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Folder ID: 1774265

Series: Alphabetical [subject] files

Dates: 09/12/1985 - 03/06/1986

Sub-Fonds: Records of President A. W. Clausen

Fonds: Records of the Office of the President

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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
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CLAUSENIS; Multilateral Insurance (MIGA)

VOL IV



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1774265

A1995-265 Other # 15 Box # 209473B

Clausen Papers - Multilateral Investment Guarantee Agency [MIGA] -
Correspondence - Volume 4

*Copies to Mr. Shibata
Mr. Poate 3/12*

OIFIG AN AIRE AIRGEADAIS
(OFFICE OF THE MINISTER FOR FINANCE)
BAILE ATHA CLIATH 2.
(DUBLIN 2)



269

6 March 1986

Mr A.W. Clausen
President
International Bank for Reconstruction
and Development
1818 H Street N.W.
Washington DC 20433
USA

Dear President

The Minister for Finance Mr John Bruton, T.D., has asked me to thank you for your recent telex about the proposed Multilateral Investment Guarantee Agency (MIGA).

The question of whether Ireland should become a signatory to the Convention establishing MIGA is currently being examined in consultation with the relevant institutions. The Minister will let you know the outcome of this examination as soon as a decision has been reached.

Yours sincerely

Seán Fitzpatrick

Private Secretary

OFFICE OF THE PRESIDENT

WASHINGTON, D.C. 20503

OFFICE OF THE PRESIDENT

1986 MAR 11 PM 5:20

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TEST NUMBER
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START
HERE

AS YOU RECALL, THE BOARD OF GOVERNORS OF THE WORLD BANK APPROVED
LAST OCTOBER THE TEXT OF THE CONVENTION ESTABLISHING THE
MULTILATERAL INVESTMENT GUARANTEE AGENCY (MIGA) FOR TRANSMITTAL
TO MEMBERS AND TO SWITZERLAND, INVITED MEMBERS TO SIGN THE
CONVENTION, AND REQUESTED ME TO CONVENE A PREPARATORY COMMITTEE
OF SIGNATORY COUNTRIES ONCE THE CONVENTION WAS SIGNED BY FIFTEEN
DEVELOPING AND FIVE DEVELOPED COUNTRIES, THE TOTAL SUBSCRIPTIONS
OF WHICH CONSTITUTE AT LEAST ONE-THIRD OF MIGA'S AUTHORIZED
CAPITAL.
AS OF TODAY, NINE DEVELOPING COUNTRIES AND TWO DEVELOPED
COUNTRIES HAVE SIGNED THIS CONVENTION. SEVERAL OTHER COUNTRIES
HAVE INDICATED THEIR INTENTION TO SIGN SHORTLY. I AM ADVISED
THAT IN MOST COUNTRIES SIGNATURE OF SUCH A CONVENTION NEED NOT
REQUIRE GOING THROUGH THE EXTENSIVE PROCEDURES REQUIRED FOR
RATIFICATION, WHICH IS THE BINDING COMMITMENT. PURSUANT TO THE
RELEVANT RESOLUTION OF THE BOARD OF GOVERNORS, ONLY SIGNATORY
COUNTRIES WILL BE INVITED TO PARTICIPATE IN THE PREPARATORY
COMMITTEE.

END
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TEXT

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CLASS OF SERVICE: Telex	TELEX NO.:	DATE: 3/7/86
SUBJECT:	DRAFTED BY: RPoats:as	EXTENSION: 74945
CLEARANCES AND COPY DISTRIBUTION:	AUTHORIZED BY (Name and Signature): Ibrahim F.I. Shihata	
	DEPARTMENT: LEGVP	
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I LOOK FORWARD TO CONVENING THE PREPARATORY COMMITTEE BEFORE THE END OF JUNE. MIGA'S INVESTMENT GUARANTEE, RESEARCH AND TECHNICAL ADVISORY SERVICES WILL HELP MEMBER COUNTRIES ATTRACT SELECTIVELY THE FOREIGN INVESTMENT CAPITAL AND TECHNOLOGY THAT THEY NEED TO ACCELERATE ECONOMIC GROWTH. WARM REGARDS, A.W. CLAUSEN, PRESIDENT, WORLD BANK.

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TELEX ADDRESSES

His Excellency Ibrahim Abdul Karim, Minister of Finance and National Economy, Ministry of Finance and National Economy, Manama, Bahrain. (Dear Governor)

His Excellency Qais Bin Abdul Munim Zawawi, The Deputy Prime Minister for Financial and Economic Affairs, Muscat, Sultanate of Oman. (Dear Governor)

Mr. B.V. Galvin, Secretary to the Treasury, The Treasury, Wellington, New Zealand. (Dear Governor)

Senor Lic. Hugo Guiliani Cury, Gobernador, Banco Central de la Republica Dominicana, Santo Domingo, Dominican Republic. (Dear Governor)

Son Excellence Monsieur Pascal Nze, Ministre de la Planification et de l'Amenagement du Territoire, Libreville, Gabon. (Dear Governor)

Su Excelencia Senor Dr. Rodolfo Paiz Andrade, Ministro de Finanzas, Ciudad de Guatemala 1, Guatemala (Dear Governor)

Son Excellence Monsieur Marcel Leger, Ministre d'Etat de l'Economie et des Finances, Port-au-Prince, Haiti. (Dear Governor)

His Excellency Constantine Simitis, Minister of National Economy, Ministry of National Economy, Athens, Greece. (Dear Governor)

Su Excelencia Senor J. Efrain Bu Giron, Ministro de Hacienda y Credito Publico, Tegucigalpa, D.C., Honduras. (Dear Governor)

The Honourable Emanuel O. Gardiner, Minister for Planning and Economic Affairs, Ministry of Planning and Economic Affairs, Monrovia, Liberia. (Dear Governor)

Son Excellence Monsieur Almoustapha Soumaila
Ministre délégué auprès du Premier Ministre, Chargé du Plan,
Niamey, Niger. (Dear Governor)

The Honourable Sir Julius Chan, K.B.E., M.P., Deputy Prime Minister and Minister for Finance and Planning, Department of Finance, Waigani, Papua New Guinea. (Dear Governor)

His Excellency Sheikh Abdul Aziz Khalifa Al-Thani, Minister of Finance and Petroleum, Ministry of Finance and Petroleum, Doha, Qatar. (Dear Governor)

The Honourable George Chambers, Prime Minister and Minister of Finance and Planning, Office of the Prime Minister, Port-of-Spain, Trinidad and Tobago. (Dear Governor)

His Excellency Petre Gigea, Minister of Finance, Ministry of Finance, Bucharest, Romania. (Dear Governor)



Record Removal Notice

File Title Clausen Papers - Multilateral Investment Guarantee Agency [MIGA] - Correspondence - Volume 4		Barcode No. 1774265		
Document Date March 3, 1986	Document Type Board Paper			
Correspondents / Participants Fr: Ibrahim Shihata				
Subject / Title Establishment of MIGA				
Exception(s) Attorney-Client Privilege				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td>Withdrawn by Ann May</td><td>Date November 03, 2021</td></tr></table>	Withdrawn by Ann May	Date November 03, 2021
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AS YOU RECALL, THE BOARD OF GOVERNORS OF THE WORLD BANK APPROVED
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(A)

A

Draft Letter to Governors of the Bank (addresses and salutations at Annex A)

Dear _____:

A

As you recall, the Board of Governors of the World Bank approved last October the text of the Convention establishing the Multilateral Investment Guarantee Agency (MIGA) for transmittal to members and to Switzerland, invited members to sign the Convention, and requested me to convene a Preparatory Committee of signatory countries once the Convention was signed by fifteen developing and five developed countries, the total subscriptions of which constitute at least one-third of MIGA's authorized capital.

As of today, eight developing countries and two developed countries have signed this Convention. Several other countries have indicated their intention to sign shortly. I am advised that in most countries signature of such a Convention need not require going through the extensive procedures required for ratification, which is the binding commitment. Pursuant to the relevant Resolution of the Board of Governors, only signatory countries will be invited to participate in the Preparatory Committee.

Given the importance of achieving broad participation in the Preparatory Committee, which will recommend MIGA's initial policies, I hope that ^{your} ~~the~~ Government of ~~_____~~ will ~~soon~~ be in a position to sign the Convention ^{before} the forthcoming meeting of the Development Committee ^{scheduled} on April 10-11 ^{or on the} ~~may be a convenient occasion~~ ^{of that meeting,} ~~for the signatures of many countries.~~

I look forward to convening the Preparatory Committee before the end of June, ~~as I believe that MIGA will be a useful addition to the multilateral system of development cooperation.~~ ^{MIGA's} Its investment guarantee, research and technical advisory services ^{will} can help member countries attract selectively the foreign investment capital and technology that they need to accelerate economic growth.

Warm regards,

A.W. Clausen
President

TELEX A

The Honourable P.J. Keating, Treasurer of the Commonwealth of Australia, Parliament House, Canberra, Australia (Dear Paul:)

Mr. M. Syeduz-Zaman, Advisor to the President in-charge of the Ministry of Finance, Ministry of Finance, Dhaka, Bangladesh (Dear Governor:)

Son Excellence Monsieur M. Eyskens, Ministre des Finances, Brussels, Belgium (Dear Governor:)

Su Excelencia Senor Lic. Juan Cariaga Osorio, Ministro de Finanzas, La Paz, Bolivia (Dear Governor:)

Son Excellence Monsieur Sadou Hayatou, Ministre d'Etat Chargé du Plan et de l'Aménagement du Territoire, Yaounde, Cameroon (Dear Governor:)

Su Excelencia Senor Hernan Buchi, Ministro de Hacienda, Santiago, Chile (Dear Governor:)

His Excellency Wang Bingqian, State Councilor and Minister of Finance, Beijing, People's Republic of China (Dear Governor:)

Su Excelencia Senor Dr. Hugo Palacios Mejia, Ministro de Hacienda y Credito Publico, Bogota, Colombia (Dear Governor:)

Su Excelencia Senor Porfirio Morera Batres, Ministro de Hacienda, San Jose, Costa Rica (Dear Governor:)

His Excellency Uffe Ellemann-Jensen, Minister for Foreign Affairs, Ministry of Foreign Affairs, Copenhagen, Denmark (Dear Governor:)

His Excellency Dr. Kamal Ahmed El Ganzoury, Deputy Prime Minister, Minister of Planning and International Cooperation, Ministry of Planning and International Cooperation, Cabinet Building, Cairo, Arab Republic of Egypt (Dear Governor:)

His Excellency Pekka Vennamo, Minister, Ministry of Finance, Helsinki, Finland (Dear Governor:)

Son Excellence Monsieur Pierre Beregovoy, Ministre de l'Economie, des Finances et du Budget, Paris, France (Dear Governor:) (Warm regards)

Dr. Kwesi Botchwey, Secretary of State for Finance and Economic Planning, Ministry of Finance and Economic Planning, Accra, Ghana (Dear Kwesi:)

Capitaine Kabine Kaba, Gouverneur, Banque Centrale de la République de Guinée, Conakry, Guinea (Dear Governor:)

Mr. Miklos Pulai, Deputy President, National Planning Office, Budapest, Hungary (Dear Governor:)

The Honourable John Bruton, Minister for Finance, Department of Finance, Dublin, Ireland (Dear Governor:)

Dr. Moshe Y. Mandelbaum, Governor, Bank of Israel, Jerusalem, Israel (Dear Governor:)

