1964 ANNUAL MEETINGS OF THE BOARDS OF GOVERNORS

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION

TOKYO, SEPTEMBER 7-11, 1964
INTRODUCTORY NOTE

The 1964 Annual Meeting of the Board of Governors of the International Bank for Reconstruction and Development, held jointly with that of the International Monetary Fund, took place in Tokyo, Japan, September 7-11, 1964 (inclusive) under the chairmanship of The Honorable Francisco Aquino h., President, Banco Central de Reserva de El Salvador, and Governor for El Salvador. The Annual Meetings of the Bank’s affiliates, the International Finance Corporation (IFC) and the International Development Association (IDA), were held at the same time and place.

The proceedings of the Annual Meeting of IFC are a separate publication.

M. M. Mendels
Secretary
International Bank for Reconstruction and Development and Affiliates

Washington, D. C.
October 31, 1964
1964
ANNUAL MEETINGS

FINAL SCHEDULE

Sunday
September 6  5:00 p.m. —Joint Procedures Committee

Monday
September 7  9:30 a.m.—Joint Boards —Opening Ceremonies
            9:30 a.m. —IMF Board —Address by Chairman
            3:00 p.m. —Joint Procedures Committee Report I
            —Annual Address of Managing Director, IMF
            —Annual Address of President, IBRD, IFC and IDA

Tuesday
September 8  9:30 a.m.—IMF Board —Annual Discussion
            3:00 p.m. —Annual Discussion (continued)

Wednesday
September 9  9:30 a.m.—IBRD, IFC and IDA Boards —Annual Discussion
            3:00 p.m. —Annual Discussion (continued)

Thursday
September 10 9:30 a.m.—IMF Board —Annual Discussion (concluded)
              —Election of Executive Directors
              —Joint Procedures Committee Report II
            3:00 p.m.—IBRD, IFC and IDA Boards —Annual Discussion (concluded)
              —Election of Executive Directors
              —Joint Procedures Committee Report III
            5:30 p.m. —Joint Procedures Committee

Friday
September 11 11:00 a.m.—Joint Boards —Joint Procedures Committee Report IV
              —Comments by Heads of Organizations
              —Concluding Remarks
              —Adjournment
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ADDRESS BY
THE PRIME MINISTER OF JAPAN, HAYATO IKEDA

ON BEHALF OF THE PEOPLE and the Government of Japan, it gives me great pleasure to extend a hearty welcome to the distinguished international leaders in the fields of money and finance who have gathered here in Tokyo to attend the Annual Meeting for 1964 of the International Monetary Fund and the International Bank for Reconstruction and Development.

It is the earnest desire of all mankind to build a world wherein each one of us can freely and fully demonstrate our will to work and our creative abilities and can enjoy the blessings of an abundant and peaceful life. Where there is no peace there is no economic development. Where there is no economic development, there is no abundant life. Where poverty exists there is no general well-being. And so indeed the vital challenge which we all face, whether domestically or internationally, is to promote stable economic growth and reduce the disparity between the rich and the poor.

Today, when rapid expansion is taking place in economic and cultural relations between nations, no one nation can prosper unless others also prosper. Prosperity is indivisible. It is incumbent upon all of us to make efforts to remove obstacles to free economic intercourse, to strengthen international cooperation and to go beyond our own national borders to contribute to the growth of the world economy as a whole and to the enhancement of the welfare of mankind.

In 1952 when Japan joined the Fund and the Bank, it was my pleasure to attend the Annual Meeting in Mexico City as my country's first Governor. In the twelve years which have since passed, the people of my country have shown the keenest interest in the deliberations and achievements of every Annual Meeting of these great institutions.

At the time Japan joined, the membership was about fifty; it has now swelled to more than one hundred countries. This increase in numbers, together with the establishment of the International Finance Corporation and the International Development Association, is manifest evidence of the fact that international financial cooperation has grown in substance and strength from year to year. The tremendous progress made by the world's economy since World War II presents a striking contrast to the economic depression and political chaos that characterized the world in the 1930's. What is this but magnificent proof that international cooperation based upon the spirit of Bretton Woods is steadily attaining the goals of a stable international monetary system and the development of the world economy.

A hundred years ago Japan was a poor feudal nation dependent mainly on agriculture. The new government of the Meiji Era, which began in 1868, devoted the nation's resources and efforts to diffusing popular education and importing Western civilization as a first step in Japan's modernization. As a result, compulsory education extended to all the people and by the coming of the 20th century the rate of illiteracy dropped to five per cent. At that time the basis was also laid for the steel, textile, and other modern industries.

In the long years that have followed until today we Japanese have made sustained efforts, overcoming many difficulties, to modernize and industrialize our country.

The great growth which our economy has achieved in the nineteen years since the war was made possible by the conversion of our industrial structure to one based on heavy and chemical industries. In the last ten years our economy has grown at an annual rate of 9 per cent net, the production of our manufacturing industries has increased by almost four times, and our gross national product has expanded by 2½ times in real terms. With the rapid rise in production, the per capita national income
In this country is gradually approaching, if it has not yet reached, the level of the Western European countries.

In 1960, when I assumed the post of Prime Minister, I projected a program to double the national income in ten years, beginning in 1961, in order to set an objective for the nation's free and vigorous economic activities and to arouse the nation's awareness of its capabilities. The results to date of this program have exceeded our original expectations, but our economy has, on the whole, maintained a balance between growth and stability.

A nation's destiny—political, economic and cultural—is determined by and large by its own creative ability and by education which nurtures such ability. The world's peace and prosperity can be brought about when the people of every nation positively direct their energies toward this end. Animated by this conviction, we Japanese will endeavor to raise still higher our standards of education and advance our sound economic growth. By seeking to increase our imports of primary products and our exports of manufactured goods and by steadily expanding our assistance to the developing countries, we wish to contribute our share to the peace and prosperity of the world.

If I have discussed somewhat at length the economic growth of my country, it was because I wanted to emphasize the fact that we are trying to accomplish in less than twenty years since the war what we could not accomplish in eighty years before the war, and to point out that this was made possible in a climate of international cooperation which did not exist in former times.

There have been occasions when financial assistance from the IMF has helped us to solve our balance of payments difficulties. Many times loans from the IBRD and cooperation extended to us by Western financial institutions have covered our capital shortage and helped us to advance our steady economic growth. In the past seven years our foreign trade, both import and export, expanded by more than two times and our capital transactions, both long-term and short-term, which started from almost nothing have become active as we see today. Experience has shown us that the state of affairs which we enjoy today is not possible without free economic intercourse and international cooperation. We have also learned by experience that a climate of international cooperation is indeed a factor of vital importance to countries now in the process of development. And so together with all of you I wish to reaffirm the universal fact that the nations of the world can grow and prosper together by mutual help and cooperation and by expanding in that spirit free economic relations between and among them.

As economic interdependence and solidarity between nations grow closer, the need becomes greater for each to promote the stability and growth of its own economy through sound fiscal and monetary policies and at the same time to cooperate with others to preserve the international monetary system and to provide adequately for international liquidity. Even though nations may, by reason of individual circumstances, have different policies in respect to domestic liquidity, economic growth, employment, prices, and balance of payments, I sincerely wish that in the arena of international consultation, such as we now have here, all nations will do their utmost to come together in a spirit of mutual accommodation in the common interest of prosperity for the world as a whole.

Nations which are in the process of development need capital and technology to develop their resources and to foster modern industries which increase employment. This situation calls for the promotion of exchange of capital and technology in a spirit of international cooperation between the already developed and the newly developing countries. Capital and technology thus brought into the developing countries, combined with firm will and untiring efforts of the receiving countries to make progress, will serve to raise their industrial productivity and to improve their economic structures, and this will enable them in turn to provide capital to countries which follow them in the development process.

It is particularly significant that a number of
important proposals will be submitted and fully discussed at this Annual Meeting. My country, let me say, is prepared to contribute even more positively than before to international cooperative endeavors. At the same time I would like to see the Fund and the Bank, cooperating with each other, further expand their functions and their resources, invite more new countries into their fold and, as is so apparent, carry out their high mission widely throughout the world in the spirit made manifest at the time of their founding.

It is my sincere belief that, through the efforts of the international institutions and all their members here assembled, the Tokyo Meeting will surely be crowned with eminent success.

Japan is a country with long historical traditions and a rich cultural heritage and, at the same time, a country filled, I think, with youthful energy ever and actively seeking to explore new horizons. In closing, may I hope that you will fully see the conditions in our country and that your stay here will be a pleasant and memorable one.
Agreement on Tariffs and Trade. On the other hand, Japan has contributed to international cooperation by liberalizing foreign trade and payments, culminating recently in its achievement of convertible currency status, as defined by Article VIII of the Fund. No less important, Japan has vigorously cooperated with other industrialized countries in providing assistance to developing nations, and in furnishing resources to guarantee the strength of the international monetary system. Japan has pledged a substantial sum for the replenishment of the resources of IDA. Through its continuing activities in these fields, our host country has shown its firm determination to assist in the common struggle toward a more prosperous world environment for us all.

We meet today just twenty years after the representatives of a large group of countries gathered in Bretton Woods in 1944, to consider the economic problems of their day. When they met, the world was at war. But realizing that the war would eventually be over, the leaders started to consider the problems that would have to be faced at the termination of hostilities, and began making plans and preparations to meet them.

Two big problems dominated the economic horizon in 1944. First, how to restore stability to the monetary systems of countries that had been forced by the war to abandon all conventional rules of monetary good behavior. Second, how to reconstruct the countries devastated by the war. These were necessary prerequisites to any efforts to ensure a growing world economy and to dismantle the complex of trade and exchange restrictions that had grown up over the previous decade.

To meet the first problem, the Fund was created. To meet the second, the Bank was created.

I do not wish, today, to trace the history of the two institutions which had their origins at Bretton Woods. I should like, however, to consider with you a most remarkable characteristic of both the Fund and the Bank, a characteristic which I believe will be of considerable importance in the years to come. This is the ability and resourcefulness of both institutions to meet the most unpredictable and difficult situations. It is a tribute to the founding fathers that they had the vision, in conceiving the institutions, to give them not only a strong structural organization, but also the necessary elasticity and flexibility to meet the changing economic problems of a changing world. I doubt that anyone at Bretton Woods would have predicted that in 1964 each institution would have 102 member countries, or that we would meet here today as the Governors of not two, but four, great financial institutions. But these two facts testify how greatly the world has changed, and how our institutions have had the flexibility to change with it.

Even in their earliest days, the activities of the institutions were different from what had been anticipated. The first postwar successes in financing the reconstruction of war-torn economies and bringing stability back to war-weakened currencies were accomplished by other means. The true functions of the Fund and the Bank emerged, rather, in other fields of activity; the Fund has been increasingly concerned with advice and assistance to developing countries, and with the problems of managing the international monetary system; the Bank is concerned with the deep and lasting problems of economic development.

In their pursuit of these tasks, both the Fund and the Bank have well earned their place in the world of today. Both have been financial successes, with excellent records of repayment in their financial transactions, and with ample accumulated reserves against contingencies. More important, they have a fine record of service to their members, large and small, rich and poor. As I have indicated, it is my belief that a large part of the success of the Fund and the Bank has lain in their ability to approach new problems flexibly, with a determination to adapt both policy and institutional arrangements to the needs of a changing world. With respect to institutional arrangements, the most obvious adaptation was the creation, first, of the International Finance Corporation, and secondly of the International Development Association. The recent replenishment of the resources of IDA is a further step in this
direction, and is most welcome. The proposals now before us, to transfer to the IDA $50 million of the Bank's earnings, and to lend Bank funds to the IFC for relending, seem to me fully as significant, because they show that the impetus for imaginative responses to new problems is in no way being lost. Both the Fund and the Bank have created Institutes for training the officers of member countries in the intricate fields of development and monetary management. Both have developed to a high degree the techniques of technical assistance, and the Fund has recently moved to broaden its efforts in this field by establishing its Fiscal Affairs Department and its Central Banking Service. Both have established departments concentrating on the problems and interests of the African countries. In a great many ways, institutional arrangements have been changed, and adapted, to changing needs.

Equally, if not more, important has been the evidence of a willingness to alter or adapt policies to new conditions or newly recognized problems. In addition to the basic policy implications of the establishment and buttressing of the IFC and the IDA, it is not difficult to cite examples of the ways in which both parent institutions have met new challenges. In fact, the initiatives that these two institutions have taken in the course of time are so many and so varied that I must confine myself to a few outstanding cases. The Bank, for instance, has secured coordination between its operations and those of creditor countries through the device of the consortium. It has begun to relax the terms of its financing, in appropriate cases, and has reduced its commitment charge on loans from 3/4 to 3/8 of one per cent. The Bank and the IDA are shifting emphasis toward the very important and pressing problems in the field of agriculture and education. The IDA has broken new ground by financing components and materials needed by existing enterprises but which those enterprises could not obtain from abroad because of a scarcity of foreign exchange.

The Fund has been no less flexible. For instance, it introduced last year its compensatory financing facility for assisting countries experiencing a temporary shortfall in export receipts. More recently, it has reviewed its policies with respect to transactions by countries which have not yet established par values, and has streamlined its procedures for drawings in the gold tranche. Perhaps the Fund's ability to adapt itself to changing conditions is most evident in its continuing studies and actions in the field of international liquidity. As a result of a Fund study presented to our Meeting in New Delhi in 1958 the quotas in the Fund were enlarged; this was also the occasion for an increase in the subscriptions to the Bank. At our 1961 Meeting in Vienna, the Managing Director of the Fund again called our attention to the liquidity problem, outlining a plan for replenishing the Fund's resources through borrowing. Such a plan was later adopted in the form of the General Arrangements to Borrow, entered into with several large industrial countries. The Report of the Executive Directors of the Fund, which we are to consider this week, calls upon us again to examine the adequacy of quotas, and suggests new ways to be further explored in which the Fund can contribute to solving the problem of international liquidity. This problem has also been studied during the past year, and will continue to be studied by a group set up by the countries that are members of the General Arrangements to Borrow, and it will undoubtedly be a major preoccupation of many Governors during the coming week.

The problem of international liquidity is one which rightly concerns all members of the Fund. It is true perhaps that the efficiency of the international monetary system is largely dependent on the effective cooperation of a relatively small number of countries; but it serves the interests of all. Thus, the success of the developing countries' attempts to attain reasonable living standards will hinge on continued world prosperity, which in turn will be impossible without adequate provisions for increasing international liquidity. Also, the strengthening of the international reserve currencies, through assurances that international liquidity is sufficient, is a matter of primary importance to the many developing countries which hold most of their foreign reserves in such
currencies. Moreover, the developing countries, even more than the industrial nations, have been subject to wide variation in their payments situations and thus are especially in need of adequate amounts of liquidity to provide time for adjustments.

I should like, therefore, to urge that whatever action may be the outcome of the present deliberations in the Fund and elsewhere will be taken within a truly multilateral framework such as that provided by our Meeting. One of the merits of world-wide organizations such as the Fund and Bank and the Bank’s affiliates, IFC and IDA, is that they provide a forum for a balanced consideration of problems that affect countries in all stages of development and the world at large. In these times there are no major economic problems that can be regarded as being the concern of this or that group of countries; all countries have a vital interest in all major issues. These interests are not necessarily the same and it would be naive to believe that divergencies could always easily be reconciled. But it is the value of these organizations that, in democratic fashion, they provide the forum for all to be heard, and for all viewpoints to be considered. In this manner these institutions contribute not only toward the fulfillment of their specific tasks, but also to that even greater good, the unity of purpose of their world-wide membership. It is important that the vital question of liquidity should be approached with such a unity of purpose, and it is for that reason that I welcome the central role which the Fund is playing in this matter.

It is only fair that we should stop here for a minute and pay tribute to those who have so much contributed to these accomplishments. No institution is better than the men who run it. The names of Gutt, Rooth, and Jacobsson in the Fund; and of Meyer, McCloy, and Black in the Bank are milestones in the history of economic progress of the world. We are fortunate to have been able to transmit their inheritance to two great leaders: Mr. Schweitzer in the Fund and Mr. Woods in the Bank, on whose talent, untiring energy and far vision the future of our organizations rests. They have already demonstrated the imagination and skill which will keep our institutions in pace with the changing world.

The fact that the world is changing, and, indeed, in many respects must change rapidly, is now universally recognized. In spite of the vast technical advances of this century, too many people on the face of the earth live out their lives in a grinding poverty which knows little of the benefits of technology. The effort to raise standards of living is a primary goal of national policy in all our countries; it is an urgent and a vital necessity for the great majority of the countries represented here.

The problems involved in this effort are so large that sometimes, in our moments of despair, they seem to us to be insurmountable. In our more optimistic moments, however, we recognize that progress, while often painfully slow, is nevertheless possible. We recognize also that it is worth the great effort required to attain it. I have had some personal experience in dealing with these problems, both with respect to the efforts of the country which I have the honor to represent, and with respect to the efforts of Central American countries, as a group, to find ways and means of improving their lot. From these experiences come three observations which, I believe, may be useful and valid in a wider application.

It seems to me, first, that any nation, regardless of how great its problem, can make a welcome amount of progress in achieving growth and maintaining stability if it pursues these objectives energetically. We have been pleased with the results in my own country of our efforts to secure a high rate of economic growth and social improvement while maintaining a stable currency and stable prices. During the past three years the gross national product of El Salvador has been increasing at an average rate of eight per cent; exports have been diversified; and, monetary reserves have grown to record levels. Roads, power projects, communications systems, education, water and sewer facilities and housing developments for the lower income groups have received the greatest attention. The assistance provided by the Fund, the Bank and IDA in some of
these national endeavors has been of paramount importance.

Secondly, it is clear that efforts to improve national economic welfare through regional integration need not be inconsistent with broader efforts toward a free and growing world economy. Many competent observers from outside Central America have commented with approval on the Central American Economic Integration Program. The five Central American countries: Costa Rica, Guatemala, Honduras, Nicaragua and El Salvador, have an economic integration program which has been under way for the last twelve years. At present, 98.5 per cent of our trade has a common tariff; we have a Bank for Economic Integration which is financing projects of a regional nature in the field of both industry and public works; we have established a clearing house through which about 90 per cent of the visible intra-regional transactions are settled and credit is extended to the debtor nations; and, we have recently signed an agreement establishing a system of monetary policy consultations which we hope to develop, in time, into a Central American Monetary Union. All these efforts will, I am sure, facilitate the achievement of the final objectives of the Fund and the Bank.

My third observation—and I am sure that this is widely recognized—is that the problems of economic development will inevitably be a major preoccupation of the international community throughout the foreseeable future. Efforts to raise the national incomes of the poorer countries must be pursued constantly and vigorously, and we cannot afford to lose heart because of the prospect that the task is seemingly endless.

