

THE WORLD BANK GROUP ARCHIVES

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THE WORLD BANK

Washington, D.C.

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The World Bank

1818 H Street NW

Washington DC 20433

Telephone: 202-473-1000

Internet: www.worldbank.org

PUBLIC DISCLOSURE AUTHORIZED

Clausen's: - General Correspondence - (1984 - July - Dec.) Vol. V



DECLASSIFIED
WBG Archives



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A1995-285 Other #: 5

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Clausen Papers - General Correspondence - Correspondence 05

R1

THE WORLD BANK
Washington, D.C. 20433
U.S.A.

1165

October 12, 1984

Dear Tom,

I acknowledge with thanks your letter of October 9 which Helen brought me yesterday.

Of course I appreciate what you said in your letter, and I am looking forward to sharing some more thoughts and views at a quiet moment during the weeks to come.

Best wishes and warm regards,

H. Clausen

HANS?
WITTKO?

Mr. A. W. Clausen
Suite E-1227

RECEIVED
OCT 13 1984
10:00 AM

SECRET

CONFIDENTIAL

TOP SECRET

TO: DIRECTOR, CENTRAL INTELLIGENCE AGENCY
FROM: [Illegible]
SUBJECT: [Illegible]

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

CONFIDENTIAL

RECEIVED
1984 OCT 12 PM 5: 29
OFFICE OF THE PRESIDENT

September 23, 1984

Dear Mr. Hammarberg:

Thank you for your letter of September 4. It arrived in the midst of preparations for our Annual Meetings slowing our response time a bit.

I welcome the opportunity to meet with you and learn more about your work. Ibrahim Shihata, our Vice President and General Counsel will join us and following the meeting perhaps you and he can have further discussions.

Just give my office a call and they will make the necessary arrangements. In the meantime, I look forward to talking with you.

Sincerely,



A. W. Clausen

Mr. Thomas Hammarberg
Secretary General
Amnesty International
International Secretariat
1 Easton Street
London WC1X 8DJ
United Kingdom

bcc: Mr. Ibrahim Shihata
Mr. Frank Vogl

VRS: sbp

(Log #959)

9/19/84

Roy Southworth

My feeling is that unless MR. Clausen has special reasons to see this man, that little can come of it. But Shikanta would be a good idea. He seems willing - see his note in pencil attached.

FVZ

ROUTING SLIP

DATE:

September 18, 1984

FROM THE VICE PRESIDENT
EXTERNAL RELATIONS

NAME

ROOM NO.

Mr. Shihata

E.723

APPROPRIATE DISPOSITION

NOTE AND RETURN

APPROVAL

NOTE AND SEND ON

COMMENT

PER OUR CONVERSATION

FOR ACTION

PER YOUR REQUEST

INFORMATION

PREPARE REPLY

INITIAL

RECOMMENDATION

NOTE AND FILE

SIGNATURE

REMARKS:

How would you like to handle this?

I shall be happy to meet Mr. Hammarberg for a detailed discussion after or before he sees Mr. Clausen for a few minutes (if he has the time) \$ 9/18

FROM:

Frank Vogl.

THE WORLD BANK

ROUTING SLIP

Date
Sept. 12, 1984

OFFICE OF THE PRESIDENT

Name

Room No.

Ms. Frampton

E-823

B. Vogt

To Handle

Note and File

Appropriate Disposition

XX

Prepare Reply

Approval

Per Our Conversation

Information

Recommendation

Remarks

Would you please prepare a reply
for Mr. Clausen's signature by Sept. 10?

20

Roy Southworth

From



amnesty international

INTERNATIONAL SECRETARIAT
1 Easton Street London WC1X 8DJ
United Kingdom

Our reference:

Direct line:

959
Mr A.W. Clausen
President
The World Bank
1818 H Street, NW
Washington, DC 20433

4 September 1984

Dear Mr Clausen,

I should appreciate an opportunity to present to you the work and concerns of Amnesty International. I shall be in the United States in November and hope it will be possible to meet with you at that time. I enclose for your information the Amnesty International Report 1983 which is a public account of the organization's work and its concerns throughout the world during 1982. The next annual report is to be published in October of this year.

Amnesty International is an independent and worldwide movement with a specific mandate. The organization works impartially for the release of prisoners of conscience - men and women detained in violation of the Universal Declaration of Human Rights for their beliefs, colour, ethnic origin, sex, religion or language who have not used or advocated violence. It works for prompt and early trials for all political prisoners and opposes without reservation the infliction on prisoners of the death penalty and torture or other forms of cruel, inhuman or degrading treatment or punishment. Amnesty International acts only upon the basis of its own research. The information it provides therefore has to be detailed and reliable and most often is country and case specific.

Amnesty International addresses itself to the observance by governments of the rights within its mandate and not to the economic and political system in operation in any country. The organization takes no stand on the legitimacy of maintaining economic relations with countries where human rights are violated and neither endorses nor opposes the use of punitive measures such as sanctions and boycotts. Its information, therefore, is not disseminated with a view either to precipitating or to preventing such actions by others.

I have followed with interest the evolution of the World Bank's development strategy and its efforts to address both the material and nonmaterial needs of the beneficiaries of its programs. I have also

continued/...

☎ 01-833 1771 Telegrams: Amnesty London WC1 Telex: 28502

Amnesty International is an independent worldwide movement working impartially for the release of all prisoners of conscience, fair and prompt trials for political prisoners and an end to torture and executions. It is funded by donations from its members and supporters throughout the world. It has formal relations with the United Nations, Unesco, the Council of Europe, the Organization of African Unity and the Organization of American States.

Mr A.W. Clausen
President, The World Bank

4 September 1984

noted your own personal commitment to this end. I believe Amnesty International's concerns and its information to be pertinent to the World Bank's program and should very much appreciate an opportunity to meet you personally to discuss these matters in more detail. My office will enquire as to whether an appointment in late November will be convenient.

Yours sincerely,



Thomas Hammarberg
Secretary General

enclosure

RECEIVED THE WORLD BANK

SEP 11 1984

SECRET

RECEIVED

1984 SEP 11 PM 3:03

OFFICE OF THE PRESIDENT

November 21, 1984

Dear Mr. Rosenthal:

Thank you very much for your letter of October 22, 1984, in which you have extended an invitation to The World Bank to become an Associate of The Conference Board.

I have looked through the accompanying material to your letter and found it informative and interesting. The World Bank would be delighted to accept your kind offer of membership and a check for \$2,500, covering a year's subscription at the special reduced offer, will be forwarded to you under separate cover.

I look forward to receiving the various reports and bulletins you mention and trust that our membership will be mutually beneficial.

Sincerely,



A. W. Clausen

Mr. William A. Rosenthal
Senior Vice President
The Conference Board
845 Third Avenue
New York, N.Y. 10022

APWilliam/MJWMPaijmans:gbo

#1152
logged out

THE WORLD BANK

ROUTING SLIP

Date

Oct. 30, 1984

OFFICE OF THE PRESIDENT

Name

Room No.

Mr. Paijmans

A-1236

To Handle

Note and File

Appropriate Disposition

Prepare Reply

Approval

Per Our Conversation

Information

Recommendation

Remarks

Roy Southworth

From



The Conference Board

the global network for leaders

845 THIRD AVENUE
NEW YORK, NEW YORK 10022
(212) 759-0900

October 22, 1984

1152

Mr. A. W. Clausen
President
International Bank Reconstr. Dev.
1818 H St., NW
Washington, DC 20433

Dear Mr. Clausen:

I am delighted to invite you and your company to join The Conference Board, the international network of major corporations.

For the first time, you can become an Associate of The Conference Board at greatly reduced cost.

As an Associate you will be joining a global network of 30,000 business leaders. The Conference Board is supported by 75 percent of the Fortune 500, and many progressive smaller companies.

Board membership is their most cost-effective means for gathering and analyzing the management information they require each day for effective decision making.

Under the terms of your membership you will receive 12 months of the Board's management services, including all of its published business research reports, bulletins, surveys, polls and forecasts, as well as access to our Information Service and discounts on all conferences.

The Board annually spends \$18 million generating answers to the business questions that concern you daily. Over the next 12 months you will have the following kinds of research results available to you:

...To assist you in coping with the thorny questions involved in managing your executive team and your directors, you will receive our Top Executive Compensation Survey, plus reports on incentive stock option plans, compensation of directors, executive life insurance programs, and other authoritative information on top management issues.

...For sounder budgeting, forecasting and planning you will receive each month the Board's model-based forecast of the U.S. economy, our often-quoted Consumer Confidence Index and its accompanying report and, every quarter, our exclusive CEO poll, the Business Executives' Expectations Report.

...To help you and your managers outperform your competition in vital areas such as marketing, finance, public affairs, strategic planning, personnel and international operations, you will receive every one of the Board's pinpointed research reports on current trends and advanced management practices.

In addition, Associates are entitled to use the Board's Information Service, staffed by eight information specialists. Last year the Information Service responded to 35,000 management inquiries, saving Associates time and expense.

That's just the beginning of what you receive from The Conference Board. When you participate in the Board's invitation only seminars and conferences you will share the practical experience of today's most knowledgeable business, academic, government and professional leaders.

You will receive all this over the next 12 months -- all of our research reports, economic forecasts and other periodicals, the special opportunity to put to work the resources of our business Information Service, and discounts on attendance fees for all meetings, briefings, seminars and conferences - for just \$2,500, a fraction of what it would cost you to duplicate this information in-house. The value of the published management information service alone is \$4,000.

*COST?
question!*

*How
valued?*

The Conference Board is not only a great research facility -- it is also a global business network through which you'll expand your company's opportunities. By participating in the Board's programs, you will meet informally with new and useful business customers, prospects and competitors.

Your affiliation with The Conference Board harnesses for you the skills of our full-time research staff of 88 professionals. Membership in The Conference Board is an asset that is worth far more than its modest cost. I urge you to accept this invitation today. One of our representatives will be calling you to discuss The Conference Board in greater detail. I believe that, all through the coming year, your investment will pay a handsome return.

Cordially,

William A. Rosenthal

William A. Rosenthal
Senior Vice President

WAR:baw
Enclosures

P.S. A Conference Board membership is normally \$5,000 but until November 30 we are offering you the benefits of a full year's membership for only \$2,500. Because of the nature of this plan we cannot continue it indefinitely. I strongly urge you to act now by signing the enclosed invitation and returning it to me.

RECEIVED

To help you and your managers understand why competition in vital areas such as marketing, technology, product strategy, planning, personnel and organizational development, you will receive every one of the Board's proposed initiatives on a regular basis and advanced management techniques.

In addition, Associates are entitled to see the Board's information. However, certain key information is restricted to the Board's information. Information is available to the management team, leaving information time and expense.

That's just the beginning of what you will receive from the Board. When you participate in the Board's activities, you will receive and contribute your own ideas, comments, questions and feedback. Your knowledge, experience, and perspective are essential to the Board's success.

You will receive all the information you need to make informed decisions. You will receive reports, proposals, and other information. You will have the opportunity to meet with the Board and discuss the Board's activities. You will receive all the information you need to make informed decisions. You will receive reports, proposals, and other information. You will have the opportunity to meet with the Board and discuss the Board's activities.

The Governance Board is not only a great research facility -- it is also a global business network through which you'll expand your company's opportunities. By participating in the Board's program, you will meet informally with new and useful business contacts, programs and competitors.

Your affiliation with the Governance Board benefits you in many ways. It's not just the Board's name that adds to your credibility. It's the Board's network of professionals that adds to your credibility. It's the Board's network of professionals that adds to your credibility. It's the Board's network of professionals that adds to your credibility.

William A. Boardman

William A. Boardman
Chairman, Governance Board

WAR:jam
Enclosure

OFFICE OF THE PRESIDENT
1984 OCT 29 PM 2: 10
RECEIVED

Enclosed for the Board are 10 copies of the Board's report. I encourage you to read the report and to discuss it with your colleagues. I encourage you to read the report and to discuss it with your colleagues.

Benefits & Privileges



of Membership in
The Conference Board

What The Conference Board Offers You and Your Company

As an Associate of The Conference Board, you will belong to a worldwide network of executives who share their experiences and exchange information on vital business issues.

And you will be adding an enormous reservoir of business intelligence to your corporate assets—at remarkably low cost.

This intelligence comes to you through the *Conference Service*, the *Management Report Service*, the *Periodical Service*, and the *Information Service*.

Through the Conference Service, you'll meet with your peers—leaders of giant multinational companies, of progressive smaller companies, and of government, labor, universities, and the professions. As an Associate you may attend conferences at a discount of 20-25%. The quality of the speakers (and the audiences) at Conference Board seminars is unequalled in the world of business.

The Management Report, Periodical Services, and Information Services are prepared for you by an 88-person research organization unmatched in size or quality. This organization is supported by extensive libraries, data bases, and the research expertise developed over our 68-year history.

The Management Report Service.

This program provides you with 12 months of The Conference Board's research reports to help you and your associates make profitable long- and short-range decisions.

As an Associate, you receive about 40 of these how-to management studies, based on the "best practice" technique of the world's most successful companies:

The Role of the Chief Executive and Board of Directors.

You'll learn how others at the highest level of leading national and multinational corporations deal with such issues as executive pay; compensation for outside directors; management succession and other questions of interest to top management.

Finance.

You'll examine how your peers are dealing with such questions as debt financing and earnings forecasting; using outside auditors; raising money overseas; profiting from leasing and more.

Marketing Management.

You'll receive valuable input on such topics as the marketing plan (based on a study of 267 manufacturing and service firms); increasing marketing productivity (based on a survey of 80 companies); launching new products; and sales forecasting.

Personnel and Human Resources Management.

Since no business can succeed without the cooperation of its employees, we offer reports, meetings, conferences and seminars dealing with such topics as general vs. merit salary increases; flexible work schedules; employee benefit programs; control of health care costs; overtime pay; labor unions; alcoholism; recruitment and relocation.

Your Company as it Relates to the World Economy.

You can access reports and articles and attend conferences on regional and U.S. economic outlooks; the international outlook; energy; and major issues in the world economy.

International Operations.

You'll be updated on international barriers to exports; trade with China; managing an international business; identifying international opportunities and a whole lot more.

Public Affairs and Community Relations.

How should your company participate in local and national affairs? You can find answers through our coverage of such issues as corporate contributions; business voluntarism; competence of public affairs managers; the corporate role in education; politics and the CEO; regulatory reform; plus other community relations challenges you must deal with daily.

Planning.

You'll learn how corporate planners evaluate their companies' planning process; how to link the allocation of financial resources with the company's strategic plans; how corporate boards and planning departments can best work together—everything to help you improve your planning function.

The Periodical Service.

This service brings you business forecasts, polls, surveys and reports that are recognized internationally for their authority and their usefulness.

Monthly

Consumer Attitudes and Buying Plans A consumer appraisal of business conditions and employment, plans to buy major durable goods, and vacation plans.

Economic Road Maps Graphic presentations of a wide

variety of economic subjects of general interest, with descriptive text.

Statistical Bulletin Presentation of a wide range of statistical data, including Help-Wanted Index, Capital Appropriations, Discretionary Spending, and Seasonally Adjusted Automobile Sales.

International Economic Scoreboard A report on the leading economic indicators in seven major industrial countries.

Bimonthly

Worldbusiness Perspectives Brief chart-and-text presentations of topics important to companies having international interests.

Quarterly

Business Executives' Expectations Survey of chief executives of large and small firms about current and prospective economic conditions and the outlook for their industries.

Recently Published Research Reports List Includes current Conference Board reports and Information Bulletins by number and title.

Manufacturing Investment Statistics Reports on the capital appropriations for new plant and equipment of the thousand largest manufacturing corporations.

Utility Investment Statistics Reports on the capital appropriations of investor-owned gas and electric utility firms.

Semiannual

Corporate Financing Plans Survey of senior financial executives of leading U.S. nonfinancial corporations on their expected use of internally and externally generated funds and their assessment of the business and financial outlook.

Annual

Cumulative Index An index to The Conference Board's published research material.

In Series

Economic Policy Issues A series focusing on pertinent economic policy issues, including monetary policy and financial markets. Published three to five times a year.

Business Magazine

Across the Board A monthly magazine offering information, insights and projections on matters of current and future interest.

The Conference Service.

This list identifies conferences you may attend as an Associate—at a discount of 20-25%. The quality of the speakers (and of the audiences) at Conference Board seminars is unequalled in the world of business.

Conference	Date	City
International Financial and Economic Outlook Conference	September 10, 1984	Brussels
Management Issues Forum	September 13, 1984	New York City
1985 Business Outlook Conference	September 20, 1984	New York City
The Human Resources Outlook	October 4, 1984	New York City
The 1984 Marketing Conference	October 16-17, 1984	New York City
New Prospects for Manufacturing Profitability: The Corporate Issues	October 31- November 1, 1984	New York City
Re-Structuring the U.S. Tax System	January 17-18, 1985	New York City
1985 Employee Benefits Conference	January 30-31, 1985	New York City
The 1985 Financial Outlook	February 20-21, 1985	New York City
Research and Development: Key Issues for Management in 1985	February 27-28, 1985	New York City
Job Creation: Education and Re-training—Whose Responsibility?	March 6-7, 1985	Brussels
Antitrust Issues in Today's Economy	March 7, 1985	New York City
New Directions for Employee Counseling Programs	March 14-15, 1985	New York City
The 1985 Strategic Planning Conference	March 19-20, 1985	New York City
New Business Initiatives in Public Education	March 27, 1985	New York City
Business and Health Care	March 28, 1985	New York City
Business Opportunities and Challenges in Spain	April, 1985	Madrid
Third Annual Conference on Management Information	April 17-18, 1985	New York City
USA: The Next Four Years	April 22-23, 1985	London
Executive Compensation Outlook	April 30- May 1, 1985	New York City

The Information Service.

The Conference Board's Information Service was inaugurated more than 30 years ago to respond rapidly to Board members' urgent information needs. The Information Service staff of nine information specialists is supported by a fulltime staff of 88 research professionals and an exhaustive business library, including the Board's on-line database service. Associates have free and unlimited access to the Information Service. Over 25,000 information requests are handled annually. The response is normally on its way to you within 24 hours.

Use the Information Service and leverage your organization's resources:

- To let our information experts do the job and save you valuable time and money
- To build on our multimillion dollar investment in information gathering
- To obtain actionable information fast
- To gain direct access to a staff of 88 professional researchers.

All these benefits are yours—they come *free* with your Conference Board membership!

What kinds of questions can you ask us? All kinds. Here are some examples:

- How are companies containing their skyrocketing health care costs?
- How are companies planning for management succession?
- How can merit pay be used to improve employee performance?
- What is The Conference Board's latest GNP forecast, auto sales estimate or estimate of capital goods expenditures by major U.S. companies?
- What should we pay top executives?
- What will be the growing markets in the U.S. and around the world over the next five years?



The Conference Board

the global network for leaders

The Conference Board, Inc.
845 Third Avenue
New York, New York 10022
(212) 759-0900
RCA International Telex
237282 and 234465

**The Conference Board of
Canada**
25 McArthur Road
Ottawa, Ontario K1L 6R3
(613) 746-1261

The Conference Board, Inc.
1755 Massachusetts Ave., N.W.
Washington, D.C. 20036
(202) 483-0580

The Conference Board, Inc.
Avenue Louise, 207-Bte 5
B-1050 Brussels, Belgium
(02) 640 62 40
Telex 63635

Helen,

For info, The check
went out Wednesday night
(Nov. 21).

Cillian.

November 21, 1984

Dear Mr. Rosenthal:

Further to Mr. Clausen's letter to you of today's date advising you that The World Bank has accepted your invitation to become an Associate of The Conference Board, attached please find a check in the amount of \$2,500, covering a year's subscription at the special reduced offer.

Sincerely yours,

Martijn J.W.M. Paijmans
Vice President
Personnel and Administration

Attachment

Mr. William A. Rosenthal
Senior Vice President
The Conference Board
845 Third Avenue
New York, N.Y. 10022

✓ cc: Miss Helen Higgins (President's Office)
Mr. A.P. Williams, PMD

gbo

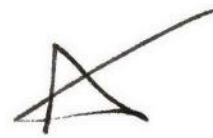
OFFICE MEMORANDUM

DATE: September 10, 1984

TO: Mr. A. W. Clausen

FROM: Eugene H. Rotberg 

EXTENSION: 72213

SUBJECT: Your Meeting with Mr. Rainer Gut of Credit Suisse

You should know that Mr. Gut's request for a meeting with you came on the heels of our most recent Eurodollar issue in late August. At that time, competitive pressures among investment bankers were at a peak, as they awaited announcement of the Treasury regulations -- which permitted U.S. corporations to continue to issue bearer bonds in Europe.

In that Eurodollar borrowing we expanded our "usual" lead management group, to include not only Deutsche Bank (as book runner) and Credit Suisse First Boston (CSFB), our "regular" lead managers, but also Morgan Guaranty, Salomon Brothers, Merrill Lynch, Union Bank of Switzerland and Swiss Bank Corporation. The decision was made in order to dampen tensions between U.S. and European firms which were becoming highly destructive to the market interests of borrowers in general. And, of course, to reflect the placing power of the last five named firms. At the eleventh hour of a prolonged process of going to market, Mr. Gut called me personally to attempt to get some special recognition (a few extra bonds) to enhance CSFB's position in the management group over the other lead managers -- a request we declined.

Mr. Gut's initial response to our unwillingness to award special treatment to CSFB was quite unmeasured and hostile -- to say the least. His follow-up telex (attached) has adopted a more constructive tone and, in that spirit, I look forward to our meetings. We are certainly interested in hearing Mr. Gut's views regarding our future strategy for ensuring success of our borrowing program and how we should choose lead-managers. He should be aware, however, that he's not the only senior banker to offer advice on this subject, in the present context. See attached letter and telex, for example, from Morgan Stanley and Banque Nationale de Paris; both were excluded from the lead managership group.

I am attaching also a clipping from Agefi which reported my views quite accurately, in the wake of the dollar transaction.

Attachments

International Bond Markets

The World Bank, the Eurobond market and Sigmund Freud

The World Bank, probably the most frequent borrower in eurobonds, last week delivered a sharp rebuff to the international market, centred on the fiercely political duel now going on among major bond houses. The criticism of what has been characterised as the current guerrilla warfare in the eurobond system over market position and share — in the wake of structural changes brought about by the repeal of US withholding tax — was voiced by World Bank Treasurer, **Eugene Rotberg**.

Last Friday, the Bank launched a \$200m eurobond with an unusual syndicate line-up, a reshuffling which Rotberg acknowledged was an attempt to reduce some of the current tensions and "frictions" in markets.

The new World Banks were led by the Washington institution's mainstay house, *Deutsche Bank*. But, in a new twist, a co-lead managing group was put in place — consisting of *CS-FB*, *Merrill Lynch*, *Morgan Guaranty Ltd*, *Salomon Brothers*, *Swiss Bank Corp International* and *UBS Securities*. Immediate market reaction was this line-up reflected a neutralist stand by the World Bank, conscious of the heated competition between the US and European "camps" for control of the dollar bond markets. It gave US houses nearly equal billing with their European counterparts. Rotberg confirmed this. "There's obviously a lot of contentiousness in the market at the moment, broadly involving the US versus the non-US firms. We hope this syndicate system would help reduce some of the frictions in the market."

But this type of syndicate lineup should not be seen as a fundamental change, Rotberg indicated. "It's likely to alter in our next transaction. This is not a fundamental shift." And the nature of the broad group at co-lead level should not be over-emphasised. "It's just as strong at the co-managing basket." Nonetheless, the World Bank Treasury made no secret of his dislike of current market trends. "Perhaps there's a danger that some firms in the investment banking community are forgetting their real role and they might concentrate their emotional energies more appropriately for their customers and issuers. In the last month, they appear to have become over-preoccupied with their own role or position. It doesn't sit well with people of such quality." He added: "An enormous amount of time is being taken up on these frictions. Perhaps eurobond firms should make up their minds whether they want a monopoly, competition or a rotating system for the market."

These comments appear to largely echo the views of *CS-FB* chairman *Hans-Joerg Rudloff*, aired in our issue last week. *Rudloff* believed markets are headed for transformation into a global system, but criticised those institutions which, after repeal of withholding, appeared more concerned with positioning to protect "vested interests" and areas of traditional business dominance.

Rotberg was especially scathing about the combative nature of firms seeking deals to improve market position. "An inordinate amount of time is spent on getting perhaps 200 bonds more than somebody else, purely because that ups them a few points in the league tables."

While Rotberg acknowledged he had high respect for the job done by the investment banks in the international bond markets, he reminded them that ultimately they were key intermediaries between the investment community and major borrowers.

Asked to comment on the root cause of the current situation, he replied shortly: "Ask Freud," adding that it appeared that a type of "macho cult" for market position is playing much too strong a role.

Rotberg meanwhile rejected suggestions that, because of apparent political resistance in the US establishment to World Bank lending policies, the institution was having to reduce borrowings from the US domestic capital markets.

The World Bank, he noted, had received approval from the US administration for \$4bn of borrowing in the US dollar for its current 1984/85 financial year — borrowing which will be spread over both the US domestic market and overseas. This figure, a major portion of the \$11bn—\$12bn World Bank borrowing programme, was substantially higher than in its last financial year.

For the next few months, probably up to the year-end, the World Bank would be probably concentrating its funding in US dollars in overseas markets rather than the US, Rotberg said. But this was a strategy dictated by natural market trends and conditions in the US market, including short-term interest rate movements. "Obviously, the choice of timing and strategy is important for a borrower such as ourselves, and we time our borrowings in a whole range of market continuously. There is nothing unusual about this."

MORGAN STANLEY

Del Harris / Ken Lay

F.Y.I.

MORGAN STANLEY & CO.
INCORPORATED
1251 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10020

August 29, 1984

~~Jessie Lee Tall~~

Mr. Eugene H. Rotberg
Vice President & Treasurer
International Bank for Reconstruction and Development
1818 H Street, Northwest
Washington D.C. 20433

Dear Gene:

I must express my abject disappointment in the events surrounding our exclusion from the co-lead management group in your recent \$200 million 12 7/8% Euro-financing. Although I know that you and Tom Saunders dealt extensively with this matter by phone two weeks ago, I feel that it is appropriate for me to add my view and to review the recent conversations between IBRD and Morgan Stanley on the topics of management structures in various market sectors.

Dating back to our meeting in May in New York, we have counseled that World Bank should continue its successful and thoughtful approach to financing in various market sectors: selecting strong lead managers and providing the incentive for the other firms to provide services at the time of capital-raising. As to U.S.-pay public borrowings in the Euro-market, we said specifically that Deutsche Bank was an appropriate lead for that sector. At that time, and in numerous telephone discussions since, we have asked for our inclusion in the public Euro-issues as joint lead based on the merits of our origination, sales and trading activity in that market.

When it became apparent that IBRD would be limited to the Euro-market for its U.S.-pay public financings in the first period of the fiscal year, I sought to determine (a) your acceptance of our request for co-lead management positions or (b) your willingness to mandate issues based upon unilateral bids by us and/or other important Euro-market houses (other than Deutsche Bank and Credit Suisse First Boston). This was the principal topic of discussion in your office on August 6 and separate but related discussions by me with Jessica Einhorn and Del Harris before and after that meeting. Importantly, we suggested even at that time that executing public issues on a fully mandated basis through Deutsche Bank and CSFB was, in our judgement, the approach to borrowing that made the greatest sense given the size of the 1985 program, the restriction on market access in the U.S. and the demonstrated record of successful issues in previous years.


