

In 1966 new loans, credits and disbursements by the Bank Group totalled more than \$1.4 billion, a new record. IBRD lending in 1966 totalled \$901 million compared to the 1965 volume of about \$1.2 billion. The IDA approved credits of nearly \$478 million, a new peak compared to \$196 million in 1965. The IFC more than doubled its 1965 volume, reporting new investment commitments totalling more than \$54 million compared to \$22 million the previous year.

In many of the World Bank Group's activities during 1966 there was a trend toward the closer co-ordination of financial and technical assistance from various sources. The Bank and the IDA also participated with interested governments in the joint financing of aid to individual development projects. The Bank and its sister organization, the Fund, adopted a number of practices to expand still further their co-operation in obtaining, exchanging and evaluating economic information and advising their member countries on matters of policy.

During the year the Bank also organized creditor countries and international agencies into "consultative groups" to co-ordinate financial and technical assistance to particular developing countries. Such consultative groups were organized for Korea and Peru, bringing to ten the number of such groups sponsored by the Bank. The Bank also agreed to act as administrator of a \$23-million fund for construction of a hydro-electric project in Laos to which Canada is one of the contributors.

Progress continued during the year on international agreements intended to encourage the international flow of private capital by improving the climate of private investment. One such agreement is represented by the Convention on the Settlement of Investment Disputes, which came into force on October 14, 1966, 30 days after ratification by 20 countries.

The urgent need for additional aid funds, particularly with regard to the International Development Association's concessionary or "soft-term" loan operations, was stressed by the President of the World Bank and of the IDA in his December address to the Economic and Social Council of the United Nations.

At the 1966 annual meetings of the Bank Group, the Honourable Mitchell Sharp, Canadian Minister of Finance, stated:

The evidence placed before us at this meeting makes it clear that in the management of our affairs we [the industrialized countries] have not in fact made adequate provisions for aid. The *per capita* of developing countries has been rising at a depressingly slow rate although the ability of many of these countries to formulate and make more effective use of the resources at their disposal and execute sound development plans and projects has improved significantly . . . . Net official flows have been static for five years at approximately \$6 billion. More aid