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THE WORLD BANK
Washington, D.C.

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1818 H Street NW
Washington DC 20433
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President A. W. Clausen

Alphabetical files

General Capital Increase

Letter to the Governors
and EDs, Jan 1982

1982



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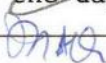


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Clausen Papers - General Capital Increase - Letters to Governors and Executive
Directors - Correspondence - Volume 2 - 1982

ROUTING SLIP		DATE: January 7, 1982	
NAME		ROOM NO.	
Mr. Clausen		E-1227	
APPROPRIATE DISPOSITION		NOTE AND RETURN	
APPROVAL		NOTE AND SEND ON	
CLEARANCE		PER OUR CONVERSATION	
COMMENT		PER YOUR REQUEST	
FOR ACTION		PREPARE REPLY	
INFORMATION		RECOMMENDATION	
INITIAL		SIGNATURE	
NOTE AND FILE		URGENT	
REMARKS:			
<p>Attached for your signature are the letters to the Part I Governors requesting prompt action on the GCI and release of the paid-in capital. We propose to send a similar letter to selected Part II country Governors after your return. The Attachments will be completed during the course of the day 1/8.</p>			
FROM: 		ROOM NO.:	EXTENSION:
Moeen A. Qureshi		E-1241	73665

Letters to the Governors and Executive Directors re General Capital Increase

The Honourable
J.W. Howard, M.P.
Treasurer of the Commonwealth
Parliament House
Canberra, A.C.T., 2600
Australia

Seine Exzellenz
Dr. Herbert Salcher
Bundesminister fur Finanzen
Himmelpfortgasse 4-8
A-1010 Vienna
Austria

Son Excellence
Monsieur Robert Vandeputte
Ministre des Finances
Avenue des Arts, 30
B-1040 Bruxelles
Belgium

The Honourable
Allan J. MacEachen, P.C., M.P.
Deputy Prime Minister and
Minister of Finance
Ottawa,
Ontario K1A 0G5
Canada

Monsieur Renaud de la Geniere
Gouverneur
Banque de France
B.P. 140-01
F-75049 Paris
France

Seine Exzellenz
Herrn Hans Matthoefer
Bundesminister der Finanzen
Postfach 1308
Grauheindorferstrasse 108
D 5300 Bonn 1
Federal Republic of Germany

His Excellency
Tomas Arnason
Minister of Commerce
Ministry of Commerce
Reykjavik
Iceland

His Excellency
Thamer Rezooki
Minister of Finance
Jamhurya Street
Baghdad
Iraq

The Honourable
John Bruton
Minister for Finance
Upper Merrion Street
Dublin 2
Ireland

Dr. Carlo Ciampi
Governatore
Banca d'Italia
Via Nazionale 91
I-00184 Rome
Italy

His Excellency
Michio Watanabe
Minister of Finance
Ministry of Finance
Tokyo
Japan

His Excellency
Abdlatif Y. Al-Hamad
Minister of Finance and Planning
Ministry of Finance and Planning
P.O. Box 9
Safat
Kuwait

His Excellency
Kasem M. Sherlala
Secretary of the People's
General Committee for Treasury
Tripoli
Socialist People's Libyan Arab Jamahiriya

His Excellency
A.P.J.M.M. van der Stee
Minister of Finance
Postbus 20201
The Hague
The Netherlands 2500 EE

His Excellency
Ulf Sand
Minister of Finance
Box 8008
Oslo 1
Norway

His Excellency
Sheikh Mohammed Abal-Khail
Minister of Finance and
National Economy
Riyadh
Saudi Arabia

His Excellency
Rolf Wirten
Minister for Economic Affairs
Ministry of Economic Affairs
S 103 10 Stockholm 2
Sweden

Dr. G. P.C. de Kock
Governor
South African Reserve Bank
P.O. Box 427
Pretoria 0001
South Africa

His Highness
Sheikh Hamdan Bin Rashid Al Maktoum
P.O. Box 1565
Dubai
United Arab Emirates

