in deposit on various terms with a small number of banks, they are now held in four currencies, in seven countries in various types of securities, and in deposit with a large number of leading banks. Maintaining accounts with internationally recognized financial institutions with worldwide connections offers the Fund invaluable contact with the international financial markets. The Fund hopes that these contacts will be helpful, in the long run, in attracting international capital to supplement its own resources in financing Arab development projects.

3. Administration and Management

New additions to staff were made during the year to keep up with the increasing demand of work resulting from an overall expansion of activities. Examining and processing new applications for loans, following up the progress of projects financed by the Fund, and the substantial growth in investment operations all demanded considerable time and effort from staff members.

Staff missions visited Algeria, Jordan, Morocco, Sudan, Syria, Tunisia, the U.A.R., and Yemen. The missions to Morocco and Syria were of an exploratory nature to look into the possibility and scope of the Fund's contribution to the development plans of these countries. Also missions were sent to Algeria, Sudan and Tunisia to follow up Fund projects and to discuss the possibilities of other loans, while the missions to Jordan and the U.A.R. were follow-up missions only. The mission to Yemen was to prepare the grounds for the team which will carry out the economic survey of the country, referred to above, and to discuss the Wadi Surdud project. Such contacts provide, in addition, excellent opportunities for Fund staff to discuss with the countries concerned Fund policies and procedures.

V. PROJECTS IN PROGRESS

From its establishment in 1962 until the end of the financial year 1964/65, the Fund financed or agreed to finance ten projects in five Arab countries: the Sudan, Jordan, Tunisia, Algeria and the U.A.R. Of these projects, two (in Jordan) are now completed and one (the Sudan Railways) is nearing completion. By the end of the year under review, disbursements had been made on all except Al-Urdun Hotel project, the loan for which was approved only in the last month of the financial year.

The Sudan

Sudan Railways

Amount of Loan	..	..	..	..	KD 7,000,000
Disbursed to March 31, 1965	..	..	..	..	KD 6,498,000

This was the first loan granted by the Kuwait Fund. It was made to finance the second phase of the ten-year three-phase program for the improvement and expansion of the Sudan Railways system-the first phase of the program having been financed by the IBRD which has agreed to finance also the third phase.

The project, which is expected to cost over £S. 30 million, involves the purchase of 35 diesel engines, addition to rolling stock, rail, machinery and repair shop equipment, as well as the construction of two new berths at Port Sudan. It will raise the efficiency of the Sudan Railways considerably and extend its services to new parts of the country. Its importance to the Sudanese economy cannot be overemphasized since railways are the major means of transportation in the country.

The progress of work on the project has been satisfactory and according to schedule. The phase financed by the Fund is expected to be completed within the next few months and the completion of the whole project will require about 3 more years. However, the completed parts are already in operation.

Khasm El Girba Sugar Plant

In June 1965, the Fund made a loan of KD 1.7 m. for a second sugar factory in Sudan. This loan, which will meet part of the total cost of the project estimated at about KD 7.8 m. carries 4% interest and will have a duration of 15 years. The factory will be situated in Khasm El Girba area near the sugar cane fields. It will have a maximum capacity of 67,000 tons per year which is about 40% of local sugar consumption, and can in addition be adapted to refine imported raw sugar.

Jordan

Total Loans	..	..	..	..	..	KD 7,500,000
Amount disbursed to 31st March 1965	..	..	..	..	..	KD 1,349,000

The Fund had agreed to finance two major projects with two loans totalling KD 7,000,000, in addition to a loan commitment of KD 500,000 to the Industrial Development Fund of Jordan. The latter amount was allocated to finance three projects : The Jerusalem Intercontinental Hotel (KD 175,000), the Jerusalem Electricity Project (KD 240,000) and Al-Urdun Hotel in Amman (KD 85,000). The Jerusalem Intercontinental Hotel and the Jerusalem Electricity projects have been completed and are now in operation.

However, the progress of the other two projects, the Yarmouk and Phosphate, has been slow. The Yarmouk project, for which a loan of KD 4 m. was made, forms part of the Arab plan to utilize the waters of River Jordan. The overall project includes the construction of an irrigation system (dams, canals, reservoirs etc.) and a hydro electric power plant. Studies are still in the process of preparation, but they are phased in such a way that the construction of the first stage, comprising mainly the dam at Mukheibeh, could start late in 1965. Disbursements made so far (amounting to KD 92,000) were in connection with these studies and with the necessary site exploration works.

