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Washington, D.C.

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Loan Committee - Minutes - 1955

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A1995-291 Other #: 1

213540B

Loan Committee - Minutes - 1955

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STAFF LOAN COMMITTEE

SLC/M/556

Minutes of Staff Loan Committee Meeting held Thursday, January 6, 1955 at
11:00 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. D. Sommers 1*/ 2*/
Mr. J. B. Knapp
Mr. F. D. Gregh
Mr. M. C. Cross

Mr. H. W. Riley
Mr. R. H. Demuth 2*/
Mr. J. H. Adler
Mr. A. M. Kamarck
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. E. E. Clark 1*/ 2/
Mr. J. C. de Wilde
Mr. C. Flesher 2*/
Mr. O. H. Folk
Mr. K. Kapur 1/
Mr. A. Kruithof
Mr. H. Prud'homme

Mr. P. A. Reid
Mr. J. Rucinski
Mr. A. M. Saitzoff 2*/
Mr. G. M. Street
Mr. E. Symonds
Mr. H. E. Tolley

* Part of starred session.

1/ First session only.
2/ Second session only.

2. Pakistan

The Committee considered Memorandum SLC/O/737, "Pakistan - Current Lending" and

AGREED

(a) with the Economic Report, subject to the following changes:

- (i) the problem of experienced administration and management in the implementation of the development plan should be given more emphasis;
- (ii) the urgent need for increasing export earnings should be emphasized more;
- (iii) the discussion on the adjustments of production costs and of the difficulties in increasing exports should be confined to analysis only;
- (iv) other minor changes;

(b) that references in the Economic Report related to the Indus Water discussions should be cleared with Messrs. Iliff and Wheeler;

(c) with the recommendations in the Mission Report, except that:

- (i) if Pakistan wished, the Bank would proceed with the proposed loan for the Paper Mill project, subject to:
 - (1) the establishment of non-production management satisfactory to the Bank;
 - (2) an undertaking by the Pakistan Government to assist the paper company in obtaining necessary funds, including

foreign exchange, for additional capital investment as agreed by the paper mill company, the Government and the Bank to be necessary to round out existing paper-making capacity;

(3) the Bank representatives now in India would obtain information to up-date the Technical Report;

(ii) the Bank, in indicating its willingness to provide technical assistance in finalizing and implementing Pakistan's immediate thermal power program, should not make any commitment to participate in financing the program, until the Bank is satisfied with the development of Pakistan's financial situation;

(iii) the letter to the Government should be redrafted to reflect the above decisions.

3. The meeting adjourned at 12:45 p.m., reconvened at 10:00 a.m. on Friday, January 7, and adjourned at 11:45 a.m.

STAFF LOAN COMMITTEE

DECLASSIFIED
SLC/M/557
JUN 13 2014

Minutes of Staff Loan Committee Meeting held Wednesday, January 5, 1955
at 3:00 p.m. in Room 1005

1. Present:

Mr. R.L. Garner
Mr. A.S.G. Hoar 1/
Mr. J.B. Knapp
Mr. M.C. Cross
Mr. H.W. Riley 1*/ 2/

Mr. A. Broches
Mr. M.M. Rosen 2/
Mr. M.L. Weiner
Mr. H.G.A. Woolley, Secretary

In attendance:

Mr. B.B. King 1/
Mr. J. Fajans 2/
Miss V. Morsey 1/
Mr. F.M. Oppenheimer 2/

Mr. M.J. Paterson 1/
Mr. A. Stevenson 2/
Mr. E. Symonds
Mr. B. Walstedt 2/

1/ Norway only
2/ Belgium only

* Part only of starred item.

2. Norway

The Committee considered Memorandum SLC/O/738, "Norway: Borrowing Requirements" dated January 3, 1955, and

AGREED

- (a) with the recommendations made;
- (b) that if a joint operation should be decided on, the market issue should if possible be bigger than the Bank's loan.

3. Belgian Congo

The Committee considered Memorandum SLC/O/736, "Loan Administration Report on the Loans for the Development of the Belgian Congo" dated December 23, 1954, and

AGREED

with the recommendations made, subject to certain minor changes in the Loan Administration Report.

4. The meeting adjourned at 3:55 p.m.

STAFF LOAN COMMITTEE

SLC/M/558

Minutes of Staff Loan Committee Meeting held Wednesday, January 19, 1955
at 10:00 a.m. in Room 1005

1. Present:

Mr. Eugene R. Black 1*/
Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. A. S. G. Hoar
Mr. J. B. Knapp

Mr. M. C. Cross 1/
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. J. H. Adler
Mr. H. G. A. Woolley, Secretary

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. S. Aldewereld
Mr. A. Bergan 2/
Mr. F. G. Bochenski 1/
Mr. N. Chakravarti
Mr. E. E. Clark 1/
Mr. E. de Vries 1/
Mr. R. H. Dorr
Mr. G. Hathaway 1/
Mr. D. W. Jeffries

✓ Mr. K. Kapur
Mr. S. Lipkowitz 2/
Mr. J. C. Mehaffey
✓ Mr. M. M. Mendels 1*/
Mr. A. L. Moffat 1/
✓ Mr. R. B. J. Richards 1*/
Mr. J. Rucinski
Mr. G. M. Street
Mr. E. Symonds 1/
2*/

*/ Part only of starred item.

1/ Egypt only.
2/ Japan only.

2. Egypt

The Committee heard an oral report by Mr. Gail Hathaway, consultant, on his recent mission to Egypt to study the High Aswan project.

3. Japan

The Committee considered Memorandum SLC/O/739, "Japan - Proposed Survey of Coal Mining Industry" and

AGREED

that the Bank should undertake to share, to the extent of 25% of the cost of a survey of the Japanese coal industry, provided, however, that there should be a ceiling of \$75,000 on the Bank's liability.

4. The meeting adjourned at 11:48 a.m.

STAFF LOAN COMMITTEE

SLC/M/559

Minutes of Staff Loan Committee Meeting held Tuesday, January 25, 1955
at 10:00 am. in Room 1005

1. Present:

DECLASSIFIED

Mr. R.L. Garner
Mr. A.S.G. Hoar
Mr. J.B. Knapp
Mr. F.D. Gregh
Mr. M.C. Cross

Mr. H.W. Riley
Mr. R.B.J. Richards
Mr. J.H. Adler
Mr. K. Kapur, Acting Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. F.G. Bochenski 1/
Mr. V. Bolis 1/
Mr. J. de Fargues (consultant) 1/
Mr. W.M. Gilmartin
Mr. A.L. Moffat 1/

Mr. H. Pollan
Mr. E.W. Rembert
Mr. J. Rucinski
Mr. G.M. Street
Mr. E. Symonds

1/ Lebanon only.

2. Lebanon

The Committee heard an oral report by Mr. Bochenski on his recent mission to Lebanon.

3. Malaya

The Committee considered Memorandum SLC/O/740, "Malaya - Malacca Power Project" and

APPROVED

the recommendation (a) made in para. 22; and

AGREED that

- (a) after the project reports had been received and studied, the Department of Technical Operations should indicate the action to be taken;
- (b) in the absence of current financial data related to CEB, no decision can be made at this stage on the precise nature of arrangements suggested in recommendations (c) and (d);
- (c) en route from Thailand, Mr. Diamond be asked to stop over in Malaya to get relevant information regarding the current financial position of CEB and methods proposed for financing its power development program.

- (d) the letter to Her Majesty's Government should suggest that CEB should be the borrower and also indicate the role the Bank would expect of the Federation in that case.

AGREED also

with an oral suggestion by Mr. Hoar that, with a view to having the same kind of approach as in the case of other U.K. dependent overseas territories, the Department of Operations, Asia and Middle East, should keep in touch with the Department of Operations, Europe, Africa and Australasia.

4. The meeting adjourned at 11:55 a.m.

STAFF LOAN COMMITTEE

SLC/M/560

Minutes of Staff Loan Committee Meeting held Wednesday, January 26, 1955
at 10:00 a.m. in Room 1005

DECLASSIFIED

1. Present:

Mr. R. L. Garner
Mr. D. Sommers
Mr. A. S. G. Hoar
Mr. F. D. Gregh
Mr. R. H. Demuth

Mr. H. W. Riley
Mr. S. Aldewereldt
Mr. J. H. Adler
Mr. H. W. Larsen
Mr. K. Kapur, Acting Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. E. E. Clark
Mr. C. Flesher
Mr. A. M. Kamarck
Mr. M. M. Mendels

Mr. M. M. Rosen
Mr. A. D. Spottswood
Mr. E. Symonds
Mr. S. P. Wheelock

2. Italy

The Committee considered Memorandum SLC/O/741, "Proposed Loan to Italy" and

AGREED that

the Bank should write to Dr. Menichella to say that

- (a) the Bank had considered very carefully the proposals that he had made to Mr. Rosen
- (b) within the framework of its procedures for local expenditure project loans the Bank would go as far as possible in trying to meet his requirements for early disbursement;
- (c) undisbursed amounts of the proposed loan would not be a barrier to consideration of further loans;
- (d) the Bank was willing to consider projects both within the Cassa program and outside but related to it;
- (e) it would seek as wide a geographical distribution of projects as possible; and
- (f) if these proposals were acceptable to Dr. Menichella, the Bank would be prepared to send a mission to Italy as soon as possible. The purpose of this mission would be to select projects on the above basis; as a preliminary to that selection, however, a member of the Department of Technical Operations would be specially charged with collecting available information on the basis of a prepared questionnaire.

3. The meeting adjourned at 11:20 a.m.

STAFF LOAN COMMITTEE

SLC/M/561

Minutes of Staff Loan Committee Meeting held Wednesday, February 2, 1955
at 3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. R.L. Garner
Mr. A.S.G. Hoar 1*/
Mr. J. B. Knapp
Mr. F.D. Gregh
Mr. M.C. Cross

WBG ARCHIVES
Mr. H.W. Riley 1/ 2*/
Mr. A. Broches
Mr. J.H. Adler
Mr. H.G.A. Woolley, Secretary

In attendance:

Mr. S. Aldewereld
Mr. J. Camabho
Mr. L. Cancio 1/
Mr. F.A. Consolo 1/
Mr. E. de Vries 1/
Mr. D.L. Gordon 1/
Mr. G. Grayson 2/
Mr. W. Jahn
Mr. W.L. Jago 2*/

* Part only of starred session.

Mr. K. Kapur
Mr. B.B. King 1/ 2*/
Mr. E. Lopez-Herrarte
Mr. L.G. Marshall 2/
Mr. S.N. McIvor
Mr. J.C. Mehaffey 1/
Miss V. Morsey 2*/
Mr. A. Waterston

1/ Guatemala only.
2/ Colombia only.

2. Guatemala

The Committee considered SLC/O/747, "Relations with Guatemala" and

AGREED

with this memorandum and with the Economic Report, subject to minor changes;

APPROVED

that copies of the Economic Report, after suitable modification be distributed to the Executive Directors and the Government of Guatemala.

