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THE WORLD BANK

Washington, D.C.

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Loan Committee - Minutes - 1954

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1954



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Loan Committee - Minutes - 1954

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STAFF LOAN COMMITTEE

SLC/M/485

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Tuesday, January 5, 1954 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. D. Sommers

Mr. H. W. Riley
Mr. O. A. Schmidt
Mr. G. M. Alter
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. S. Aldewereld
Mr. E. E. Clark
Mr. J. Connors
Mr. J. C. de Wilde
Mr. O. H. Folk
Mr. H. N. Graves
Mr. W. L. Jago

Mr. L. G. Marshall
Mr. J. C. Mehaffey
Mr. M. M. Mendels
Miss V. Morsey
Mr. H. Prud'homme
Mr. J. Rucinski
Mr. A. Saitzoff

2. Pakistan

The Committee heard oral reports by Messrs. Folk, Saitzoff and Connors on their return from Pakistan.

3. The meeting adjourned at 12:57 p.m.

STAFF LOAN COMMITTEE

SLC/M/486

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of SLC Meeting held Monday, January 11, 1954 at 10:30 a.m. in Room 1005

DECLASSIFIED

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff*
Mr. F-D Gregh
Mr. A. S. G. Hoar
Mr. M. C. Cross *
Mr. D. Sommers *

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

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. S. Aldewereld
Mr. H. Bachem *
Mr. E. E. Clark *
Mr. J. H. Collier *
Mr. A. M. Kamarck *
Mr. B. B. King *
Mr. M. L. Lejeune *
Mr. P. Liefertinck *

Mr. M. M. Mendels *
Mr. F. M. Oppenheimer *
Mr. M. M. Rosen *
Mr. E. Symonds *
Mr. K. Varvaressos *
Mr. M. F. Verheyen *
Mr. B. Walstedt *
Mr. S. P. Wheelock *

* For part of meeting only.

2. Federation of Rhodesia and Nyasaland

The Committee considered Memorandum SLC/O/641, "The Federation of Rhodesia and Nyasaland" and

AGREED

- (a) generally with this Memorandum, subject to the second para. of Annex A being redrafted to be less specific and to avoid mention of any definite amounts;
- (b) that while the exceptional circumstances in this particular case appear to bring it under Article IV, Section 3(b) of the Articles of Agreement
 - (i) the Bank did not intend to define at this stage the exceptional circumstances that would be acceptable generally in future; and
 - (ii) the Executive Director for the United Kingdom should be informed of the Bank's reservations in this connection.

3. Greece - Yugoslavia

The Committee also heard the first part of an oral report by Mr. Rosen on the recent mission to Greece.

The Committee recessed at 1:00 p.m. and reconvened at 9:45 a.m. on January 12 and heard the completion of Mr. Rosen's oral report on Greece and his oral report on the recent mission to Yugoslavia.

4. The meeting adjourned at 10:55 a.m.

STAFF LOAN COMMITTEE

SLC/M/487

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Friday, January 8, 1954 at 10:30 a.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. F-D Gregh
Mr. A. S. G. Hoar
Mr. M. C. Cross

Mr. D. Sommers
Mr. L. B. Rist
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. H. G. A. Woolley, Secretary

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JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. J. Akerman
Mr. S. Aldewereld
Mr. L. Baranyai
Mr. R. Brion
Mr. C. de Beaufort
Mr. E. de Vries

Mr. H. N. Graves
Mr. J. C. Mehaffey
Miss V. Morsey
Mr. N. J. Paterson
Mr. E. Symonds
Mr. A. Wubnig

2. Norway

The Committee considered Memorandum SLC/O/640, "Norway - Loan Application" and

AGREED

generally with the reports attached thereto.

The Committee also AGREED that

- (a) in exploring the possibility of linking the proposed Bank loan with Norway's shipping program, particular regard should be made to the desirability of avoiding any disturbance of the normal relations of Norwegian ship owners with their bankers;
- (b) the Bank should study further the dispute between the Norwegian Government and the French Association of Foreign Bondholders to see what steps might reasonably be taken to reach a settlement.

3. The meeting adjourned at 1:00 p.m.

Note: Subsequently, after consultation with Messrs. Hoar, Sommers and Cross, Mr. Garner decided that:

- (i) as the motive underlying the proposed loan would be the support of productive investment generally, it would be appropriate in this case to lend directly to the Kingdom of Norway;
- (ii) the linking of disbursement to ship purchases in 1954 was not a sufficient reason for the Bank to ask for the allocation of ship mortgages as additional security for the proposed loan.

STAFF LOAN COMMITTEE

SLC/M/488

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Tuesday, January 12, 1953 at 2:30 p.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. A. S. G. Hoar
Mr. F-D Gregh
Mr. M. C. Cross *

Mr. L. B. Rist
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. A. Broches
Mr. H. G. A. Woolley, Secretary

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JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. J. H. Adler
Mr. G. M. Alter
Mr. P. F. Craig-Martin
Mr. C. de Beaufort
Mr. E. de Vries

Mr. J. C. de Wilde
Mr. A. M. Kamarck
Mr. M. M. Mendels
Mr. E. Symonds

2. Nigeria

The Committee heard an oral report by Mr. Broches on the recent general survey mission to Nigeria.

3. The meeting adjourned at 4:45 p.m.

* For part of meeting only.

STAFF LOAN COMMITTEE

SLC/M/489

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Wednesday, January 13, 1954
at 2:30 p.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff *
Mr. F-D Gregh
Mr. A. S. G. Hoar *
Mr. M. C. Cross *
Mr. D. Sommers *

Mr. H. W. Riley
Mr. R. H. Demuth
Mr. O. A. Schmidt *
Mr. G. M. Alter
Mr. H. G. A. Woolley, Secretary

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JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. R. Brion
Mr. E. E. Clark
Mr. J. C. de Wilde
Mr. R. H. Dorr
Mr. D. S. Mallon
Mr. E. W. Rembert

Japan only

Mr. P. H. French
Mr. A. M. Kamarek

Ethiopia only

Mr. S. Aldewereld
Mr. P. F. Craig-Martin
Mr. E. de Vries
Mr. W. Diamond
Mr. D. J. Fontein
Mr. J. C. Mehaffey
Mr. H. Prud'homme
Mr. G. M. Street

* For part of meeting only.

2. Ethiopia

The Committee considered Memorandum SLC/O/642, "Ethiopian Loans" and

APPROVED

(a) Highways

the recommendations in para. 8;

(b) Development Bank

the recommendations in para. 9 (e);

(c) Telecommunications

that the Bank's loan be declared effective on condition that the transfer of the balance of the communications property and equipment, referred to in para. 12 of the attachment to SLC/O/642, will be effected when requested by the General Manager; and

AGREED

that the Bank would continue to endeavor to obtain improvement in the co-ordination of the three Bank-financed projects.

3. Japan

The Committee heard an oral report by Messrs. Dorr and de Wilde on their recent mission.

4. The meeting adjourned at 5:17 p.m.

STAFF LOAN COMMITTEE

SLC/M/490

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Wednesday, January 13, 1954
at 11:00 a.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. F-D Gregh
Mr. A. S. G. Hoar *
Mr. D. Sommers *

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

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JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. W. J. Armstrong
Mr. J. Camacho
Mr. R. W. Cavanaugh
Mr. E. de Vries
Mr. C. Flesher

Mr. D. Groenveld
Mr. A. M. Kamarck
Mr. G. S. Mason
Mr. F. M. Oppenheimer

* For part of meeting only.

2. Peru

The Committee considered Memorandum SLC/O/643, "Peru" and

AGREED that

- (a) the Bank's mission to Peru should proceed generally along the lines indicated therein;
- (b) Mr. Garner would discuss with Mr. Black whether any new loan agreements made with Peru should become effective before the sterling debt settlement has been ratified by the Peruvian Congress.

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

STAFF LOAN COMMITTEE

SLC/M/491

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Minutes of Staff Loan Committee Meeting held Thursday, January 21, 1954 at 11:00 a.m. in Room 1005

DECLASSIFIED1. Present:**JUN 13 2014**

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. F-D Gregh
Mr. A. S. G. Hoar
Mr. J. B. Knapp
Mr. D. Sommers

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

WBG ARCHIVESIn attendance:

Mr. P. Acheson
Mr. K. A. Bohr
Mr. E. E. Clark
Mr. S. R. Cope

Mr. M. L. Lejeune
Mr. F. M. Oppenheimer
Mr. H. B. Ripman

2. Guarantees of Loans for Projects in Dependencies

The Committee considered Memorandum SLC/O/645, "Report of Working Party on Guarantees of Loans for Projects in Dependencies" and

AGREED

with the conclusions and recommendations contained in paras. 21 and 22.

3. The meeting adjourned at 11:35 a.m.

STAFF LOAN COMMITTEE

SLC/M/492

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held ^{Tuesday} Wednesday, January 19, 1954
at 3:15 p.m. in Room 1005

DECLASSIFIED1. Present:**JUN 13 2014**

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

Mr. D. Sommers
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. G. M. Alter
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVESIn attendance:

Mr. S. Aldewereld
Mr. J. H. Collier
Mr. S. R. Cope
Mr. T. Finsaas
Mr. M. L. Lejeune

Mr. P. Liefertinck
Mr. S. Lipkowitz
Mr. D. S. Mallon
Mr. R. B. J. Richards
Mr. G. M. Street

and

Messrs. Baldwin, Morgan, Tomlinson, Ward and Wilson of Morgan Stanley & Co., and Mr. George Bradley of The First Boston Corporation

2. Australia

The Committee considered Memorandum SLC/O/646, "Australia: Proposal for a Third Loan for General Development" and

AGREED

generally with the recommendations in para. 24.

3. The meeting adjourned at 5:48 p.m.

STAFF LOAN COMMITTEE

SLC/M/493

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Monday, January 25, 1954 at 3:00 p.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. A. S. G. Hoar
Mr. L. B. Rist

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

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JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. L. G. Butcher
Mr. D. J. Fontein
Mr. J. S. Holmes
Mr. P. Liefertinck
Mr. J. C. Mehaffey

Mr. M. M. Mendels
Mr. M. M. Rosen
Mr. M. Ross
Mr. M. F. Verheyen
Mr. S. P. Wheelock

2. Turkey - Port Project

The Committee considered Memorandum SLC/O/648, "Turkey - Supplementary Port Project" and

APPROVED

the recommendations contained therein;

AGREED that

generally it was desirable that engineering work on a project should be completed before a loan was signed by the Bank; and

DECIDED that

- (a) a Working Party should be set up to be headed by Mr. Aldewereld and to include a representative of each of the Area Departments to study and report on this problem;
- (b) the Working Party should include in its study the possibility of the Bank's participation in the financing of the engineering work in cases in which the borrower did not have the necessary funds available; and
- (c) if the Working Party found that participation by the Bank in this type of financing under certain circumstances might be desirable, the Working Party should include in its report its recommendations of the procedure to be followed in making this financing available.

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

STAFF LOAN COMMITTEE

SLC/M/494

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Wednesday, February 3, 1954
at 10:00 a.m. in Room 1005

DECLASSIFIED

1. Present:

JUN 13 2014

Mr. W. A. B. Iliff
Mr. F-D Gregh
Mr. J. B. Knapp
Mr. M. C. Cross
Mr. L. B. Rist

Mr. H. W. Riley
Mr. A. M. Kamarek
Miss V. Morsey
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. J. Camacho
Mr. R. A. Chauffournier
Mr. D. H. Connor
Mr. C. de Beaufort

Mr. C. Flesher
Mr. G. Gondicas
Mr. O. A. Schmidt

2. Ecuador

The Committee considered Memorandum SLC/O/651, "Ecuador: Guayas Province Road Project" and

APPROVED

this Memorandum, subject to certain minor amendments.

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

STAFF LOAN COMMITTEE

SLC/M/495

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Friday, February 5, 1954 at 11:00 a.m. in Room 1005

1. Present:

Mr. Eugene R. Black
Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. F-D Gregh
Mr. A. S. G. Hoar

Mr. J. B. Knapp
Mr. M. C. Cross
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. H. G. A. Woolley, Secretary

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JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. P. Acheson
Mr. S. Aldewereld
Mr. G. M. Alter
Mr. L. H. Bengston
Mr. J. Camacho
Mr. D. H. Connor
Mr. C. Flesher
Mr. N. G. Jones
Mr. B. Luzzatto

Mr. R. F. Quandt
Mr. E. W. Rembert
Mr. O. A. Schmidt

For Pendray and Co.