Although I make these observations from my personal experiences, I am well aware that they reflect preoccupations which are shared by all responsible persons throughout the world. This was amply demonstrated a few weeks ago when all the countries represented here, and a few others, met in Geneva to consider the two most urgent issues facing the world today: trade and development, two problems with which our institutions are greatly concerned. It was not possible for the United Nations Conference on Trade and Development to reach agreement on the vital and difficult problems before it—problems to which solutions must be found if the gap between rich and poor nations is to be bridged. Nevertheless, the Conference opened the door of understanding with respect to the difficulties and objectives of both rich and poor countries, and strengthened their determination to explore and consult further on these grave questions. In its search for solutions to some of the most pressing questions of economic development, the Conference turned to these institutions, and in particular, to the Bank.

Four major problems have been referred to the Bank for further study. The first of these was the "Development Financing Plan" proposed by Governor Horowitz from Israel. Secondly, the Bank was asked to expedite its studies of investment insurance. The use and terms of suppliers' credits and credit insurance constituted a third area of study. Finally, the Bank was invited to investigate the feasibility of providing, through supplemental funds administered by IDA, long-term assistance to countries whose programs of development are endangered by shortfalls in export receipts. The Conference referred to the Fund a review of its compensatory financing facility. I am sure that these studies will fit in well with the many other activities which our institutions are undertaking to improve the economic well-being of mankind.

I hope that in the course of the next few days the Governors will take the opportunity to express their views on some of the many problems with which our institutions will have to deal in the years to come. I invite you to approach them with the same spirit of imagination and cooperation which led to the creation of the Fund and the Bank twenty years ago, and with a determination that the flexibility and enterprise which have characterized our past will be no less evident in the years that lie ahead.
I SHOULD LIKE FIRST OF ALL to join with you in greeting all of our Governors, the members of their delegations and our guests from around the world. I wish also to add my thanks to the Prime Minister for his warm words of welcome and to express my appreciation to the Government of Japan for the excellent arrangements made for our meetings.

Like my colleague the Managing Director of the International Monetary Fund, I am particularly pleased that our Annual Meetings are in Tokyo this year, for Japan is a vibrant example of both reconstruction and development. From a state of economic prostration, this nation has risen to take its place among the industrial leaders of the world. The record of economic development in Japan has been magnificent and truly remarkable. Many policies, practices and procedures followed by Japan are worthy of consideration by officials of countries which are traveling the path of development.

Mr. Chairman, my remarks today will be divided into three principal parts. I will briefly report on developments in the Bank group of institutions over the past year. I will indicate some of the problems which, as I see it, will be among our principal preoccupations in the period ahead. Finally, I will say a few words about developments in the world environment in which the Bank group operates and about the possible effect of those developments upon the role of our organizations.

The detailed record of our activities during the past fiscal year is set forth in the Annual Reports which you have before you. As that record suggests, it has been a busy year for all three institutions. Bank lending for the year reached nearly $810 million; the International Development Association extended a record volume of credits, totaling more than $280 million; and the International Finance Corporation's loans, purchases of equities and other commitments amounted to almost $21 million—in the aggregate more than $1,100 million. The pace of our operations since the close of the fiscal year is still quickening—with continuing emphasis on the basic infrastructure fields of transportation and power. One result is that, after a prolonged absence, the Bank will be back in the financial markets of the world to borrow substantial sums during the current fiscal year, and in view of this fact I welcome the many representatives of banking, underwriting and insurance firms here today.

Since the last Annual Meeting we have received the assurance that IDA's resources will be replenished. The additional funds to be made available by 18 capital-exporting countries for commitment, at least through June 30, 1966, will be more than $750 million. I hope that these funds will be augmented, not only by special supplementary contributions from industrialized countries, such as those so generously made by Sweden, but also by contributions from some of the developing countries, in the form of releases from their initial subscriptions. Ireland, Israel and Jordan have set notable examples by agreeing to release their entire local currency subscriptions to IDA on a convertible basis, over a period of years.

In addition, there is a proposal before you that the Bank transfer to IDA a portion of its net income for the fiscal year 1964. Assuming this is approved, IDA's resources will be increased by another $50 million. I hope in the future the Bank can continue to add to IDA's ability to meet the growing demands upon it.

Last year I reported that the Bank intended to explore the possibility of modifying the pattern of
terms and conditions of loans in some special cases where the particular circumstances of the project or the borrowing country made a change in terms appropriate. During the year we have extended loans with a final maturity of as much as 35 years and with a grace period of as long as eight years. Moreover, as of the beginning of the current fiscal year, the commitment charge on the undisbursed portion of Bank loans was cut in half.

Even more important, in my judgment, the Executive Directors have agreed upon a restatement of policy with respect to financing local currency expenditures. It has now been made entirely clear that our criterion in the selection of projects is the extent of their prospective contribution to economic development, regardless of the ratio of costs as between foreign exchange and local currency. We now stand ready to finance some of the local costs of high-priority projects in cases where financing for imports alone would not provide adequate support.

We have also made progress in expanding the scope of Bank and IDA activities relating to agriculture and education and of all three of our institutions in seeking more effective means to promote industrial development.

In the fields of agriculture and education, we have negotiated partnership agreements with the Food and Agriculture Organization of the United Nations and with the United Nations Educational, Scientific and Cultural Organization, under which we enjoy the benefit of the long experience of these agencies. Both arrangements are off to good starts. We are now working together in helping governments to identify and prepare projects suitable for Bank or IDA financing and subsequently in appraising these projects. Some nine educational and 21 agricultural projects are under active consideration for financing, while additional proposals in both fields are in various stages of discussion or investigation. Unesco and FAO are directly involved in the examination of most of these proposals and I am happy to record at this Governors' Meeting my appreciation of the excellent cooperation we are receiving from both these organizations.

I have no doubt that in putting increased emphasis on agriculture and education, we are following the right course. Lagging production of food, the lack of diversification within the agricultural sector itself and the shortage of skilled people at all levels, in both government administration and productive enterprise, are holding back economic growth in far too many countries. But let me add that, in view of the magnitude of the financial requirements for adequate educational and agricultural development, the Bank can do little more than serve as a trail blazer. We can point the way for others by supporting a few strategic projects and by helping to identify, and to move towards solution, a few of the key problems. But these efforts will be useful only if governments follow through by focussing more of their attention on the critical needs of agriculture and education and by according them appropriate priority in the allocation of available resources—both domestic and foreign.

I still firmly believe that the Bank, IFC and IDA can and should do more to stimulate industrial development, the third sector which I singled out for special emphasis at our meeting last year. IFC is our principal instrument for financing industry. When the Corporation began its operations, a little more than eight years ago, with its somewhat less than $100 million of capital, it was an experiment. It was by no means clear that IFC would have presented to it a sufficient volume of business of a type which would be suitable for it to engage in. At the same time, there were doubts as to whether it would be able to revolve its funds or whether, once it had committed its initial funds, it might not find itself frozen and with no ability to continue operations.

Significantly, during the past fiscal year the cumulative total of commitments made by IFC exceeded its paid-in capital. Equally significant, more than one-third of these commitments have been revolved, partially through repayments but primarily by having the commitments taken over by private investors. The Corporation in this fiscal year made more commitments in more countries than ever before.
Last year I said that the Executive Directors were considering how additional financial assistance could be made available from the Bank to privately-owned industrial companies without a government guarantee. They have concluded that the most effective way this could be done would be for the Bank to lend to IFC funds which IFC in turn could relend to private companies. Accordingly, there is before you a recommendation by the Executive Directors that the Articles of Agreement of the Bank and of IFC be amended to permit the Bank to make loans to IFC, within limits, for relending to private enterprise without government guarantee.

I strongly support this recommendation. I have already commented on the increased pace of IFC activities. It is clear to me that it is now time to consider all means by which IFC resources can be increased so that the accelerated tempo of operations can be sustained and even enlarged. I believe that IFC should not only continue its present types of activity on an increased scale, but that there is a considerable area of additional operations it could undertake. With increased resources, IFC could make much larger commitments in individual transactions than its present resources permit and, in those cases where appropriate, it could provide finance in the form of direct loans without equity features. Such new dimensions of IFC's activities would constitute an important new facility available to our member countries for use in their development processes.

There are other ways in which our assistance to industry could be made more versatile and more effective.

During the past year IDA extended a large credit to India to finance the import of capital equipment, raw materials and components which were essential to the full utilization of existing industrial plants in India. For us, this is a new and special type of industrial financing, but I believe there will be some other cases where it will be appropriate.

The development of the industrial sector is not merely a question of providing finance. Often the greatest lack is entrepreneurship, someone to promote and organize and put together a needed venture. IFC and the Bank are actively trying to assist in these promotional activities.

One of the best techniques we have found is to join in partnership with development finance companies in organizing the sponsorship of urgently needed new ventures. We have close relationships with these companies; in fact, the Bank and its affiliates have provided them with about $300 million in finance. We are working with them in many parts of the world.

Many of our member countries have markets for industrial products which are too small to support an economically sized industry. We are seeking to assist, through regional economic grouping, the creation of larger markets. We intend to give high priority to financing and technical assistance activities designed to facilitate such regional groupings.

Over the long run, industrial growth, like economic development in general, must be based primarily on domestic effort and domestic ownership. No country wishes, nor can the people of any country be expected, to rely indefinitely for its industrialization on decisions made primarily by foreign entrepreneurs. But, because of the shortage of local capital, industrial experience and entrepreneurship, the growth of industry which is entirely locally owned is likely to be slower than the balanced economic growth of the country calls for. It is, therefore, in the interest of the developing world to avail itself of the advantages offered by foreign investment. The foreign investor, made to feel welcome, can be a most effective instrument of economic growth, not only because of the capital and technology he can provide, but equally because of the help he can extend in training the labor force and developing local managerial and supervisory skills. Consequently, we regard it as one of the important responsibilities of the Bank and IFC to do what we can to facilitate such investment.

One possible measure to that end is multilateral investment insurance, the feasibility of which we have studied in the past and to which, at the request of the recent United Nations Conference on Trade
and Development, we shall again be turning our attention. Another approach, which we have actively sponsored, is the establishment of international machinery which would be available to deal on a voluntary basis with investment disputes between governments and nationals of other states. This is proposed in the draft Convention on the Settlement of Investment Disputes on which the Executive Directors have submitted a report to you. If you agree, the Executive Directors, assisted by a committee of legal experts designated by interested governments, propose to work out a final text for submission to governments in 1965 and I hope, early in 1965. This proposal, in my view, holds great promise. I recommend it and urge your unanimous approval of it.

II

Mr. Chairman, whatever progress we have made over the past year in expanding the Bank's activities and adapting its policies so as more adequately to meet the new needs of our membership, there remain a number of problems which pose major limitations on the effectiveness of our institutions. I will touch on a few examples.

A problem, which has limited our activities from the start, is the shortage of sound, economically viable projects coming forward from most of the developing countries. A steady increase in the flow of good projects is essential for sustained expansion in the productive capacity of the developing nations and is a basic necessity for the useful investment of the larger sums of development capital which those nations seek.

The Bank institutions have been putting increased emphasis upon providing assistance to our members in identifying promising investment opportunities and in making the necessary economic and technical studies and organizational arrangements to enable those opportunities to be realized. We have added special courses in project evaluation to the curriculum of our Economic Development Institute. We have undertaken more and more preinvestment studies, both as Executing Agency for the United Nations Special Fund and on our own. We are making plans to establish two field offices in Africa, staffed with men whose specific function will be to assist member governments on that continent in preparing projects to the point where they can be presented to the Bank or IDA for financing. And the partnership arrangements with FAO and Unesco have as one of their principal purposes an expansion in the flow of projects in the agricultural and the educational fields. But these efforts, in relation to the need, are still modest. We intend, therefore, to explore the feasibility of other means by which the Bank group may be able to help in this matter.

Another item which looms large on our agenda for the future relates to the debt service burden, which now weighs heavily upon a number of our members. Over the long run, the Bank group makes its most effective contribution in easing this burden through IDA credits, all of which so far have been repayable over a 50-year period and have carried no interest, but merely an annual service charge of 3/4 of 1%. Beyond this, as I have stated, the Bank itself has moved to ease the terms of its loans. Moreover, within the consortia and the consultative groups organized by the Bank, there has been a gratifying tendency toward some over-all improvement in the terms of the loans offered. This tendency has been at least partially offset, however, by a countervailing tendency toward a reduction in the ratio of grants to loans. Furthermore, a high proportion of the burden represented by reduced interest rates and longer maturities has been borne so far by only a very few of the capital-exporting countries. A substantial and broad-based improvement in the terms of development assistance is, in my view, imperative if economic growth in many countries is not to be periodically interrupted by debt crises. These crises are troublesome in themselves but, even more troublesome, they have the by-product effect of delaying and discouraging badly needed private investment.

Meanwhile, some developing countries which have relied far too much on medium- and short-term debt find themselves in a difficult predicament; their debt service is now taking a very high and an increasing
proportion of the total capital flow that is intended to aid development. In most cases, it is not the aggregate volume of the debt which is the most important factor, but rather the excessive concentration of debt service obligations in the early years. Already a few countries are faced with such a heavy debt service burden that they may not be able to extricate themselves without special action by their creditors; others may not be able to avoid such difficulties unless positive affirmative measures are taken in the near future.

As I said at the Geneva Trade and Development Conference, this kind of problem cannot be solved simply by a debt reorganization, unless that reorganization is accompanied by appropriate and effective agreements:

On the part of the debtor, to take all measures possible to bring its balance of payments under control and to meet its obligations as they fall due;

On the part of the creditors, to provide the debtor with capital on long term to meet its legitimate development needs; and

On the part of both debtor and creditors, to avoid, in the future, the kind of short-term credit transactions which caused the trouble in the first place.

Where all parties concerned are willing to agree to appropriate disciplines of this sort in connection with a debt adjustment, they will find the Bank ready to assist in working out the necessary new financial regime and to help in meeting the financial requirements of the situation.

Then there is the all important area closely related to the debt service problem—namely, the provision of adequate resources of foreign exchange for developmental investment and particularly for investment on IDA-type terms. This whole matter, as you know, was extensively discussed at the Geneva Conference and in those discussions the Bank's representatives participated actively. We have been asked to continue that participation by undertaking a number of studies, all revolving around three basic issues: How best to achieve a major increase in the flow of public and private funds to the developing countries; how to assure that a greater proportion of those funds is available on terms which do not unduly burden the economies of the recipient country; and finally, how most effectively to apply those funds in a way that will permit development to go forward smoothly despite fluctuations in export earnings. We have readily agreed to undertake these studies, not only because each relates to an issue of continuing concern to member countries of the Bank and the Fund, but also because several of them form part of the context within which we must, during the next six months, begin detailed consideration of arrangements for the next replenishment of IDA's resources.

On that latter subject, all I want to say today is that, in my judgment, the provision of funds for developmental investment on IDA-type terms ranks high among the urgent unfinished economic business on the agenda of the entire community of our member nations. It is a subject, I can assure you, to which we in the Bank will be giving much thought and attention during the coming months and which, I trust, will command priority consideration by the governments as well.

III

Mr. Chairman, I come to the third and concluding segment of my remarks. Notwithstanding the growth and development of the Bank family over the past year, we cannot feel satisfied, much less complacent, as we appraise the effectiveness of our contribution toward the acceleration of economic progress in the poorer nations. For the blunt fact is that, although a few of the developing countries are making remarkable headway, in most of them the rate of growth is still disappointingly slow—and when taken in conjunction with the rapid population increase, still unabated, there simply has not been, in most of the developing world, any considerable improvement in living standards.

But though visible progress to date has been modest at best, we should not be discouraged as we look ahead. For the world now has a better understanding of development problems than ever
before. Further, it has the resources, if it has the
will, to move much faster toward solutions for these
problems.

Much of the underpinning is in place: A greatly
strengthened and expanded infrastructure of physical
facilities; more effective government administrations
with a major preoccupation in the promotion of eco-
nomic growth; a citizenry in many lands whose
capacity to produce is improving as a result of
more and better education. Above all, there is a
better understanding by the developing nations that
their economic growth depends primarily on unceas-
ing domestic effort over a period of years—that it
cannot be forced by gusty drafts of inflation nor
hurriedly imported, in the form of external grants
or loans.

At the same time there has been, if I judge cor-
correctly, much more general acceptance by the indus-
trialized countries that they have a responsibility
to help their less fortunate neighbors along the road
to a better life. And I believe it is worth noting
that this sense of responsibility is deriving less and
less from considerations of ideological conflict or
special advantage—and more and more from a
realization that peace and economic health for all
depend in large measure upon the hope or despair
of those who are now the prisoners of poverty.

Both the promise and the problems involved in
raising living standards throughout the developing
world were explored at length last spring at the
United Nations Conference on Trade and Develop-
ment to which I have referred. That conference
was in many respects unique in the annals of inter-
national gatherings. For the first time the developing
countries, some 77 strong, found it possible to
submerge their divergent interests and to present a
common front on these two key propositions: First,
that their basic concern is not so much with clashes
of political ideology, but primarily and urgently with
economic development. And second, that they can-
not achieve a satisfactory rate of growth by their
own efforts alone; their action must be supplemented
by action by the industrialized nations—help in the
form of capital on a more adequate scale and on
more appropriate terms, more freely accessible mar-
defs for both their primary and their processed
goods, better and more stable terms of trade, and
assistance in other respects as well.

The unanimity of approach on these propositions
by the developing countries dramatized what I regard
as the real significance of the Geneva Conference,
namely, that it moved the problem of economic de-
velopment from the second line of political concern
to the forefront of the problems confronting the
world's leaders. It marked, I believe, the opening
of a new phase of the development effort, and that
at a time when, for the reasons I have mentioned,
a surge forward seems to be within the realm of
practical possibilities.

Attention at Geneva was focussed primarily upon
the contributions which faster development requires
from the industrialized countries in the form of
larger and more stable export markets and of more
capital on better terms. These requirements, unques-
tionably, are real. They need to be satisfied far more
adequately than they have been up to now.

But I suggest that the industrialized countries are
unlikely to meet these requirements unless the doubts
which now exist as to the effectiveness of their
development assistance are resolved—and that will
happen only if the less developed countries them-
selves demonstrate a genuine readiness to take the
hard domestic decisions required to accelerate eco-
nomic growth. I refer to such imperatives as political
and economic stability, land and tax reform, appro-
priate educational expansion and, above all, the
 adoption of policies and conditions conducive to the
productive investment of capital. I refer also to the
need to avoid unnecessary and wasteful expenditures,
whether in connection with overstuffed bureaucracies,
il-advised investments or, as is regrettably the case
in some countries, expenditures of sums in excess of
irreducible minimums for armaments. Indeed, the
Geneva Conference may in the long run prove hurt-
ful rather than beneficial if it serves to divert the
attention of the developing countries from those
things which they must do for themselves, and in-
duces them to concentrate instead on what the
developed countries can do for them.