His Excellency Noboru Takeshita, Minister of Finance, Ministry of Finance, Tokyo, Japan (Dear Governor:) (Warm regards)

The Honourable Edward Seaga, P.C., Prime Minister and Minister of Finance and Planning, Office of the Prime Minister, Kingston, Jamaica (Dear Prime Minister:)

The Honourable Professor George Saitoti, Minister of Finance and Planning, Ministry of Finance and Planning, Nairobi, Kenya (Dear Governor:)

His Excellency Jassim Mohamed Al-Kharafi, Minister of Finance and Economy, Ministry of Finance and Economy, Safat, Kuwait (Dear Governor:)

The Honourable E.C.I. Bwanali, Minister of Finance, Ministry of Finance, Lilongwe, Malawi (Dear Governor:)

The Honourable Daim Zainuddin, Minister of Finance, Ministry of Finance, Kuala Lumpur, Malaysia (Dear Governor:)

Son Excellence General Amadou Baba Diarra, Ministre d'Etat Chargé du Plan, Bamako, Mali (Dear Governor:)

Son Excellence Monsieur Abdellatif Jouahri, Ministre des Finances, Rabat, Morocco (Dear Governor:)

The Honourable Dr. Chu S. P. Okongwu, Federal Minister of Finance, Lagos, Nigeria (Dear Governor:)

His Excellency Rolf Presthus, Minister of Finance, Ministry of Finance, Oslo, Norway (Dear Governor:)

The Honourable Ghulam Ishaq Khan, Chairman, National Assembly and Senate Secretariat, Islamabad, Pakistan (Dear Governor Khan:) (Warm regards)

Su Excelencia Senor Dr. Ricaurte Vasquez M., Ministro de Planificacion y Politica Economica, Panama, Republica de Panama (Dear Governor:)

Senor Dr. Cesar Romeo Acosta, Presidente, Banco Central del Paraguay, Asuncion, Paraguay (Dear Governor:)

The Honorable Jaime Ongpin, Minister of Finance, Office of the Monetary Board, Central Bank of the Philippines, Manila, Philippines (Dear Governor:)

His Excellency Sheikh Mohammed Abalkhail, Minister of Finance and National Economy, Ministry of Finance and National Economy, Riyadh, Saudi Arabia (Dear Governor:) (Warm regards)

A Sua Excelencia O Ministro das Financas Senhor Mighel Cadilhe, Ministerio das Financas, Lisboa, Portugal (Dear Governor:)

The Honourable Dr. Richard Hu Tsu Tau, Minister for Finance, Ministry of Finance, CPF Building, Singapore, Republic of Singapore (Dear Governor:)

Su Excelencia Senor Carlos Solchaga Catalan, Ministro de Economia y Hacienda, Madrid, Espana (Dear Governor:)

The Honourable Ronnie de Mel, Minister of Finance and Planning, Ministry of Finance and Planning, Colombo, Sri Lanka (Dear Governor:)

His Excellency Kjell-Olof Feldt, Minister of Finance, Ministry of Finance, Stockholm, Sweden (Dear Governor:)

His Excellency Sommai Hoontrakool, Minister of Finance, Ministry of Finance, Bangkok, Thailand (Dear Governor:)

Son Excellence Monsieur Ismail Khelil, Ministre du Plan, Place du Gouvernement, Tunis, Tunisia (Dear Ismail:)

His Excellency Vlado Klemencic, Federal Secretary for Finance, Federal Secretariat for Finance, Belgrade, Yugoslavia (Dear Governor:)

The Right Honourable Robert Leigh-Pemberton, Governor, Bank of England, London, England (Dear Robin:)

The Honourable L.J. Mwananshiku, Minister of Finance and National Commission for Development Planning, Ministry of Finance and Technical Cooperation, Lusaka, Zambia (Dear Governor:)

Son Excellence Monsieur Djamboleka Loma Okitongono, Commissaire d'Etat aux Finances et Budget, Kinshasa/Gombe, Zaire (Dear Governor:)

Senator Dr. The Honourable Bernard Thomas Chidzero, Minister of Finance, Economic Planning and Development, Ministry of Finance, Harare, Zimbabwe (Dear Governor:)

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 DEVELOPMENT COMMITTEE, SCHEDULED ON APRIL 10-11, OR ON THE
 OCCASION OF THAT MEETING.

YOUR ADVOCACY AMONG MEMBERS OF YOUR CONSTITUENCY GROUP COULD BE
 MOST HELPFUL IN ACTIVATING DECISIONS TO SIGN THE CONVENTION.

I LOOK FORWARD TO CONVENING THE PREPARATORY COMMITTEE BEFORE THE
 END OF JUNE. MIGA'S INVESTMENT GUARANTEE, RESEARCH AND TECHNICAL
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 PRESIDENT, WORLD BANK.

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TELEX B

Son Excellence Monsieur Abdoulaye Kone, Ministre de l'Economie, des Finances, Abidjan, Côte d'Ivoire (Dear Governor:)

Su Excelencia Senor Cr. Ricardo Zerbino Cavajani, Ministro de Economia y Finanzas, Montevideo, Uruguay (Dear Governor:)

The Honorable Ridius Prawiro, Minister of Finance, Jakarta, Indonesia (Dear Governor:)

The Honourable Michael H. Wilson, Minister of Finance, Department of Finance, Ottawa, Ontario - Canada (Dear Mike:)

FOR IMMEDIATE RELEASE



World Bank

1818 H Street, N.W., Washington, D.C. 20433, U.S.A.

BANK NEWS RELEASE
February 19, 1986

Contact: Carol Stitt
(202) 477-5322

ITALY SIGNS MIGA CONVENTION

Italy today signed the Convention establishing the Multilateral Investment Guarantee Agency (MIGA). This is the second industrial country to sign, following The Netherlands' signature earlier this month.

MIGA, which will be the first globally operating development agency in this field, will promote investments to developing countries by issuing guarantees against non-commercial risks and by performing a wide range of promotional services.

The MIGA Convention was opened for signature by the World Bank's Board of Governors on October 11, 1985, at the Annual Meeting in Seoul. Italy is the tenth country to sign the Convention, which will enter into force upon acceptance by five developed and fifteen developing countries whose subscriptions total approximately 360 million U.S. dollars.

His Excellency Giovanni Goria, Minister of Treasury, signed for Italy. The signing ceremony, which took place in Rome, was attended by Dr. Carlo Azeglio Ciampi, Governor of the Bank of Italy, Mr. Mario Draghi, the World Bank Executive Director representing Italy, and by Mr. Ibrahim F.I. Shihata, the World Bank's Vice President and General Counsel.

Mr. Shihata thanked Italy on behalf of the Bank for its important role in helping to get MIGA established. "In the course of time I think MIGA will prove to be a very significant factor in encouraging the foreign investment that the developing countries so seriously need," Mr. Shihata said. "It is our hope that MIGA will substantially improve the investment climate and help to stem the decline in the flow of foreign investment. I am confident that other countries will sign shortly, and I expect the Convention to enter into force in the near future."

Other countries that have already signed the Convention include: Ecuador, Grenada, Korea, The Netherlands, St. Lucia, Senegal, Sierra Leone, Turkey, and Jordan.

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Clausen, A. W.
E 1227

February 13, 1986

Dear Bill:

Thank you for your letter and your indication of interest in working with MIGA. Although we have made an excellent start to getting MIGA under way, we have not yet progressed to the point of considering staffing. You may know that Rud Poats, formerly Chairman of the OECD Development Assistance Committee, is working with us on a consultancy basis on setting up the new agency. But that is as far as we have gone in terms of organization.

However, I will certainly pass your resume on to Ibrahim Shihata for his consideration. I just want you to be aware that it may be some time down the road before we are ready to go ahead with full-scale operations.

Thanks for writing. It was good to hear from you.

Sincerely,



A. W. Clausen

Mr. William H. Sholem
141, Court Lane
London SE21 7EE
England

bcc: Mr. Shihata (w/ incoming)

MH

1308

William H. Sholem,
141, Court Lane,
London, SE21 7EE.

01-693-5018.

21st January, 1986.

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

DECLASSIFIED

Strictly Confidential.

NOV 03 2021

WBG ARCHIVES

Dear Tom,

Re: Multilateral Investment Guarantee Agency.

You may know that I have been with the London Merchant Bank, Manufacturers Hanover Limited, since February 1982.

I am considering leaving MHL's Project Finance Group (which has a dominant contractor bid-support orientation) in order to take on responsibilities in arranging financings where experience and imagination in dealing with the three elements of country risk are crucial.

MIGA may be ready to start operations shortly. It needs a dynamic, experienced and respected professional in London to present MIGA properly and generate sound business. From what I can discern about MIGA's mission I have those credentials.

I would be grateful if you would put this strictly confidential letter and resume in the hands of Mr. Shihata and/or the individual responsible for MIGA recruitment so we can decide whether an interview at an early date is the next step.

Kind personal regards,

Sincerely,



William H. Sholem.

International Bank for Reconstruction and Development

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SecM86-228

FROM: Vice President and Secretary

February 21, 1986

MULTILATERAL INVESTMENT GUARANTEE AGENCY

1. The Convention Establishing the Multilateral Investment Guarantee Agency was signed on February 19, 1986, on behalf of Italy, by His Excellency Giovanni Goria, Minister of Treasury. Italy became the tenth country to sign the Convention.
2. The following letter is being dispatched to all members of the Bank and to Switzerland:

"I have the honor to inform you that the Convention Establishing the Multilateral Investment Guarantee Agency, which is deposited in the archives of the Bank and is open for signature on behalf of States members of the Bank and Switzerland, was signed on behalf of Italy on February 19, 1986."

Distribution:

Executive Directors and Alternates
President
Senior Vice Presidents
Senior Management Council
Vice Presidents, IFC
Directors and Department Heads, Bank and IFC

International Bank for Reconstruction and Development

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SecM86-145

FROM: Vice President and Secretary

February 4, 1986

MULTILATERAL INVESTMENT GUARANTEE AGENCY

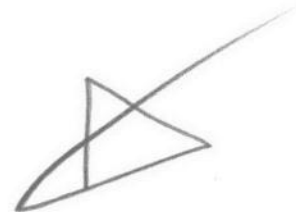
1. The Convention Establishing the Multilateral Investment Guarantee Agency was signed on February 3, 1986, on behalf of the Netherlands, by His Excellency Richard H. Fein, Ambassador of the Netherlands to the United States. The Netherlands became the eighth country to sign the Convention.

2. The following letter is being dispatched to all members of the Bank and to Switzerland:

"I have the honor to inform you that the Convention Establishing the Multilateral Investment Guarantee Agency, which is deposited in the archives of the Bank and is open for signature on behalf of States members of the Bank and Switzerland, was signed on behalf of the Netherlands on February 3, 1986."

Distribution:

Executive Directors and Alternates
President
Senior Vice Presidents
Senior Management Council
Vice Presidents, IFC
Directors and Department Heads, Bank and IFC



International Bank for Reconstruction and Development

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DECLASSIFIED

NOV 03 2021

WBG ARCHIVES

SecM86-139

FROM: Vice President and Secretary

January 31, 1986

MULTILATERAL INVESTMENT GUARANTEE AGENCY

1. The Convention Establishing the Multilateral Investment Guarantee Agency was signed today, on behalf of Grenada, by His Excellency Albert O. Xavier, Grenada's Ambassador to the United States and to the Organization of American States. Grenada became the seventh country to sign the Convention.
2. The following letter is being dispatched to all members of the Bank and to Switzerland:

"I have the honor to inform you that the Convention Establishing the Multilateral Investment Guarantee Agency, which is deposited in the archives of the Bank and is open for signature on behalf of States members of the Bank and Switzerland, was signed on behalf of Grenada on January 31, 1986."

