

International Bank for Reconstruction and Development
International Development Association

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FOR
EXECUTIVE
DIRECTORS'
MEETING

For consideration on
Tuesday, July 13, 1993

M93-33
IDA/M93-33

FROM: Vice President and Secretary

July 1, 1993

Minutes of Meeting of the Executive Directors
of the Bank and IDA held in the Board Room
on June 8, 1993 at 10:00 a.m.

1. There were present:

CHAIRMAN:

L.T. Preston, President

EXECUTIVE DIRECTORS AND ALTERNATES ACTING AS EXECUTIVE DIRECTORS

I. Al-Assaf	M. Aparicio (Temp. Alternate)
Aris Othman	M. Benhocine
F.S. Carneiro (Alternate)	G. Castellanos (Alternate)
A.N. Doumnov (Alternate)	F. Fischer
J-D. Gerber	J. Haas (Alternate)
E. Herfkens	M.W. Hosny (Alternate)
B. Jalan	D. Kline (Temp. Alternate)
K. Kodera (Alternate)	J-P. Le Boudier
J. Maehlum	H.M. Mapondo (Alternate)
F. Ochoa (Temp. Alternate)	N.F. Potter
B. Snoy	D. Stanton (Alternate)
B-H. Won (Alternate)	Zhao Hong (Temp. Alternate)

ALTERNATES NOT ACTING AS EXECUTIVE DIRECTORS

A.M. Al-Ghannam	I.R. Ionescu
J. Sulmicki	M.A. Syed

OFFICERS AND STAFF PARTICIPATING

I.F.I. Shihata, Vice President and General Counsel	T.T. Thahane, Vice President and Secretary
S.M. Denning, Director, Africa 6	B.G. Kavalsky, Director, Europe & Central Asia 3
T. Ahlers, EC4	D.T. Mattheisen, Secretary's
D. Flannery, Cofinancing Financial Advisory Services	

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MINUTES OF PREVIOUS MEETINGS

2. The Executive Directors approved the minutes of the meetings held on April 20 (M93-21[IDA/M93-21]), April 27 (M93-22[IDA/M93-22]) and May 4 (M93-23[IDA/M93-23]), 1993.

PROPOSED CREDIT - TANZANIA (PARASTATAL AND
PUBLIC SECTOR REFORM PROJECT) (IDA/R93-79, IDA/R93-79/1)

3. As notified (A93-33/1), consideration of this item was postponed until the meeting on June 10, 1993.

ZAMBIA: ALLOCATION OF RESOURCES OF THE DEBT REDUCTION FACILITY
FOR IDA-ONLY COUNTRIES FOR A PROPOSED DEBT REDUCTION OPERATION AND
GRANT FROM THE FACILITY FOR PREPARATION OF THE PROPOSED OPERATION

4. The Executive Directors considered the President's Memorandum entitled "Zambia: Allocation of Resources of the Debt Reduction Facility for IDA-Only Countries for a Proposed Debt Reduction Operation and Grant from the Facility for Preparation of the Proposed Operation" (IDA/R93-69) and approved the recommendations outlined in paragraph 44 of the Memorandum.

LOAN TO UKRAINE

5. The Executive Directors considered the President's Memorandum and Recommendation (R93-94 dated May 19, 1993) and approved the loan to Ukraine for an Institution Building Project in the amount of US\$27 million equivalent on the payment terms and other terms and conditions set out in the President's Memorandum (LOAN APPROVAL NO. 93-34).

LOAN TO COLOMBIA

6. The Executive Directors approved the loan to the Republic of Colombia for a Municipal Health Services Project in the amount of US\$50 million equivalent on the payment terms and other terms and conditions set out in the President's Memorandum (R93-93 dated May 19, 1993) (STREAMLINED PROCEDURE LOAN APPROVAL NO. 93-27).

CREDIT TO THE PHILIPPINES

7. The Executive Directors approved the credit to the Republic of the Philippines for an Urban Health and Nutrition Project in the amount of SDR 50.5 million (US\$70 million equivalent) on the payment terms and other terms and conditions set out in the President's Memorandum (IDA/R93-80 dated May 19, 1993) (STREAMLINED PROCEDURE CREDIT APPROVAL 93-40).

IBRD'S NEGATIVE PLEDGE POLICY WITH RESPECT
TO LENDING FOR INVESTMENT PROJECTS

8. The Executive Directors recorded their approval on May 24, 1993 of the recommendation contained in paragraph 4 of the President's Memorandum entitled "IBRD's Negative Pledge Policy With Respect to Lending for Investment Projects" (R93-88).