Mr. G. Edward Pendray
Mr. Robert McDevitt
Mr. William W. Cook

2. Brazil - Piratininga Project

The Committee considered Memorandum SLC/O/650, "Brazil" and

APPROVED

this Memorandum generally, subject to

(a) consultation with the borrower, before determination of the rate of interest and the amortization schedule for this loan; and

(b) certain minor changes.

3. Paraguay

The Committee also

AGREED that

(a) the proposed major changes in the utilization of the balance of \$3.1 million of the \$5 million (Agricultural Machinery) loan of December 7, 1951; and

(b) up-to-date economic and technical reports;

should be presented to the Executive Directors before making any commitment on the proposed changes.

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

STAFF LOAN COMMITTEE

SLC/M/496

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Thursday, February 11, 1954
at 10:30 a.m.

1. Present:

Mr. R. L. Garner
Mr. F-D Gregh
Mr. J. B. Knapp
Mr. M. C. Cross
Mr. D. Sommers

Mr. L. B. Rist
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. A. M. Kamarek
Mr. H. G. A. Woolley, Secretary

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JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. G. M. Alter
Mr. H. N. Graves

Mr. H. B. Ripman
Mr. K. Varvaressos

2. Randall Commission Report

The Committee informally discussed the Report of the Commission on Economic Policy dated January 23, 1954 and Mr. Varvaressos' summary and comments on the Report, dated February 1, 1954.

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

STAFF LOAN COMMITTEE

SLC/M/497

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Tuesday, February 9, 1954 at 3 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. W. A. B. Iliff
Mr. F-D Gregh
Mr. J. B. Knapp
Mr. L. B. Rist
Mr. H. W. Riley

Mr. R. H. Demuth
Mr. M. M. Rosen
Mr. S. Aldewereld
Mr. L. Nurick
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. S. Wheelock
Mr. A. M. Kamarck
Mr. H. E. Bachem
Mr. M. Verheyen
Mr. G. L. Martin

Mr. K. Varvaressos
Mr. L. Cancio
Mr. D. Mallon
Mr. G. Ventimiglia
Mr. C. de Beaufort

2. Greece

The Committee considered a report by Mr. Ventimiglia on his recent visit to Greece about the proposal that the Bank guarantee an internal drachma bond issue by the Greek Government and

AGREED

that it was undesirable for the Bank to approve the proposal because:

(a) there were doubts in the minds of some members whether the Bank's guarantee of itself would serve to reestablish the credit of the Greek Government;

(b) if the Bank guaranteed one issue, considerable pressure might be brought on the Bank by the Greek Government to guarantee subsequent issues;

(c) the protection of bondholders against government default would put the Bank in a difficult position between a member government and its own citizens;

(d) the Bank might be placed in a position where it might have to arbitrate, in case of controversy, on the meaning of a valorization clause;

AGREED ALSO

(e) that as it was possible that the Bank might be willing to consider financing selected projects in Greece, the reply about the proposed guarantee should await the SLC's discussion on the former subject so that the answer to the two questions could be combined in reply to the Government; and

STAFF LOAN COMMITTEE SLC/M/497

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(f) that, as a general principle, the existence of a valorization clause in a bond issue presented problems which made an issue of this kind unsuitable to carry a Bank guarantee.

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

STAFF LOAN COMMITTEE

SLC/M/498

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Wednesday, February 17, 1954 at
3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

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

Mr. M. C. Cross
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. H. G. A. Woolley, Secretary

WFO ARCHIVES

In attendance:

Mr. S. Aldewereld
Mr. W. L. Bennett
Mr. R. Brion
Mr. E. W. Rembert
Mr. M. Ross
Mr. S. P. Wheelock

2. Italy

The Committee considered Memorandum SLC/O/652, "Italy - Lending Policy", dated February 11, 1954, and

AGREED

with the recommendations contained therein, and also

AGREED

that the Bank should send a mission to Italy to study the effects of the Cassa program, later in the year when more data should be available.

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

STAFF LOAN COMMITTEE

SLC/M/499

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Wednesday, February 17, 1954, at 11:00 a.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. A. S. G. Hoar
Mr. L. B. Rist
Mr. J. B. Knapp

Mr. F-D Gregh
Mr. M. C. Cross
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. S. Aldewereld
Mr. R. Brion
Mr. J. H. Collier
Mr. A. M. Kamarck
Mr. M. L. Lejeune
Mr. S. Lipkowitz
Mr. D. S. Mallon
Mr. R. B. J. Richards

DECLASSIFIED**JUN 13 2014****WBG ARCHIVES**2. Australia

The Committee considered Memorandum SLC/O/653, "Australia - Proposed Loan Documents", dated February 12, 1954, and

APPROVED

the recommendations contained therein subject to

- (a) amendment of paragraph 18 of the President's Report and paragraph 46 of the Economic Report to show that the Bank's estimate of Australia's dollar creditworthiness indicates that Australia should be able to service her dollar debt independent of the sterling area pool; and
- (b) other minor amendments.

and

AGREED

that the loan documents should not be circulated to the Executive Directors until Australia's reply to the Bank's cable about the possible sale of bonds of the borrower out of the Bank's portfolio had been received and considered.

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

STAFF LOAN COMMITTEE

SLC/M/500

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Thursday, February 18, 1954, at 3:00 p.m. in Room 1005

1. Present:

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JUN 13 2014

WBG ARCHIVES

Mr. R. L. Garner
Mr. D. Sommers
Mr. J. B. Knapp
Mr. F-D Gregh
Mr. H. W. Riley

Mr. R. H. Demuth
Mr. A. M. Kamarek
Mr. G. M. Alter
Mr. O. A. Schmidt
Mr. S. Aldewereld
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. J. Camacho
Mr. E. de Vries
Mr. J. C. Mehaffey
Miss V. Morsey
Mr. L. Kephart

Mr. N. B. Parker
Mr. G. L. Sandelin
Mr. M. F. Verheyen
Mr. A. Waterston

2. Paraguay

The Committee considered Memorandum SLC/O/654, "Paraguay - Report and Recommendations of Mission", dated February 15, 1954, and

APPROVED

the mission's recommendations, and also

AGREED

that

- (a) the Executive Directors should be informed of the program of action in a brief memorandum to be distributed in time for the meeting of the Executive Directors to be held on February 25; and
- (b) the memorandum should specifically mention the method of procurement of the goods to be purchased with the balance of the loan.

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

STAFF LOAN COMMITTEE

SLC/M/501

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Wednesday, February 24, 1954 at 2:30 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. A. S. G. Hoar (part of meeting)
Mr. L. B. Rist
Mr. J. B. Knapp

Mr. H. W. Riley
Mr. R. H. Demuth
Mr. O. A. Schmidt
Mr. S. Aldewereld
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. J. Camacho
Mr. R. W. Cavanaugh
Mr. F. A. Consolo
Mr. E. de Vries
Mr. E. France

Mr. J. H. Haralz
Mr. J. C. Mehaffey
Mr. Wilkinson
Mr. A. Wubnig

Revised

2. El Salvador

The Committee considered Memorandum SLC/O/655 "El Salvador - Report and Recommendations of Mission" dated February 18, 1954, and

AGREED

with the Mission's recommendations.

3. Purchases of Non-Dollar Currencies

The Committee considered briefly whether:

- (a) the borrower, or
- (b) the country supplying the goods,

should be provided by the Bank with the dollars to purchase a currency required but which the Bank did not have available for a loan project, and

AGREED

that this problem should be considered at a future meeting.

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

STAFF LOAN COMMITTEE

SLC/M/501 Revised

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Wednesday, February 24, 1954 at 2:30 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. A. S. G. Hoar (part of meeting)
Mr. L. B. Rist
Mr. J. B. Knapp

Mr. H. W. Riley
Mr. R. H. Demuth
Mr. O. A. Schmidt
Mr. S. Aldewereld
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. J. Camacho
Mr. R. W. Cavanaugh
Mr. F. A. Conzolo
Mr. E. de Vries
Mr. E. Franco

Mr. J. H. Haralz
Mr. J. C. Mahaffey
Mr. Wilkinson
Mr. A. Wubnig

2. El Salvador

The Committee considered Memorandum SLC/O/655 "El Salvador - Report and Recommendations of Mission" dated February 18, 1954, and

AGREED

with the Mission's recommendations.

3. Norway

The Committee considered whether, in the case of the proposed loan to assist the Norwegian investment program, for which it appeared that no European 18% currencies would be available, the borrower should be provided with dollars or with appropriate European currencies purchased with dollars, and

AGREED

that this problem should be considered at a future meeting.

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

Pakistan

Meeting cancelled.

STAFF LOAN COMMITTEE

SLC/M/503

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Wednesday, March 3, 1954 at 9:30 a.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. A. S. G. Hoar
Mr. J. B. Knapp
Mr. L. B. Rist

Mr. F-D Gregh
Mr. M. C. Cross
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. S. Aldewereld
Mr. L. Baranyai
Mr. L. H. Bengston

Mr. R. Brion
Mr. S. R. Cope
Mr. N. J. Paterson

2. Norway

The Committee considered Memorandum SLC/O/657, "Loan to Norway - Currencies to be Provided," and

AGREED that

- (a) the Bank's policy on supplying non-dollar currencies under dollar loans should be flexible;
- (b) in deciding what to do in individual cases the Bank should aim at action which will encourage countries to release as much 18% capital as possible; and
- (c) if the proposed loan to Norway were made it should be disbursed in dollars (to Norway),

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

STAFF LOAN COMMITTEE

SLC/M/504

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Thursday, March 4, 1954
at 4:00 p.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. A. S. G. Hoar
Mr. L. B. Rist
Mr. J. B. Knapp

Mr. F-D Gregh
Mr. M. C. Cross
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. H. G. A. Woolley, Secretary

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. S. Aldewereld
Mr. L. Baranyai
Mr. S. R. Cope
Mr. R. E. Deely
Mr. C. Flesher

Mr. A. M. Kamarck
Miss A. L. Maher
Mr. M. M. Mendels (part of meeting)
Miss V. Morsey
Mr. N. J. Paterson

2. Iceland

The Committee considered Memorandum SLC/O/658, "Iceland - Cement Plant," and the Chairman

RULED that

- (a) in his view, there was no moral commitment to Iceland, and that, even if the project were a good one, the Management would not recommend this loan because of the proposed Government management and operation of the project;
- (b) the Icelandic Minister should be informed accordingly; and

REQUESTED

- (c) the Department of Technical Operations to supply him with a brief memorandum showing the uneconomical nature of the project based on the recent data received from Iceland for the information of the Minister, with a suggested alternative of an inexpensive clinker grinding plant.

3. The meeting adjourned at 6:10 p.m.

STAFF LOAN COMMITTEE

SLC/M/505

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Tuesday, March 16, 1954 at 2:30 p.m. in Room 1005

1. Present:

DECLASSIFIED

Mr. R. L. Garner
Mr. D. Sommers
Mr. A. S. G. Hoar
Mr. L. B. Rist
Mr. F-D Gregh

Mr. R. H. Demuth
Mr. O. A. Schmidt
Mr. S. Aldewereld
Mr. P. G. Ramm
Mr. H. G. A. Woolley, Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. G. M. Alter
Mr. W. J. Armstrong
Mr. J. Camacho
Mr. R. W. Cavanaugh
Mr. G. Gondicas
Mr. D. Groenveld

Mr. J. H. Haralz
Mr. K. Kapur
Mr. G. S. Mason
Mr. F. M. Oppenheimer
Mr. E. W. Rembert

2. Peru

The Committee considered Memorandum SLC/O/660, "Peru" and

AGREED

with the recommendations made in para. 24 of the Mission Report (WH-21), and

NOTED

that the Government had been invited to send representatives to open negotiations on the two projects.