3. Colombia

The Committee considered SLC/O/743, "Colombia - Request for a Second Loan to the Central Hidroelectrica del Rio Anchicaya Ltda." and

AGREED

with the recommendation in para. 7.

4. The meeting adjourned at 4:50 p.m.

STAFF LOAN COMMITTEE

SLC/M/562

Minutes of Staff Loan Committee Meeting held on Thursday, February 3, 1955
at 10:30 a.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. D. Sommers
Mr. J. B. Knapp
Mr. F. D. Grehg 1/ 2*/
Mr. M. C. Cross I/
Mr. H. W. Riley

Mr. R. H. Demuth
Mr. G. L. Martin 2*/
Mr. S. R. Cope 1*/ 2/
Mr. J. H. Adler 1/ 2*/
Mr. H. G. A. Woolley, Secretary

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. S. Aldewereld 2/
Mrs. S. Boskey
Mr. A. Broches 1/ 2*/
Mr. H. N. Graves 1*/ 2*/
Mr. K. Kapur

Mr. M. M. Mendels 1/
Mr. L. Nurick
Mr. F. R. Poore
Mr. J. Rucinski 1/

* Part only of starred session.

1/ First session only.
2/ Second session only.

2. International Finance Corporation

(a) The Committee considered Memorandum SLC/O/744, "International Finance Corporation - Draft Charter", and

AGREED

with the draft charter, subject to minor changes; and

APPROVED

the distribution of copies of the draft charter to the Financial policy Committee, and, after review by the Financial Policy Committee, to the Executive Directors.

(b) The Committee also considered Memorandum SLC/O/745, "International Finance Corporation - Organization and Management", and

AGREED generally

with the suggestions made.

3. The meeting adjourned at 1:10 p.m., reconvened at 2:45 p.m. and adjourned at 4:35 p.m.

STAFF LOAN COMMITTEE

SLC/M/563

Minutes of Staff Loan Committee Meeting held on Wednesday, February 9, 1955
at 4:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. E. R. Black *
Mr. R. L. Garner
Mr. A. S. G. Hoar *
Mr. J. B. Knapp
Mr. F. D. Gregh

Mr. A. Broches
Mr. J. H. Adler
Mr. S. Aldewereld
Mr. R. W. Cavanaugh
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. O. H. Calika
Mr. S. R. Cope
Mr. E. de Vries *
Mr. A. M. Kamarck
Mr. K. Kapur
Mr. M. L. Lejeune

Mr. P. A. Reid *
Mr. R. B. J. Richards
Mr. B. P. Spiro
Mr. G. M. Street
Mr. E. Symonds

* Part only.

2. Australia

The Committee considered Memorandum SLC/O/748 Rev., "Australia - Request for a Fourth Loan for General Development" and

AGREED

with the recommendations made in para. 34, with the following modifications:

- (a) the negotiations should be for a loan of up to \$50 million instead of up to \$55 million;
- (b) if the Australian representatives made a good case, the Bank would consider the addition of an amount for the purchase of additional planes by Qantas as suggested in para. 34 (b).

3. Period of Grace

The Committee also

AGREED that

the 'Period of Grace' of a loan is the time between the date a loan is signed and the date of the first amortization payment.

4. The meeting adjourned at 4:55 p.m.

STAFF LOAN COMMITTEE

SIC/M/564

Minutes of Staff Loan Committee Meeting held on Thursday, February 10, 1955
at 10:30 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. R. L. Garner
Mr. A. S. G. Hoar
Mr. F. D. Gregh
Mr. M. C. Cross
Mr. A. Broches

Mr. J. H. Adler
Mr. O. A. Schmidt 1*/ 2/
Mr. R. W. Cavanaugh
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. S. J. Akerman 2/
Mr. S. Aldewereld 1/ 2*/
Mr. S. R. Cope
Mr. J. H. Collier 1/
Mr. C. Finne 2/
Mr. P. A. Kanters 1/
Mr. K. Kapur
Mr. S. Lipkowitz 2*/

Miss V. Morsey 2/
Mr. F. M. Oppenheimer 1/
Mr. E. W. Rembert 1/
Mr. A. D. Spottswood 1/
Mr. G. M. Street 1/
Mr. E. Symonds
Mr. V. Umbricht 1/

* Part only of starred item.

1/ Austria only.
2/ Finland only.

2. Austria

The Committee considered the recommendations in para. 43 of E.A. 47,
"Report and Recommendations of the Mission to Austria (Lunersee)" and

APPROVED

these recommendations.

3. Finland

The Committee also considered Memorandum SIC /0/749, "Finnish Loan
Discussions" and

APPROVED

the recommendation in para. 12.

4. The meeting adjourned at 11:58 a.m.

STAFF LOAN COMMITTEE

SLC/M/565

Minutes of Staff Loan Committee Meeting held Wednesday, February 16, 1955
at 10:30 a.m. in Room 1122

1. Present:

Mr. E. R. Black
Mr. A. S. G. Hoar
Mr. J. B. Knapp
Mr. F. D. Gregh
Mr. M. C. Cross

Mr. H. W. Riley
Mr. R. H. Demuth
Mr. A. Broches
Mr. J. H. Adler
Mr. K. Kapur, Acting Secretary

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. P. J. O. Bernard
Mr. J. Camacho
Mr. C. H. Davies
Mr. J. F. Main
Mr. S. N. McIvor

Mr. M. M. Mendels
Mr. F. M. Oppenheimer
Mr. J. F. Smythe
Mr. E. Symonds

2. Haiti

The Committee considered Memorandum SLC/O/751, "Haiti - Mission Reports" and

APPROVED

the recommendations of the mission, and further

RECOMMENDED that

in the proposed discussions with the Eximbank, the Bank should seek assurances that Eximbank did not intend to extend its financing in Haiti beyond the Artibonite flood control and hydroelectric power project.

3. Bolivia

Mr. Quandt's oral report was postponed.

4. The meeting adjourned at 11:25 a.m.

STAFF LOAN COMMITTEE

SLC/M/566

Minutes of Staff Loan Committee Meeting held on Friday, March 4, 1955
at 10:30 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. R. L. Garner ~~1/~~ ~~2/~~
Mr. A. S. G. Hoar 1/ 2*/
Mr. F. D. Gregh 1*/ 2/
Mr. R. H. Demuth 1*/ 2/
Mr. A. Broches

Mr. J. H. Adler
Mr. O. A. Schmidt 1*/
Mr. S. Aldewereld
Mr. P. J. Ramm 1/
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. G. M. Alter 2/
Mr. J. C. Antoine 2/
Mr. A. Basch 2/
Mr. I. P. Cargill 2/
Mr. R. W. Cavanaugh 1/ 2*/
Mr. E. E. Clark 2/
Mr. S. R. Cope 1/
Mr. W. D. S. Fraser 2/
Mr. W. M. Gilmartin 2*/

Mr. W. Hill
Mr. K. Kapur
Mr. B. B. King 1/
Mr. M. M. Mendels 2*/
Miss V. Morsey 1/
Mr. R. B. J. Richards 2/
Mr. J. Rucinski 2/
Mr. G. M. Street 2/
Mr. E. Symonds
M. N. J. Paterson 1/

1/ Norway only.
2/ Burma only.

* Part only of starred item.

2. Norway

The Committee considered Memorandum SLC/O/753, "Norway - Loan Negotiations" and

APPROVED

the recommendations made in para. 33.

3. Burma

The Committee heard an oral report by Mr. Basch, and

AGREED that

- (a) Mr. Basch should prepare a memorandum, presenting a critical diagnosis of the Burmese situation, for transmission to the Burmese Government;
- (b) a letter of transmittal should state that if the Government agreed generally with this diagnosis, the Bank would be willing to work with Burma on a practical program of development.

4. The meeting adjourned at 12:55 p.m.

STAFF LOAN COMMITTEE

SLC/M/567

Minutes of Staff Loan Committee Meeting held Monday, March 7, 1955
at 10:00 a.m. in Room 1005

DECLASSIFIED

1. Present:

Mr. R. L. Garner
Mr. A. S. G. Hoar
Mr. A. Broches
Mr. J. H. Adler

Mr. O. A. Schmidt
Mr. S. Aldewereld
Mr. P. J. Ramm
Mr. K. Kapur, Acting Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. S. R. Cope
Mr. A. M. Kamarck
Mr. M. L. Lejeune
Mr. J. C. Mehaffey

Mr. R. B. J. Richards
Mr. E. Symonds
Mr. G. Trancart

2. East Africa

The Committee considered the proposed loan of \$24 million to East Africa; and

APPROVED that

- (a) the rate of interest on the proposed loan should be $4\frac{3}{4}\%$ per annum;
- (b) the loan documents, after minor changes, should be distributed to the Executive Directors on March 7;
- (c) the proposed loan should be presented to the Executive Directors at a special meeting, to be called for the purpose, on March 14.

3. The meeting adjourned at 10:35 a.m.

STAFF LOAN COMMITTEE

SLC/M/568

Minutes of Staff Loan Committee Meeting held Thursday, March 10, 1955
at 3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. R. L. Garner
Mr. A. S. G. Hoar
Mr. F. D. Gregh
Mr. H. W. Riley *
Mr. R. H. Demuth

Mr. A. Broches
Mr. J. H. Adler
Mr. S. Aldewereld
Mr. S. N. McIvor
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. O. H. Calika
Mr. S. R. Cope
Mr. E. de Vries
Mr. A. M. Kamarck

Mr. M. L. Lejeune
Mr. P. A. Reid *
Mr. R. B. J. Richards
Mr. E. Symonds

* Part only.

2. Australia

The Committee considered Memorandum SLC/O/755, "Australia - Proposed Loan" and

APPROVED

the recommendations made in para. 3, subject to minor amendments to the President's Report and Recommendations and to the Technical Report.

3. The meeting adjourned at 3:20 p.m.

STAFF LOAN COMMITTEE

SLC/M/569

Minutes of Staff Loan Committee Meeting held Tuesday, March 15, 1955
at 3:30 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. A. S. G. Hoar
Mr. L. B. Rist
Mr. J. B. Knapp
Mr. F. D. Gregh

Mr. M. C. Cross
Mr. A. Broches
Mr. P. J. Ramm
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. S. J. Akerman
Mr. S. R. Cope
Mr. D. Fontein
Mr. K. Kapur

Mr. S. Lipkowitz
Mr. E. Symonds
Mr. M. M. Verheyen

2. Finland

The Committee considered the proposed loan of \$12 million to the Bank of Finland, and

APPROVED that

- (a) the rate of interest on the proposed loan should be 4-5/8% per annum;
- (b) the loan documents, after minor changes in the President's Report and Recommendations, should be distributed to the Executive Directors on March 16;
- (c) the proposed loan should be presented to the Executive Directors at a special meeting, to be called for the purpose, on March 24.