Mr. Eugene H. Rotberg
August 29, 1984
Second Page

MORGAN STANLEY

The purpose of the foregoing is to summarize our stated positions on issue manager selection. At the same time, Gene, we earnestly believe that the record of, and present position of, Morgan Stanley International suggest that we can add measurably to IBRD's funding program. Our on-going commitment to the Euro-market dates to the late 1960's and presently involves a total staff of 250, the largest of any non-U.K. firm in the London market. Measured by origination, we have lead-managed more (number and value) U.S.-pay fixed rate financings in that market than any other firm in 1984 (over 15% of the market). The primary and secondary market activity is at record levels for us at this time, reflecting the dedication of resources — people and capital — which we have devoted to the Euro-market.

Having said all of this, we recognize that only you and your staff can evaluate our relative value as it meets your needs and that the selection of the approach to the market is yours alone. Be assured that we will respect those determinations and seek in the various market sectors to continue to earn the respect of, and business for, the World Bank in financings, swap transactions and portfolio investment.

Sincerely,



James M. Stewart
Managing Director

JMS/jma
Encls.

Mr. Eugene H. Rotberg
August 29, 1984
Third Page

MORGAN STANLEY

Public Fixed Rate Straight Eurodollar Issues
1984 to Date
Full Credit to Lead Manager

<u>Underwriter Parent</u>	<u>Count</u>	<u>Amount of Issue(\$000)</u>
Morgan Stanley	13	1,625,000
CSFB	12	1,475,000
Deutsche Bank A.G.	9	1,350,000
Salomon Brothers	10	975,000
Morgan Guaranty Ltd.	10	910,000
Banque Paribas	6	745,000
Goldman, Sachs	3	375,000
Lehman Brothers	3	350,000
Orion Royal	4	325,000
Merrill	3	300,000
IBJ International	3	300,000
AMRO	2	225,000
UBS	2	200,000
Nikko	2	200,000
Swiss Bank Corporation	1	200,000
Warburg Paribas Becker	2	200,000

ZCZC C9H8232 JWS0139
TREV P FODDR
REF : TCP FCA

JWS0139 JCD385 IN 21/06:30 OUT 21/06:36
NABAPAR RS24315
SINGAPORE ~~21 AUG 84~~
FR BNP SINGAPORE
TO MR EUGENE ROTBERG, TREASURER,
MR. UHRIG,
WORLD BANK, WASHINGTON, U.S.A.

THE UNEXPLAINABLE EXCLUSION OF BNP FROM THE MANAGEMENT GROUP OF YOUR CURRENT US DOLLARS 12 7/8 TEN-YEAR ISSUE HAS STUNNED, SHOCKED AND LITERALLY OFFENDED US ALL AT THE BANK INCLUDING RENE THOMAS, OUR CHAIRMAN, AND JACQUES WAHL, OUR GENERAL MANAGER STOP OVER A PERIOD OF TIME COVERING SEVERAL YEARS, WE HAVE BUILT UP BNP'S NICHE IN THE EUROBOND MARKET AND MADE IT, WITHOUT ANY QUESTION, THE NUMBER ONE FRENCH BANK IN THIS FIELD AND ONE OF THE TOP TEN INVESTMENT BANKING INSTITUTIONS IN THE WORLD STOP YOU HAVE BEEN KIND ENOUGH TO RECOGNIZE OUR MERITS AND TO INCLUDE BNP IN THE MANAGEMENT GROUP OF YOUR EURO DOLLAR ISSUES AS OF LAST YEAR STOP YOU HAVE EVEN EXPRESSED YOUR SATISFACTION OF THE NEW RELATIONSHIP IN A VERY AMICABLE LETTER MAILED TO ME RECENTLY BY MR. UHRIG STOP TO MY CONSTERNATION, I HEAR FROM DEUTSCHE BANK THAT NOT ONLY YOU ARE EXCLUDING BNP FROM YOUR TRANSACTION BUT THAT YOU ARE REPLACING IT BY A FRENCH BANK WHICH IS NON EXISTENT ON THE EURO MARKET WHILST ALSO MAINTAINING IN YOUR MANAGEMENT GROUP ANOTHER FRENCH BANK WHICH HAS CONSISTENTLY LOST ITS STRENGTH OVER THE PAST SIX YEARS, HAS BE OUTCLASSSED BY BNP AND IS CURRENTLY UNDERGOING THE FIRST SEVERE SET-BACK IN ITS HISTORY STOP WE CANNOT BUT CONSIDER THAT SITUATION AS A DELIBERATE OFFENSE TO OUR BANK STOP WE WOULD AT LEAST HAVE HOPED TO BE GIVEN A CHANCE TO DISCUSS THE MATTER WITH YOU AS IS NORMALLY THE CASE WITH ANY MEMBER OF A MANAGEMENT GROUP STOP

AGAIN I HAVE TO SAY WE ARE SHOCKED ESPECIALLY AT A TIME WHERE THE WORLD BANK WILL NEED THE MAXIMUM SUPPORT FROM ITS EUROPEAN HISTORICAL SUPPORTERS STOP MAY I ASK YOU THE FAVOUR OF AN EXPLANATION AND ONLY HOPE THAT YOUR DECISION WAS A MISTAKE WHICH YOU ARE WILLING TO CORRECT IN THE NEAR FUTURE.

BEST PERSONAL REGARDS,

GERARD PRACHE
EXECUTIVE VICE PRESIDENT
B.N.F.

NATIOPAR

SEPT 20

11:00 am

ZCZC CSH7985 JWS0572
TREV
REF : TCP SR

NNNN

ZCZC JWS0572 ZJR890 IN 17/12:46 OUT 17/13:11

812412X CS CH

ZURICH, AUGUST 17, 1984

FROM: CREDIT SUISSE, ZURICH
RAINER E. GUT / CHAIRMAN OF THE BOARD OF CREDIT SUISSE
TO: THE WORLD BANK, WASHINGTON
ATTN. MR. EUGENE H. ROTBERG / VICE PRESIDENT + TREASURER

DEAR GENE,

THE ISSUES WE SPOKE ABOUT LAST NIGHT REGARDING THE SYNDICATE POLICY OF THE WORLD BANK ARE EXTREMELY SENSITIVE AND IMPORTANT TO BOTH INSTITUTIONS. WHILE WE ARE GRATIFIED BY YOUR ASSURANCE THAT CSFB (AS WELL AS DEUTSCHE BANK) WILL NOT BE ROTATED IN YOUR FUTURE BUSINESS, THE ISSUES GO BEYOND OUR NARROW CONCERN FOR OUR POSITION AS LEADING HOUSE IN THE INTERNATIONAL DOLLAR MARKET TO THE QUESTION OF THE BANK'S FUTURE STRATEGY AND SUCCESS IN PENETRATING NOT ONLY THE INTERNATIONAL DOLLAR MARKET BUT THE INDIVIDUAL DOMESTIC MARKETS IN EUROPE AS WELL.

I WOULD LIKE TO CONTINUE THESE DISCUSSIONS AND PLAN ON BEING IN WASHINGTON ON THURSDAY SEPTEMBER 20, AT WHICH TIME I WOULD LIKE TO CALL ON TOM CLAUSEN AND THEN HAVE A DETAILED DISCUSSION WITH YOU ABOUT FUTURE POLICY. I WILL BE JOINED BY JACK HENNESSY, GROUP CHIEF EXECUTIVE OFFICER OF CSFB AND VICE CHAIRMAN OF FIRST BOSTON, INC. I HAVE ASKED MY SECRETARY TO BE TOUCH WITH YOURS AND MR. CLAUSEN'S TO FIX AN APPROPRIATE TIME.

KIND REGARDS

RAINER E. GUT

17/08/84 18:44

812412X CS CH

=08171655

NNNN

TREVP
FCA

SEPT 20

11:00 am

CRESWIS 420149C

.ZRHTGCS CREDIT SUISSE ZUERICH 24-AUG-84 KW

WORLD BANK
WASHINGTON

ATT.: SECRETARY TO MR. EUGENE H. ROTBERG, TREASURER

THIS IS TO CONFIRM THAT OUR CHAIRMAN MR. RAINER E. GUT
AND MR. JACK HENNESSY, GROUP CHIEF EXECUTIVE OFFICER OF
CSFB AND VICE CHAIRMAN OF FIRST BOSTON, INC., WILL CALL
ON MR. ROTBERG ON THURSDAY, SEPTEMBER 20TH AT 11 A.M.

KIND REGARDS,
IRMGARD HESS, SECRETARY TO MR. R.E. GUT

=08241217

ALT RTD FROM:EXCM

NNNN

OFFICE MEMORANDUM

DATE April 5, 1984

TO Files

F.V.

FROM Frank Vibert, VPCOF

EXTENSION 72381

SUBJECT Meeting of Mr. Roland-Billecart with Mr. Clausen, Thursday, March 29, 1984

1. Mr. Roland-Billecart, Director General of Caisse Central de Cooperation Economique (CCCE), accompanied by Mr. Rene Chinot, Director of CCCE, met with Mr. Clausen on Thursday, March 29. Mr. Flamant, Mr. Skillings and I were also present.

2. Mr. Roland-Billecart said that the present difficult economic circumstances were causing CCCE to adjust its lending methods and that currently about 26% of CCCE lending was for non-project loans not associated with new investments but, for example, focussed on the restructuring of public enterprises. In many of CCCE's borrowers (of which 30 out of 40 are in Sub-Saharan Africa), top priority needed to be given to maintenance and rehabilitation. Mr. Roland-Billecart mentioned that CCCE disbursements were slower than expected mainly because of the very difficult position of its borrowers. He found the economic reforms some its borrowers were taking, for example Madagascar, encouraging. Nevertheless he was concerned about the adequacy of the flow of capital to developing countries and the fact that there would be net outflows from some of them, in part associated with the need to repay IMF borrowings.

3. In response to a question of Mr. Clausen, Mr. Roland-Billecart confirmed that cooperation, including cofinancing, with the World Bank was working smoothly. He hoped that the changes in the management of the Africa Regions within the World Bank would not lead to any lessening of the close relationship which had been built up. He said that it was important for the two institutions to work closely on the policy conditions of different types of lending. In this context he would welcome more exchange of views on the rehabilitation of public enterprises and how loans could be channelled to the private sector in borrowing countries, particularly in the light of the very poor financial situation of a number of development finance companies (DFCs) which had provided the traditional channel.

FVibert/lo

cc and cleared with: Mr. Skillings

cc: Messrs. Ohuchi

Southworth ✓

THE WORLD BANK/INTERNATIONAL FINANCE CORPORATION
OFFICE MEMORANDUM

DATE: October 10, 1984

TO: Memorandum for the Record

FROM: Maurice P. Bart 

EXTENSION:

SUBJECT: Mr. Clausen's meeting with Mr. Bröder (European Investment Bank) - September 26, 1984

Present: Messrs. Stern, Bart

1. Mr. Bröder said that he would assign high priority in his stewardship of EIB to improving the exchange of information and increasing cofinancing with the Bank. He could not hide, however, some apprehension about the heavy-handed way in which the Bank exercised its leadership. Mr. Clausen responded that while the Bank should be more sensitive to its partners, its leadership was required to bring about a closer coordination between donors, a more efficient use of scarce resources and a better economic management in developing countries. In present circumstances, it was essential that external financing be directed towards rehabilitation and maintenance rather than new investments. The Bank's report on Africa underlined in diplomatic terms mismanagement by countries as well as the self-serving assistance of some donors. Mr. Stern added that frictions were unavoidable as coordination meant that inappropriate investments financed by donors in Africa had to be criticized (e.g. another stadium). Mr. Bröder concurred but mentioned that he was facing "political interference" as regards EIB's own activities.
2. Turning to financial matters, he expressed the wish that EIB be informed when the Bank planned to borrow in European markets so as to prevent competition between EIB and IBRD bond issues. Mr. Clausen replied that such coordination was a matter for Governments or underwriters; he suggested that it be discussed with Mr. Qureshi.

cc : Mr. Clausen's office (2)
Mr. Stern's office
Mr. Qureshi's office

MPB/ab

European Investment Bank

Ernst Gunther Broder - President
(recently replaced Yves Le Portz)

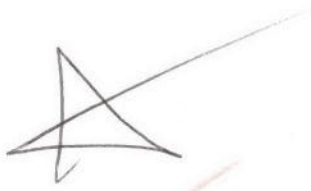
From the Bank

Moeen Qureshi

Enrie Stern

Maurice Bart





iii) European Parliament

In June 1984, elections for a new European Parliament were held; in most countries these elections were used by politicians for local purposes; votes cast were not many and in many countries turned out favorable to the opposition party. This was true in France and the UK (where only about 32% of those eligible voted). In Germany, the minority coalition partner, the Free Democratic partner, did not reach the 5% of votes necessary to gain a seat in the European Parliament. In France, the right triumphed with 10% of the votes cast for an extreme rightist party, which will for the first time have seats in the European Assembly. **The Assembly's new president will be Pierre Pflimlin, conservative former French Prime Minister under the Fourth Republic and more recently mayor of Strasbourg, who unlike his young, Dutch Socialist predecessor, is not known for his interest in developing countries.**

iv) European Investment Bank (EIB)

The European Investment Bank celebrated its 25th birthday in 1983 by organizing a two-day conference on the theme of "Investing in Europe's futuro" whose keynote speaker was Onno Ruding, Netherlands Finance Minister and then Chairman of the Board of EIB. He contrasted the "bold state of creativity" prevailing when the European Community was set up with the "gloom of the present day". The conference's aim was to arrive at concrete recommendations which would lead to a reversal of Europe's situation as a net importer of high technology from Japan and the USA and a net exporter through the "brain drain".

The European Investment Bank provided total financing of ECU 5,948 million (equivalent to \$4,921 million) in 1983, a 23% increase over the preceding year. Most of the loans were to Community members; however, ECU 480.3 million (about \$395 million) were for operations outside the EEC, including ECU 342.7 (\$283.5 million) for the Mediterranean region (Spain, Yugoslavia, Portugal, Morocco, Egypt, Jordan and Lebanon). ECU 137.6 million (\$114 million) went to ACP countries. During 1983, EIB raised a total of ECU 3,508 million (about \$2,902 million), 13% more than in 1982. The funds were raised mainly through public bond issues, which amounted to ECU 2,315 million (\$1,915 million).

Recently EIB has also ventured into cofinancing projects with commercial banks. One such cofinancing transaction was completed for Portugal.

Yves Le Portz, EIB's President since 1970, retired on August 1, 1984 and has been appointed head of the French "Commission des Operations de Bourse" (the French SEC). Mr. Clausen contributed to the "Liber Amicorum" presented to the outgoing president. His successor, Ernst-Gunther Broder, 57, has been the spokesman of the Board of Management of the German Kreditanstalt fur Wiederaufbau since 1980. With that institution since 1964, he has held a variety of positions, from 1960 to 1963 he was projects officer with the World Bank.

As of August 1, 1984 EIB's Management Committee is composed as follows:

Ernst-Gunther Broder, President (Germany)
C. Richard Ross, Vice President (UK)
Arie Pais, Vice President (Netherlands, husband of Mrs. Schoo,
the Dutch Minister of Development Cooperation)
Lucio Izzo, Vice President (Italy)
Noel Whelan, Vice President (Ireland)
Alain Prate, Vice President (France, formerly Vice Governor of
Banque de France)

Biographical Information

Ernst-Gunther BROEDER
President, European Investment Bank

Experience

- Since Aug 1984 - President, European Investment Bank. He was previously a Director at the European Investment Bank and a board member of KfW since 1975.
- 1964- - Kreditanstalt fur Wiederaufbau. Since 1980 has been the spokesman of the Board of Management of KfW and since joining in 1964, held a variety of positions.
- 1961-64 - Project Officer, WORLD BANK
- 1956-61 - Management Board, Bayer AG Leverkusen

Education

Studied political and natural sciences in Cologne, Mainz, Freiburg and Paris.

Personal

Born on January 6, 1927 in Germany.

September 1984

OFFICE MEMORANDUM

W Southworth
RI

DATE July 3, 1984

TO Mr. Ernest Stern, SVPOP

FROM Teruyuki Ohuchi, VPCOF

EXTENSION 78801

SUBJECT Letter from Mr. Paul A. Volcker, Chairman, Federal Reserve System

1. I attach for your information a copy of Mr. Paul Volcker's letter which I received in response to my letter of May 31, 1984 (copy attached). Considering his position, Mr. Volcker's letter seems to me to be highly understanding of our efforts.

2. As suggested by Mr. Volcker in his letter, I intend to continue to contact Mr. Dahl of the Division of Banking Supervision and Regulation, Federal Reserve System, to provide him with updated information about our cofinancing activities, including the level payment scheme that we are developing.

Attachments: 2

cc: Messrs. Burnham, EDS
Foster, EDS
Southworth, EXC ✓
Vibert, VPCAU
Tambe, VPCAU



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

PAUL A. VOLCKER
CHAIRMAN

June 28, 1984

Mr. Teruyuki Ohuchi
Vice President Cofinancing
The World Bank
1818 H Street, N. W.
Washington, D. C. 20433

Dear Mr. Ohuchi:

Thank you for your letter dated May 31 about the efforts of the World Bank to develop cofinancing as a means of financing projects in the developing nations.

The cofinancing initiative by the World Bank seems to me a very useful contribution to involving commercial banks in the financing of projects that have been independently assessed and that have high prospects for being viable. The partnership with the World Bank should also be a positive factor in the credit analysis performed by the participating banks.

As for the attitude of bank supervisors, it should be emphasized that in the United States, supervisors do not establish formal preferences for different types of bank assets or for different classes of bank borrowers. Choices such as these are the prerogatives and the responsibility of bank managements.

In the country risk examination system employed by the U. S. bank supervisory agencies, the emphasis is placed on the avoidance of concentrations of country risk exposure. The first element of the system is to determine, as near as possible, what the true country risk exposures are in a bank's portfolio -- that is, what amounts would be subject to transfer risk in the event of economic difficulties in a particular country. Outstandings to a borrower in a country are analyzed to determine whether there are external guarantees or other factors that in effect shift the transfer risk to another country. In the case of cofinancing, it is my understanding that the World Bank either participates as a lender in the later maturities of a loan or guarantees the later maturities of a loan made by the banks. Under the U. S. country risk examination system, the portion guaranteed by the World Bank would not be considered an exposure to the country in question. However, the non-guaranteed portion would be counted as part of a bank's exposure to the country since it would be subject to transfer risk. Qualitatively, of course, the examiner may take a cofinanced loan into account when assessing the severity of the bank's exposure, just as is done with other extensions of credit that have ameliorating characteristics.

Mr. Teruyuki Ohuchi
The World Bank

Page 2

In your letter, an analogy is made with the preferential treatment of bank loans to borrowers in countries under an IMF adjustment program. The analogy does not seem to me apt, since the difference there is whether the loan is to be classified or made reservable and not whether it is to be excluded from calculations of country concentrations. Even in those cases where loans to a country are classified substandard or value impaired, the interagency committee may exercise judgment about certain categories of loans when other considerations are present.

As members of your staff are aware, the cofinancing program has been discussed at a meeting of Federal Reserve System personnel concerned with international supervision, and material about the program has been made available to them.

The Federal Reserve will continue to watch developments in cofinancing with great interest. It will be helpful if you would continue to keep in touch with Mr. Dahl and his colleagues in our Division of Banking Supervision and Regulation so that we can keep our supervisory policy toward cofinancing under appropriate review.

Sincerely,

A handwritten signature in cursive script, appearing to read "Paul A. Dahl". The signature is written in dark ink and is positioned below the typed name "Paul A. Dahl".

May 31, 1984

Mr. Paul Volcker, Chairman
Board of Directors of Federal Reserve System
Washington, D.C. 20551

Dear Mr. Volcker,

All of us who participated in the Retreat at Bedford Springs, Pa., found your talk and the ensuing discussions on Third World debt problems very stimulating. Mr. Stern has suggested that I follow-up and bring an important aspect to your attention.

The capital needs of many developing countries when they successfully conclude the short-term adjustment programs with IMF guidance and assistance, would need to be viewed in a longer-term perspective. As you noted, the World Bank will have to play an important role during this phase and help restore long-term capital flows to these countries to support their development efforts. Equally, the Bank will also need to help maintain and enlarge capital flows to some of its other borrowers, who, while not beset with acute debt problems, have also seen their access to the international capital markets getting restricted in the disturbed international economic environment.

For some important Bank borrowers presently under IMF programs and for a number of other developing countries, commercial banks are an important source of external capital. The World Bank introduced new cofinancing instruments in early 1983 to provide the banks with the better means to associate their lending with Bank-supported projects. The use of these instruments, even in the very unfavorable environment of 1983, encourages us to believe that a greater interest will be evinced in such cofinancing in the coming year, as the bankers become more familiar with these instruments and as experience is gained from more operations. We, on our part, are quite prepared to consider modifying the instruments to suit the precise requirement of a particular case, as long as our main objective is achieved. Our efforts to encourage banks to continue lending to our borrowers by these means, will be greatly helped by appropriate support from the major Bank supervisors.

We believe that cofinancing with the bank enables the commercial banks to acquire assets of a superior quality since the resources they provide in this manner are applied to well-appraised, high-priority projects, which are executed under the supervision of

OFFICIAL FILE COPY

the Bank and whose successful implementation is helped by the attention the Bank pays to questions of project administration, manpower training and supportive public policy environment (e.g., pricing, regulations, taxes, etc.). The Bank also ensures that commercial bank borrowings are undertaken for investment only in those countries whose economies can sustain and service such debt.

Cofinancing is thus not only an efficient but also a prudential way of creating bank assets in developing countries. The bank supervisors and the World Bank would therefore seem to have a common interest in encouraging commercial banks to prefer cofinanced assets in lending to developing countries. We have, therefore, kept bank supervisors in US, UK, Germany, Japan, Switzerland and the Netherlands informed of our initiatives and have sought to explore ways by which they could give such encouragement. All of them have been supportive of our efforts; the extent to which they can help is, however, dependent on their approach and style of addressing such questions.

The Dutch and the Japanese authorities took explicit measures, to encourage the bankers in their jurisdiction to prefer cofinancing. The Bank of England, with its informal approach, has been bringing our initiatives to the notice of the UK bankers during their periodic meetings. The German and Swiss supervisory approaches do not seem to have scope for any preferential treatment of cofinanced assets; the authorities have, however, encouraged us to make presentations of our initiatives to their bankers.

In the United States, we have been in regular contact with Mr. Frederick Dahl of the Federal Reserve Board, and Mr. Robert Bench of the Office of the Comptroller of Currency. They have been sympathetic and agree that such assets can be viewed as "being on the preferred side." We have recently urged in our discussions with them that, given the US supervisory approach (i.e., formal and fairly detailed), a more explicit indication by the US supervisors of their preference would seem necessary, and possibly this could be by way of a differentiated treatment of "country risk concentrations" when they include cofinanced assets.

Such a formal preferential treatment of cofinanced assets will seem to be analogous to the preferential treatment of commercial bank loans to borrowers in a country under a Fund program in the recent regulations in respect of Allocated Transfer Risk Reserves. It will certainly help the Bank to better meet the longer-term needs of development capital of its borrowers.

The US banks are the most important source of commercial loans for developing countries and they need to be especially encouraged to prefer cofinanced assets. I thought of bringing the steps we are taking to your notice in view of your great interest in the matter, and I shall be grateful for your advice on any steps which could be taken to encourage the US banks.

Sincerely,

Teruyuki Ohuchi
Vice President Cofinancing

cc: Mr. E. Stern, SVPOP

bcc: Messrs. Burnham/Foster, EDS

~~WSTambe:mo~~

Gm
6.1

R1

Princeton University

RESEARCH PROGRAM IN DEVELOPMENT STUDIES

WOODROW WILSON SCHOOL OF PUBLIC AND INTERNATIONAL AFFAIRS

PRINCETON, NEW JERSEY 08544

TEL: (609) 452-6405/02

JOHN P. LEWIS

*Professor of Economics and
International Affairs*

November 9, 1984

*cc w/att.
Mrs. Krueger
Sh. Hussain
Mr. Lal*



Mr. A. W. Clausen
President
The World Bank
1818 H Street, NW
Washington, D.C. 20433

Dear Tom:

It's been three weeks since I had that good opening round with you and your colleagues on my IDRC project to gauge the levels, structure, and directions of donor support for development research. Since then I've made my first European foray on the subject, visiting five governments (the Germans in both Bonn and Frankfurt) and OECD. By the end of that trip some of the conceptual and other complexities had been flushed out enough so that I thought it might be useful to address the attached memo both to those with whom I had already talked, at least initially, and to the others I have yet to see.

The piece is too detailed for you to linger over, but I have enclosed copies for Anne Krueger, Shahid Hussain, and Deepak Lal. Please tell Deepak I shall be catching up with him again shortly.

Warm best regards.

Sincerely,

John
John P. Lewis

JPL/gak

Enc.

RECEIVED

1984 NOV 16 AM 11:38

OFFICE OF THE PRESIDENT

MEMORANDUM

TO: Participants in my study of aid donors'
support of development-related research

FROM: John P. Lewis

SUBJECT: Progress Report

DATE: November 8, 1984

I returned November 2 from a trip in which I met with prospective respondents to my questionnaire concerning aid to development-related research in the Dutch, French, German, Swedish and Italian governments and also, in Paris, with interested parties in the OECD secretariat and among the permanent delegates to the Development Assistance Committee. Just previously I had an initial meeting on the same subject with officials of the World Bank. This set of reflections arises out of these meetings. It is being sent to those with whom I have met already as well as to IDRC, the agency sponsoring the study, and to those whom I have yet to meet on the matter in the British, Japanese, Kuwaiti, and U.S. governments, in Canada's CIDA, and in the Inter-American Development Bank, the Asian Development Bank, the Arab Fund for Economic and Social Development, and UNDP.

All my recent conferees were most hospitable. All welcomed the present study and, despite the considerable work careful replies to the questionnaire will entail, said they were ready and willing to participate. I, of course, expressed my gratitude to everyone for this willingness. There could, we all thought, be substantial value in a genuinely informative compilation of development-research data; and the value will be greatly enhanced if all respondents participate seriously.

Related studies

In the course of the European Trip I learned of two studies that sound at first blush a good deal like that to which IDRC has set me to working but that in fact complement the latter more than they overlap it.