In short, we will know success in the new phase of the development effort opened by the Geneva Conference only if all parties, developed and developing alike, act resolutely and on the basis of realistic cooperation between the two groups. It is precisely this kind of cooperation which the World Bank has been trying to encourage for the past decade and a half. Indeed, during the formative period under Eugene Meyer and John McCloy and for an increasingly active period of 14 years under Eugene Black, the Bank has been a principal bridge between North and South, rich and poor—over which has flowed an increasing proportion of the serious economic traffic between them. It seems inevitable that, in the era of Geneva, this traffic will grow, but happily our organizations are now, I believe, experienced enough and strong enough to bear the added strain.

Mr. Chairman, the modernization of the less developed societies of the world—the object of all the Bank's efforts and the goal to which our membership rededicated itself at the Geneva Conference—has rightly been called the most challenging problem of our times. The response to that challenge, by the industrialized countries, by the nations still developing, and by the international agencies meeting here this week, must be—and I am optimist enough to believe that it will be—affirmative, wholehearted and bold. Certainly, it is in that spirit that we in the Bank family intend to push on with our tasks.

CONCLUDING REMARKS BY MR. WOODS

THIS HAS BEEN A MEMORABLE WEEK. Memorable, first of all, because of the delightful hospitality we have enjoyed here in Tokyo—a hospitality which has convincingly demonstrated that material progress and the maintenance of a lovely and graceful culture are in no way incompatible. The week has also been memorable because of the harmonious and reasoned tenor of the discussions—reflecting the deep, sober thought given to the problems we face. On a more personal note, memorable because of the support so many of you have expressed for the work of the World Bank and its affiliates. You have been most generous in your words of commendation and I thank you for them, not only on my own behalf but on behalf of my associates as well. Your confidence is heartening and encouraging to all of us.

This has been a sobering week, too. Statements made by many Governors, and particularly those from the newer nations in attendance at these Meetings, have emphasized how very urgent are the many problems that need to be solved if mankind everywhere is to begin to enjoy an acceptable standard of life. We cannot help but be sobered by the weight of the responsibility that is ours to develop effective answers to these problems and to do so promptly.

I welcome Mr. Schweitzer’s comment in this general regard. In the period ahead we expect to deepen and broaden the areas in which the Bank and the Fund cooperate in the interest of all of our member countries.

But, above all, this has been a week of rededication. Rededication to our basic objective of economic progress within a framework of monetary stability. Rededication to the path of multilateral cooperation as the best way and the right way to achieve that objective. And rededication to the concept that each nation, developed and developing alike, has a responsibility, not only for its own citizens, but also a responsibility to do its share in the world community to improve the lot of the less fortunately
situated. The statement of Adam Smith remains as true today as it was when he wrote, "No society can surely be flourishing and happy of which the far greater part of the members are poor and miserable."

I am sure that we have reached the point of diminishing return, if indeed we have not passed it, in speechmaking. Therefore, I shall make no attempt to comment on the many thoughtful and lucidly expressed proposals and suggestions with respect to Bank, IDA and IFC policies and operations which various Governors have put forward for consideration this week. Each of these proposals and suggestions will be studied, carefully and objectively, by the officers and staff upon our return to Washington. I welcome this task, for it is only through continuing receptivity to thought-provoking new ideas and to new approaches to old problems that we can keep the spirit of our organizations young and vigorous. It is only through the implementation of some of these new methods, always in the framework of sound, proven basic concepts, that we can hope to meet the challenges of this Decade of Development.

Once again, my thanks to you all. I wish to each of you and your ladies a safe and pleasant journey home.

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CLOSING REMARKS OF
THE CHAIRMAN, FRANCISCO AQUINO H.

We have spent a fruitful week discussing matters of great importance for our institutions, and now, reluctantly, we have reached the point where we must take leave of our friends until next year.

We may be well pleased, I think, with the accomplishments of these meetings. Governors have expressed their views, often widely differing views, on a broad range of subjects. It is by this frank exchange of opinions that we fulfill our function of forming a community approach to the monetary, financial and developmental responsibilities entrusted to us. Before we leave, I must thank all of those who have helped make our work a success.

To our friends who will be in charge of the Boards of Governors next year go my best wishes.

To our Japanese hosts goes our deep gratitude for the friendly welcome and for the countless courtesies bestowed on us during our stay in this charming land.

Gentlemen, the annual meetings of the International Monetary Fund, International Bank for Reconstruction and Development, International Finance Corporation and International Development Association now stand adjourned.
Mr. Chairman:

The Joint Procedures Committee of the Fund, the Bank, IFC and IDA met on Sunday, September 6, 1964, and considered the matters of business which had been proposed for the 1964 Annual Meetings of the Boards of Governors.

The Committee submits the following report and recommendations:

1. SCHEDULE OF MEETINGS
   It is recommended that the provisional schedule . . .¹ be adopted, and that the Secretaries, in consultation with the Chairman, be authorized to change it as necessary.

2. CONDUCT OF MEETINGS
   It is recommended that the Provisions Relating to the Conduct of the Meetings, . . .² be approved.

3. AGENDAS
   It is recommended that the agendas . . .³ be adopted by the respective Boards of Governors and that proposed additions to any agenda be submitted in writing through the Secretaries to the Joint Procedures Committee for its recommendations.

¹ See page 18.
² See page 19.
³ See page 20.
4. ELECTIONS OF EXECUTIVE DIRECTORS
The Committee considered the reports of the Executive Directors of . . . the Bank regarding the Elections of Executive Directors . . . The Committee recommends the adoption of the draft resolution. . . .

5. OTHER REPORTS OF THE JOINT PROCEDURES COMMITTEE
The Committee also considered the other items of business on the proposed agendas of the Fund, Bank, IFC and IDA, and will make recommendations as to their disposition to the respective Boards of Governors. The report concerning the Fund will be presented at the meeting on Thursday morning. The report concerning Bank, IFC and IDA matters will be presented at the meeting on Thursday afternoon.

The Committee will report later on:
  a. Place and Date of 1965 and 1966 Annual Meetings; and

Approved:

/s/ FRANCISCO AQUINO H.  
EL SALVADOR—Chairman

/s/ XENOPHON ZOLOTAS  
GREECE—Reporting Member  
FUND

/s/ GEORGE MAVROS  
GREECE—Reporting Member  
BANK, IFC AND IDA

This Report was approved and its recommendations were adopted by the Boards of Governors on September 7, 1964.

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1 Resolution No. 205 on page 29 adopted Rules for the 1964 Regular Election of Executive Directors; for the Rules, see page 41.
**PROVISIONAL SCHEDULE**

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<thead>
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<tr>
<td>Sunday</td>
<td>September 6</td>
<td>5:00 p.m.</td>
<td>Joint Procedures Committee</td>
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<td>Monday</td>
<td>September 7</td>
<td>9:30 a.m.</td>
<td>Opening Ceremonies</td>
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<td>Joint Procedures Committee Report I</td>
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<td>Annual Address of Managing Director, IMF</td>
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<td>Annual Address of President, IBRD, IFC and IDA</td>
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<td>Tuesday</td>
<td>September 8</td>
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<td>Annual Discussion</td>
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<td>3:00 p.m.</td>
<td>Annual Discussion (continued)</td>
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<td>Wednesday</td>
<td>September 9</td>
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<td>Annual Discussion</td>
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<td>3:00 p.m.</td>
<td>Annual Discussion (continued)</td>
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<td>Thursday</td>
<td>September 10</td>
<td>9:30 a.m.</td>
<td>Annual Discussion (concluded)</td>
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<td>3:00 p.m.</td>
<td>Election of Executive Directors</td>
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<td>Friday</td>
<td>September 11</td>
<td>11:00 a.m.</td>
<td>Joint Procedures Committee Report IV</td>
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<td>Comments by Heads of Organizations</td>
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<td>Concluding Remarks</td>
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<td>Adjournment</td>
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1 *The final schedule on page ii is the same as this provisional schedule.*
PROVISIONS RELATING TO THE CONDUCT OF THE MEETINGS

ADMISSION

1. Sessions of the Boards of Governors of the Fund, the Bank, IFC and IDA, including joint sessions, shall be open to accredited observers, the press and guests.

2. Meetings of the Joint Procedures Committee shall be open only to Governors who are members of the Committee and their advisers.

3. Sessions of the Boards of Governors and meetings of the Joint Procedures Committee shall be open to the Secretariat and technical staff as may be necessary.

PROCEDURE AND RECORDS

4. The Chairman of the Boards of Governors will establish the order of speaking at each session. Governors signifying a desire to speak will generally be recognized in the order in which they asked to speak.

5. With the consent of the Chairman, a Governor may extend his statement in the record following advance submission of the text to the Secretaries.

6. The Secretaries will have prepared verbatim transcripts of the proceedings of the Boards of Governors and the Joint Procedures Committee. The transcripts of proceedings of the Joint Procedures Committee will be confidential and available only to the Chairman, the Managing Director of the Fund, the President of the Bank and its Affiliates, and the Secretaries.

7. Reports of the Joint Procedures Committee shall be signed by the Committee Chairman and the respective Reporting Members.

PUBLIC INFORMATION

8. The Chairman of the Boards of Governors, the Managing Director of the Fund, and the President of the Bank and its Affiliates are authorized to communicate to the press such information concerning the proceedings of the Annual Meetings as they may deem suitable.
BANK AGENDA

1. 1963-64 Annual Report
2. Financial Statements and Annual Audit
3. Administrative Budget
4. Allocation of Net Income
5. Application for Membership of Malawi
6. Applications for Increases in Subscriptions:
   (a) Ghana
   (b) Iraq
   (c) Malaysia
   (d) Sudan
7. Settlement of Investment Disputes
8. Loans to IFC
9. Regular Election of Executive Directors
10. Place and Date of 1965 and 1966 Annual Meeting
11. Officers and Procedures Committee for 1964-65

IDA AGENDA

1. 1963-64 Annual Report
2. Financial Statements and Annual Audit
3. Administrative Budget
4. Applications for Membership
   (a) Malawi
   (b) Trinidad and Tobago
JOINT PROCEDURES COMMITTEE

REPORT III

September 6, 1964

Mr. Chairman:

At the meeting of the Joint Procedures Committee held on September 6, 1964, the items of business on the agendas of the Boards of Governors of the Bank, IFC and IDA were considered.

A. The Committee submits the following report and recommendations on Bank and IDA business:

1. 1964 ANNUAL REPORT
   The Committee noted that provision has been made for discussion of the 1964 Annual Report of the Bank and IDA at this Meeting.

2. FINANCIAL STATEMENTS, ANNUAL AUDITS AND ADMINISTRATIVE BUDGETS
   The Financial Statements, Auditors' Reports and Administrative Budgets contained in the 1964 Bank and IDA Annual Report, together with reports dated August 17, 1964 were considered.
   It is recommended that the Boards of Governors of the Bank and IDA adopt the draft resolutions . . . .

3. ALLOCATION OF NET INCOME OF THE BANK AND STATEMENT OF POLICY
   The report of the Executive Directors of the Bank on the Allocation of Net Income and Statement of Policy . . . was considered.
   It is recommended that the Board of Governors of the Bank adopt the draft resolution . . . .

4. APPLICATIONS FOR MEMBERSHIP IN THE BANK AND IDA
   The Committee considered the reports of the Executive Directors of the Bank and IDA on the applications of Malawi for membership in the Bank and IDA and of Trinidad and Tobago for membership in IDA.
   It is recommended that the Boards of Governors of the Bank and IDA adopt the draft resolutions . . . .

1 Report II is related to business of the Fund.
2 See pages 30 and 39.
3 See page 46.
4 See page 30.
5 See pages 30 and 39.
5. APPLICATIONS FOR INCREASES IN SUBSCRIPTION TO CAPITAL STOCK OF THE BANK

The Committee considered the reports of the Executive Directors of the Bank concerning the applications of Ghana, Iraq, Malaysia and Sudan for increases in their subscriptions to the capital stock of the Bank.

It is recommended that the Board of Governors of the Bank adopt the draft resolutions . . .¹

6. SETTLEMENT OF INVESTMENT DISPUTES

The report of the Executive Directors of the Bank dated August 6, 1964 on the Settlement of Investment Disputes was considered . . .²

It is recommended that the Board of Governors of the Bank adopt the draft resolution . . .³

7. BANK LOANS TO IFC

The joint report of the Executive Directors of the Bank and the Board of Directors of IFC dated August 6, 1964 on Bank Loans to IFC and the letter from the Chairman to the Board of Governors of the Bank dated August 7, 1964, transmitting said joint report, were considered . . .⁴

It is recommended that the Board of Governors of the Bank adopt the draft resolution attached to said letter.⁵

* * * *

* * * *

B. The Committee submits the following report and recommendations on IFC business: ⁶

Approved:

/s/ FRANCISCO AQUINO H.
EL SALVADOR—Chairman

/s/ GEORGE MAVROS
GREECE—Reporting Member

This Report was approved and its recommendations were adopted by the Boards of Governors on September 10, 1964. With reference to Item 6 of the Report, the Governor for Bolivia stated that he wished the record to show that he was against the resolution on behalf of Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela, and the Philippines. The Governor for Iraq made the same statement on behalf of Iraq.

¹ See pages 32–34.
² See page 49.
³ See page 34.
⁴ See page 51.
⁵ See page 29.
⁶ The part of this Report dealing with IFC business appears in the IFC “Proceedings” for 1964.
Mr. Chairman:

The Joint Procedures Committee met on September 10 and submits the following report:

1. OFFICERS AND JOINT PROCEDURES COMMITTEE

The Committee recommends that the Governor for Ethiopia be elected Chairman, and that the Governors for Brazil and Norway be elected Vice Chairmen, of the Boards of Governors to hold office until the close of the next Annual Meetings.

It is further recommended that a Joint Procedures Committee of the Bank, IFC, IDA and the Fund be established to be available after the termination of these Meetings, and until the close of the next Annual Meetings, for consultation at the discretion of the Chairman normally by correspondence and, if occasion requires, by convening; and that this Committee shall consist of the Governors for the following members: Brazil, Ethiopia, France, Federal Republic of Germany, India, Ivory Coast, Korea, Kuwait, Liberia, Libya, Mauritania, Mexico, Morocco, New Zealand, Norway, Panama, Thailand, United Kingdom, United States, and Yugoslavia.

It is recommended that the Chairman of the Joint Procedures Committee shall be the Governor for Ethiopia and the Vice Chairmen shall be the Governors for Brazil and Norway and that the Governor for Korea shall serve as Reporting Member.

2. PLACE AND DATE OF THE 1965 AND 1966 ANNUAL MEETINGS

The Committee recommends that the 1965 and 1966 Annual Meetings be held in Washington, D.C., in late September.

Approved:

/s/ FRANCISCO AQUINO H.
EL SALVADOR—Chairman

/s/ XENOPHON ZOLOTAS
GREECE—Reporting Member
FUND

/s/ GEORGE MAVROS
GREECE—Reporting Member
BANK, IFC, AND IDA

This Report was approved and its recommendations were adopted by the Boards of Governors on September 11, 1964.
RESOLUTIONS ADOPTED BY THE BOARD OF GOVERNORS OF THE BANK BETWEEN 1963 AND 1964 ANNUAL MEETINGS

RESOLUTION NO. 194

INCREASE OF $1,000 MILLION IN AUTHORIZED CAPITAL STOCK

WHEREAS the original authorized capital stock of the Bank amounted to $10,000 million in terms of United States dollars of the weight and fineness in effect on July 1, 1944;

WHEREAS the Board of Governors, by Resolutions Nos. 128 and 131, increased the authorized capital stock to $21,000 million;

WHEREAS it is desirable further to increase the authorized capital stock of the Bank by $1,000 million in order to provide for the admission of new members and for future increases in members' subscriptions;

WHEREAS the Board of Governors expects that in the circumstances members will not wish to avail themselves of their right to subscribe a proportionate share of such increase pursuant to Article II, Section 3(c) of the Articles of Agreement of the Bank;

NOW THEREFORE the Board of Governors hereby resolve as follows:

1. The authorized capital stock of the Bank shall be increased by $1,000 million in terms of United States dollars of the weight and fineness in effect on July 1, 1944, divided into 10,000 shares having a par value of $100,000 each.

2. In the absence of notice to the contrary from any member on or before December 31, 1963, such member will be deemed to have waived its right to subscribe its proportionate share of such increase.

(Adopted December 31, 1963)

RESOLUTION NO. 195

INCREASE IN SUBSCRIPTION OF ECUADOR TO CAPITAL STOCK OF BANK

RESOLVED:

THAT, pursuant to Article II, Section 3(b) of the Articles of Agreement of the Bank, the Board of Governors hereby authorizes the acceptance by the Bank of the subscription of Ecuador to 43 shares of the capital stock of the Bank in addition to the 128 shares of said capital stock already subscribed by Ecuador, upon the following conditions:

(a) That the subscription price per share shall be $100,000 in terms of United States dollars of the weight and fineness in effect on July 1, 1944;

(b) That Ecuador's subscription shall be received by the Bank on or before July 31, 1964, provided, however, that the Executive Directors may extend this period if they consider that extraordinary circumstances warrant such extension;
RESOLUTION NO. 196
INCREASE IN SUBSCRIPTION OF ISRAEL TO CAPITAL STOCK OF BANK

RESOLVED:

THAT, pursuant to Article II, Section 3(b) of the Articles of Agreement of the Bank, the Board of Governors hereby authorizes the acceptance by the Bank of the subscription of Israel to 333 shares of the capital stock of the Bank in addition to the 333 shares of said capital stock already subscribed by Israel, upon the following conditions:

(a) That the subscription price per share shall be $100,000 in terms of United States dollars of the weight and fineness in effect on July 1, 1944;

(b) That Israel's subscription shall be received by the Bank on or before July 31, 1964, provided, however, that the Executive Directors may extend this period if they consider that extraordinary circumstances warrant such extension;

(c) That before such subscription shall be accepted by the Bank,

(i) Israel shall have taken all action necessary to authorize such subscription and shall have furnished to the Bank such information thereon as the Bank shall request, and

(ii) Israel shall have paid to the Bank on account of the subscription price of one-half of such additional shares 2% in gold or United States dollars, and 18% in currency of Israel; and

(d) With respect to the subscription price of the other one-half of such shares, the 2% portion payable in gold or United States dollars and the 18% portion payable in Israel's currency shall be left uncalled on the conditions set forth in Resolution No. 129 governing subscriptions made pursuant to Resolution No. 128 of the Board of Governors.