3. The meeting adjourned at 4:00 p.m.

STAFF LOAN COMMITTEE

SIC/M/570

Minutes of Staff Loan Committee Meeting held Wednesday, March 16, 1955
at 4:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. R.L. Garner
Mr. A.S.G. Hoar
Mr. L.B. Rist
Mr. J.B. Knapp
Mr. F.D. Gregh

Mr. H.W. Riley
Mr. A. Broches
Mr. S. Aldewereld
Mr. H.G.A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. J. Camacho
Mr. L. Cancio
Mr. G. Grayson
Mr. W.L. Jago

Mr. K. Kapur
Mr. S.N. McIvor
Mr. M. Piccagli

2. Colombia

The Committee considered the proposed loan of \$4.5 million to the Central Hidroelectrica del Rio Anchicaya, of Cali, Colombia; and

APPROVED that

- (a) the rate of interest on the proposed loan should be 4-3/4% per annum;
- (b) the loan documents, after minor changes, should be distributed to the Executive Directors on March 17;
- (c) the proposed loan should be presented to the Executive Directors at a special meeting, to be called for the purpose, on March 24.

3. The meeting adjourned at 4:25 p.m.

STAFF LOAN COMMITTEE

SLC/M/571

Minutes of Staff Loan Committee Meeting held Thursday, March 24, 1955
at 2:30 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. J. B. Knapp
Mr. F. D. Gregh
Mr. H. W. Riley
Mr. A. Broches

Mr. B. H. Colquhoun
Mr. S. Aldewereld
Mr. A. M. Kamarck
Mr. G. M. Alter
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. J. Camacho
Mr. R. W. Cavanaugh
Mr. B. Chadenet
Mr. R. A. Chauffournier
Mr. E. de Vries
Mr. C. Lacayo-Fiallos

Mr. G. S. Mason
Mr. J. C. Mehaffey
Mr. F. M. Oppenheimer
Mr. A. Reeves (consultant)
Mr. O. A. Schmidt

2. Peru

The Committee considered Memorandum SLC/O/756, "Peru - Proposed Loan of \$18 Million for the Quiroz-Piura Irrigation Project (Second Stage)" and

APPROVED

- (a) the distribution of the loan documents to the Executive Directors, after minor amendments; and
- (b) the presentation of the proposed loan to the Executive Directors at a special meeting to be called for March 31.

3. Economic Factors in Project Appraisal

The Committee also

AGREED

that a paper on economic factors in project appraisal, including the use of capital output ratios, be prepared by the Staff Economic Committee, drawing in the widest possible way on Bank experience, for consideration by the Committee.

4. The meeting adjourned at 3:25 p.m.

SLC/ /572

Yugoslavia - cancelled

discussed SLC/M/576

STAFF LOAN COMMITTEE

DECLASSIFIED

JUN 13 2014

SLC/4/573
WDC/ARCHIVES

Minutes of Staff Loan Committee Meeting held Wednesday, April 6, 1955
at 10:00 a.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. A. S. G. Hoar 1/
Mr. L. B. Rist
Mr. J. B. Knapp 1/
Mr. M. C. Cross
Mr. R. H. Demuth 2*/

Mr. B. H. Colquhoun
Mr. A. Broches
Mr. J. Rucinski
Mr. P. J. Ramm
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. A. Basch 2/
Mr. I. P. Cargill 2*/
Mr. S. R. Cope 1/
Mr. J. C. de Wilde 2/
Mr. W. Diamond 2/
Mr. D. Fontein 2/
Mr. W. Hill
Mr. B. B. King 1/
Mr. W. Kluss 2/

Mr. J. F. Main
Mr. S. N. McIvor 2/
Mr. M. M. Mendels 2*/
Miss V. Morsey 1/
Mr. F. M. Oppenheimer 2*/
Mr. N. J. Paterson 1/
Mr. A. M. Saitzoff 2/
Mr. E. Symonds 2/

1/ Norway only
2/ Thailand only.

* Part only of starred item.

2. Norway

The Committee considered Memorandum SLC/O/760, "Norway: Proposed Loan and Bond Issue" and

APPROVED

the distribution of the loan documents to the Executive Directors and the presentation of the proposed loan to the Executive Directors at a special meeting to be called for April 18.

3. Thailand

The Committee also heard oral reports by Messrs. Diamond and Saitzoff on their recent mission to Thailand.

4. The meeting adjourned at 12:30 p.m.

STAFF LOAN COMMITTEE

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES
SLG/14/574

Minutes of Staff Loan Committee Meeting held Wednesday, April 13, 1955
at 3:00 p.m. in Room 1005

1. Present:

Mr. J. B. Knapp
Mr. F. D. Gregh
Mr. R. H. Demuth*
Mr. B. H. Colquhoun *

Mr. A. Broches
Mr. S. R. Cope
Mr. G. M. Alter
Mr. S. Aldewereld
Mr. P. J. Ramm
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. P. Acheson
Mr. R. W. Cavanaugh*
Mr. J. Camacho
Mr. L. Doucet*
Mr. C. Flesher

Mr. W. Hill
Mr. K. Kapur*
Mr. G. S. Mason
Mr. M. M. Mendels*
Mr. F. M. Oppenheimer

* For part of meeting only.

2. Peru

The Committee considered Memorandum SLG/O/761, "Peru - Proposed loan of \$2.5 million to the Compania Nacional de Cemento Portland del Norte S.A. for the construction of a cement plant", and

APPROVED

the distribution of the loan documents and presentation of the loan to the Executive Directors subject to

- (i) the omission of the additional restrictive clause 5.02(c) to the Loan Agreement proposed in paragraph 4 of the Area Memorandum and
- (ii) minor changes.

3. The meeting adjourned at 3.48 p.m.

STAFF LOAN COMMITTEE DECLASSIFIED SLC/M/575

Minutes of Staff Loan Committee Meeting held Friday, April 22, 1955 at
10:00 a.m. in Room 1005

JUN 13 2014
WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. L. B. Rist 1/
Mr. J. B. Knapp 2/
Mr. M. C. Cross
Mr. H. W. Riley 1*/ 2/

Mr. R. H. Demuth
Mr. A. Broches 1/
Mr. M. M. Rosen 1/
Mr. J. Rucinski 1/
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. G. M. Alter
Mr. A. Basch 1/
Mr. J. Camacho 2/
Mr. L. Cancio 2*/
Mr. J. C. de Wilde 1/
Mr. W. D. S. Fraser 1/
Mr. W. Hill
Mr. N. G. Jones 2/

Mr. K. Kapur
Mr. S. N. McIvor 1*/ 2/
Mr. M. M. Mendels 1*/ 2*/
Mr. R. F. Quandt 2/
Mr. R. B. J. Richards 1/
Mr. G. M. Street 1*/
Mr. E. Symonds

* Part only of starred item.

1/ Burma only.
2/ Brazil only.

2. Burma

The Committee considered the draft letter to the Minister of Finance and Revenue; and

AGREED

that the letter and accompanying memorandum should be revised:

- (a) noting first Burma's natural resources and development potentialities, the progress made since 1950, and recognizing their difficulties;
- (b) warning the Government of the seriousness of the Burmese position and the necessity for the Government to make a new approach to its whole development program;
- (c) stating clearly and emphatically what the Bank has in mind, i.e. the fundamental problems facing Burma, as the Bank sees them, giving illustrations, and outlining the Bank's views on management, government ownership, etc.;
- (d) stating that if there is a meeting of the minds on the fundamentals the Bank would be willing to work with Burma on its program; and
- (e) noting the Bank's understanding that the Prime Minister plans to visit Washington and suggesting that if he wishes he might take the opportunity to discuss the Bank's letter and memorandum with the Bank or alternatively, the Bank's willingness, if the Government desires, to send a representative to Burma to discuss this matter with them there.

3. Brazil

The Committee also heard an oral report by Mr. Quandt on his recent mission to Brazil.

4. The meeting adjourned at 12:10 p.m.

STAFF LOAN COMMITTEE

SIC/M/576

Minutes of Staff Loan Committee Meeting held Friday, April 29, 1955 at
9:30 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

WBG ARCHIVES

Mr. R. L. Garner 1/
Mr. A. S. G. Hoar
Mr. L. B. Rist 1*/ 2*/
Mr. J. B. Knapp
Mr. H. W. Riley
Mr. R. H. Demuth

Mr. B. W. Colquhoun 1/
Mr. A. Broches
Mr. J. Rucinski
Mr. S. Aldewereld
Mr. H. G. A. Woolley, Secretary 1/
Mr. K. Kapur, Acting Secretary 2/

In attendance:

Mr. G. M. Alter
Mr. W. Armstrong
Mr. H. E. Bachem 2/
Mr. J. Canacho 1*/
Mr. R. E. Carlson 1/
Mr. R. W. Cavanaugh
Mr. S. R. Cope 2/
Mr. P. F. Craig-Martin

Mr. H. N. Graves 1/ 2*/
Mr. H. F. Havlik 1/
Mr. K. Kapur 1/
Mr. S. N. McIvor 1/
Miss V. Morsey 1/
Mr. M. M. Rosen 2/
Mr. G. L. Sandelin 1*/

* Part only of starred item.

1/ Chile only.
2/ Italy and Yugoslavia only.

2. Chile

- (a) The Committee heard an oral report by Messrs. Havlik and Carlson on their recent mission to Chile.
- (b) The Committee considered Memorandum SIC/O/762, "Chile: Request for Bank Assistance in Recruiting Financial Mission" and

AGREED that

- (i) the request should be discussed with the Deputy Managing Director of the Fund;
- (ii) provided that the report that the Chilean Government was seeking elsewhere for an adviser for this purpose was resolved satisfactorily, the Bank should undertake to nominate as adviser a man at a high level outside the Bank with a strong reputation in business and financial circles who would be assisted by two or three experts;
- (iii) referring to para. 5(c) of the Area Memorandum, the Bank should follow the course indicated in sub-para. (ii), and wait until there is convincing evidence that the adviser's counsel is being applied by the Chilean Government before undertaking to examine specific projects;
- (iv) the Fund should be consulted and kept fully informed of progress with respect to the Chilean request.

3. Italy

Mr. Rosen made an oral report on the pattern planned for the proposed Italina loan.

4. Yugoslavia

The Committee considered Memorandum SLC/O/757, "Yugoslavia - Second Loan Administration Report" and

AGREED that

the Loan Administration Report, after any editing necessary, should be sent to the Yugoslav Government.

5. The meeting adjourned at 11:45 a.m.

STAFF LOAN COMMITTEE

SLC/M/577

Minutes of Staff Loan Committee Meeting held Thursday, May 12, 1955 at
3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. A. S. G. Hoar
Mr. H. W. Riley 1*/ 2/
Mr. J. Rucinski
Mr. R. H. Demuth
Mr. B. H. Colquhoun

Mr. G. M. Alter
Mr. O. A. Schmidt 1*/ 2/
Mr. S. Aldewereld
Mr. R. B. J. Richards 1/
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. H. E. Bachem 2/
Mr. A. Bergan 1/
Mr. N. Chakravarti 1/
Mr. J. H. Collier 2/
Mr. S. R. Cope 1*/ 2/
Mr. J. C. de Wilde 1/
Mr. R. H. Dorr 1/
Mr. W. Hill 1*/ 2/
Mr. K. Kapur

Mr. D. W. Jeffries 1/
Mr. S. Lipkowitz 1/
Mr. D. S. Mallon
Mr. F. M. Oppenheimer 2/
Mr. A. D. Spottswood 2*/
Mr. G. M. Street 1*/
Mr. V. Umbricht 2/
Mr. M. M. Verheyen 2/

* Part only of starred item.