(1) GTZ, the German technical assistance institution, is, at the instigation of IDRC, collaborating with IDRC (either I had not heard of this from my IDRC friends or had not paid attention) in a "pilot project" to build a "data base" on aid projects in support of research for development. However, this differs from my venture in two respects:

a. as to data, I am simply trying to gather budgetary numbers, past and prospective; the IDRC-GTZ collaboration is building up a computerized inventory of compact research project descriptions.

b. The universe of the IDRC-GTZ pilot study is smaller than mine: it is limiting itself to the projects of five official or quasi-official bilateral agencies that, with the exception of GTZ, are confined to the support of research: IDRC, GTZ, SAREC (the Swedish development research agency), NUFFIC (Dutch universities related) and BOSTID (the U.S., USAID-connected,

Board on Science and Technology in Development). (I gather that IFS, the jointly supported intermediary of these five, is also involved.) My study, on the other hand, extends to the research-assistance portfolios of all manner of development-assistance agencies -- for example, the World Bank, and USAID -- for whom research support may claim only a small fraction of their budgets. My set of respondents is selective; to get a sense of levels and directions of funding I am, at least in the first round, relying on queries to only nine bilateral and five multilateral donors. But these surely will represent the bulk of development cooperation's research support, and they will cover a much wider terrain than the IDRC-GTZ pilot project.

(2) At OECD I was given the revised version, just issued (10 October 1984), of the Directorate for Science, Technology, and Industry's paper, "Scientific and Technological Cooperation with Developing Countries." The designation is DSTI/SPR/83.96 (1st Revision) -- restricted. This paper contains descriptions, some quite extensive, of the organizational structures (with some indications also of sectoral content) of the programs in support of development research of eleven OECD member countries.

These are grouped by organizational types: "countries with a long-standing overseas scientific and technical tradition" (U.K., France, Netherlands, Portugal), "countries possessing a centralised institution for scientific and technical cooperation with developing countries" (Canada, Sweden, Norway, Australia), and "countries where scientific and technical cooperation with developing countries is based on decentralised structure systems" (U.S., Germany, Japan). The paper provides much briefer notes about the other OECD members. Its organizational information is useful background for the present study, and for the countries which it features the paper supplies a variety of quantitative, including budgetary, data for the current period. But the breakdowns of the latter are not comparable; they apply to what the paper calls "science and technology activities" of which the category "research and development" is said to be a minority subset; and there is no systematic showing of trends.

The division between development-cooperation and science-and-technology branches

I have been reminded that most of our governments, and some of the multilateral organizations, not only have science and technology ministries or agencies as well as development cooperation ministries or agencies but that some of the former (while mainly concerned with domestic S & T or S & T in general) give some specialized attention, and presumably deliver benefits, to developing countries. It is possible for a survey of a government's or a multilateral's assistance to development research that is aimed at one of these bureaucratic windows to miss what is going on in the other department.

In OECD itself, for example, there are indeed both a directorate of science, technology, and industry and a directorate of development

cooperation, both of which take an interest in development-related research. The liaison between the two seems good; in fact, it was Mme. Tenzer of DCD who supplied me with the DSTI paper noted above. But several of my subsequent bilateral aid interviewees had not yet heard of that paper from their ministry of science and technology counterparts to whom DSTI would have supplied it. Further, my interviewees seemed to agree that the same cleavage is deeper in the European Economic Commission, and that it is the technology wing of the EC that has been the more active in assisting development-related research. (A question to be pursued, by the way, is whether the EC should be added to my roster of respondents.) In Bonn, where I interviewed both, collaboration and interchange between the two branches seem quite lively. Perhaps only because of the speed of my trip, I was not equally sure of the position in the Hague, Paris, Stockholm, and Rome.

In any event, since all of my queries are being addressed to the development cooperation branches of the governments and multilaterals the survey is covering, I would request respondents to consider the following points:

(1) Please respond for your whole government or multilateral agency, not just for your subdivision of same. If government-research-related transfers are being provided by both types of branches just suggested, it will be very helpful if you can briefly indicate the qualitative as well as the quantitative division of labor between the two.

(2) If you are reporting your government's multilateral agency's ODA (official development assistance) in support of development-related research, then, in principle, your totals would not be affected by organizational diversity: you would include all of the official transfers from your government or multilateral in behalf of development research that meet the DAC definition of ODA, whatever their organizational sources.

(3) The situation may be more confusing, however, in the case of research-related transfers in support of development research that are nonconcessional or less concessional than ODA. We would wish to have data on such transfers (e.g., research being funded by regular loans from the World Bank) from aid agencies, albeit preferably segregated from their ODA for research. But it may not be so easy for our aid-agency respondents to get such numbers on the nonconcessional or less concessional transfers for development research being provided by S & T ministries -- especially under the German-type case where such "transfers," mainly to more sophisticated developing countries, are not accounted as being transfers but rather as partnership arrangements wherein the developed country's input is reckoned as being matched by inputs from the cooperating developing-country government or institution. It would nevertheless be useful for respondents, where then can, to indicate the scale of such transactions.

Defining "research" for development

By all odds the aspect of the data gathering IDRC has asked me to do that is conceptually the most complex concerns the definition of development-related research. As a non-specialist in the assembly of R & D data, I have been reluctant to try to impose a definition on respondents. Rather, as indicated in the instructions accompanying the questionnaire, my inclination is to proceed inductively -- to ask you, as practitioners of development research assistance to tell me what your working definition of "research" is, and then, once I collect the responses, to see how much definitional variation we in fact have.

More precisely, I ask you to spell out your usage, as to research, extensively, that is (if one thinks of development-related research as being in a conceptual space that shades off into various other near-research activities) to indicate where, along selected dimensions, you draw your limits on "research." Your tabulations then will be with respect to development-related research so bounded. But where you can, it will help my search for comparable definitions and, therefore, comparable data if you can also indicate, in the case of a particular boundary that others might dispute, how much smaller or larger your numbers would be if your definition were a notch tighter or looser.

The following are the definitional dimensions that have been identified in conversations with respondents thus far. In reviewing them my purpose is less to advocate a particular definition (although where I believe the weight of opinion runs in one direction, I say so) than to encourage respondents to be explicit about the choices they are making on each of these counts.

1. The subjects of development-related research. There seems to be no great potential for dispute over the list of substantive (sectoral, subsectoral, and other) objects of research contained in Part 2 of my questionnaire. Those with whom I talked in Europe did not seem inclined to add or subtract individual subjects. Moreover, they recognized that if they could provide budget data in something like the substantive detail called for by the separate lines in the Part 2 tables, one did not need to be troubled about the logic of the three aggregates (rural and area development; technology, science, and national policy; and human resources development) into which I had grouped the subjects. The latter could be aggregated differently; for example, in Stockholm I told SAREC there was no need to depart from their usual five-way classification of research subjects, which subdivides each of my second and third aggregates.

As we collect responses we will, no doubt, encounter some substantive puzzles. For example, more than one discussant noted that item IB in Part 2 ("environment, ecology") tends to overlap badly with subitems under IA agriculture and rural development, as well as IC natural resources and perhaps IE human settlements planning. In cases such as this the questionnaire's encouragements, on the one hand, to avoid double counting, on the other, to footnote copiously, may not be sufficiently emphatic. Still, as noted, in comparing and assembling responses, I do not expect great difficulties on the substantive front.

2. Problem-solving versus capacity building. The questionnaire recognizes that development research support by external donors may, on the one hand, be devoted to on-going research (or to what the questionnaire calls "current operations," or what one of my Dutch discussants called "problem-solving"). On the other hand, support may be tilted more toward the building of indigenous research capacity in developing countries and/or developing-country regions. Donors are more self-consciously devoted to one or another of these approaches than I had realized -- for example, the Dutch to problem-solving, SAREC to capacity building. Both are legitimate and can legitimately affect what a donor counts as research-promoting expenditures. In Bonn my BMZ conferees made a nice synthesizing point last week: they would tend to give capacity-building precedence in describing their own objectives, but at the same time, they find that the best way to build capacity in a developing country is to engage its specialists in joint problem-solving exercises. (This is in the same vein as SAREC's policy that Swedish specialists and institutions receive funding from SAREC only when they are collaborating with developing country researchers.)

My reflection on this dimension of the research definition is simply that the questionnaire's (Part 1) request for transfers to developing countries to be differentiated between "operations" and "capacity building" is more important but also harder to answer than I had thought. Respondents may need to indicate mixed cases as well as to gear their answers to their program priorities.

3. To what extent does aid for research embrace training? The idea that, institutionally, research and teaching activities often are co-mingled, and that it may not be possible to disentangle their respective budgets, is familiar enough. But the capacity-building version of assistance to research suggests that some training is a central, not just an inseparable, part of research support, since the "capacity" being built is primarily human capacity. But if it is posited that only certain forms of education and training should be charged to research-supporting budgets, which forms should be regarded as integral aspects of research support? Two possible answers emerged in last week's conversations:

a. The research supporting donor defines his capacity-building assistance in terms of the research institutions he is assisting; then he is prepared to assist whatever training (of professionals, paraprofessionals, even nonprofessionals) is needed to make those institutions going concerns.

b. The research promoter is prepared to build human research capacity by funding the training of individuals at advanced, research-degree levels, even though some of the cadre of Ph.D.'s (or the equivalent) in development-related fields so trained may "leak" into non-research activities. (Some of my conferees were familiar with the Agricultural Development Council headquartered in New York, as an exemplar of this second approach.)

Whichever of these two rationales respondents may choose for identifying the kinds of training that are integral to development-research promotion (them may find that their programs reflect both varieties), there is, as noted, the related question of what to do about cases where, although the training is not integral to the research, research and training activities are co-mingled. If, in such mixed cases, the research portions of institutional budgets are segregated, it would be useful to be given the research-only numbers; but, if so, then please also provide the all-institution, nonsegregated data for comparison with other mixed-case estimates from respondents who have been unable to separate research supporting from general training expenditures.

Next, suppose you are one of those other respondents just mentioned, who are attributing some total (research-cum-training) mixed-case institutional budgets to the research account: How heavy a weight will the research side need to have for the case to be treated this way? Obviously, research institutes giving selective postgraduate training would qualify; obviously, primary and secondary schools, as well, I should think, as teacher training institutions for such schools, would not. In Bonn the other day my BMZ conferees and I thought, if we had to draw such a line, we would do so, for example, to include the undifferentiated budgets of the Indian agricultural universities and Indian Institutes of Technology.

Plainly, your treatment of training is another dimension of your definition of development research and its support that will deserve careful footnoting.

4. The pure to applied spectrum. Perhaps the toughest, as well as the most obvious, of all the definitional issues is where to place the outer boundary of "research" along the gradient that runs all the way from "pure" (but nevertheless development-related) research to analytical activity that is so applied, repetitive and/or routinized as not to deserve the research label. The World Bank illustrates the issue and also represents a large fraction of it quantitatively: Although no separate accounting is readily available on this point, it may well be that as much as half a billion dollars annually of the Bank's loans and credits are allocated to "studies." But much of this is for feasibility studies, engineering appraisals, project evaluations, etc., that, although involving research-type people and skills, do not in normal parlance qualify as research.

An urgent question for the compilation I have asked you to help me prepare is where to draw the line between research and this other, near-but non-, research activity. At present I can see two possible answers, depending on whether the enumerator has data on "studies" budgets that are differentiated by levels in the pure-to-applied gradient.

If such graded information already is in the respondent's computer, so to speak, one can adopt a decision rule along the lines suggested in a short paper of August 14, 1984 on "Netherlands Research and Development Effort in the Energy Sector," by J.A. Boer of the Dutch Department of Cooperation's Section for Research and Technology. Mr. Boer grades R & D

efforts into five pure-to-applied levels. He is thinking in terms of wind energy studies but his methodology is broadly applicable. His levels are

- "1- R and D in laboratory conditions of a somewhat fundamental nature, e.g., aerodynamic behavior in wind energy
- "2- Adaptive R and D of a systems approach geared towards the production of prototypes
- "3- Field-testing of complete prototypes, e.g., windmill, pump, storage
- "4- Pilot projects under real scale user conditions, e.g., 5-20 complete installations
- "5- Dissemination and mass deployment.

In our conversation a few days ago Mr. Boer and I agreed that one might stretch one's definition of the "research" being assisted out of a donor's development research budget as far down as number 4 on this list in some instances. At any rate, if respondents have such graded information, they can specify their definitions in such terms.

The other, and more typical, case, I fear, is where the data accessible to a respondent are not graded in pure-to-applied terms but instead, as in data that may be available for some of the regional components of the World Bank's programs, provide only a global figure on "studies." In this event, does a compiler of research-assisting outlays have only two choices -- either to include such a figure or not of it? I would like to think not, but here I look forward to further interchange with the addressees of this memorandum; my round of discussions in Europe began to explore but did not resolve the issue.

What occurs to me as a way, in the case of non-graded data, of improving on the all or nothing alternatives, is based on a preliminary reading of the OECD DSTI paper of October 10, 1984, already mentioned. It mentioned a "Frascati Manual" definition of "R & D" that, the authors believe, is widely shared by S & T specialists in OECD member governments. On the other hand, there is less agreement as to the compass of the broader concept of "science and technology activity" (STA) that includes, but is some multiple of, R & D. According to member governments' documentation, says the DSTI paper, "the ratio of (standard) R & D activities and (non-standard) scientific and technical activities for development varies today between 1 to 1.6 percent in the United States and as much as 1 to 10 percent in other countries."

My hypothesis, to which I would invite respondents' reactions with respect to their own data concerning their total funding of development studies, is that some fraction such as one-third or one-fourth of that total would be a better estimate than either 0% or 100% of the total would be as to the amount of research funding being done.

Time series; the dates of estimates

As noted, one objective of my study is to get a sense of the trends in development-related research. For that purpose the questionnaire asks for discrete annual figures for 1970, 1975, 1980, 1985, and 1990. I recognize, as some of the recent conversations emphasized, that some respondents may not have very good, especially very detailed, estimates for the first of those years, 1970. Some conferees underscored the difficulty of getting sufficiently complete estimates for 1985, for the year next up-coming: bureaucratic caution might produce an artificial dip in the numbers that would be misleading. In that case, I said, please give me the latest historical estimates (e.g., for 1983) together with some qualitative language indicating general expectations concerning the likely levels of the up-coming year compared with this recent year.

As might be expected, discussants also were concerned about the feasibility of estimating 1990 levels. Underscoring again (as in the questionnaire's instructions) the wholly tentative character of any such estimates, I suggested that, as to ODA-funded research assistance, bilateral respondents might be able to guess the trend in their country's ratio of ODA to GNP. The "front-running" DAC members, for example, might not expect this ratio to rise. In that event, changes in ODA for research would depend on either expected trends in real GNP or in the fraction of ODA allocated to research. On the one hand, if there is no reason to expect the research fraction of ODA, or the ODA fraction of GNP, or real GNP, to change notably, one should simply say so, and not try to conjure up an unsubstantiated change in development research support. On the other hand, it can be very helpful to the collectivity of donors (and aid recipients) to have even rough indications of coming changes in a particular donor's research support where the probabilities of such are reasonably strong.

The methodology of the study and the latter's purposes

As my European trip proceeded, I became clearer (at least in my own mind) about the relation between my "inductive" methodology -- the rather permissive, flexible manner in which I am inviting respondents to decide their own definitions and answer whatever fraction of my questions they feasibly can -- and, on the other hand, the twin purposes of the study.

One purpose is to give IDRC and other assisters of development research a rough but trustworthy picture of present and recent levels, as well as sectoral patterns, of research support, and in particular, of where such support seems to be headed. It is more important that such illumination of donors' up-coming decisions be timely and broadly accurate than that it be precise or consist of a mosaic of fully comparable estimates. Hence the present emphasis on gathering such information as can, with reasonable effort, be provided quickly.

The other purpose is to lay some base for more regularized gathering of data on inputs to development-related research in the future. My own hope, like that of some of my European conferees, is that if the interests of OECD members can be sufficiently aroused, such an effort might be taken up by the OECD secretariat after one or more meetings

settling the major conceptual and other issues. I hope my present one-shot study can be a useful, even a catalytic, input to such a process. But if so it will contribute more by identifying and raising the unsettled issues than by trying to answer them. In terms of the sheer assembly of data, it may be more valuable in pointing out gaps that need filling for the future than in producing complete numerical arrays of its own.

Conclusion: timing, plans, comments on research assistance strategy

None of the above should suggest any lack of concern to produce just as coherent a report -- quickly -- as I possibly can. Hence I do indeed plead for as much care in filling my questionnaire as is consistent with an early reply. I hope those whom I have met already will return the questionnaire by the end of January and sooner if possible. Your replies may lead to further correspondence and even, if the logistics permit, to further meetings. But in any event I expect to have finished this exploratory, catalyzing exercise by some time next summer.

Meanwhile, one final word to the effect that, in your general comments invited at the end of the questionnaire, I would appreciate your thoughts about how the international community's development research strategy can be made more effective under conditions of scarce resources and a preponderance of bilateral suppliers. There would appear to be particular scope for a better division of labor and better coordination among research supporters, and along these lines I was especially impressed on this European trip by some fresh cases described to me of sub-sectoral networking among multiple donors at the working level. I would welcome any observations and experiences (negative as well as positive) along these lines.

October 18, 1984

Tom:

Anne Krueger very much wants to keep your meeting with Professor Lewis at the level of a courtesy call. Thus, she doesn't feel that a brief is necessary. However, I did check with Deepak Lal, who will be attending tomorrow's meeting and who, as Research Administrator, is coordinating the Bank's response to the questionnaire.

Deepak says that Professor Lewis is primarily interested in getting a detailed picture of the Bank's expenditures for research, both in the past and for the future. However, the questionnaire asks for a level of detail that we are unable to provide. The Bank's research efforts are highly decentralized, and the budget figures we have for research in the Bank reflect this decentralization. We have available only a very few aggregate numbers based on broadly defined categories. These figures provide nowhere near the level of detail that Professor Lewis is looking for. And it would take a major research effort itself to provide the type of information Dr. Lewis feels he needs for all the research efforts underway in the various parts of the Bank. Deepak has been in touch with Dr. Lewis and indicated the difficulty we would have in filling out the questionnaire. However, he did assure Dr. Lewis that we would try to come up with something for him.

As for tomorrow's meeting, Deepak suggests that you emphasize the difficulty we have in providing the level of details he wants but indicate our willingness to be as cooperative as possible. As for the future, you might also mention that our research priorities are dictated largely by our shareholders' needs. Thus, it is difficult to program research expenditures in detail for a number of years into the future. If you need anything else, I'll dig it up for you tomorrow.

SHAHID
Hussain
ALSO
JOINED
R

10-19-84
Suggested
that Deepak
Lal be the
point of
contact
for John
Lewis
on this
matter.

Roy
Roy

J

THE WORLD BANK
Washington, D. C. 20433
U. S. A.

A. W. CLAUSEN
President

September 23, 1984

Dear John:

Sorry for taking so long to respond to your letter. Our Annual Meetings are just getting underway and it's a bit hectic around here. *Hecked*

We did indeed receive Ivan Head's letter and in our response suggested that you contact Deepak Lal, our Research Administrator. We have passed your questionnaire on to him and have asked him to coordinate the Bank's response. He also is the person with whom you will want to stay in touch to follow-up in case you need additional information.

As to the meetings you suggested, we will be glad to get together. I will ask Anne Krueger, our Vice President for Economics and Research and Chairman of our Research Policy Council, and Shahid Husain, our Vice President for Operations Policy to join our initial meetings. Shahid, as Chairman of the CGIAR, also can arrange any necessary follow-up on this.

Give my office a call and we'll set a date.

Warm regards,

Sincerely,

1984 ?
Professor John P. Lewis
Director
Research Program in
Development Studies
Woodrow Wilson School of Public
and International Affairs
Princeton University
Princeton, New Jersey 08544

bcc: Mr. Ernest Stern
Mrs. Anne Krueger
Mr. Shahid Husain
Mr. Deepak Lal (w/quest.)

VRS:ES:sbp:dw

946
Princeton University

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Woodrow Wilson School of Public and International Affairs
Princeton, New Jersey 08544

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Tel: (609) 452-6405/02

John P. Lewis, Director
Professor of Economics and
International Affairs

August 31, 1984

Mr. A. W. Clausen
President
World Bank
1818 H St. N.W.
Washington, D.C. 20433

Dear Tom,

By now you will have received a letter from Ivan Head, President of the International Development Research Centre in Ottawa, indicating that IDRC is funding a study I am making of past and projected support of development-related research by the principal bilateral and multilateral aid donors.

This is an important subject about which systematic information is largely lacking. There was, of course, a flurry of attention to science and technology for development in connection with the 1979 Vienna conference, and thereafter, for a time, a push toward increased multilateral assistance for research. Moreover, because so many donors participate and the collective effort is well organized, there is widespread familiarity with the international agricultural research institutes assisted by the consultative group chaired by the World Bank. Beyond that, however, knowledge of the past operations, let alone of the future of the plans of major donors in behalf of development research is very patchy. The Development Assistance Committee did not have occasion to adopt research as a particular sectoral focus for its data gathering and program reviews in my time and, I believe, has not done so since. Nor is there an alternative regular source of such information.

Yet there are no doubts these days about the pivotal role that research can play in the development process. Thus I am delighted that IDRC is sponsoring an effort to build a data base on which some regularized, continuing gathering of information about research support, e.g., by DAC, can then be conducted. Yours is likely to be among the many aid-donors as well as aid-recipient programs which will find good uses for such information, and therefore I am asking you to contribute to its generation -- in two ways.

First, I have developed the attached questionnaire. It is, as the cover sheet says, a bit complex. But definitions and concepts in the field are unclear, and, in order to promote comparability across our set of donors and lay a solid base for future, simpler, surveys, it has seemed to me important to ask for the degree of detail the questionnaire seeks. I am sure most or all of it is easily within the capacities of your technical people to provide, and I hope you will encourage them to do so, sending their replies to me here at Princeton as soon as they conveniently can.

Mr. A. W. Clausen
August 31, 1984
page 2

Second, preferably after receipt of the written replies, I would like to visit you to discuss further your research-supporting programs and plans with you and your appropriate officials. I would hope some time after the Bank Fund annual meetings to call on you and Ernie Stern to discuss this matter. With your permission I would bring Doug Daniels, IDRC's director for program and evaluation with me. After a general exchange you could then pass us along for further conversation with the Bank officials (including those who look after (GIAR) who will have prepared replies to the enclosed questionnaire. My office will be calling in September to see if we can arrange such a meeting in the first half of October.

Warm best regards,

John P Lewis
John P. Lewis ^{slc}

(Drafted but not read by Professor Lewis.)

JPL:slc

RECEIVED

1984 SEP 10 PM 2:22

OFFICE OF THE PRESIDENT

August 13, 1984

Dear Mr. Head:

Thank you for your letter of July 18. We will, of course, be pleased to cooperate with Dr. John Lewis in his work for you on the funding of development research. Most of the information Dr. Lewis will need is available in the office of the Vice President, Economics and Research (ERS), and Dr. Lewis should write to Mr. Deepak Lal, the Research Administrator in ERS, to make the necessary arrangements.

Sincerely,



A. W. Clausen

Mr. Ivan L. Head
President
International Development
Research Centre
Box C. P. 8500
Ottawa, Canada K1G 3H9

BC: A. Krueger
D. Lal

(Log #765)

THE WORLD BANK

ROUTING SLIP		Date
August 6, 1984		
OFFICE OF THE PRESIDENT		
Name		Room No.
Mrs. Krueger		I-8-100
581		
To Handle		Note and File
Appropriate Disposition		Prepare Reply
Approval		Per Our Conversation
Information		Recommendation
Remarks		
Would you please prepare a reply for Mr. Clausen's signature by August 13?		
Roy Southworth		
From		

AUG 6 1984



INTERNATIONAL DEVELOPMENT RESEARCH CENTRE

CENTRE DE RECHERCHES POUR LE DÉVELOPPEMENT INTERNATIONAL

PRESIDENT
PRÉSIDENT

July 18, 1984

765

Mr. A. W. Clausen,
President,
World Bank,
1818 H St. N.W.,
Washington, D.C.

Dear Mr. Clausen:

I am writing to inform you that IDRC has initiated a study on support to development-related research which I feel will be of interest to a number of development assistance agencies and recipient countries, and to enlist your co-operation in the work proposed.

Developing countries have identified the capacity to conduct, manage and benefit from research which proposes appropriate and relevant solutions to their problems as a major element in their development efforts. Support to development-related research, both for undertaking research and for building research capacity in developing countries appears to have received higher priority and a commensurate increase in funding from donor agencies in recent years. However, the extent of this support, the forms which it has taken, and donors' future intentions in this area are not well known.

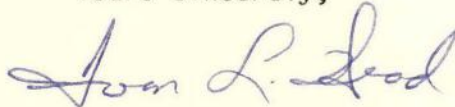
IDRC has requested Dr. John Lewis, Professor of Economic and International Affairs at Princeton University, to undertake an enquiry into these questions. Dr. Lewis will be well-known to you as a distinguished former Chairman of the OECD Development Assistance Committee (DAC), and we consider ourselves extremely fortunate to have secured the participation of such an experienced and eminently well-qualified person for this study. Dr. Lewis will be writing to you in due course with more information on his work requesting you to provide data on your agency's support to development-related research. He will also wish to propose dates when he can meet with you to discuss this subject.

.../2

IDRC has already exchanged views with a number of agencies on the desirability of having better information on support to research. We hope that as a by-product of Dr. Lewis's study, a number of proposals to improve the capture of these flows under DAC procedures for data collection will be advanced and debated in the relevant DAC forum. For the time being, we do not underestimate the effort required to identify amongst your activities those related to research, but hope that you will agree that this is an important issue to focus on.

It is our intention that Dr. Lewis' report be available to both donor agencies and recipient countries alike. I believe therefore that your assistance in this endeavour has every chance of proving productive and useful to all concerned, and extend my gratitude in anticipation of your co-operation with Dr. Lewis.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Ivan L. Head". The signature is fluid and cursive, with a prominent initial "I" and a long, sweeping underline.

Ivan L. Head

RECEIVED

1984 JUL 31 PM 3: 54

OFFICE OF THE PRESIDENT

DEVELOPMENT COOPERATION AGENCIES 1984 INTERNATIONAL SURVEY
OF SUPPORT FOR DEVELOPMENT-RELATED RESEARCH

*Consultant: Dr. John P. Lewis,
Professor of Economics and International Affairs
Princeton University*

PURPOSE OF THE SURVEY

Research for development has been viewed as a growing priority by developing country governments. Official development assistance (ODA) flows have reflected this priority and it is thought that aid to developing country research has increased in recent years. But, at present, the data are limited and inconsistent. They do not provide a clear view of either the trends or the composition of funding for development-related research.

Accordingly, the present effort is to seek the assistance of the principal aid donor agencies in determining the magnitude and direction of their recent ODA flows to research and their intentions in this regard for the medium term future. The International Development Research Centre is supporting the enquiry to inform its own program planning but also because of the usefulness of such information to others in the development promotion community. The resulting report will be widely available to both aid donors and recipients and may provide a frame for some continuing data gathering by the secretariat to the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD).

ORGANISATION OF THE SURVEY INSTRUMENT

Respondents are requested to bear with the complexity of the attached survey instrument. The subject is inherently complex and involves concepts and boundaries that do not have widely agreed definitions. Misunderstanding can be minimised and the comparability of responses maximised if we define categories and concepts extensively, i.e., by enumerating their component categories or concepts. That is one characteristic that makes the attached questionnaire detailed. The other is that it is in the nature of a matrix, i.e., it employs two intersecting classifications (one substantive, the other procedural) of the same research-supporting activity. Under circumstances where we are filling what had been a near data-vacuum for the first time, the value of the detail is that it will lay a comprehensive base upon which simpler and more selective sequences of data gathering can then be built. In view of the potential value of the product, it is hoped respondents will not find the tables too tedious to complete.