Distribution:

Executive Directors and Alternates
President
Senior Vice Presidents
Senior Management Council
Vice Presidents, IFC
Directors and Department Heads, Bank and IFC

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OFFICE MEMORANDUM

33

DATE January 28, 1986

TO Mr. A.W. Clausen

FROM Ibrahim F.I. Shihata \$

EXTENSION 74945

SUBJECT MIGA

A

This is to inform you that Jordan will sign the MIGA Convention on January 31. Grenada will follow suit soon thereafter. Three other countries (Egypt, Italy and The Netherlands) are expected to sign in February. This will bring the number of signatories to 11 countries.

We will try to secure signature by nine more countries before and during the meeting of the Development Committee in April so that the minimum number required for launching the Preparatory Committee (20 countries) may be obtained. In the absence of the U.S., the condition of subscription in at least one third of the Agency's capital would not be fulfilled, however.

OFFICE OF THE PRESIDENT

1986 JAN 28 PM 5:52

RECEIVED

OFFICE MEMORANDUM

DATE January 28, 1986

TO See Distribution Below

FROM Estela T. Sanidad, SEC *E. T. Sanidad*

EXTENSION 75331

SUBJECT Convention Establishing the Multilateral Investment Guarantee Agency -
Signing by Jordan

Arrangements have been made for the signing of the Convention Establishing the Multilateral Investment Guarantee Agency on behalf of Jordan by His Excellency Mohamed Kamal, Ambassador of Jordan to the United States, at 11:00 a.m. on Friday, January 31, 1986, in the Board Room (Room A-1100).

Distribution:

Mr. Al-Sultan, Executive Director
✓ President
Mr. Shihata, Vice President and General Counsel
Mr. Thahane, Vice President and Secretary
Mr. Wapenhans, Regional Vice President, EMENA
Mr. Parmar, Vice President, Investment Operations, IFC
Mrs. Clarke, Deputy Secretary, SEC
Mr. Choi, SEC
Mr. Parra, LEG
Mr. Rahkonen, SEC

1888 7W 58 VN 2 37
JAN 29 1986

OFFICE MEMORANDUM

January 28, 1986

FOR THE DIRECTOR'S INFORMATION

RE: [Illegible]

1986

[Illegible text]

Arrangements have been made for the 25 day of the Convention

to be held at the Multilateral Convention Center in Washington, D.C.

It is requested that you advise the Director of the results of the

meeting held on Friday, January 25, 1986, in the

Director's Office.

[Illegible]

- Mr. [Illegible], Executive Director
- Mr. [Illegible], Vice President and General Counsel
- Mr. [Illegible], Vice President and Secretary
- Mr. [Illegible], Regional Vice President, IRTS
- Mr. [Illegible], Vice President, Investment Department, IRTS
- Mr. [Illegible], Deputy Secretary, SEC
- Mr. [Illegible], SEC
- Mr. [Illegible], SEC
- Ms. [Illegible]

OFFICE OF THE PRESIDENT

1986 JAN 29 AM 9:34

RECEIVED



Record Removal Notice

File Title Clausen Papers - Multilateral Investment Guarantee Agency [MIGA] - Correspondence - Volume 4		Barcode No. 1774265		
Document Date Jan. 24, 1986	Document Type CV			
Correspondents / Participants To: Ibrahim Shihata From: T. T. Thahane, Vice President				
Subject / Title CV of Axel Wallen				
Exception(s) Personal Information				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td>Withdrawn by Ann May</td><td>Date November 03, 2021</td></tr></table>	Withdrawn by Ann May	Date November 03, 2021
Withdrawn by Ann May	Date November 03, 2021			

International Bank for Reconstruction and Development

R1

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SecM86-70

WBG ARCHIVES

FROM: Vice President and Secretary

January 16, 1986

CONVENTION ESTABLISHING THE MULTILATERAL INVESTMENT GUARANTEE AGENCY

1. His Excellency Dr. Edgar Teran Teran, Minister of Foreign Affairs of Ecuador, on January 15, 1986, deposited Ecuador's instrument of acceptance of the Convention Establishing the Multilateral Investment Guarantee Agency. Ecuador thus became the first country to ratify the Convention.

2. The following letter is being dispatched to all members of the Bank and to Switzerland:

"I have the honor to inform you that on January 15, 1986, Ecuador deposited its instrument of acceptance of the Convention Establishing the Multilateral Investment Guarantee Agency, which is deposited in the archives of the Bank and is open for signature on behalf of States members of the Bank."

Distribution:

Executive Directors and Alternates
President
Senior Vice Presidents
Senior Management Council
Vice Presidents, IFC
Directors and Department Heads, Bank and IFC



International Bank for Reconstruction and Development

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R1

NOV 03 2021

WBG ARCHIVES

SecM86-54

FROM: Vice President and Secretary

January 13, 1986

MULTILATERAL INVESTMENT GUARANTEE AGENCY

1. The Convention Establishing the Multilateral Investment Guarantee Agency was signed today, on behalf of St. Lucia, by His Excellency Dr. Joseph Edsel Edmunds, Ambassador and Permanent Representative of St. Lucia to the United Nations and the Organization of American States. St. Lucia became the sixth country to sign the Convention.
2. The following letter is being dispatched to all members of the Bank and to Switzerland:

"I have the honor to inform you that the Convention Establishing the Multilateral Investment Guarantee Agency, which is deposited in the archives of the Bank and is open for signature on behalf of States members of the Bank and Switzerland, was signed on behalf of St. Lucia on January 13, 1986."

Distribution:

Executive Directors and Alternates
President
Senior Vice Presidents
Senior Management Council
Vice Presidents, IFC
Directors and Department Heads, Bank and IFC

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January 8, 1986

Dear Mr. Ambassador:

Mr. Rutherford Poats has kindly informed us of his conversation with you concerning the transmission to Switzerland of the Convention Establishing the Multilateral Investment Guarantee Agency (MIGA). You may therefore be interested in the enclosed letter and documents I am sending to Ambassador Jacobi here in Washington.

Switzerland's early signature and ratification of the Convention Establishing MIGA can be an important step towards the launching of this new Agency. I therefore hope that your Government will become a party to the Convention in the near future.

Sincerely,

A.W. Clausen

Enclosures

His Excellency Erich Roethlisberger
Ambassador for International
Economic Affairs
Office of Foreign Economic Relations
3003 Berne, Switzerland

AParra:nr/cfh

Cleared with: Mr. Shihata

cc: Mr. Clausen's Office (2)

January 8, 1986

Dear Klaus:

I am pleased to enclose herewith for transmission to your Government a copy of the Convention Establishing the Multilateral Investment Guarantee Agency (MIGA) and the Commentary on the Convention.

Also enclosed are (i) a copy of the Resolution adopted by the Bank's Board of Governors at the Bank's 1985 Annual Meeting at Seoul approving submission to Governments of the Convention, and (ii) a memorandum outlining the steps to be taken by states wishing to sign, and ratify, the Convention.

As you probably know, five countries have already signed the Convention. I am confident that the number of signatory states will soon reach the number necessary for us to convene the preparatory committee of signatory states which will prepare the draft regulations and guidelines of the Agency as envisaged in the Board's Resolution.

I understand that during his visit to Switzerland on November 12-13, 1985, Mr. Ibrahim Shihata, the Bank's Vice President and General Counsel, met with Mr. C. Sommaruga, State Secretary of the Federal Office for Foreign Economic Affairs, to discuss the possibility of Switzerland's signature of the Convention. Mr. Shihata had also the occasion to discuss the convention in detail with a team of Mr. Sommaruga's Department headed by Mr. R. Jeker.

I do hope that by signing and ratifying the Convention soon, your Government will join other interested governments in launching MIGA in the near future. MIGA will then be able to achieve its objective of encouraging the flow of investments for productive purposes among its member countries and in particular to its developing member countries.

Sincerely,

A.W. Clausen

Enclosures

His Excellency Prof. Klaus Jacobi
Ambassador
Embassy of Switzerland
2920 Cathedral Avenue, N.W.
Washington, D.C. 20008

AParra:NR/CFH

Cleared with: Mr. Shihata

cc: His Excellency Erich Roethlisberger, Ambassador for International
Economic Affairs, Berne

bcc: Mr. Clausen's office (2)



Record Removal Notice

File Title Clausen Papers - Multilateral Investment Guarantee Agency [MIGA] - Correspondence - Volume 4		Barcode No. 1774265		
Document Date 12/23/85	Document Type Memorandum			
Correspondents / Participants To: C. R. Krishnaswamy Rao Sahib, ED From: A. W. Clausen				
Subject / Title Establishment of MIGA				
Exception(s)				
Additional Comments Declassification review of this record may be initiated upon request.		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td>Withdrawn by Ann May</td><td>Date November 03, 2021</td></tr></table>	Withdrawn by Ann May	Date November 03, 2021
Withdrawn by Ann May	Date November 03, 2021			

1330
ZCZC DIST8530 JWS0764

EXC

REF : TCP1 MET

JWS0764 ZJX080 IN 17/04:35 OUT 17/04:39

816315 ROTH CH

17.12.1985

TO: WORLD BANK

ATT: MR. A.W. CLAUSEN, PRESIDENT OR TO ONE OF HIS DEPUTIES
CONCERNED

FM: EDESA MANAGEMENT AG, ZURICH SWITZERLAND

DEAR MR. CLAUSEN

IT IS A GREAT PLEASURE ADDRESSING THIS TELEX TO YOU, FOR MANY
YEARS MY TOP BOSS UNTIL I RETIRED FROM A QUARTER CENTURY CAREER
WITH BA AND JOINED EDESA.

WE ARE - AS YOU PROBABLY KNOW - A PRIVATE DEVELOPMENT FINANCE
COMPANY FOSTERING THE ECONOMIC DEVELOPMENT OF THE INDEPENDENT
DEVELOPING SUB-SAHARAN COUNTRIES.

WE HAVE READ WITH GREAT INTEREST YOUR RECENT ADDRESS TO THE WORLD
AFFAIRS COUNCIL IN WASHINGTON AND ARE MUCH IMPRESSED BY THE
CREATION OF THE MULTILATERAL INVESTMENT GUARANTEE AGENCY (MIGA).
OUR PRESIDENT MR. RENE GERBER WILL BE VISITING WASHINGTON
ON OR ABOUT JANUARY 12 OR 13, 1986 AND WOULD VERY MUCH APPRECIATE
IF ONE OF YOUR OFFICERS INVOLVED IN MIGA WOULD BE PREPARED
TO RECEIVE HIM AND DISCUSS AND ELUCIDATE THE MIGA OPERATION.
PLEASE TELEX AN APPROXIMATE DAY SO THAT MR GERBER CAN CONTACT
THE OFFICER CONCERNED AND THEN SET DATE AND HOUR, WITH MANY
THANKS, WARMEST REGARDS AND BEST WISHES OF THE SEASON

PIETER HUIZER

EDESA MANAGEMENT AG ZURICH

816315 ROTH C

=12170854

ALT RTD FROM:EXCM

NNNN

RECEIVED
1985 DEC 17 AM 11:40
OFFICE OF THE PRESIDENT

Copy to Mr. Mikata
R1

1545

Al Governatore della Banca d'Italia

Rome, December 6, 1985

Dear President,

I have received the text of the Convention establishing the Multilateral Investment Guarantee Agency, that the Board of Governors decided to submit to Governments following the resolution adopted at the Annual Meeting at Seoul.