The Phosphate loan of KD 3 m. was made to finance mainly the development of the rich deposits of Al-Hasa area. Studies for this project have now been completed on the basis of an initial production capacity of 500,000 tons/year. Tenders were issued and bids received in December 1964, and a number of contracts were awarded early in 1965. Work is progressing now according to schedule, and part of the plant is expected to come into operation before the end of 1965. Disbursements on this project reached KD 842,000 by the end of March 1965.

Tunisia

La Goulette Power Project

Amount of Loan	..	..	..	..	KD 4,000,000
Amount disbursed to March 31, 1965	..				KD 1,868,000

This loan was made to the "Societe Tunisienne de L'Electricite et du Gaz" (STEG) for the modernization and expansion of the electric power system in the Tunis La Goulette and Bezerte areas as part of a wider overall program which includes expansion of generation capacity, extension of high tension lines, and the improvement of the distribution system in Tunisia. The part which is covered by the Kuwait Fund loan is estimated to cost about KD 6.8 m. in local and foreign currencies — the Fund providing only the latter — and includes the installation of two

25 MW generating units in La Goulette power station, and a 90,000 volt high tension line from La Goulette to the capital and to Bizerte. The additional generating capacity would meet the growing demand for power for general use, and for the new steel industry near Bizerte and the expanding phosphate industry near Metlaoui in the south. It would also allow scrapping of some smaller uneconomical units now in operation.

This project is progressing on schedule. By the end of March 1965 the first of the 25 MW generating units and related equipment were completely installed, and the unit was expected to go into operation in the near future. The installation of the other unit is expected to be completed in October 1965. Most of the 90 KV and the 150 KV transmission systems, including lines and transformer stations, are expected to be in operation during the summer and early fall of 1965, except the Tunis West transformer station which is now expected to be ready for operation by the end of the year.

Medjerda Agricultural Project

Amount of Loan	..	..	..	..	KD 2,000,000
Amount disbursed to March 31, 1965				..	KD 1,092,000

The Fund extended this loan to "Office de la Mise en Valeur de la Vallee de la Medjerda" (OMVVM) to finance part of a KD 5.6 m. project in the Medjerda Valley. The project is part of a three year plan (1962-64) which in turn is part of a long term program to develop agriculture in Tunisia. The first phase aims at improving irrigation and agriculture in general in the Medjerda Valley by bringing 8,000 hectares under irrigation and improving agriculture on about 4,500 hectares of non-irrigated land, and creating over 1,000 new farms by intensive cultivation methods replacing the old cropping pattern. It is expected that 40,000 new farmers will be settled on the land when the overall scheme for the development of the Valley is completed.

The progress of this project during this year has been remarkable in view of the initial delay caused by the necessity to expand the OMVVM

organization on all levels. The main irrigation system has been already constructed and erosion and flood control works are nearly completed. Work still to be done before the beginning of the next agricultural season, when the whole project is expected to be completed, is mainly on farm development (drainage, quaternary irrigation, houses and stables).

Algeria

Haoud El-Hamra-Arzew Crude Oil Pipeline

Amount of Loan	..	..	..	..	KD 7,500,000
Amount disbursed to March 31, 1965	..				KD 4,202,000

The project consists mainly of the construction of a 28 inch crude oil pipeline — the third in the country. It is 805 kilometres long and connects the Hassi Messaoud field at Haoud El-Hamra to Arzew on the Mediterranean. When completed, it will be the first pipeline in Algeria that is fully government owned and operated, and will have an initial capacity of 10.1 million tons/year of crude oil with a provision for future expansion to 22 million tons/year, mainly through addition of pumping stations to the initial three stations. The project is expected to cost about KD 34.5 m., of which about 80% will be in foreign exchange. The Fund's loan will provide about 27% of the total foreign exchange requirements — the balance being provided by foreign banks.

Work on this project is moving on schedule. The pipeline is expected to be in operation before the end of 1965, and to increase Algeria's foreign exchange earnings substantially through increased oil exports.