For study purposes development research is defined as finding or creating development related information. It is recognised that activities such as education and training, in the subjects under research, and dissemination of research findings are integrally related to development research. However, the instrument is designed to capture 'core' research outlays, which can be compared across sets of donors, rather than data on these related activities of education and training or dissemination of findings. Two major categories of activities are used to organise the instrument. These are:

1. Procedural categories, which identify the forms of research-promoting aid activities in terms of form, purpose and direct recipients of transfers, and
2. Substantive categories, which include the research subjects, fields or sectors.

Format:

A tabular format is used in the survey instrument to ensure that all procedural entries are broken down by substantive topics, and vice versa. You are requested to complete two types of tables, one detailed in its procedural breakdown but broken only into summary groups by subject, and the other substantively detailed but with a comparatively aggregated procedural breakdown. These tables are to be completed for each of the time periods under study.

Time Periods:

It is important to the study objectives that data on both historical and future trends are provided. Because of the difficulty of extracting details of the research component from general estimates and budgets, we are requesting information for five "sample" years, rather than cumulative totals for periods of several years. The specific years are 1970, 1975, 1980, 1985 and 1990. Although it is understood that forward estimates are tentative, please attempt to make estimates as accurately as possible. The opportunity to comment on the quality of these forecasts, as well as on the representativeness of the sampled years for your organisation, is provided at the end of the survey instrument.

GUIDELINES TO THE SURVEY INSTRUMENT

General Guidelines:

As indicated, the survey instrument consists of two sets of tables for each of the five sample years. The first set is aimed at securing detailed data on respondents' procedures for supporting development research, broken down into four summary categories: transfers to developing countries, contributions to research institutions and networks, grants and payments to developed countries, and transfers through multilateral institutions by bilateral donors. This entire procedural array, in the first set of tables, is cross-classified into four summary substantive categories.

These substantive categories are broken down into detailed subject areas for the second set of tables. The first category, rural and area development, includes environment, natural resources, and human settlements and area planning. The second major subject area is technology, science and national policy. This includes engineering and technological adaptation and transfer, natural sciences, industrial development, governance, enterprise management, planning, economic policy and other applied social sciences. The third substantive area is human resources development and includes education and training (as objectives of development research), health and nutrition, income distribution, poverty and population. The final category is established to capture all development subject areas which do not fall under any of the other categories. There may be overlaps in the definition of categories, particularly for substantive categories. If there is an overlap, it is important to ensure that figures are not double counted.

The same data are requested for each set of tables, although the detailed breakdowns are the inverse of each other. As a result, the final total estimates for both sets should be equal. In addition to providing estimates of assistance, general and specific comments are requested. If additional space is required to make comments, use the general comment area provided at the end of the instrument.

Specific Instructions:

Base estimates on current U.S. dollars or local equivalent and express in thousands. If local equivalent is used, please specify the currency.

Do not leave blanks in tables if possible; use dashes to indicate unknown or unavailable data and zeroes to indicate no assistance was provided for category.

There may be overlaps in the definition of categories. If there is an overlap, allocate figures to one category and make sure the choice is specified.

**ASSISTANCE TO RESEARCH
PART 1: PROCEDURALLY DETAILED ACCOUNTING OF DISBURSEMENTS**

You are requested to report research assistance for 1970 for each procedural category and in total. Within each category, figures should be totaled and subtotaled by substantive category. All figures should be reported in thousands of current U.S. dollars or in local equivalent. Ensure that currency is specified, if a local equivalent is used. Please respond to every question wherever possible. Unknown, unavailable or not applicable data should be indicated by a dash(-). If you want to indicate no assistance, enter a zero(0).

I TRANSFERS TO INDIVIDUALS AND ORGANISATIONS IN INDIVIDUAL DEVELOPING COUNTRIES

Please enter the total transfers and transfer breakdowns to individuals and organisations in developing countries for 1970 in the following table.

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL TRANSFERS	_____	_____	_____	_____	_____
A) Amount of total transfers which are:					
• commodities/foreign exchange	_____	_____	_____	_____	_____
• local currencies	_____	_____	_____	_____	_____
• services of expatriates	_____	_____	_____	_____	_____
• foreign training/travel	_____	_____	_____	_____	_____
B) Amount of total transfers for:					
• support of current operations	_____	_____	_____	_____	_____
• support of building capacity	_____	_____	_____	_____	_____
C) Amount of total transfers directly to individuals	_____	_____	_____	_____	_____
D) Amount of total transfers funded via projects	_____	_____	_____	_____	_____

Comment on or clarify the nature of capacity building activity.

Identify the principal recipient developing countries.

II CONTRIBUTIONS TO INTERNATIONAL RESEARCH INSTITUTIONS AND/OR NETWORKS

Please enter the contributions made to international research institutions and/or networks in 1970 in the following table. (Example: the international agricultural research institutes and CGIAR.)

Procedural Category	TOTAL CONTRIBUTIONS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL CONTRIBUTIONS	_____	_____	_____	_____	_____
A) Amount of total contributions which are:					
• foreign exchange	_____	_____	_____	_____	_____
• other	_____	_____	_____	_____	_____
B) Amount of total contributions for:					
• support of current operations	_____	_____	_____	_____	_____
• building capacity	_____	_____	_____	_____	_____

If contributions to international institutions are in forms other than foreign exchange, specify the principal modes of resource transfer.

Comment on or clarify the nature of capacity building activity.

Identify the principal recipient research institutions or networks.

III GRANTS OR PAYMENTS TO INDIVIDUALS AND ORGANISATIONS IN DEVELOPED COUNTRIES

Please enter the grants or payments in support of development research made in 1970 to individuals and organisations in developed countries in the following table.

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL GRANTS/PAYMENTS	_____	_____	_____	_____	_____
A) Amount of total grants to:					
• support current research	_____	_____	_____	_____	_____
• strengthen research capacity of suppliers	_____	_____	_____	_____	_____
B) Of (A) the total grants and payments to individuals	_____	_____	_____	_____	_____
C) Of (A) the total grants and payments to individuals or organisations not of donor country	_____	_____	_____	_____	_____

Classify or characterize the individuals in entry (B) as appropriate.

Identify principal third country recipients of payments to individuals or organisations not belonging to donor country.

IV TRANSFERS FOR DEVELOPMENT RESEARCH ACTIVITIES MADE THROUGH MULTILATERAL INSTITUTIONS, IN THE CASE OF BILATERAL DONORS

Please enter transfers made by bilateral donors for development research activities not included in Questions I, II and III above, and channeled through multilateral institutions via contributions for research. (Example: the Interim Fund for Science and Technology.)

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL TRANSFERS	_____	_____	_____	_____	_____

Identify or comment on principal recipients.

V TOTAL ASSISTANCE TO DEVELOPMENT RESEARCH FOR ALL PROCEDURAL CATEGORIES.

Please enter the grand total for all development research assistance in the following table by adding the totals of Questions I, II, III and IV. Then, if the research assistance is specific to geographic regions, specify the amounts according to the appropriate region.

Please note that the regional totals need not equal the grand total. In determining regional totals, ensure that double counting does not occur.

Substantive Category	GRAND TOTAL OF ASSISTANCE	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
GRAND TOTAL OF ASSISTANCE	_____	_____	_____	_____	_____
Subtotals:					
A) Latin American/Caribbean	_____	_____	_____	_____	_____
B) Sub Sahara Africa	_____	_____	_____	_____	_____
C) Middle East	_____	_____	_____	_____	_____
D) South Asia	_____	_____	_____	_____	_____
E) Southeast Asia	_____	_____	_____	_____	_____
F) Other geographic areas	_____	_____	_____	_____	_____

If amounts are entered on line F, please specify which geographic areas.

**ASSISTANCE TO RESEARCH
PART 2: SUBSTANTIVELY DETAILED ACCOUNTING OF DISBURSEMENTS**

You are requested to report research assistance for 1970 for each substantive category and in total. Within each category, figures should be totaled and subtotaled by procedural category. All figures should be reported in thousands of current U.S. dollars or in local equivalent. Ensure that currency is specified, if a local equivalent is used. Please respond to every question wherever possible. Unknown, unavailable or not applicable data should be indicated by a dash (-). If you want to indicate no assistance, enter a zero(0).

I RURAL AND AREA DEVELOPMENT

Please enter the total assistance for rural and area development and components of rural and area development for 1970 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR RURAL AND AREA DEVELOPMENT	_____	_____	_____	_____	_____
Subtotals:					
A) Agriculture and rural development	_____	_____	_____	_____	_____
• agricultural science	_____	_____	_____	_____	_____
• rural development/ social sciences	_____	_____	_____	_____	_____
• fisheries	_____	_____	_____	_____	_____
• forestry	_____	_____	_____	_____	_____
B) Environment, ecology	_____	_____	_____	_____	_____
C) Natural resources	_____	_____	_____	_____	_____
• energy related	_____	_____	_____	_____	_____
D) Transport, communications	_____	_____	_____	_____	_____
E) Human settlements, planning	_____	_____	_____	_____	_____

If contributions to research on employment are included in the figures for this substantive category, please indicate how much and in which subject area. Contributions to research on employment may be included under any of the substantive categories. Ensure figures are not double counted.

II TECHNOLOGY, SCIENCE AND NATIONAL POLICY

Please enter the total assistance for technology, social science and engineering, and component areas for 1970 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR TECHNOLOGY, SCIENCE, NATIONAL POLICY	_____	_____	_____	_____	_____
Subtotals:					
A) Engineering, technology including adaptation and transfer	_____	_____	_____	_____	_____
B) Natural sciences	_____	_____	_____	_____	_____
C) Industrial development	_____	_____	_____	_____	_____
D) Management, planning, economic policy, applied social sciences	_____	_____	_____	_____	_____

If contributions to research on employment are included in the figures for this substantive category, please indicate how much and in which subject area. Contributions to research on employment may be included under any of the substantive categories. Ensure figures are not double counted.

III HUMAN RESOURCES DEVELOPMENT

Please enter the total assistance for human resources development and component areas for 1970 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR HUMAN RESOURCES DEVELOPMENT	_____	_____	_____	_____	_____
Subtotals:					
A) Research in education, training	_____	_____	_____	_____	_____
B) Health and nutrition	_____	_____	_____	_____	_____
C) Income distribution, poverty, employment	_____	_____	_____	_____	_____
D) Population	_____	_____	_____	_____	_____

Note references to employment under sections I and II above. If research on employment is included in those sections, do not double count here.

IV OTHER DEVELOPMENT RELATED SUBJECTS

Please enter the total assistance given to development related subjects which do not fit into substantive categories I, II and III.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR OTHER DEVELOPMENT SUBJECTS	_____	_____	_____	_____	_____

Specify the subjects included in this category.

V GEOGRAPHIC BREAKDOWN OF ASSISTANCE TO DEVELOPMENT RESEARCH

Please enter the grand total for all development research assistance in the following table by adding the totals of questions I, II, III and IV. Then, if assistance is specific to geographic regions, specify the amounts according to the appropriate region.

In determining regional totals, ensure that double counting does not occur. Please note that the regional totals need not equal the grand total.

Substantive Category	GRAND TOTAL OF ASSISTANCE	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
GRAND TOTAL OF ASSISTANCE	_____	_____	_____	_____	_____
Subtotals:					
A) Latin American/Caribbean	_____	_____	_____	_____	_____
B) Sub Sahara Africa	_____	_____	_____	_____	_____
C) Middle East	_____	_____	_____	_____	_____
D) South Asia	_____	_____	_____	_____	_____
E) Southeast Asia	_____	_____	_____	_____	_____
F) Other Geographic Areas	_____	_____	_____	_____	_____

Please specify other geographic areas which may receive assistance.

**ASSISTANCE TO RESEARCH
PART 1: PROCEDURALLY DETAILED ACCOUNTING OF DISBURSEMENTS**

You are requested to report research assistance for 1975 for each procedural category and in total. Within each category, figures should be totaled and subtotaled by substantive category. All figures should be reported in thousands of current U.S. dollars or in local equivalent. Ensure that currency is specified, if a local equivalent is used. Please respond to every question wherever possible. Unknown, unavailable or not applicable data should be indicated by a dash(-). If you want to indicate no assistance, enter a zero(0).

I TRANSFERS TO INDIVIDUALS AND ORGANISATIONS IN INDIVIDUAL DEVELOPING COUNTRIES

Please enter the total transfers and transfer breakdowns to individuals and organisations in developing countries for 1975 in the following table.

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL TRANSFERS	_____	_____	_____	_____	_____
A) Amount of total transfers which are:					
• commodities/foreign exchange	_____	_____	_____	_____	_____
• local currencies	_____	_____	_____	_____	_____
• services of expatriates	_____	_____	_____	_____	_____
• foreign training/travel	_____	_____	_____	_____	_____
B) Amount of total transfers for:					
• support of current operations	_____	_____	_____	_____	_____
• support of building capacity	_____	_____	_____	_____	_____
C) Amount of total transfers directly to individuals	_____	_____	_____	_____	_____
D) Amount of total transfers funded via projects	_____	_____	_____	_____	_____

Comment on or clarify the nature of capacity building activity.

Identify the principal recipient developing countries.

II CONTRIBUTIONS TO INTERNATIONAL RESEARCH INSTITUTIONS AND/OR NETWORKS

Please enter the contributions made to international research institutions and/or networks in 1975 in the following table. (Example: the international agricultural research institutes and CGIAR.)

Procedural Category	TOTAL CONTRIBUTIONS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL CONTRIBUTIONS	_____	_____	_____	_____	_____
A) Amount of total contributions which are:					
• foreign exchange	_____	_____	_____	_____	_____
• other	_____	_____	_____	_____	_____
B) Amount of total contributions for:					
• support of current operations	_____	_____	_____	_____	_____
• building capacity	_____	_____	_____	_____	_____

If contributions to international institutions are in forms other than foreign exchange, specify the principal modes of resource transfer.

Comment on or clarify the nature of capacity building activity.

Identify the principal recipient research institutions or networks.

III GRANTS OR PAYMENTS TO INDIVIDUALS AND ORGANISATIONS IN DEVELOPED COUNTRIES

Please enter the grants or payments in support of development research made in 1975 to individuals and organisations in developed countries in the following table.

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL GRANTS/PAYMENTS	_____	_____	_____	_____	_____
A) Amount of total grants to:					
• support current research	_____	_____	_____	_____	_____
• strengthen research capacity of suppliers	_____	_____	_____	_____	_____
B) Of (A) the total grants and payments to individuals	_____	_____	_____	_____	_____
C) Of (A) the total grants and payments to individuals or organisations not of donor country	_____	_____	_____	_____	_____

Classify or characterize the individuals in entry (B) as appropriate.

Identify principal third country recipients of payments to individuals or organisations not belonging to donor country.

IV TRANSFERS FOR DEVELOPMENT RESEARCH ACTIVITIES MADE THROUGH MULTILATERAL INSTITUTIONS, IN THE CASE OF BILATERAL DONORS

Please enter transfers made by bilateral donors for development research activities not included in Questions I, II and III above, and channeled through multilateral institutions via contributions for research. (Example: the Interim Fund for Science and Technology.)

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL TRANSFERS	_____	_____	_____	_____	_____

Identify or comment on principal recipients.

V TOTAL ASSISTANCE TO DEVELOPMENT RESEARCH FOR ALL PROCEDURAL CATEGORIES.

Please enter the grand total for all development research assistance in the following table by adding the totals of Questions I, II, III and IV. Then, if the research assistance is specific to geographic regions, specify the amounts according to the appropriate region.

Please note that the regional totals need not equal the grand total. In determining regional totals, ensure that double counting does not occur.

Substantive Category	GRAND TOTAL OF ASSISTANCE	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
GRAND TOTAL OF ASSISTANCE	_____	_____	_____	_____	_____
Subtotals:					
A) Latin American/Caribbean	_____	_____	_____	_____	_____
B) Sub Sahara Africa	_____	_____	_____	_____	_____
C) Middle East	_____	_____	_____	_____	_____
D) South Asia	_____	_____	_____	_____	_____
E) Southeast Asia	_____	_____	_____	_____	_____
F) Other geographic areas	_____	_____	_____	_____	_____

If amounts are entered on line F, please specify which geographic areas.

**ASSISTANCE TO RESEARCH
PART 2: SUBSTANTIVELY DETAILED ACCOUNTING OF DISBURSEMENTS**

You are requested to report research assistance for 1975 for each substantive category and in total. Within each category, figures should be totaled and subtotaled by procedural category. All figures should be reported in thousands of current U.S. dollars or in local equivalent. Ensure that currency is specified, if a local equivalent is used. Please respond to every question wherever possible. Unknown, unavailable or not applicable data should be indicated by a dash (-). If you want to indicate no assistance, enter a zero(0).

I RURAL AND AREA DEVELOPMENT

Please enter the total assistance for rural and area development and components of rural and area development for 1975 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR RURAL AND AREA DEVELOPMENT	_____	_____	_____	_____	_____
Subtotals:					
A) Agriculture and rural development	_____	_____	_____	_____	_____
• agricultural science	_____	_____	_____	_____	_____
• rural development/ social sciences	_____	_____	_____	_____	_____
• fisheries	_____	_____	_____	_____	_____
• forestry	_____	_____	_____	_____	_____
B) Environment, ecology	_____	_____	_____	_____	_____
C) Natural resources	_____	_____	_____	_____	_____
• energy related	_____	_____	_____	_____	_____
D) Transport, communications	_____	_____	_____	_____	_____
E) Human settlements, planning	_____	_____	_____	_____	_____

If contributions to research on employment are included in the figures for this substantive category, please indicate how much and in which subject area. Contributions to research on employment may be included under any of the substantive categories. Ensure figures are not double counted.

II TECHNOLOGY, SCIENCE AND NATIONAL POLICY

Please enter the total assistance for technology, social science and engineering, and component areas for 1975 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR TECHNOLOGY, SCIENCE, NATIONAL POLICY	_____	_____	_____	_____	_____
Subtotals:					
A) Engineering, technology including adaptation and transfer	_____	_____	_____	_____	_____
B) Natural sciences	_____	_____	_____	_____	_____
C) Industrial development	_____	_____	_____	_____	_____
D) Management, planning, economic policy, applied social sciences	_____	_____	_____	_____	_____

If contributions to research on employment are included in the figures for this substantive category, please indicate how much and in which subject area. Contributions to research on employment may be included under any of the substantive categories. Ensure figures are not double counted.

III HUMAN RESOURCES DEVELOPMENT

Please enter the total assistance for human resources development and component areas for 1975 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR HUMAN RESOURCES DEVELOPMENT	_____	_____	_____	_____	_____
Subtotals:					
A) Research in education, training	_____	_____	_____	_____	_____
B) Health and nutrition	_____	_____	_____	_____	_____
C) Income distribution, poverty, employment	_____	_____	_____	_____	_____
D) Population	_____	_____	_____	_____	_____

Note references to employment under sections I and II above. If research on employment is included in those sections, do not double count here.

IV OTHER DEVELOPMENT RELATED SUBJECTS

Please enter the total assistance given to development related subjects which do not fit into substantive categories I, II and III.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR OTHER DEVELOPMENT SUBJECTS	_____	_____	_____	_____	_____

Specify the subjects included in this category.

V GEOGRAPHIC BREAKDOWN OF ASSISTANCE TO DEVELOPMENT RESEARCH

Please enter the grand total for all development research assistance in the following table by adding the totals of questions I, II, III and IV. Then, if assistance is specific to geographic regions, specify the amounts according to the appropriate region.

In determining regional totals, ensure that double counting does not occur. Please note that the regional totals need not equal the grand total.

Substantive Category	GRAND TOTAL OF ASSISTANCE	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
GRAND TOTAL OF ASSISTANCE	_____	_____	_____	_____	_____
Subtotals:					
A) Latin American/Caribbean	_____	_____	_____	_____	_____
B) Sub Sahara Africa	_____	_____	_____	_____	_____
C) Middle East	_____	_____	_____	_____	_____
D) South Asia	_____	_____	_____	_____	_____
E) Southeast Asia	_____	_____	_____	_____	_____
F) Other Geographic Areas	_____	_____	_____	_____	_____

Please specify other geographic areas which may receive assistance.

**ASSISTANCE TO RESEARCH
PART 1: PROCEDURALLY DETAILED ACCOUNTING OF DISBURSEMENTS**

You are requested to report research assistance for 1980 for each procedural category and in total. Within each category, figures should be totaled and subtotaled by substantive category. All figures should be reported in thousands of current U.S. dollars or in local equivalent. Ensure that currency is specified, if a local equivalent is used. Please respond to every question wherever possible. Unknown, unavailable or not applicable data should be indicated by a dash(-). If you want to indicate no assistance, enter a zero(0).

I TRANSFERS TO INDIVIDUALS AND ORGANISATIONS IN INDIVIDUAL DEVELOPING COUNTRIES

Please enter the total transfers and transfer breakdowns to individuals and organisations in developing countries for 1980 in the following table.

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL TRANSFERS	_____	_____	_____	_____	_____
A) Amount of total transfers which are:					
• commodities/foreign exchange	_____	_____	_____	_____	_____
• local currencies	_____	_____	_____	_____	_____
• services of expatriates	_____	_____	_____	_____	_____
• foreign training/travel	_____	_____	_____	_____	_____
B) Amount of total transfers for:					
• support of current operations	_____	_____	_____	_____	_____
• support of building capacity	_____	_____	_____	_____	_____
C) Amount of total transfers directly to individuals	_____	_____	_____	_____	_____
D) Amount of total transfers funded via projects	_____	_____	_____	_____	_____

Comment on or clarify the nature of capacity building activity.

Identify the principal recipient developing countries.

II CONTRIBUTIONS TO INTERNATIONAL RESEARCH INSTITUTIONS AND/OR NETWORKS

Please enter the contributions made to international research institutions and/or networks in 1980 in the following table. (Example: the international agricultural research institutes and CGIAR.)

Procedural Category	TOTAL CONTRIBUTIONS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL CONTRIBUTIONS	_____	_____	_____	_____	_____
A) Amount of total contributions which are:					
• foreign exchange	_____	_____	_____	_____	_____
• other	_____	_____	_____	_____	_____
B) Amount of total contributions for:					
• support of current operations	_____	_____	_____	_____	_____
• building capacity	_____	_____	_____	_____	_____

If contributions to international institutions are in forms other than foreign exchange, specify the principal modes of resource transfer.

Comment on or clarify the nature of capacity building activity.

Identify the principal recipient research institutions or networks.

III GRANTS OR PAYMENTS TO INDIVIDUALS AND ORGANISATIONS IN DEVELOPED COUNTRIES

Please enter the grants or payments in support of development research made in 1980 to individuals and organisations in developed countries in the following table.

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL GRANTS/PAYMENTS	_____	_____	_____	_____	_____
A) Amount of total grants to:					
• support current research	_____	_____	_____	_____	_____
• strengthen research capacity of suppliers	_____	_____	_____	_____	_____
B) Of (A) the total grants and payments to individuals	_____	_____	_____	_____	_____
C) Of (A) the total grants and payments to individuals or organisations not of donor country	_____	_____	_____	_____	_____

Classify or characterize the individuals in entry (B) as appropriate.

Identify principal third country recipients of payments to individuals or organisations not belonging to donor country.

IV TRANSFERS FOR DEVELOPMENT RESEARCH ACTIVITIES MADE THROUGH MULTILATERAL INSTITUTIONS, IN THE CASE OF BILATERAL DONORS

Please enter transfers made by bilateral donors for development research activities not included in Questions I, II and III above, and channeled through multilateral institutions via contributions for research. (Example: the Interim Fund for Science and Technology.)

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL TRANSFERS	_____	_____	_____	_____	_____

Identify or comment on principal recipients.

V TOTAL ASSISTANCE TO DEVELOPMENT RESEARCH FOR ALL PROCEDURAL CATEGORIES.

Please enter the grand total for all development research assistance in the following table by adding the totals of Questions I, II, III and IV. Then, if the research assistance is specific to geographic regions, specify the amounts according to the appropriate region.

Please note that the regional totals need not equal the grand total. In determining regional totals, ensure that double counting does not occur.

Substantive Category	GRAND TOTAL OF ASSISTANCE	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
GRAND TOTAL OF ASSISTANCE	_____	_____	_____	_____	_____
Subtotals:					
A) Latin American/Caribbean	_____	_____	_____	_____	_____
B) Sub Sahara Africa	_____	_____	_____	_____	_____
C) Middle East	_____	_____	_____	_____	_____
D) South Asia	_____	_____	_____	_____	_____
E) Southeast Asia	_____	_____	_____	_____	_____
F) Other geographic areas	_____	_____	_____	_____	_____

If amounts are entered on line F, please specify which geographic areas.

**ASSISTANCE TO RESEARCH
PART 2: SUBSTANTIVELY DETAILED ACCOUNTING OF DISBURSEMENTS**

You are requested to report research assistance for 1980 for each substantive category and in total. Within each category, figures should be totaled and subtotaled by procedural category. All figures should be reported in thousands of current U.S. dollars or in local equivalent. Ensure that currency is specified, if a local equivalent is used. Please respond to every question wherever possible. Unknown, unavailable or not applicable data should be indicated by a dash (-). If you want to indicate no assistance, enter a zero(0).

I RURAL AND AREA DEVELOPMENT

Please enter the total assistance for rural and area development and components of rural and area development for 1980 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR RURAL AND AREA DEVELOPMENT	_____	_____	_____	_____	_____
Subtotals:					
A) Agriculture and rural development	_____	_____	_____	_____	_____
• agricultural science	_____	_____	_____	_____	_____
• rural development/ social sciences	_____	_____	_____	_____	_____
• fisheries	_____	_____	_____	_____	_____
• forestry	_____	_____	_____	_____	_____
B) Environment, ecology	_____	_____	_____	_____	_____
C) Natural resources	_____	_____	_____	_____	_____
• energy related	_____	_____	_____	_____	_____
D) Transport, communications	_____	_____	_____	_____	_____
E) Human settlements, planning	_____	_____	_____	_____	_____

If contributions to research on employment are included in the figures for this substantive category, please indicate how much and in which subject area. Contributions to research on employment may be included under any of the substantive categories. Ensure figures are not double counted.

II TECHNOLOGY, SCIENCE AND NATIONAL POLICY

Please enter the total assistance for technology, social science and engineering, and component areas for 1980 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR TECHNOLOGY, SCIENCE, NATIONAL POLICY	_____	_____	_____	_____	_____
Subtotals:					
A) Engineering, technology including adaptation and transfer	_____	_____	_____	_____	_____
B) Natural sciences	_____	_____	_____	_____	_____
C) Industrial development	_____	_____	_____	_____	_____
D) Management, planning, economic policy, applied social sciences	_____	_____	_____	_____	_____

If contributions to research on employment are included in the figures for this substantive category, please indicate how much and in which subject area. Contributions to research on employment may be included under any of the substantive categories. Ensure figures are not double counted.