SIERRA LEONE: INDICATION OF THE RESOURCES REQUIRED
FOR A PROPOSED DEBT REDUCTION OPERATION AND GRANT
FROM THE DEBT REDUCTION FACILITY FOR IDA-ONLY COUNTRIES
FOR PREPARATION OF THE PROPOSED OPERATION

9. The Executive Directors recorded their approval on May 27, 1993 of the recommendation contained in paragraph 25 of the President's Memorandum entitled "Sierra Leone: Indication of the Resources Required for a Proposed Debt Reduction Operation and Grant from the Debt Reduction Facility for IDA-Only Countries for Preparation of the Proposed Operation" (IDA/R93-77).

SIERRA LEONE: RECONSTRUCTION IMPORT CREDIT
(2352-SL) - RELEASE OF THIRD TRANCHE

10. The Executive Directors recorded their approval on May 27, 1993 of the recommendation contained in paragraph 23 of the President's Memorandum entitled "Sierra Leone: Reconstruction Import Credit (2352-SL) - Release of Third Tranche" (IDA/R93-78).

ECUADOR: FIRST TELECOMMUNICATIONS PROJECT
(LOAN 3052-EC) - CHANGE OF BORROWER

11. The Executive Directors recorded their approval on May 27, 1993 of the recommendation contained in paragraph 10 of the President's Memorandum entitled "Ecuador: First Telecommunications Project (Loan 3052-EC) - Change of Borrower" (R93-92).

CALLS OF DEM SERIES A BONDS - AMENDMENT
TO RESOLUTIONS NOS. 90-7 AND 91-4

12. The Executive Directors recorded their approval on May 27, 1993 of the recommendation contained in paragraph 5 of the President's Memorandum entitled "Calls of DEM Series A Bonds - Proposed Amendment to Resolutions Nos. 90-7 and 91-4" (R93-95) and adoption of the following Resolution:

RESOLUTION NO. 93-3

Amending Resolutions No. 90-7 and 91-4

WHEREAS the International Bank for Reconstruction and Development (the Bank) has determined pursuant to Resolution No. 90-7, adopted by the Executive Directors of the Bank on June 12, 1990, and Resolution No. 91-4, adopted by the Executive Directors of the Bank on February 12, 1991, to authorize borrowings in Deutsche mark (represented by Series A Bonds, Series B Bonds or both) in the markets of the Federal Republic of Germany on the terms and conditions specified in the respective Resolutions; and

WHEREAS it has become necessary to amend such Resolutions with respect to the authority of the Bank to exercise its call option in respect of the Series A Bonds thereunder;

NOW THEREFORE IT IS RESOLVED THAT:

Paragraph 2 of each of Resolution No. 90-7 and Resolution No. 91-4 is hereby deleted and the following new paragraph 2 is substituted therefor:

"2. Such borrowing may be represented by Series A Bonds, Series B Bonds, or both (the Securities) in such form and denominations as shall be determined by any Authorized Officer. The Securities shall consist, initially, of Series A Bonds, the terms and conditions of which will contain a call option providing the Bank the right to prepay Series A Bonds on certain specific dates. If and to the extent that the Bank exercises its call option in respect of the Series A Bonds, the Bank is further authorized to issue and sell Series B Bonds in an aggregate principal amount up to the aggregate principal amount of Series A Bonds so called and having a rate of interest and final maturity identical to such Series A Bonds."

In all other respects, Resolutions No. 90-7 and 91-4 shall remain in full force and effect.

SUBMISSION TO THE BOARD OF GOVERNORS OF A REPORT
OF THE 1993 STANDING JOINT COMMITTEE ON REMUNERATION

1. The Executive Directors recorded their approval on May 27, 1993 of the Secretary's memorandum dated May 24, 1993 (R93-100) regarding transmittal to

the Board of Governors, for a vote without meeting, of the report of the 1993 Standing Joint Committee on Remuneration of Executive Directors and their Alternates.

APPOINTMENT OF CHIEF ECONOMIST

14. The Chairman announced the selection of Mr. Michael Bruno as Chief Economist for a four-year term, which due to public speculation of Mr. Bruno's appointment he was informing the Executive Directors now. Executive Directors welcomed the appointment. Subsequently the usual notice of appointment was circulated (R93-120).

EXECUTIVE DIRECTORS' ASSISTANTS - RECORD OF APPROVED TRAVEL

15. The Executive Directors recorded their approval, on the dates shown, of the following proposals for travel by Executive Directors' Assistants:

May 25, 1993 - SecM93-492
May 25, 1993 - SecM93-493

DATE OF NEXT MEETING

16. It was agreed to hold a meeting of the Executive Directors of the Bank and IDA on June 10, 1993.

ADJOURNMENT

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

Distribution:

Executive Directors and Alternates
Office of the President
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Vice Presidents, Bank, IFC and MIGA
Directors and Department Heads, Bank, IFC and MIGA