The Right Honourable
Gordon Richardson, M.B.E.
Governor
Bank of England
Threadneedle Street
London EC2R 8AH
England

The Honorable
Donald T. Regan
Secretary of the Treasury
Department of the Treasury
Washington D.C. 20220

Su Excelencia
Sr. Dr. Ricardo Martinez
Ministro de Estado para la
Coordinación y Planificación
Palacio Blanco, 2 Piso
Caracas, Venezuela

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

A. W. CLAUSEN
President

January 8, 1982

Seine Exzellenz
Dr. Herbert Salcher
Bundesminister fur Finanzen
Himmelpfortgasse 4-8
A-1010 Vienna
Austria

Dear Dr. Salcher:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen
President *AWC*

Attachment

cc: Mr. Jacques de Groote
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Austria

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Austria and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/} Portion Paid-in			Amount Callable
		Total	In Gold or US\$	In National Currency	
2,523	304,362,105.00	22,827,157.88	2,282,715.79	20,544,442.09	281,534,947.12

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

Son Excellence
Monsieur Robert Vandeputte
Ministre des Finances
Avenue des Arts, 30
B-1040 Bruxelles
Belgium

Dear Mr. Vandeputte:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen *AWC*
President

Attachment

cc: Mr. Jacques de Groote
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Belgium

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Belgium and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/} Portion Paid-in			Amount Callable
		Total	In Gold or US\$	In National Currency	
6,803	820,679,905.00	61,550,992.88	6,155,099.29	55,395,893.59	759,128,912.12

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

The Honourable
Allan J. MacEachen, P.C., M.P.
Deputy Prime Minister and
Minister of Finance
Ottawa, Ontario K1A 0G5
Canada

Dear Mr. MacEachen:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen
President *AWC*

Attachment

cc: Mr. Earl G. Drake
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Canada

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Canada and payments required upon subscribing, are as follows:

<u>No. Shares</u>	<u>Total Value</u>	<u>US\$ Equivalent ^{1/} Portion Paid-in</u>			<u>Amount Callable</u>
		<u>Total</u>	<u>In Gold or US\$</u>	<u>In National Currency</u>	
10,410	1,255,810,350.00	94,185,776.26	9,418,577.63	84,767,198.63	1,161,624,573.74

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

*file
Cap Inc.*

A. W. CLAUSEN
President

January 8, 1982

His Highness
Sheikh Hamdan Ibn Rashid Al Maktoum
Minister of Finance and Industry
P. O. Box 1565
Dubai, United Arab Emirates

Dear Sheikh Hamdan:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen
President

Attachment

cc: Mr. Said El-Naggar
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to the United Arab Emirates

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to the United Arab Emirates and payments required upon subscribing, are as follows:

<u>No. Shares</u>	<u>Total Value</u>	<u>US\$ Equivalent ^{1/} Portion Paid-in</u>			<u>Amount Callable</u>
		<u>Total</u>	<u>In Gold or US\$</u>	<u>In National Currency</u>	
1,032	124,495,320.00	9,337,149.00	933,714.90	8,403,434.10	115,158,171.00

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

Monsieur Renaud de la Geniere
Gouverneur
Banque de France
B. P. 140-01
F-75049 Paris
France

Dear Governor:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen
President *AWC*

Attachment

cc: Mr. Bruno de Maulde
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to France

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to France and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/}			Amount Callable
		Portion Paid-in		Total	
		Total	In Gold or US\$		In National Currency
16,443	1,983,601,305.00	148,770,097.88	14,877,009.79	133,893,088.09	1,834,831,207.12

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

His Excellency
Tomas Arnason
Minister of Commerce
Ministry of Commerce
Reykjavik, Iceland

Dear Mr. Arnason:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen
President *AWC*

Attachment

cc: Mr. Hans Lundstrom
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Iceland

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Iceland and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/}			Amount Callable
		Portion Paid-in			
		Total	In Gold or US\$	In National Currency	
208	25,092,080.00	1,881,906.00	188,190.60	1,693,715.40	23,210,174.00