III HUMAN RESOURCES DEVELOPMENT

Please enter the total assistance for human resources development and component areas for 1980 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR HUMAN RESOURCES DEVELOPMENT	_____	_____	_____	_____	_____
Subtotals:					
A) Research in education, training	_____	_____	_____	_____	_____
B) Health and nutrition	_____	_____	_____	_____	_____
C) Income distribution, poverty, employment	_____	_____	_____	_____	_____
D) Population	_____	_____	_____	_____	_____

Note references to employment under sections I and II above. If research on employment is included in those sections, do not double count here.

IV OTHER DEVELOPMENT RELATED SUBJECTS

Please enter the total assistance given to development related subjects which do not fit into substantive categories I, II and III.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR OTHER DEVELOPMENT SUBJECTS	_____	_____	_____	_____	_____

Specify the subjects included in this category.

V GEOGRAPHIC BREAKDOWN OF ASSISTANCE TO DEVELOPMENT RESEARCH

Please enter the grand total for all development research assistance in the following table by adding the totals of questions I, II, III and IV. Then, if assistance is specific to geographic regions, specify the amounts according to the appropriate region.

In determining regional totals, ensure that double counting does not occur. Please note that the regional totals need not equal the grand total.

Substantive Category	GRAND TOTAL OF ASSISTANCE	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
GRAND TOTAL OF ASSISTANCE	_____	_____	_____	_____	_____
Subtotals:					
A) Latin American/Caribbean	_____	_____	_____	_____	_____
B) Sub Sahara Africa	_____	_____	_____	_____	_____
C) Middle East	_____	_____	_____	_____	_____
D) South Asia	_____	_____	_____	_____	_____
E) Southeast Asia	_____	_____	_____	_____	_____
F) Other Geographic Areas	_____	_____	_____	_____	_____

Please specify other geographic areas which may receive assistance.

**ASSISTANCE TO RESEARCH
PART 1: PROCEDURALLY DETAILED ACCOUNTING OF DISBURSEMENTS**

You are requested to report research assistance for 1985 for each procedural category and its total. Within each category, figures should be totaled and subtotaled by substantive category. All figures should be reported in thousands of current U.S. dollars or in local equivalent. Ensure that currency is specified, if a local equivalent is used. Please respond to every question wherever possible. Unknown, unavailable or not applicable data should be indicated by a dash(-). If you want to indicate no assistance, enter a zero(0).

I TRANSFERS TO INDIVIDUALS AND ORGANISATIONS IN INDIVIDUAL DEVELOPING COUNTRIES

Please enter the total transfers and transfer breakdowns to individuals and organisations in developing countries for 1985 in the following table.

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL TRANSFERS	_____	_____	_____	_____	_____
A) Amount of total transfers which are:					
• commodities/foreign exchange	_____	_____	_____	_____	_____
• local currencies	_____	_____	_____	_____	_____
• services of expatriates	_____	_____	_____	_____	_____
• foreign training/travel	_____	_____	_____	_____	_____
B) Amount of total transfers for:					
• support of current operations	_____	_____	_____	_____	_____
• support of building capacity	_____	_____	_____	_____	_____
C) Amount of total transfers directly to individuals	_____	_____	_____	_____	_____
D) Amount of total transfers funded via projects	_____	_____	_____	_____	_____

Comment on or clarify the nature of capacity building activity.

Identify the principal recipient developing countries.

II CONTRIBUTIONS TO INTERNATIONAL RESEARCH INSTITUTIONS AND/OR NETWORKS

Please enter the contributions to international research institutions and/or networks in 1985 in the following table. (Example: the international agricultural research institutes and CGIAR.)

Procedural Category	TOTAL CONTRIBUTIONS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL CONTRIBUTIONS	_____	_____	_____	_____	_____
A) Amount of total contributions which are:					
• foreign exchange	_____	_____	_____	_____	_____
• other	_____	_____	_____	_____	_____
B) Amount of total contributions for:					
• support of current operations	_____	_____	_____	_____	_____
• building capacity	_____	_____	_____	_____	_____

If contributions to international institutions are in forms other than foreign exchange, specify the principal modes of resource transfer.

Comment on or clarify the nature of capacity building activity.

Identify the principal recipient research institutions or networks.

III GRANTS OR PAYMENTS TO INDIVIDUALS AND ORGANISATIONS IN DEVELOPED COUNTRIES

Please enter the grants or payments in support of development research projected for 1985 to individuals and organisations in developed countries in the following table.

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL GRANTS/PAYMENTS	_____	_____	_____	_____	_____
A) Amount of total grants to:					
• support current research	_____	_____	_____	_____	_____
• strengthen research capacity of suppliers	_____	_____	_____	_____	_____
B) Of (A) the total grants and payments to individuals	_____	_____	_____	_____	_____
C) Of (A) the total grants and payments to individuals or organisations not of donor country	_____	_____	_____	_____	_____

Classify or characterize the individuals in entry (B) as appropriate.

Identify principal third country recipients of payments to individuals or organisations not belonging to donor country.

IV TRANSFERS FOR DEVELOPMENT RESEARCH ACTIVITIES MADE THROUGH MULTILATERAL INSTITUTIONS, IN THE CASE OF BILATERAL DONORS

Please enter transfers by bilateral donors for development research activities not included in Questions I, II and III above, and which would be channeled through multilateral institutions via contributions for research. (Example: the Interim Fund for Science and Technology.)

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL TRANSFERS	_____	_____	_____	_____	_____

Identify or comment on principal recipients.

V TOTAL ASSISTANCE TO DEVELOPMENT RESEARCH FOR ALL PROCEDURAL CATEGORIES.

Please enter the grand total for all development research assistance in the following table by adding the totals of Questions I, II, III and IV. Then, if the research assistance is specific to geographic regions, specify the amounts according to the appropriate region.

Please note that the regional totals need not equal the grand total. In determining regional totals, ensure that double counting does not occur.

Substantive Category	GRAND TOTAL OF ASSISTANCE	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
GRAND TOTAL OF ASSISTANCE	_____	_____	_____	_____	_____
Subtotals:					
A) Latin American/Caribbean	_____	_____	_____	_____	_____
B) Sub Sahara Africa	_____	_____	_____	_____	_____
C) Middle East	_____	_____	_____	_____	_____
D) South Asia	_____	_____	_____	_____	_____
E) Southeast Asia	_____	_____	_____	_____	_____
F) Other geographic areas	_____	_____	_____	_____	_____

If amounts are entered on line F, please specify which geographic areas.

**ASSISTANCE TO RESEARCH
PART 2: SUBSTANTIVELY DETAILED ACCOUNTING OF DISBURSEMENTS**

You are requested to report research assistance for 1985 for each substantive category and in total. Within each category, figures should be totaled and subtotaled by procedural category. All figures should be reported in thousands of current U.S. dollars or in local equivalent. Ensure that currency is specified, if a local equivalent is used. Please respond to every question wherever possible. Unknown, unavailable or not applicable data should be indicated by a dash (-). If you want to indicate no assistance, enter a zero(0).

I RURAL AND AREA DEVELOPMENT

Please enter the total assistance for rural and area development and components of rural and area development for 1985 in the following table.

Substantive Category	TOTAL	Procedural Categories			Transfers via Multilateral Institutions by Bilateral Donors
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	
TOTAL FOR RURAL AND AREA DEVELOPMENT	_____	_____	_____	_____	_____
Subtotals:					
A) Agriculture and rural development	_____	_____	_____	_____	_____
• agricultural science	_____	_____	_____	_____	_____
• rural development/ social sciences	_____	_____	_____	_____	_____
• fisheries	_____	_____	_____	_____	_____
• forestry	_____	_____	_____	_____	_____
B) Environment, ecology	_____	_____	_____	_____	_____
C) Natural resources	_____	_____	_____	_____	_____
• energy related	_____	_____	_____	_____	_____
D) Transport, communications	_____	_____	_____	_____	_____
E) Human settlements, planning	_____	_____	_____	_____	_____

If contributions to research on employment are included in the figures for this substantive category, please indicate how much and in which subject area. Contributions to research on employment may be included under any of the substantive categories. Ensure figures are not double counted.

II TECHNOLOGY, SCIENCE AND NATIONAL POLICY

Please enter the total assistance for technology, social science and engineering, and component areas for 1985 in the following table.

Substantive Category	TOTAL	Procedural Categories			Transfers via Multilateral Institutions by Bilateral Donors
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	
TOTAL FOR TECHNOLOGY, SCIENCE, NATIONAL POLICY	_____	_____	_____	_____	_____
Subtotals:					
A) Engineering, technology including adaptation and transfer	_____	_____	_____	_____	_____
B) Natural sciences	_____	_____	_____	_____	_____
C) Industrial development	_____	_____	_____	_____	_____
D) Management, planning, economic policy, applied social sciences	_____	_____	_____	_____	_____

If contributions to research on employment are included in the figures for this substantive category, please indicate how much and in which subject area. Contributions to research on employment may be included under any of the substantive categories. Ensure figures are not double counted.

III HUMAN RESOURCES DEVELOPMENT

Please enter the total assistance for human resources development and component areas for 1985 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR HUMAN RESOURCES DEVELOPMENT	_____	_____	_____	_____	_____
Subtotals:					
A) Research in education, training	_____	_____	_____	_____	_____
B) Health and nutrition	_____	_____	_____	_____	_____
C) Income distribution, poverty, employment	_____	_____	_____	_____	_____
D) Population	_____	_____	_____	_____	_____

Note references to employment under sections I and II above. If research on employment is included in those sections, do not double count here.

IV OTHER DEVELOPMENT RELATED SUBJECTS

Please enter the total assistance to development related subjects which do not fit into substantive categories I, II and III.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR OTHER DEVELOPMENT SUBJECTS	_____	_____	_____	_____	_____

Specify the subjects included in this category.

V GEOGRAPHIC BREAKDOWN OF ASSISTANCE TO DEVELOPMENT RESEARCH

Please enter the grand total for all development research assistance in the following table by adding the totals of questions I, II, III and IV. Then, if assistance is specific to geographic regions, specify the amounts according to the appropriate region.

In determining regional totals, ensure that double counting does not occur. Please note that the regional totals need not equal the grand total.

Substantive Category	GRAND TOTAL OF ASSISTANCE	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
GRAND TOTAL OF ASSISTANCE	_____	_____	_____	_____	_____
Subtotals:					
A) Latin American/Caribbean	_____	_____	_____	_____	_____
B) Sub Sahara Africa	_____	_____	_____	_____	_____
C) Middle East	_____	_____	_____	_____	_____
D) South Asia	_____	_____	_____	_____	_____
E) Southeast Asia	_____	_____	_____	_____	_____
F) Other Geographic Areas	_____	_____	_____	_____	_____

Please specify other geographic areas which may receive assistance.

**ASSISTANCE TO RESEARCH
PART 1: PROCEDURALLY DETAILED ACCOUNTING OF DISBURSEMENTS**

You are requested to report research assistance for 1990 for each procedural category and in total. Within each category, figures should be totaled and subtotaled by substantive category. All figures should be reported in thousands of current U.S. dollars or in local equivalent. Ensure that currency is specified, if a local equivalent is used. Please respond to every question wherever possible. Unknown, unavailable or not applicable data should be indicated by a dash(-). If you want to indicate no assistance, enter a zero(0).

I TRANSFERS TO INDIVIDUALS AND ORGANISATIONS IN INDIVIDUAL DEVELOPING COUNTRIES

Please enter the total transfers and transfer breakdowns to individuals and organisations in developing countries for 1990 in the following table.

Procedural Category	TOTAL TRANSFERS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL TRANSFERS	_____	_____	_____	_____	_____
A) Amount of total transfers which are:					
• commodities/foreign exchange	_____	_____	_____	_____	_____
• local currencies	_____	_____	_____	_____	_____
• services of expatriates	_____	_____	_____	_____	_____
• foreign training/travel	_____	_____	_____	_____	_____
B) Amount of total transfers for:					
• support of current operations	_____	_____	_____	_____	_____
• support of building capacity	_____	_____	_____	_____	_____
C) Amount of total transfers directly to individuals	_____	_____	_____	_____	_____
D) Amount of total transfers funded via projects	_____	_____	_____	_____	_____

Comment on or clarify the nature of capacity building activity.

Identify the principal recipient developing countries.

II CONTRIBUTIONS TO INTERNATIONAL RESEARCH INSTITUTIONS AND/OR NETWORKS

Please enter the contributions to international research institutions and/or networks in 1990 in the following table. (Example: the international agricultural research institutes and CGIAR.)

Procedural Category	TOTAL CONTRIBUTIONS	Substantive Categories			
		Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL CONTRIBUTIONS	_____	_____	_____	_____	_____
A) Amount of total contributions which are:					
• foreign exchange	_____	_____	_____	_____	_____
• other	_____	_____	_____	_____	_____
B) Amount of total contributions for:					
• support of current operations	_____	_____	_____	_____	_____
• building capacity	_____	_____	_____	_____	_____

If contributions to international institutions are in forms other than foreign exchange, specify the principal modes of resource transfer.

Comment on or clarify the nature of capacity building activity.

Identify the principal recipient research institutions or networks.

III GRANTS OR PAYMENTS TO INDIVIDUALS AND ORGANISATIONS IN DEVELOPED COUNTRIES

Please enter the grants or payments in support of development research projected for 1990 to individuals and organisations in developed countries in the following table.

Procedural Category	Substantive Categories				
	TOTAL TRANSFERS	Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL GRANTS/PAYMENTS	_____	_____	_____	_____	_____
A) Amount of total grants to:					
• support current research	_____	_____	_____	_____	_____
• strengthen research capacity of suppliers	_____	_____	_____	_____	_____
B) Of (A) the total grants and payments to individuals	_____	_____	_____	_____	_____
C) Of (A) the total grants and payments to individuals or organisations not of donor country	_____	_____	_____	_____	_____

Classify or characterize the individuals in entry (B) as appropriate.

Identify principal third country recipients of payments to individuals or organisations not belonging to donor country.

IV TRANSFERS FOR DEVELOPMENT RESEARCH ACTIVITIES MADE THROUGH MULTILATERAL INSTITUTIONS, IN THE CASE OF BILATERAL DONORS

Please enter transfers by bilateral donors for development research activities not included in Questions I, II and III above, and which would be channeled through multilateral institutions via contributions for research. (Example: the Interim Fund for Science and Technology.)

Procedural Category	Substantive Categories				
	TOTAL TRANSFERS	Rural and Area Development	Technology, Science, National Policy	Human Resources Development	Other
TOTAL TRANSFERS	_____	_____	_____	_____	_____

Identify or comment on principal recipients.

V TOTAL ASSISTANCE TO DEVELOPMENT RESEARCH FOR ALL PROCEDURAL CATEGORIES.

Please enter the grand total for all development research assistance in the following table by adding the totals of Questions I, II, III and IV. Then, if the research assistance is specific to geographic regions, specify the amounts according to the appropriate region.

Please note that the regional totals need not equal the grand total. In determining regional totals, ensure that double counting does not occur.

Substantive Category	Procedural Categories				
	GRAND TOTAL OF ASSISTANCE	Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
GRAND TOTAL OF ASSISTANCE	_____	_____	_____	_____	_____
Subtotals:					
A) Latin American/Caribbean	_____	_____	_____	_____	_____
B) Sub Sahara Africa	_____	_____	_____	_____	_____
C) Middle East	_____	_____	_____	_____	_____
D) South Asia	_____	_____	_____	_____	_____
E) Southeast Asia	_____	_____	_____	_____	_____
F) Other geographic areas	_____	_____	_____	_____	_____

If amounts are entered on line F, please specify which geographic areas.

ASSISTANCE TO RESEARCH
PART 2: SUBSTANTIVELY DETAILED ACCOUNTING OF DISBURSEMENTS

You are requested to report research assistance for 1990 for each substantive category and in total. Within each category, figures should be totaled and subtotaled by procedural category. All figures should be reported in thousands of current U.S. dollars or in local equivalent. Ensure that currency is specified, if a local equivalent is used. Please respond to every question wherever possible. Unknown, unavailable or not applicable data should be indicated by a dash (-). If you want to indicate no assistance, enter a zero(0).

I RURAL AND AREA DEVELOPMENT

Please enter the total assistance for rural and area development and components of rural and area development for 1990 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR RURAL AND AREA DEVELOPMENT	_____	_____	_____	_____	_____
Subtotals:					
A) Agriculture and rural development	_____	_____	_____	_____	_____
• agricultural science	_____	_____	_____	_____	_____
• rural development/ social sciences	_____	_____	_____	_____	_____
• fisheries	_____	_____	_____	_____	_____
• forestry	_____	_____	_____	_____	_____
B) Environment, ecology	_____	_____	_____	_____	_____
C) Natural resources	_____	_____	_____	_____	_____
• energy related	_____	_____	_____	_____	_____
D) Transport, communications	_____	_____	_____	_____	_____
E) Human settlements, planning	_____	_____	_____	_____	_____

If contributions to research on employment are included in the figures for this substantive category, please indicate how much and in which subject area. Contributions to research on employment may be included under any of the substantive categories. Ensure figures are not double counted.

II TECHNOLOGY, SCIENCE AND NATIONAL POLICY

Please enter the total assistance for technology, social science and engineering, and component areas for 1990 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR TECHNOLOGY, SCIENCE, NATIONAL POLICY	_____	_____	_____	_____	_____
Subtotals:					
A) Engineering, technology including adaptation and transfer	_____	_____	_____	_____	_____
B) Natural sciences	_____	_____	_____	_____	_____
C) Industrial development	_____	_____	_____	_____	_____
D) Management, planning, economic policy, applied social sciences	_____	_____	_____	_____	_____

If contributions to research on employment are included in the figures for this substantive category, please indicate how much and in which subject area. Contributions to research on employment may be included under any of the substantive categories. Ensure figures are not double counted.

III HUMAN RESOURCES DEVELOPMENT

Please enter the total assistance for human resources development and component areas for 1990 in the following table.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR HUMAN RESOURCES DEVELOPMENT	_____	_____	_____	_____	_____
Subtotals:					
A) Research in education, training	_____	_____	_____	_____	_____
B) Health and nutrition	_____	_____	_____	_____	_____
C) Income distribution, poverty, employment	_____	_____	_____	_____	_____
D) Population	_____	_____	_____	_____	_____

Note references to employment under sections I and II above. If research on employment is included in those sections, do not double count here.

IV OTHER DEVELOPMENT RELATED SUBJECTS

Please enter the total assistance to development related subjects which do not fit into substantive categories I, II and III.

Substantive Category	TOTAL	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
TOTAL FOR OTHER DEVELOPMENT SUBJECTS	_____	_____	_____	_____	_____

Specify the subjects included in this category.

V GEOGRAPHIC BREAKDOWN OF ASSISTANCE TO DEVELOPMENT RESEARCH

Please enter the grand total for all development research assistance in the following table by adding the totals of questions I, II, III and IV. Then, if assistance is specific to geographic regions, specify the amounts according to the appropriate region.

In determining regional totals, ensure that double counting does not occur. Please note that the regional totals need not equal the grand total.

Substantive Category	GRAND TOTAL OF ASSISTANCE	Procedural Categories			
		Transfers to Developing Countries	Contributions to Research Institutions and Networks	Grants and Payments to Developed Countries	Transfers via Multilateral Institutions by Bilateral Donors
GRAND TOTAL OF ASSISTANCE	_____	_____	_____	_____	_____
Subtotals:					
A) Latin American/Caribbean	_____	_____	_____	_____	_____
B) Sub Sahara Africa	_____	_____	_____	_____	_____
C) Middle East	_____	_____	_____	_____	_____
D) South Asia	_____	_____	_____	_____	_____
E) Southeast Asia	_____	_____	_____	_____	_____
F) Other Geographic Areas	_____	_____	_____	_____	_____

Please specify other geographic areas which may receive assistance.

ASSISTANCE TO RESEARCH

PART 3: GENERAL COMMENTS

Please comment on the quality of your estimates indicating in particular the confidence you place on projections and past estimates. Note any specific substantive or procedural category for which it was especially difficult to provide estimates.

Please comment on the representativeness of the sampled years, detailing any significant deviations in funding trends.

Please comment on questionnaire completion detailing any difficulties in terms of format or definition of categories. If you took into account any procedures or subject areas in addition to those specified in the tables, ensure that details or qualifications are provided.

General or Additional Comments.



Industry Council for Development

R1

cc: Mr. Dherse
Mr. Dehejia
11/10/84

1258

J. P. Erbé
CHAIRMAN OF THE BOARD

Mr. A.W. Clausen,
President
World Bank,
1818 H Street N.W.,
WASHINGTON D.C. 20433.
USA.

A

Rotterdam, 31st October 1984.
P.O. Box 760

Dear Mr. Clausen,

It was a great pleasure meeting you and your associates last month. I greatly appreciate the time you set aside for our discussions, especially considering that you were deep in preparations for your own Annual Meeting.

In view of our expanding cooperative activities with your associates, it was particularly valuable to have your guidance on overall bank policies and priorities, including industrial restructuring and African development. I hope that, in turn, our briefing helped to clarify ICD's goals and the great potential which we believe exists for industry to support the development process.

Thank you too for clarifying that Mr. J.L. Dherse will be our overall point of contact. Mr. Simons will establish regular liaison with his office.

Perhaps, in the near future, we can invite you and your associates to meet our full Board at one of its meetings in Washington. Mr. Dehejia also suggested we might schedule an IFC presentation to our membership.

As international industrialists, we find ourselves in close agreement with many of the Bank's views and initiatives. You may be assured that I will give high priority to increasing the effectiveness of our cooperation in support of economic and social development.

Yours sincerely,

J.P. Erbé.

RECEIVED

1984 NOV -6 PM 3: 52

OFFICE OF THE PRESIDENT

OFFICE MEMORANDUM

DATE: September 11, 1984
TO: Mr. A.W. Clausen
FROM: Hans A. Wuttke
SUBJECT: Industry Council for Development (ICD)

9-17-84
A

J.B. Erbe and Walter Simons of ICD are scheduled to meet with you on September 17.

IFC's contacts with ICD date back to early 1982 when our Development Department worked with them to study the possibility of promoting private sector seed production projects in developing member countries. Turkey was chosen as a test case. Funded by US-AID, ICD reviewed the national seed system, examined the feasibility of expanding the national seed industry and recommended major legal, administrative and operational measure to promote private sector involvement in the industry. Because of increasing investor interest in this sector, in May 1984 ICD organized a seed enterprise development workshop in Istanbul in which IFC staff (Paul Peperzak) participated. As a result of this seminar, some useful leads for potential IFC investments have been developed, the most promising one being a prospective joint-venture between a Turkish enterprise GUNES and van der Have of the Netherlands.

Another area of collaboration with ICD has been in the Ivory Coast where ICD is putting together a feasibility study for a private sector seed production project in cooperation with the Commonwealth Development Corporation (UK). The project is likely to have a total cost of about US\$7.5 million equivalent. We expect to receive the feasibility report later this month.

Although our contacts with ICD have so far been confined to the promotion of the seed industry, we look forward to cooperating with them and their members in promoting ventures in other sectors, particularly in Africa. We have had direct business dealings with several ICD member companies such as Bata (Canada), Buhler Bros. (Switzerland), Danish Turnkey Dairies (Denmark), HVA (the Netherlands), Modi (India), Packages (Pakistan), Parsons & Whittimore (USA), Tate & Lyle (UK), Unilever (UK) and Volvo (Sweden).

One of the problems hindering closer cooperation with ICD and other similar bodies has been IFC's reluctance to finance the up-front cost of feasibility studies. To some extent this has been alleviated by the recent IFC-UNDP agreement whereby IFC can draw upon UNDP funds for such exercises in selected low-income countries.

MVDehejia:blm

OFFICE MEMORANDUM

DATE: September 13, 1984

TO: Mr. A.W. Clausen, President

THROUGH: Mr. Ernest Stern, Senior Vice President, Operations ^{ES}

FROM: Jean-Loup Dherse, Vice President, Energy and Industry

SUBJECT: Industry Council for Development

1. On Monday, September 17, you will be meeting with Messrs. Erbe and Simons of the Industry Council for Development (ICD). Mr. Erbe is Chairman of ICD and Vice Chairman of Unilever Rotterdam. Mr. Simons, the Executive Director of ICD, is responsible for its day-to-day operations.

2. ICD is an umbrella organization of 35 major multinationals, mostly from the US and Europe, set up in 1979 to channel the technical and managerial expertise of its member companies to developing countries. The list of the member companies is impressive. However, its secretariat is quite modest in size and its own budgetary resources are also small. As we understand, the secretariat mainly plays a promotional and coordinational role; the actual field work is done by individuals released temporarily by the member companies, either on a cost-free basis or against reimbursement by agencies such as USAID and UNDP.

3. Overall, the activities of ICD so far have been modest both in terms of size and coverage. Most of the country work done so far is in agro-industries, particularly relating to the development of domestic seed industries (in Ivory Coast, Turkey and Thailand), reflecting perhaps the interests and skills of the most active member companies and of the secretariat itself. Most of the ICD's work so far has been supported by USAID and UNDP. Our information indicates that they are not well known either in the countries concerned or in the development community, most likely due to the limited nature of their operations so far. It appears they are now making efforts to expand and diversify their activities, and their recent contacts with the Bank and IFC are part of these efforts.

4. My colleagues in the Industry Department and I have met with Mr. Simons a couple of times during the past few months. While we do not anticipate a major collaborative effort with them in the industrial sector (none seems feasible in energy), there may be some scope for cooperation in our newly emerging work in corporate and industrial restructuring. We have met twice with one of their directors, Mr. Babar Ali from Pakistan, to explore the possibility. Nothing firm has yet emerged, but we plan to stay in contact with them.

5. I suggest that in your meeting with Messrs. Erbe and Simons you express general support for their efforts, but be cautious in responding to any suggestions for a major collaborative work program. You may also want to suggest that as ICD identifies specific opportunities for collaboration, they should contact the operational managers and staff concerned in the Bank or IFC.

9/17

For this afternoon's meeting with the Industry Council for Development (at 4 p.m.), Mr. Dherse is bringing the Deputy Chief of the Industrial Strategy and Policy Division, Christian Duvigneau, with him.

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Industry Council for Development

15 August 1984

852
Mr. A. W. Clausen
President
World Bank
1818 H Street N.W.
Washington D. C. 20433

Dear Mr. Clausen:

Following up your letter of ^{attached} last November 8th, our Chairman, Mr. Erbe and I, will be in Washington on September 17th or 18th. We would greatly appreciate an opportunity to brief you on the work of our Council and to gain your views on industry support for the development process.

In the past few months ICD's cooperation with IBRD and IFC has continued to expand through projects in countries such as Turkey, Zaire and the Ivory Coast. We have also held discussions with your senior associates on possible cooperation regarding "industrial restructuring" programs.

I will call your office shortly to confirm the possibility of an appointment on the 17th or 18th.

Yours sincerely,

Walter W. Simons
Executive Director

c.c. J. P. Erbe

OFFICE OF THE PRESIDENT

1984 AUG 17 PM 4:41

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Industry Council for Development

A Practical Initiative by
International Industry to assist
developing countries achieve
their social and economic goals.

Objectives



Principles



Organization



Activities

The Challenge: Increasing the effectiveness of development assistance

The 1980's - and the Third Development Decade - are well underway with a world marked by sharp contrast between nations rich and poor, developed and undeveloped. With increasing interdependence, these economic and social disparities are a challenge to the leadership of governments, industry and development institutions alike.