1/ Japan only.
2/ Yougelexport only.

2. Japan

The Committee considered Memorandum SLC/O/767, "Japan - Loan Proposals for Steel Mill Modernization" and

APPROVED

the recommendations in paras. 10 and 11.

3. Yougelexport

The Committee considered Memorandum SLC/O/766, "Yougelexport" and

APPROVED

the recommendation in para. 2.

4. Working Party Issues

The Committee also

AGREED that

the Committee should be informed in the Area Memorandum of the issues involved if any major difference of opinion on a point of substance arose in the Working Party, irrespective of whether the opposing views had already been reconciled by compromise or otherwise within the Working Party or by agreement between the Heads of Departments or otherwise.

5. The meeting adjourned at 4:27 p.m.

STAFF LOAN COMMITTEE

SLC/M/578

Minutes of Staff Loan Committee Meeting held Monday, May 23, 1955 at 3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. J. Rucinski
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. A. Broches

Mr. G. M. Alter
Mr. O. A. Schmidt
Mr. S. Aldewereld
Mr. B. B. King
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. A. Basch
Mr. I. P. Cargill
Mr. J. C. de Wilde
Mr. W. Diamond
Mr. W. Kluss

Mr. F. M. Oppenheimer
Mr. J. Pallier
Mr. A. M. Saitzoff
Mr. G. M. Street

2. Thailand

The Committee considered Memorandum SLC/O/768, "Thailand - Proposed Loans" and

APPROVED

the recommendations made in paras. 5 to 9, and

AGREED that

with a view to enabling the Bank to exert pressure in deterring the Thais from incurring additional external debt, a letter be obtained from the Government.

3. The meeting adjourned at 4:00 p.m.

STAFF LOAN COMMITTEE

SLC/M/579

Minutes of Staff Loan Committee Meeting held Friday, May 20, 1955 at
4:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

WBG ARCHIVES

Mr. R. L. Garner
Mr. A. S. G. Hoar
Mr. L. B. Rist
Mr. J. Rucinski
Mr. H. W. Riley

Mr. R. H. Demuth
Mr. A. Broches
Mr. O. A. Schmidt
Mr. S. Aldewereld
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. G. M. Alter
Mr. W. J. Armstrong
Mr. R. W. Cavanaugh
Mr. E. E. Clark
Mr. J. C. de Wilde
Mr. L. Doucet *
Mr. C. Finne
Mr. H. N. Graves, Jr.
Mr. D. Groenveld

Mr. W. Hill
Mr. P. A. Kanters
Mr. M. M. Mendels *
Mr. E. W. Rembert
Mr. H. B. Ripman
Mr. M. M. Rosen
Mr. M. Ross
Mr. S. P. Wheelock

* Part only.

2. Italy

The Committee heard an oral report by Messrs. Rosen and Wheelock on the set-up of the proposed third loan to the Cassa per il Mezzogiorno, and

AGREED that

- (a) the Report and Recommendations of the President, the Loan, Guarantee and Project Agreements, and the Technical Report on the projects be considered by the Staff Loan Committee on May 23;
- (b) Report E.A. 39-a, "Current Economic Position and Prospects of Italy", after some minor changes, and Report E.A. 51, "Cassa per il Mezzogiorno and the Economic Development of Southern Italy" be sent immediately to the Executive Directors.

3. The meeting adjourned at 5:10 p.m.

STAFF LOAN COMMITTEE

SLC/M/580

Minutes of Staff Loan Committee Meeting held Monday, May 23, 1955 at
10:00 a.m. in Room 1005

DECLASSIFIED

1. Present:

JUN 13 2014

Mr. R. L. Garner
Mr. A. S. G. Hoar
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. A. Broches

Mr. G. M. Alter WBG ARCHIVES
Mr. S. Aldewereld
Mr. O. A. Schmidt
Mr. J. C. de Wilde
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. W. J. Armstrong
Mr. E. E. Clark
Mr. C. Finne
Mr. H. N. Graves, Jr.
Mr. D. Groenveld

Mr. P. A. Kanters
Mr. H. B. Ripman
Mr. M. M. Rosen
Mr. M. Ross
Mr. S. P. Wheelock

2. Italy

The Committee considered the proposed third loan to the Cassa per il Mezzogiorno, and

APPROVED

Report No. T.O. 84, "Appraisal of Italian Industrial, Irrigation and Power Projects" and

AGREED that

- (a) comments, if any, on the draft Report and Recommendations of the President, and the draft Loan and Guarantee Agreements, be sent to Mr. Rosen by the end of the day; and
- (b) unless there were major points of difference, the meeting proposed by the Area Department for May 24 need not be called.

3. The meeting adjourned at 10:40 a.m.

STAFF LOAN COMMITTEE

SLC/M/581

Minutes of Staff Loan Committee Meeting held Wednesday, June 1, 1955
at 3:00 p.m. in Room 1005

1. Present:

DECLASSIFIED

Mr. W. A. B. Iliff
Mr. L. B. Rist
Mr. J. B. Knapp
Mr. J. Rucinski
Mr. S. Aldewereld

Mr. H. W. Riley
Mr. A. Broches
Mr. A. M. Kamarck
Mr. K. Kapur, Acting Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. G. M. Alter
Mr. F. G. Bochenski
Mr. L. H. Bengston 1/
Mr. J. Camacho
Mr. B. Chadenet
Mr. G. R. Delaume 1/
Mr. J. C. de Wilde
Mr. E. Franco-Holguin

Mr. W. Hill
Mr. D. S. Mallon 1/
Mr. M. M. Mendels 1/
Miss V. Morsey 2/
Mr. C. G. Parker
Mr. W. C. P. Rutland
Mr. H. van Helden
Mr. A. Wubnig

1/ Part only.

2/ Central America only.

2. Syria

The Committee considered Memorandum SLC/O/770, "Syria - Loan Proposals", dated May 27, 1955, and

APPROVED

the recommendations made in paras. 14(a) and 15; and

AGREED that

the Government be informed that:

- (a) the Qhab Project is suitable on economic and technical grounds for Bank financing;
- (b) after the international aspects of the project have been cleared, to the Bank's satisfaction, the Bank will be prepared to consider financing the foreign exchange cost of the project; but that
- (c) no indication be given to the Syrians at this stage about the size or term of any loan for this project;

AGREED also that

- (d) subject to qualifications contained in the Technical Report, the Bank should be prepared to participate in the Roads Program provided:
 - (i) the financing was tied to properly engineered projects;
 - (ii) the projects to be financed were taken in order of priority;
 - (iii) satisfactory arrangements for the execution of the projects had been made.

3. Central America

The Committee heard an oral report by Mr. Knapp on his recent visits to several Central American countries.

4. The meeting adjourned at 5:00 p.m.

STAFF LOAN COMMITTEE

SIC/M/582

Minutes of Staff Loan Committee Meeting held Tuesday, June 7, 1955 at
10:30 a.m. in Room 1005

DECLASSIFIED

1. Present:

JUN 13 2014

Mr. R. L. Garner
Mr. J. B. Knapp
Mr. S. Aldewereld
Mr. H. W. Riley
Mr. B. H. Colquhoun

Mr. A. Broches WBG ARCHIVES
Mr. A. M. Kamarck
Mr. G. M. Alter
Mr. J. C. de Wilde
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. R. W. Cavanaugh
Mr. W. Jahn
Mr. J. F. Main
Mr. S. N. McIvor
Mr. J. C. Mehaffey

Mr. M. M. Mendels *
Miss V. Morsey
Mr. O. A. Schmidt
Mr. A. Waterston
Mr. A. Wubnig

* Part only.

2. Colombia

The Committee considered Memorandum SIC/O/772, "Colombia" and

APPROVED

the distribution of the loan documents and presentation of the loan to the
Executive Directors at their regular meeting on June 14, subject to:

- (i) a change in para. 39 of Report T.O. 85, "Magdalena Valley Railroad Extension Project, Colombia", spelling out in more detail the economic benefits derived from the project as part of the justification of the loan; and
- (ii) minor changes.

3. Chile

The Committee considered Mr. Knapp's oral recommendation that further consideration of the findings of the recent mission to Chile (and notification to the Government of its conclusions) be postponed for 4-6 weeks, and

APPROVED

the recommendation.

4. The meeting adjourned at 12:00 noon.

Panama and Guatemala

These items considered at meeting held
Friday, June 10 - SLC/M/584.

STAFF LOAN COMMITTEE

SLC/M/584

Minutes of Staff Loan Committee Meeting held Friday, June 10, 1955
at 9:30 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. L. B. Rist
Mr. J. B. Knapp
Mr. J. Rucinski 1/
Mr. S. Aldewereld
Mr. H. W. Riley 1/ 2/

Mr. R. H. Demuth
Mr. B. H. Colquhoun
Mr. A. Broches
Mr. M. M. Rosen
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. J. H. Adler 2/ 3/
Mr. J. Camacho 2/ 3/
Mr. R. W. Cavanaugh 3/
Mr. F. A. Consolo 2/ 3/
Mr. C. H. Davies 2/ 3/
Mr. J. C. de Wilde
Mr. O. H. Folk 1/
Mr. D. Fontein 2/
Mr. E. Franco-Holguin 2/ 3/
Mr. P. A. Kanters
Mr. A. Kruithof 1/
Mr. H. W. Larsen 2/ 3/

Mr. J. F. Main 2/ 3/
Mr. C. G. Parker
Mr. H. Prud'homme 1/
Mr. A. M. Saitzoff 1/
Mr. O. A. Schmidt 2/ 3/
Mr. L. D. Schweng 2/ 3/
Mr. J. F. Smythe 2/ 3/
Mr. G. M. Street 1/ 2/
Mr. H. E. Tolley 1/
Mr. H. van Helden 2/ 3/
Mr. A. Wenzell

1/ Pakistan only.

2/ Panama only.
3/ Guatemala only.

2. Pakistan

The Committee considered Memorandum SLC/O/775, "Pakistan - Proposed Loan to the Karachi Electric Supply Corporation, Limited (KESC)", and

APPROVED

the distribution of the loan documents and their presentation to the Executive Directors at a special meeting to be called for Thursday, June 16, subject to:

- (a) the following changes in the Report and Recommendations of the President:
 - (i) the inclusion in Part I of a summary of the loans already made by the Bank to Pakistan;
 - (ii) a brief description of the Karachi Electric Supply Corporation in para. 7;
 - (iii) the addition of a new paragraph giving the details of interim financing done in anticipation of the proposed loan;
 - (iv) the inclusion of a statement to the effect that commitment charge would be proportionally denominated in the currencies expected to be disbursed under the loan;
- (b) other minor changes in the loan documents; and

AGREED that

a letter be obtained from the Government that the Company will discuss plans other than those already specified for extension of the generating and transmission facilities and seek the approval of the Bank.