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

His Excellency
Thamer Rezooki
Minister of Finance
Jamhurya Street
Baghdad, Iraq

Dear Mr. Rezooki:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen *AWE*
President

Attachment

cc: Mr. Said El-Naggar
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Iraq

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Iraq and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/}			Amount Callable
		Portion Paid-in		In National Currency	
		Total	In Gold or US\$		
895	107,968,325.00	8,097,624.38	809,762.44	7,287,861.94	99,870,700.62

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

The Honourable
John Bruton
Minister for Finance
Upper Merrion Street
Dublin 2, Ireland

Dear Mr. Bruton:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen *awc*
President

Attachment

cc: Mr. Earl G. Drake
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Ireland

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Ireland and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/} Portion Paid-in			Amount Callable
		Total	In Gold or US\$	In National Currency	
1,185	142,952,475.00	10,721,435.64	1,072,143.57	9,649,292.07	132,231,039.36

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

Dr. Carlo Ciampi
Governatore
Banca d'Italia
Via Nazionale 91
I-00184 Rome
Italy

Dear Dr. Ciampi:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen *AWC*
President

Attachment

cc: Mr. Giorgio Ragazzi
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Italy

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Italy and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/} Portion Paid-in			Amount Callable
		Total	In Gold or US\$	In National Currency	
9,472	1,142,654,720.00	85,699,104.00	8,569,910.40	77,129,193.60	1,056,955,616.00

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

His Excellency
Michio Watanabe
Minister of Finance
Ministry of Finance
Tokyo, Japan

Dear Mr. Watanabe:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen *AWC*
President

Attachment

cc: Mr. Seiji Morioka
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Japan

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Japan and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/}			Amount Callable
		Portion Paid-in			
		Total	In Gold or US\$	In National Currency	
16,417	1,980,464,795.00	148,534,859.64	14,853,485.97	133,681,373.67	1,831,929,935.36

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

His Excellency
Abdlatif Y. Al-Hamad
Minister of Finance and Planning
Ministry of Finance and Planning
P. O. Box 9
Safat, Kuwait

Dear Mr. Al-Hamad:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen *TC*
President

Attachment

cc: Mr. Said El-Naggar
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Kuwait

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Kuwait and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/}			Amount Callable
		Portion Paid-in			
		Total	In Gold or US\$	In National Currency	
2,998	361,663,730.00	27,124,779.76	2,712,477.98	24,412,301.78	334,538,950.24

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

His Excellency
Kasem M. Sherlala
Secretary of the People's
General Committee for Treasury
Tripoli, Socialist Peoples's
Libyan Arab Jamahiriya

Dear Mr. Sherlala:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen *AWC*
President

Attachment

cc: Mr. Ismail Khelil
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Libya

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Libya and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/}			Amount Callable
		Portion Paid-in			
		Total	In Gold or US\$	In National Currency	
1,485	179,142,975.00	13,435,723.14	1,343,572.32	12,092,150.82	165,707,251.86

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

His Excellency
A.P.J.M.M. van der Stee
Minister of Finance
Postbus 20201
The Hague, The Netherlands 2500 EE

Dear Mr. van der Stee:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen
President *AWC*

Attachment

cc: Mr. Anthony IJ. A. Looijen
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to the Netherlands

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to the Netherlands and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/} Portion Paid-in			Amount Callable
		Total	In Gold or US\$	In National Currency	
7,188	867,124,380.00	65,034,328.50	6,503,432.85	58,530,895.65	802,090,051.50

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

His Excellency
Ulf Sand
Minister of Finance
Box 8008
Oslo 1, Norway

Dear Mr. Sand:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen *AWC*
President

Attachment

cc: Mr. Hans Lundstrom
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Norway

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Norway and payments required upon subscribing, are as follows:

