

LOANS FOR WATER AND IRRIGATION PROJECTS

P182 Jordan
ERAW 5/82

Two loan agreement totalling KD 15 million (\$53 million) were signed in November with the Kuwait Fund for Arab Economic Development (KFAED).

The first was an KD 8 million (\$28 million) loan to part-finance the Ghor al-Safi irrigation project. This is the first phase in developing the southern part of the Jordan valley. It involves drip irrigating about 6,500 hectares by 1985, which will allow more cultivation. The project's total cost is estimated at KD 24.3 million.

KFAED's loan is for 27 years including seven years' grace, with interest at $2\frac{1}{2}$ per cent plus a $\frac{1}{2}$ per cent administrative charge.

The second loan, a KD 7 million (\$25 million), is to help finance the KD 44 million Amman water supply project. This involves pumping 45 million cubic metres of treated water a year from the East Ghor Canal to Amman, easing the capital's water shortage.

Work on the scheme should begin in 1982, for completion in 1984. The loan is for 20 years, including five years' grace, and carries $3\frac{1}{2}$ per cent interest plus a $\frac{1}{2}$ per cent administrative charge.