3. Period of Grace

The Committee also

AGREED that

the "Period of Grace" of a loan is the time between the date a loan is signed and the date of the first repayment of principal.

4. Panama

The Committee also considered Memorandum SLC/O/773, "Panama - Highway Rehabilitation Program" and

AGREED

with the recommendations made in para. 7, and

APPROVED

Report No. T.O. 86, "Appraisal of Highway Rehabilitation Program, Republic of Panama", with minor changes.

5. Guatemala

The Committee also considered Memorandum SLC/O/774, "Guatemala - Highway Project" and

CONCURRED

with the recommendation made in para. 6, and

RECOMMENDED that

the economic benefits expected from the Atlantic Highway Project should be spelled out in more detail.

6. The meeting adjourned at 12:20 p.m.

STAFF LOAN COMMITTEE

SIC/M/585

Minutes of Staff Loan Committee Meeting held Friday, June 17, 1955
at 9:30 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. J. Rucinski
Mr. S. Aldewereld
Mr. R. H. Demuth
Mr. B. H. Colquhoun

Mr. A. Broches
Mr. M. M. Rosen
Mr. G. M. Alter
Mr. P. J. Ramm
Mr. K. Kapur, Acting Secretary

WBG ARCHIVES

In attendance:

Mr. F. G. Bochenki
Mr. V. Bolis
Mr. L. Cancio
Mr. B. Chadenet
Mr. J. C. de Wilde
Mr. W. L. Jago

Mr. M. M. Mendels
Mr. C. G. Parker
Mr. P. A. Reid
Mr. E. W. Rembert
Mr. W. C. P. Rutland
Mr. E. Symonds

2. Lebanon

The Committee considered a proposed loan for the Litani Power and Irrigation Project in Lebanon, and

APPROVED

- (a) Report A.S. 35, "The Current Economic Position and Prospects of Lebanon", subject to the inclusion in the Report of an explanation that, with the attainment of convertibility of the pound sterling, the transit and switch trade of Lebanon resulting from its being a free gold and foreign exchange market will not be materially affected;
- (b) Report T.O. 87, "Appraisal of Litani Power and Irrigation Project, Lebanon", and
- (c) Report A.S. 37, "Report of Mission to Lebanon", and

RECOMMENDED that

the Lebanese Government be informed through Mr. Stephens of the recommendation of the mission in paragraph 50 of Report A.S. 37 and the Lebanese representatives be invited to Washington for discussions prior to negotiations.

3. The Committee also NOTED that

- (a) the economic aspects of the project, as described in Report T.O. 87, could possibly be presented in more detail;
- (b) discussion of such matters should in the first instance take place in the working party for settlement at that level.

4. The meeting adjourned at 11:50 a.m.

STAFF LOAN COMMITTEE

SLC/M/586

DECLASSIFIED

Minutes of Staff Loan Committee Meeting held Wednesday, June 22, 1955
at 9:30 a.m. in Room 1005

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. Eugene R. Black 1/
Mr. R. L. Garner
Mr. W. A. B. Iliff 1/
Mr. D. Sommers 1/
Mr. L. B. Rist
Mr. J. Rucinski
Mr. S. Aldewereld

Mr. W. H. Riley
Mr. R. H. Demuth
Mr. B. H. Colquhoun 1/
Mr. M. M. Rosen
Mr. O. A. Schmidt
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. A. Broches 2/
Mr. R. W. Cavanaugh
Mr. W. Hill 1/
Mr. M. M. Mendels *
Mr. F. M. Oppenheimer
Mr. M. Piccagli 2/

Mr. P. J. Ramm
Mr. E. W. Rembert 2/
Mr. A. Stevenson 2/
Mr. E. Symonds
Mr. A. Wenzell
Mr. J. H. Williams 2/

* Part only.

1/ First item only.
2/ Second item only.

2. Loan and Guarantee Commission Reserves

The Committee considered Memorandum SLC/O/778, "The Loan and Guarantee Commission and Reserves", and

AGREED that

the paper be revised in the light of discussions held in the meeting; and

RECOMMENDED that

the revised paper be distributed for consideration by the Financial Policy Committee at a meeting to be called for next week.

3. Algeria

The Committee heard oral reports of the recent mission to Algeria.

The Committee also considered Memorandum SLC/O/777, "Proposed Loan for Algerian Power Development", and

APPROVED

the recommendations made in para. 22(a) and (b)(i); and

AGREED that

the wording of the draft resolution referred to in (b) (ii) about a loan to Electricite et Gaz d'Algerie by the Bank be changed so as to make it clear that, while the Bank was prepared to work out a loan for power development in Algeria, it was in no way committed at this stage to make such a loan;

AGREED also that

the Executive Directors be informed by the Secretary about the proposed loan.

4. The meeting adjourned at 12:35 p.m.

STAFF LOAN COMMITTEE

DECLASSIFIED
SLC/M/587

JUN 13 2014

WBG ARCHIVES

Minutes of Staff Loan Committee Meeting held Wednesday, June 29, 1955
at 10:30 a.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. L. B. Rist
Mr. J. B. Knapp
Mr. H. W. Riley

Mr. A. Broches
Mr. M. M. Rosen
Mr. S. Aldewereld
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. J. Camacho
Mr. L. Cancio
Mr. F. A. Consolo
Mr. C. H. Davies
Mr. W. L. Jago

Mr. C. G. Parker
Mr. E. W. Rembert
Mr. A. D. Spottswood
Mr. G. M. Street
Mr. A. Wenzell

2. Nicaragua

The Committee considered Memorandum SLC/O/779, "Loans to Nicaragua" and

APPROVED

the submission to the Executive Directors of the loan documents, with minor changes in the President's Report and Recommendations and in Report No. T.O. 59-a, "Thermal Power Project in Nicaragua."

3. The meeting adjourned at 11:30 a.m.

STAFF LOAN COMMITTEE

DECLASSIFIED

JUN 13 2014 SLC/M/588

Minutes of Staff Loan Committee Meeting held Wednesday, July 6, 1955 at
4:00 p.m. in Room 1005

1. Present:

Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. S. R. Cope
Mr. L. B. Rist
Mr. J. B. Knapp

Mr. S. Aldewereld
Mr. B. H. Colquhoun
Mr. J. C. de Wilde
Mr. P. J. Ramm
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. W. J. Armstrong
Mr. A. Bergan
Mr. J. Camacho
Mr. R. W. Cavanaugh
Mr. R. Chaufournier
Mr. H. W. Larsen

Mr. G. S. Mason
Mr. J. C. Mehaffey
Mr. F. M. Oppenheimer
Mr. G. de la Pezuela
Mr. O. A. Schmidt

2. Peru:

The Committee considered Memorandum SLC/O/782, "Peru - Proposed Loan for a Highway Maintenance Program", and

AGREED that

- (a) minor changes should be made in the Economic Report;
- (b) the Bank should proceed with the proposed highway maintenance project;
- (c) the Bank should keep a close watch on Peru's fiscal policies; and
- (d) provided that these policies proved satisfactory, and without making any commitment in principle, the Bank might consider further lending of up to \$20 million to Peru over the next year for suitable projects.

3. The meeting adjourned at 5:00 p.m.

STAFF LOAN COMMITTEE

SLC/M/589

Minutes of Staff Loan Committee Meeting held Friday, July 8, 1955 at
11:00 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. S. R. Cope
Mr. L. B. Rist
Mr. J. B. Knapp

Mr. J. Rucinski
Mr. P. J. Ramm
Mr. E. E. Clark
Mr. A. D. Spottswood
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. A. M. Kamarck
Mr. K. Kapur
Mr. M. L. Lejeune
Mr. D. S. Mallon

Mr. F. M. Oppenheimer
Mr. C. G. Parker
Mr. P. Sabouret
Mr. G. Trancart

2. Federation of Rhodesia and Nyasaland

The Committee considered Memorandum SLC/O/776, "Report of Mission to Federation of Rhodesia and Nyasaland" and

AGREED that

minor changes should be made in the Economic Report;

APPROVED

the recommendations made in para. 16 of the Area Memorandum, subject to:

- (a) the Kariba project proving satisfactory to the Bank in its final form and there being no major change in the Federation's investment plans;
- (b) the Bank's willingness to consider lending being dependent upon the Kariba project as the basis for a loan;
- (c) the Bank not committing itself to a figure but limiting its consideration to not more than the essential need to fill the gap in the Federation's financial requirements for the Kariba project up to a limit of £30 million.

3. The meeting adjourned at 12:48 p.m.

STAFF LOAN COMMITTEE

SLC/M/590

Minutes of Staff Loan Committee Meeting held Thursday, July 14, 1955
at 3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. W. A. B. Iliff
Mr. S. R. Cope
Mr. J. B. Knapp *
Mr. J. Rucinski

Mr. S. Aldewereld
Mr. L. B. Rist
Mr. H. W. Riley
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. J. Camacho
Mr. P. F. Craig-Martin
Mr. C. H. Davies
Mr. J. Hancock

Mr. K. Kapur
Mr. O. A. Schmidt *
Mr. B. P. Spiro

* Part only.

2. Nicaragua

The Committee considered Memorandum SLC/O/783, "Nicaragua - Fomento Agricultural Development Program", and

AGREED that

- (a) the Instituto de Fomento would be appropriate as the borrower;
- (b) the special features of the loan operation proposed appeared satisfactory;
- (c) a quantitative limit should be placed on the Instituto's short term borrowing;
- (d) with reference to para. 67(c) of the Technical Report, the Government should be asked to guarantee that sufficient funds would be available for the Instituto's non-banking activities;
- (e) Mr. Iliff would confirm with Mr. Black that this type of lending to a government agency, which might at some stage be financing industrial as well as agricultural projects, would not conflict with the Bank's policy;
- (f) minor amendments should be made in the Technical Report.

3. The meeting adjourned at 4:05 p.m.

STAFF LOAN COMMITTEE

SLC/M/591

Minutes of Staff Loan Committee Meeting held Monday, July 18, 1955
at 3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. W. A. B. Iliff
Mr. S. R. Cope
Mr. J. B. Knapp *
Mr. J. Rucinski
Mr. S. Aldewereld

Mr. L. B. Rist
Mr. H. W. Riley *
Mr. F. M. Oppenheimer
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. W. L. Bennett
Mr. J. Fajans
Mr. K. Kapur

Mr. H. W. Larsen
Mr. A. M. Saitzoff
Mr. A. Stevenson

* Part only.

2. Belgium - Ruanda-Urundi

The Committee considered Memorandum SLC/O/785, "Lending to Ruanda-Urundi", and

CONCURRING

generally with the Memorandum,

AGREED

that Mr. Basyn should be informed that

- (a) the Bank knew very little about Ruanda-Urundi or whether there was a suitable basis for Bank financing to aid in its development;
- (b) if the Bank were requested to send someone to study the economic conditions and development prospects of the country and loan possibilities, without making any prior commitment of any kind, the Bank would be willing to do so.