There is a growing concensus that development efforts could be more effective if more of the management and technological expertise and the scientific and marketing "know-how" of industry were available to complement the bilateral and multilateral aid provided by governments.

This is supported by recent analyses indicating that development achievements are increasingly attributable to such non-material factors as skills, knowledge and know-how - the kind of expertise that also characterize industrial enterprises worldwide.

The Response: Industry expertise for development activities through ICD

This common concern led industrialists from eighteen countries to establish the Industry Council for Development in 1979, with the strong endorsement of the Secretary-General of the United Nations and the Administrator of the United Nations Development Programme (UNDP).

Today, the Council enjoys a reputation for practical and effective action. This is based on project achievements in several developing countries through the use of managerial and technological expertise contributed by ICD member companies.

The Council is a self-supporting non-profit membership corporation. Its headquarters are in New York City to facilitate collaboration with development organizations, particularly the UN System. Members are corporations from market and centrally-planned economies in developed and developing countries which support the objectives and principles of ICD and which are willing to make expertise available as a contribution to the development process.

Members must be represented by executives from the highest management levels. They elect a Board of Directors and set the annual membership fee which provides the Secretariat with its primary source of operational funds. Grants from bilateral agencies and foundations also help finance ICD's activities. ICD is exempt from U.S. Federal Income Tax under Section 501(c) (3) of the Internal Revenue Code.

The Objective: To assist long-term development through practical cooperation between governments, aid organizations and industry

ICD has one major long-term objective - to assist economic and social advancement in developing countries, according to their national goals, and at the request of their governments.

In serving this objective, ICD member representatives accept an obligation, beyond their duty as commercial managers, to share the knowledge and expertise of their organizations with national and international development authorities in a common effort to maximize the impact of every development dollar spent.

In this role, ICD is not a political, funding or commercial organization. It does not sell or give away technology. Rather, ICD provides an objective advisory service that is drawn from the Council's primary resource - the expertise of commercial enterprises.

In order to maximize impact from Council resources, ICD activities are requested by national governments and frequently planned in cooperation with other development organizations, including:

- National authorities
- The UN System, including UNDP, The World Bank Group and specialized agencies. These arrangements are based on "Guidelines" for UNDP/ICD cooperation which are fully endorsed by UNDP's Governing body.
- Bilateral development organizations, such as USAID, which supports ICD through a grant for agro-industry development.
- Private development organizations, universities, and foundations.

In its activities, ICD seeks involvement in the initial stages of development planning. This allows development authorities to take advantage of industry's overall management expertise early in the decision-making process.

The Result: Specific achievements toward priority economic and social goals

Most ICD projects are identified through close liaison between the ICD Secretariat and the development organizations mentioned above. New requests are evaluated against exacting criteria which

give priority to achieving tangible results from the use of industry expertise. Member companies can also take the initiative, through the Council, to propose projects and to make training, production and research facilities available for cooperative projects.

Examples of typical ICD activities include:

Advice on development policies and project planning

Executives visit developing countries to work with and advise government and development officials on key policy and operational matters. Such ICD missions have recently:

- Assisted a middle Eastern government revise legal and administrative regulations necessary for attracting local and foreign investors to the national seed industry.
- Assessed the economic and social viability of a new horticultural industry in a small African nation and provided a business plan to the government and the UN funding source.
- Provided recommendations to the government of another African country and The World Bank for a major restructuring of agro-industries, particularly for expanded commercial sector operations. Here ICD's efforts were closely coordinated with industrial reforms being carried out under structural adjustment financing from The World Bank and IMF.

Projects to transfer and adapt technology

- One member's pilot factory in The Netherlands was the setting for a workshop on electronic sub-assembly industries in developing countries, sponsored jointly with UNDP and UNIDO. The workshop, which brought together entrepreneurs and government officials from 15 developing countries, developed guidelines for governments considering investment in such sub-assembly industries.
- In another case, a member's experience in computer-modeling of aquifer systems is assisting an African nation develop a management plan for ground-water resources through a project that involves three UN System organizations. Here ICD is an operational partner in the UN project and the member's expertise is considered a major contribution in kind to that project.

Assisting human resource development

The development of "human capital" is considered critical to

achieving national self-reliance and is, therefore, a high priority in aid programs today. Developing human resources, particularly through the transfer of managerial skills, is also an increasing part of ICD's work. For example:

- In one southeast Asian country, ICD is training public sector officials in commercial management practices through internships with major international companies. Management seminars and enterprise development workshops led by ICD member company executives are planned in several Middle Eastern, Asian and African countries. These activities are supported by the USAID grant to ICD.

Investment Promotion

ICD assesses and helps implement pre-investment and investment projects in developing countries. Council activities include:

- Advice on legal and administrative regulations and incentives to facilitate investment in specific sectors.
- Training for developing country officials in commercial project investment criteria and procedures. Such assistance was provided to the staff of a regional investment company in the Caribbean.
- Participation of member experts in government-requested pre-investment missions. These missions are often asked to assess government objectives for expanding the role of the private sector or increasing the efficiency of parastatal companies.
- Project identification and preparation. One member company helped UNDP plan a Middle Eastern olive oil project; in another case, a meat processing specialist assessed a pork processing investment project in the Caribbean.
- Assessment of new development project proposals. Member company experts have helped UNDP detect errors in project planning and have provided information related to changing marketing and technological factors.

Expertise for these activities is largely in the form of voluntary executive time contributed by member companies. ICD missions and other field activities are deliberately kept short - generally less than two weeks - and are carefully prepared by the Secretariat and the UNDP Resident Representative staff. This assures members that the time of their executives is intensively focused on priority matters.

Through cost-sharing arrangements with UNDP and The World Bank, and through the USAID and other project grants, ICD can often defray the cost of travel and per diem expenses for member company experts on ICD assignments.

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New York

HONORARY DIRECTOR

Sir George Bishop, Former Chairman, Booker McConnell Limited, London

The Opportunity: Through ICD, corporations and executives make direct, tangible contributions to development

Through membership in ICD, corporations can assist development directly, and in a way that produces tangible results. With funding limitations currently placed on official development assistance, there is increasing interest in the potential role for industry, in partnership with official development institutions, to help produce the new national wealth and skilled manpower basic to development objectives. By involving the managerial and technological skills that are industry's greatest strengths, ICD promotes a more cost-effective development effort.

The Council's efforts are also creating a community of industrial executives whose actions affirm their willingness to accept obligations for world development which all major institutions share today.

Membership inquiries are welcomed from corporations worldwide who are interested in actively supporting economic and social development. The Board of Directors reviews such inquiries against the Council's criteria and extends membership invitations accordingly. For further information, please contact the Executive Director.

MEMBERS OF THE COUNCIL

June 1984

Company	HQs
AGRIP-AGROBER	Hungary
ALFA-LAVAL AB	Sweden
ASTRA AB	UK
BATA LIMITED	Canada
BUHLER BROS. LTD.	Switzerland
CHRISTIAN SALVESEN LTD.	UK
CIBA-GEIGY	Switzerland
CPC INTERNATIONAL INC.	USA
DANISH TURNKEY DAIRIES LTD.	Denmark
COOPERATIEVE CONDENSFABRIEK "FRIESLAND"	The Netherlands
FRIGOSCANDIA	Sweden
<u>GENERAL FOODS CORP.</u>	USA
GRAND MOULINS DE PARIS	France
HVA INTERNATIONAL BV	The Netherlands
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IBEC/BOOKER McCONNELL	USA
<u>IBM CORPORATION</u>	USA
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<u>KRAFT INC.</u>	USA
MODI INDUSTRIES LTD.	India

Company	HQs
NESTLE S.A.	Switzerland
<u>OWENS-ILLINOIS</u>	USA
PACKAGES LTD.	Pakistan
<u>PARSONS & WHITTEMORE INC.</u>	USA
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POLSERVICE FOREIGN TRADE ENTERPRISE	Poland
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COMPAGNIE FRANCAISE DES PETROLES	France
UNILEVER	The Netherlands
AB VOLVO	Sweden
<u>THE WELLCOME FOUNDATION LTD.</u>	UK



Industry Council for Development

ORGANIZATION OF THE COUNCIL

The Council is an independent, non-profit, tax-exempt organization financed primarily through membership fees, grants and other contributions.

Members of the Council are companies from market and centrally-planned economies in developed and developing countries which support the objectives and principles of ICD. They also agree to make expertise available for ICD activities as a contribution to the development process. The Board of the Council is elected by the members.

ICD headquarters are located in New York in the vicinity of the UN Secretariat to facilitate the planning of activities requested by developing country governments, particularly through working agreements with the United Nations Development Programme and other development organizations.

The Secretariat is assisted by Senior Associates who are independent experts in various fields of priority concern to ICD. Their assistance is utilized particularly for grant-funded projects.

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ICD is exempt from U.S. federal income tax under section 501(c) (3) of the U.S. Internal Revenue Code. The Council is considered a "publicly supported organization" as described in section 509(a) (2).

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	Mr. R. W. Reuter Vice-President	Kraft Court Glenview, Illinois 60025 Tel: (312) 998-3308 Telex: 72 43 20 Cable: CORPKRA GLENVIEW ILLINOIS	
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	Mr. E. Knappe Senior Vice-President		
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Industry Council for Development

OPERATIONS SUMMARY AS OF MAY 1984

ICD provides a non-commercial development service to assist developing countries with priority economic and social projects. Council activities utilize industrial expertise contributed by its members and other corporations worldwide to achieve practical action-oriented results at the national level. Such activities are requested by developing country governments and often carried out in cooperation with multilateral, bilateral or other development organizations.

ICD is a non-profit, tax-exempt organization whose members are corporations from market and centrally-planned economies in both developed and developing countries. The Council is self-supporting through membership fees, grants, and cost-sharing arrangements with the UN System, bilateral agencies, foundations, and other organizations. ICD's agro-industrial development activities are supported, in particular, by a grant from USAID.

Cooperative activities with UN System organizations are organized within the context of ICD's working arrangements with UNDP under the "Guidelines Concerning the Relationship between the United Nations Development Programme and External Institutions".

Recent ICD activities have included:

I. Policy and Planning Advisory Assistance

ICD organizes missions of senior industry executives to provide guidance to developing country government officials in the planning and implementation of development programs.

At the request of The World Bank and the Government of Turkey, a 1982 ICD mission reviewed the national seed system, examined the feasibility of expanding the national seed industry, and recommended major legal, administrative

and operational measures to promote private sector involvement in the industry. The Government has implemented several of these measures and, as a result of increased investor interest, asked ICD to organize a seed enterprise development workshop to focus on key problems and policy matters that would stimulate further growth of the industry. The workshop was held in May 1984 in Istanbul, and was led by an ICD advisory group of seed industry entrepreneurs from Latin America, the United States, Europe and East Africa. This group prepared recommendations which reflected the consensus of workshop participants from the local and foreign private sector, the public sector, and international aid organizations. These recommendations are now being considered for action by the Government.

At the request of the UNDP and the Government of Brazil, a 1983 ICD advisory mission assessed the development of Amazon forest industries in terms of the resource and its management, research, technology and marketing considerations. The mission provided recommendations for the commercially viable expansion of the industry, including the potential for increased exports and import substitution of hardwood products utilizing lesser-known tropical species. Follow-up is underway with The World Bank in terms of financing for implementation of the mission's recommendations.

An ICD Seed Industry Advisory mission to the Ivory Coast in 1983 provided the Government with an action plan for converting a Government-administered seed program into a national commercial seed corporation. This action is being taken in conjunction with an industrial structural adjustment program supported by a loan from The World Bank, and is viewed by the Government as a first step toward the commercialization of the seed industry. ICD is assisting the Government with the follow-up to the mission, including organizing and coordinating an investment feasibility study in cooperation with the Commonwealth Development Corporation (U.K.) and The World Bank.

An October 1983 seed industry mission to Zaire, carried out at the request of the Government and The World Bank, provided recommendations for the establishment of a national seed industry program. These recommendations are now being implemented by the Government and The World Bank to design a program for IBRD financing.

II. Managerial and Technical Assistance

At the request of governments and UN System Officials, ICD mobilizes the expertise of its membership to assist governments in the planning, assessment, and implementation of key development projects. The managerial and technical expertise provided by ICD complements expertise available through the UN System and other development organizations. Such activities also transfer commercial "know-how" from industry executives to government officials responsible for designing and implementing projects that are economically and socially feasible.

ICD advisory missions in 1979 and 1980 provided managerial and technical assistance regarding agro-industrial development to the Governments of Lesotho and Swaziland.

Agro-industrial development, particularly for export, is also a top priority of Jamaica's development plan. A recent ICD mission identified several immediate possibilities for ICD assistance, including a gourmet food export project. Through ICD, a former Kraft production manager is now advising the project, and experimental products are being tested by that company for market acceptance in the U.S. This project is being followed up with a one-year multi-sectoral country program, recently agreed upon by ICD, the Government, and UNDP.

ICD has also provided managerial and technical assistance to the Caribbean Food Corporation (CFC), an organization owned by the 12-CARICOM member governments and established to implement a Regional Food Plan for the Caribbean. A CFC/ICD Workshop on Food Industry Development involved experts from six ICD member companies who helped CFC develop investment criteria for regional agro-industries, and analyzed a range of investment projects of priority importance to CFC's Investment Strategy. ICD support has also included a continuing program of consultations, desk reviews, and commercial assessments of key agro-industrial projects.

III. Training and Management Development

Human resource development - the single greatest constraint to rapid development in many countries - is an increasingly important aspect of ICD's activities.

The Council, with the guidance of a special task force of member companies, has completed a feasibility study which identified priorities for industry support related to the International Drinking Water Supply and Sanitation Decade.

The Council will focus on human resource development and communications support to water supply and sanitation programs at the country level. Plans are presently underway for the design of a communications and training program in Pakistan, utilizing expertise of member companies, and local commercial extension and distribution networks as channels for assisting rural water and sanitation programs.

The development of technical and management skills for national seed programs is a major activity under ICD's Agro-Industrial Development Program, which is financed through a grant from USAID. ICD has also developed an international network for seed industry training and management development. Training is tailored to the needs of national seed programs, and includes management internships with established seed companies: on-site, short-term training courses; seed enterprise management seminars and workshops led by experienced seed industry entrepreneurs; and fellowships for study with universities and research institutes.

ICD is assisting the Government of Thailand in the expansion of the Thai seed industry. Thai Government seed officials are being trained in commercial enterprise management and seed production, through annual management internships with established seed companies, and in-country seminars involving seed industry executives from several countries.

ICD is presently carrying out a one-year "Train the Trainers" seed industry program in The Sudan. The program's objective is to institutionalize local capabilities to design and implement training programs within the industry on a continuing basis. The ICD program, which was designed by the University of Edinburgh, included a two-week training course in February 1984 in seed production management and technology. A series of other local courses will be led by a local training officer who was identified under the project and is currently receiving overseas training in training techniques and methodologies. The ICD program coincides with the designation by the Sudanese Government of 1984 as "The Year of Training."

IV. Technology Transfer and Adaptation

ICD's membership provides a wide diversity of technological expertise to assist developing countries select and adapt technology for their particular conditions. The

1981 UNIDO/UNDP/ICD Workshop on Selection of Technology for Assembly of Electronic and Electrical Products in Developing Countries provided an innovative approach to understanding the "process" by which technologies are chosen for developing country situations. The workshop involved experienced entrepreneurs, engineers, and government officials from fifteen developing countries, as well as UNIDO and UNDP experts. Philips, as an ICD member, made commercial and technological experience and basic industrial information available, and provided access to pilot factory installations. Through role-playing, the workshop identified major factors in the decision-making process for selecting appropriate technology in this industry for various developing country market conditions. Workshop findings have been incorporated in "Guidelines" which UNIDO has published for the use of developing country officials.

ICD utilized a USAID grant to assist UNIDO in revising and republishing their 1971 book on "The Formulation of Pesticides in Developing Countries." ICD members and other companies have contributed to the new text which was distributed in 1984. WHO, ILO, FAO, and UNDP have been consulted in this project.

Where the technology involved is highly specific, cooperative projects may involve ICD member companies on an individual basis. For example, ICD is cooperating with the United Nations Sudano-Sahelian Office and UNDP in a project which will transfer computer modeling technology developed by IBM for managing surface and sub-surface water resources to the Government of The Gambia. This technology is a key element in the Government's priority efforts to develop a national water management plan.

V. Investment Promotion

ICD responds to government requests for pre-investment and investment promotion assistance. This is generally done within the context of UNDP's Investment Promotion Program, and through cooperative arrangements with the International Finance Corporation, UNIDO and other international organizations. Several recent ICD projects have included an investment promotion component related to investment by public sector agencies (Lesotho, Barbados), as well as private investors (Turkey and the Ivory Coast).

VI. Industry's Role in the Development Process

The Council is recognized by various development organizations as a channel for dialogue between decision makers in government, development and organization, and industry. ICD is invited to participate in formal meetings of the UNDP, IBRD and is represented at the annual Ministerial Meetings of the World Food Council (WFC). In addition, the Council publishes Development Monographs on various aspects of industry's role in development.



Industry Council for Development

27 July 1984

TO: Mr. J. P. Erbé
FROM: W. W. Simons
SUBJECT: MONTHLY REPORT - MAY/JUNE 1984

I. GENERAL

The Sixth Annual General Meeting was the primary focal point for Council activities during the period. Results of the AGM confirmed that ICD is in "good shape" politically, organizationally and financially. The Council's continued growth and effectiveness may be assisted by growing interest in an "international manpower bank" concept proposed by the Prime Minister of Jamaica and UNDP in which ICD would be a primary channel for industry expertise.

II. ORGANIZATION

1. The ICD Sixth Annual General Meeting held in Geneva and Vevey, Switzerland on 12-13 June was attended by a high percentage of members. This coincided with the opening of UNDP's 31st Governing Council session, also in Geneva, which considered several subjects of priority importance for UNDP/ICD cooperation (see item 2).

Edward Seaga, Prime Minister of Jamaica, addressed the UNDP meeting and then participated in an ICD Round-table discussion on the Manpower Bank idea. The Prime Minister was also the speaker at ICD's Annual meeting dinner. Other guests included the UNDP Administrator and his senior associates and representatives from 20 governments.

The AGM Minutes will be sent to you shortly. In the meantime, here are some of the highlights.

In his opening address, the Chairman noted that, on its 5th anniversary, ICD was well established and enjoyed credibility with governments, industry and the UN System. This anniversary also coincided with a major shift in the direction of development thinking and action toward increased emphasis on human resource development, and the need for greater efficiency in the management of development resources. This new emphasis related well to ICD's main strength in providing management know-how.

The Chairman also believed that ICD's partnership approach had proven a wise strategy resulting in strong support for the ICD concept from both business and official development aid organizations.

The Chairman announced that the Council would have a financial surplus this year. He stressed the importance of continuing to build the membership and of improving operational effectiveness.

In early 1983 Prime Minister Seaga had urged ICD and UNDP to help establish an international manpower bank which would increase the flow of expertise to developing countries, particularly from industry and other non-governmental sectors. The Prime Minister elaborated on his ideas at the UNDP meeting by proposing an International Fund for Human Resource Development which he also reiterated at the ICD Roundtable.

Although the Fund concept was debatable, the membership agreed that the basic manpower bank concept was potentially attractive for ICD. The Secretariat was asked to begin developing an inventory of member company resources that might be utilized, in cooperation with UNDP, which would have the central clearinghouse function.

Members also reconfirmed ICD's basic conditions for participating in such an initiative, including clear recognition that the Council is not a funding agency; that expertise would be available on a voluntary time basis; that ICD would expect cost-sharing for travel and per diem expenses, and that industry experts would be available primarily for short-term assignments.

The annual review of operations covered 13 projects in ten developing countries. Members felt that most projects had been well selected and implemented according to ICD criteria. However, further refinement of the criteria and more emphasis on initial screening of requests to assure high impact potential was recommended.

Particular attention was given to the Water Decade Task Force project which was seen as a leading example of ICD's "pro-active" approach. A Water Decade communications and training project in rural Pakistan had been recommended and will be initiated as soon as Government concurrence is received. Seed enterprise development projects in Turkey and the Ivory Coast were also pointed out as good examples of successful ICD projects in terms of advisory assistance and investment promotion related to new national enterprises.

Projects in Jamaica and Pakistan were also promising in terms of assisting agro-business development of priority importance to those governments.

The Council's financial status continues to improve. Income from membership fees is now sufficient to cover the main operating expenses. In addition, a higher overhead rate for the USAID grant is providing additional income and is the major factor in the expected surplus for 1984. It was agreed that the membership fee should remain at \$8,500.

Membership development should continue to be a priority toward the goal of 50 companies.

Mr. Pierre Vilgrain, Directeur-General of Grand Moulins de Paris was elected to the Board of Directors to replace Mr. Roland Violot, who had resigned.

2. Decisions of the recent UNDP Governing Council session on human resource development and cooperation with the private sector have important implications for UNDP/ICD cooperation

The importance of human resource development was emphasized by UNDP Administrator Brad Morse and supported by most Government delegations. The proposal for an International Fund for Manpower Resources, put forward by Prime Minister Edward Seaga of Jamaica provoked considerable discussion as did Mr. Morse's proposal for a World Conference on Human Resource Development. The UNDP session asked the Administrator to consider measures for addressing the human resource needs of developing countries including a possible "human resources facility" that would facilitate a greater flow of technical assistance, particularly from "non-traditional" (i.e. non-governmental) sources.

UNDP is moving quickly on this matter. It is now consulting

with Prime Minister Seaga and his associates, as well as with ICD and other interested groups on the basic concept for such a facility, and on plans for a round-table meeting next February in Jamaica to conclude a proposal for the facility that would be presented to the 32nd Governing Council next June.

In his opening comments at the UNDP meeting, Mr. Morse also emphasized the value of private sector resources for development. He said, "I also believe there is a broader role to be played by private sector resources in the development process, under appropriate conditions. In developing countries which have a large private sector, many fledgling industries can benefit from UNDP-supported assistance and advice. UNDP could assist the Government in finding ways and means for better access of private enterprise to the assistance we can offer. Moreover, I believe that expanded private sector co-operation should also be pursued within the donor community at large. The guiding principle of UNDP in these respects should be, as it has been, that provided the recipient Government agrees, any modality of execution and any possibility of co-operation or additionality which promises to enhance the effectiveness of its development objectives is worth pursuing."

The Administrator's position was largely supported in the subsequent debate as the following paragraph in the meeting record shows:

(The Council) "welcomes further the Administrator's initiatives to strengthen and broaden the Programme's efforts to assist Governments, strictly in accordance with their priorities and expressly at their wish and with their consent, through collaboration with the private sector."

III. OPERATIONS

1. The Turkish Government is considering recommendations of an ICD advisory group to greatly expand the national seed industry. The ICD report includes 31 recommendations based on results of a Commercial Seed Enterprise Development Workshop which the Government held in Istanbul, in May, with the support of ICD and Unilever. The new Government gives high priority to agricultural development and considers a dynamic seed industry critical to that development.

The Workshop attracted approximately 150 participants

including representatives of 20 international companies (four of which were ICD member companies), Turkish entrepreneurs and government officials and representatives of international development and finance organizations.

The ICD advisory group, composed of four senior seed industry executives, was responsible for leading Workshop discussions, providing relevant examples of experiences in other countries, and formulating Workshop recommendations. The advisory group was led by Dr. Alexander Grobman, ICD Senior Associate and CEO of Grobman Genotecnica, Peru. Other group members included Ney Araujo, President, Sementes Agrocere, S.A., Brazil; W. H. Verburgt, Vice-President, Mommersteeg International, The Netherlands and founder of the Kenya Seed Corporation; and D. D. Walker, ICD Senior Associate and former President and Chairman of Funk Seeds International. The advisory group was further assisted by W. Simons and Sara Growdon, of the ICD Secretariat.

The Workshop recommendations identify major problems in the areas of Credit and Investment; Multiplication, Processing and Storage of Seed; Pricing and Marketing; and Seed Certification, Extension and Promotion. Specific areas for possible ICD involvement in follow-up action have also been identified.

Copies of the Workshop recommendations are available upon request.

2. UNDP approached ICD regarding assistance to regional programs to strengthen transit-transport systems between coastal and landlocked countries in the Southern and Western African subregions. These programs, which are part of UNCTAD's "Special Programme for Least Developed, Landlocked, and Island Developing Countries" are financially supported by UNDP, and seek to address the multi-faceted bottlenecks preventing trade and the effective transport of goods between countries of the subregions.

Assistance is initially sought in helping to identify and develop an information, coordination and cargo tracking system for the movement of goods between ports and inland destinations. The Southern African program is more advanced; UNCTAD is presently assessing the kinds of information that must be generated by a proper tracking system. The West African program lacks an institutional base and is less advanced. However, a Ministerial

Committee of Western Central African states on maritime transport does exist and will help coordinate activities.

Several appropriate ICD members have been contacted on this matter.

3. ICD's first investment feasibility study may help establish a new agro-industry in the Ivory Coast. It was carried out in June jointly with the Commonwealth Development Corporation (CDC) of the United Kingdom, and focused on a proposed new national commercial seed enterprise, a joint venture involving the Ivorian Government, local investors and international investors. CDC and the International Finance Corporation (IFC) are both interested in the project, as are a number of local and foreign companies.

The feasibility study was coordinated by Edward Gibson, ICD Program Coordinator and assisted by two ICD Senior Associates, V. E. Gale and D. D. Walker, former President of Funk Seeds International. CDC provided two experts for the study mission, and assistance from The World Bank and the Government was also involved.

This mission was a direct follow-up to ICD's mission last October, which provided the Government with a conceptual design for the new national seed enterprise.

4. In May ICD helped the Government of Thailand launch its first national course on seed industry management development. ICD Senior Associate, Dr. Alexander Grobman, led parts of a 3-week training workshop designed to strengthen the management capabilities of seed operations managers. ICD's assistance was provided in accordance with the Council's agreement with the Thai Government for seed industry development.

The course was sponsored by FAO/DANIDA, and attended by approximately 40 participants including Thai Government officials (several of whom had participated in ICD's management internship program), academicians and representatives from foreign seed companies operating in Thailand. This general course will be followed by ICD in-country management seminars focusing on specific management problems affecting the Thai seed industry.

5. Mr. S. Babar Ali represented the ICD Board in a meeting with World Bank officials in Washington regarding possible IBRD/ICD cooperation in the field of "industrial restructuring." The Bank is considering establishing

a new unit to provide policy advice to governments on this matter and may request ICD assistance. Mr. Babar Ali reported on this subject at the annual meeting.

6. An official of the International Trade Center (ITC) called on the ICD Secretariat in New York to discuss ITC/ICD cooperation. ITC is a UN operation jointly sponsored by UNCTAD and GATT. ICD has worked with ITC in the past on export-oriented projects and has utilized ITC documentation as background for several advisory missions. Future cooperation may include follow-up activities in Jamaica and Brazil.