(Adopted January 27, 1964)

RESOLUTION NO. 197
INCREASE IN SUBSCRIPTION OF ITALY TO CAPITAL STOCK OF BANK

RESOLVED:

THAT, pursuant to Article II, Section 3(b) of the Articles of Agreement of the Bank, the Board of Governors hereby authorizes the acceptance by the Bank of the subscription of Italy to
3,060 shares of the capital stock of the Bank in addition to the 3,600 shares of said capital stock already subscribed by Italy, upon the following conditions:

(a) That the subscription price per share shall be $100,000 in terms of United States dollars of the weight and fineness in effect on July 1, 1944;

(b) That Italy’s subscription shall be received by the Bank on or before August 20, 1964, provided, however, that the Executive Directors may extend this period if they consider that extraordinary circumstances warrant such extension;

(c) That before such subscription shall be accepted by the Bank,
   (i) Italy shall have taken all action necessary to authorize such subscription and shall have furnished to the Bank such information thereon as the Bank shall request, and
   (ii) Italy shall have paid to the Bank on account of the subscription price of one-half of such additional shares 2% in gold or United States dollars, and 18% in currency of Italy; and

(d) With respect to the subscription price of the other one-half of such shares, the 2% portion payable in gold or United States dollars and the 18% portion payable in Italy’s currency shall be left uncalled on the conditions set forth in Resolution No. 129 governing subscriptions made pursuant to Resolution No. 128 of the Board of Governors.

(Adopted February 20, 1964)

RESOLUTION NO. 198
INCREASE IN SUBSCRIPTION OF COSTA RICA TO CAPITAL STOCK OF BANK

RESOLVED:

THAT, pursuant to Article II, Section 3(b) of the Articles of Agreement of the Bank, the Board of Governors hereby authorizes the acceptance by the Bank of the subscription of Costa Rica to 27 shares of the capital stock of the Bank in addition to the 80 shares of said capital stock already subscribed by Costa Rica, upon the following conditions:

(a) That the subscription price per share shall be $100,000 in terms of United States dollars of the weight and fineness in effect on July 1, 1944;

(b) That Costa Rica’s subscription shall be received by the Bank on or before September 16, 1964, provided, however, that the Executive Directors may extend this period if they consider that extraordinary circumstances warrant such extension;

(c) That before such subscription shall be accepted by the Bank,
   (i) Costa Rica shall have taken all action necessary to authorize such subscription and shall have furnished to the Bank such information thereon as the Bank shall request, and
   (ii) Costa Rica shall have paid to the Bank on account of the subscription price of one-half of such additional shares 2% in gold or United States dollars, and 18% in currency of Costa Rica; and

(d) With respect to the subscription price of the other one-half of such shares, the 2% portion payable in gold or United States dollars and the 18% portion payable in Costa Rica’s currency shall be left uncalled on the conditions set forth in Resolution No. 129 governing subscriptions made pursuant to Resolution No. 128 of the Board of Governors.

(Adopted March 16, 1964)
RESOLUTION NO. 199
INCREASE IN SUBSCRIPTION OF DOMINICAN REPUBLIC TO CAPITAL STOCK OF BANK

RESOLVED:

THAT, pursuant to Article II, Section 3(b) of the Articles of Agreement of the Bank, the Board of Governors hereby authorizes the acceptance by the Bank of the subscription of Dominican Republic to 53 shares of the capital stock of the Bank in addition to the 80 shares of said capital stock already subscribed by Dominican Republic, upon the following conditions:

(a) That the subscription price per share shall be $100,000 in terms of United States dollars of the weight and fineness in effect on July 1, 1944;
(b) That Dominican Republic's subscription shall be received by the Bank on or before September 16, 1964, provided, however, that the Executive Directors may extend this period if they consider that extraordinary circumstances warrant such extension;
(c) That before such subscription shall be accepted by the Bank,
   (i) Dominican Republic shall have taken all action necessary to authorize such subscription and shall have furnished to the Bank such information thereon as the Bank shall request, and
   (ii) Dominican Republic shall have paid to the Bank on account of the subscription price of one-half of such additional shares 2% in gold or United States dollars, and 18% in currency of Dominican Republic; and
(d) With respect to the subscription price of the other one-half of such shares, the 2% portion payable in gold or United States dollars and the 18% portion payable in Dominican Republic's currency shall be left uncalled on the conditions set forth in Resolution No. 129 governing subscriptions made pursuant to Resolution No. 128 of the Board of Governors.

(Adopted March 16, 1964)

RESOLUTION NO. 200
AGREEMENT WITH THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION (UNESCO)

RESOLVED:

THAT the agreement in the form of the Memorandum of Understanding between the United Nations Educational, Scientific and Cultural Organization (Unesco) and the Bank and the International Development Association attached to the Report of the Executive Directors to the Boards of Governors, dated March 19, 1964, is hereby approved.

(Adopted April 30, 1964)

RESOLUTION NO. 201
AGREEMENT WITH THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS (FAO)

RESOLVED:

THAT the agreement in the form of the Memorandum of Understanding between the Food and Agriculture Organization of the United Nations (FAO) and the Bank and the International
Development Association attached to the Report of the Executive Directors to the Boards of Governors, dated March 19, 1964, is hereby approved.

(Adopted April 30, 1964)

RESOLUTION NO. 202
NUMBER OF ELECTED EXECUTIVE DIRECTORS

RESOLVED:

THAT at the Regular Election of Executive Directors to be held during the 1964 Annual Meeting of the Board of Governors, there shall be elected 15 Executive Directors.

(Adopted May 18, 1964)

RESOLUTION NO. 203
INCREASE IN SUBSCRIPTION OF PANAMA TO CAPITAL STOCK OF BANK

RESOLVED:

THAT, pursuant to Article II, Section 3(b) of the Articles of Agreement of the Bank, the Board of Governors hereby authorizes the acceptance by the Bank of the subscription of Panama to 86 shares of the capital stock of the Bank in addition to the 4 shares of said capital stock already subscribed by Panama, upon the following conditions:

(a) That the subscription price per share shall be $100,000 in terms of United States dollars of the weight and fineness in effect on July 1, 1944;
(b) That Panama's subscription shall be received by the Bank on or before November 25, 1964, or by such later date as the Executive Directors may determine;
(c) That before such subscription shall be accepted by the Bank,
   (i) Panama shall have taken all action necessary to authorize such subscription and shall have furnished to the Bank such information thereon as the Bank shall request, and
   (ii) Panama shall have paid to the Bank on account of the subscription price of one-half of such additional shares 2% in gold or United States dollars, and 18% in currency of Panama; and
(d) With respect to the subscription price of the other one-half of such shares, the 2% portion payable in gold or United States dollars and the 18% portion payable in Panama's currency shall be left uncalled on the conditions set forth in Resolution No. 129 governing subscriptions made pursuant to Resolution No. 128 of the Board of Governors.

(Adopted May 25, 1964)

RESOLUTION NO. 204
1964 ANNUAL MEETING—GOVERNORS' ALLOWANCES

RESOLVED:

Governors and Alternates attending the 1964 Annual Meeting of the Board of Governors in Tokyo shall receive their actual transport expenses to and from Tokyo and $75.00 for each night which attendance at such meeting requires them to spend away from their normal place of residence,
this amount being reduced to $15.00 for each night when accommodation is included in the price of transportation.

(Adopted August 14, 1964)

RESOLUTIONS ADOPTED BY THE BOARD OF GOVERNORS OF THE BANK
AT THE 1964 ANNUAL MEETING

RESOLUTION NO. 205
1964 ELECTION OF EXECUTIVE DIRECTORS

RESOLVED:
(a) THAT the proposed RULES FOR THE 1964 REGULAR ELECTION OF EXECUTIVE DIRECTORS\(^1\) are hereby adopted; and
(b) THAT a Regular Election of Executive Directors shall take place at the Annual Meeting of the Board of Governors in 1966.

(Adopted September 7, 1964)

RESOLUTION NO. 206
LOANS TO INTERNATIONAL FINANCE CORPORATION

WHEREAS the Executive Directors have communicated to the Chairman of the Board of Governors a proposal to introduce modifications in the Articles of Agreement, as set forth in their Report dated August 6, 1964 entitled “Bank Loans to IFC”; and

WHEREAS the Chairman of the Board of Governors has brought the proposal before the Board;

NOW, THEREFORE, it is hereby resolved as follows:
(a) The Board of Governors hereby approves the Report of the Executive Directors dated August 6, 1964 entitled “Bank Loans to IFC”.
(b) The Board of Governors shall vote by mail or telegram on the proposed Resolution set forth in Annex A to the said Report of the Executive Directors dated August 6, 1964.
(c) The proposed Resolution shall be adopted and the proposed amendment approved by the Board of Governors when it shall have received the replies from a majority of the Governors exercising two-thirds of the total voting power, and the favorable vote of Governors exercising a majority of the votes cast.
(d) Upon the approval of the proposed amendment by the Board of Governors the Bank shall ask all members by circular letter or telegram whether they accept the proposed amendment.
(e) Notwithstanding paragraph (d) of this Resolution, any member may notify the Bank that it accepts the proposed amendment at any time after the Governor appointed by such member has voted in favor of the proposed Resolution and prior to the receipt of the circular letter or telegram referred to in paragraph (d) of this Resolution.

\(^1\) See page 41.
(f) The proposed amendment shall enter into force for all members on the date when the Bank shall have certified by formal communication addressed to all members that the proposed amendment has been accepted by three-fifths of the members, having four-fifths of the total voting power, and the formal communication shall so specify.

(Adopted September 10, 1964)

RESOLUTION NO. 207
FINANCIAL STATEMENTS, AUDITORS' REPORT AND ADMINISTRATIVE BUDGET

RESOLVED:

THAT the Board of Governors of the Bank consider the Financial Statements, Auditors' Report and Administrative Budget, included in the 1963-64 Annual Report, as fulfilling the requirements of Article V, Section 13, of the Articles of Agreement and of Section 19 of the By-Laws of the Bank.

(Adopted September 10, 1964)

RESOLUTION NO. 208
ALLOCATION OF NET INCOME AND STATEMENT OF POLICY

RESOLVED:

1. THAT the Report of the Executive Directors dated July 30, 1964 on “Allocation of Net Income and Statement of Policy” is hereby approved;
2. THAT the allocation of $47,455,851 of the net income of the Bank for the fiscal year ended June 30, 1964 to the Supplemental Reserve against Losses on Loans and Guarantees is hereby noted with approval;
3. THAT the Bank transfer to the International Development Association by way of grant $50,000,000 being the remainder of the net income of the Bank for the fiscal year ended June 30, 1964, such transfer to be made at the time and in the manner to be decided by the Executive Directors; and
4. THAT the following Statement of Policy is hereby approved:

"Any transfers to the Association will be made only out of net income which (i) accrued during the fiscal year in respect of which the transfer is made and (ii) is not needed for allocation to reserves or otherwise required to be retained in the Bank’s business and, accordingly, could prudently be distributed as dividends."

(Adopted September 10, 1964)

RESOLUTION NO. 209
MEMBERSHIP OF MALAWI

WHEREAS the Government of Malawi has applied for admission to membership in the International Bank for Reconstruction and Development in accordance with Section 1(b) of Article II of the Articles of Agreement of the Bank; and

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WHEREAS, pursuant to Section 20 of the By-Laws of the Bank, the Executive Directors, after consultation with representatives of the Government of Malawi, have made recommendations to the Board of Governors regarding this application;

NOW, THEREFORE, the Board of Governors hereby

RESOLVES:

THAT the terms and conditions upon which Malawi shall be admitted to membership in the Bank shall be as follows:

1. **Definitions:**
   - **Bank** means International Bank for Reconstruction and Development.
   - **Articles** means the Articles of Agreement of the Bank.
   - **Dollars** or **$** means United States dollars of the weight and fineness in effect on July 1, 1944.
   - **Subscription** means the capital stock of the Bank subscribed to by a member.
   - **Member** means member of the Bank.

2. **Subscription:** By accepting membership in the Bank, Malawi shall subscribe to 150 shares of the capital stock of the Bank at the par value of $100,000 per share.

3. **Membership in the Fund:** Before accepting membership in the Bank, Malawi shall accept membership in and become a member of the International Monetary Fund.

4. **Payments on Subscription:**
   - (a) Before accepting membership in the Bank, Malawi shall pay to the Bank on account of the subscription price of one-half of such shares:
     - (i) Gold or United States dollars equal to 2% thereof; and
     - (ii) An amount in its own currency which, at the appropriate prevailing exchange rate, shall be equal to 18% thereof.
   - (b) With respect to the subscription price of the other one-half of such shares, the 2% portion payable in gold or United States dollars and the 18% portion payable in the currency of the member shall be left uncalled, as set forth in Resolution No. 129, on the same basis as the 2% and 18% portions of subscriptions made pursuant to Resolution No. 128 of the Board of Governors.

5. **Representation and Information:** Before accepting membership in the Bank, Malawi shall represent to the Bank that it has taken all action necessary to sign and deposit the instrument of acceptance and sign the Articles as contemplated by paragraph 6(d) and (e) of this resolution and Malawi shall furnish to the Bank such information in respect of such action as the Bank may request.

6. **Acceptance of Membership:** Malawi shall become a member of the Bank, with a subscription as set forth in paragraph 2 of this resolution, as of the date when Malawi shall have complied with the following requirements:
   - (a) Become a member of the International Monetary Fund;
   - (b) Made the payments called for by paragraph 4 of this resolution;
   - (c) Furnished the representation, and such information as may have been requested, pursuant to paragraph 5 of this resolution;
(d) Deposited with the Government of the United States of America an instrument stating that it has accepted in accordance with its law the Articles and all the terms and conditions prescribed in this resolution, and that it has taken all steps necessary to enable it to carry out all its obligations under the Articles and this resolution;

(e) Signed the original copy of the Articles held in the Archives of the Government of the United States of America.

7. **Limitation on Period for Acceptance of Membership:** Malawi may accept membership in the Bank pursuant to this resolution until March 15, 1965, or by such later date as the Executive Directors may determine.

(Adopted September 10, 1964)

**RESOLUTION NO. 210**

INCREASE IN SUBSCRIPTION OF GHANA TO CAPITAL STOCK OF BANK

RESOLVED:

THAT, pursuant to Article II, Section 3(b) of the Articles of Agreement of the Bank, the Board of Governors hereby authorizes the acceptance by the Bank of the subscription of Ghana to 267 shares of the capital stock of the Bank in addition to the 467 shares of said capital stock already subscribed by Ghana, upon the following conditions:

(a) That the subscription price per share shall be $100,000 in terms of United States dollars of the weight and fineness in effect on July 1, 1944;

(b) That Ghana's subscription shall be received by the Bank on or before March 15, 1965, or by such later dates as the Executive Directors may determine;

(c) That before such subscription shall be accepted by the Bank,
   (i) Ghana shall have taken all action necessary to authorize such subscription and shall have furnished to the Bank such information thereon as the Bank shall request, and
   (ii) Ghana shall have paid to the Bank, on account of the subscription price of one-half of such additional shares, 2% in gold or United States dollars; and 18% in currency of Ghana; and

(d) With respect to the subscription price of the other one-half of such shares, the 2% portion payable in gold or United States dollars and the 18% portion payable in Ghana's currency shall be left uncalled on the conditions set forth in Resolution No. 129 as governing subscriptions made pursuant to Resolution No. 128 of the Board of Governors.

(Adopted September 10, 1964)

**RESOLUTION NO. 211**

INCREASE IN SUBSCRIPTION OF IRAQ TO CAPITAL STOCK OF BANK

RESOLVED:

THAT, pursuant to Article II, Section 3(b) of the Articles of Agreement of the Bank, the Board of Governors hereby authorizes the acceptance by the Bank of the subscription of Iraq to
400 shares of the capital stock of the Bank in addition to the 150 shares of said capital stock already subscribed by Iraq, upon the following conditions:

(a) That the subscription price per share shall be $100,000 in terms of United States dollars of the weight and fineness in effect on July 1, 1944;

(b) That Iraq's subscription shall be received by the Bank on or before March 15, 1965, or by such later date as the Executive Directors may determine;

(c) That before such subscription shall be accepted by the Bank,
   (i) Iraq shall have taken all action necessary to authorize such subscription and shall have furnished to the Bank such information thereon as the Bank shall request, and
   (ii) Iraq shall have paid to the Bank, on account of the subscription price of one-half of such additional shares, 2% in gold or United States dollars and 18% in currency of Iraq; and

(d) With respect to the subscription price of the other one-half of such shares, the 2% portion payable in gold or United States dollars and the 18% portion payable in Iraq's currency shall be left uncalled on the conditions set forth in Resolution No. 129 as governing subscriptions made pursuant to Resolution No. 128 of the Board of Governors.

(Adopted September 10, 1964)

RESOLUTION NO. 212
INCREASE IN SUBSCRIPTION OF MALAYSIA TO CAPITAL STOCK OF BANK

RESOLVED:

THAT, pursuant to Article II, Section 3(b) of the Articles of Agreement of the Bank, the Board of Governors hereby authorizes the acceptance by the Bank of the subscription of Malaysia to 833 shares of the capital stock of the Bank in addition to the 500 shares of said capital stock already subscribed by Malaysia, upon the following conditions:

(a) That the subscription price per share shall be $100,000 in terms of United States dollars of the weight and fineness in effect on July 1, 1944;

(b) That Malaysia's subscription shall be received by the Bank on or before March 15, 1965, or by such later date as the Executive Directors may determine;

(c) That before such subscription shall be accepted by the Bank,
   (i) Malaysia shall have taken all action necessary to authorize such subscription and shall have furnished to the Bank such information thereon as the Bank shall request, and
   (ii) Malaysia shall have paid to the Bank, on account of the subscription price of one-half of such additional shares, 2% in gold or United States dollars; and 18% in currency of Malaysia; and

(d) With respect to the subscription price of the other one-half of such shares, the 2% portion payable in gold or United States dollars and the 18% portion payable in Malaysia's currency shall be left uncalled on the conditions set forth in Resolution No. 129 as governing subscriptions made pursuant to Resolution No. 128 of the Board of Governors.