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

STAFF LOAN COMMITTEE

SLC/M/506

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Thursday, April 8, 1954 at 3:00 p.m. in Room 1005

DECLASSIFIED**JUN 13 2014****WBG ARCHIVES****1. Present:**

Mr. Eugene R. Black
Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. A. S. G. Hoar
Mr. L. B. Rist
Mr. J. B. Knapp

Mr. H. W. Riley
Mr. S. Aldewereld
Mr. P. French
Mr. L. Nurick
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. N. Chakravarti
Mr. E. de Vries
Mr. R. H. Dorr
Mr. C. Flesher
Mr. K. Kapur

Mr. M. Piccagli
Mr. R. B. J. Richards
Mr. L. Svoboda
Mr. E. Symonds

2. Japan

The Committee considered Memorandum SLC/O/672, "Japan - Report of 1953 Mission," dated March 23, 1954, and

AGREED

- (a) generally with the recommendations contained in paras. 47 - 52 of the Report of the Mission;
- (b) any further loans should be made to different industries to contribute as widely as possible to strengthening Japan's economy, and should be spread out over a period of time so that there could be a continuing opportunity to re-appraise Japan's situation;

AGREED also that

- (c) the U.S. Government should first be consulted on its long range policy and program for Japan and on its willingness to support the Bank in its efforts to encourage the pursuit by Japan of sound financial and development policies and in spreading further loans over some period of time;
- (d) if the result of the consultations with the U.S. is sufficiently favorable, the Bank should state its position clearly in a letter to the Japanese Government, including the qualifications that:
 - (i) the Bank's further participation was dependent on Japan being prepared to give weight to recommendations the Bank might have to make from time to time on their economic and financial policies;
 - (ii) the Bank considered that the Government's creditworthiness for additional external government loans should be limited to \$60 million;

- (iii) in mentioning this figure, the Bank was not committing itself in any way to further loans to this amount; and
 - (iv) the Bank would proceed step by step and spread loans that might be made over a period and over a variety of segments of the economy.
 - (e) the Area Operations Department, in conjunction with the Technical Operations Department, should prepare proposals for the composition and terms of reference of the suggested agricultural mission for consideration by the S.L.C.;
 - (f) the agricultural mission should not be sent unless it was formally asked for by the Japanese Government.
3. The meeting adjourned at 4:30 p.m.

STAFF LOAN COMMITTEE

SLC/M/507*

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Wednesday, March 31, 1954
at 10:00 a.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. F-D Gregh
Mr. H. W. Riley

Mr. R. H. Demuth
Mr. S. Aldewereld
Mr. L. Nurick
Mr. H. W. Larsen
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. L. Baranyai
Mr. L. H. Bengston
Mr. R. Brion
Mr. S. R. Cope

Mr. K. Kapur
Miss V. Morsey
Mr. N. J. Paterson
Mr. A. Wubnig

2. Norway

The Committee considered Memorandum SLC/O/674, "Norway - Proposed Loan of \$25 Million" and

APPROVED

- (a) the distribution of copies of the loan documents, with minor amendments, to the Executive Directors, and
- (b) the presentation of the loan to the Executive Directors at their next regular meeting on April 8.

3. The meeting adjourned at 11:35 a.m.

STAFF LOAN COMMITTEE

SLC/M/508

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Monday, April 5, 1954 at 3:00 p.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff *
Mr. A. S. G. Hoar
Mr. L. B. Rist
Mr. F-D Gregh
Mr. H. W. Riley

Mr. R. H. Demuth
Mr. S. Aldewereld
Mr. L. Nurick
Mr. H. W. Larsen
Mr. H. G. A. Woolley, Secretary

DECLASSIFIED**JUN 13 2014****WBG ARCHIVES****In attendance:**

Mr. H. Bachem
Mr. L. Cancio
Mr. D. Groenveld
Mr. A. M. Kamarck

Mr. K. Kapur
Mr. M. M. Rosen
Mr. B. Walstedt
Mr. S. P. Wheelock

2. Greece

The Committee considered the "Report and Recommendations of the Mission to Greece" (EA-35),

AGREED

in general with the recommendations of the report, and

also AGREED that

- (a) discussions with the Greek authorities should emphasize the necessity for reasonable progress, satisfactory to the Bank, towards settlement of the defaulted external debt before any loan negotiations could be concluded; and
- (b) discussions with private investors on the possibilities of a development bank should be very limited and tentative until there was a definite "set-up" to discuss.

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

* Part of meeting only.

STAFF LOAN COMMITTEE

SLC/M/509

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Wednesday, April 7, 1954
at 10:30 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff *
Mr. L. B. Rist
Mr. R. H. Demuth
Mr. S. Aldewereld
Mr. P. G. Ramm

Mr. L. Nurick
Mr. A. M. Kamarck
Mr. H. W. Larsen
Mr. A. Basch
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. W. Diamond
Mr. K. Kapur
Mr. J. Main
Mr. J. C. Mehaffey

Mr. M. M. Mendels *
Mr. F. M. Oppenheimer
Mr. G. M. Street
Mr. E. Symonds

2. Thailand

The Committee heard an oral report by Mr. Basch on his recent mission to Thailand.

3. The meeting adjourned at 11:18 a.m.

* Part only.

STAFF LOAN COMMITTEE

SLC/M/510

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Thursday, April 22, 1954
at 10:30 a.m. in Room 1005

DECLASSIFIED

1. Present:

JUN 13 2014

Mr. R. L. Garner
Mr. W. A. B. Iliff *
Mr. D. Sommers *
Mr. A. S. G. Hoar
Mr. J. B. Knapp
Mr. F. D. Gregh *

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

WBG ARCHIVES

In attendance:

Mr. W. Armstrong
Mr. J. Camacho
Mr. R. W. Cavanaugh
Mr. C. Flesher

Mr. G. Gondicas
Mr. J. Haralz
Mr. G. S. Mason
Mr. F. M. Oppenheimer

2. Peru - Pacasmayo Cement Project

The Committee considered Memorandum SLC/O/664, "Peru - Proposed Loan for Pacasmayo Cement Plant" and

AGREED

with the Area Memorandum; and

APPROVED

the draft letter subject to certain minor changes.

3. The meeting adjourned at 11:05 a.m.

* For part of meeting only.

STAFF LOAN COMMITTEE SLC/M/511

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Friday, April 23, 1954 at 11:15 a.m. in Room 1005

1. Present:

DECLASSIFIED

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers (part of meeting)
Mr. L. B. Rist
Mr. J. B. Knapp
Mr. A.S.C. Hear

Mr. F. D. Gregh JUN 13 2014
Mr. R. H. Demuth
Mr. H. W. Riley WBG ARCHIVES
Mr. S. Aldewereld
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. E. E. Clark
Mr. W. D. S. Fraser
Mr. J. S. Holmes
Mr. K. Kapur
Mr. A. Kruithof

Mr. H. Prud'homme
Mr. E. W. Rembert
Mr. R. B. J. Richards
Mr. G. M. Street

2. Pakistan

The Committee considered Memorandum SLC/O/662, "Pakistan - Proposed Loan for Sui Gas Transmission Company" dated April 21, 1954, and

AGREED generally

with the recommendations in para. 10 of the Memorandum;

also AGREED that

- (a) the condition requiring that the Company obtain the Bank's approval for major expansion of its installations should make a quantitative definition of 'major';
- (b) the Government should
 - (i) express its intention of selling its (PIDC) shares when appropriate; one of the considerations for their eventual sale will be the desirability of making the invested funds available to promote other productive development; and
 - (ii) agree that the Bank would be free at any time to raise with the Government the question of the sale of the shares held by the Government.

3. The meeting adjourned at 12:00 noon.

STAFF LOAN COMMITTEE

SIC/M/512

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Tuesday, April 27, 1954 at 10:30 a.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. A. S. G. Hoar
Mr. J. B. Knapp

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

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. R. Brion
Mr. J. H. Collier
Mr. A. M. Kamarck
Mr. P. A. Kanters
Mr. K. Kapur
Mr. M. L. Lejeune

Mr. F. M. Oppenheimer
Mr. H. Prud'homme
Mr. A. D. Spottswood
Mr. E. W. Rembert
Mr. E. Symonds
Mr. V. Umbricht

2. Austria

The Committee considered Memorandum SIC/O/665, "Austria: Reisseck-Kreuzeck Loan Application" dated April 22, 1954, and

AGREED

- (a) with the recommendations contained in para. 48 of the Mission Report, subject to further exploration in the loan negotiations of the desirability of obtaining the mortgage on the Reisseck-Kreuzeck properties;
- (b) that in the loan negotiations the Bank:
 - (i) should not ask the government for a formal covenant for the maintenance of adequate power rates;
 - (ii) should not impose a debt ceiling on the VG and the DKW; but
 - (iii) should explore with the Austrian delegation the desirability of adopting a rate policy which would enable the VG and its associated companies to generate earnings on a scale which would provide a substantial part of the funds needed to finance expansion, should further discuss with the delegation the future development of the capital structure of the VG and the DKW, and should obtain appropriate representations on these points.

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

STAFF LOAN COMMITTEE

SLC/M/513

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Monday, May 3, 1954 at 3:00 p.m. in Room 1005

1. Present:

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

Mr. H. W. Riley
Mr. R. H. Demuth
Mr. O. A. Schmidt
Mr. E. W. Rembert
Mr. B. B. King
Mr. H. G. A. Woolley, Secretary

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. P. Acheson
Mr. L. H. Bengston
Mr. J. Camacho
Mr. R. E. Carlson
Mr. E. de Vries

Mr. K. Kapur
Mr. H. W. Larsen
Mr. B. Luzzatto
Mr. M. F. Perkins
Mr. R. F. Quandt

* Part of meeting only.

2. Brazil

The Committee considered Memorandum SLC/O/668, "Brazil - Report WH-23, entitled 'Current Economic Conditions and Prospects in Brazil'", and

CONCURRED generally

(a) with the substance of the Economic Report, but

AGREED that

- (b) changes should be made in presentation to emphasize the points made;
- (c) Section I containing the summary and conclusions should be 'pointed up' a little and expanded to include a recapitulation of the policies considered necessary;

also AGREED that

- (d) Appendix II to WH-23, "Important Factors in the World Coffee Market" should be amended as necessary for use outside the Bank;
- (e) the Bank should endeavor to expand its information on coffee and should indicate its interest in ECLA's proposed study of this commodity;
- (f) a check should be made with U.S. coffee distributors to obtain more information on the effect of price on consumption; and
- (g) a study should be prepared by the Technical Operations Department on export and other taxes on coffee.

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

STAFF LOAN COMMITTEE

SLC/M/514

(This document is for the use of the President, Vice President and members of the Staff Loan Committee only. Its contents should not be communicated to other persons except in the course of duty.)

Minutes of Staff Loan Committee Meeting held Thursday, May 13, 1954 at
3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

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

Mr. H. W. Riley
Mr. R. H. Demuth
Mr. O. A. Schmidt
Mr. E. W. Rembert
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. J. S. Holmes
Mr. K. Kapur
Mr. A. M. Kamarck

Mr. F. M. Oppenheimer
Mr. A. D. Spottswood
Mr. V. Umbricht

2. Interlpen

The Committee considered Memorandum SLC/O/670, "Interlpen" and
AGREED with

the recommendation in para. 18;

AGREED also that

Mr. Hoar, during his visit to Europe this summer:

- (i) might inform Interlpen of the Bank's interest in principle;
- (ii) providing the Governments were willing to be represented at such a meeting, should bring Interlpen and Government representatives together for a discussion of the proposed projects and give them an outline of what the Bank would require if it were to consider financial participation.

3. Austria - Reisseck-Kreuzeck Project

The Committee also CONSIDERED and AGREED with an oral proposal by the Director of the Europe, Africa and Australasia Department that, because of Austria's present strong EPU creditor position, the Bank should agree that, subject to the approval of the Executive Directors to the proposed loan, the equivalent of \$6 million in Swiss francs should be disbursed on the basis of 50% of each disbursement through EPU and the other 50% in free francs, with the proviso that this arrangement would be subject to adjustment in the light of future developments both in Austria and in EPU.

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

STAFF LOAN COMMITTEE

SIC/M/515

Minutes of Staff Loan Committee Meeting held Monday, May 24, 1954 at
3:00 p.m. in Room 1005

1. Present:

DECLASSIFIED

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. A. S. G. Hoar
Mr. L. B. Rist
Mr. J. B. Knapp

Mr. F. D. Gregh
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. S. Aldewereld
Mr. K. Kapur, Acting Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. S. R. Cope
Mr. A. M. Kamarck

Mr. J. C. Mehaffey
Mr. M. M. Mendels

2. Proposed Aircraft Financing Company

The Committee considered Memorandum SIC/O/676, "Approach for Bank Aid to Proposed Aircraft Financing Company" and

AGREED

- (a) that as a matter of policy the Bank should not associate itself with any scheme involving only one type of equipment;
- (b) that if financing aircraft were of high enough priority for a country, the Bank should consider it on its own merits, as in the past.