IV. PUBLIC RELATIONS

1. "Newsweek International" is preparing another agribusiness supplement for publication later this year. The ICD Secretariat is working with editors providing information on various activities involving Council members.
2. Other recent publicity includes the attached April 1984 issue of "Enterprise and Development" which contains three items on ICD.
3. GIFAP, the International Group of National Associations of Agrochemical Manufacturers devoted one page of its May/June bi-monthly bulletin (copy attached) to the UNIDO book "Formulation of Pesticides in Developing Countries" which was recently published with ICD's assistance and distributed widely in the developing countries.
4. ICD's cooperation with UNDP and UNSO, including computer modeling and training assistance from IBM, was described in the official document of UNSO activities reviewed for the recent UNDP Governing Council meeting (see attached).
5. The U.S. Select Committee on Hunger requested background documentation on the Council. This is a new committee established by the House of Representatives and is currently reviewing various programs related to World hunger.

cc: Members of the Council - for internal use



WS
SA
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country programs

- The OPIC Development Award is given to those U.S. investors whose projects are making outstanding contributions to a host country's development by creating jobs, generating capital, and strengthening the private sector economy. In 1983, two awards were presented.

One was to the Northfield Terminal Corporation, in Melville, Long Island, for its participation in the construction of a trans-Panama pipeline and related distribution terminals. The project, which allows for the transfer of Alaskan crude oil from the Pacific to the Caribbean for delivery to Gulf and Atlantic Coast refineries, has significantly increased the host-country's tax revenues and has insured American producers of a continuing supply of crude oil.

The second Development Award honored Courtland E. Parfet, founder of Solio Ranch, Ltd. in Kenya, a cattle-ranching project that is now the largest such operation in East Africa. By introducing a special cross-breeding program, Solio Ranch has revolutionized Kenya's cattle industry, provided Kenyans with a better source of protein, elevated the country's beef industry to international standards, and made Kenya a substantial exporter to world markets. (Source: *The Overseas Private Investment Corporation 1983 Annual Report*, 1984, 1129 20th Street, N.W., Washington, D.C. 20527)

- With over 300 U.S. firms, Ireland is the 12th largest exporter of pharmaceutical products in the world. The Industrial Development Authority has created a program of tax breaks and financial incentives and, to ensure long-term success, encourages the "total business" concept, including research and administrative functions at the site. The University College in Dublin offers degrees in biochemistry, microbiology, pharmacology, and chemistry; the Government has set up an Industrial Training Authority. Elanco has experienced zero turnover; all 220 on the staff are Irish with the exception of seven Americans. Syntex has been able to draw three-quarters of its 300 employees from within 10 or 15 miles of its plant; all employees, with the exception of the operations director, are Irish na-

tionals. (Source: Reprinted from "Ireland Remains A Haven for Overseas Drug Firms," Robin Richards, *Drug and Cosmetic Industry*, November 1983, IDA Ireland, 200 Park Avenue, New York 10166)

- One form of technical assistance provided by CID (Centre for Industrial Development) is the training of key workers in ACP industrial enterprises. CID's limited resources are focused on specific production problems which can be overcome by training key personnel from the shop floor. Examples of training carried out with CID assistance in 1983:

A Mauritian mechanic was trained in France to maintain the electronic circuitry on machines producing watch straps;

A game leather tanner from Zimbabwe was trained in Holland and Germany in the correct formulation of tanning recipes and their use, to produce a range of gameskins for export;

A manager of a fruit concentrate plant in Upper Volta was trained, in Holland and Germany, in the operation of evaporators. (Source: *Industrial Opportunities*, No. 37, March-April 1984, CID, rue de l'Industrie 28, B-1040 Brussels, Belgium, 513 41 00)

- The International Environment and Development Service (IEDS) is a program funded by the U.S. Agency for International Development that makes the technical expertise of big U.S. companies available to Third World countries needing assistance with industrial development problems (*Enterprise and Development*, March 1983). Planning began in May 1982, with a test project in Tunisia. A Tenneco manager visited a yeast plant in Beja and a chlorine-caustic plant near Kasserine and recommended ways to deal with water pollution.

Since then, specialists from U.S. firms have inspected and reported on a steel mill and phosphate operation in Tunisia and a cement plant in Jordan. Fluor Corporation has agreed to send a technician to conduct an environmental assessment of a Tunisian electrical generating plant. And Tunisia has requested a

similar study of its refinery at Bizerte. (Contact: Whitman Bassow, Administrator of Project, World Environment Center, 212-986-7200)

- In conjunction with its 1983 Annual Report, American Express Company has published a report on its public responsibility efforts. Among the topics discussed—health and welfare, environmental protection, education, international grants, consumer education and

protection, for example—is a section on "Cause-related Marketing." In 1981 the American Express Travel Related Services Company (TRS) launched an innovative marketing experiment to link philanthropy to the use of American Express products and services. This program has generated good will, increased profits, and had a powerful catalytic effect on the fund-raising efforts of over 30 nonprofit organizations. (Source: 1983 Annual Report, American Express Plaza, New York, NY 10004)

publications

- Major Companies of the Far East 1983

Metra Consulting Group, Graham Trotman Limited, Sterling House, 66 Wilton Road, London SW1V 1DE, 1984, Two Volumes, U.S. \$123.00 (overseas airmail).

The fifth in a series, these volumes (Volume I: Indonesia, Malaysia, Philippines, Singapore, Thailand; Volume II: People's Republic of China, Hong Kong, Japan, Republic of Korea, Taiwan) include 4,500 top companies, 30,000 directors and senior executives, and three indexes (by company, country, and type of business).

- The Development of Brazilian Industries Based Upon Amazon Forest Resources

Report of the ICD Mission, November 1983, Industry Council for Development, 300 East 44th Street, New York, NY 10012, 212-867-5017 (52 pp.).

The ICD Mission, consisting of businessmen and ICD and UNDP representatives, assessed Amazon forest industries in terms of the resource and four functional areas: management, research, technology, and marketing. The Mission found that major problems of primary importance to the commercially viable expansion of the industry fell into five areas: marketing, transportation, resource management, technology, and industry integration. The Mission's assessment cut across both functional and problem areas to highlight issues of importance for the short and longer term and provided recommendations for future growth of the tropical wood industry.

- Handbook of National Development Plans

Metra Consulting Group, Graham & Trotman Limited, Sterling House, 66 Wilton Road, London SW1V 1DE, 1984, U.S. \$96.00 (airmail).

This reference volume provides summaries of development plans from over 70 countries, including

background data on the country, priority areas for expenditure, allocation of funds by sectors, expected effect of Plan on GDP, and recent performance of Plan.

- "Persuasion at Work" is a publication of the Rockford Institute, 934 North Main Street, Rockford, IL 61103. Its epigraph reads: "Capitalism is but the economic dimension of liberty. Its vitality depends upon the level of public support for a unique set of cultural principles, including: affirmation of property rights and the work ethic; reverence for the law, both civil and moral; and support for the family as the primary unit of society."

- Formulation of Pesticides in Developing Countries
UNIDO, United Nations, New York 10017, 1983 (217 pp.)

As a result of discussions initiated in 1979 by the Industry Council for Development (ICD) with UNIDO and AID, the latter made a grant to ICD to enable the present book to be published by UNIDO. Each chapter is written by a different author; the topics include the role of pesticides in developing countries; siting, construction, and operation of a formulation plant; marketing and distribution; establishment of a laboratory; quality control; occupational hygiene and industrial health; and safety in storage and transport.

- "Multinationals, Third-World Style"

Tim Shorrock, Multinational Monitor, p. 6, January 1984, P.O. Box 19405, Washington, D.C. 20036.

Some of the fastest-growing multinationals today are in the Third World. The following findings are based on work done by the Institute for Research and Information on Multinationals in Geneva: the Third World country with the highest level of investment overseas is Hong Kong (over \$2 billion in overseas investments in 1982); the second largest capital exporter is Brazil

(its state oil corporation Petrobras is the largest company in the Third World); and the leading exporter of manufacturing technology in the Third World is India.

■ **U.S. Business Involvement in South Africa**

Produced by the American Chamber of Commerce in South Africa, Anglo-American Life Centre, 45 Commissioner Street, Johannesburg 2001, January 1984 (17 pp.).

This pamphlet presents data on how the American presence in South Africa has contributed directly to the improvement of the economic and social conditions of black workers—and the black community—in the areas of wages and benefits, education, training and development, black entrepreneurship, housing, healthcare; describes some special projects by U.S. companies; and has a section on industrial relations and the economic scene in South Africa.

■ **"Speech to the Annual Conference of the American Legislative Exchange Council"**

David Eager, Senior Investment Analyst, Meidinger Asset Planning Services, Inc., 1984, ALEC, 214 Massachusetts Avenue, N.E., Suite 400, Washington, D.C. 20002.

This study, done for the District of Columbia Retirement Board, concludes that legislation to force state pension funds and universities to divest themselves of stock in corporations with investments in South Africa may cost American pensioners hundreds of billions of dollars. Pension funds would be unable to buy: 29 of the top 50 of the Standard and Poor's 500 corporations; nearly 50 percent of all the S&P's 500 stocks; more than 30 percent of value of the entire equity market of the United States; and whole industrial sectors of the market (e.g., 100 percent of the major electronics companies, 100 percent of the major chemical companies, and 100 percent of the major drug companies would be excluded from pension portfolios).

listening to the critics

■ **"Interview with Raymond Vernon"**

The Forum, The CTC Reporter, Centre on Transnational Corporation, No. 16, Autumn 1983, United Nations, New York, NY 10017.

Asked what the principal issues regarding TNCs were in the 1970s and are in the 1980s, the subject of the interview, a Professor of International Affairs at Harvard University, replies: "Inappropriate products and inappropriate technologies, urban congestion and pollution, unemployment, and balance-of-payment crises continue to preoccupy the developing countries; indeed, some of those problems are considerably more acute in the 1980s than in the 1970s. But it is becoming increasingly clear that TNCs have not been the principal cause of these problems. The drift of the populations off the land and into the cities of Asia, Africa, and Latin America seems to occur inexorably, whatever the national policy may be towards TNCs. Where State-owned enterprises have displaced these corporations, the tendencies of the former to select the wrong technology and to pile up foreign obligations sometimes outdo those of TNCs. Moreover, the inability of State-owned enterprises to produce a more stable regime for international raw materials in the products in which such enterprises occupy a dominant position—products such as oil and copper—has cast doubt on the validity of the assumption that TNCs alone have been responsible for the difficulties of the raw materials exporters."

■ **Forty-four Problem Drugs: A Consumer Action and Resource Kit on Pharmaceuticals**

IOCU, Regional Office for Asia and the Pacific, P.O. Box 1045, Penang, Malaysia, (04) 885072, May 1981 (85 pp.) Mimeo.

This kit, according to the introduction, is designed as a "starter" to provide consumer activists, particularly in Third World countries, with a "quick reference to essential information on 44 problem drugs." The kit has four sections: a description of the kind of information that is given for the drugs; fact sheets for each drug; articles about the issues; and a selected bibliography. One of the articles, "The Impact of Multinational Corporations on Health in Developing Countries," is a paper by Charles Medawar, Director, Social Audit Ltd.

■ **"Begging the Poor"**

The Economist, February 18, 1984, (pp. 15-16)

The subhead of this article is "Developing countries have made a big mistake by relying on bank loans (now in reverse), instead of welcoming multinationals." The article later goes on to say: "The swing from equity to debt went as far as it did because many third-world governments thought it was progressive to dislike multinationals. The trendiness of the 1960s lingered long enough to become the curse of the 1970s. Some governments—mainly in Asia—are now recanting, by making it more attractive for foreign companies to invest and easier to remit royalties and profits. Their example needs to be copied in Latin America and Africa."

organizations

- The Center on Transnational Corporations is an autonomous body within the United Nations Secretariat that serves as a focal point for all matters related to transnational corporations and acts as secretariat to the Commission on Transnational Corporations, an intergovernmental subsidiary body of the United Nations Economic and Social Council (ECOSOC). The objectives of the work programme are to further the understanding of the nature of transnational corporations and of their political, legal, economic, and social effects on home and host countries and in international relations, particularly between developed and developing countries; to secure effective international arrangements aimed at enhancing the contribution of transnational corporations to national development goals and world economic growth while controlling and eliminating their negative effects; and to strengthen the negotiating capacity of host countries, in particular the developing countries, in their dealings with transnational corporations. (*United Nations, New York, NY 10017, 212-754-3352*)
- "Going International" is a series of four films and leaders' and users' training guides designed to improve the effectiveness of personnel involved in international operations. There are four segments: Bridging the Culture Gap; Managing the Overseas Assignment; Beyond Culture Shock; and Welcome Home, Stranger, 1983. (*Copeland Griggs Productions, 3454 Sacramento Street, San Francisco, CA 94118, 415-921-4410*)
- The Center on Religion and Society, an operating division of The Rockford Institute, Rockford, Illinois, is devoted to research and education on the role of religion and religiously-based values in contemporary culture. Directed by Pastor Richard John Neuhaus, with Professor Peter L. Berger, Boston University, as Senior Consultant, the Center aims to assist institutions—religions, educational, corporate, and artistic—in addressing the culture-forming values in issues of public policy and practice, and to contribute to a reconstruction of a public philosophy which reflects a critical appreciation of the foundational values of the American social and political experiment. (*Contact: Paul Stallsworth, Assistant Director, 152 Madison Avenue, 24th Floor, New York, NY 10016, 212-532-4320*)
- The Industry Council for Development is a nonprofit, tax exempt, self-supporting membership organization which assists economic and social advancement in developing countries according to their national goals and at the requests of their governments. Members are corporations from market- and centrally-planned economies in developed and developing countries which support the objectives and principles of ICD and which are willing to make expertise available as a contribution to the development process. ICD activities have been written up in *Enterprise and Development*, July 1981, January 1982; February 1983; March 1983; October 1983; and this issue.
- The Center for Industrial Development (CID) was set up in 1977 by the Lome Convention. Its role is to help accelerate the pace of industrial development in ACP (African, Caribbean, and Pacific) countries in cooperation with E.C. industries. The CID, financed by the European Development Fund, places emphasis on assisting projects that create jobs and manufacturing-value-added. It acts as an adviser and mediator in the creation of joint ventures and other working relationships between the ACP entrepreneurs and governments and E.C. industrialists. (*Rue de l'Industrie 28, 1040 Brussels, Belgium, (02) 513 41 00*)
- The European Community has a number of financial instruments which help to solve regional problems through the payment of grants and loans: the European Coal and Steel Community; the European Investment Bank; a New Community Instrument; the European Monetary System; the European Social Fund; the European Agricultural Fund; and the European Regional Development Fund. The European Regional Development Fund is the only Community Instrument whose sole objective is to foster the development of less-favored regions. Its main aim is to bolster national regional development work. (*Source: "Regional Development and the European Community," November 1983, Directorate-General for Information, rue de la Loi 200, B-1049 Brussels.*)

The booklet is aimed at providing information to those who work in agriculture as well as to agricultural students and the general public who are concerned about the use of chemicals and animal remedies in farming.

Copies of the booklet "Producing the Best for New Zealand" may be obtained by writing to:

Executive Officer - AGCARM
P.O. Box 27-283
Wellington, New Zealand

PUBLICATIONS

3.14 "Formulation of Pesticides in Developing Countries"

This is the title of a document which has just been published by UNIDO and may be obtained from the United Nations publications services.

The preparation of this document goes back a long way. Indeed:

"As a result of discussions initiated in 1979 by the Industry Council for Development (ICD) with UNIDO and the Agency for International Development, Washington, D.C. (AID), the latter agreed to make a grant to ICD to enable the present book to be published by UNIDO.

"A 1972 UNIDO publication presented a collection of lectures given in 1969 and 1970 at a series of in-plant training programmes sponsored by UNIDO on the theme of industrial production and formulation of pesticides in developing countries.

"By 1979, the earlier publication was both out of print and, in certain respects, somewhat out of date. Nevertheless, the theme was seen to be of growing importance.

"The present volume, which revises the earlier subject matter, contains much new material, including chapters with an economic and commercial content. Particular stress is laid on aspects of safety to the plant operator, the user and the environment, and a chapter is devoted to labelling and packaging. A final chapter draws attention to the responsibility of officials to regulate the use of pesticides and suggests ways in which this might be done.

"AID, the International Labour Organisation, the Food and Agriculture Organisation of the United Nations and the World Health Organisation gave their time to read material in draft and used their expertise to propose a number of additions and amendments to the text. With the reservation made concerning the opinions of the authors, the final text remains the responsibility of UNIDO.

"The preparation of the book for publication has been in the hands of Alan Maier, Consultant to ICD and formerly a member of the Board of Imperial Chemical Industries, Plant Protection Division, Fernhurst, United Kingdom of Great Britain and Northern Ireland, and of Gunter Zweig, Visiting Scholar at the University of California, School of Public Health, Berkeley, California, United States of America, who was closely associated with the production of the 1972 publication."

The aim of this publication is very clearly described in the foreword by Abd-El Rahman Kane, Executive Director of UNIDO.

"Many of the world's 4 billion people are seriously undernourished; some are in fact starving. A dramatic increase in agricultural production will be necessary in order to feed the population of 6 billion forecast for the end of the century. The pre- and post-harvest control of agricultural pests and diseases is a crucial factor in making that increase possible.

"Pesticides, although representing only one element of what has become known as integrated pest management, are demonstrably effective in increasing crop yields and in preventing crop spoilage before and after harvest, as well as in public health programmes. Their continued and increasing use seems assured, provided due account is taken of the safety of the user, the consumer

and the environment.

"The industrial production of pesticidal active ingredients calls for investment in plant and human skills. Developing countries that have a basic chemical industry — and they are relatively few — are capable of undertaking large-scale pesticide production either on their own or with technological and financial assistance. Many of those without a basic chemical industry are at least formulating pesticides from imported active ingredients and packaging and labelling the finished products for their local markets. Developing countries that neither make nor formulate pesticides but rely on imports of finished products, could, with guidance and support, set up the required facilities. In issuing this manual, UNIDO is seeking to fulfil its mandate to offer advice and guidance on particular industrial subjects such as this.

"The formulation of pesticides can range from the relatively straightforward production of dusts to the highly sophisticated manufacture of, for example, flowable products. But in all cases, there are specifications to meet and hazards to guard against, because pesticides are, by definition, toxic products. This manual provides authoritative information on such topics for officials in developing countries who must decide whether to establish pesticide formulation plants, those who become directly concerned with planning and operating them and those who must regulate the safe use of the plants' products."

It can be seen that UNIDO is well aware of the importance of using agrochemicals for the development in agricultural production and the necessary level of sophistication which has to be attained by formulators. This necessary quality level allows for both the satisfaction of the diversified needs of agriculture and environmental protection.

There is no doubt that much progress still has to be made so that all formulation plants which already exist in developing countries may be given all the equipment needed to satisfy all local needs.

We give below a list of the chapter headings:

- The Role of Pesticides in Developing Countries
Gunter Zweig and Arnold L. Aspelin
- Principles of Pesticide Formulation
John Flanagan
- Technical and Environmental Aspects in Siting, Construction and Operation of a Pesticide Formulation Plant
Kozo Tsuji, Takayoshi Maeda, Yukikazu Okamoto and Seizo Sumida
- Key Decision Criteria for Establishing a Local Formulation Plant
C.F.J. Kohll and L.S. Dollimore
- Marketing and Distribution
M.N. Hill
- Establishment of a Pesticide Laboratory
D.P. Nag
- Principles of Pesticide Formulation Analysis
W.R. Bontoyan
- Pesticide Product Quality Control
Mason H. Woolford, Jr
- Acceptable International Standards for Industrial Safety in the Operation of Pesticide Formulation Plants
M.G. Srivastava
- Occupational Hygiene and Industrial Health in Pesticide Formulation Plants
Karl M. Naef
- Safety in Storage and Transport, and Disposal of Pesticides and Containers
Malcolm Harmer and Homer R. Wolfe
- Labelling and Packaging:
The Formulators Responsibility to the User
Richard Reynolds
- Regulatory Procedures for Pesticides in Developing Countries
Jan de Bruin



**Governing Council
of the
United Nations
Development Programme**

Distr.
GENERAL

DP/1984/50
26 April 1984
ORIGINAL: ENGLISH

Thirty-first session
June 1984, Geneva
Agenda item 8(f)

SUPPORT

OTHER FUNDS AND PROGRAMMES

ACTIVITIES OF THE UNITED NATIONS SUDANO-SAHELIAN OFFICE (UNSO) AND
ASSISTANCE TO OTHER DROUGHT-STRICKEN COUNTRIES IN AFRICA

Implementation in the Sudano-Sahelian Region
of the Plan of Action to Combat Desertification

Report of the Administrator

Summary

In response to the request of the Governing Council at its thirtieth session (decision 83/24), the Administrator is submitting an annual report on the implementation in the Sudano-Sahelian region of the Plan of Action to Combat Desertification. This report describes the activities carried out by the United Nations Sudano-Sahelian Office (UNSO) under its mandate to assist the countries of the region in implementing the Plan of Action, under a joint venture of UNDP and the United Nations Environment Programme (UNEP). The report summarizes the principal thrusts of UNSO planning, programming and resource mobilization operations carried out in connection with the preparation of activities dealing principally with deforestation control, range management, water resource management, soil protection and sand-dune fixation. It also describes the co-ordination and inter-organizational co-operation activities of UNSO in the exercise of its desertification control mandate.

C. Water resources management

15. In the Gambia, UNSO has obtained a contribution of \$472,000 to the Trust Fund from the Government of Australia for a project for the construction of small dams for irrigation and protection against salt water intrusion. The project will help to ensure a sufficient supply of fresh water for longer periods, including periods of drought. UNSO has also agreed to finance a project for the management of groundwater resources in the Banjul area. The project, which will be Government executed with the United Nations as co-operating agency, will obtain the services of International Business Machines (IBM) at no cost through an arrangement between UNSO/UNDP and the International Council for Development (ICD) for the construction of a mathematical model and the training of Gambian nationals in ground water modelling by IBM.

16. In Mali, UNSO has agreed to allocate \$500,000, for which a contribution by the Government of Yugoslavia is expected, to finance a project to strengthen the operational capacity of the Department of Water Resources in ground water exploration and exploitation. Formulation is also underway of a pilot water harvesting programme for three sites in Darfur Region, the Sudan.

November 8, 1983

Dear Mr. Simons:

Just a note to thank you for sending the background material on your Council and its activities. I look forward to the opportunity to learn more about the Council, and I will also take the liberty of sharing the information with some of my colleagues here at the Bank.

It would indeed be a pleasure to meet with Mr. Erbe and other members of the Board. Just give my office a call and we will try to set something up.

Sincerely,



A. W. Clausen

Mr. Walter W. Simons
Executive Director
Industry Council for Development
300 East 44th Street
New York, N.Y. 10017

RSouthworth:sb

bcc. Mr. Dherse (w/ incoming)

1546



Industry Council for Development

28 October, 1983

Mr. A.W. Clausen
President
The World Bank
1818 H. Street N.W.
Washington, D.C. 20433

Dear Mr. Clausen,

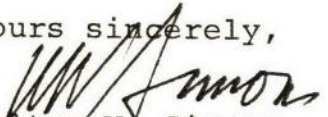
Following up the short conversation we had at the dinner for Jimmy Yen, I am pleased to send you a selection of documents on the objectives, organization, and membership of our Council. To my knowledge, ICD is still the only non-governmental, non-commercial organization which utilizes industry's expertise as a development service, particularly through the UN System.

In this regard, I mentioned that our cooperation with the World Bank is steadily increasing. For several years, we have had close contact with Monty Yudelman's group, particularly regarding our Commercial Seed Industry Development Program (CSIDP), which is USAID-funded. Most recently, we have been cooperating with IFC and with John Russell's seed development activities in countries such as Turkey, Zaire, and the Ivory Coast.

The enclosed articles published recently in the UNDP Staff News and Newsweek International provide further details on some of our activities in cooperation with UNDP and other system organizations.

I would welcome an opportunity to introduce my Chairman, Mr. J.P. Erbe of Unilever and, perhaps, other members of our Board to you sometime in the near future. We are attempting to expand the resources available through our organization, as well as increase the effectiveness of our service, and would welcome any views which you and your senior associates may have.

Yours sincerely,


Walter W. Simons
Executive Director

c.c. J.P. Erbe
B. Morse

AIE

AGENCE INTERNATIONALE DE L'ÉNERGIE

OCDE

ORGANISATION DE COOPÉRATION ET
DE DÉVELOPPEMENT ÉCONOMIQUES

Le Directeur Exécutif

IEA/ED/84.251

1021
Mr. A.W. Clausen
President
World Bank
1818 H Street, NW
Washington, D.C. 20433
U.S.A.

Dear Mr. Clausen,

I appreciated the opportunity to meet with you in my new capacity on August 1.

I found your views on the global energy situation - and in particular that of developing countries - to be quite similar to mine. Clearly satisfactory economic growth in developing countries will require a substantial increase in energy supplies. I agree with you that there is much our two organizations could do together and I look forward to building on existing ties.

Yours sincerely,



Helga Steeg

RI
IEA

INTERNATIONAL ENERGY AGENCY

OECD

ORGANISATION FOR ECONOMIC
CO-OPERATION AND DEVELOPMENT

The Executive Director

August 10, 1984

cc: Mr. Thorse



OFFICE OF THE PRESIDENT

1984 AUG 31 PM 3:08

RECEIVED

Standard Chartered Bank

Michael McWilliams - Group Managing
Director

Munir Benjenk

From the Bank

Gene Rotberg

OFFICE MEMORANDUM

4054 - Sasson

DATE: September 25, 1984

Mr Clausen

TO: Mr. Teruyuki Ohuchi, VPCOF *TO*FROM: Harry Sasson, VPCAU *Sasson*

EXTENSION: 72383

SUBJECT: Mr. A.W. Clausen's Meeting with Mr. Michael McWilliam,
Managing Director of Standard Chartered Bank

1. In their 1983/84 Annual Report, their Chairman's (Lord Barber's) statement expressed strong support for the maintenance of development capital flows and Standard Chartered Bank's commitment to play its part.
2. The bank was a Lead Manager in the \$200m FEN Colombia cofinancing. *one of the four nine*
3. The bank was a Lead Manager in the \$385m National Bank of Hungary cofinancing. *one of the four*
4. The bank is prepared to lead a \$20/25m cofinancing for NIDB, Nigeria, which the Nigerians have not yet decided they require.

September 26, 1984Addendum

1. I talked to Michael McWilliam last night, after Lord Barber's departure from Washington. He is looking forward to his meeting with Mr. Clausen.
2. He will be accompanied by Munir Benjenk, 30% of whose time has been retained by Standard Chartered to advise on the Maghreb countries - Turkey, etc.
3. The theme and focus intended by Mr. McWilliams for his discussion with Mr. Clausen will be lending to Africa.
4. I know Mr. McWilliam well and can be available for this meeting if needed.

HS.