(Adopted September 10, 1964)
RESOLUTION NO. 213
INCREASE IN SUBSCRIPTION OF SUDAN TO CAPITAL STOCK OF BANK

RESOLVED:

THAT, pursuant to Article II, Section 3(b) of the Articles of Agreement of the Bank, the Board of Governors hereby authorizes the acceptance by the Bank of the subscription of Sudan to 400 shares of the capital stock of the Bank in addition to the 200 shares of said capital stock already subscribed by Sudan, upon the following conditions:

(a) That the subscription price per share shall be $100,000 in terms of United States dollars of the weight and fineness in effect on July 1, 1944;
(b) That Sudan’s subscription shall be received by the Bank on or before March 15, 1965, or by such later date as the Executive Directors may determine;
(c) That before such subscription shall be accepted by the Bank,
   (i) Sudan shall have taken all action necessary to authorize such subscription and shall have furnished to the Bank such information thereon as the Bank shall request, and
   (ii) Sudan shall have paid to the Bank on account of the subscription price of one-half of such additional shares, 2% in gold or United States dollars; and 18% in currency of Sudan; and
(d) With respect to the subscription price of the other one-half of such shares, the 2% portion payable in gold or United States dollars and the 18% portion payable in Sudan’s currency shall be left uncalled on the conditions set forth in Resolution No. 129 as governing subscriptions made pursuant to Resolution No. 128 of the Board of Governors.

(Adopted September 10, 1964)

RESOLUTION NO. 214
SETTLEMENT OF INVESTMENT DISPUTES

RESOLVED:

(a) The report of the Executive Directors on “Settlement of Investment Disputes,” dated August 6, 1964, is hereby approved.
(b) The Executive Directors are requested to formulate a convention establishing facilities and procedures which would be available on a voluntary basis for the settlement of investment disputes between contracting States and Nationals of other contracting States through conciliation and arbitration.
(c) In formulating such a convention, the Executive Directors shall take into account the views of member governments and shall keep in mind the desirability of arriving at a text which could be accepted by the largest possible number of governments.
(d) The Executive Directors shall submit the text of such a convention to member governments with such recommendations as they shall deem appropriate.

(Adopted September 10, 1964)

RESOLUTION NO. 215
APPRECIATION

RESOLVED:

THAT the Governors of the International Monetary Fund, the International Bank for Reconstruction and Development, the International Finance Corporation, and the International Develop-
ment Association express their deepest appreciation to the Government and to the people of Japan for their unstinting and gracious hospitality; and

THAT they express particular appreciation to the Governor and Alternate Governors for Japan and their associates for their contributions to the outstanding success of the 1964 Annual Meetings.

(Adopted September 11, 1964 on recommendation of Joint Procedures Committee as presented by the Reporting Member)

RESOLUTIONS ADOPTED BY THE BOARD OF GOVERNORS OF IDA BETWEEN 1963 AND 1964 ANNUAL MEETINGS

RESOLUTION NO. 44
MEMBERSHIP OF THE KINGDOM OF BELGIUM

WHEREAS, the Government of the Kingdom of Belgium has applied for admission to membership in the International Development Association in accordance with Section 1(b) of Article II of the Articles of Agreement of the Association (hereinafter called "Articles"); and

WHEREAS, pursuant to Section 9 of the By-Laws of the Association, the Executive Directors, after consultation with representatives of the Government of Belgium, have made recommendations to the Board of Governors regarding the application of Belgium for admission to membership in the Association;

NOW, THEREFORE, the Board of Governors hereby

RESOLVES:

THAT the terms and conditions upon which Belgium shall be admitted to membership in the Association shall be as follows:

(a) The terms and conditions of the membership of Belgium in the Association other than those specifically provided for in this Resolution shall be those set forth in the Articles with respect to the membership of original members listed in Part I of Schedule A thereof (including, but not by way of limitation, the terms and conditions relating to subscriptions, usability of currencies, and voting rights).

(b) Upon accepting membership in the Association, Belgium shall initially subscribe funds in the amount of $8,250,000 expressed in terms of United States dollars of the weight and fineness in effect on January 1, 1960.

(c) Payment of the subscription shall be made in three equal instalments on or before November 8, 1965, November 8, 1966 and November 8, 1967.

(d) Belgium may accept membership in the Association pursuant to this Resolution until March 1, 1964, provided, however, that if extraordinary circumstances are deemed by the Executive Directors to warrant an extension of the period during which it may accept membership pursuant to this Resolution, the Executive Directors may extend such period.

(Adopted March 1, 1964)
RESOLUTION NO. 45
MEMBERSHIP OF THE GRAND DUCY OF LUXEMBOURG

WHEREAS, the Government of the Grand Duchy of Luxembourg has applied for admission to membership in the International Development Association in accordance with Section 1(b) of Article II of the Articles of Agreement of the Association (hereinafter called "Articles"); and

WHEREAS, pursuant to Section 9 of the By-Laws of the Association, the Executive Directors, after consultation with representatives of the Government of Luxembourg, have made recommendations to the Board of Governors regarding the application of Luxembourg for admission to membership in the Association;

NOW, THEREFORE, the Board of Governors hereby

RESOLVES:

THAT the terms and conditions upon which Luxembourg shall be admitted to membership in the Association shall be as follows:

(a) The terms and conditions of the membership of Luxembourg in the Association other than those specifically provided for in this Resolution shall be those set forth in the Articles with respect to the membership of original members listed in Part I of Schedule A thereof (including, but not by way of limitation, the terms and conditions relating to subscriptions, usability of currencies, and voting rights).

(b) Upon accepting membership in the Association, Luxembourg shall initially subscribe funds in the amount of $375,000 expressed in terms of United States dollars of the weight and fineness in effect on January 1, 1960.

(c) Payment of the subscription shall be made in three equal instalments on or before November 8, 1965, November 8, 1966 and November 8, 1967.

(d) Luxembourg may accept membership in the Association pursuant to this Resolution until March 1, 1964, provided, however, that if extraordinary circumstances are deemed by the Executive Directors to warrant an extension of the period during which it may accept membership pursuant to this Resolution, the Executive Directors may extend such period.

(Adopted March 1, 1964)

RESOLUTION NO. 46
AGREEMENT WITH THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION (UNESCO)

RESOLVED:

THAT the agreement in the form of the Memorandum of Understanding between the United Nations Educational, Scientific and Cultural Organization (Unesco) and the International Bank
for Reconstruction and Development and the Association attached to the Report of the Executive Directors to the Boards of Governors, dated March 19, 1964, is hereby approved.

(Adopted April 30, 1964)

RESOLUTION NO. 47
AGREEMENT WITH THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS (FAO)

RESOLVED:

THAT the agreement in the form of the Memorandum of Understanding between the Food and Agriculture Organization of the United Nations (FAO) and the International Bank for Reconstruction and Development and the Association attached to the Report of the Executive Directors to the Boards of Governors, dated March 19, 1964, is hereby approved.

(Adopted April 30, 1964)

RESOLUTION NO. 48
ADDITIONS TO RESOURCES

WHEREAS, pursuant to Resolution No. 28 of the Board of Governors adopted on September 18, 1962, the Executive Directors of the International Development Association have considered its prospective financial requirements and have reported to the Board of Governors their conclusions that:

(a) the existing freely usable resources of the Association will be wholly committed in the near future;
(b) if the steady progress of development is not to be seriously impeded, a substantial amount of the future net capital inflow into the less developed countries must be made available on terms which would place little or no burden on their balance of payments; and
(c) in order to meet part of the need for assistance of this character, it is desirable that the Association be provided with additional resources which should be available for new commitments for the period up to at least June 30, 1966; and

WHEREAS, the governments of the countries listed in paragraph (b) below have expressed their intention, subject to any necessary legislative authorization, to contribute additional resources to the Association equivalent to $741,375,000 in amounts as described below, which together with the equivalent of $8,625,000 which Belgium and Luxembourg have expressed their intention to contribute as initial subscriptions, would mean a total of the equivalent of $750 million in additional freely usable resources available to the Association to accomplish the foregoing objective.

37
NOW, THEREFORE, the Board of Governors:

RESOLVES THAT:

(a) The Report of the Executive Directors, dated September 9, 1963, is accepted by the Board of Governors, and its conclusions adopted.

(b) The Association is authorized to accept additional contributions, as follows:

<table>
<thead>
<tr>
<th>Country</th>
<th>($ U.S.* )</th>
<th>Country</th>
<th>($ U.S.* )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>19,800,000</td>
<td>Japan</td>
<td>41,250,000</td>
</tr>
<tr>
<td>Austria</td>
<td>5,040,000</td>
<td>Luxembourg</td>
<td>375,000</td>
</tr>
<tr>
<td>Belgium</td>
<td>8,250,000</td>
<td>Netherlands</td>
<td>16,500,000</td>
</tr>
<tr>
<td>Canada</td>
<td>41,700,000</td>
<td>Norway</td>
<td>6,600,000</td>
</tr>
<tr>
<td>Denmark</td>
<td>7,500,000</td>
<td>South Africa</td>
<td>3,990,000</td>
</tr>
<tr>
<td>Finland</td>
<td>2,298,000</td>
<td>Sweden</td>
<td>15,000,000</td>
</tr>
<tr>
<td>France</td>
<td>61,872,000</td>
<td>United Kingdom</td>
<td>96,600,000</td>
</tr>
<tr>
<td>Germany</td>
<td>72,600,000</td>
<td>United States</td>
<td>312,000,000</td>
</tr>
<tr>
<td>Italy</td>
<td>30,000,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* In terms of United States dollars of the weight and fineness in effect on January 1, 1960.

(c) Such contributions shall not be regarded as additional subscriptions and, in accordance with the provisions of Article VI, Section 3(a) of the Articles of Agreement of the Association shall not carry voting rights.

(d) Payment of such contributions shall be made in freely convertible currencies in three equal instalments on or before November 8, 1965, November 8, 1966, and November 8, 1967.

(e) The rights and obligations of the Association and the contributing members in regard to such contributions shall be the same (except as otherwise provided in this Resolution) as those which govern the ninety percent portion of the initial subscriptions of original members payable under Article II, Section 2(d) of the Articles of Agreement by members listed in Part I of Schedule A of the Articles.

(f) None of such contributions shall become payable unless the following condition has been satisfied:

At least 12 members whose contributions, as listed above, aggregate not less than $600 million shall each have given the Association, on or before March 1, 1964, or such later date as the Executive Directors may determine, formal notification that it will make the contribution authorized hereunder for such member in accordance with the terms of this Resolution; provided that, for the purpose of determining whether the conditions set forth in this paragraph with respect to number of members and amount of contributions have been satisfied, account shall be taken of the subscriptions of Belgium and Luxembourg upon their acceptance of membership in the Association.

(g) In the event any member listed above ceases to be a member or the Association permanently suspends its operations, the additional resources contributed or to be contributed pursuant to the agreements referred to in (f) above shall be treated for the purposes of Article VII, Sections 4 and 5, of the Articles of Agreement in the same manner as though they were subscriptions, and disposition thereof shall be made in the manner provided in those sections for the disposition of subscriptions as therein defined.

(Adopted June 29, 1964)
RESOLUTION NO. 49
FINANCIAL STATEMENTS, AUDITORS' REPORT AND ADMINISTRATIVE BUDGET

RESOLVED:

That the Board of Governors of the Association consider the Financial Statements, Auditors' Report and Administrative Budget, included in the 1963-64 Annual Report, as fulfilling the requirements of Article VI, Section 11, of the Articles of Agreement and of Section 8 of the By-Laws of the Association.

(Adopted September 10, 1964)

RESOLUTION NO. 50
MEMBERSHIP OF MALAWI

WHEREAS the Government of Malawi has applied for admission to membership in the International Development Association (hereinafter called "Association") in accordance with Section 1(b) of Article II of the Articles of Agreement of the Association (hereinafter called "Articles"); and

WHEREAS, pursuant to Section 9 of the By-Laws of the Association, the Executive Directors, after consultation with representatives of the Government of Malawi, have made recommendations to the Board of Governors regarding the application of Malawi for admission to membership in the Association;

NOW, THEREFORE, the Board of Governors hereby

RESOLVES:

That the terms and conditions upon which Malawi shall be admitted to membership in the Association shall be as follows:

(a) The terms and conditions of the membership of Malawi in the Association other than those specifically provided for in this resolution shall be those set forth in the Articles with respect to the membership of original members listed in Part II of Schedule A thereof (including, but not by way of limitation, the terms and conditions relating to subscriptions, payments on subscriptions, usability of currencies, and voting rights).

(b) Upon accepting membership in the Association, Malawi shall subscribe funds in the amount of $760,000 expressed in terms of United States dollars of the weight and fineness in effect on January 1, 1960.

(c) Before accepting membership in the Association, Malawi shall make all payments on its initial subscription which would have been payable on or before the date of acceptance had it become a member of the Association as an original member listed in Part II of Schedule A of the Articles.

(d) Malawi may accept membership in the Association pursuant to this resolution until March 15, 1965, or by such later date as the Executive Directors may determine.

(Adopted September 10, 1964)
RESOLUTION NO. 51
MEMBERSHIP OF TRINIDAD AND TOBAGO

WHEREAS, the Government of Trinidad and Tobago has applied for admission to membership in the International Development Association (hereinafter called "Association") in accordance with Section 1(b) of Article II of the Articles of Agreement of the Association (hereinafter called "Articles"); and

WHEREAS, pursuant to Section 9 of the By-Laws of the Association, the Executive Directors, after consultation with representatives of the Government of Trinidad and Tobago, have made recommendations to the Board of Governors regarding the application of Trinidad and Tobago for admission to membership in the Association;

NOW, THEREFORE, the Board of Governors hereby

RESOLVES:

THAT the terms and conditions upon which Trinidad and Tobago shall be admitted to membership in the Association shall be as follows:

(a) The terms and conditions of the membership of Trinidad and Tobago in the Association other than those specifically provided for in this Resolution shall be those set forth in the Articles with respect to the membership of original members listed in Part II of Schedule A thereof (including, but not by way of limitation, the terms and conditions relating to subscriptions, payments on subscriptions, usability of currencies, and voting rights).

(b) Upon accepting membership in the Association, Trinidad and Tobago shall subscribe funds in the amount of $1,350,000 expressed in terms of United States dollars of the weight and fineness in effect on January 1, 1960.

(c) Before accepting membership in the Association, Trinidad and Tobago shall make all payments on its initial subscription which would have been payable on or before the date of acceptance had it become a member of the Association as an original member listed in Part II of Schedule A of the Articles.

(d) Trinidad and Tobago may accept membership in the Association pursuant to this Resolution until March 15, 1965, or by such later date as the Executive Directors may determine.

(Adopted September 10, 1964)

RESOLUTION NO. 52
APPROCIATION

RESOLVED:

THAT the Governors of the International Monetary Fund, the International Bank for Reconstruction and Development, the International Finance Corporation, and the International Development Association express their deepest appreciation to the Government and to the people of Japan for their unstinting and gracious hospitality; and

THAT they express particular appreciation to the Governor and Alternate Governors for Japan and their associates for their contributions to the outstanding success of the 1964 Annual Meetings.

(Adopted September 11, 1964 on recommendation of Joint Procedures Committee as presented by the Reporting Member)
RULES FOR
THE 1964 REGULAR ELECTION OF EXECUTIVE DIRECTORS

1. DEFINITIONS:
   In these Rules, unless the context shall otherwise require,
   (a) "Articles" means the Articles of Agreement of the Bank.
   (b) "Board" means the Board of Governors of the Bank.
   (c) "Chairman" means the Chairman of the Board or a Vice Chairman acting as Chairman.
   (d) "Governor" includes the Alternate Governor or any temporary Alternate Governor, when acting for the Governor.
   (e) "Secretary" means the Secretary or any acting Secretary of the Bank.
   (f) "Election" means the 1964 Regular Election of Executive Directors.

2. DATE OF ELECTION:
   The election shall be held during the 1964 Annual Meeting of the Board at a time to be fixed by the Board.

3. BASIC RULES—SCHEDULE B:
   Subject to the adjustments set forth herein, the provisions of Schedule B of the Articles shall apply to the conduct of the election, except that "five percent" shall be substituted for "fourteen percent" in Paragraphs 2 and 5 and "ten percent" shall be substituted for "fifteen percent" in Paragraphs 3, 4 and 5 thereof.

4. EXECUTIVE DIRECTORS TO BE ELECTED:
   Fifteen Executive Directors shall be elected.

5. NOMINATIONS:
   (a) Any person nominated by one or more Governors entitled to vote in the election shall be eligible for election as Executive Director.
   (b) Each nomination shall be made on a Nomination Form furnished by the Secretary, signed by the Governor or Governors making the nomination, and deposited with the Secretary.
   (c) A Governor may nominate only one person.
   (d) Nominations may be made until 12 o’clock noon on the day preceding the election. The Secretary shall post and distribute a list of the persons nominated.

1 Adopted by Resolution No. 205; see page 29.
6. SUPERVISION OF THE ELECTION:
The Chairman shall appoint such tellers and other assistants and take such other action as he
deems necessary for the conduct of the election.

7. BALLOTS:
One ballot form shall be furnished before a ballot is taken to each Governor entitled to vote.
On any particular ballot only ballot forms distributed for that ballot shall be counted.

8. BALLOTING:
Each ballot shall be taken as follows:
(a) The roll of members whose Governors are entitled to vote shall be called in alphabetical
order. After a member's name is called the Governor for such member shall deposit his
signed ballot in the ballot box.
(b) When a ballot shall have been completed, the Chairman shall cause the ballots to be
counted and shall announce the names of the persons elected before the end of the session
at which the election is held. If a succeeding ballot is necessary, the Chairman shall
announce the names of the nominees to be voted on and the members whose Governors are
eligible to vote.
(c) If the tellers shall be of the opinion that any particular ballot is not properly executed, they
shall, if possible, afford the Governor concerned an opportunity to correct it before tallying
the results; and such ballot, if so corrected, shall be deemed to be valid.

9. When on any ballot the number of nominees shall not exceed the number of Executive Directors
to be elected, each nominee shall be deemed to be elected by the number of votes received
by him on such ballot; provided, however, that if, on such ballot, the votes of any Governor
shall be deemed under Paragraph 4 of Schedule B to have raised the votes cast for any nominee
above ten percent of the eligible votes, no nominee shall be deemed to have been elected who
shall not have received on such ballot a minimum of five percent of the eligible votes, and a
succeeding ballot shall be taken for which any nominee not elected shall be eligible.

10. If, as a result of the first ballot, the number of Executive Directors to be elected in accordance
with Paragraph 4 above shall not have been elected, a second and, if necessary, further ballots
shall be taken. The Governors entitled to vote on such succeeding ballots shall be only:
(a) those Governors who voted on the preceding ballot for any nominee not elected; and
(b) those Governors whose votes for a nominee elected on the preceding ballot are deemed
under Paragraph 4 of Schedule B to have raised the votes cast for such nominee above ten
percent of the eligible votes.