I have thus transmitted the Convention to our Government that has initiated the process of signature and ratification.

I sincerely hope that this final step, leading to the establishment of MIGA, will be taken by member countries promptly so that we can soon see the Agency at work.

Sincerely,

Mr. A.W. Clausen
President
The World Bank
Washington, D.C. 20433

THE WORLD BANK

ROUTING SLIP

Date
Oct. 7, 1985

OFFICE OF THE PRESIDENT

Name	Room No.
Mr. Asser (Acting)	E-723

	To Handle		Note and File
	Appropriate Disposition		Prepare Reply
	Approval		Per Our Conversation
XX	Information		Recommendation

Remarks

Copy of letter (Log #1360) sent to Mr. Clausen's office in Seoul.

Sonia Benavides

From

OCDE

ORGANISATION DE COOPÉRATION
ET DE DÉVELOPPEMENT ÉCONOMIQUES

Téléphone : 524 82.00

Télégrammes : DEVELOPECONOMIE

Télex : 620160 OCDE PARIS

Le Secrétaire général
The Secretary-General
JCP/85.351

OECD

ORGANISATION FOR ECONOMIC
CO-OPERATION AND DEVELOPMENT

2, rue André-Pascal
75775 PARIS CEDEX 16

30th September, 1985

1360

Dear Tom,

Thank you for your letter of 13th September, 1985, conveying the good news that the MIGA Convention has now passed through the Executive Board, clearing the way for the Convention to be launched by the Board of Governors at the Annual Meeting in Seoul. I offer my congratulations to yourself and to your staff for the dedicated and skillful way in which you have pursued this goal, and the underlying objective of encouraging foreign investment in developing countries, since you took office.

The O.E.C.D. having encouraged the idea of a multilateral investment insurance scheme since the early 1960s, it is with particular pleasure the Organisation acknowledges the establishment of MIGA. I wish to assure you that the O.E.C.D. is more than willing to share in the task of ensuring that the new-born infant develops into a lusty, active child.

You may know that, at the invitation of Ruth Poats, Dr. Shihata has agreed to attend a meeting of the Development Assistance Committee on 24th-25th October, on the subject of

.../...

Mr. A.W. Clausen,
President,
The World Bank,
Washington, D.C. 20433.

- 2 -

Development Co-operation with the More Advanced Developing countries. This will provide an excellent opportunity for senior aid policy people to learn at first hand of the provisions and potential of MIGA and to discuss with Dr. Shihata how their agencies might assist in the work of foreign investment promotion.

I look forward to seeing you in Seoul.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Jean-Claude Paye". The signature is written in dark ink and is positioned above the printed name.

Jean-Claude Paye

RECEIVED BY THE SECRETARY

1982 OCT -1 11 11: 12

SECRET

OFFICE OF THE PRESIDENT

1985 OCT -7 AM 11:45

RECEIVED



Record Removal Notice

File Title Clausen Papers - Multilateral Investment Guarantee Agency [MIGA] - Correspondence - Volume 4		Barcode No. 1774265		
Document Date 10/24/85	Document Type Letter & CV			
Correspondents / Participants From: Maurice Wolf To: A. W. Clausen				
Subject / Title CV of Maurice Wolf				
Exception(s) Personal Information				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td>Withdrawn by Ann May</td><td>Date November 03, 2021</td></tr></table>	Withdrawn by Ann May	Date November 03, 2021
Withdrawn by Ann May	Date November 03, 2021			

1323



EMBASSY OF SWITZERLAND
SCHWEIZERISCHE BOTSCHAFT
AMBASSADE DE SUISSE

R1
cc Shinata

WASHINGTON D.C. 20008, Sept. 23, 1985
2900 Cathedral Avenue N.W.
Telephone (202) 745-7900

Ref.: 521.73 - MI/ber

Mr. A.W. Clausen
President
The World Bank
Washington, D.C. 20433

Dear Tom,

Thank you for sending me the documents in relation to the creation of the Multilateral Investment Guarantee Agency (MIGA).

The idea of establishing an international body in order to provide insurance coverage for foreign investments and improving the investment conditions is an old one. The draft Convention now approved by the Bank's Executive Directors represents in this respect a remarkable breakthrough in this field.

As you know, my country is extremely interested in improving the general climate of the investments abroad. We are convinced that this is a condition to encourage the increase of a much needed capital flow in favour of Third World countries.

My Authorities in Switzerland will certainly examine carefully the documents you kindly transmitted to me.

Sincerely,

THE AMBASSADOR OF SWITZERLAND

Yours Klaus

(K. Jacobi)

Washington, D.C. 20541
September 23, 1985

EMBASSY OF SWITZERLAND
SCHWEIZERISCHE BOTSCHAFT
AMBASSADE DE SUISSE

Mr. J. J. Cramer
Investment
The World Bank
Washington, D.C. 20433

Mr. J. J. Cramer



Dear Sir,

Thank you for sending me the document in relation to the
operation of the National Investment Agency
(NIA).

The idea of establishing an international body in order to
provide insurance coverage for foreign investments and
improving the investment conditions is an old one. The
draft Convention now approved by the Bank's Executive Di-
rectors Committee in this respect is a very valuable break-
through in this field.

As you know, my country is extremely interested in having
the general climate of the investment abroad. We are
convinced that this is a condition to encourage the increase
of a much needed capital flow in favor of Third World
countries.

My authorities in Switzerland will certainly examine carefully
the documents you kindly transmitted to me.

Sincerely,

THE AMBASSADOR OF SWITZERLAND

Jean K. ...

(Signature)

1985 SEP 25 PM 3:47

RECEIVED

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

A. W. CLAUSEN
President

September 13, 1985

Dear Klaus:

I am pleased to inform you that the Bank's Executive Directors have approved the draft Convention establishing the Multilateral Investment Guarantee Agency (MIGA). The text of the draft Convention was discussed at length by the Executive Directors and constitutes a well-balanced package of the interests and views of capital-exporting and capital-importing countries. It has, in my view, the best chances of being widely accepted.

As conceived, MIGA will not just carry out insurance operations against non-commercial risks but will more broadly serve as a facility for cooperation between the investors' home countries and host countries with the overall objective of improving investment conditions and encouraging investment flows. The creation of MIGA would thus be a milestone in the Bank's efforts to stimulate greater flows of badly needed resources to developing countries. Its coverage will not be limited to private flows but will extend to all new, medium and long term investments which, in the judgment of the Agency, will be sound investments that contribute to the development of the host country.

The enclosed volume of documents is now being transmitted to the Bank's Board of Governors with the recommendation that the Board, at the forthcoming Annual Meeting in Seoul, open the Convention for signature by interested countries. I am looking forward to the favorable outcome of the Board of Governors' consideration of the subject during the Annual Meeting. I am also confident that, in view of these positive developments and the important role projected for MIGA, your Government will give the matter the attention it deserves.

Sincerely,

Enclosures

His Excellency
Klaus Jacobi
Ambassador of Switzerland
Embassy of Switzerland
2900 Cathedral Avenue, N.W.
Washington, D. C. 20008



1552

*Copy to Mr. Shibata
sent 11/02*

OIFIG AN AIRE AIRGEADAIS R.1
(OFFICE OF THE MINISTER FOR FINANCE)
BAILE ATHA CLIATH 2.
(DUBLIN 2)

8 November 1985

Mr A.W. Clausen
President
The World Bank
Washington D.C. 20433
USA



Dear Mr Clausen

Thank you for your letter of October 25, 1985, concerning the Convention establishing the Multilateral Investment Guarantee Agency.

The question of our signature of the Convention is being examined actively here at present. I will let you know our decision as soon as possible.

Yours sincerely

Alan M. Dukes
Minister for Finance



OFFICE OF THE PRESIDENT

WASHINGTON, D.C. 20503

OFFICE OF THE PRESIDENT

1985 NOV 15 PM 3:20

RECEIVED

1558

*Copy to Mr. Shibata
sent 11/22*

*Bank of England
London EC2R 8AH*

The Governor

14 November 1985

Mr A W Clausen
President
The World Bank
Washington DC 20433
USA

A

Dear Tom,

Thank you for your letter of 25 October enclosing the Convention (and a commentary on it) establishing the Multilateral Investment Guarantee Agency together with the Resolution inviting Governments to sign the Convention.

As you know, we have always supported the aims of the MIGA of promoting private investment in developing countries. The question of the UK Government signing the Convention is being carefully considered here and I hope that we shall be able to tell you something more positive before too long.

*Yours sincerely,
Robin*

OFFICE OF THE PRESIDENT
1000 NOA SO W 8 11
RECEIVED

Handwritten text at the top of the page, possibly a name or title, which is mostly illegible due to fading.

RECEIVED
1985 NOV 20 AM 9:41
OFFICE OF THE PRESIDENT

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

A. W. CLAUSEN
President

October 25, 1985

Dear Governor:

As you know, the Board of Governors adopted a Resolution at the Annual Meeting at Seoul approving submission to Governments of the Convention Establishing the Multilateral Investment Guarantee Agency (MIGA). Pursuant to the Convention and the Board's Resolution, I have the pleasure to transmit herewith to your Government a copy of the Convention and a copy of the Commentary on the Convention.

The Resolution, a copy of which is also enclosed, invites Governments to consider signature of the Convention. Already at Seoul, three countries, Ecuador, Korea and Turkey, signed the Convention. I am confident that the number of signatory States will soon reach the number necessary for us to convene the preparatory committee of signatory States which will prepare the draft regulations and guidelines of the Agency as envisaged in the Board's Resolution.

The steps to be taken by States wishing to sign, and ratify, the Convention are outlined in the enclosed memorandum. I hope that by signing and ratifying the Convention soon, your Government will join other interested governments in launching MIGA at an early date. MIGA will then be able to achieve its objective of encouraging the flow of investments for productive purposes among its member countries and in particular to its developing member countries.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. W. Clausen', written over a large, stylized, abstract scribble that resembles a triangle or a star shape.

