

CAIRO-AMMAN BANK'S SERVICES FOR WEST BANK CITIZENS DISCUSSED

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[Article: "Text of an Interview With Sha'sha'ah"]

[Text] In spite of his more than 70 years, he still lives a life untouched by fatigue and not party to boredom, always smiling, pleasant, and diplomatic. But when you get closer to him, you discover that behind this smile and bright eyes are deep concerns.

He is the famous Palestinian economist, Jawdat Ruhi Sha'sha'ah, chairman of the board of directors of the Cairo-Amman Bank, who spoke with AL-NAHAR frankly and with an open heart.

Mr Sha'sha'ah said: Last Sunday, 21 September 1986, the Cairo-Amman Bank building in Nabulus was turned over to me after 20 years of continuous closure, and we immediately set about implementing the necessary reforms in order that we might be able to open this branch the first week of next month, God permitting.

He added: With respect to the staff, we now have 39 employees who have been receiving their salaries from the bank since 1967 and are required to take up their positions as soon as the bank's branches are opened. Whoever does not want to continue in his job with us for some reason, his services will be terminated. Mr Midhat Kan'an will act as manager of the Nabulus branch. When other branches are opened, Kan'an will hold the position of director general of the branches in the West Bank.

To a question about the bank's fields of operation Mr Sha'sha'ah responded: The bank will perform all banking functions without exception, including of course (discounts on exchange drafts), providing banking facilities to merchants, and opening accounts according to the capabilities of everyone who deals with the bank.

The bank will also serve Palestinian people everywhere, from village to town, and provide services to summer visitors, whether directly through the branch or indirectly through the bank home office in Amman.

The bank will deal in Jordanian dinars and its budget will be in dinars. It will also deal in shekels. The Jordanian government will secure foreign currency for the branches when associated with funds for foreign transactions that any citizen might want to procure.

Sha'sha'ah added that the remaining bank branches will open gradually over several months. Among them will be branches in Hebron, Ramallah, and Janin.

In response to another question he said that the bank will not engage in exchange operations, for there is a sufficient number of moneychangers in the West Bank. [He also said] that the banking operations will be computerized and run by the most modern means.

Regarding the ability of the bank to grant loans to citizens of the West Bank and the required conditions, Sha'sha'ah said that the bank will provide loans to citizens of the West Bank via its branches operating in West Bank towns, and these would be personal loans for individual projects like construction, etc., in return for collateral and local guarantees. There is no longer any need for people who obtain loans from Amman to travel to the Jordanian capital to offer collateral and guarantees. Likewise, loans will be provided to the industrial sector, which would be medium term loans with maturity varying between two and three years. Loans for the business, housing, and agricultural sectors will be long term.

Regarding the extent of control by the Bank of Israel over the operations of the Cairo-Amman Bank, Sha'sha'ah emphasized that the Bank of Israel will not have anything but a supervisory right, and only for what it calls security reasons.

With regard to those who have dealings with other Jordanian banks and who are living in the occupied territories and the extent to which the Cairo-Amman Bank will offer services to them, Sha'sha'ah explained that the bank in the West Bank will be prepared to offer services to them, including cashing their checks drawn on banks, in view of the connections that exist between the branches here and the clearing house in Amman which has responsibility for regulating the relationships between different banks.

On the possibility of the bank disbursing salaries of citizens who receive their salaries from Amman, he said: Whenever any employee in the West Bank wants to transfer his Jordanian salary to our branches in the West Bank and formally requests this we will come to his service. This employee will likewise enjoy the right to obtain a loan from our bank without presenting any collateral. The value of the loan will be three times his salary, provided that it is repaid in installments over a one year period.

To our question on the possibility that the Cairo-Amman Bank on the West Bank would deliver drafts from Palestinian emigres to their relatives in the occupied territories Sha'sha'ah replied that the bank will be prepared to pay out the amount of these drafts to their holders at the places of work or residence

without even requiring their presence at a bank branch as soon as notification of the check reaches Amman from outside Jordan.

Regarding the interest rates on loans and savings Sha'sha'ah said that this rate is what has been set by Jordanian law, not Israeli law. One percent is added to the rate for transferring the currency from abroad and the value added tax on the salaries of bank employees and on its profits is 15 percent.

Concerning the bank's ability to cash checks drawn on the Cairo-Amman Bank in the Jordanian capital, Sha'sha'ah reported that any citizen on the West Bank who has an account with our bank in Amman can cash his checks at our branches in the West Bank within minutes, since the bank will have the most modern means of communication with the home office via London for confirming the existence of funds in Amman to cover the checks.

In response to a question on taxes on interest Sha'sha'ah answered that the interest is tax exempt according to Article 9 of the Jordanian investment incentive law.

At the conclusion of the session with Sha'sha'ah he emphasized that the depositors' funds in bank branches in the West Bank will be insured, because on the one hand the main Cairo-Amman Bank insures these deposits, and because on the other hand all the branches and financial activities of the Cairo-Amman Bank institution are insured by the Central Bank.

It is worthy of mention that, according to Jordanian law, no party has the right to disclose a depositor's account without a court order. With that any authority can learn the balance but under no circumstances is it allowed to disclose the account. It is illegal for any party to garnishee the account of any depositor without a legal action, according to Jordanian law.

Sha'sha'ah emphasized that the aim of opening the Cairo-Amman Bank is not to realize a profit as much as to support the people's resistance and enable them to undertake industrial, agricultural, and commercial projects, the most important of which being housing projects, which will hold precedence because of their pressing need.

With respect to the 5-Year West Bank and Gaza Development Plan, we hope to take part in its implementation, and we hope that we can take a direct part in making it successful in order to alleviate the hardships of our people in the occupied homeland.

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