11. The votes of a Governor shall not be deemed under Paragraph 4 of Schedule B to have raised
the total votes for a nominee above ten percent of the eligible votes if without the votes of such
Governor such total would be more than five percent but not more than ten percent of the
eligible votes.
12. If on any ballot two or more Governors having an equal number of votes shall have voted for the same nominee and the votes of one or more, but not all, of such Governors could be deemed under Paragraph 4 of Schedule B to have raised the total votes received by such nominee above ten percent of the eligible votes, the Chairman shall determine by lot the Governor or Governors, as the case may be, who shall be entitled to vote on the next ballot.

13. ABSTENTION FROM VOTING:
If a Governor shall abstain from voting on any ballot he shall not be entitled to vote on any subsequent ballot and his votes shall not be counted within the meaning of Section 4(g) of Article V toward the election of any Executive Director. If at the time and place of any ballot a member shall not be represented by a Governor, such member, and its Governor, if any, shall be deemed to have abstained from voting on that ballot.

14. ELIMINATION OF NOMINEES:
If on any ballot two or more nominees shall receive the lowest number of votes, no nominee shall be dropped from the next succeeding ballot, but if the same situation is repeated on such succeeding ballot, the Chairman shall eliminate by lot one of such nominees from the next succeeding ballot.

15. ANNOUNCEMENT OF RESULT:
After the last ballot the Chairman shall cause to be distributed a statement setting forth the result of the election.

16. EFFECTIVE DATE OF ELECTION:
The effective date of the election shall be November 1, 1964. Incumbent elected Executive Directors shall serve through the day preceding such date.

17. GENERAL:
Any question arising in connection with the conduct of the election shall be resolved by the tellers, subject to appeal, at the request of any Governor, to the Chairman and from him to the Board. Whenever possible, any such questions shall be put without identifying the members or Governors concerned.
EXECUTIVE DIRECTORS ELECTED AT 1964 REGULAR ELECTION

1. **JOHN M. GARLAND (Australia)**, elected by votes of:

   - Australia: 5,580
   - New Zealand: 1,917
   - South Africa: 2,250
   - Viet-Nam: 550
   - **Total: 10,297**

2. **GENGO SUZUKI (Japan)**, elected by votes of:

   - Burma: 650
   - Ceylon: 850
   - Japan: 6,910
   - Nepal: 350
   - Thailand: 850
   - **Total: 9,610**

3. **A. F. W. PLUMPTRE (Canada)**, elected by votes of:

   - Canada: 7,750
   - Ireland: 850
   - Jamaica: 517
   - **Total: 9,117**

4. **MUMTAZ MIRZA (Pakistan)**, elected by votes of:

   - Iran: 1,150
   - Iraq: 400
   - Jordan: 400
   - Kuwait: 917
   - Lebanon: 340
   - Pakistan: 2,250
   - Saudi Arabia: 983
   - Syrian Arab Republic: 583
   - United Arab Republic: 1,671
   - **Total: 8,694**

5. **PIETER LIEFTINCK (The Netherlands)**, elected by votes of:

   - Cyprus: 400
   - Israel: 916
   - Netherlands: 5,750
   - Yugoslavia: 1,317
   - **Total: 8,383**

6. **ANDRÉ VAN CAMPENHOUT (Belgium)**, elected by votes of:

   - Austria: 1,250
   - Belgium: 4,750
   - Korea: 500
   - Luxembourg: 450
   - Turkey: 1,400
   - **Total: 8,350**

7. **JOAQUÍN GUTIÉRREZ CANO (Spain)**, elected by votes of:

   - Greece: 750
   - Italy: 3,850
   - Portugal: 1,050
   - Spain: 2,250
   - **Total: 7,900**
8. **Abderrahman Tazi (Morocco)**, elected by votes of:

<table>
<thead>
<tr>
<th>Country</th>
<th>Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>550</td>
</tr>
<tr>
<td>Algeria</td>
<td>1,050</td>
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<tr>
<td>Ghana</td>
<td>717</td>
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<tr>
<td>Indonesia</td>
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<tr>
<td>Laos</td>
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<tr>
<td>Libya</td>
<td>450</td>
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<tr>
<td>Malaysia</td>
<td>750</td>
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<tr>
<td>Morocco</td>
<td>950</td>
</tr>
<tr>
<td>Tunisia</td>
<td>550</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,817</td>
</tr>
</tbody>
</table>

9. **Reignson C. Chen (China)**, elected by votes of:

<table>
<thead>
<tr>
<th>Country</th>
<th>Votes</th>
</tr>
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<tbody>
<tr>
<td>China</td>
<td>7,750</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,750</td>
</tr>
</tbody>
</table>

10. **Vilhjalmur Thor (Iceland)**, elected by votes of:

<table>
<thead>
<tr>
<th>Country</th>
<th>Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>1,983</td>
</tr>
<tr>
<td>Finland</td>
<td>1,010</td>
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<tr>
<td>Iceland</td>
<td>400</td>
</tr>
<tr>
<td>Norway</td>
<td>1,583</td>
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<tr>
<td>Sweden</td>
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<tr>
<td><strong>Total</strong></td>
<td>7,226</td>
</tr>
</tbody>
</table>

11. **Jorge Mejia-Palacio (Colombia)**, elected by votes of:

<table>
<thead>
<tr>
<th>Country</th>
<th>Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
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<tr>
<td>Colombia</td>
<td>1,183</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>383</td>
</tr>
<tr>
<td>Ecuador</td>
<td>421</td>
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<tr>
<td>Philippines</td>
<td>1,250</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,220</td>
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12. **John M. Garba (Nigeria)**, elected by votes of:

<table>
<thead>
<tr>
<th>Country</th>
<th>Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burundi</td>
<td>400</td>
</tr>
<tr>
<td>Congo (Leopoldville)</td>
<td>850</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>350</td>
</tr>
<tr>
<td>Guinea</td>
<td>450</td>
</tr>
<tr>
<td>Kenya</td>
<td>583</td>
</tr>
<tr>
<td>Liberia</td>
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<tr>
<td>Mali</td>
<td>423</td>
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<tr>
<td>Nigeria</td>
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<tr>
<td>Sierra Leone</td>
<td>400</td>
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<tr>
<td>Sudan</td>
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<tr>
<td>Trinidad and Tobago</td>
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<tr>
<td>Uganda</td>
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</tr>
<tr>
<td>United Republic of Tanganyika and Zanzibar</td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,906</td>
</tr>
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</table>

13. **Luis Machado (Cuba)**, elected by votes of:

<table>
<thead>
<tr>
<th>Country</th>
<th>Votes</th>
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</thead>
<tbody>
<tr>
<td>Costa Rica</td>
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<td>El Salvador</td>
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<td>Guatemala</td>
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<tr>
<td>Haiti</td>
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<td>Honduras</td>
<td>310</td>
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<tr>
<td>Mexico</td>
<td>1,983</td>
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<tr>
<td>Nicaragua</td>
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<td>Panama</td>
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<td>Peru</td>
<td>600</td>
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<td>Venezuela</td>
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<td><strong>Total</strong></td>
<td>6,524</td>
</tr>
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</table>
EXECUTIVE DIRECTORS ELECTED AT 1964 REGULAR ELECTION (Continued)

14. Manuel San Miguel (Argentina), elected by votes of:

<table>
<thead>
<tr>
<th>Country</th>
<th>Votes</th>
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</thead>
<tbody>
<tr>
<td>Argentina</td>
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<tr>
<td>Bolivia</td>
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<td>Chile</td>
<td>1,183</td>
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<tr>
<td>Paraguay</td>
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<td>Uruguay</td>
<td>355</td>
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<tr>
<td><strong>Total</strong></td>
<td>6,291</td>
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15. Mohamed Nassim Kochman (Mauritania), elected by votes of:

<table>
<thead>
<tr>
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<th>Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cameroon</td>
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<tr>
<td>Central African Republic</td>
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<tr>
<td>Chad</td>
<td>350</td>
</tr>
<tr>
<td>Congo (Brazzaville)</td>
<td>350</td>
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<tr>
<td>Dahomey</td>
<td>350</td>
</tr>
<tr>
<td>Gabon</td>
<td>350</td>
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<tr>
<td>Ivory Coast</td>
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<tr>
<td>Malagasy Republic</td>
<td>450</td>
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<tr>
<td>Mauritania</td>
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<tr>
<td>Niger</td>
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<tr>
<td>Rwanda</td>
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</tr>
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<td>Senegal</td>
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<tr>
<td>Somalia</td>
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<tr>
<td>Togo</td>
<td>400</td>
</tr>
<tr>
<td>Upper Volta</td>
<td>350</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,933</td>
</tr>
</tbody>
</table>

REPORTS OF EXECUTIVE DIRECTORS OF BANK

July 30, 1964

REPORT OF THE EXECUTIVE DIRECTORS

Allocation of Net Income and Statement of Policy

1. On July 27, 1950 the Executive Directors adopted a resolution providing, among other things, that the net income of the Bank for the fiscal year ended June 30, 1950 and the net income of the Bank accruing thereafter, and until further action by the Executive Directors or the Board of Governors, should be allocated to a reserve (now called Supplemental Reserve) against losses on loans and guarantees made by the Bank. The Board of Governors at the Fifth Annual Meeting in 1950 adopted Resolution No. 55 noting with approval the policy of the Executive Directors in establishing and maintaining such reserve. At all subsequent Annual Meetings the Board of Governors noted with approval the allocation of the net income of the Bank to the said reserve.

2. In connection with their review of the financial policy of the Bank in September 1963 the Executive Directors concluded that the automatic allocation of all net income of the Bank to the Supplemental Reserve against Losses on Loans and Guarantees was no longer necessary and that the allocation of net income accumulated during any future fiscal year should be considered at the end of each such year. Accordingly, pursuant to a resolution adopted on September 24, 1963
they discontinued the above-mentioned allocation with effect from July 1, 1963. At the Eighteenth Annual Meeting the Board of Governors on September 30, 1963 noted this action of the Executive Directors with approval.

3. In their report to the Board of Governors dated September 24, 1963 the Executive Directors noted that the effect of the action taken by them was that the net income of the Bank accruing during the fiscal year 1963-64 would be reflected on the books of the Bank as "net income," subject to any further decision which the Executive Directors or the Board of Governors might appropriately take with respect thereto by way of allocation to the Supplemental Reserve or otherwise.

4. The Bank's net income for the fiscal year ended June 30, 1964 amounts to $97,455,851. In addition the Bank had commission income for that fiscal year amounting to $33,176,093, which was appropriated to the Special Reserve created under Article IV, Section 6 of the Bank's Articles of Agreement. As of June 30, 1964 the Special Reserve totalled $288,119,454 and the Supplemental Reserve amounted to $558,115,003.

Total reserves therefore amounted to $846,234,457, of which the $288,119,454 in the Special Reserve is kept in liquid form, the remainder being used in the business of the Bank.

5. The Executive Directors have considered what action to take, or to recommend that the Board of Governors take, with respect to the net income for the fiscal year ended June 30, 1964. In view of the size of the Bank's reserves the Executive Directors have determined that it is not necessary that the entire net income should be added to the Supplemental Reserve and that it would be sufficient if approximately one-half of the $97,455,851 of net income should be added to that reserve. Accordingly, pursuant to Resolution No. 64-29 adopted on July 30, 1964 they allocated $47,455,851 to the Supplemental Reserve against Losses on Loans and Guarantees.

6. The Executive Directors considered the disposition of the balance of net income in the amount of $50,000,000 and concluded that it was not necessary to retain this amount in the Bank's business. They further considered whether they should recommend to the Board of Governors that this amount of $50,000,000 be distributed as a dividend and concluded against making such recommendation, on the ground that such a distribution would not constitute the most effective use of the Bank's resources. They further concluded that, in the light of the need for additional development assistance on flexible terms, the purposes of the Bank and the interests of its members would best be served by the transfer of the amount of $50,000,000 to the International Development Association by way of grant.

7. In that connection the Executive Directors examined whether, if the Board of Governors shares the views of the Executive Directors with respect to the allocation to the Supplemental Reserve and the disposition of the balance of net income set forth in paragraphs 5 and 6 of this Report, the Board of Governors could, consistently with the Articles of Agreement, dispose of this balance by transferring it to the International Development Association. Acting pursuant to Article IX of the Articles of Agreement, the Executive Directors decided this question in the affirmative. The text of their decision is attached to this Report as Attachment A.
8. While the conclusions of the Executive Directors with respect to the desirability of a grant to the International Development Association were reached with respect to net income for the fiscal year 1963-64 only, they have noted that similar action might be appropriate in future years. While such action would have to be decided upon with respect to each fiscal year in the light of all relevant circumstances, and particularly taking into account the need for additions to the Bank’s reserves, the Executive Directors consider it appropriate that the Bank should at this time adopt a statement of policy with respect to possible transfers in future years in the following terms:

“Any transfers to the Association will be made only out of net income which (i) accrued during the fiscal year in respect of which the transfer is made and (ii) is not needed for allocation to reserves or otherwise required to be retained in the Bank’s business and, accordingly, could prudently be distributed as dividends.”

9. The Executive Directors hereby recommend that the Board of Governors approve the present Report and adopt the draft resolution . . .

This Report was approved and its recommendations were adopted by the Board of Governors on September 10, 1964.

ATTACHMENT A

DECISION OF THE EXECUTIVE DIRECTORS OF THE BANK ON QUESTION OF INTERPRETATION OF ARTICLES OF AGREEMENT

1. Whereas the net income of the International Bank for Reconstruction and Development (the Bank) for the fiscal year ended June 30, 1964 amounts to $97,455,851; and

2. Whereas the Executive Directors have considered what action to take, or to recommend that the Board of Governors take, with respect to such net income; and

3. Whereas the Executive Directors have determined that out of such net income $47,455,851 should be added to the Supplemental Reserve against Losses on Loans and Guarantees; and

4. Whereas the Executive Directors are of the opinion that the balance of such net income in the amount of $50,000,000 need not be added to reserves or otherwise retained in the Bank’s business and would, accordingly, be available for distribution or such other disposition as may be proper under the Bank’s Articles of Agreement; and

5. Whereas the Executive Directors are further of the opinion that a distribution should not be recommended at this time and that the purposes of the Bank and the interests of its members would best be served by the transfer of the amount of $50,000,000 to the International Development Association (the Association) by way of grant; and

1 See page 30.
6. WHEREAS the Executive Directors accordingly are considering a proposal to recommend to the Board of Governors of the Bank at its next Annual Meeting that the Board decide to transfer $50,000,000 out of the Bank's net income for the fiscal year ended June 30, 1964 to the Association by way of grant; and

7. WHEREAS the Executive Director for the United Kingdom has requested that, before taking action on this proposal, the Executive Directors decide, in accordance with Article IX of the Articles of Agreement of the Bank, the question whether, if the Board of Governors shares the views of the Executive Directors recorded in the third, fourth and fifth clauses hereof, the Board of Governors may, consistently with the Articles of Agreement of the Bank, make the proposed transfer of $50,000,000 to the Association;

NOW THEREFORE, the Executive Directors, having considered the question of interpretation, hereby decide it in the affirmative.

August 6, 1964

REPORT OF THE EXECUTIVE DIRECTORS

SETTLEMENT OF INVESTMENT DISPUTES

1. At its Seventeenth Annual Meeting in September 1962 the Board of Governors adopted the following Resolution:

"RESOLVED:

THAT the Executive Directors are requested to consider the desirability and practicability of establishing institutional facilities, sponsored by the Bank, for the settlement through conciliation and arbitration of investment disputes between governments and private parties and, if they conclude that such action would be advisable, to draft an agreement providing for such facilities for submission to governments."

2. During 1962-63 the Executive Directors studied the subject-matter on the basis of a staff paper in the form of a convention for the settlement of investment disputes. At the end of that fiscal year the Executive Directors, on the recommendation of the President, decided to convene informal consultative meetings of legal experts designated by member countries, to consider the subject-matter in more detail. The working document for these meetings was a Preliminary Draft of a Convention for the Settlement of Investment Disputes between States and Nationals of Other States, prepared by the Bank's staff in the light of the discussions of the Executive Directors during 1962-63 and the views of governments. The consultative meetings were held on a regional basis in Addis Ababa (December 16-20, 1963), Santiago de Chile (February 3-7, 1964), Geneva (February 17-21, 1964) and Bangkok (April 27-May 1, 1964) with the administrative support and assistance of the United Nations Economic Commissions and the European Office of the
United Nations. They were attended by legal experts designated by 86 countries and proved valuable not only in identifying and elucidating technical problems but also in supplementing the Bank's information regarding the attitudes of some governments.

3. Reviewing the results of the work done over the past two years, the Executive Directors have concluded that it would be desirable
   (a) to establish institutional facilities, sponsored by the Bank, for the settlement through voluntary conciliation and arbitration of investment disputes between governments and foreign investors; and
   (b) to provide for such facilities within the framework of an inter-governmental agreement.

4. The Executive Directors are further of the opinion that as a result of the discussions and consultations which have taken place over the past two years, the issues of policy as well as the technical problems arising in connection with such an agreement have been adequately identified and elucidated and that the time has come to seek to resolve these issues and problems with a view to arriving at a broad consensus.

5. In that connection the Executive Directors have concluded that it would be advisable at this time for the Executive Directors to undertake the formulation of a convention on the settlement of investment disputes between States and Nationals of other States, assisted in this task by legal experts representing member governments which wish to participate in the preparation of a text.

6. In recommending that such a convention be formulated by the Executive Directors and submitted to governments, it is the understanding of the Executive Directors that the formulation, and submission to governments, of a convention would be an act of the Executive Directors which would not commit governments. The Executive Directors would submit the text to governments with such recommendations as they may deem appropriate.

7. The Executive Directors recommend that the Board of Governors approve this report and adopt the ... resolution.¹

This Report was approved and its recommendations were adopted by the Board of Governors on September 10, 1964.

¹ See page 34.
JOINT REPORT OF THE EXECUTIVE DIRECTORS OF
THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND OF
THE BOARD OF DIRECTORS OF THE INTERNATIONAL FINANCE CORPORATION

Bank Loans to IFC

INTRODUCTION

1. In the pursuance of its purposes the Bank, in addition to providing finance for the public sector, has always paid due regard to the need for growth and expansion of the private sector of the economy. A great many of the Bank's loans are designed, either directly or indirectly, to stimulate private investment, particularly in the less developed countries. However, Bank support for private enterprises has been inhibited by the guarantee requirements of the Bank's Articles of Agreement. On the one hand, such enterprises are often reluctant to seek a government guarantee of repayment and on the other, governments often find it politically or constitutionally difficult to give such a guarantee.