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

STAFF LOAN COMMITTEE

SLC/M/516

Minutes of Staff Loan Committee Meeting held Monday, May 24, 1954 at
10:30 a.m. in Room 1005

DECLASSIFIED

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. L. B. Rist
Mr. J. B. Knapp
Mr. F. D. Gregh

Mr. H. W. Riley
Mr. R. H. Demuth
Mr. S. Aldewereld
Mr. A. M. Kamarck
Mr. K. Kapur, Acting Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. E. E. Clark
Mr. W. D. S. Fraser
Mr. M. M. Mendels *
Mr. H. Prud'homme

Mr. E. W. Rembert
Mr. R. B. J. Richards
Mr. G. M. Street
Mr. H. E. Tolley

2. Pakistan - Sui Gas Project

The Committee considered Memorandum SLC/O/677, "Pakistan - Proposed Loan for Sui Gas Transmission Company" and

APPROVED

these documents with minor changes; and

AGREED

- (a) that a statement on the political situation in Pakistan be mentioned orally in the course of presentation of the Loan to the Executive Directors, either by the President or in the loan officer's statement;
- (b) that the Executive Director for Pakistan be informed about this in advance.

3. The meeting adjourned at 11:40 a.m.

* Part of meeting only.

STAFF LOAN COMMITTEE

SLC/M/517

Minutes of Staff Loan Committee Meeting held Wednesday, May 26, 1954
at 10:00 a.m. in Room 1005

DECLASSIFIED

1. Present:

JUN 13 2014

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers *
Mr. A. S. G. Hoar
Mr. L. B. Rist

Mr. J. B. Knapp
Mr. F. D. Gregh
Mr. R. H. Demuth
Mr. S. Aldewereld
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. G. Delaume
Mr. K. Kapur
Mr. T. Finsaas
Mr. J. C. Mehaffey
Mr. M. M. Mendels

Mr. L. Nurick
Mr. M. M. Rosen
Mr. A. Stevenson
Mr. J. H. Williams

2. French West Africa

The Committee considered Memorandum SLC/O/679, "French West African Railway Project - Proposed Loan of \$7.5 Million" and

APPROVED

this memorandum, subject to the inclusion of brief statements in the President's Report and Recommendation⁶:

- (a) that the exceptional circumstances noted in this case justify a foreign exchange loan for local expenditure;
- (b) on France's position with EPU;

and other minor changes; and

also AGREED that

- (c) interest on the proposed loan (including commission) should be at the rate of $4\frac{1}{2}\%$ per annum;
- (d) the commitment charge should be $\frac{3}{4}$ of 1% per annum and would accrue from the effective date of the Loan Agreement or a date 60 days after signature, whichever is earlier;
- (e) the first semi-annual amortization payment should be due on December 1, 1956 and the last on June 1, 1966.

3. The meeting adjourned at 10:55 a.m.

* Part of meeting.

STAFF LOAN COMMITTEE

SLC/M/518

Minutes of Staff Loan Committee Meeting held on June 3, 1954 at 10:30 a.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. H. W. Riley
Mr. R. H. Demuth (part)
Mr. S. Aldewereld
Mr. H. G. A. Woolley (Secretary)

In attendance:

Mr. G. M. Alter
Mr. K. Kapur
Mr. E. Symonds
Mr. J. C. de Wilde (part)

Mr. A. M. Kamarck
Mr. E. de Vries
Mr. H. W. Larsen

2. Creditworthiness

The Committee considered Memorandum SLC/O/681, Dollar Creditworthiness, dated May 28, 1954 and, while concurring generally with paragraphs 1 - 9 of the Memorandum,

AGREED that

(a) for the purposes of discussion by the Committee, the views on the approach in assessing the creditworthiness of members of the sterling area should be stated more directly;

(b) a revision of the Memorandum should be prepared accordingly for consideration at a future meeting.

3. The meeting adjourned at 10:20 a.m.

STAFF LOAN COMMITTEE

SLC/M/519

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

Minutes of Staff Loan Committee Meeting held on Wednesday, June 9, 1954
at 3 p.m. in Room 1005

1. Present:

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

Mr. D. J. Fontein
Mr. A. M. Kamarck
Mr. J. Rucinski
Mr. S. Aldewereld
Mr. H. G. A. Woolley (Secretary)

In attendance:

Mr. A. Basch
Mr. I. P. Cargill
Mr. N. Chakravarti
Mr. R. A. Chauffournier

Mr. W. L. Jago
Mr. K. Kapur
Mr. L. G. Marshall
Mr. G. M. Street

2. Ceylon

The Committee considered Memorandum SLC/O/683 - "Ceylon - Proposed Loan for the Aberdeen-Laksapana Project" - dated June 7, 1954 and

APPROVED

the recommendations in paragraph 3 of the Memorandum subject to minor changes to the President's Report and Recommendations and to the Technical Report.

3. The meeting adjourned at 3:30 p.m.

STAFF LOAN COMMITTEE

SIC/M/520

Minutes of Staff Loan Committee Meeting held on Wednesday, June 16, 1954
at 3:00 p.m. in Room 1005

DECLASSIFIED

1. Present:

Mr. Eugene R. Black
Mr. R. L. Garner
Mr. D. Sommers
Mr. L. B. Rist
Mr. J. B. Knapp
Mr. F. D. Gregh

Mr. H. W. Riley
Mr. M. M. Rosen
Mr. S. Aldewereld
Mr. E. Lopez-Herrarte
Mr. H. G. A. Woolley, Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. J. H. Adler
Mr. A. Basch *
Mr. E. De Vries *
Mr. J. C. de Wilde *
Mr. W. Diamond *
Mr. C. Flesher *
Mr. W. M. Gilmartin *
Mr. A. M. Kamarck *

Mr. K. Kapur
Mr. H. W. Larsen
Mr. J. C. Mehaffey *
Mr. M. M. Mendels *
Mr. F. M. Oppenheimer
Mr. J. Rucinski
Mr. A. M. Saitzoff *
Mr. G. M. Street

* Part of meeting only.

2. Thailand

The Committee considered Memorandum SIC/O/684, "Thailand - Reports from Dr. Basch" dated June 9, 1954, and

AGREED

(a) with the recommendations made; and

AGREED also that

- (b) the appointment of a qualified foreign economic and financial advisor to the Minister of Finance was desirable;
- (c) subject to confirmation that the Thai Government still wishes the Bank to find a candidate, the Bank should endeavor to assist the Government in finding a suitable candidate for this post.

3. Dollar Creditworthiness

The Committee also considered the draft memorandum on "Dollar Creditworthiness" dated June 14, 1954, and the alternative paragraphs 12 to 16 suggested, and

APPROVED

the draft memorandum dated June 14, subject to the omission of paragraph 15, for presentation to the Executive Directors, and

AGREED

that the discussion on the dollar creditworthiness of the Sterling Area members should be resumed when a loan operation of the Bank warrants it.

4. India, Pakistan, Ceylon

The oral report by Mr. Rucinski on his recent visits to India, Pakistan, and Ceylon was postponed to the meeting to be held at 11:00 a.m. on June 17.

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

STAFF LOAN COMMITTEE

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

SLC/M/521

Minutes of Staff Loan Committee Meeting held on Thursday, June 17, 1954 at
10:45 a.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. J. B. Knapp
Mr. F. D. Greh
Mr. H. W. Riley*
Miss V. Morsey

Mr. S. R. Cope
Mr. J. H. Adler
Mr. O. A. Schmidt*
Mr. J. Rucinski
Mr. S. Aldewereld
Mr. G. Street*
Mr. H. G. A. Woolley (Secretary)

In attendance:

Mr. J. Camacho *
Mr. R. Cavanaugh *
Mr. E. de Vries *
Mr. C. Flesher *
Mr. J. Hancock*
Mr. K. Kapur

Mr. H. W. Larsen*
Mr. McIvor*
Mr. J. C. Mehaffey*
Mr. L. Sandelin*
Mr. A. D. Spottswood*

* Part only

2. The Committee heard oral reports by:

- (a) Messrs. Sandelin and Hancock on their recent mission to Uruguay;
- (b) Mr. Larsen on his recent visit to Costa Rica; and
- (c) Mr. Rucinski on his recent visits to India, Pakistan and Ceylon.

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

STAFF LOAN COMMITTEE

SIC/M/522

Minutes of Staff Loan Committee Meeting held Monday, June 21, 1954 at
10:30 a.m. in Room 1005

DECLASSIFIED

1. Present:

JUN 13 2014

Mr. Eugene R. Black *
Mr. R. L. Garner
Mr. D. Sommers
Mr. F. D. Gregh
Mr. H. W. Riley *

Mr. S. R. Cope
Mr. J. H. Adler
Mr. O. A. Schmidt
Mr. S. Aldewereld
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. A. Basch
Mr. I. P. Cargill
Mr. C. Flesher
Mr. D. C. Fulton
Mr. K. Kapur

Mr. L. G. Marshall
Mr. E. W. Rembert
Mr. J. Rucinski
Mr. G. M. Street

* Part of meeting only.

2. India

(a) The Committee considered Memorandum SIC/O/685, "India - Power Project in Bombay State" dated June 16, 1954, and

AGREED generally

with the recommendations made; and also

AGREED

that in informing the Government of the Bank's decision a statement should be included to the effect that the amount of \$4 million required for the second unit for the Trombay plant would neither seriously affect the prospects of future Bank lending to India nor, in particular, consideration of a loan for the Koyna project.

(b) The Committee also considered an oral report by the Area Department on a request by the Indian Iron and Steel Company that the Bank postpone by one year the various fulfillment dates contained in the Loan Agreement (71 IN), and

AGREED

that the Company should be informed that

- (i) it should take the action required to make the loan effective immediately;
- (ii) after the loan has been declared effective the Bank will consider sympathetically a postponement of the repayment of principal by one year; for this purpose the Company will be requested to present pertinent financial and technical data.

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

"Contractual Arrangements under Bank Loans"

Distributed with SLC/A/523, meeting cancelled and subject
considered at subsequent meeting - see SLC/M/524

STAFF LOAN COMMITTEE

SLC/M/524

Minutes of Staff Loan Committee Meeting held Thursday, June 24, 1954 at
11:00 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. D. Sommers *
Mr. L. B. Rist
Mr. F. D. Gregg
Mr. H. W. Riley

Mr. R. H. Demuth *
Mr. S. R. Cope
Mr. O. A. Schmidt
Mr. S. Aldewereld
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. J. H. Adler
Mr. E. de Vries *
Mr. K. Kapur
Mr. H. B. Ripman

Mr. J. Rucinski
Mr. E. Symonds
Mr. K. Varvaressos

* Part of meeting only.

2. Synthesis of Bank Mission Surveys

The Committee considered Mr. Varvaressos' Memorandum, "Proposal for a Synthesis of Bank Mission Surveys" dated May 17, 1954, and

AGREED that

- (a) a synthesis should be undertaken by Mr. Varvaressos' office along the general lines suggested; and

RECOMMENDED that

- (b) this synthesis might be divided into two parts:
- (i) a short introduction on the missions themselves, their composition, scope, methods, etc.;
- (ii) a main part dealing with the principal problems referred to in Mr. Varvaressos' Memorandum; and
- (c) the comparison between the appraisal and recommendations made by the missions and subsequent developments, referred to in (b) of Mr. Varvaressos' Memorandum, should take the form of brief and general observations which might serve as the basis for more detailed studies in the Bank subsequently.

3. Contractual Arrangements under Bank Loans

The Committee also considered Memorandum SLC/O/680, "Contractual Arrangements under Bank Loans" dated May 27, 1954, and

AGREED

with this Memorandum, subject to

- (a) the omission in Section III of the parts headed "Type of Security" and "Portfolio Sales";

(b) the amendment of the conclusion at the end of this Section accordingly;
and

(c) other minor amendments; and

APPROVED

that a working party consisting of Messrs. Cope, Oppenheimer and Ripman should prepare a revision of the Memorandum, along the lines discussed, for consideration by the Committee.

4. The meeting adjourned at 12:59 p.m.

STAFF LOAN COMMITTEE

SLC/M/525

Minutes of Staff Loan Committee Meeting held Friday, July 2, 1954
at 11:00 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. R. L. Garner
Mr. L. B. Rist
Mr. F. D. Gregh
Mr. H. W. Riley
Mr. S. Aldewereld

Mr. R. H. Demuth
Mr. S. R. Cope
Mr. O. A. Schmidt
Mr. L. H. Bengston
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. P. Acheson
Mr. R. Brion
Mr. J. Camacho
Mr. R. E. Carlson

Mr. K. Kapur
Mr. H. W. Larsen
Mr. R. F. Quandt

2. Brazil

The Committee considered Memorandum SLC/O/686, "Brazil - Presentation of Reports" and

AGREED with

(a) the Loan Administration Report (WH-25), subject to:

DECIDED

- (i) the addition under the section on Brazilian Traction of a brief statement on the whole problem of keeping up with the power demand in Brazil;
- (ii) the omission of para. 76;
- (iii) other minor changes;

DECIDED that

- (b) the Economic Report (WH-23a) should first be reviewed by the Economic Committee on July 6; and
- (c) a meeting of the Staff Loan Committee should be called for July 7 for consideration of the Economic Report.