National Bank of Hungary

Magyar Nemzeti Bank

US\$ 385,000,000

Co-financing with the

International Bank for Reconstruction and Development

Lead Managed by

Alahli Bank of Kuwait K.S.C
 Arab African International Bank Group
 Arab Banking Corporation (ABC)
 The Bank of Nova Scotia Group
 The Bank of Tokyo, Ltd.
 Crédit Commercial de France
 The Dai-Ichi Kangyo Bank, Limited
 Den norske Creditbank
 Deutsche Bank
 Compagnie Financière Luxembourg

IBJ International Limited
 Kansallis-Osake-Pankki
 The Long-Term Credit Bank of Japan, Limited
 Manufacturers Hanover Limited
 Midland Bank Project Finance Limited
 Postipankki
 Standard Chartered Bank PLC
 The Sumitomo Trust & Banking Co., Ltd.
 The Tokai Bank Limited

Managed by

The Daiwa Bank, Limited
 Lloyds Bank International Limited
 Mellon Bank

The Mitsubishi Bank, Limited
 Sanwa Bank Merchant Banking Group
 Société Générale de Banque Group

Co-Managed by

Banco di Sicilia — New York Branch
 Bank of Helsinki Ltd.
 Bergen Bank
 Burgan Bank S.A.K., Kuwait

The Nippon Credit Bank, Ltd.
 The Saitama Bank Ltd.
 Skopbank

Provided by

International Bank for Reconstruction and Development

The Bank of Tokyo, Ltd.
 Den norske Creditbank
 The Long-Term Credit Bank of Japan, Limited
 Postipankki
 Alahli Bank of Kuwait K.S.C.
 The Bank of Nova Scotia Channel Islands Limited
 The Dai-Ichi Kangyo Bank, Limited
 The Industrial Bank of Japan, Limited
 The Sumitomo Trust & Banking Co., Ltd.
 Arab Banking Corporation (ABC)
 Deutsche Bank
 Compagnie Financière Luxembourg
 Kansallis-Osake-Pankki
 Standard Chartered Bank PLC
 The Tokai Bank, Limited
 Crédit Commercial de France
 Manufacturers Hanover Trust Company
 Midland Bank plc
 Mellon Bank
 The Daiwa Bank, Limited
 Lloyds Bank International Limited
 The Mitsubishi Bank, Limited
 The Sanwa Bank, Limited
 Arab African International Bank — Cairo
 Al Bahrain Arab African Bank (E.C.)
 'ALBAAB'
 Banco di Sicilia — New York Branch
 Bank of Helsinki Ltd.
 Bergen Bank
 Burgan Bank S.A.K., Kuwait
 The Nippon Credit Bank, Ltd.

The Saitama Bank, Ltd.
 Skopbank
 Société Générale de Banque S.A.
 Banco Totta E Acores
 Banque Belge Limited
 Credit du Nord
 Johnson Matthey Bankers Limited
 Banca Popolare di Milano - New York Branch
 Banco di Napoli — New York Branch
 Bank of Scotland
 Banque Generale du Luxembourg S.A.
 Gotabanken (Luxembourg) S.A.
 Midland Bank Trust Corporation (Cayman) Limited
 The United Bank of Kuwait Limited
 Arab Hellenic Bank S.A., Athens
 Arab Turkish Bank, Istanbul
 Associated Japanese Bank (International) Limited
 Banco Pinto & Sotto Mayor
 Bank fuer Arbeit und Wirtschaft Aktiengesellschaft
 The Bank of Yokohama, Ltd., London Branch
 Banque Louis-Dreyfus
 Banque Vernes et Commerciale de Paris
 The Chuo Trust and Banking Company Limited, London Branch
 Den Danske Bank af 1871 Aktieselskab, Singapore Branch
 The Hokkaido Takushoku Bank, Limited
 The Hokuriku Bank, Ltd., New York Branch
 Irish Bank of Commerce Limited
 Kredietbank S.A. Luxembourgeoise
 Manufacturers Hanover (Suisse) S.A.
 The Nippon Trust and Banking Co., Ltd.
 Svenska Handelsbanken ('SHB')

Libor Agent

Arab Banking Corporation (ABC)

Prime Agent

Manufacturers Hanover Merchant Banking Group

Co-ordinated by

Arab Banking Corporation (ABC)
IBJ International Limited

Manufacturers Hanover Limited
Standard Chartered Bank PLC

XX

This announcement appears as a matter of record only.



Financiera Electrica Nacional S.A.

U.S. \$175,000,000

Cofinancing with
International Bank for Reconstruction and Development

Guaranteed by
The Republic of Colombia

Co-ordinators and Lead Managers
Midland Bank plc through **The Industrial Bank of Japan, Limited**
Midland Bank Project Finance Limited

Also Lead Managed by
Banque Française du Commerce Extérieur – BFCE **Banque Indosuez**
Banque Paribas **Continental Illinois Capital Markets Group**
Standard Chartered Bank plc **The Tokai Bank, Limited**
The Toyo Trust and Banking Co., Ltd.

Managed by
Mellon Bank **Rabobank Curaçao N.V.**

Co-Managed by
The Bank of Yokohama, Ltd. **The Hokkaido Takushoku Bank Ltd.** **The Hokuriku Bank, Ltd.**
(New York Branch) (New York Branch) (New York Branch)

with
NORDISKA INVESTERINGSBANKEN (NORDIC INVESTMENT BANK)

Funds Provided by
International Bank for Reconstruction and Development

The Industrial Bank of Japan, Limited	Midland Bank plc	Banque Française du Commerce Extérieur – BFCE
Banque Indosuez	Banque Paribas	Continental Illinois National Bank
Standard Chartered Bank plc <small>(Nassau Branch)</small>	The Tokai Bank, Limited	The Toyo Trust and Banking Co., Ltd. <small>(New York Branch)</small>
Mellon Bank	Rabobank Curaçao N.V.	The Bank of Yokohama, Ltd. <small>(New York Branch)</small>
The Hokkaido Takushoku Bank Ltd.	The Hokuriku Bank, Ltd. <small>(New York Branch)</small>	Amsterdam-Rotterdam Bank NV <small>(New York Branch)</small>
Chemical Bank	Nordiska Investeringsbanken (Nordic Investment Bank)	
Creditanstalt-Bankverein	Girozentrale und Bank der österreichischen Sparkassen Aktiengesellschaft	
The Chuo Trust and Banking Company Limited	Den norske Creditbank	National Westminster Bank Group
The Saitama Bank, Ltd. <small>(New York Branch)</small>	Société Générale de Banque S.A.	New Japan Securities (Schweiz) AG Zurich
Banque Belge Limited	Banque Européenne pour L'Amérique Latine (B.E.A.L.) S.A.	Svenska Handelsbanken

Agent
Midland Bank plc

June 1984

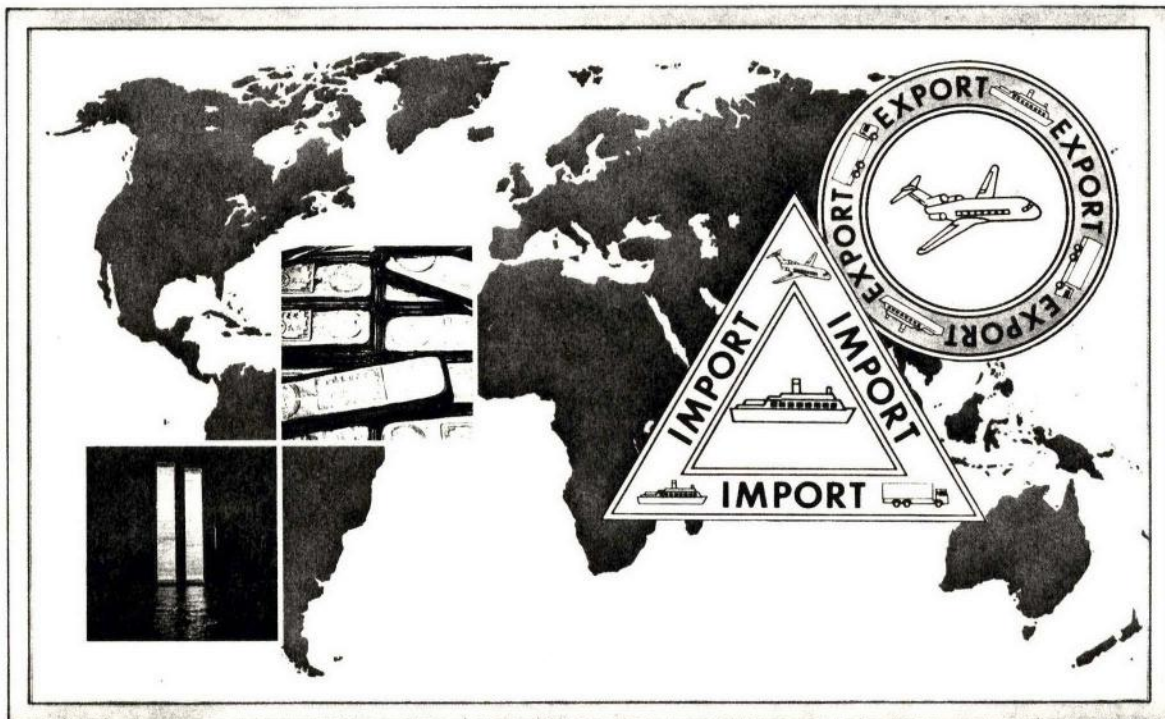
In 1979 the most important development since the merger took place. Five years previously The Chartered Bank had established in California a wholly-owned subsidiary, The Chartered Bank of London, which by expansion and acquisition developed a network of thirty-five banking branches. In continuance of this policy Standard Chartered then opened negotiations for the acquisition of Union Bancorp Inc. of California, whose most important asset was Union Bank, now the sixth largest bank in California and the 30th largest (out of 14,000) in the USA. The bid was one of the highest in banking history and the acquisition was successfully concluded in April 1979. In December 1979 all the offices of The Chartered Bank of London became branches of Union Bank.

1983

A significant development in Standard Chartered's merchant banking interests took place in 1983, when its largest merchant bank, Standard Chartered Merchant Bank Limited, acquired Midland and International Banks PLC (usually known as MAIBL), in which the Group previously had a minority interest. MAIBL has since been merged with Standard Chartered Merchant Bank, which is now one of the largest merchant banks in the City of London, with assets exceeding £1,500 million.

The Standard Chartered Bank Group's assets are now held in approximately equal proportions in four main operating areas: the United Kingdom and Europe, the Middle East and Asia, Africa and America – a balanced spread unique among British banks.

From their earliest days the banks of the Group have always been ready to identify themselves with the interests of the countries in which they operate and to serve impartially their economic and commercial development. Conscious of their responsibilities to the host countries they have adapted themselves to change, especially the sweeping changes which have taken place in many countries since the Second World War. Progress has been maintained and today Standard Chartered Bank is Britain's largest independent international bank, and in terms of assets, Britain's fifth largest bank. In 1976 Standard Chartered received The Queen's Award for Export Achievement because of its overseas earnings, and in 1980 achieved a double by winning it a second time – the first bank to do so since the Award was instituted.



September 6, 1984

Dear Mr. Soedjatmoko,

This is in response to your joint letter with Ministers Keita and Nucci of August 24, 1984, inviting me as President of the World Bank to be a member of the sponsoring committee for the donors meeting scheduled in Paris on October 18-19, 1984 to mobilize funds for the Institute for Natural Resources in Africa.

In your letter of July 31, 1984, you invited the Bank to attend the donors' meeting and to make a financial contribution toward the establishment of INRA. My answer of August 24 (a copy of which is attached) unfortunately crossed your letter of the same date. I responded that while supporting the objectives of INRA, the Bank felt that the program as prepared was not selective enough and required clearer identification of priorities and focus.

In these circumstances, I do not think that at this stage it would be appropriate for me to join the sponsoring committee. I do very much appreciate your invitation, and am most pleased that Mr. Maurice Bart, Director of our Paris office, who is already familiar with the UNU-sponsored Institute, will be able to represent the Bank. I wish you every success and look forward both to hearing about the conference from Mr. Bart and to continuing our contacts with the UNU and the staff of INRA.

Yours sincerely,



Dr. Soedjatmoko
Rector
The United Nations University
Toho Seimei Building
15-1, Shibuya 2-chome, Shibuya-ku
Tokyo 150, Japan

cc and cl: Mr. de la Renaudiere

cc: Messrs. Burki (IRD), O'Brien (WANVP), Bronfman (EAPDR), Schramm (EAPEG), C. Weiss (PPDES), Bart (Paris Office), J.D. Roulet (Res. Rep. Abidjan)

LPachter/delaRenaudiere:yrb

902

le 24 août 1984

Monsieur le Président,

Nous avons l'honneur de porter à votre connaissance que l'Université des Nations Unies, le Gouvernement de la République de Côte d'Ivoire et le Gouvernement de la République française ont créé un comité tripartite chargé d'organiser une conférence des donateurs destinée à mobiliser les fonds nécessaires à la création de l'Institut des ressources naturelles en Afrique de l'Université des Nations Unies.

..... Vous trouverez en annexe une copie de la lettre d'invitation à cette conférence qui se tiendra à Paris les 18 et 19 octobre 1984.

Nous avons noté avec plaisir l'intérêt particulier que vous avez manifesté pour le projet de création de cet institut en Côte d'Ivoire.

Aussi, serions-nous honorés que vous acceptiez de faire partie du comité de parrainage de cet organisme afin de contribuer au succès de cette conférence.

Dans l'attente de votre accord, nous vous prions de croire à l'assurance de notre haute considération.



Soedjatmoko
Recteur de l'Université
des Nations Unies



Balla Keita
Ministre de l'Education
nationale et de la
Recherche scientifique
de la République
de Côte d'Ivoire



Christian Nucci
Ministre délégué auprès
du Ministre des Relations
Extérieures, chargé de la
Coopération et du
Développement
de la République française

Monsieur A.W. Clausen
Président
Banque mondiale
1818 H Street, N.W.
Washington, D.C. 20433
Etats-Unis

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OFFICE OF THE PRESIDENT

1984 AUG 28 PM 3:49

RECEIVED

M. B. Baker

THE WORLD BANK

ROUTING SLIP		Date	
		August 29, 1984	
OFFICE OF THE PRESIDENT			
Name		Room No.	
Ms. Frampton		E-823	
<i>M. Baker</i>			
XX	To Handle		Note and File
	Appropriate Disposition		Prepare Reply
	Approval		Per Our Conversation
	Information		Recommendation
Remarks			
Roy Southworth			
From			

Official United Nations Translation of joint UN University, Government of the Republic of the Ivory Coast and Government of the Republic of France letter:

24 August 1984

Sir,

We have the honour to inform you that the United Nations University, the Government of the Republic of the Ivory Coast and the Government of the Republic of France have formed a tripartite committee responsible for organizing a conference of donors in order to mobilize the necessary funds for the establishment of the Institute for Natural Resources in Africa (INRA) of the United Nations University.

..... Attached as an annex please find a copy of the invitation to this conference, which will take place in Paris on 18 and 19 October 1984.

We have noted with pleasure the particular interest which you have shown in the project for the establishment of this Institute in the Ivory Coast.

We should therefore be honoured if you would agree to become a member of the sponsoring committee for this institution in order to contribute to the success of the conference.

We look forward to receiving your acceptance.

Accept, Sir, the assurances of our highest consideration.

Soedjatmoko
Rector
United Nations
University

Balla Keita
Minister of National
Education and
Scientific Research
Republic of the
Ivory Coast

Christian Nucci
Minister Delegate attached
to the Minister for External
Relations, with responsibility
for Cooperation and Development
French Republic



THE UNITED NATIONS UNIVERSITY

Toho Seimei Building
15-1, Shibuya 2-chome, Shibuya-ku,
Tokyo 150, Japan

国際連合大学

〒150 東京都渋谷区渋谷2-15-1 東邦生命ビル
TELEPHONE:(03)499-2811

Reference:

31 July 1984

Dear Mr. Clausen,

I recall with much pleasure the meeting my colleagues and I had with you and Mr. Qureshi last year concerning the University's proposed Institute for Natural Resources in Africa (INRA). Since then, as you may know, Dr. Edward S. Ayensu, our Senior Advisor for the Institute, has discussed the proposal for Institute in detail with several divisions and senior officials of the Bank. They have particularly discussed the diverse interests and needs of the various African countries in the area of natural resources which, as explained in the project document, call for major efforts in the following six priority areas of work: land use; water resources; plant resources; animal resources; mineral resources and energy. It is realized that the scope covered by these six priority areas is exceedingly broad. Accordingly, the work programme of the Institute will of necessity have to be focused on clearly identified, specific projects of urgency, on a selective and incremental basis, if the Institute is indeed to make a practical and sustained impact in a cost-effective manner on the problems of the continent.

We are all most encouraged by your support for the Institute. Mr. Maurice Bart, Director of the World Bank office in Paris, has also been helpful in our various consultations and with the Government of France. As you and your colleagues have emphasized, it is imperative that the Institute should have a strong financial base and high quality scientific and technological expertise to enable it to work effectively so as to accomplish its aims and purposes.

You will be pleased to know that the Government of the Ivory Coast has made a generous pledge of US\$5 million to the UN University for the Institute and has offered to provide spacious readily available buildings, laboratories, and other physical facilities as well as housing for the personnel of the Institute within the framework of the modern and up-to-date building complex of the Institut National Supérieur de l'Enseignement Technique (INSET) recently constructed at the cost of some US\$150 million in Yamoussoukro, the new capital of the Ivory Coast.

Mr. A. W. Clausen
President
The World Bank
1818 H. Street, N.W.
Washington, D.C. 20433
U. S. A.

The UN University has invited the governments of Ethiopia, Zambia and Zimbabwe, that also made financial and other offers to host the Institute, to join the Ivory Coast in making financial contributions towards the funding of the Institute on the understanding that existing institutions in these countries can play major roles within the programme network of the Institute. The response of these countries has been favourable to this request. Similarly, the Government of Cameroon has expressed its readiness to consider a financial contribution for the establishment and operation of the Institute in another country and participate in its work. Other countries in Africa - Kenya, Nigeria and Senegal - which also initially considered hosting the Institute, have continued to assure the UN University of their support for the Institute and their readiness to co-operate.

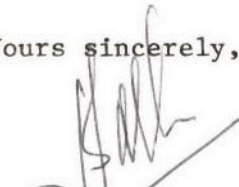
In view of the present difficult economic and financial circumstances of many African states, the degree of support which the Institute has aroused is most encouraging. The UN University believes that these commitments of support from the African continent, including the interest expressed by the President of the African Development Bank, constitute a significant foundation for mobilizing major financial support from bilateral and multilateral sources outside Africa.

At the request of the Government of the Ivory Coast, the Government of France will host a donors conference on behalf of the UN University in Paris on 18 and 19 October at the Ministère de la Coopération et du Développement, 20, Rue Monsieur, 75007 Paris. The conference is being convened to present the INRA programme to the donors for consideration and to raise some US\$50 million so as to mobilize, once and for all, the basic capital funds required for the Institute. As with the Endowment Fund of the UN University, the capital contributions will be invested to yield operating funds to ensure the long-term viability of the Institute.

I have, therefore, the honour to invite you to participate in the donors conference and to assist the UN University in this important endeavour for Africa by making a generous financial contribution towards the establishment and work of the Institute.

With best regards,

Yours sincerely,



Soedjatmoko
Rector

December 19, 1984

Sir:

Thank you for sending me the paper on the Nam Choan Dam project. I look forward to reading it, and will ensure that it is also passed to those in the Bank particularly concerned with Thailand.

Sincerely,



A. W. Clausen

H.R.H. The Duke of Edinburgh
President
World Wildlife Fund
Avenue du Mont-Blanc
CH-1196 Gland
Switzerland

bcc: Mr. Karaosmanoglu (w/ incoming)

MH


From: H.R.H. The Duke of Edinburgh
President

Avenue du Mont-Blanc
CH-1196 Gland, Switzerland
Telephone: 022/64 71 81
Telegrams: Panda, Gland
Telex: 28183 wwf ch

4th December, 1984

133
Dear Mr. Clausen,

You may recall that we corresponded about the Nam Choan Dam in Thailand. The enclosed paper reached me the other day and I thought it might interest you.

Yours sincerely


Mr. A.W. Clausen

RECEIVED

1984 DEC 12 PM 6:08

OFFICE OF THE PRESIDENT

Log # 1147

November 9, 1984

Dear Russ,

Thank you for your letter of 1 November concerning possible cooperation with the World Bank in relation to environmental aspects of our work.

As I understand it, the World Wildlife Fund proposes to identify field researchers associated with WWF, capable of evaluating natural resource impact of Bank-assisted projects. I understand you propose to focus initially on selected projects in the Latin America region.

I am requesting my staff to look into this proposal, and to be in contact with you in the near future.

I greatly appreciate your expression of support for the environmental work of the Bank.

Warm regards,

Sincerely,


(Signed) A. W. Clausen

Mr. Russell E. Train
World Wildlife Fund
1601 Connecticut Avenue, N.W.
Washington, D. C. 20009

Cleared with and cc: Mr. Nils Tcheyan, LC2DA
cc: Mr. Southworth, EXC

✓JALee/RGoodland:OMc

11/7 - pm

ROUTING SLIP

Date

Nov. 6, 1984

OFFICE OF THE PRESIDENT

Name

Room No.

Mr. Husain

E-1023

cc: Mr. Stern

To Handle

Note and File

Appropriate Disposition

XX

Prepare Reply

Approval

Per Our Conversation

Information

Recommendation

Remarks

Would you please prepare a reply
for Mr. Clausen's signature by November 12?

Roy Southworth

From

473585



WORLD WILDLIFE FUND-U.S.

1601 Connecticut Avenue NW
Washington DC 20009
202-387-0800
Telex: 64505

1174

November 1, 1984

The Honorable A.W. Clausen
The World Bank
1818 H St., N.W.
Washington, D.C. 20433

Dear Tom:

I am pleased to report on a new World Wildlife Fund-U.S. plan to provide environmental expertise in areas of interest to World Bank project planners. Our hope is to assist the Bank in carrying out the mandate established in your recent statement on Environmental Policies and Procedures.

Our planned project would focus first on identifying WWF field researchers capable of evaluating natural resource impacts of planned and existing Bank projects in areas of rich species diversity and high priority to WWF-US, primarily in Latin America. I would be interested in your assessment as to whether this WWF initiative would indeed help strengthen environmental planning at the Bank. If you think that these efforts from our end would prove useful, we would then begin to review the World Bank Development Forum. That publication, with its monthly operational survey, will be an integral resource in correlation of Bank projects with WWF field researchers, and we would very much appreciate receiving it regularly.

Once again, I wish to express my wholehearted support for your views on the importance of careful environmental assessment in development project decision-making. I hope that the new WWF undertaking can prove useful to the Bank in that regard.

With best wishes,

Sincerely,

Russell E. Train
President

RECEIVED
1984 NOV -2 AM 11:56
OFFICE OF THE PRESIDENT

12/3

Mr. Wuttke called to ask if you would sign a statement to help him obtain an H-1 visa. He sent over a draft and I have put it into final.

For information, an H-1 visa is given to a temporary worker of distinguished merit and ability - usually for 2 years.

MH

Note: You are meeting with Mr. Wuttke (at his request) tomorrow afternoon at 4.

December 3, 1984

TO: U. S. Department of State
FROM: A. W. Clausen *A*
RE: Application of Dr. Hans A. Wuttke for an H-1 Visa

I hereby inform you that Mr. Wuttke was appointed Executive Vice President of the International Finance Corporation (World Bank), effective January 1, 1981, in view of his outstanding experience in international finance and industry. Mr. Wuttke resigned from his office after this year's Annual Meetings on September 30, 1984, and is at present a Special Adviser to the President of The World Bank. During his time in office he has made considerable contributions to the growth of IFC and the Corporation's activities in developing countries. Mr. Wuttke's services could not be better described than by the Dean of IFC at the Corporation's last Board meeting, a statement which I am attaching to this letter.

Attachment

Where is statement?

DRAFT
December 3, 1984

To: U.S. Department of State

Ref: Application of Dr. Hans ~~A~~ Wuttke for an H-1 Visa

I hereby inform you that Mr. Wuttke was appointed Executive Vice President of the International Finance Corporation (World Bank), effective January 1, 1981 in view of his outstanding experience in international finance and industry. Mr. Wuttke resigned from his office after this year's Annual Meetings on September 30, 1984 and is, at present, a Special Adviser to the President of the World Bank. During his time in office he has made considerable contributions to the growth of IFC and the Corporation's activities in developing countries. Mr. Wuttke's services could not be better described than by the Dean of IFC at the Corporation's last Board meeting, a statement which I am attaching to this letter.

September 5, 1984

Mr. A. W. Clausen

I met Sir William Ryrie in London last week. We discussed various matters relating to IFC. I also briefed him on the status of various policy issues which we have been working on (please see attached list). While most of these issues have been clarified some are still pending and require additional work.



Hans A. Wuttke

Attachment

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SEP 11 1984
WORLD BANK

RECEIVED

1984 SEP -6 PM 2: 02

OFFICE OF THE PRESIDENT

POLICY ISSUES THAT REQUIRE CLARIFICATION

<u>ISSUE</u>	<u>RESPONSIBILITY</u>	<u>COMPLETION DATE</u>	<u>STATUS AS OF AUGUST 1984</u>
1. Investments in mixed private and public sector enterprises.	Camacho	January	Discussed by Board on 1/26/84
2. Rescheduling policy.	Camacho	January	Discussed by Board on 1/26/84
3. IFC/IBRD DFC Paper.	Kaffenberger	February	Discussed by Board on March 8.
4. IFC financing as percentage of total project cost.	Parmar	December	Completed. Discussed by Mgmt. Group in December.
5. Country credit ceilings.	Frank	March	Completed. Mgmt. Group discussion March.
6. IFC as guarantor.	Parmar	February	Completed. Mgmt. Group discussion March.
7. Floating rate lending.	Frank	April	Discussed by Board in June.
8. IFC Fee Policy.	Frank	April	Second draft discussed by Mgmt. Group in May.
9. IFC Graduation Policy.	Richardson	April	-

<u>ISSUE</u>	<u>RESPONSIBILITY</u>	<u>COMPLETION DATE</u>	<u>STATUS AS OF AUGUST 1984</u>
10. Lending through intermediaries.	Camacho	March	"Agency Paper" completed in January.
11. A study on country exposure	Frank/ Richardson	-	Initial paper discussed by Mgmt. Group in January.
12. IFC's preferred creditor status.	Camacho	To be determined	
13. Investments in countries with overdue payments to IFC because of foreign exchange shortages.	Parmar	December	Discussed by Mgmt. Group in December
14. Limits of ownership in companies financed by IFC.	Camacho	To be determined	-
15. Setting of interest rates.	-	-	-
16. Revolving of IFC portfolio by: - sales to foreigners - sales to government - sales to industry leader - sales to sponsors	Gabriel	-	-
17. IFC/IBRD overlap - funds whosalings - energy - technical + policy assistance	Richardson	-	-
18. Procurement policy.	Dehejia	-	-
19. Financing the production of luxury/consumer products, etc.	Richardson/ Camacho	-	-

<u>ISSUE</u>	<u>RESPONSIBILITY</u>	<u>COMPLETION DATE</u>	<u>STATUS AS OF AUGUST 1984</u>
20. Investment in small projects.	Gabriel	-	-
21. IFC's role in the future.	Frank	August	-
22. IFC as last resort lender.	Richardson	-	-
23. Promotion - IFC's experience.	Richardson	To be deter- mined	Study presently being undertaken.
24. Operational Manual	Klement-Francis	To be deter- mined	First part to be comple- ted in September.