<u>No.</u> <u>Shares</u>	<u>Total</u> <u>Value</u>	<u>US\$ Equivalent ^{1/}</u>			<u>Amount</u> <u>Callable</u>
		<u>Portion Paid-in</u>			
		<u>Total</u>	<u>In Gold</u> <u>or US\$</u>	<u>In National</u> <u>Currency</u>	
2,256	272,152,560.00	20,411,442.00	2,041,144.20	18,370,297.80	251,741,118.00

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

His Excellency
Sheikh Mohammed Abal-Khail
Minister of Finance and
National Economy
Riyadh, Saudi Arabia

Dear Sheikh Abal-Khail:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen
President *AWC*

Attachment

cc: Mr. Said El-Naggar
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Saudi Arabia

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Saudi Arabia and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/}			Amount Callable
		Portion Paid-in			
		Total	In Gold or US\$	In National Currency	
5,300	639,365,500.00	47,952,412.50	4,795,241.25	43,157,171.25	591,413,087.50

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

Dr. G. P. C. de Kock
Governor
South African Reserve Bank
P. O. Box 427
Pretoria 0001
South Africa

Dear Governor:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen
President

AWC

Attachment

cc: Mr. D. T. Brand
Principal Resident Representative
South African Mission to the IMF & IBRD

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to South Africa

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to South Africa and payments required upon subscribing, are as follows:

<u>No. Shares</u>	<u>Total Value</u>	<u>US\$ Equivalent ^{1/}</u>			<u>Amount Callable</u>
		<u>Portion Paid-in</u>			
		<u>Total</u>	<u>In Gold or US\$</u>	<u>In National Currency</u>	
3,241	390,978,035.00	29,323,352.62	2,932,335.26	26,391,017.36	361,654,682.38

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

His Excellency
Rolf Wirten
Minister for Economic Affairs
Ministry of Economic Affairs
S 103 10 Stockholm 2
Sweden

Dear Mr. Wirten:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen *AWC*
President

Attachment

cc: Mr. Hans Lundstrom
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Sweden

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Sweden and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/} Portion Paid-in			Amount Callable
		Total	In Gold or US\$	In National Currency	
3,441	415,105,035.00	31,132,877.62	3,113,287.76	28,019,589.86	383,972,157.38

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

The Right Honourable
Gordon Richardson, M.B.E.
Governor
Bank of England
Threadneedle Street
London EC2R 8AH, England

Dear Governor:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen
President *AWC*

Attachment

cc: Mr. John Anson
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to the United Kingdom

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to the United Kingdom and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/}			Amount Callable
		Portion Paid-in			
		Total	In Gold or US\$	In National Currency	
24,336	2,935,773,360.00	220,183,002.00	22,018,300.20	198,164,701.80	2,715,590,358.00

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

The Honorable
Donald T. Regan
Secretary of the Treasury
Department of the Treasury
Washington, D. C. 20220

Dear Mr. Secretary:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen ^{TC}
President

Attachment

cc: Office of the U.S.
Executive Directore

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to the United States

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to the United States and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/}			Amount Callable
		Portion Paid-in			
		Total	In Gold or US\$	In National Currency	
72,760	8,777,402,600.00	658,305,195.00	65,830,519.50	592,474,675.50	8,119,097,405.00

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

Su Excelencia
Sr. Dr. Ricardo Martinez
Ministro de Estado para la
Coordinacion y Planificacion
Palacio Blanco, 2º Piso
Caracas, Venezuela

Dear Dr. Martinez:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen
President *AWC*

Attachment

cc: Mr. Joaquin Muns
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Venezuela

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Venezuela and payments required upon subscribing, are as follows:

<u>No. Shares</u>	<u>Total Value</u>	<u>US\$ Equivalent ^{1/}</u>			<u>Amount Callable</u>
		<u>Portion Paid-in</u>			
		<u>Total</u>	<u>In Gold or US\$</u>	<u>In National Currency</u>	
3,534	426,324,090.00	31,974,306.76	3,197,430.68	28,776,876.08	394,349,783.24

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.