3. The meeting adjourned at 3:35 p.m.

STAFF LOAN COMMITTEE

SLC/M/592

Minutes of Staff Loan Committee Meeting held Wednesday, July 20, 1955
at 3:00 p.m. in Room 1005

DECLASSIFIED

1. Present:

JUN 13 2014

Mr. W. A. B. Iliff
Mr. D. Sommers *
Mr. S. R. Cope
Mr. J. B. Knapp *
Mr. J. Rucinski

Mr. S. Aldewerald
Mr. L. B. Rist *
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. J. Camacho
Mr. P. F. Craig-Martin
Mr. C. H. Davies
Mr. C. de Beaufort *

Mr. H. W. Larsen
Miss V. Morsey
Mr. G. de la Pezuela
Mr. G. M. Street

* Part only.

2. Costa Rica

The Committee considered Memorandum SLC/O/787, "Loan to Costa Rica",
and,

while CONCURRING generally with the Memorandum,

AGREED that

- (i) in order to avoid including a condition which might appear to give the U.K. preferential treatment over France, the requirement that the sterling debt settlement should be ratified by Congress before presenting the loan to the Executive Directors should be omitted;
- (ii) Mr. Hoppenot should be informed now of the Bank's position on these settlements;

NOTED that

- (iii) the bulk of the part of the loan allocated to industry would be used in projects related to agriculture; and
- (iv) all industrial credits under the loan would be subject to ex post facto review by the Bank, and projects involving more than \$50,000 of loan funds would be presented to the Bank for prior approval.

3. The meeting adjourned at 5:25 p.m.

STAFF LOAN COMMITTEE

SLC/M/593

Minutes of Staff Loan Committee Meeting held Monday, July 25, 1955
at 3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. W. A. B. Iliff
Mr. D. Sommers *
Mr. S. R. Cope
Mr. J. B. Knapp *
Mr. J. Rucinski

Mr. S. Aldewereld
Mr. L. B. Rist
Mr. R. H. Demuth
Mr. P. J. Ramm
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. S. J. Akerman
Mr. W. L. Bennett
Mr. C. Finne
Mr. B. B. King

Miss V. Morsey
Mr. G. de la Pezuela
Mr. E. W. Rembert
Mr. M. M. Verheyen

* Part only.

2. Finland

The Committee considered Memorandum SLC/O/788, "Finland - Supplementary Loan" dated July 15, 1955; and

AGREED

with the recommendations made.

3. The meeting adjourned at 4:05 p.m.

STAFF LOAN COMMITTEE

SLC/M/594

Minutes of Staff Loan Committee Meeting held Tuesday, July 26, 1955
at 10:00 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. W. A. B. Iliff 1/ 2*/
Mr. D. Sommers 1/ 2*/
Mr. S. R. Cope 1/ 2*/
Mr. J. B. Knapp 1/ 2*/
Mr. J. Rucinski

Mr. S. Aldewereld 1/ 2*/
Mr. L. B. Rist
Mr. R. H. Demuth 1/ 2*/
Mr. G. M. Street
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. M. Bryce 1/
Mr. L. Cancio 1/
Mr. R. H. Dorr 2/
Mr. C. Flesher 1/

Mr. O. H. Folk 1/
Mr. G. de la Pezuela
Mr. H. Pollan 2/
Mr. E. Symonds

1/ Pakistan only.
2/ Indonesia only.

* Part only of starred item.

2. Pakistan - Paper Mill

The Committee considered Memorandum SLC/O/789, "Pakistan - Proposed Loan to Karnaphuli Paper Mills Limited"; and

AGREED generally that

- (a) the Report and Recommendations of the President to the Executive Directors on proposed loans should touch on all the major policy questions involved in the proposed loans;
- (b) as far as possible the Report and Recommendations of the President should follow a standard form insofar as points to be included are concerned and the Area Department preparing the next Report and Recommendations of the President should draw it up with this in mind so that it might be used as a future model in this respect, after approval by the Staff Loan Committee;
- (c) in future cases, but not including this loan to Pakistan, the language used in the section on "Prospects of Fulfillment of Obligations" should read, "In my opinion, the Borrower (and the Guarantor) would be able to meet its (their) obligations.";
- (d) the Director of the Department of Technical Operations should prepare a paper, for consideration by the Committee, on the merits of various types of protective financial covenants and, in particular, compare the relative merits of debt/equity ratios and earnings ratios for the purpose of protection of the Bank's investments; and

APPROVED

the distribution of the loan documents to the Executive Directors and presentation of the loan to the Executive Directors at a special meeting to be called for August 4, subject to:

(e) inclusion in the Report and Recommendations of the President of:

- (i) a paragraph to the effect that the proposed loan is justified; it was unusual for the Bank to make a loan which would be used entirely to reimburse a borrower for expenditures already incurred; the loan had been delayed by extraneous matters, and in the light of the circumstances, the loan would be used by the Company to repay Government advances of foreign exchange for payments already made;
- (ii) a brief history of the construction of the project;
- (iii) a statement that the management and operation are satisfactory and that after an appropriate starting period there were reasonable prospects that the project would be competitive and could operate at a profit even in the absence of tariff protection;

(f) other minor amendments.

3. Indonesia

The Committee heard an oral report by Mr. Dorr on the recent mission to Indonesia.

4. The meeting adjourned at 12:40 p.m.

STAFF LOAN COMMITTEE

SLC/M/594 A

Minutes of Staff Loan Committee Meeting held Monday, August 1, 1955
at 10:00 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. W. A. B. Iliff
Mr. S. R. Cope
Mr. J. B. Knapp
Mr. S. Aldewereld
Mr. L. B. Rist

Mr. R. H. Demuth
Mr. L. Nurick
Mr. P. J. Ramm
Mr. O. H. Folk
Mr. H. G. M. Woolley, Secretary

In attendance:

Mr. W. L. Bennett
Mr. M. Bryce
Mr. L. Cancio
Mr. C. Flesher

Mr. W. Hill
Mr. K. Kapur
Mr. A. Kruithof
Mr. H. E. Tolley

2. Pakistan

The Committee considered the proposed loan to the Karnaphuli Paper Mills Limited in the light of Pakistan's recent currency devaluation; and

AGREED that

- (a) a supplement to the Economic Report, revising the financial outlook of Pakistan, should be prepared for distribution to the Executive Directors;
- (b) Mr. Faruque should be consulted on the effect of the devaluation on the Company's balance sheet, and any necessary amendments made in the Bank's appraisal of the financial outlook for the Company in the Technical Report;
- (c) the Executive Director for Pakistan should be informed that because of this development it might not be possible to present the loan to the Executive Directors on August 4.

3. The meeting adjourned at 10:30 a.m.

STAFF LOAN COMMITTEE

SLC/M/595

Minutes of Staff Loan Committee Meeting held Monday, August 1, 1955
at 3:00 p.m. and continued on August 3, 1955 at 3:00 p.m. in Room 1005

1. Present:

Mr. E. R. Black 2/
Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. S. R. Cope
Mr. J. B. Knapp
Mr. J. Rucinski 2/

Mr. S. Aldewereld
Mr. L. B. Rist 1/
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. G. M. Alter 2/
Mr. H. G. A. Woolley, Secretary 1/
Mr. K. Kapur, Acting Secretary 2/

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JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. P. Acheson 2/
Mr. L. H. Bengston 2/
Mr. W. L. Bennett
Mr. C. Finne 1/
Mr. W. Hill
Mr. P. A. Kanter 1/

Mr. L. G. Marshall 1/
Mr. G. Pezuela 1/
Mr. R. F. Quandt
Mr. G. M. Street
Mr. A. Wenzell 1

1/ First session only.

2/ Second session only.

2. Brazil

The Committee considered Memorandum SLC/O/792, "Brazil - Rio Grande do Sul Electrification Project" and

AGREED that:

- (a) The report W.H. 43 "Appraisal of the Present State of Execution of the Electrification Program of the State of Rio Grande do Sul in Brazil" be revised, in particular to avoid giving any impression that it was designed as a personal attack on the present Director General.
- (b) The letters of transmittal to the State and Federal Authorities should offer the services of the Bank, if requested, in working out a specific program of remedial action.

3. The meeting adjourned at 4:30 p.m. on August 1, reconvened at 3:00 p.m. on Wednesday, August 3 and adjourned at 3:45 p.m.

STAFF LOAN COMMITTEE

SLC/M/596

Minutes of Staff Loan Committee Meeting held Friday, August 12, 1955 at
3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. S. R. Cope
Mr. J. Rucinski

Mr. S. Aldewereld
Mr. H. W. Riley
Mr. G. M. Alter
Mr. H. G. A. Woolley, Secretary

In Attendance:

Mr. W. L. Bennett *
Mr. J. H. Collier
Mr. W. Hill
Mr. K. Kapur
Mr. F. M. Oppenheimer 1/

Mr. M. Piccagli 1/
Mr. A. Stevenson 1/
Mr. V. Umbricht
Mr. J. H. Williams 1/

1/ Algeria only.

* Part only.

2. Algeria

The Committee considered Memorandum SLC/O/795 "Proposed Loan to Electricite et Gaz d'Algerie for Power Development in Algeria"

and

APPROVED

the distribution of the loan documents to the Executive Directors subject to:

- (a) modification of para 23 of the President's Report and Recommendations to indicate that while the prospects for the near future are satisfactory, the present financial situation leaves something to be desired;
- (b) other minor changes.

3. Austria

The Committee considered Memorandum SLC/O/796 "Austria" and

AGREED

- (a) with the recommendations made and that the mission should be of an exploratory nature;

NOTED that

- (b) Mr. Umbricht would head the mission;

AGREED that

- (c) the problems should be discussed with U.S. authorities and U.S. policy on economic aid to Austria ascertained as far as possible before the mission left;
- (d) in any discussions with the Government, the Government should be informed that
 - (i) while it might be difficult for Austria to obtain the amount of private investment needed for its reconstruction program, the economy would be hampered if the Government continued and/or instituted national ownership and control of industry instead of taking advantage of the availability of private capital and experience to the fullest possible extent;
 - (ii) in cases in which private capital were not immediately available, any measures instituted should be as flexible as possible with a view to transfer of the enterprise to private control and operation at the earliest possible date;

NOTED that

- (e) Messrs. Garner and Cope after their forthcoming visit to Austria would inform Mr. Umbricht of their preliminary impressions of the situation.

4. The meeting adjourned at 4:25 p.m.

STAFF LOAN COMMITTEE

DECLASSIFIED

JUN 13 2014
SLC/M/597

WBG ARCHIVES

Minutes of Staff Loan Committee Meeting held on Friday, August 12, 1955
at 11:00 a.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers *
Mr. S. R. Cope
Mr. J. B. Knapp
Mr. J. Rucinski

Mr. S. Aldewereld
Mr. H. W. Riley
Mr. A. Broches
Mr. G. M. Alter
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. W. L. Bennett
Mr. F. G. Bochenski
Mr. V. Bolis
Mr. L. Cancio
Mr. G. R. Delaune
Mr. J. C. de Wilde

Mr. W. Hill
Mr. P. A. Kanters
Mr. G. Peguela
Mr. P. A. Reid
Mr. A. D. Spottswood

* Part only.