TEXTNAME: One (R)P: 01

- Dr. Carlo Azeglio Ciampi Governatore Banca d'Italia Via Nazionale 91 I-00184 Roma, Italia □ □
- Su Excelencia Senor D. Carlos Solchaga Catalan Ministro de Economia, Hacienda y Comercio Calle Alcalá 7-11 Madrid 14, Espana □ □
- His Excellency Uffe Ellemann-Jensen Minister for Foreign Affairs Ministry of Foreign Affairs Asiatisk Plads 2 DK-1448 Copenhagen K, Denmark □ □
- Son Excellence Monsieur F. Grootjans Vice-Premier Ministre et Ministre des Finances et des Classes Moyennes Rue de la Loi, 12 B-1000 Bruxelles Belgique □ □
- His Excellency Pekka Vennamo Minister in the Ministry of Finance Aleksanterinkatu 3-D SF-00170 Helsinki 17, Finland □ □
- The Honourable Alan M. Dukes, T. D. Minister for Finance Department of Finance Upper Merrion Street Dublin 2, Ireland □ □
- His Excellency Noboru Takeshita Minister of Finance Ministry of Finance Tokyo, Japan □ □
- Mr. B. V. Galvin Secretary to the Treasury The Treasury Private Bag Wellington, New Zealand □ □
- His Excellency Rolf Presthus Minister of Finance Ministry of Finance P. O. Box 8008, Oslo-Dep. Oslo 1, Norway □ □
- A Sua Excelencia O Ministro das Finanças e do Plano Senhor Ernani Rodrigues Lopes Ministerio das Finanças e do Plano Avenida Infante Dom Henrique 1100 Lisboa, Portugal □ □
- His Excellency Kjell-Olof Feldt Minister of Finance Ministry of Finance S 103 33 Stockholm Sweden □ □
- Seine Exzellenz Dr. Franz Vranitzky Bundesminister fuer Finanzen Himmelpfortgasse 4-8, Postfach 2 A-1011 Vienna Austria □ □
- Son Excellence Monsieur Pierre Beregovoy Ministre de l'Economie, des Finances et du Budget 93, rue de Rivoli F-75056 Paris RP France □ □

TEXTNAME: One (R)P: 02

- Jim □ The Honourable James A. Baker, III Secretary of the Treasury Department of the Treasury Washington, D.C. 20220 □ □
- Mike □ The Honourable Michael H. Wilson Minister of Finance Department of Finance Ottawa, Ontario K1A 0G5 Canada □ □
- Robin □ The Right Honourable Robert Leigh-Pemberton Governor Bank of England Threadneedle Street London EC2R 8AH England □ □
- Juergen □ Seine Exzellenz Herrn Juergen Warnke Bundesminister fuer Wirtschaftliche Zusammenarbeit Karl-Marx-Strasse 4-6 D 5300 Bonn 1 Federal Republic of Germany □ □
- Paul □ The Honourable P. J. Keating, M. P. Treasurer of the Commonwealth of Australia Parliament House Canberra, A.C.T., 2600 Australia □ □
- Onno □ His Excellency Dr. H.O. Ruding Minister of Finance Ministry of Finance Postbus 20201 The Hague, The Netherlands 2500 EE □ □

TEXTNAME: Two (R)P: 01

- His Excellency Dr. Kamal Ahmed El Ganzouri Minister of Planning and International Cooperation Cairo Arab Republic of Egypt⁴
- A Sua Excelencia Senhor Joao Sayad Ministro de Planejamento Ministerio de Planejamento Brasilia (DF), Brasil⁴
- His Excellency Constantine Simitis Minister of National Economy Ministry of National Economy Plateia Syntagmatos Athens, Greece⁴
- The Honourable Christos Mavrellis Minister of Finance Ministry of Finance Nicosia, Cyprus⁴
- Son Excellence Monsieur Sadou Hayatou Ministre du Plan et de l'Aménagement du Territoire Yaoundé, Cameroon⁴
- The Honourable P. S. Mmusi Vice President and Minister of Finance and Development Planning Ministry of Finance and Development Planning Private Bag 008 Gaborone, Botswana⁴
- Su Excelencia Senor Hernan Buchi Ministro de Hacienda Teatinos 120 Santiago, Chile⁴
- His Excellency Wang Bingqian State Councillor and Minister of Finance Beijing People's Republic of China⁴
- Su Excelencia Senor Dr. Hugo Palacios-Mejia Ministro de Hacienda y Credito Publico Carrera 7a., Numero 6-45 Bogota, Colombia⁴
- Son Excellence Monsieur Pierre Moussa Ministre du Plan B. P. 64 Brazzaville République Populaire du Congo⁴
- Su Excelencia Senor Porfirio Morera Batres Ministro de Hacienda Apartado 10.104 San José, Costa Rica⁴
- Senor Lic. Hugo Guiliani Cury Gobernador Banco Central de la Republica Dominicana Apartado Postal No. 1347 Santo Domingo Dominican Republic⁴
- His Excellency Ato Tesfaye Dinka Minister of Finance Ministry of Finance P. O. Box 1905 Addis Ababa, Ethiopia⁴
- The Honourable Mosese Qionibaravi Minister of Finance Ministry of Finance P. O. Box 2212 Government Buildings Suva, Fiji⁴
- Son Excellence Monsieur Pascal Nze Ministre de la Planification et de l'Aménagement du Territoire B. P. 747 Libreville, Gabon⁴
- Su Excelencia Senor Lic. Ariel Rivera Irias Ministro de Finanzas Ciudad de Guatemala Guatemala⁴
- Son Excellence Monsieur Frantz Merceron Ministre d'Etat de l'Economie, des Finances et de l'Industrie Palais des Finances Port-au-Prince, Haiti⁴
- The Honourable Vishwanath Pratap Singh Minister of Finance Ministry of Finance Government of India New Delhi 110 001, India⁴

TEXTNAME: Two Page 2

- Prime Minister □ The Honourable Edward Seaga, P.C., M.P. Prime Minister and Minister of Finance Office of the Prime Minister One Devon Road Kingston, Jamaica⁴

[1] Prime Minister [1] The Honourable Tofilau Eti Alesana Prime Minister Office of the Prime Minister Apia, Western Samoa [4]

TEXTNAME: Ten (R)P: 01

[1] His Excellency Dr. Nguyen Duy Gia Minister and Director General of the Board of Directors State Bank of the Socialist Republic of Viet Nam 7 Le Lai Hanoi, Viet Nam [4]

[1] Mr. Kenneth Mbuli Principal Secretary Ministry of Finance P.O. Box 443 Mbabane, Swaziland [4]

[1] The Honourable Kalpokor Kalsakau Minister of Finance, Industry, Commerce and Tourism Ministry of Finance P.O. Box 31 Port Vila, Vanuatu [4]

[1] The Honourable K.A. Malima Minister of State for Planning and Economic Affairs P.O. Box 9242 Dar es Salaam, Tanzania [4]

[1] Son Excellence Monsieur Yaovi Adodo Ministre du Plan et de l'Industrie B.P. Box 1667 Lome, Togo [4]

[1] The Honourable James Cecil Cocker Minister of Finance Ministry of Finance Vuna Road Nuku'alofa, Tonga [4]

[1] His Excellency Mohammed Saeed Al-Attar Deputy Prime Minister, Minister of Development and Chairman, Central Planning Organization Abuania Street Sana'a Yemen Arab Republic [4]

[1] His Excellency Dr. Farag Bin Ghanem Minister of Planning Ministry of Planning Tawahi, P.O. Box 1193 Aden, People's Democratic Republic of Yemen [4]

[1] Son Excellence Monsieur Cheikh Hamidou Kane Ministre du Plan et de la Coopération 61, Avenue Courbet Dakar, Senegal [4]

TEXTNAME: Three (R)P: 01

[1] The Honourable L. J. Mwananshiku Minister of Finance and Technical Cooperation P. O. Box 50062, Ridgeway Lusaka, Zambia [4]

[1] The Honourable Abraham Waligo Minister of Finance Ministry of Finance P. O. Box 8147 Kampala Uganda [4]

[1] His Excellency Kahtan Al-Siufi Minister of Finance Ministry of Finance Damascus, Syrian Arab Republic [4]

[1] His Highness Sheikh Hamdan Bin Rashid Al Maktoum Minister of Finance and Industry Ministry of Finance and Industry P. O. Box 1565 Dubai, United Arab Emirates [4]

[1] Su Excelencia Senor Cr. Ricardo Zerbino Cavajani Ministro de Economia y Finanzas Colonia 1089 Montevideo, Uruguay [4]

[1] Su Excelencia Senor Carlos Rafael Silva Ministro de Estado, Presidente del Fondo de Inversiones de Venezuela Torres Anexas al Banco Central Caracas, Venezuela [4]

[1] His Excellency Vlado Klemencic Federal Secretary for Finance Federal Secretariat for Finance SIV-II YU-11000 Belgrade, Yugoslavia [4]

[1] Son Excellence Monsieur Djamboleka Loma Okitongono Commissaire d'Etat aux Finances et Budget B. P. 12997 Kinshasa/Gombe, Zaire [4]

TEXTNAME: Three (R)P: 02

[1] Prime Minister [1] The Honourable George Chambers Prime Minister and Minister of Finance and Planning Trinidad House, St. Vincent Street Port-of-Spain Trinidad and Tobago [4]

[1] Ismail [1] Son Excellence Monsieur Ismail Khelil Ministre du Plan Place de la Monnaie Tunis, Tunisia [4]

EXTNAME: Four (R)P: 02

[1] Cesar [1] The Honorable Cesar E. A. Virata Prime Minister and Minister of Finance Office of the Monetary Board Central Bank of the Philippines Manila 2801, Philippines [4]

TEXTNAME: Four (R)P: 01

[1] The Honourable Prakash Chandra Lohani Minister for Finance Ministry of Finance Babar Mahal Kathmandu, Nepal [4]

[1] Dr. Arifin M. Siregar Governor Bank Indonesia P. O. Box 422 Jakarta 10002 Indonesia [4]

[1] His Excellency Sommai Hoontrakool Minister of Finance Ministry of Finance Bangkok 2, Thailand [4]

[1] The Honourable U Tun Tin Deputy Prime Minister and Minister for Planning and Finance Office of the Ministers Rangoon, Burma [4]

EXTNAME: Five (R)P: 01

[1] The Honourable Professor George Saitoti Minister of Finance and Planning Ministry of Finance and Planning P. O. Box 30007 Nairobi, Kenya [4]

[1] Senator Dr. The Honourable Bernard Thomas Chidzero Minister of Finance, Economic Planning and Development Ministry of Finance Private Bag 7705, Causeway Harare, Zimbabwe [4]

EXTNAME: Five (R)P: 02

[1] Kwesi [1] Dr. Kwesi Botchwey Secretary of State for Finance and Economic Planning Ministry of Finance and Economic Planning P. O. Box M.40 Accra, Ghana [4]

TEXTNAME: Six (R)P: 01

- ☐ Su Excelencia Senor Dr. Luis Alva Castro Ministro de Economia, Finanzas y Comescio Av. Abancay 5a., Cuadra Lima, Peru☐
- ☐ His Excellency Abdallah Nsour Minister of Planning Ministry of Planning P. O. Box 555 Amman, Jordan☐
- ☐ His Excellency Jassim Mohamed Al-Kharafi Minister of Finance and Economy Ministry of Finance and Economy P. O. Box 9 Safat, Kuwait☐
- ☐ The Honourable Emanuel O. Gardiner Minister for Planning and Economic Affairs Ministry of Planning and Economic Affairs P. O. Box 9016 Monrovia, Liberia☐
- ☐ His Excellency Kasem M. Sherlala Secretary of the People's General Committee for Treasury Shara Shat Tripoli, Socialist People's Libyan Arab Jamahiriya☐
- ☐ The Honourable Daim Zainuddin Minister of Finance Ministry of Finance Block 9, Jalan Duta Kuala Lumpur, Malaysia☐
- ☐ Son Excellence Monsieur Abdellatif Jouahri Ministre des Finances 277 Avenue Mohammed V Rabat, Morocco☐
- ☐ The Honourable Dr. Kalu I. Kalu Federal Minister of Finance Private Mail Bag No. 12591 Lagos, Nigeria☐
- ☐ His Excellency Qais Bin Abdul Munim Zawawi The Deputy Prime Minister for Financial and Economic Affairs P. O. Box 506 Muscat, Sultanate of Oman☐
- ☐ Su Excelencia Senor Dr. Ricaurte Vasquez M. Ministro de Planificacion y Politica Economica Apartado 2694 Panama, Republica de Panama☐
- ☐ The Honourable Phillip Bouraga, C.B.E., M.P. Minister for Finance Department of Finance Post Office, Wards Strip Papua New Guinea☐
- ☐ Senor Dr. Cesar Romeo Acosta Presidente Banco Central del Paraguay Independencia Nacional entre Cerro Cora y 25 de Mayo Asuncion, Paraguay☐
- ☐ The Honourable Dr. Richard Hu Tsu Tau Minister for Finance Ministry of Finance CPF Building, 79 Robinson Road Singapore 0106 Republic of Singapore☐
- ☐ His Excellency Dr. Mohamed Sheikh Osman Minister of Finance Ministry of Finance Mogadishu, Somalia☐
- ☐ The Honourable Ronnie de Mel Minister of Finance and Planning Ministry of Finance and Planning P. O. Box 500 Colombo 1, Sri Lanka☐
- ☐ His Excellency Awad Abd El Magied Minister of Finance and Economic Planning Ministry of Finance and Economic Planning P. O. Box 2092 Khartoum, Sudan☐
- ☐ His Excellency Sheikh Mohammed Abalkhail Minister of Finance and National Economy Ministry of Finance and National Economy Minister's Office Riyadh, Saudi Arabia☐