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

A. W. CLAUSEN
President

January 8, 1982

The Honourable
J. W. Howard, M. P.
Treasurer of the Commonwealth
Parliament House
Canberra, A.C.T., 2600
Australia

Dear Mr. Howard:

During the Annual Meeting, we touched on the subject of subscriptions to the General Capital Increase of the Bank. I would like to take this opportunity to return to these issues. My purpose is to urge all member countries to subscribe to the General Capital Increase as soon as possible and to release the full amount of the paid-in portion of subscriptions for use in the Bank's lending operations.

As you know, the Board of Governors adopted Resolutions Nos. 346 and 347 on January 4, 1980 increasing the Bank's authorized capital and authorizing the Bank to accept increases in individual members' Bank subscriptions, beginning September 30, 1981. Specific allocations for your country are shown in the Attachment to this letter, as are the amounts that must be paid in as part of the subscription process.

With regard to the portion of the subscription that is to be paid in the member's own currency, it has been the general practice in the past for members to release their local currency for lending by the Bank if they are in a financial position to do so. Discussions by the Executive Directors of the amount of capital to be paid in under the General Capital Increase were based on the assumption that this practice would be continued and that as a result the cost-free resources of the Bank would be increased substantially.

During the period since negotiations on the General Capital Increase were concluded, the Bank's medium-term income prospects have deteriorated. A number of steps have been taken to improve the income outlook. The Executive Directors have approved the introduction of a "front-end fee" of 1-1/2% of the loan amount, and administrative expenses are being held to a

level below that previously planned. In this context, it is especially desirable that financially stronger member countries review their plans for subscription to the General Capital Increase and--to the maximum extent possible--accelerate subscriptions and provide for full and prompt release of the local currency portion of these subscriptions. Indeed, there was almost unanimous consent among the Directors that everything possible should be done to strengthen the Bank's finances further by making the paid-in portion of the General Capital Increase available as rapidly as possible, thereby sharing the burden of keeping the Bank financially sound between the borrowing member countries and the better-off shareholders.

The procedures for subscribing to the General Capital Increase include a step requesting member countries to inform the Bank of their intention to subscribe prior to the actual subscription. It would be most helpful if you could let us have this notification at your earliest convenience, including an estimate of when subscription will commence, your present intentions regarding the phasing of subscriptions (all at once or in installments), and the approach you intend to pursue with regard to release of the local currency portion of paid-in capital.

With best regards,

A. W. Clausen
President *AWC*

Attachment

cc: Mr. Stanley A. McLeod
Executive Director

bcc: Messrs. Qureshi
Scott
Thahane
Wood
Gillette

DBock:kav/eok

IBRD General Capital Increase
Share Allocations to Australia

Resolution 346

Resolution 346 provides for a total increase of 331,500 shares. Shares have been allocated among members in proportion to their existing shareholdings. The specific allocation to Australia and payments required upon subscribing, are as follows:

No. Shares	Total Value	US\$ Equivalent ^{1/}			Amount Callable
		Portion Paid-in			
		Total	In Gold or US\$	In National Currency	
6,037	728,273,495.00	54,620,512.12	5,462,051.21	49,158,460.91	673,652,982.88

Resolution 347

Resolution 347 provides for a total increase of 33,500 shares. Each member may subscribe to 250 such shares. The subscription to shares under Resolution 347 does not require payment of any portion of the share price at the time of subscription, though, as with all other shares, the subscribing member must accept an obligation to honor calls against the full value of the shares.

^{1/} Shares have a par value each of \$100,000 in terms of 1944 dollars. Pending a decision on a successor to the 1944 dollar as the unit for valuation of capital, capital subscriptions are being accepted at 1.20635 current U.S. dollars to one 1944 dollar, the value of the 1944 dollar at the last par value of the U.S. dollar, subject to the possibility that adjustment may be required when the standard of value issue is resolved. The U.S. dollar equivalent cost of shares given here has been calculated using the rate of 1.20635 current U.S. dollars to one 1944 dollar.