2. Lebanon

The Committee considered Memorandum SLC/O/793 "Lebanon - Litani River Multipurpose Project", dated August 10, and

AGREED that

confirmation should be obtained from the borrower of the Bank's understanding of the apportionment of the costs of the project to power and irrigation respectively, to form part of the record, and

APPROVED

the recommendations made subject to minor changes in the loan documents.

3. The meeting adjourned at 12:10 p.m.

Min.
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JUN 13 2014

SLC/4/598
WBG/AR/IVES

STAFF LOAN COMMITTEE

Minutes of Staff Loan Committee Meeting held Tuesday, August 16, 1955 at 3:00 p.m. and continued on Tuesday, August 23, 1955 at 3:00 p.m. in Room 1005

1. Present:

Mr. R. L. Garner 1/
Mr. W. A. B. Iliff 1*/
Mr. D. Sommers
Mr. S. R. Cope 1/ 2*/
Mr. J. B. Knapp
Mr. J. Rucinski 1/ 2*/

Mr. S. Aldewereld
Mr. H. W. Riley
Mr. B. H. Colquhoun 2/
Mr. G. M. Alter
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. N. Bass
Mr. L. H. Bengston 2/
Mr. W. L. Bennett 1/ 2*/
Mr. A. K. Cairncross 1* 2/
Mr. E. E. Eide Vries
Mr. J. C. de Wilde 1/
Mr. W. Diamond 1* 2/
Mr. A. Griffin 2/
Mr. G. Hathaway 2/
Mr. W. Hill

Mr. K. Kapur
Mr. M. M. Mendels 1*/
Mr. A. L. Moffat
Mr. M. M. Rosen
Mr. A. D. Spottswood 2/
Mr. G. M. Street 1*/
Mr. V. Umbricht
Mr. C. W. Wang 2/
Mr. A. Wenzell 2/

* Part of starred session.

1/ First session only.
2/ Second session only.

2. Egypt

The Committee considered Memorandum SLC/O/797, "Economic Report on Egypt" and Report No. T.O. 94, "The Sadd El-Aali Project Report, Egypt" and, while agreeing generally with these reports subject to minor changes and appropriate revision if used outside the Bank, deferred any decision on action to be taken with Egypt on the proposed project.

3. The meeting adjourned at 5:20 p.m. on August 16, reconvened at 3:00 p.m. on August 23 and adjourned at 5:05 p.m.

STAFF LOAN COMMITTEE

SLC/M/599

Minutes of Staff Loan Committee Meeting held Friday, September 2, 1955
at 10:00 a.m. aboard Queen Elizabeth

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. Eugene R. Black
Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. S. R. Cope

Mr. J. Rucinski
Mr. S. Aldewereld
Mr. L. B. Rist
Mr. H. W. Riley
Mr. R. H. Demuth

In attendance:

Mr. O. H. Calika
Mr. E. Lopez-Herrarte
Mr. M. M. Mendels

Mr. M. M. Rosen
Mr. L. Nurick

2. South Africa

The Committee considered Memorandum SLC/O/801, "Further Lending to South Africa", dated August 30, 1955, and

AGREED

with the conclusions in the Memorandum; and

DECIDED

- (a) that the possibility of South Africa borrowing in the London market be explored by the Area Director en route to Istanbul;
- (b) that 18% sterling would be requested for any loan that the Bank might make to South Africa;
- (c) that the possibility be explored with Dillon, Read & Co., of working out a standby arrangement by the Bank for a part of a public issue to be made at the same time as a Bank loan;
- (d) that further discussions would be held in Istanbul with the South African representatives and with Dillon, Read & Co.;
- (e) that arrangements would be made for a Bank mission to be sent to South Africa in September at about the same date as the Dillon, Read representatives.

3. The meeting adjourned at 11:15 a.m.

STAFF LOAN COMMITTEE

SLC/M/600

Minutes of Staff Loan Committee Meeting held Thursday, October 13, 1955
at 10:00 a.m. in Room 1005

DECLASSIFIED

1. Present:

JUN 13 2014

WBG ARCHIVES

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers *
Mr. J. B. Knapp *
Mr. J. Rucinski
Mr. L. B. Rist

Mr. R. H. Demuth
Mr. V. Umbricht
Mr. M. M. Rosen
Mr. P. J. Ramm
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. A. Broches *
Mr. N. Chakravarti
Mr. R. H. Dorr
Mr. D. W. Jeffries
Mr. K. Kapur
Mr. S. Lipkowitz

Mr. O. J. McDiarmid
Mr. M. M. Mendels *
Mr. R. B. J. Richards
Mr. G. M. Street
Mr. G. R. Young

* Part of meeting only.

2. Japan

The Committee considered Memorandum SLC/O/803, "Japan - Proposed Loan to the Japan Development Bank for Yawata Steel Project" dated October 5, 1955, and

APPROVED

the presentation of the proposed loan to the Executive Directors at their next regular meeting on October 25, subject to:

- (a) the following changes in the draft Report and Recommendations of the President:
 - (i) paras. 6 and 28 to be combined;
 - (ii) the section on the economic situation to be reduced to two or three paragraphs with references to the detailed economic report where necessary;
 - (iii) redrafting of para. 27 on the prospects of fulfillment of obligations;
- (b) other minor changes in the supporting loan documents.

AGREED that

- (a) in the presentation of the proposed loan reference should be made to other projects under consideration by the Bank;
- (b) the rate of interest should be $4\frac{5}{8}\%$ per annum, including the statutory commission of 1%;
- (c) copies of the side letter outlining the measures to be taken by Yawata to implement its obligations under Section 2.3(b) of the Project Agreement should not be included in the supporting documents distributed to the Executive Directors.

3. The meeting adjourned at 11:55 a.m.

STAFF LOAN COMMITTEE

SLC/M/601

Minutes of Staff Loan Committee Meeting held Friday, October 28, 1955
at 4:00 p.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. S. R. Cope
Mr. J. Rucinski
Mr. L. B. Rist

Mr. H. W. Riley
Mr. R. H. Demuth
Mr. A. Broches
Mr. H. W. Larsen
Mr. M. M. Rosen
Mr. K. Kapur, Secretary

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. O. H. Calika
Mr. A. M. Kamarck
Mr. J. C. Mehaffey
Mr. J. D. Miller

Mr. L. Nurick
Mr. G. M. Street
Mr. E. Symonds
Mr. A. Wubnig

2. Union of South Africa

The Committee considered Memorandum SLC/O/806 "South Africa - Proposed Loan", dated October 19, 1955, and

APPROVED

the findings of the Mission;

AGREED with

- (a) the recommendation in para. 3 (a) of the Area Memorandum, subject to leaving open the questions of: (i) interest rate; (ii) redemption premium; (iii) amortization schedule; and (iv) denomination of loan;
- (b) the recommendation (ii) in para. 28 (b) of the Operational Memorandum;

also AGREED that

- (c) adequate assurances be obtained from the Government that in the system of rating the Administration would continue to follow the main principles of the Newton Committee Report; and

RECOMMENDED that

- (d) in case the U.K. Government agreed to the release of 18% the proposed loan be denominated in pounds sterling.

3. The meeting adjourned at 5:25 p.m.

STAFF LOAN COMMITTEE

SLC/M/602

Minutes of Staff Loan Committee Meeting held Thursday, November 10, 1955
at 3:30 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. W. A. B. Iliff
Mr. S. R. Cope
Mr. J. B. Knapp *
Mr. S. Aldewereld
Mr. L. B. Rist
Mr. H. W. Riley *

Mr. R. H. Demuth
Mr. B. H. Colquhoun
Mr. A. Broches
Mr. J. C. de Wilde
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. C. Allardice
Mr. A. M. Kamarck
Mr. M. L. Lejeune
Mr. M. Piccagli
Mr. R. B. J. Richards

Mr. E. Symonds
Mr. G. W. Trancart
Mr. M. M. Verheyen
Mr. G. R. Young

2. Iceland

The Committee considered Memorandum SLC/O/807, "Iceland - Mission Request" and

AGREED

with the recommendations made.

3. Federation of Rhodesia and Nyasaland

The Committee considered Memorandum SLC/O/809, "Kariba Project", and
NOTING

the present status of the project,

AGREED that

the principal objectives of the Bank representatives in the discussions to be held in London should be those outlined in para. 17 of the Technical Operations Memorandum dated November 7, attached to Memorandum SLC/O/809;

AGREED further that

- (a) the U.K. should be informed in the discussions that the Bank would expect the U.K. to agree to afford the Federation access to the London market to cover any gap in the financing of the project, including any shortage due to error in the estimates of the cost of the project;
- (b) the problems of (i) resettlement; and (ii) fulfillment of labor requirements; for the project should also be discussed;

* Part of meeting only.

(c) Mr. Iliff would discuss with Mr. Black whether the Bank should require that the CDFC loan should be for the same term as the proposed loan from the Bank.

4. The meeting adjourned at 5:07 p.m.

STAFF LOAN COMMITTEE

SLC/M/603

Minutes of Staff Loan Committee Meeting held Friday, November 18, 1955 at
11:00 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. D. Sommers
Mr. S. R. Cope *
Mr. J. B. Knapp
Mr. J. Rucinski
Mr. L. B. Rist

Mr. H. W. Riley
Mr. R. H. Demuth
Mr. B. H. Colquhoun
Mr. M. M. Rosen
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. A. Broches *
Mr. L. G. Butcher
Mr. C. de Beaufort
Mr. J. C. de Wilde
Mr. C. G. Goor

Mr. A. M. Kamarek
Mr. H. W. Larsen
Mr. P. J. Ramm
Mr. E. Symonds
Mr. G. R. Young

* Part of meeting only.

2. Exchange of Information on Medium Term Credits

The Committee considered various issues arising in connection with the exchange of information on medium term credits; and

NOTING

the Bank's particular interest in obtaining as much data as possible on contractual obligations entailing future external payments;

AGREED that

(a) a paper defining:

- (i) what was covered in the two reports already prepared;
 - (ii) what the Bank would like to have covered in future reports, on as broad a field as possible on a realistic basis; and
 - (iii) the types of transactions that would still not be included;
- should be prepared by the Economic Staff and distributed to the Committee;

(b) a meeting of the Committee should then be held to give further consideration to this subject;

(c) subsequently endeavors should be made with the participating countries to obtain their agreement to broadening the coverage as far as possible.

3. The meeting adjourned at 12:25 p.m.

STAFF LOAN COMMITTEE

DECLASSIFIED 8/14/604

Minutes of Staff Loan Committee Meeting held Wednesday, November 22, 1955
at 11:00 a.m. in Room 1005

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff *
Mr. S. R. Cope
Mr. J. Rucinski *
Mr. L. B. Rist
Mr. H. W. Riley

Mr. R. H. Demuth
Mr. A. Broches
Mr. O. A. Schmidt
Mr. M. Rosen
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. N. Chakravarti
Mr. D. W. Jeffries
Mr. S. Lipkowitz
Mr. O. J. McDiarmid
Miss V. Morsey

Mr. W. S. Patten
Mr. G. M. Street *
Mr. E. Symonds
Mr. G. R. Young *

* Part only.