NAME: Six (R)P: 02

- ☐ Chuchq☐ Su Excelencia Senor Lic. Jesus Silva Herzog Secretario de Hacienda y Credito Publico Mexico 1, D. F., Mexico☐
- ☐ Governor Khan☐ The Honourable Ghulam Ishaq Khan Chairman, Senate National Assembly and Senate Secretariat Islamabad, Pakistan☐

Capitaine Kabine Kaba Gouverneur Banque Centrale de la République de
Guinée B. P. 692 Conakry, Guinea

Son Excellence Monsieur Abdoulaye Koné Ministre de l'Economie et des
Finances B. P. V. 163 Abidjan, Ivory Coast

Son Excellence Monsieur Boualem Benhamouda Ministre des Finances Palais
du Gouvernement Algiers, Algeria

Su Excelencia Senor Dr. Juan Vital Sourrouille Ministro de
Economia Hipolito Yrigoyen 250 1310 Buenos Aires, Argentina

Mr. M. Syeduz-Zaman Principal Finance Secretary and Adviser for
Finance Ministry of Finance Sher-E-Bangla Nagar Dhaka 7, Bangladesh

TEXTNAME: Eight (R)P: 01

- [] His Excellency Dr. Mohamad Kabir Minister of Finance Ministry of Finance Kabul Democratic Republic of Afghanistan^[4]
- [] The Honourable John St. Luce Minister of Finance Ministry of Finance New Administration Building High Street St. John's, Antigua^[4]
- [] His Excellency Ibrahim Abdul Karim Minister of Finance and National Economy Ministry of Finance and National Economy P.O. Box 333 Manama, Bahrain^[4]
- [] The Honourable Dean Barrow Minister of Foreign Affairs and Economic Development Independence Hill Belmopan, Belize^[4]
- [] Son Excellence Monsieur Zul-Kifl Salami Ministre du Plan et de la Statistique B.P. 342 Cotonou, Benin^[4]
- [] His Excellency Dawa Tsering Minister for Foreign Affairs Ministry of Foreign Affairs Tashichho Dzong Thimphu, Bhutan^[4]
- [] Su Excelencia Senor Roberto Gisbert Bermudez Ministro de Finanzas Calle Bolivar La Paz, Bolivia^[4]
- [] Son Excellence Monsieur Pierre Ngenzi Ministre des Finances B.P. 1830 Bujumbura, Burundi^[4]
- [] A Sua Excelencia Senhor Osvaldo Lopes da Silva Ministro de Economia e da Fazenda Rua Anilcar Cabral 107 Praia, Cape Verde^[4]
- [] Son Excellence Monsieur Guy Darlan Haut Commissaire Chargé du Plan et de la Coopération Economique et Financière Palais de la Renaissance Bangui, République Centrafricaine^[4]
- [] Son Excellence Monsieur Joseph Yodoyman Ministre du Plan et de la Reconstruction N'Djamena, Tchad^[4]
- [] Son Excellence Monsieur Ahmed Abdou Ministre D'Etat auprès de la Présidence de la République B.P. 521 Moroni, Comoros^[4]
- [] Son Excellence Monsieur Ibrahim Mohamed Sultan Ministre des Finances et de l'Economie Nationale B.P. 13 Djibouti République de Djibouti^[4]
- [] Su Excelencia Senor Dr. Ricardo Gonzales Camacho Ministro de Economia 4a. Avenida, Norte No. 232 San Salvador El Salvador^[4]

TEXTNAME: Eight (R)P: 02

- [] Excelentísimo Senor Don Marcos Mba Ondo Ministro de Planificacion y Desarrollo Economico Malabo Equatorial Guinea^[4]
- [] The Honourable Sheriff S. Sisay Minister of Finance and Trade Ministry of Finance and Trade The Quadrangle Banjul, The Gambia^[4]
- [] Dr. Pedro A. Godinho Gomes Governador Banco Nacional da Guine-Bissau Caixa Postal 38 Bissau, Guinea-Bissau^[4]
- [] The Honourable Carl Greenidge Minister of Finance Ministry of Finance Georgetown Guyana^[4]
- [] Su Excelencia Senor Manuel A. Fontecha Ferrari Ministro de Hacienda y Credito Publico Tegucigalpa, D.C. 1, Honduras^[4]
- [] Mr. Miklos Pulai Deputy President National Planning Office Roosevelt ter 7/8 H-1370 Budapest, Hungary^[4]
- [] His Excellency Matthias A. Mathiesen Minister of Commerce Ministry of Commerce Reykjavik, Iceland^[4]
- [] His Excellency Dr. Hossein Namazi Minister of Economic Affairs and Finance Ministry of Economic Affairs and Finance Tehran, Islamic Republic of Iran^[4]
- [] His Excellency Hisham Hassan Tawfik Minister of Finance Ministry of Finance Baghdad, Iraq^[4]

TEXTNAME: Eight (R)P: 03

- [] Prime Minister [] The Right Honourable Sir Lynden Pindling Prime Minister and Minister of Finance P.O. Box N.3017 Nassau, N.P., Bahamas^[4]
- [] Prime Minister [] The Honourable H.B. St. John Prime Minister and Minister of Finance and Planning Ministry of Finance and Planning Bay Street, St. Michael's Bridgetown, Barbados^[4]
- [] Prime Minister [] The Right Honourable M. Eugenia Charles Prime Minister and Minister of Finance and External Affairs Government Headquarters Roseau Commonwealth of Dominica^[4]
- [] Prime Minister [] The Right Honourable Herbert Augustus Blaize Prime Minister and Minister of Finance St. George's, Grenada^[4]

- Son Excellence Monsieur J. Damascene Hategekimana Ministre des Finances et de l'Economie B.P. 158 Kigali, Rwanda⁴
- Dr. Moshe Y. Mandelbaum Governor Bank of Israel Kiryat Ben Gurion P.O. Box 780 Jerusalem 91007, Israel⁴
- Son Excellence Monsieur Oudone Pholsena Ministre Adjoint des Finances Ministère des Finances Vientiane République démocratique populaire lao⁴
- Dr. Khattar Chebli Director General of Finance Ministry of Finance Place Riad Solh Beirut, Lebanon⁴
- The Honourable Peete Nkuebe Peete Minister of Finance Ministry of Finance P.O. Box M.S. 395 Maseru, Lesotho⁴
- Son Excellence Monsieur Jacques Santer Président du Gouvernement et Ministre des Finances 3, rue de la Congrégation 2910 Luxembourg-ville Grand-Duché de Luxembourg⁴
- Son Excellence Monsieur Pascal Rakotomavo Ministre des Finances et de l'Economie B.P. 268 Antananarivo, Madagascar⁴
- The Honourable Fathulla Jameel Minister for Foreign Affairs Ministry of Foreign Affairs Male' Republic of Maldives⁴
- Son Excellence General Amadou Baba Diarra Ministre d'Etat Chargé du Plan Koulouba Bamako, Mali⁴
- The Honourable Wistin Abela, M.P. Deputy Prime Minister and Minister of Finance and Customs Ministry of Finance Floriana, Malta⁴
- Son Excellence Monsieur Mohamed Salem Ould Lekhal Ministre du Plan et de l'Aménagement du Territoire B.P. 238 Nouakchott, Mauritanie⁴
- Dr. The Honourable Beergoonath Ghurburrin Minister of Economic Planning and Development Ministry of Economic Planning and Development Port Louis, Mauritius⁴
- The Honourable E.C.I. Bwanali Minister of Finance P.O. Box 30049 Lilongwe 3, Malawi⁴
- A Sua Excelencia Senhor Rui Baltazar dos Santos Alves Ministro das Financas Ministerio das Financas Maputo, Mozambique⁴
- Su Excelencia Senor Dr. Joaquin Cuadra Chamorro Presidente Banco Central de Nicaragua 4a. Calle S.E. Managua, D.N., Nicaragua⁴
- Son Excellence Monsieur Almoustapha Soumaila Ministre délégué auprès du Premier Ministre Chargé du Plan Niamey, Niger⁴
- His Excellency Sheikh Abdul Aziz Khalifa Al-Thani Minister of Finance and Petroleum Ministry of Finance and Petroleum P.O. Box 83 Doha, Qatar⁴
- His Excellency Petre Gigea Minister of Finance Ministry of Finance Bucharest, Romania⁴
- A Sua Excelencia Senhor Dr. Agostinho Silveira Rita Secretario do Estado do Plano Ministerio do Planificacao P.O. Box 168 Sao Tome, Sao Tome and Principe⁴
- Mrs. D. de St. Jorre Principal Secretary Ministry of Planning and External Relations P.O. Box 656 Victoria, Mahe, Seychelles⁴
- The Honourable Dr. Abdulai O. Conteh Minister of Finance Ministry of Finance Secretariat Building, George Street Freetown, Sierra Leone⁴
- The Honourable George Kejoa, M.P. Minister of Finance Ministry of Finance G.P.O. Box 26 Honiara, Solomon Islands⁴
- Dr. G.P.C. de Kock Governor South African Reserve Bank P.O. Box 427 Pretoria 0001, South Africa⁴
- His Excellency N. Kleine Minister of Finance and Planning Ministry of Finance and Planning Paramaribo, Suriname⁴

EXTNAME: Nine (R)P: 02

- Prime Minister □ Dr. The Honourable Kennedy A. Simmonds Prime Minister and Minister of Finance Office of the Prime Minister Basseterre, St. Kitts⁴
- Prime Minister □ The Honourable John G.M. Compton Prime Minister and Minister of Finance Office of the Prime Minister Castries, St. Lucia⁴
- Prime Minister □ The Honourable James F. Mitchell Prime Minister and Minister of Finance and Foreign Affairs Office of the Prime Minister Kingstown St. Vincent and the Grenadines⁴

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

A. W. CLAUSEN
President

October 25, 1985

Dear Governor:

Let me express again on behalf of The World Bank our deep appreciation for the important initiative Korea has taken in becoming the first Government to sign the Convention Establishing the Multilateral Investment Guarantee Agency. It was particularly fitting that this initiative was taken by Korea, the host of the Annual Meeting at which the Convention was opened for signature. I am confident that many other Governments will now decide to follow Korea's lead and sign the Convention.

The enclosed letter and documents are being sent to other Governments. With regard to its ratification of the Convention, your Government may wish to refer to the memorandum on signature and ratification procedures that is included among these documents. I would urge your Government to consider an early ratification of the Convention so that this important new Agency may commence its operations soon.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. W. Clausen', written over a large, stylized star or asterisk symbol.