3. The meeting adjourned at 12:00 noon.

STAFF LOAN COMMITTEE

SLC/M/526

Minutes of Staff Loan Committee Meeting held Tuesday, July 6, 1954
at 10:00 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. F. D. Gregh
Mr. H. W. Riley

Mr. R. H. Demuth
Mr. S. R. Cope
Mr. S. Aldewereld
Mr. L. Nurick
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. R. G. Bateson
Mr. R. Brion
Mr. J. H. Collier
Mr. L. Doucet

Mr. P. A. Kanters
Mr. F. M. Oppenheimer
Mr. A. D. Spottswood
Mr. V. Umbricht

2. Austria

The Committee considered Memorandum SLC/O/687, "Austria - Proposed Loan of \$12 Million" and

APPROVED

this Memorandum, subject to certain changes in the President's Report and Recommendations, and

RECOMMENDED that

interest on the proposed loan (including commission) should be at the rate of $4\frac{3}{4}\%$, and

AGREED that

- (a) copies of the loan documents be distributed to the Executive Directors;
- (b) the loan be presented to the Executive Directors at their next regular meeting on July 14.

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

STAFF LOAN COMMITTEE

SLC/M/527

Minutes of Staff Loan Committee Meeting held Wednesday, July 7, 1954
at 3:00 p.m. in Room 1005

DECLASSIFIED

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. L. B. Rist
Mr. J. B. Knapp
Mr. M. C. Cross

Mr. H. W. Riley
Mr. R. H. Demuth
Mr. S. R. Cope
Mr. J. Rucinski
Mr. K. Kapur, Acting Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. P. Acheson *
Mr. J. H. Adler *
Mr. S. J. Akerman
Mr. L. Baranyai
Mr. R. Brion
Mr. J. Camacho *

Mr. R. E. Carlson *
Mr. L. Doucet
Mr. H. W. Larsen *
Mr. S. Lipkowitz
Mr. O. A. Schmidt
Mr. E. de Vries

* Brazilian item only.

2. Brazil

The Committee considered Report WH-23a, "Current Economic Conditions and Prospects of Brazil"; a report by Mr. Carlson on his trip to Brazil; and a draft of memorandum from Mr. Black transmitting the Economic Report to the Executive Directors; and

APPROVED

Report WH-23a, subject to:

- (i) a revision in the possibility of Brazil having coffee surpluses from '4 to 5 years' to '2 to 3 years';
- (ii) a few changes suggested by the Staff Economic Committee; and

AGREED that

- (a) the Report be transmitted to the Executive Directors; and
- (b) the final sentence of the covering memorandum from Mr. Garner be amended so as not to reflect any disposition of the Bank to make further loans in Brazil, until the Brazilian Government has signified its intentions with regard to its future policies.

3. Finland

The Committee heard an oral report by Mr. Cope of the recent mission to Finland.

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

STAFF LOAN COMMITTEE

SIC/M/528

Minutes of Staff Loan Committee Meeting held Monday, July 12, 1954 at
11:00 a.m. in Room 1005

DECLASSIFIED

1. Present:

Mr. W. A. B. Iliff
Mr. M. C. Cross
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. M. M. Rosen

Mr. J. H. Adler
Mr. J. Rucinski
Mr. H. W. Larsen
Mr. E. E. Clark
Mr. K. Kapur, Acting Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. S. Aldewereld
Mr. R. Brion
Mr. J. Camacho
Mr. L. Cancio

Mr. F. A. Consolo
Mr. E. de Vries
Mr. M. M. Mendels
Mr. P. Pajunen

2. HONDURAS - PANAMA

The Committee considered Memorandum SIC/O/690, "Honduras - Panama" and

(a) Honduras

APPROVED the Recommendation (a) contained in para. 38 of Report WH-28,
"Mission to Honduras - Operational Report";

AGREED

that no loan commitment be made unless the Bank has satisfied itself as
to the creditworthiness of the country and the priority of projects;

also AGREED

that, if so requested, an engineer should visit Honduras to discuss the
Rio Lindo hydroelectric project, particularly with a view to helping the
Government straighten out its consultant arrangements.

(b) Panama

AGREED

(i) that, on his return to Panama, Mr. Pajunen should discuss with the
Government and the Director of Point 4 two alternatives of develop-
ment assistance: namely, assistance in drawing up a long range
development program, and assistance in formulating measures for
immediate action in certain fields, and report his findings to the
Bank before the Annual Meeting;

(ii) that the situation be reviewed in the light of those findings;

also AGREED

that the question of assigning a junior economist to work as an assis-
tant to Mr. Pajunen should wait until that time.

3. Haiti

The Committee decided to consider Memorandum SLC/O/689, "Haiti - Mission Reports" at a meeting to be held Friday, July 16.

4. The meeting adjourned at 12:15 p.m.

STAFF LOAN COMMITTEE

SLC/M/529

Minutes of Staff Loan Committee Meeting held Thursday, July 15, 1954 at
10:30 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. M. C. Cross
Mr. H. W. Riley
Mr. J. Rucinski
Mr. P. H. French

Mr. A. M. Kamarck
Mr. H. W. Larsen
Mr. E. E. Clark
Mr. K. A. Bohr
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. F. G. Bochenski
Mr. J. E. Exter

Mr. A. L. Moffat
Mr. E. Symonds

2. Jordan

The Committee considered Memorandum SLC/O/694, "Report on the Development Problems of Jordan" and

APPROVED

Report AS-22, "Development Problems of Jordan and the Role of the Bank," without considering the recommendations contained therein;

AGREED that

formal approaches be made to the U.K. and U.S. Governments to ascertain their views regarding the possible role of the Bank in Jordan; and

also AGREED that

the Bank should not assist Jordan in the preparation of its development program unless these Governments actively desire the Bank to do so and undertake to give their full support.

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

STAFF LOAN COMMITTEE

SLC/M/530

Minutes of Staff Loan Committee Meeting held Monday, July 19, 1954 at
3:00 p.m. in Room 1005

DECLASSIFIED

1. Present:

JUN 13 2014

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. L. B. Rist
Mr. M. C. Cross
Mr. R. H. Demuth
Mr. M. M. Rosen

Mr. O. A. Schmidt
Mr. J. Rucinski 1/
Mr. P. J. Ramm 1/
Mr. E. E. Clark 1/
Mr. K. Kapur, Acting Secretary

WBG ARCHIVES

In attendance:

Mr. J. H. Adler 3/
Mr. S. Aldewereld
Mr. L. H. Bengston 1/
Mr. P. J. O. Bernard 2/
Mr. A. Cairncross 3/
Mr. J. Camacho
Mr. R. W. Cavanaugh 1/
Mr. F. A. Consolo 1/

Mr. C. H. Davies
Mr. J. Haralz 1/
Mr. H. W. Larsen
Mr. J. F. Main 3/
Mr. J. C. Mehaffey 1/
Mr. M. M. Mendels 1/
Mr. F. M. Oppenheimer
Mr. H. B. Ripman

- 1/ Mexico only.
2/ Haiti only.
3/ First meeting only.

2. Mexico

The Committee considered Memorandum SLC/O/692, "Mexico" and

APPROVED

- (a) Report WH-29, "Current Economic Position and Prospects of Mexico" with minor changes;
(b) Report TO-58, "Appraisal of the Rehabilitation Program for the Pacific Railroad of Mexico"; and

AGREED

that the proposed Pacific Railroad project is suitable for Bank financing;
also AGREED

that, before the loan is made or before negotiations start (procedure to be determined later), a staff member should visit Mexico to discuss the Economic Report and get an undertaking of the Government on the following points:

- (i) it would follow a more reassuring fiscal policy than it has done in the past;
(ii) it would exercise a more effective control over its investments;
(iii) its medium term credits would not exceed a reasonable limit.

3. Haiti

The Committee considered SLC/O/689, "Haiti - Mission Reports" and

APPROVED

the recommendations contained in Section VIII of the Operational Mission Report, emphasizing that the Bank should make very clear its inability to participate in the financing of development in Haiti if the Government enters into an agreement of the nature described in Section IV of the Report.

4. The meeting adjourned at 4:30 p.m. on Monday, July 19, reconvened at 3:00 p.m. on Tuesday, July 20, and adjourned at 4:30 p.m.

STAFF LOAN COMMITTEE

SLC/M/531

Minutes of Staff Loan Committee Meeting held Tuesday, August 17, 1954
at 10:00 a.m. in Room 1005

DECLASSIFIED

1. Present:

JUN 13 2014

Mr. R. L. Garner
Mr. D. Sommers
Mr. J. B. Knapp
Mr. M. C. Cross
Mr. M. M. Rosen

Mr. J. H. Adler
Mr. J. Rucinski
Mr. P. J. Ramm
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. L. H. Bengston 1/
Mr. R. Brion
Mr. A. Cairncross
Mr. J. Camacho
Mr. F. A. Consolo
Mr. C. H. Davies 1/
Mr. D. Fontein 2/

Mr. J. H. Haralz
Mr. K. Kapur
Mr. J. F. Main 1/
Mr. M. M. Mendels 1/
Mr. H. B. Ripman 1/
Mr. O. A. Schmidt
Mr. A. D. Spottswood

- 1/ Mexico only.
2/ Nicaragua only.

2. Mexico

The Committee considered Memorandum SLC/O/697, "Mexico - Ferrocarril del Pacifico" and

APPROVED

- (a) the President's Report and Recommendations and the draft Loan and Guarantee Agreements, subject to minor changes; and
- (b) the distribution of these documents and presentation of the loan to the Executive Directors at their special meeting called for August 20.

3. Nicaragua

The Committee considered Memorandum SLC/O/696, "Nicaragua - Electric Power Development" and

APPROVED

the proposed letter to the President of Nicaragua, subject to minor changes.

4. The meeting adjourned at 10:45 a.m.

Peru

Meeting cancelled. (New papers distributed and
considered October 26 - SLC/M/545)

STAFF LOAN COMMITTEE

SLC/M/533

Minutes of Staff Loan Committee Meeting held Thursday, August 26, 1954
at 3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R. L. Garner
Mr. D. Sommers *
Mr. F. D. Grehg
Mr. M. C. Cross
Mr. H. W. Riley

Mr. A. M. Kamarek
Mr. J. H. Adler
Mr. O. A. Schmidt
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. E. E. Clark
Mr. J. C. de Wilde
Mr. J. S. Holmes
Mr. K. Kapur
Mr. H. Prud'homme
Mr. J. Rucinski
Mr. G. M. Street
Mr. H. E. Tolley

Ethiopia only

Mr. P. F. Craig-Martin
Mr. W. Diamond
Mr. C. W. Wang

Pakistan only

Mr. O. H. Folk
Mr. M. M. Mendels *
Mr. A. M. Saitzoff
Mr. A. D. Spottswood

* Part of meeting only.

2. Ethiopia

The Committee considered Memorandum SLC/O/700, "Reports of Recent Mission," and

AGREED with

the recommendations in SLC/O/700, and in paras. 53-55 of the Mission Report (A.S.24).

3. Pakistan

The Committee considered Memorandum SLC/O/699, "Pakistan - Proposed Loan for Karachi Electric Supply Corporation," and

NOTING that

- (a) although there was no reason to believe that talks between India and Pakistan on the Indus Basin problem would not be resumed, the settlement of the problem might require a year or two;

AGREED that

- (b) since Pakistan's creditworthiness would be seriously affected if these talks failed, it was appropriate for the Bank to proceed in a cautious manner with Pakistan loan operations so long as a settlement of the problem had not been reached;

AGREED with

- (c) the recommendations in paras. 10 and 13 of SLC/0/699;
- (d) the oral recommendation of the Area Director that Messrs. Folk and Tolley should go to Karachi shortly, and that Mr. Prud'homme would follow early in October;

AGREED also that

- (e) Clause (n) in para. 66 of T.O.61 need not be insisted on if the first mortgage debentures represented advantageous capital for the company; and

NOTED that

- (f) the Department of Technical Operations desired to make changes in the form of presentation of T.O.61 before its further use.