2. Japan

The Committee considered Memorandum SLC/O/810, "Japan - Loan Negotiations concerning Various Industrial Projects",

NOTED that

the Nippon Electric Company had withdrawn its application for a loan, and

APPROVED

the recommendations made in para. 29 of the Memorandum.

3. The Committee also

APPROVED

the waiving of the pledge to the Bank by the Japan Development Bank of the general mortgage note to be received by it from the Yawata Steel Company under the terms of the Loan Agreement for the Yawata Steel Project.

4. The meeting adjourned at 11:45 a.m.

STAFF LOAN COMMITTEE

SLC/M/605

Minutes of Staff Loan Committee Meeting held Friday, November 25, 1955
at 11:00 a.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. S. R. Cope
Mr. J. B. Knapp
Mr. J. Rucinski
Mr. A. Broches

Mr. M. Rosen
Mr. G. Alter *
Mr. P. G. Ramm
Mr. P. H. French
Mr. H. G. A. Woolley, Secretary

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. J. Camacho
Mr. L. Cancio
Mr. R. W. Cavanaugh
Mr. C. Elias
Mr. E. Franco-Holguin

Mr. J. H. Haralz
Mr. J. C. Mehaffey
Mr. E. Symonds
Mr. H. Van Helden

* Part only.

2. Honduras

The Committee considered Memorandum SLC/O/811, "Honduras - Proposed Loan for Highway Maintenance"; and

AGREED that

- (a) on the basis of the present prospects the Bank, without committing itself in any way, might consider making loans to Honduras up to a total of \$30 million during the next two years, provided that suitable projects and the necessary local currency are available;
- (b) while highway maintenance and development should be given priority in Honduras, starting with the proposed highway maintenance program, it is desirable that the Bank's investment in Honduras be diversified and that probably not more than two-thirds of the tentative total of \$30 million should be considered for investment in highways;
- (c) the terms and conditions indicated for the proposed loan of \$4.3 million for the highway maintenance program are suitable.

3. The meeting adjourned at 12:45 a.m.

STAFF LOAN COMMITTEE

SLC/M/606

Minutes of Staff Loan Committee Meeting held Tuesday, December 6, 1955
at 3:00 p.m. in Room 1005

DECLASSIFIED

1. Present:

Mr. W. A. B. Iliff
Mr. S. R. Cope
Mr. J. B. Knapp *
Mr. L. B. Rist
Mr. H. W. Riley

Mr. R. H. Demuth
Mr. A. Broches
Mr. M. M. Rosen *
Mr. H. G. A. Woolley, Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. L. G. Butcher
Mr. C. de Beaufort
Mr. J. C. de Wilde
Mr. C. G. Goor

Mr. H. W. Larsen
Mr. P. J. Ramm
Mr. E. Symonds

* Part of meeting only.

2. Medium Term International Indebtedness

The Committee considered Memorandum SLC/O/812, "Medium-Term International Indebtedness - Operation of the Plan for the Exchange of Information" and

AGREED that

- (a) the object of the exchange of this information was to aid in the prevention of improvidence on the part of both borrowers and lenders;
 - (b) the Economic Staff should continue to work towards the improvement of the project with this objective in mind;
 - (c) while it might be possible to make a number of improvements as defects became apparent through experience, because of various limitations it was unlikely that in the early stages the Bank's consolidated reports would present a full picture, and the value of the reports would lie more in indicating trends (and thereby raising warning signals in appropriate cases) than in providing definitely comprehensive figures.
3. The meeting adjourned at 3:50 p.m.

STAFF LOAN COMMITTEE

DECLASSIFIED

SLC/M/607
JUN 13 2014

Minutes of Staff Loan Committee Meeting held Wednesday, December 14, 1955
at 3:00 p.m. in Room 1005

1. Present:

Mr. W. A. B. Iliff
Mr. S. R. Cope
Mr. J. B. Knapp
Mr. S. Aldewereld
Mr. L. B. Rist

Mr. H. W. Riley
Mr. R. H. Demuth *
Mr. B. H. Colquhoun
Mr. A. Broches
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. C. Finne
Mr. B. B. King
Miss V. Morsey
Mr. R. M. Noone

Mr. N. J. Paterson
Mr. E. Symonds
Mr. M. F. Verheyen
Mr. G. R. Young

* Part of Meeting only.

2. Finland

The Committee considered Memorandum SLC/O/813, "Finland - Proposed New Borrower"; and

AGREED that

no conclusion could be reached until further discussions had taken place with Mr. von Fieandt;

APPROVED that

the discussions with Mr. von Fieandt should be continued, starting with discussion (along the lines suggested in the Memorandum) of his proposal to create a Mortgage Bank; and

NOTING

the desirability of the close association of the Bank of Finland with the Bank's loans in the administration of the projects, for the fulfillment of financial provisions, etc.,

AGREED also that

the Bank's negotiators should not too easily discard the possibility of a more direct method of lending, e.g. to the Government direct, instead of the creation of the Mortgage Bank as the intermediary borrower.

3. The meeting adjourned at 3:40 p.m.

STAFF LOAN COMMITTEE

DECLASSIFIED

JUN 13 2014
SLC/M/608

WBG ARCHIVES

Minutes of Staff Loan Committee Meeting held Tuesday, December 27, 1955
at 3:00 p.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff *
Mr. J. B. Knapp *
Mr. J. Rucinski
Mr. D. Sommers *
Mr. S. Aldewereld

Mr. L. B. Rist
Mr. H. W. Riley
Mr. R. H. Demuth *
Mr. V. Umbricht
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. A. Broches *
Mr. J. H. Collier
Mr. E. de Vries
Mr. M. M. Mendels *
Mr. F. M. Oppenheimer

Mr. A. D. Spottswood *
Mr. G. M. Street
Mr. E. Symonds
Mr. B. Walstedt
Mr. G. R. Young *

* Part of meeting only.

2. Austria

The Committee considered Memorandum SLC/O/815, "Austria - Report of the Mission" and

AGREED that

- (a) the Government should be informed that while the Bank was prepared to consider its participation in the financing of the Austrian power program now because of the urgency of that program, the Bank considered that:
 - (i) the present status of the industrial enterprises, formerly controlled by the Soviet Union, presented serious problems as regards financial structure, administration and management, future ownership, etc.;
 - (ii) if these problems were not satisfactorily solved, they would have a harmful effect on the Austrian economy;
 - (iii) the measures taken to solve these problems and the general trend of Government policy vis-a-vis the private enterprise sector would have a bearing on the Bank's future relations with Austria;
 - (iv) in view of these uncertainties, the Bank should postpone consideration of a loan to the ex-USIA sector;
 - (v) as regards the possible power loan, special attention should be paid to the desirability of increasing power rates;

- (b) the Area Department should prepare for consideration by the Management a draft communication to the Government along these lines, including details of the problems involved and the Bank's views concerning them;
- (c) in view of the decision in para. (a) (iv), no position need be taken at this stage on the issues in clauses (i) and (ii) of the Area Memorandum;
- (d) the point raised in clause (iii) of the Area Memorandum would not be an obstacle to a possible loan for a power project.

3. The meeting adjourned at 5:15 p.m.

STAFF LOAN COMMITTEE

SLC/M/609-A

Minutes of Staff Loan Committee Meeting held Friday, December 23, 1955
at 10:00 a.m. in Room 1005

1. Present:

DECLASSIFIED

Mr. R. L. Garner
Mr. W. A. B. Iliff *
Mr. J. Rucinski
Mr. S. Aldewereld
Mr. R. H. Demuth
Mr. A. Broches

Mr. V. Umbricht
Mr. O. A. Schmidt
Mr. G. M. Adler
Mr. P. J. Ramm
Mr. H. G. A. Woolley, Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. F. G. Bochenki
Mr. V. E. Bolis
Mr. B. Chadenet
Mr. J. C. de Wilde
Mr. D. Fontein
Mr. J. F. Main
Mr. M. M. Mendels

Mr. E. W. Rembert
Mr. M. M. Rosen
Mr. E. Symonds
Mr. H. van Helden
Mr. A. Wubnig
Mr. G. R. Young

* Part of meeting only.

2. Syria

The Committee considered Memorandum SLC/O/818, "Syria - Loan Negotiations" and

- (a) NOTING that it was a fundamental condition and standard procedure in loans of these types made by the Bank that the consultants employed should be mutually satisfactory to the Bank and to the Borrower,

AGREED

that the Bank should not waive this condition;

- (b) AGREED

that if the Borrower selected the contractors to be employed without prior clearance of the Bank, the Bank should have the right:

- (i) not to disburse on a contract awarded on a basis unsatisfactory to the Bank; and
(ii) if the award of contract on such a basis would seriously impair the carrying out of the project, to invoke the general clause of Article 5.01(a);

- (c) APPROVED

- (i) the recommendations in paras. 12(a) and 14;
(ii) that the Government be informed of these decisions and that the loan documents be sent to the Government now for review;

(iii) that, in order to allow time for a final examination of the documents and the drafting of a suitable side letter about the employment of contractors, the Government be informed that there had not been sufficient time for all the members of the Committee to read the documents and that final drafts would be sent to them by the end of the week commencing December 25.

3. The meeting adjourned at 11:45 a.m.

STAFF LOAN COMMITTEE

SLC/M/609-B

Minutes of Staff Loan Committee Meeting held Friday, December 23, 1955
at 3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff *
Mr. J. B. Knapp
Mr. J. Rucinski
Mr. S. Aldewereld
Mr. H. W. Riley

Mr. R. H. Demuth
Mr. A. Broches
Mr. V. Umbricht
Mr. G. M. Alter
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. J. Connors
Mr. R. H. Dorr
Mr. E. de Vries
Mr. J. C. de Wilde
Mr. J. Hancock
Mr. L. Kephart

Mr. M. M. Mendels
Mr. P. A. Reid
Mr. R. B. J. Richards
Mr. G. M. Street
Mr. E. Symonds
Mr. G. R. Young

* Part of Meeting only.

2. Japan

The Committee considered Memorandum SLC/O/816, "Japan - Mechanical Land Reclamation Project", and

NOTING

the number of agencies involved in the project,

AGREED that the Bank should

- (a) obtain appropriate undertakings from the Government that:
 - (i) any additional funds necessary for completion of the project would be made available to the Borrower on reasonable terms;
 - (ii) the project would be executed satisfactorily;
- (b) accept the possibility of legal difficulties and the delay that might arise in obtaining these assurances;
- (c) inform the Government that there were certain legal, administrative and technical points which had to be settled before the proposed loan could be negotiated and ask the Government to send representatives to the Bank to discuss these points early in January 1956.

3. The meeting adjourned at 4:10 p.m.