His Excellency
Mahn-Je Kim
Minister of Finance
Ministry of Finance
82 Sejongro Chongro-Ku
Seoul 110
Republic of Korea

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

A. W. CLAUSEN
President

October 25, 1985

Dear Governor:

Let me express again on behalf of The World Bank our deep appreciation for the important initiative your Government has taken in becoming one of the first to sign the Convention Establishing the Multilateral Investment Guarantee Agency. I am confident that many other Governments will now follow your lead and join you in signing the Convention.

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Sincerely,

A handwritten signature in black ink, appearing to read 'A. W. Clausen'. The signature is written in a cursive style with a large, stylized initial 'A'.

Su Excelencia
Senor Francisco X. Swett M.
Ministro de Finanzas y
Credito Publico
Quito
Ecuador

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

A. W. CLAUSEN
President

October 25, 1985

Dear Governor:

Let me express again on behalf of The World Bank our deep appreciation for the important initiative your Government has taken in becoming one of the first to sign the Convention Establishing the Multilateral Investment Guarantee Agency. I am confident that many other Governments will now follow your lead and join you in signing the Convention.

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Sincerely,

A handwritten signature in black ink, appearing to read 'A. W. Clausen', with a large, stylized initial 'A'.

His Excellency
Kaya Erdem
Minister of State and
Deputy Prime Minister
Ankara
Turkey

ROUTING SLIP	DATE: November 5, 1985
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**FROM THE OFFICE OF THE
VICE PRESIDENT AND GENERAL COUNSEL**

NAME	ROOM NO.
Mr. Clausen	

<input type="checkbox"/> APPROPRIATE DISPOSITION	<input type="checkbox"/> NOTE AND RETURN
<input type="checkbox"/> APPROVAL	<input type="checkbox"/> NOTE AND SEND ON
<input type="checkbox"/> COMMENT	<input type="checkbox"/> PER OUR CONVERSATION
<input type="checkbox"/> FOR ACTION	<input type="checkbox"/> PER YOUR REQUEST
<input type="checkbox"/> INFORMATION	<input type="checkbox"/> PREPARE REPLY
<input type="checkbox"/> INITIAL	<input type="checkbox"/> RECOMMENDATION
<input type="checkbox"/> NOTE AND FILE	<input type="checkbox"/> SIGNATURE

REMARKS:

Attached for your information is the recommendation of the Committee on International Insurance Law of the American Bar Association re signing by the U.S. of the MIGA Convention.

Attachment



FROM: Ibrahim Shihata	ROOM NO.: E723	EXTENSION: 74945
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RI



RECOMMENDATION

The Committee on International Insurance Law of the Section of International Law and Practice recommends that the American Bar Association urge the President of the United States to sign the Multilateral Investment Guarantee Agency (MIGA) Convention in a timely manner and the Congress to take appropriate legislative action to implement it.

BACKGROUND

MIGA is an initiative of the World Bank. This proposed facility, which is designed to increase private foreign investment in developing countries, would be an autonomous agency with an organizational link to the World Bank. If it goes into operation, MIGA would issue guarantees, as well as co-insurance and reinsurance, against non-commercial risks for investments flowing from a developed member country into a developing member country.

The Convention has been approved by the Board Of Governors of the World Bank and been opened for signature by governments.

After being signed by member governments, the next step is ratification by those governments. It will become effective upon ratification by five developed nations and fifteen developing nations if their combined capital contribution to the MIGA is approximately \$360,000,000. United States adherence to the Convention would also be a two-step process, execution by the President and passage of necessary implementing legislation by Congress. The voting structure for the MIGA is set forth in Annex 1 here to.

ANALYSIS

The objective of the MIGA is to encourage the flow of resources to its developing members by issuing guarantees, coinsurance, and reinsurance against non-commercial risks and by carrying out complementary activities such as the dissemination of information on investment opportunities. As such, the MIGA is

¹New York Times, June 10, 1984 at 14.

fully consistent with and supportive of the policies of the capital exporting countries, including those of the U.S. The communique of last year's Seven-Nation Economic Summit Conference in London for example attaches "particular importance to . . . encouraging the flow of long-term direct investment." Accordingly, the seven Heads of State participating in the Summit Conference agreed "to work with the developing countries to encourage more openness towards private investment flows. U.S. Government policy supports an open international investment system in which participants respond to market forces, thereby promoting global economic development.

By cooperating with and complementing national, regional, and private political riskinsurance schemes for international investment, and by providing a procedure for orderly dispute resolution, the MIGA stabilizes investment conditions and enhances the Rule of Law with regard to private investment in the developing countries. Further, by giving developing countries a role in the protection of investment, the MIGA promotes a spirit of shared interests between capital exporting and other countries, thereby creating the potential for more balanced host country laws regarding investments. The MIGA also provides a forum for discussion of investment issues and is empowered by Article 23 of the MIGA Convention to "promote and facilitate the conclusion of agreements, among its members, on the promotion and protection of investments." More specifically, the MIGA covers the same four broad categories of non-commercial risks sought to be protected by other U.S. Government policies and laws: a) the transfer risk resulting from host government restrictions on currency conversion and transfer; b) the risk of loss resulting from action by the host government which has the effect of depriving the investor of his ownership, control, or substantial benefit from his investment; c) the risk resulting from the repudiation of a contract by the host government when the investor has no access to a competent forum, faces unreasonable delays, or is unable to enforce a final judgment and d) the war and civil disturbance risk.

Finally, MIGA provisions concerning dispute settlement encourage the peaceful resolution of investment disputes under, as is stated in the Preamble to the MIGA Convention, "fair and stable standards for the treatment of foreign

investment." Certainly, these provisions, providing for the possibility of submission to international arbitration of disputes between the Agency and a member country concerning a claim acquired by subrogation, are fully consistent with established international practice and that embodied in the International Center for the Settlement of Investment Disputes, which encourage resort to judicial or arbitral procedures. They are also consistent and supportive of established U.S. Government policy that the treatment of foreign direct investment be subject to international law, including customary international law.

EXPROPRIATION COVERAGE

The MIGA, as stated in its Preamble, is designed to play an important role in the protection of foreign investment against "non-commercial risk." For the most part, such coverage is provided in straightforward terms. Article 11(a)(ii) of the MIGA Convention describes the coverage of "Expropriation and Similar Measures" in the following terms:

Any legislative action or administrative action or omission attributable to the host government which has the effect of depriving the holder of a guarantee of his ownership or control of, or a substantial benefit from, his investment, with the exception of non-discriminatory measures of general application which governments normally take for the purpose of regulating economic activity in their territories.

This coverage of expropriation is clearly intended to apply to any taking that would be regarded as an expropriation under international law. The distinction between such an expropriation and a regulatory measure is similar to that drawn in U.S. jurisprudence for purposes of the Fifth and Fourteenth Amendments to the Constitution in determining whether there has been a taking requiring compensation. MIGA will be responsible under its expropriation coverage, for example, if a host government subjected an investor's property to taxation, regulation, or other action that is confiscatory or that prevents, unreasonably interferes with, or unduly delays effective enjoyment of the investor's property since these are not "non-discriminatory measures of general application which governments normally take for the purpose of regulating economic activity in

their territories." This MIGA exclusion from expropriation coverage in Article 11(a)(ii) is similar to the exclusion from the definition of expropriation in the United States Overseas Private Investment Corporation (OPIC) General Terms and Conditions found in Section 1.13(e)(1).

The Commentary on the MIGA Convention confirms that the definition of expropriation coverage is not intended to prejudice investors' rights under international law to obtain compensation for an expropriation. The final sentence of Section 14 of the Commentary states:

In defining these measures, the Agency's practice would not be meant to prejudice the rights of a member country or of investors under bilateral investment treaties, other treaties and international law.

The quoted section from the Commentary serves as an assurance that MIGA will extend expropriation coverage to any loss deemed to be a taking under international law.

SUMMARY

In summary, the MIGA aids in the development of the Rule of Law in resolving investment disputes between developing country governments and investors from developed countries such as the United States. Clear contractual standards are imposed on potential disputants, who have agreed in advance upon a dispute resolution mechanism. The U.S. government and its constituent agencies, such as, OPIC support the MIGA. The U.S. should become an early adherent to the MIGA to assure strong U.S. influence and guidance in the MIGA's critical organizational phase. Therefore the bar should urge the U.S. to enter into full and early participation in the MIGA.

²See, Restatement of Foreign Relations Law of the United States (Revised) (1985), Section 712, Comment g.

Re-draft

Annex 1 - The Voting Structure

The MIGA's voting system is designed to balance the requirement of the developed countries (Category I) for a system related to capital subscriptions with that of the developing countries (Category II) for voting parity with the industrialized countries. Schedule A of the Convention shows which countries belong in each category.

Under the system, each country receives 177 membership votes plus 1 vote per subscription share. Contributions are made according to the formula underlying allocation of shares for World Bank Capitals. As a result, Category I countries contribute 60% of the Agency's total and Category II countries 40%. The relative weights of membership and subscription votes are set so that the total votes of Category I countries will equal those of Category II if all members of the World Bank and Switzerland join the MIGA.

Additionally, supplementary votes will be made available during the first three years of MIGA's existence. These votes will be given to members of the category (expected to be Category II) which does not receive at least 40% of total subscription and membership votes. The supplementary votes expire at the end of the third year. During the three-year period, all decisions will be made by a special majority of two-thirds total votes representing 55% of capital subscriptions.

In the third year, the MIGA's Council will review the voting system according to several principles: (1) that voting rights be based on subscriptions; (2) that unsubscribed shares be made available to existing members in such a way as to make possible voting parity between categories; and (3) that measures be taken to facilitate members' ability to purchase the shares.

The final voting structure will be similar to that of the World Bank. Category II countries will be given the opportunity to increase their voting power by subscribing to additional shares. However, the reallocation of unsubscribed shares as well as the conditions for these subscriptions, will be subject to approval by special majority. The ultimate allocation of shares to the members of the two categories will be postponed for three years. In this way, the decision will be limited to members of the MIGA, under the voting structure prevailing at the time of decision.

* ^{and IFC} In the World Bank, each country receives 250 membership votes plus 1 vote per subscription share. In IDA each ~~country~~ member receives 500 membership votes.

Annex 1 - The Voting Structure

The MIGA's voting system is designed to balance the requirement of the developed countries (Category I) for a system related to capital subscriptions with that of the developing countries (Category II) for voting parity with the industrialized countries. Schedule A of the Convention shows which countries belong in each category.

Under the system, each country receives an equal number of membership votes plus a varying number of subscription votes related to its capital contribution. Contributions are made according to a formula by which Category I countries contribute 60% of the Agency's total and Category II countries 40%. The relative weights of membership and subscription votes are set so that the total votes of Category I countries will equal those of Category II if all members of the World Bank and Switzerland join the MIGA.

Additionally, supplementary votes will be made available during the first three years of MIGA's existence. These votes will be given to members of the category (expected to be Category II) which does not receive at least 40% of total subscription and membership votes. The supplementary votes expire at the end of the third year. During the three-year period, all decisions will be made by special majority.

In the third year, the MIGA's Council will review the voting system according to several principles: (1) that voting rights be based on subscriptions; (2) that shares be made available to existing members in such a way as to make possible voting parity between categories; and (3) that measures be taken to facilitate members' ability to purchase shares.