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

STAFF LOAN COMMITTEE

SLC/M/534

Minutes of Staff Loan Committee Meeting held Tuesday, August 24, 1954
at 10:00 a.m. in Room 1005

DECLASSIFIED

1. Present:

JUN 13 2014

Mr. R. L. Garner
Mr. D. Sommers
Mr. F. D. Gregh
Mr. M. C. Cross
Mr. H. W. Riley

Mr. M. M. Rosen
Mr. J. H. Adler
Mr. O. A. Schmidt
Mr. H. G. A. Woolley, Secretary

WBG ARCHIVES

In attendance:

Mr. P. F. Craig-Martin
Mr. R. H. Dorr
Mr. H. N. Graves, Jr.
Mr. K. Kapur
Mr. S. Lipkowitz
Mr. M. M. Mendels

Mr. A. L. Moffat
Mr. M. Piccagli
Mr. R. B. J. Richards
Mr. J. Rucinski
Mr. G. M. Street

2. Japan

The Committee heard an oral report by Mr. Dorr on his recent mission to Japan, including recent economic developments and the status of proposed industrial project applications; and

NOTING that

the maximum amount that we might be prepared to lend to Japan was small compared with Japan's needs, but that consultation by Japan with the Bank and the technical advice that might be provided could have a significant effect,

AGREED that

- (a) a basic element in our operations in Japan should be provision of technical assistance, both on a formal and informal basis;
- (b) since Japan, despite her relatively advanced economy, could not always be expected to present information on proposed projects in the manner desired, we should in pursuance of (a) assist them in their proper analysis and presentation;
- (c) the Bank should proceed as rapidly as possible in its examination of the proposed power projects even though considerable additional information beyond that submitted would be required;
- (d) the proposed timing of early October for examination of steel and machine industry projects appeared reasonable;
- (e) since Japan had accepted the Bank's suggestion of a survey of the coal industry by a consulting firm before attempting to formulate projects in this field and had now requested the Bank's assistance

in selecting such a firm, the Bank should canvass the field with a view to suggesting a list of qualified firms to the Japanese as soon as possible; and

- (f) the Bank might be prepared to finance possibly as much as 50% of the cost of this survey.

3. The meeting adjourned at 11:35 a.m.

STAFF LOAN COMMITTEE

SIC/M/535

Minutes of Staff Loan Committee Meeting held Friday, September 3, 1954
at 10:30 a.m. in Room 1005

1. Present:

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

Mr. H. W. Riley
Mr. J. H. Adler
Mr. P. H. French
Mr. E. E. Clark
Mr. H. G. A. Woolley, Secretary

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. J. Bolton *
Mr. J. Camacho
Mr. B. Chadenet
Mr. P. F. Craig-Martin
Mr. K. Kapur
Mr. E. Lopez-Herrarte
Mr. J. F. Main *

Mr. S. N. McIvor
Mr. J. D. Miller
Miss V. Morsey
Mr. E. Symonds
Mr. A. Waterston
Mr. A. Wubnig *

* For first subject only.

2. Colombia

(a) Magdalena Valley Railroad

The Committee considered Memorandum SIC/O/704, "Colombia - Preliminary Report on Project for Extending the Magdalena Valley Railroad" and

AGREED

with the recommendation in para. 8.

(b) Agricultural Mission

The Committee also considered Memorandum SIC/O/706, "Colombia - Proposed Agricultural Mission" and

AGREED

- (i) with the recommendations in para. 13;
- (ii) that contribution of personnel by ECLA would be desirable and that the possibility of this should be explored.

(c) Development of Cauca Valley

The Committee heard an oral report by Mr. Knapp about discussions with Mr. Lilienthal on the proposed setting up of a regional valley authority for the development of the Cauca Valley in Colombia, and

RECOMMENDED that

- (i) the Bank should agree to participate with Mr. Lilienthal in the preparation of proposals for this project and should establish a close working relationship with him; and

(ii) Mr. Waterston should ask the Colombian authorities whether and, if so, how they would like the Bank to share with Mr. Lilienthal in the responsibility and costs of this work.

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

STAFF LOAN COMMITTEE

WBG ARCHIVES SLC/M/536

Minutes of Staff Loan Committee Meeting held Tuesday, September 7, 1954
at 10:30 a.m. in Room 928

1. Present:

Mr. Eugene R. Black *
Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. J. B. Knapp
Mr. F. D. Gregh
Mr. M. C. Cross

Mr. H. W. Riley
Mr. M. M. Rosen
Mr. J. H. Adler
Mr. P. H. French
Mr. E. E. Clark
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. A. Basch *
Mr. J. Bolton
Mr. E. G. Burland
Mr. J. C. de Wilde
Mr. W. D. S. Fraser
Mr. H. Havlik

Mr. W. L. Jago
Mr. K. Kapur
Mr. J. D. Miller
Mr. J. Rucinski
Mr. E. Symonds

* Part of meeting only.

2. India

The Committee considered Memorandum SLC/O/707, "India - Establishment of Industrial Development and Finance Corporation" and

AGREED

- (a) with the comments on the Steering Committee's documents, subject to the following changes:

In paragraph 8 (c)

- (i) the borrower will take measures to avoid the debt/equity ratio being exceeded;

In paragraph 9

- (ii) no disbursements will be made out of the revolving fund unless the Borrower indicates the project for which applications for withdrawal are submitted;
- (iii) documentation pertaining to such projects and to withdrawals should be submitted for the Bank's approval within three months from the time of withdrawal;

In paragraph 10

- (iv) commitment charge of 3/4 of 1% will be paid from the time the account of the borrower is credited;
- (v) closing date will be five years from the signing of the loan;

and other minor changes;

- (b) that copies of the Memorandum, revised in the light of the discussion at the Staff Loan Committee meeting, should be sent to prospective U.S. participants prior to the meeting to be held with them early next week.

3. The meeting adjourned at 12:22 p.m.

STAFF LOAN COMMITTEE

SLC/M/537
DECLASSIFIED

JUN 13 2014

Minutes of Staff Loan Committee meeting held Friday, September 10, 1954 at 10:30 a.m. in Room 1005

1. Present:

Mr. Eugene R. Black *
Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. A. S. G. Hoar
Mr. F. D. Gregh

Mr. E. W. Rembert
Mr. H. W. Riley
Mr. O. A. Schmidt
Mr. J. H. Adler
Mr. E. E. Clark
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. T. V. Anderson
Mr. R. Brion
Mr. D. Groenveld
Mr. A. M. Kamarck
Mr. K. Kapur
Mr. A. E. Matter

Mr. J. D. Miller
Mr. M. M. Rosen
Mr. M. Ross
Mr. E. Symonds
Mr. S. P. Wheelock
Mr. H. J. Van Helden

* part of meeting only.

2. Italy

The Committee considered Memorandum SLC/O/708, "Italy - Proposed Third Loan" and

APPROVED

the recommendations in para. 38, with the proviso that the question of the extent of Cassa participation in future Bank lending to Italy should be considered by the Committee before the Annual Meeting, as soon as the Technical Report of the recent mission to Italy is available.

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

STAFF LOAN COMMITTEE

SLC/M/538

Minutes of Staff Loan Committee Meeting held Wednesday, September 15, 1954
at 3:00 p.m. in Room 1005

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. A. S. G. Hoar
Mr. F. D. Gregh
Mr. H. W. Riley

Mr. J. H. Adler
Mr. H. W. Larsen
Mr. E. W. Rembert
Mr. K. Kapur, Acting Secretary

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. S. J. Akerman
Mr. L. Baranyai
Mr. R. Brion
Mr. B. Chadenet

Mr. S. R. Cope
Mr. S. Lipkowitz
Mr. J. D. Miller
Mr. E. Symonds

2. Finland

The Committee considered the conclusions and recommendations in paras. 53 and 54 of Report E.A. 40, "Finland - Operational Report of Mission", and

APPROVED

the recommendations made; and

AGREED

that, if Finland requested a bigger loan, the Bank should be prepared to consider it, provided that:

- (i) the amount requested was not more than \$15 million;
- (ii) the proposed projects were satisfactory to the Bank.

3. The meeting adjourned at 4:15 p.m.

STAFF LOAN COMMITTEE

SLC/M/539

Minutes of Staff Loan Committee Meeting held Wednesday, September 22, 1954
at 9:30 a.m. in Room 1005

1. Present:

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JUN 13 2014

WBG ARCHIVES

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. A. S. G. Hoar
Mr. L. B. Rist
Mr. J. B. Knapp

Mr. F. D. Gregh
Mr. M. C. Cross
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. J. H. Adler
Mr. S. Aldewereld
Mr. R. Brion
Mr. A. Broches
Mr. R. W. Cavanaugh 1/
Mr. S. R. Cope 2/

Mr. A. M. Kamarck
Mr. K. Kapur
Mr. H. W. Larsen
Mr. M. M. Rosen 1/
Mr. E. Symonds

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

2. Australia

The Committee considered Memorandum SLC/O/712, "Australia - A Fourth Loan" and

AGREED that

should Australia apply for a further loan:

- (a) as at the present time there appeared to be no preferable alternative, the Bank should in principle be willing to make a loan of the same type as the last two made to Australia;
- (b) the amount should depend on the result of the Bank's examination of Australia's creditworthiness and needs for the coming year.

3. Effects of Convertibility on Bank Operations

The Committee also considered Memorandum SLC/O/709, "The Effects of Convertibility on Bank Operations" and

AGREED that

- (a) this was a preliminary paper only, and should not be circulated;
- (b) the distinction between dollar and non-dollar creditworthiness was one of degree only, depending on the extent of transferability of currencies which existed in the world;
- (c) the Bank's currency policies should evolve gradually as steps towards convertibility were taken.

4. The meeting adjourned at 10:52 a.m.

STAFF LOAN COMMITTEE

SLC/M/540

Minutes of Staff Loan Committee Meeting held Wednesday, September 22, 1954
at 3:00 p.m. in Room 928

1. Present:

Mr. R. L. Garner
Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. F. D. Gregh
Mr. M. C. Cross 1/
Mr. H. W. Riley

Mr. R. H. Demuth
Mr. J. H. Adler
Mr. O. A. Schmidt
Mr. A. M. Kamarck
Mr. S. Aldewereld
Mr. K. Kapur, Acting Secretary

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. A. Broches
Mr. R. W. Cavanaugh
Mr. F. A. Consolo
Mr. P. F. Craig-Martin 2/

Mr. J. F. Main 3/
Miss V. Morsey 2/
Mr. G. L. Sandelin 2/
Miss M. Wolfson 2/

- 1/ Panama only.
2/ Uruguay only.
3/ Uruguay and part of Panama.

2. Uruguay

The Committee considered Memorandum SLC/O/711, "Uruguay - Livestock Program" and

AGREED

with the recommendations made in para. 5.

3. Panama

The Committee heard an oral report by Mr. Consolo on his recent visit to Panama, and

NOTING

- (a) the action, taken by the mission in Panama, of presenting a memorandum to the President of the Republic on the Road Program, and
(b) the nature of this memorandum

APPROVED the action taken.

4. The meeting adjourned at 3:30 p.m.

STAFF LOAN COMMITTEE

SLC/M/541

Minutes of Staff Loan Committee Meeting held Monday, October 4, 1954 at
3:00 p.m. in Room 1122

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. W. A. B. Iliff
Mr. A. S. G. Hoar 1/
Mr. L. B. Rist 1/
Mr. J. B. Knapp
Mr. H. W. Riley
Mr. A. Broches

Mr. S. Aldewereld 1/
Mr. B. H. Colquhoun
Mr. G. M. Alter
Mr. R. H. Dorr
Mr. A. M. Kamarck
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. R. Brion 1/
Mr. R. W. Cavanaugh 2/
Mr. E. de Vries 1/
Mr. E. Franco-Holguin 2/
Mr. J. F. Main
Mr. A. E. Matter 1/
Mr. J. D. Miller

Miss V. Morsey 2/
Mr. E. W. Rembert 1/
Mr. M. M. Rosen 1/
Mr. E. Symonds 1/
Mr. S. P. Wheelock 1/
Mr. A. Wubnig

1/ Italy only.
2/ El Salvador only.

2. Italy

The Committee considered Memorandum SLC/O/713, "Italy - Proposed Third Loan" and

NOTING

the Area Department's oral report on the conversations which the Management had had with the Italian Minister of the Budget and the Governor of the Bancq d'Italia during the Ninth Annual Meeting

RECOMMENDED that

- (a) an economic appraisal of the over-all Cassa program, its suitability as an instrument of economic development for Southern Italy, and the total effect of the program on the Italian economy be prepared to accompany the loan documents when the proposed loan is presented to the Executive Directors;
- (b) for this purpose a staff economist accompany the mission to be sent to Italy when the Italian authorities are ready to discuss projects for the proposed third loan; and
- (c) in the selection of projects, particular attention be paid to disbursement needs so that the proposed loan would have the maximum effect in assisting Italy to meet its foreign exchange requirements.