The United Arab Republic

The Suez Canal Project

Amount of Loan	..	..	..	..	KD 9,800,000
Amount disbursed to March 31, 1965	..				KD 789,000

This loan was made to the Suez Canal Authority, under the guarantee of the U.A.R. Government, for the deepening of the Canal and its ap-

proaches and the improvement of installations and equipment. The main object of the scheme is to allow the passage through the Canal of fully laden tankers of about 55,000 tons d.w. At present the maximum fully laden capacity of transiting ships is 46,000 tons d.w. Also included in the project is the deepening and widening of the Port Said Harbour, the construction of deep quays and expansion of the capacity of Port Fouad shipyard so as to enable the building of two 12,000 ton ships simultaneously. This is the second phase of a long term program of which the first phase was financed by a loan from the IBRD. Work is progressing at a slower rate than was originally expected.

Yemen

Economic Survey

Following application for a loan by the Yemen to finance the country's development projects, the Fund decided that it would not be advisable to embark on any extensive development program in Yemen before a detailed survey of the country's economic potential is completed. A mission went toward the end of the year under review to consult with the Yemen government on this project, and to prepare the grounds for its implementation. Further exchange of visits is expected before the start of the survey in order to make all arrangements for the full mission. The survey should provide the basis for an overall development plan indicating the priorities of sectors and projects in such a plan.

Wadi Surdud

The Fund has agreed in principle to finance, in cooperation with U.N. Special Fund and F.A.O., part of the preliminary stage of developing Wadi Surdud in the Tahama region of Yemen. This stage consists mainly of an extensive study of the Wadi and its development potential, an aerial survey of the region, ancillary construction including roads and houses, pilot farms and training of Yemeni personnel.

The cost of the project would be borne by the U.N. Special Fund and the Kuwait Fund. F.A.O. will be the executing agency. A mission

from the Kuwait Fund and another from the Special Fund visited Yemen to make arrangements for implementation. Another mission is scheduled to visit Yemen later this year to finalize certain questions before the project can be started. The Special Fund is expected, on the recommendation of F.A.O., to make a decision on its part of the project early in 1966.

June 30th. 1965

KUWAIT FUND FOR ARAB ECONOMIC DEVELOPMENT

BALANCE SHEET AS AT 31st MARCH, 1965

Appendix I

	KD.	KD.	KD.		KD.	KD.	KD.
<u>CURRENT ASSETS</u>				<u>CAPITAL, RESERVE & SURPLUS</u>			
Cash on Hand and at Banks	135,751			Authorised Capital			100,000,000
Sundry Debtors & Prepayments	7072	142,823		Paid — Up Capital		54,000,000	
<u>Investments</u> — Deposits & Securities		40,696,156		<u>RESERVE</u>			
Accrued Interest on Investments & Loans		711,199	41,550,178	Brought Forward from Previous years	1,215,225		
<u>LOANS</u> — Committed		37,800,000		Add : Surplus — Net Income for Current year per Account annexed	1,989,553		
<u>Less</u> — Amounts not Withdrawn to date		22,003,563	15,796,437			3,204,778	
Amounts Withdrawn to date				<u>TOTAL OF CAPITAL, RESERVE & SURPLUS CURRENT LIABILITIES</u>			57,204,778
<u>FIXED ASSETS</u> at cost Less				Advance From Ministry of Finance & Industry		50,000	
Depreciation			6,966	Sundry Creditors Including Accruals		50,060	
				Banks — Credit Balances		19,663	
						119,723	
				Provision for staff Indemnities & Leave Paid		9,713	
				<u>TOTAL CURRENT LIABILITIES</u>			129,436
				Other Credit Balances — Deferred Interest on Loans			19,367
<u>CONTRA ACCOUNTS</u>				<u>CONTRA ACCOUNTS</u>			
Debtors for Accrued Interest on Loans		222,609		Loan Interest Accrued		222,609	
Irrevocable Commitments		1,937,086		Banks For Irrevocable Commitments		1,937,086	
		2,159,695	57,353,581			2,159,695	57,353,581

AUDITOR'S REPORT

We have examined the Balance Sheet of the Kuwait Fund For Arab Economic Development as at 31st March 1965 and the Income and Expenditure Account related thereto. We have obtained all the information and explanations considered necessary for the purposes of our audit. The Fund has kept proper books of account and the Financial Statements are in accordance therewith.