Thus, a final decision on the voting structure was postponed for three years. In this way, the decision will be limited to "like-minded" countries i.e., those who actually decided to join the MIGA and have a stake in its success. Also, it was felt that it might be easier to solve the problem once the MIGA started doing business and was a going concern.

RECEIVED

MIGA's voting system is a weighted system for the purpose of the... (The text is mirrored and difficult to read.)

At the present, each country receives an equal number of membership votes... (The text is mirrored and difficult to read.)

Additionally, supplementary votes will be made available during the first three... (The text is mirrored and difficult to read.)

In the third year, the MIGA Council will review the voting system according... (The text is mirrored and difficult to read.)

In the first decision on the voting structure was postponed for three years. In... (The text is mirrored and difficult to read.)

OFFICE OF THE PRESIDENT

1985 NOV -5 PM 1:38

RECEIVED

November 4, 1985

Dear Archie:

Many thanks for your letter expressing your interest in MIGA. We are extremely pleased by the progress we have made so far. Most of our attention for the time being will continue to focus on securing the necessary ratification of the convention. But we will soon begin the task of getting MIGA off the ground.

In this connection, I am passing your note to Ibrahim Shihata who has so ably guided MIGA to this point. He will oversee the preparatory work and will keep your offer in mind.

Warm regards.

Sincerely,



A. W. Clausen

Mr. Archie E. Albright
President
Foreign Policy Association
205 Lexington Avenue
New York, New York 10016

cc: Mr. Ibrahim Shihata
Vice President and
General Counsel

VRS: sbp

(Log #1317)

Foreign Policy Association

Archie E. Albright
President

205 Lexington Avenue
New York, NY 10016
(212) 481-9210

October 23, 1985

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

1317
Dear Tom:

I have followed with great interest the news of the formation of the Multilateral Investment Guarantee Agency. I believe that this new agency will perform a vital role in attracting new investment from the private sector for the less developed countries.

I have felt for some time that economic aid programs and government-to-government loans are the least effective ways of promoting industrial development in third world countries, primarily because they lack the managerial and technological disciplines that normally accompany investments by the private sector.

If there is anything that I can do to assist or participate in the launching of MIGA, I would welcome the opportunity to discuss such a possibility with you. It is a very challenging and innovative development in this vital area of international investment.

Hope all is going well. Best personal regards.

Sincerely yours,



AEA:mag

P.S. A biography is enclosed.

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1985 OCT 30 AM 11:30

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Record Removal Notice

File Title Clausen Papers - Multilateral Investment Guarantee Agency [MIGA] - Correspondence - Volume 4		Barcode No. 1774265		
Document Date 10/23/85	Document Type CV			
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Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
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THE REPUBLIC OF UGANDA

TEL: 230267 & 233880

GEN: 254047/48/49/50

OFFICE OF THE PRIME MINISTER
STATE LODGE, NAKASERO
KAMPALA

21st September 1985

RI
cc. Shinata
Thahane

PM. 10/3

1368
Mr. A. W. Clausen,
President,
International Bank For Reconstruction
& Development,
1818 H Street N.W.
Washington D.C. 20433,
U.S.A.

Dear Mr. Clausen,

I am writing to acknowledge receipt of your letter of September 12, 1985 regarding the establishment of the proposed Multilateral Investment Guarantee Agency (MIGA). I have since received from Mr. Thahane, Vice President and Secretary of the World Bank the text of the draft convention for the MIGA and all the related documents which will be considered at the Annual Meeting in Seoul next month.

In view of the continuing decline of private foreign capital flows to developing countries and the urgent need for the community of nations collectively to tackle the concerns of foreign investors relating to non-commercial risks, I support wholeheartedly the proposal to establish the Multilateral Investment Guarantee Agency. It is also noteworthy that the voting structure of the Agency will ensure parity between host countries and the home countries.

Please allow me to recall that the idea of establishing an agency like the proposed MIGA was first mooted in the 1950's but that it was not actively pursued until you revived it in your first address to the Annual Meeting in 1981. It is my sincere hope that your efforts in this area will be rewarded by the approval of the Board of Governors next month.

Yours sincerely,

Ahaham P. N. Waligo.

A.P.N. WALIGO
PRIME MINISTER/MINISTER OF FINANCE

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

A. W. CLAUSEN
President

September 12, 1985

Dear Governor:

I am pleased to inform you that the Executive Directors have approved today the draft Convention establishing the Multilateral Investment Guarantee Agency (MIGA). The text will soon be transmitted to the Board of Governors with the recommendation that the Board, at the forthcoming meeting in Seoul, open the Convention for signature by interested countries.

The text of the draft Convention was discussed at length by the Executive Directors and constitutes a well-balanced package of the interests and views of the Bank's members. It has, in my view, the best chances of being widely accepted.

As conceived, MIGA will not just carry out insurance operations against non-commercial risks but will more broadly serve as a facility for cooperation between the investors' home countries and host countries with the overall objective of improving investment conditions and encouraging investment flows. The creation of MIGA would thus be a milestone in the Bank's efforts to stimulate greater flows of badly needed resources to developing countries. Its coverage will not be limited to private flows but will extend to all new, medium and long term investments which, in the judgment of the Agency, will be sound investments that contribute to the development of the host country.

The voting structure of the Agency also affords adequate protection to minority shareholders and ensures that when all members of the Bank join the Agency, home countries and host countries would achieve parity in voting power.

I am confident that you will give the matter the attention it deserves in view of the current world economic situation, and I am looking forward to the positive outcome of the Board of Governors' consideration of the subject during the forthcoming Annual Meeting.

Sincerely,

The Honourable
Abraham Waligo
Minister of Finance
Ministry of Finance
P. O. Box 8147
Kampala
Uganda

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EXC

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15TH SEPTEMBER 1985

MR. A.W. CLAUSEN
PRESIDENT
THE WORLD BANK
WASHINGTON D.C.

HAVE HEARD WITH GREAT PLEASURE THE NEWS OF THE BOARD APPROVAL
OF THE INVESTMENT GUARANTEE SCHEME OF THE BANK (MIGA), PLEASE
ACCEPT MY VERY BEST WISHES FOR MORE AND GREATER SUCCESSES

WARMEST PERSONAL REGARDS

ABDLATIF AL-HAMAD

INMARAB 22153KT

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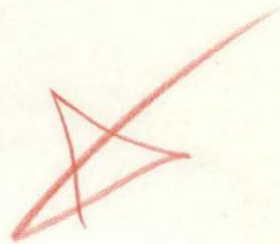
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OFFICE OF THE PRESIDENT

cc: Mr. Shihata
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BOARD 2100X IN 1200118 OUT 1200118
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12TH SEPTEMBER 1985

MR. A. W. CLAUER
PRESIDENT
THE NORDBANK
WASHINGTON D.C.

HAVE HEARD WITH GREAT PLEASURE THE NEWS OF THE BOARD APPROVAL
OF THE INVESTMENT GUARANTEE SCHEME OF THE BANKING. PLEASE
ACCEPT MY VERY BEST WISHES FOR MORE AND GREATER SUCCESS

WARMEST PERSONAL REGARDS

ARMATIE AL-HANOD

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Co. Mr. Clauer
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OFFICE OF THE PRESIDENT

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September 13, 1985

Dear Jean-Claude:

I have the pleasure to inform you that the World Bank's Executive Directors yesterday approved the draft Convention Establishing the Multilateral Investment Guarantee Agency (MIGA). The enclosed volume of documents is now being transmitted to the Bank's Board of Governors with the recommendation that the Board, at its Annual Meeting in Seoul on October 8-11, 1985, open the Convention to signature by interested countries.

I am grateful for the contribution your encouragement and support made to this positive outcome and am confident that with your continued support, the projected MIGA will gain wide acceptance in the months ahead.

With warm regards,

Sincerely yours,



A. W. Clausen

Mr. Jean-Claude Paye
Secretary General
Organization for Economic Cooperation
and Development
Château de la Muette
2 rue André Pascal
75775 Paris Cedex 16
France

IFISHihata

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

September 12, 1985

A. W. CLAUSEN
President

His Excellency
Ghulam Ishaq Khan
Chairman of the Development Committee
Government of Pakistan
Islamabad, Pakistan

Dear Mr. Chairman:

During last spring's meeting of the Development Committee, we had a constructive discussion of the Bank's proposal to establish a Multilateral Investment Guarantee Agency (MIGA). At that time, the Committee encouraged the Bank "to hold further discussions in order to reach an understanding among governments for the creation of MIGA on a voluntary basis".

In accordance with this recommendation, the Bank's Executive Directors, assisted by experts from member governments, have met in a Committee of the Whole under the chairmanship of Mr. I.F.I. Shihata to discuss the Convention establishing MIGA. I am pleased to inform you that the Committee has succeeded in finalizing a text of the draft Convention. Today the Bank's Board of Executive Directors formally approved this text and decided to transmit it to the Governors with a recommendation to open the Convention for signature at their forthcoming meeting in Seoul.

The positive development of affairs since the last meeting of the Development Committee is the result of the serious efforts of many governments and individuals. All of us in the Bank who have been connected with this exercise are grateful for your personal support, to which we largely owe the endorsement of the Development Committee last April.

In the course of the discussions and consultations, the issues related to both the merits and feasibility of MIGA in general and the features of the Convention in particular were discussed in depth. The agreed draft Convention strikes a delicate balance between the different views and interests and has required considerable concessions from all sides. With this in mind, I am looking forward to reporting at the next session of the Development Committee about the progress achieved since the last meeting and the steps ahead of us to bring the initiative to fruition. I am fully confident that under your leadership the Development Committee will be able to lend its support to this important initiative.

Warm regards.

Sincerely,


A.W. Clausen

cc: Messrs. Shihata, Burki and Shakow
Mrs. Meigher

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

A. W. CLAUSEN
President

September 12, 1985

Dear Governor:

I am pleased to inform you that the Executive Directors have approved today the draft Convention establishing the Multilateral Investment Guarantee Agency (MIGA). The text will soon be transmitted to the Board of Governors with the recommendation that the Board, at the forthcoming meeting in Seoul, open the Convention for signature by interested countries.

The text of the draft Convention was discussed at length by the Executive Directors and constitutes a well-balanced package of the interests and views of the Bank's members. It has, in my view, the best chances of being widely accepted.

As conceived, MIGA will not just carry out insurance operations against non-commercial risks but will more broadly serve as a facility for cooperation between the investors' home countries and host countries with the overall objective of improving investment conditions and encouraging investment flows. The creation of MIGA would thus be a milestone in the Bank's efforts to stimulate greater flows of badly needed resources to developing countries. Its coverage will not be limited to private flows but will extend to all new, medium and long term investments which, in the judgment of the Agency, will be sound investments that contribute to the development of the host country.

The voting structure of the Agency also affords adequate protection to minority shareholders and ensures that when all members of the Bank join the Agency, home countries and host countries would achieve parity in voting power.

I am confident that you will give the matter the attention it deserves in view of the current world economic situation, and I am looking forward to the positive outcome of the Board of Governors' consideration of the subject during the forthcoming Annual Meeting.

Sincerely,

(Signed) A. W. Clausen

His Excellency
Dr. Kamal Ahmed El Ganzouri
Deputy Prime Minister for
Planning and Economic Cooperation
Cairo
Arab Republic of Egypt

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

A. W. CLAUSEN
President

September 12, 1985

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Sincerely,

(Signed) A. W. Clausen

His Excellency
Sheikh Mohammed Abalkhail
Minister of Finance
and National Economy
Ministry of Finance
and National Economy
Minister's Office
Riyadh, Saudi Arabia