3. El Salvador

The Committee considered Memorandum SLC/O/717, "El Salvador - Coastal Highway", and

APPROVED

- (a) the draft Loan Agreement and the draft President's Report and Recommendations, subject to minor changes; and
- (b) the presentation of this loan to the Executive Directors at their next regular meeting on October 12.

4. The meeting adjourned at 4:45 p.m.

STAFF LOAN COMMITTEE

SLC/M/542

DECLASSIFIED

JUN 13 2014

Minutes of Staff Loan Committee Meeting held Friday, October 1, 1954
at 10:30 a.m. in Room 1005

WBG ARCHIVES

1. Present:

Mr. W. A. B. Iliff
Mr. D. Sommers *
Mr. L. B. Rist
Mr. J. B. Knapp
Mr. H. W. Riley

Mr. R. H. Demuth *
Mr. S. R. Cope
Mr. O. A. Schmidt
Mr. B. H. Colquhoun
Mr. H. G. A. Woolley, Secretary

2. In attendance:

Mr. S. J. Ackerman
Mr. K. Kapur

Mr. J. D. Miller
Miss V. Morsey

* Part of the meeting only.

2. Finland

The Committee considered Memorandum SLC/O/715, "Finnish Loan Discussions" and

CONCURRED

with the views given in the memorandum.

3. The meeting adjourned at 10:45 a.m.

STAFF LOAN COMMITTEE

SLC/M/543

Minutes of Staff Loan Committee Meeting held Friday, October 8, 1954
at 10:30 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. W. A. B. Iliff 1/ 2/ 3/
Mr. A. S. G. Hoar 1/ 2/ 3/
Mr. L. B. Rist 1/ 2/ 3/
Mr. M. C. Cross 1/ 2/ 3/
Mr. R. H. Demuth 1/ 2*/ 3/
Mr. A. Broches 1/ 2/ 3/

Mr. O. A. Schmidt 1/ 2/ 3/ WBG ARCHIVES
Mr. J. Rucinski 1/ 2/ 3/
Mr. P. J. Ramm 1*/ 2/ 3/
Mr. B. W. Coluqhoun 1/ 2/
Mr. H. G. A. Woolley,
Secretary 1/ 2/ 3/

In attendance:

Mr. N. Chakravarti 3/
Mr. R. H. Dorr 3/
Mr. W. F. Howell 1/
Mr. K. Kapur 1/ 2/ 3/
Mr. D. W. Jeffries 3/
Mr. D. Lutejn 3/

Mr. J. F. Main 2/
Mr. J. D. Miller 1/ 2/ 3*/
Mr. F. M. Oppenheimer 1/ 2/ 3/
Mr. A. M. Saitzoff 2/
Mr. G. M. Street 1/ 2/
Mr. E. Symonds 1/ 2/ 3/

1/ Management study.
2/ Thailand.

3/ Japan.
* Part only of starred item.

2. Management Study

The Committee considered Memorandum SLC/O/719, "Discussions at Nuffield College, Oxford, concerning Management Study" dated September 24, 1954, and

AGREED

with the proposals in paragraph 6.

3. Thailand

The Committee considered Memorandum SLC/O/718, "Thailand - Proposed Loan Project" dated October 1, 1954, and

AGREED

- (A) with the recommendations in clauses (a), (b), (c), (d) and (f) of para. 8;
- (B) that the Subcommittee on Non-Dollar Currencies should consider the whole question of the Bank's policy, raised by clause (e), on
 - (i) the currency or currencies in which contracts should be denominated;
 - (ii) the currency or currencies to be disbursed by the Bank; in loans made under these circumstances.

4. Japan

The Committee heard an oral report by Mr. de Vries on the recent agricultural mission to Japan.

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

STAFF LOAN COMMITTEE

SLC/M/544

Minutes of Staff Loan Committee Meeting held Wednesday, October 13, 1954
at 3:00 p.m. in Room 928

DECLASSIFIED

JUN 13 2014

1. Present:

Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. A. S. G. Hoar
Mr. L. B. Rist
Mr. J. B. Knapp

Mr. F. D. Gregg 1/ 2/
Mr. M. C. Cross
Mr. P. C. Ramm
Mr. B. W. Colquhoun
Mr. H. G. A. Woolley,
Secretary

WBG ARCHIVES

In attendance:

Mr. A. Basch 1/
Mr. R. Brion 2/
Mr. A. Broches 1*/ 2*/
Mr. I. P. Cargill 1/
Mr. E. E. Clark 1*/
Mr. J. H. Collier 2/
Mr. S. R. Cope 2/

Mr. K. Kapur 1*/ 2/
Mr. ~~A. E. Matter~~ 1/ W. L. Jago
Mr. J. D. Miller
Mr. A. D. Spottswood
Mr. G. M. Street
Mr. E. Symonds
Mr. V. Umbricht 2/

1/ India only.
2/ Austria only.

* Part only of starred item.

2. India

The Committee considered the recommendations in paras. 65-69 of the Technical Report on the Trombay Thermal Power Project (T.O. 27) and

I. DECIDED

that the Bank should rely on the general covenants instead of obtaining special undertakings on the points in clauses (c) and (d) of para. 69;

II. otherwise AGREED

with the recommendations made;

III. NOTED that

the hypothetical estimates of earnings and cash flow in the Report and Annex 2 would be revised after receiving more recent data, and that certain other changes outlined by the Technical Operations Department would be made in the Report before presentation to the Executive Directors.

3. Austria

The Committee considered Memorandum SLC/O/721, "Austria - Application for a Loan for the Lunersee Hydroelectric Project" dated October 11, 1954, and

AGREED

with the recommendations in paras. 21 and 22 of SLC/O/720, of October 7, 1954.

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

STAFF LOAN COMMITTEE

SLC/M/545

Minutes of Staff Loan Committee Meeting held Tuesday, October 26, 1954
at 3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. W. A. B. Iliff
Mr. A. S. G. Hoar 1*/
Mr. L. B. Rist 1/ 2*/
Mr. J. B. Knapp 1/ 2*/
Mr. F. D. Gregh 1*/

Mr. H. W. Riley 1*/ 2/
Mr. R. H. Demuth 1*/ 2*/
Mr. S. Aldewereld
Mr. A. Broches
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. R. W. Cavanaugh 1*/ 2/
Mr. R. A. Chafournier 1/
Mr. E. de Vries
Mr. P. H. French 1*/ 2*/
Mr. G. Gondicas 1/
Mr. G. Grayson
Mr. H. F. Havlik
Mr. J. S. Holmes 2*/
Mr. D. Groenveld 1/

Mr. K. Kapur
Mr. G. S. Mason 1/
Mr. N. S. McIvor
Mr. J. D. Miller
Miss V. Morsey
Mr. O. A. Schmidt
Mr. B. P. Spiro
Mr. E. Symonds 1*/
Mr. A. Waterston

1/ Peru only.
2/ Colombia only.

* Part only of starred item.

2. Peru

The Committee considered Memorandum SLC/O/724, "Peru - Proposed Loan to the Banco de Fomento Agropecuario" dated October 22, 1954; and

AGREED

- (a) generally with the recommendations made;
- (b) that in the presentation of the loan, the stress should be changed to show clearly that the proposed loan was to cover the foreign exchange cost of imports needed for the program;
- (c) the problem of whether:
 - (i) a specific covenant should be included in the Loan Agreement that the management must be satisfactory to the Bank; or
 - (ii) the Bank should rely on the general clause that the borrower will operate the project in accordance with sound business practice;

would be discussed with Mr. Black;

- (d) Clause (e) of para. 81 of T.O. 67 was too restrictive and consideration should be given in lieu to a limitation of a specific amount above which the Bank's consent should be obtained;

- (e) other minor changes should be made in T.O. 67 before presentation of the loan to the Executive Directors; and

NOTED that

- (f) Mr. Rist would check with Viscount Harcourt the present status of the settlement of the defaulted sterling debt; and
- (g) the Area Department would ask FOA for fuller information on the Peruvian request to the U.S. for 300,000 tons of surplus wheat and the use of the counterpart funds.

3. Colombia

The Committee considered Memorandum SIC/O/723, "Colombia - Requests for Second Agricultural Machinery Loan and Agricultural Survey Mission" dated October 20, 1954; and

AGREED

- (a) with the recommendations made;
- (b) that in the presentation of the proposed loan it should be made clear that the purpose of the loan was to aid in providing foreign exchange for the purchase of needed agricultural machinery, so as to avoid the possibility of an undue strain on Colombia's foreign exchange reserves;
- (c) that the Bank should be prepared to reimburse the Caja out of the proposed loan, if made, for short-term financing the Caja wished to make on and after November 1;
- (d) the amount of the loan, which should not be more than \$5 million, should be determined in the final loan negotiations;

NOTED that

- (e) the Technical Report would be rewritten to:
 - (i) make it clearer by incorporating more of the historical background;
 - (ii) follow (b) above; and
 - (iii) include other minor changes recommended by the Committee;
- (f) the Economic Report would be circulated to the Committee for consideration shortly.

4. The meeting adjourned at 5:45 p.m.

STAFF LOAN COMMITTEE

SLC/M/546

Minutes of Staff Loan Committee Meeting held Friday, October 29, 1954
at 11:30 a.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. A. S. G. Hoar
Mr. J. B. Knapp
Mr. F. D. Gregh

Mr. H. W. Riley *
Mr. R. H. Demuth
Mr. L. B. Rist *
Mr. S. Aldewereld
Mr. K. Kapur, Acting Secretary

In attendance:

Mr. L. H. Bengston
Mr. R. Brion
Mr. S. R. Cope
Mr. C. de Beaufort *
Mr. B. B. King

Mr. J. D. Miller
Mr. N. J. Paterson
Mr. P. J. Ramm
Mr. E. Symonds

* Part only.

2. Norway

The Committee considered SLC/O/725, "Norway - Proposed Second Loan of \$25 Million" and

AGREED

- (a) that the general pattern of the first loan to Norway should be repeated;
- (b) that the Bank should disburse against imports of capital goods and should favor ships for this purpose unless the Norwegians object;
- (c) that the loan documents should make clear that the purpose of the loan is to aid the general growth of the economy and is not for the particular benefit of the industries using the goods which form the basis of disbursement;
- (d) with paragraph 9;

NOTED

- (e) the possibility of obtaining European currencies for lending to Norway;

CONCURRED

- (f) with paragraph 11; but

AGREED

- (g) that it was not appropriate at this time to decide whether the addition suggested in paragraph 12 should be made.

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

STAFF LOAN COMMITTEE

SLC/M/547

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

Minutes of Staff Loan Committee Meeting held Friday, November 5, 1954
at 11:30 a.m. in Room 1005

1. Present

Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. L. B. Rist
Mr. J. B. Knapp
Mr. F. D. Gregh

Mr. M. C. Cross
Mr. H. W. Riley
Mr. R. H. Demuth
Mr. B. W. Colquhoun
Mr. A. M. Kamarck
Mr. H. G. A. Woolley, Secretary

In attendance

Mr. R. W. Cavanaugh
Mr. J. Camacho
Mr. R. A. Chauffournier
Mr. E. de Vries

Mr. G. Gondicas
Mr. K. Kapur
Mr. G. S. Mason
Mr. J. D. Miller
Miss V. Morsey

2. Peru

The Committee considered the proposed Loan of \$5 million to the Banco de Fomento Agropecuario, and

APPROVED that

- (i) the loan documents, after minor changes in the President's Report, should be distributed to the Executive Directors;
- (ii) the proposed loan should be presented to the Executive Directors at their next regular meeting on November 12.

3. The meeting adjourned at 12:16 p.m.

STAFF LOAN COMMITTEE

SLC/M/548

Minutes of Staff Loan Committee Meeting held Monday, November 8, 1954
at 3:00 p.m. in Room 1005

DECLASSIFIED

JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. W. A. B. Iliff
Mr. D. Sommers 1*/ 2/
Mr. L. B. Rist
Mr. J. B. Knapp 1*/ 2/
Mr. F. D. Gregh
Mr. R. H. Demuth 1*/

Mr. S. R. Cope
Mr. S. Aldewereld 1*/ 2/
Mr. P. J. Ramm
Mr. P. H. French
Mr. B. W. Colquhoun 1/ 2*/
Mr. H. G. A. Woolley, Secretary

In attendance:

Mr. R. E. Carlson 2/
Mr. A. M. Kamarck 1/
Mr. K. Kapur 1/
Mr. H. W. Larsen 2/
Mr. M. L. Lejeune 1/

Mr. S. N. McIvor 1/
Mr. J. D. Miller 1*/ 2/
Mr. R. F. Quandt 2/
Mr. R. B. J. Richards 1*/
Mr. E. Symonds 1*/

1/ U. K. Only.