2. To overcome this difficulty the Bank first undertook to promote the establishment of local development finance companies and to use these as intermediaries for lending to private industry, thus avoiding the problem inherent in government guarantees. Subsequently, the Bank sponsored the establishment of the International Finance Corporation whose function is to make investments in privately owned productive enterprises without government guarantee. On a further review of the problem, the Executive Directors have concluded that there exists a need for assistance to private borrowers that neither local development finance companies nor IFC can provide at the present time.

3. In exploring what might be the most desirable and effective way in which the Bank could meet this need, two principal approaches were considered. The most direct method of achieving the objective, which is to permit Bank funds to flow to private enterprises without governmental guarantee, would be for the Bank itself to make loans to such enterprises. Another method would be for Bank funds to be channeled through IFC, which was brought into existence especially to supplement the activities of the Bank by investing without government guarantee in productive private enterprises and whose particular task it is to stimulate economic growth by assisting the private sector. The President concluded that the second method was preferable and the Executive Directors of the Bank and the Board of Directors of IFC agreed with this view.

1 The proposed amendment of the Articles of Agreement was brought before the Board of Governors of the Bank by the following letter dated August 7, 1964, from the Chairman, F. Aquino h.:

"In accordance with Article VIII of the Articles of Agreement of the Bank, I herewith bring before the Board of Governors a proposal to introduce modifications in the Articles of Agreement emanating from the Executive Directors of the Bank. The proposal is contained in a report of the Executive Directors dated August 6, 1964, which is attached to this letter.

I recommend that the Board of Governors take note of the proposal and take the steps necessary to obtain action thereon. A draft resolution for this purpose is attached hereto." (See page 29).
ROLE OF IFC

4. When IFC was established in 1956, there was incorporated in its Articles of Agreement a prohibition against investments in capital stock. Since the amendment of its Articles in September 1961 to permit it to make such investments, IFC has been able to provide financing in any form that may be appropriate. At present, its activities fall into three main categories: first, the making of selected direct investments, usually on a mixed loan and equity basis; second, the provision of equity capital to industrial finance companies; third, assisting growth of capital markets by engaging in underwriting and standby transactions.

5. IFC's resources are limited to its own subscribed capital and reserves, which presently total about $120 million. On the basis of the types of operations which IFC is presently carrying out, and taking into account the rate at which it may be expected to revolve its portfolio, IFC's Board of Directors believes that IFC might require additional funds in one or two years' time. It is important that steps be taken now to increase IFC's resources in order to enable it to operate on the scale and in the manner described in paragraph 8 below.

6. The President of the Bank and of IFC has stated that it is not possible to make exact forecasts of the amount of Bank-derived funds that would be lent by IFC, or the pace at which IFC operations would increase if its resources were augmented in the manner proposed, but that he is confident that the additional resources would be used if they were available. The Executive Directors of the Bank and the Board of Directors of IFC concur in this view. IFC's experience is that there exists a demonstrable demand in the developing countries for additional equity capital, frequently coupled with a need for substantial loan funds in amounts which IFC has not previously been able to satisfy.

7. In some of its investments IFC has been able to combine its financing with that from other institutions which provide loan capital. Many of these institutions work only in particular regions and difficulties are experienced in finding long-term capital for enterprises in countries outside these regions; and, sometimes, the amounts involved are beyond the resources of the institution concerned. In some cases, monies have been provided by means of short or medium-term suppliers' credits or from tied governmental programs. If IFC could make available for its member countries, on a wide geographical basis, non-guaranteed and non-tied loans in larger amounts than its present resources permit, there would be added an important element to the range of financing available from the Bank and its Affiliates. Without attempting to estimate the volume of operations that would follow, the Directors consider that the added flexibility is desirable.

8. It is proposed that the Bank make loans to IFC along the lines of Bank loans to development finance companies for relending. Such loans would supplement the funds now available for IFC loan operations and would enable IFC to expand its activity in several ways. They would provide a source of additional funds for the loan portions of investments made by IFC on a mixed loan and equity basis. They would also be available to reimburse IFC for the loan portions of investments already made. They would permit IFC to enter into much larger transactions than it does at present. And finally, they would provide IFC with funds sufficiently large that, in appropriate cases, it could finance enterprises by means of fixed-interest loans not carrying equity or other special features.
9. This proposal would require an amendment to the Articles of Agreement of the Bank to permit the Bank to make loans to IFC without government guarantees and an amendment of the Articles of Agreement of IFC to remove the prohibition against borrowing from the Bank.

10. The Articles of Agreement of the Bank would be amended by the addition to Article III of a new Section 6 reading as follows:

“(a) The Bank may make, participate in, or guarantee loans to the International Finance Corporation, an Affiliate of the Bank, for use in its lending operations. The total amount outstanding of such loans, participations and guarantees shall not be increased if, at the time or as a result thereof, the aggregate amount of debt (including the guarantee of any debt) incurred by the said Corporation from any source and then outstanding shall exceed an amount equal to four times its unimpaired subscribed capital and surplus.

(b) The provisions of Article III, Sections 4 and 5(c) and of Article IV, Section 3 shall not apply to loans, participations and guarantees authorized by this Section.”

11. The new Section 6(a) would authorize the Bank to assist IFC by means of loans, participations in loans or guarantees of loans made by others. While the present intention is that the Bank should assist IFC by means of direct loans, it would nevertheless seem desirable to authorize the Bank to guarantee loans made by others to IFC, should this course of action prove appropriate at some future time. The President has recommended, and the Executive Directors agree, that it would be desirable to establish in the Bank’s Articles of Agreement a limitation on the amount of the Bank’s financial assistance to IFC. Hence, Section 6(a) would limit loans to IFC made or guaranteed by the Bank by reference to a four to one ratio between IFC’s aggregate debt and its unimpaired subscribed capital and surplus.

12. Paragraph (b) of the new Section 6 would provide that Sections 4 and 5(c) of Article III and Section 3 of Article IV of the Articles of Agreement shall not apply to loans or guarantees authorized by paragraph (a). Section 4 of Article III lays down general conditions for Bank loans and guarantees. These conditions include the requirement of a government guarantee and other conditions which are inappropriate in the context of the proposed financing for IFC. Section 5(c) of Article III provides that when the Bank makes a loan the amount of the loan shall be credited to a loan account on which the borrower shall be permitted to draw only to meet expenses in connection with the project as they are actually incurred. This section is inappropriate in the case of loans to IFC because it is contemplated that IFC might borrow from the Bank to reimburse itself for loans already made. Finally, Section 3 of Article IV dealing with the currencies to be provided by the Bank should not be applied to loans to IFC. That section provides that as a rule Bank loans will be used only to finance expenditures in foreign currency, whereas it is in the nature of IFC’s operations that the loans it makes should be available for local as well as foreign expenditures.

13. The Articles of Agreement of IFC would be amended by deleting from Article IV, Section 6 the second sentence reading as follows: “The Corporation shall not lend to or borrow from the Bank.”; and by adding the following sentence to Article III, Section 6(i):

“if and so long as the Corporation shall be indebted on loans from or guaranteed by the Bank, the total amount outstanding of borrowings incurred or guarantees given by the Corporation shall not be increased if, at the time or as a result thereof, the aggregate amount
of debt (including the guarantee of any debt) incurred by the Corporation from any source and then outstanding shall exceed an amount equal to four times its unimpaired subscribed capital and surplus;”.

Recommendations

14. On the basis of the foregoing:
   (a) The Executive Directors of the Bank recommend that the Board of Governors adopt the draft resolution attached hereto as Annex A; and
   (b) The Board of Directors of IFC recommends that the Board of Governors of IFC adopt the draft resolution attached hereto as Annex B.

15. The procedures for amending the Articles of Agreement of the Bank and IFC are not identical. The Articles of Agreement of the Bank prescribe a two stage procedure, requiring that the proposed amendment be first approved by the Board of Governors and thereafter accepted by three-fifths of the members, having four-fifths of the total voting power, whereas under the Articles of Agreement of IFC only one step is necessary, namely, approval of the amendment by the Board of Governors by a favorable vote of three-fifths of the Governors, exercising four-fifths of the total voting power. The text of the relevant provisions of the respective Articles of Agreement is set forth in Annex C.

16. The Executive Directors of the Bank and the Board of Directors of IFC recommend that the Chairman of the Boards of Governors of the Bank and IFC transmit this report, in accordance with the provisions of the respective Articles of Agreement, to the Boards of Governors and ask these Boards to take steps to obtain action on the proposed amendments.

17. The Executive Directors of the Bank and the Board of Directors of IFC also recommend that the action on this Report and the draft resolutions hereto attached as Annexes A and B be taken by votes without meeting in accordance with the following procedure:
   (a) No particular form of vote shall be required so long as the Governor gives a clear indication by letter or cable addressed to the Secretary as to whether or not the Governor approves the resolution or resolutions on which he is voting.
   (b) The period during which votes may be cast shall commence with September 10, 1964 and, in the case of the Bank, shall end on May 31, 1965 or such later date as may be fixed by the Executive Directors of the Bank; and in the case of IFC, until the date when the resolution has received the required votes.
   (c) Votes cast on the proposed resolutions shall be held by the Secretary until counted.
   (d) The Secretary shall canvass the votes so cast and report thereon to the Executive Directors of the Bank, and the Board of Directors of IFC, who shall record the results, and the President shall notify all members.
   (e) The resolutions, if adopted, shall be deemed to have been adopted on the last day allowed for voting.
   (f) The Secretary shall take such further action as he shall deem necessary or appropriate in the circumstances.

This Report was approved and its recommendations were adopted by the Boards of Governors of the Bank and IFC on September 10, 1964.*

* See Bank Resolution on page 29, and IFC Resolution in the IFC “Proceedings.”
ANNEX A

(DRAFT RESOLUTION)

LOANS TO INTERNATIONAL FINANCE CORPORATION

WHEREAS the Executive Directors have communicated to the Chairman of the Board of Governors a proposal to introduce modifications in the Articles of Agreement; and

WHEREAS the Chairman has brought the proposal before the Board of Governors;

NOW THEREFORE the Board of Governors resolves as follows:

In accordance with the recommendations of the Executive Directors, the Board of Governors hereby approves the amendment of the Articles of Agreement by the addition to Article III of a new Section 6, entitled Loans to the International Finance Corporation and reading as follows:

"(a) The Bank may make, participate in, or guarantee loans to the International Finance Corporation, an Affiliate of the Bank, for use in its lending operations. The total amount outstanding of such loans, participations and guarantees shall not be increased if, at the time or as a result thereof, the aggregate amount of debt (including the guarantee of any debt) incurred by the said Corporation from any source and then outstanding shall exceed an amount equal to four times its unimpaired subscribed capital and surplus.

(b) The provisions of Article III, Sections 4 and 5(c) and of Article IV, Section 3 shall not apply to loans, participations and guarantees authorized by this Section."

ANNEX B

(DRAFT RESOLUTION)

BORROWING FROM INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

WHEREAS the Board of Directors has communicated to the Chairman of the Board of Governors a proposal to amend the Articles of Agreement; and

WHEREAS the Chairman has brought the proposal before the Board of Governors:

NOW THEREFORE the Board of Governors resolves that, in accordance with the proposal of the Board of Directors, the Articles of Agreement are hereby amended as follows:

1. By deleting from Article IV, Section 6 the second sentence reading as follows: “The Corporation shall not lend to or borrow from the Bank.”

2. By adding to Article III, Section 6(i) a sentence reading as follows: “if and so long as the Corporation shall be indebted on loans from or guaranteed by the Bank, the total amount outstanding of borrowings incurred or guarantees given by the Corporation shall not be increased if, at the time or as a result thereof, the aggregate amount of debt (including the guarantee of any debt) incurred by the Corporation from any source and then outstanding shall exceed an amount equal to four times its unimpaired subscribed capital and surplus;”
ANNEX C

ARTICLE VIII OF THE ARTICLES OF AGREEMENT OF THE BANK

AMENDMENTS

(a) Any proposal to introduce modifications in this Agreement whether emanating from a member, a governor or the Executive Directors, shall be communicated to the Chairman of the Board of Governors who shall bring the proposal before the Board. If the proposed amendment is approved by the Board the Bank shall, by circular letter or telegram, ask all members whether they accept the proposed amendment. When three-fifths of the members, having four-fifths of the total voting power, have accepted the proposed amendments, the Bank shall certify the fact by formal communication addressed to all members.

(b) Notwithstanding (a) above, acceptance by all members is required in the case of any amendment modifying
(i) the right to withdraw from the Bank provided in Article VI, Section 1;
(ii) the right secured by Article II, Section 3(c);
(iii) the limitation on liability provided in Article II, Section 6.

(c) Amendments shall enter into force for all members three months after the date of the formal communication unless a shorter period is specified in the circular letter or telegram.

ARTICLE VII OF THE ARTICLES OF AGREEMENT OF IFC

AMENDMENTS

(a) This Agreement may be amended by vote of three-fifths of the Governors exercising four-fifths of the total voting power.

(b) Notwithstanding paragraph (a) above, the affirmative vote of all Governors is required in the case of any amendment modifying:
(i) the right to withdraw from the Corporation provided in Article V, Section 1;
(ii) the pre-emptive right secured by Article II, Section 2(d);
(iii) the limitation on liability provided in Article II, Section 4.

(c) Any proposal to amend this Agreement, whether emanating from a member, a Governor or the Board of Directors, shall be communicated to the Chairman of the Board of Governors who shall bring the proposal before the Board of Governors. When an amendment has been duly adopted, the Corporation shall so certify by formal communication addressed to all members. Amendments shall enter into force for all members three months after the date of the formal communication unless the Board of Governors shall specify a shorter period.
ACCREDITED MEMBERS OF DELEGATIONS AT 1964 ANNUAL MEETINGS

°AFGHANISTAN
Governor ..................... Abdullah Yaftali
Alternate Governor ........... Farouq Achikzai
Adviser ....................... Wilfred Lewis

°ALGERIA
Governor ....................... Bachir Boumaza
Alternate Governor ............ Seghir Mostefai
Advisers:
Kamel Abdallah-Khodja  Yahia Khelif
Ali Yahia Abdennour  Georges Simon
Nourredine Delleci

°ARGENTINA
Governor ............. Felix Elizalde
Alternate Governor .......... Manuel San Miguel
Advisers:
Rodolfo Barbagelata  Guillermo Walter Klein
Carlos S. Brignonet  Jesus Sabra
Guillermo J. Cano

°AUSTRALIA
Governor ..................... Harold Holt
Alternate Governor .......... Sir Roland Wilson
Advisers:
L. B. Brand  K. W. Pearson
Roy Daniel  R. J. Whitelaw
John M. Garland†

°AUSTRIA
Governor ..................... Wolfgang Schmitz
Alternate Governor .......... Hugo Rottky
Advisers:
Franz Fuchs  Andreas Korp
Carl Giessrigl  Franz Oellerer†
Kurt Harrer  Edgar Plan
Rudolf Horak  Ludwig Strobl

°BELGIUM
Governor ...................... Andre Dequae
Alternate Governor .......... Andre van Campenhout†
Advisers:
Jacques Mertens de Wilmars  Maurice Toussaint

°BOLIVIA
Governor ..................... Raul Lema Pelaez
Alternate Governor .......... Adolfo Linares

°BRAZIL
Governor .................... Octavio Gouvea de Bulhoes
Alternate Governor .......... Denio Chagas Nogueira
Advisers:
Mauricio C. Bicalho  Joao Baptista Pinheiro
Antonio A. Coutinho  Lawrence Smith
Jose Luiz Silveira  Miranda

°BURMA
Governor .................... U Kyaw Nyein
Alternate Governor .......... U Kyaw Nyun

°BURUNDI
Governor ..................... Eric Manirakiza
Alternate Governor .......... Francois Dupont

°CAMEROON
Governor ..................... Laurent Ntamag
Alternate Governor .......... Francois David Ndjoungtche
Advisers:
Alfred Ekoko Mpondo  David Libon
Theodore Koule  Paul Monthe

°CANADA
Governor ..................... Walter L. Gordon
Alternate Governor .......... A. F. W. Plumptre†
Advisers:
A. J. Barry  R. W. Lawson
Richard P. Bower  D. C. Taylor
S. J. Handfield-Jones‡

°CENTRAL AFRICAN REPUBLIC
Governor .................... Francois Giscard d'Estaing
Alternate Governor .......... Jean Paul Mokodopo

°CEYLON
Governor ..................... N. M. Perera
Alternate Governor .......... H. Jinadasa Samarakkody
Advisers:
Gamani Corea  William Tennekon
J. B. Kelegama

°CHAD
Governor ..................... Georges Diguimbaye
Alternate Governor .......... Boukar Abdoul
Adviser ....................... Jean Nendigui

* Temporary  † Executive Director  ‡ Alternate Director
* IDA Member
### ACCREDITED MEMBERS OF DELEGATIONS AT 1964 ANNUAL MEETINGS (Continued)

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<td>Gustavo Poli Ortiz</td>
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<td>Abelardo Torres</td>
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<td><strong>ETHIOPIA</strong></td>
<td>Yilma Deressa</td>
<td>Bulcha Demeksa</td>
<td>Stanislaw Kirkor</td>
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<td><strong>FINLAND</strong></td>
<td>Esko Rekola</td>
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<td><strong>FRANCE</strong></td>
<td>Valery Giscard d'Estaing</td>
<td>Maurice Perouse</td>
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<td>Jean de Largentaye</td>
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<td>Rene Larre†</td>
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<td><strong>GABON</strong></td>
<td>Andre Gustave Anguile</td>
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<td>Etienne M'Boumba-Moundounga</td>
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**ACCREDITED MEMBERS OF DELEGATIONS AT 1964 ANNUAL MEETINGS (Continued)**

**GERMANY, FEDERAL REPUBLIC OF**

*Governor* ................. Kurt Schmuecker  
*Alternate Governor* .......... Fritz G. Fechner*  
*Alternate Governor* .......... Hans Henckel*  

*Advisers:*  
Helmut Abramowski†  
Ulrich Beelitz  
Otto Donner†  
Guenter Duerre  
Otmar Emminger  
Ulrich Engelmann  
Rolf Gocht  
Walter O. Habermeier  
Hans Carl Count von Hardenberg  
Franz Klumser  
Helmut Koizner  
Viktor Baron von der Lippe  
Egon Montzka  
Klaus Oertel  
Otto Pfleiderer  
Peter Scholz  

**ICELAND**

*Governor* ................. Thor Thors  
*Alternate Governor* .......... Johannes Nordal*  

**INDIA**

*Governor* .................. T. T. Krishnamachari  
*Alternate Governor* .......... S. Bhoothalingam  
*Alternate Governor* .......... B. K. Madan*  