Our examination was conducted in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion and to the best of our knowledge and belief and the information and explanations given to us, the Balance Sheet shows a true and fair view of the financial state of affairs of the Fund as at 31st March 1965 and the Income and Expenditure Account reflects its net income for the year then ended and in conformity with the books

Kuwait, 1st June 1965

Prof. Y. NAWAR — F.C.A.
Nawar & Company
Chartered Accountants (London)

KUWAIT FUND FOR ARABECONOMIC DEVELOPMENT

Appendix II

INCOME & EXPENSES FOR THE YEAR ENDED 31st. MARCH 1965

	KD.	KD.		KD.	KD.
<u>EXPENSES</u>			<u>INCOME</u>		
Salaries, Wages & Remuneration	92,820		Income From Investments	1,867,741	
Travel, Transport & Accommodation	21,947		Interest on Loans	281,478	
Rent, Water & Electricity	20,487				2,149,219
Sundry Expenses	9,681	144,935			
			Sundry Income		614
Provision for staff Indemnities & Leave Paid		5,896			
Depreciation of Fixed Assets		9,449			
Net Income Transferred to Balance Sheet		1,989,553			
		2,149,833			2,149,833

KUWAIT FUND FOR ARAB ECONOMIC DEVELOPMENT
COMPARATIVE STATEMENT OF INCOME AND EXPENSES FOR YEARS ENDED MARCH 31, 1964 & 1965

(In KD)

Appendix IV

	1963—1964	1964—1965		1963—1964	1964—1965
<u>EXPENSES</u>			<u>INCOME</u>		
Salaries, Wages & Bonuses	69,961	92,820	From Investments	874,969	1,867,741
Travel, Transport and Accommodation Ex-penses	19,366	21,947	From Loans	56,038	281,478
Rent, Water & Electricity	11,718	20,487	Sundry Income		614
Sundry Expenses	6,221	9,681			
Provisions for Staff Indemnities and Leaves	1,570	5,896			
Depreciation of Fixed Assets	7,992	9,449			
	116,828	160,280			
Net Income	814,179	1,989,553			
	931,007	2,149,833		931,007	2,149,833

Appendix V

STATUS OF KUWAIT FUND LOANS

Ser. No.	Borrower	Project	Loan No.	Date of Loan Agreement	Amount of Loan in KD.	Amounts disbursed to 31st March 1965 in KD.	Interest Rate	Effective Date	Termination	Interest Payment Dates	Repayment dates
1.	Republic of Sudan	Sudan Railways	1	25. 3.62	7,000,000	6,497,731	4 %	25. 3.62	30. 6.66	31/12, 30/6	31.12.66—31.12.
2.	The Hashemite Kingdom of Jordan	Yarmouk	2	3. 4.62	4,000,000	91,871	3 %	3. 4.62	—	31/3, 30/9 (Commences from first repayment date)	31. 3.68—31. 3.
3.	— do —	Al-Hasa Mines	3	3. 4.62	3,000,000	841,573	4 %	3. 4.62	Not determined.	31/3, 30/9 (Commences from first repayment date)	31. 3.66—31. 3.
4.	— do —	Jerusalem Electricity	4A	5. 2.64	240,000	240,000	3 %	1. 1.62	31.12.65	1/5, 1/11	1.11.65— 1. 5.
5.	— do —	Jerusalem Intercontinental Hotel	4B	5. 2.64	175,000	174,219	4 %	1. 1.62	28. 2.65	1/5, 1/11	1. 5.66— 1.11.
6.	— do —	Al Urdun Hotel	4C	8. 3.65	85,000	—	3½%	—	31.12.65	1/5, 1/11	1. 5.66— 1.11.
7.	Republic of Tunisia	La Goulette Power	5	21.12.63	4,000,000	1,867,703	4 %	1. 1.60	31.12.67	15/ 1, 15/7	15. 1.68—15. 7.
8.	— do —	Medjerda Valley	6	21.12.63	2,000,000	1,092,129	3 %	1. 1.62	31.12.66	15/5, 15/11	15.11.68—15. 5.8
9.	Republic of Algeria	Oil Pipeline	7	23. 6.64	7,500,000	4,202,156	4 %	1. 4.64	1.10.66	1/4, 1/10	1.10.67— 1. 4.
10.	United Arab Republic	Suez Canal	8	5. 7.64	9,800,000	789,051	4 %	1. 7.63	31.12.66	1/1, 1/ 7	1. 1.68— 1. 7.8
					37,800,000	15,796,433					