2/ Brazil only.
* Part only of starred item.

2. United Kingdom

The Committee considered Report E.A. 43, "The Current Economic and Financial Position of the United Kingdom" and

APPROVED

the distribution of copies of this report to the Executive Directors, after minor changes.

3. Brazil

The Committee also considered Memorandum SLC/O/728, "Request of the Brazilian Government Relating to the Proposed Pledge of \$160-\$200 Million in Gold as Collateral for a Loan from a Group of New York Commercial Banks" and after

NOTING

an oral report by the Chairman on the personal views of the Executive Directors on Brazil's request,

AGREED

that Mr. Black should be informed that Committee members were divided in their recommendations:

- (i) one-half of the Committee supporting the recommendations in para. 6 of the Area Memorandum;
- (ii) the other half of the Committee recommending that the Bank should only, at this stage, agree to borrowing by Brazil needed to meet the obligations with the Federal Reserve Bank maturing during the next three months to give time for the Bank, in consultation with the Brazilian authorities, to review the present and prospective payments position in Brazil.

4. The meeting adjourned at 6:10 p.m.

STAFF LOAN COMMITTEE

SLC/M/549

Minutes of Staff Loan Committee Meeting held Friday, November 12, 1954 at
3:00 p.m. in Room 1005

1. Present:

DECLASSIFIED

Mr. W. A. B. Iliff *
Mr. D. Sommers *
Mr. F. D. Gregh
Mr. H. W. Riley
Mr. M. M. Rosen

Mr. S. Aldewereld
Mr. B. W. Colquhoun
Mr. H. W. Larsen
Mr. G. M. Alter
Mr. H. G. A. Woolley, Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. A. Basch
Mr. I. P. Cargill
Mr. E. E. Clark
Mr. W. L. Jago
Mr. K. Kapur

Mr. L. G. Marshall
Mr. J. D. Miller
Mr. G. M. Street
Mr. E. Symonds *

* Part only.

2. India

The Committee considered the proposed loan of the equivalent of \$16.2 million for a thermal power plant in Bombay; and

APPROVED

- (a) the distribution of the loan documents to the Executive Directors after minor changes;
- (b) the presentation of the proposed loan to the Executive Directors at a special meeting of the Executive Directors to be called for November 19.

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

STAFF LOAN COMMITTEE

SLC/M/550

Minutes of Staff Loan Committee Meeting held Monday, November 29, 1954
at 3:00 p.m. in Room 1005

1. Present:

Mr. W. A. B. Iliff
Mr. D. Sommers 2*/
Mr. L. B. Rist
Mr. F. D. Gregh 1/ 2*/
Mr. H. W. Riley
Mr. A. Broches

Mr. S. R. Cope 2/
Mr. M. M. Rosen 1/
Mr. O. A. Schmidt
Mr. S. Aldewereld I/ 2*/
Mr. B. W. Colquhoun
Mr. H. G. A. Woolley, Secretary

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JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. W. L. Bennett 1/
Mr. T. Finsaas 1/
Mr. P. Lieftinck 1/
Mr. J. C. Mehaffey 1*/
Mr. M. M. Mendels 1*/ 2*/
Mr. L. Nurick 1/
Mr. F. M. Oppenheimer 2/
Mr. E. W. Rembert 2/

Mr. A. D. Spottswood 2/
Mr. A. Stevenson 1/
Mr. V. Umbricht 2/
Mr. H. van Helden 1/
Mr. M. M. Verheyen 1/
Mr. J. H. Williams I/
Mr. A. Wubnig 1/

1/ Belgium only.

* Part only of starred item.
2/ Austria only.

2. Belgium

The Committee considered the proposed loan of \$20 million to Belgium, 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, should be distributed to the Executive Directors on December 1;
- (c) the proposed loan should be presented to the Executive Directors at a special meeting, to be called for the purpose, on December 9.

3. Austria

The Committee heard an oral report by Mr. Umbricht on his recent mission to Austria.

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

STAFF LOAN COMMITTEE

SLC/M/551

Minutes of Staff Loan Committee Meeting held Wednesday, December 1, 1954
at 3:00 p.m. in Room 1005

1. Present:

Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. L. B. Rist
Mr. F. D. Grehg
Mr. H. W. Riley 1*/
Mr. R. H. Demuth

Mr. S. R. Cope
Mr. O. A. Schmidt
Mr. S. Aldewereld
Mr. P. J. Ramm 2/
Mr. H. G. A. Woolley, Secretary

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JUN 13 2014

WBG ARCHIVES

In attendance:

Mrs. S. Boskey
Mr. H. N. Graves 1/
Mr. K. Kapur 1/

Mr. W. F. Howell 1*/ 2/
Mr. M. M. Mendels 1*/ 2/
Mr. L. Nurick

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

* Part only of starred session.

2. International Finance Corporation

The Committee considered Memorandum SLC/O/730, "International Finance Corporation - Next Steps" and

AGREED

- (a) generally with the recommendations made, subject to changes in the draft of the President's memorandum to the Executive Directors and in the draft Outline of an International Finance Corporation (IFC);
- (b) that the problems of
 - (i) the composition of the proposed ad hoc committee of Executive Directors;
 - (ii) the relationship to be established between the management of the Bank and the proposed Corporation; and
 - (iii) the appointment of Bank staff to work on IFC problems;should be referred by the Committee to Mr. Black for his consideration and decision;
- (c) that the draft of the President's memorandum and the draft Outline of an International Finance Corporation
 - (i) after the changes had been made, should be presented to Mr. Black with a covering memorandum, signed by Mr. Iliff, outlining the views expressed by the Committee at this meeting;
 - (ii) should not be distributed to the Executive Directors until the UN had agreed on a resolution along the lines anticipated. If agreement on the resolution was delayed, the problem should be considered again by the SLC.

3. The meeting adjourned at 5:40 p.m., reconvened at 10:30 a.m. on December 2, 1954 and adjourned at 11:30 a.m.

STAFF LOAN COMMITTEE

SLC/M/552

Minutes of Staff Loan Committee Meeting held Wednesday, December 8, 1954
at 4:00 p.m. in Room 1005

1. Present:

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JUN 13 2014

WBG ARCHIVES

Mr. W.A.B. Iliff
Mr. F.D. Gregh
Mr. H.W. Riley
Mr. R.H. Demuth
Mr. A. Broches
Mr. S.R. Cope

Mr. J.H. Adler
Mr. O.A. Schmidt
Mr. S. Aldewereld
Mr. B.H. Colquhoun
Mr. H.G.A. Woolley, Secretary

In attendance:

Mr. L. Cancio
Mr. R.W. Cavanaugh
Mr. F.A. Consolo
Mr. E. de Vries
Mr. J.C. de Wilde 2/
Mr. W. Jahn 1/
Mr. K. Kapur

Mr. E. Lopez-Herrarte
Mr. S.N. McIvor 1/
Mr. M.M. Mendels 1/ 2*/
Miss V. Morsey 1/
Mr. E. Symonds
Mr. A. Waterston 1/

1/ Colombia only

2/ Guatemala only

* Part only of starred item.

2. Colombia

The Committee considered Memorandum SLC/O/732, "Colombia - Second Loan to the Caja de Credito Agrario Industrial y Minero to Finance the Importation of Agricultural Machinery" and

APPROVED

- I. 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 the purpose at 10:00 a.m. on December 16;

subject to

- (a) the addition of a paragraph to the draft Report and Recommendations of the President about the legal authorization for the Caja to enter into the Loan Agreement and for the Government to guarantee the loan, and changes in the Loan and Guarantee Agreements to conform with this addition;
- (b) the inclusion of an early paragraph in the Report summarizing the loans already made by the Bank to Colombia;
- (c) other minor changes in the documents;

- (d) confirmation being received from Colombia that approval of the loan by the newly established National Economic Council could and would be made promptly.

II. that the interest rate on the proposed loan should be $4\frac{1}{4}\%$ per annum.

3. Guatemala

The Committee heard an oral report by Messrs. Consolo and Adler on their recent mission to Guatemala.

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

STAFF LOAN COMMITTEE

SLC/M/553

Minutes of Staff Loan Committee Meeting held Thursday, December 9, 1954
at 3:30 p.m. in Room 1005

1. Present:

Mr. W. A. B. Iliff
Mr. D. Sommers
Mr. F. D. Gregh
Mr. H. W. Riley
Mr. R. H. Demuth

Mr. M. M. Rosen
Mr. J. H. Adler
Mr. S. Aldewereld
Mr. B. W. Colquhoun
Mr. H. G. A. Woolley, Secretary

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JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. A. Broches
Mr. I. P. Cargill
Mr. M. M. Mendels 1/
Mr. R. B. J. Richards

Mr. H. B. Ripman
Mr. G. M. Street
Mr. E. Symonds 1/

1/ Part only.

2. India - I.C.I.C.

The Committee considered the proposed loan of the equivalent of \$10 million to the Industrial Credit and Investment Corporation of India, Limited, and

AGREED that

- (a) the rate of interest should be discussed with Mr. Black;
- (b) (i) subject to Mr. Black's approval, notwithstanding reports of changes in the Government's policy about private investments in India;

(ii) after minor amendments to the loan documents;

the loan documents should be distributed to the Executive Directors with a view to the proposed loan being presented to the Executive Directors at a special meeting to be called for December 17.

- (c) the Executive Directors should be informed in the oral presentation of the proposed order of events in the formation and registration of the Corporation.

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

STAFF LOAN COMMITTEE

SLC/M/554

Minutes of the Staff Loan Committee Meeting held Monday, December 20, 1954
at 3:00 p.m. in Room 1005

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JUN 13 2014

WBG ARCHIVES

1. Present:

Mr. R.L. Garner
Mr. D. Sommers *
Mr. A.S.G. Hoar
Mr. L.B. Rist
Mr. F.D. Gregh *

Mr. H.W. Riley
Mr. O. A. Schmidt
Mr. S. Aldewereld
Mr. B.H. Colquhoun
Mr. H.G.A. Woolley, Secretary

In attendance:

Mr. S.R. Cope
Mr. J. M. Jentgen
Mr. A.M. Kamarck
Mr. K. Kapur *
Mr. B.B. King
Mr. M.L. Lejeune

Mr. J.C. Mehaffey
Mr. R.B.J. Richards
Mr. E. Symonds *
Mr. G.F. Trancart
Mr. M.M. Verheyen

* Part only.

2. East Africa

The Committee considered SLC/O/734 "East Africa: Proposal for a Loan for Railway and Harbour Development" and

APPROVED

- (a) the recommendation made in para. 40;
- (b) that the Executive Directors be informed of the proposed loan negotiations at their special meeting on December 21.

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

STAFF LOAN COMMITTEE

SLC/M/555

Minutes of Staff Loan Committee Meeting held Wednesday, December 29, 1954
at 10:00 a.m. in Room 1005

1. Present:

DECLASSIFIED

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

Mr. R. H. Demuth
Mr. J. Rucinski
Mr. S. Aldewereld *
Mr. R. B. J. Richards
Mr. H. G. A. Woolley, Secretary

JUN 13 2014

WBG ARCHIVES

In attendance:

Mr. N. Chakravarti
Mr. E. de Vries
Mr. J. C. de Wilde
Mr. R. H. Dorr

Mr. D. W. Jeffries
Mr. K. Kapur
Mr. G. M. Street
Mr. E. Symonds

* Part only.

2. Japan

The Committee considered Memorandum SLC/O/735, "Japan - Report of Agricultural Mission 1954" and

APPROVED

the recommendations made in para. 18;

AGREED that

- (a) statements should be added to the mission's report that
 - (i) the mission had not attempted to cover the forest areas but felt that, as an economic factor, the possibility of their exploitation should be given some special study;
 - (ii) study was also desirable to see whether the food supply from the sea and inland waters could be increased to complement that obtained from the land;
- (b) the present para. 147 should be changed to the effect that the purchase of U.S. surplus commodities will add to Japanese resources, and will release funds for development purposes;
- (c) a division between the Bank and the Japanese Government of the cost of the Bank consultant, referred to in para. 140, should be considered;
- (d) certain other minor amendments should be made to the mission report;
- (e) copies of the amended mission report should be distributed to the Executive Directors two or three days before sending the report to the Japanese Government.

3. The meeting adjourned at 11:54 a.m.