*Advisers:*  
J. J. Anjaria  
A. K. Ghosh  
R. K. Jerath  
C. S. Krishna  
Raja†  
Moorthi  

**INDONESIA**

*Governor* .................. Soerjono Sastrohadikoesoemo  
*Alternate Governor* .......... John P. Paraskevopoulos  

*Advisers:*  
Bermawie Alwie  
H. Hutagalung  
R. S. Natalegawa  

**IRAN**

*Governor* .................. Amir Abbas Hoveyda  
*Alternate Governor* .......... Jahangir Amuzegar  

*Advisers:*  
Nader Akrami  
Ali Akbar Khosropur‡  

**IRAQ**

*Governor* .................. Abdul Rahman Al-Habeeb  
*Alternate Governor* .......... Khalil Al-Shamma‘  

**IRELAND**

*Governor* .................. T. K. Whitaker  
*Alternate Governor* .......... S. F. Murray*  

**ISRAEL**

*Governor* .................. David Horowitz  
*Alternate Governor* .......... Jacob Arnon  

*Advisers:*  
Dr. Avraham Neeman  
Mordechai Shneerson  
Avraham Neeman  

**ITALY**

*Governor* .................. Guido Carli  
*Advisers:*  
Federico Caffe  
Mario Ercolani  
Florio Gradi  
Giuseppe Lo Faro  
Rinaldo Ossola  
Emilio Ranalli  
Sergio Siglietti†  
Alfredo Vernucci  
Antonino Zecchi  

*Temporary  † Executive Director  † Alternate Director  
* IDA Member
## ACCREDITED MEMBERS OF DELEGATIONS AT 1964 ANNUAL MEETINGS (Continued)

### °IVORY COAST
- **Governor** ........................................... Raphael Saller
- **Alternate Governor** ......................... Mohamed Diawara
- **Adviser** ............................................. Francis Le Patre

### °JAMAICA
- **Governor** ........................................... D. B. Sangster
- **Alternate Governor** ......................... G. Arthur Brown
- **Advisers:** ...........................................
  - R. I. Mason
  - S. J. Stephens

### °JAPAN
- **Governor** ........................................... Kakuei Tanaka
- **Alternate Governor** ......................... Masamichi Yamagiwa
- **Alternate Governor** ......................... Shinichirō Ishino*
- **Alternate Governor** ......................... Yoshio Katagiri*
- **Alternate Governor** ......................... Masao Kaya*
- **Alternate Governor** ......................... Haruo Mayekawa*
- **Alternate Governor** ......................... Tadashi Sasaki*
- **Alternate Governor** ......................... Makoto Watanabe*
- **Advisers:** ...........................................
  - Hirotake Fujino
  - Naotsugu Nabeshima
  - Masaru Fukuda
  - Keiya Nagamatsu
  - Ichiro Gengo
  - Keijiro Nakashishi
  - Akira Harada
  - Keiichiro Niwayama
  - Yukio Hasumi
  - Eiji Ozaki†
  - Masaya Hattori
  - Moriyuki Saitō
  - Koichiro Inamura
  - Toshio Shimanouchi
  - Shiro Inoue
  - Gengo Suzuki†
  - Ryosaku Kaji
  - Hideo Suzuki
  - Yusuke Kashiwagi
  - Keijiro Tanaka
  - Ichiro Katakami
  - Hiroshi Tanimura
  - Tetsuo Kondo
  - Norio Tsukagoshi
  - Michiyo Matsukawa
  - Taketoshi Yamashita
  - Hiromichi Miyazaki
  - Masateru Yoshida
  - Shichiro Murai
  - Takeshi Yoshizawa

### °JORDAN
- **Governor** ........................................... Adel Shamayleh
- **Alternate Governor** ......................... Adeb Sughayer

### °KENYA
- **Governor** ........................................... J. S. Gichuru
- **Alternate Governor** ......................... J. N. Michuki*

### °KOREA
- **Governor** ........................................... Jung Han Rhi
- **Alternate Governor** ......................... Wan Mo Hong*
- **Advisers:** ...........................................
  - So Yong Chung
  - Byoung Kyu Suh
  - Sangjin Chyun
  - Seung Doo Yoon
  - Moon Yong Rhee

### °LAOS
- **Governor** ........................................... Sisouk Na Champassak
- **Advisers:** ...........................................
  - Sitha Sisombat
  - Bouakham Soulivong

### °LEBANON
- **Governor** ........................................... Raja Himadeh

### °LIBERIA
- **Governor** ........................................... Charles Dunbar Sherman
- **Advisers:** ...........................................
  - George A. Blowers
  - S. Edward Peal

### °LIBYA
- **Governor** ........................................... Ali A. Attiga
- **Adviser** ............................................. Kassem M. Sherlala

### °LUXEMBOURG
- **Governor** ........................................... Pierre Werner

### °MALAGASY REPUBLIC
- **Governor** ........................................... Ralison Rakotovao
- **Alternate Governor** ......................... Louis Rakotomalala
- **Adviser** ............................................. Jean-Jacques Boissard

### °MALAYSIA
- **Governor** ........................................... Tan Siew Sin
- **Alternate Governor** ......................... Lim Swie Aun*
- **Advisers:** ...........................................
  - H. F. G. Leembruggen
  - G. K. Rama Iyer

### °MALI
- **Governor** ........................................... Louis-Pascal Negre
- **Alternate Governor** ......................... Eli Lobel*
- **Adviser** ............................................. Oumar Ly

### °MAURITANIA
- **Governor** ........................................... Mohamed Lamine Ould Hamoni
- **Alternate Governor** ......................... Mamadou Kane

* Temporary  † Executive Director  ‡ Alternate Director

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ACREDITED MEMBERS OF DELEGATIONS AT 1964 ANNUAL MEETINGS (Continued)

**MEXICO**
Governor ............... Antonio Ortiz Mena
Alternate Governor ...... Jose Hernandez Delgado
Advisers:
Enrique Basulto
Jaramillo
Juan Gallardo Moreno
Alfredo Navarrete
Francisco Ruiz
de la Pena
Jose Saenz Arroyo
Enrique Sosa
Victor L. Urquidi

**MOROCCO**
Alternate Governor ........ Mamoun Tahiri
Adviser ................. Abderrahman Tazit

**NEPAL**
Alternate Governor .......... Yadav Prasad Pant

**NETHERLANDS**
Governor .................. H. J. Witteveen
Alternate Governor .......... S. Posthuma
Advisers:
V. M. de Miranda
C. van der Tak
Miss G. A. Koen
Pieter Lieftinck
J. Everts
H. M. H. A. van der Valk

**NEW ZEALAND**
Governor .................. E. L. Greensmith
Alternate Governor .......... J. D. Lang
Adviser .................... E. G. Buckton

**NICARAGUA**
Governor .................. Guillermo Sevilla-Sacasa
Alternate Governor .......... Andres Garcia

**NIGER**
Governor ............... Courmo Barcourgne
Alternate Governor .......... Lucien Bayle

**NIGERIA**
Governor ............... Chief Festus Sam Okotie-Eboh
Alternate Governor .......... E. O. Ogbu
Advisers:
A. E. Bassey
J. S. Raj
B. A. Ehizuenlen

**NORWAY**
Governor .................. O. C. Gundersen
Alternate Governor .......... Christian Brinch
Advisers:
Erling Borresen
Karl Skjaeveland
Egil A. Nygaard

**PAKISTAN**
Governor .................. M. Shoaib
Alternate Governor .......... Mumtaz Mirza†
Adviser .................... Ziauddin Ahmad

**PANAMA**
Governor .................. Julio E. Linares
Alternate Governor .......... Carlos A. Velarde
Adviser .................... Federico Humbert

**PARAGUAY**
Governor .................. Cesar Romeo Acosta
Alternate Governor .......... Oscar Stark Rivarola

**PERU**
Governor .................. Celso Pastor
Alternate Governor .......... Tulio De Andrea
Advisers:
Enrique Ayulo Pardo
Javier Otero
Carlos Ferreyros
Juan Pardo Althaus
Alfonso Moreno

**PHILIPPINES**
Governor .................. Andres V. Castillo
Alternate Governor .......... Rafael S. Recto
Advisers:
Benito Legarda, Jr.
Andre Navato
Pablo Lorenzo

**PORTUGAL**
Alternate Governor .......... L. M. Teixeira Pinto
Advisers:
J. Amado de Freitas
Andre Goncalves
Albino Cabral Pessoa
Pereira

**RWANDA**
Governor .................. G. Cyimana
Alternate Governor .......... J. B. Habyarimana
Adviser .................... M. Uzamugura

**SAUDI ARABIA**
Governor .................. Ahmed Zaki Saad

**SENEGAL**
Governor .................. Amadou Karim Gaye
Alternate Governor .......... Ibrahima Tal

**SIERRA LEONE**
Governor .................. R. G. O. King
Alternate Governor .......... Sheikh Batu Daramy
Advisers:
J. E. M. Snell
A. B. Taylor

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° SOMALIA
Governor ......................... Awil Hagi Abdullahi
Alternate Governor ............ Francesco Palamenghi-Crispi
Advisers:
  Chandra Dias  Ismail Haibeh
  Leone Fici

° SOUTH AFRICA
Governor ......................... T. E. Donges
Alternate Governor ............ J. B. deK. Wilmot*
Advisers:
  S. J. P. du Plessis  J. Pickard
  K. E. Pakendorf  A. J. J. van Vuuren†

° SPAIN
Governor ......................... Mariano Navarro Rubio
Alternate Governor ............ Juan Antonio Ortiz Gracia‡
Advisers:
  Luis Garcia de Llera  Jose Miguel Ruiz-Torres
  Francisco Gimenez  Juan Sarda
  Joaquin Gutierrez Cano†  Huberto Villar
  Enrique Manzanares  Sarrailet
  Juan Francisco Marti de Basterrechea

° SWEDEN
Alternate Governor ............ G. von Sydow*
Alternate Governor ............ H. K. Wickman*
Advisers:
  Lennart Klackenberg  Lennart Olofsson
  Sigge Lillichook

° SYRIAN ARAB REPUBLIC
Governor ........................ Moustafa Chammaa
Alternate Governor ............ Abdul Hadi Nehlawi

° THAILAND
Governor ........................ Sunthorn Hongladarom
Alternate Governor ............ Chanchai Leetavorn*
Advisers:
  Kiatikorn Phromyothi  Chalalit Thanachanan
  Aran Thammano

° TOGO
Governor ........................ Boukari Djobo
Alternate Governor ............ Jean Tevi

° TRINIDAD AND TOBAGO
Governor ........................ John F. Pierce
Alternate Governor ............ F. A. Francis
Adviser ........................ Mrs. Patricia R. Robinson

° TUNISIA
Governor ........................ Ahmed Ben Salah
Alternate Governor ............ Moncef Belkhodja*
Adviser ........................ Ismail Khellit†

° TURKEY
Governor ........................ A. M. El Kaissouni
Alternate Governor ............ Hamed El Sayeh
Advisers:
  Salah El-Din Hamed  A. Guerguis Marzouk
  Awad  Youssi Moustafa
  Mounir Hemaya  Hassan Mostafa Rady
  Ahmed Kishty

° UNITED ARAB REPUBLIC
Governor ........................ The Earl of Cromer
Alternate Governor ............ Sir Denis Rickett
Alternate Governor ............ Maurice Macmillan*
Alternate Governor ............ Sir Eric Roll†
Advisers:
  I. P. Bancroft  J. A. Kirbyshire
  A. K. Cairncross  F. J. Portsmore
  A. L. Coleby  C. Raphael
  J. J. Cowperthwaite  N. M. P. Reilly‡
  T. Fitzgerald  L. P. Thompson-McCausland
  D. F. Hubback  H. L. Jenkyns

° UNITED KINGDOM
Governor ........................ Paul Bomi
Alternate Governor ............ Salim Rashid
Advisers:
  B. F. Masesa  C. M. Tibazarwa
  John G. Scott

° UNITED REPUBLIC OF TANGANYIKA
AND ZANZIBAR
Governor ........................ Paul Bomi
Alternate Governor ............ Salim Rashid
Advisers:
  B. F. Masesa  C. M. Tibazarwa
  John G. Scott

* Temporary  † Executive Director  ‡ Alternate Director
° IDA Member
ACCREDITED MEMBERS OF DELEGATIONS AT 1964 ANNUAL MEETINGS (Continued)

**UNITED STATES**

**Governor** .................. Douglas Dillon
**Alternate Governor** .......... John C. Bullitt*†
**Alternate Governor** .......... William B. Dale*
**Alternate Governor** .......... Robert V. Roosa*

Advisers:
Gardner Ackley
Robert W. Barnett
Joseph W. Barr
Henry J. Bittermann
Benjamin Caplan
Robert Carswell
Charles A. Coombs
J. Dewey Daane
Dixon Donnelley
E. Jay Finkel
Alfred Hayes
Ralph Hirschtritt
John S. Hooker
Douglas Hunt
G. Griffith Johnson

Clarence E. Kilburn
Tom Killefer
Harold F. Linder
Russell B. Long
William McChesney
Martin, Jr.
Clifford Matlock
Lawrence C. McQuade
Abraham J. Multer
Robert G. Pelikan
Edwin O. Reischauer
Henry S. Reuss
James J. Saxon
Fred B. Smith
George H. Willis

**UPPER VOLTA**

**Governor** .................. Edouard Yameogo
**Alternate Governor** .......... Pierre Claver Damiba
**Adviser** ..................... Georges Sanogoh

**URUGUAY**

**Governor** .................. Raul Ybarra San Martin
**Alternate Governor** .......... Hector Rios

**VENEZUELA**

**Governor** .................. General Rafael Alfonzo Ravard
**Alternate Governor** .......... Luis Vallenilla

Advisers:
Alfonso Espinoza
G. E. Hernandez
van der C.

Ernesto Peltzer
Samuel Rieber
Marcos Sandoval

**VIET-NAM**

**Governor** .................. Tran-Qui-Than
**Alternate Governor** .......... Truong-Thai-Ton*

**Adviser** ..................... Nguyen-Thanh-Hung

**YUGOSLAVIA**

**Governor** .................. Kiro Gligorov
**Alternate Governor** .......... Zoran Zagar

Advisers:
Aleksandar Bogoev†
Denes Vajs

Milivoje Spasic

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* IDA Member
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- Reignson C. Chen
- Otto Donner
- John M. Garba
- John M. Garland
- Joaquín Gutiérrez Cano
- Fernando Illanes
- Rene Larre
- Pieter Lieftinck
- Luis Machado
- Jorge Mejia-Palacio
- Mumtaz Mirza
- A. F. W. Plumptre
- K. S. Sundara Rajan
- Sir Eric Roll
- Gengo Suzuki
- Abderrahman Tazi
- Andre van Campenhout

**Alternate Executive Directors**
- Eino Suomela
- Helmut Abramowski
- Mohamed Nassim Kochman
- A. J. J. van Vuuren
- Sergio Siglienti
- Carlos S. Brignone
- Aleksandar Bogoev
- Rufino Gil
- Jose Camacho
- Ali Akbar Khosropur
- S. J. Handfield-Jones
- N. M. P. Reilly
- Eiji Ozaki
- Ismail Khelil
- Franz Oellerer
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B. W. T. Mutharika
H. S. Norman-Walker
A. G. Perrin

Northern Rhodesia
R. C. H. Hallett

Bank for International Settlements
F. G. Conolly
Gabriel Ferras
Milton Gilbert
H. H. Mandel

Center for Latin American Monetary Studies
Fernando Rivera

Contracting Parties to the General Agreement on Tariffs and Trade
Herbert E. Tennekoon

Development Assistance Committee
Willard L. Thorp

European Economic Community
Franco Bobba
Frederic Boyer de la Giroday
Robert Triffin

European Investment Bank
Giandomenico Sertoli
Guy Trancart

Inter-American Development Bank
Ignacio Copete-Lizaralde
Robert B. Menapace
T. Graydon Upton

International Labor Organization
Y. Sakurai

Organization for Economic Co-operation and Development
Thorkil Kristensen
Jean Cottier
J. C. R. Dow
Gunter Keiser

European Monetary Agreement
Alexandre Hay

Permanent Secretariat of the General Treaty for Central American Economic Integration
Eduardo Palomo Escobar

United Nations
Philippe de Seynes
J. Robert Herbin
Charles P. Holmes

Economic Commission for Africa
F. A. N’Liba Nguimbous
Oscar Spencer
Giampietro Morelli

Special Fund
Paul G. Hoffman
Clinton A. Rehling
Claude de Kemoularia

Union Africaine et Malgache de Cooperation Economique
M. Foalem

World Health Organization
Dr. Alan Penington
OFFICERS OF
THE BOARDS OF GOVERNORS AND JOINT PROCEDURES COMMITTEE
FOR 1964-65

OFFICERS

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Vice Chairmen ................................... Brazil
Norway

JOINT PROCEDURES COMMITTEE

Chairman ........................................ Ethiopia
Vice Chairmen ................................... Brazil
Norway
Reporting Member ............................... Korea
Members ........................................ France
Germany, Federal Republic of
India
Ivory Coast
Kuwait
Liberia
Libya
Mauritania
Mexico
Morocco
New Zealand
Panama
Thailand
United Kingdom
United States
Yugoslavia
PRINCIPAL OFFICERS

October 1, 1964

GEORGE D. WOODS
President

J. BURKE KNAPP
Vice President

GEOFFREY M. WILSON
Vice President

SIMON ALDEWERELD
Director of Technical Operations

A. BROCHES
General Counsel

RICHARD H. DEMUTH
Director of Development Services

IRVING S. FRIEDMAN
Economic Adviser to the President

JOHN H. ADLER
Director—Economic Development Institute

GERALD M. ALTER
Director of Operations—Western Hemisphere

I. P. M. CARGILL
Director of Operations—Far East

ROBERT W. CAVANAUGH
Treasurer

BERNARD CHADENET
Associate Director of Technical Operations

FEDERICO CONSOLO
Special Representative for United Nations Organizations

S. R. COPE
Director of Operations—Europe

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Director of Information

HOWARD C. JOHNSON
Director—New York Office

MICHAEL L. LEJEUNE
Director of Administration

M. M. MENDELS
Secretary

JOHN D. MILLER
Director—European Office

PIERRE L. MOUSSA
Director of Operations—Africa

ESCOTT REID
Director of Operations—South Asia and Middle East

LEONARD B. RIST
Special Adviser to the President

ORVIS A. SCHMIDT
Special Adviser to the President

DRAGOSLAV AVRAMOVIC
Assistant Director—Economic Department (in charge)