

scriptions. Unlike the original subscriptions, of which 2 per cent had to be paid in gold or United States dollars, 18 per cent in the currencies of the members or interest-free notes in the members' currencies and 80 per cent remained subject to call, the general increase in subscriptions is entirely in the form of guarantees involving no cash payments to the Bank. In the case of the special additional increases, however, including the \$100 million, \$390 million and \$166 million in the subscriptions of Canada, Germany, and Japan respectively, one half is payable on the basis of original subscriptions, the other half being entirely in the form of a guarantee. Canada's total subscription to the Bank, after completion of the requirements for the special additional increase, will have been raised from \$325 million to \$750 million, including an additional cash payment of \$1 million in gold or U.S. dollars, and another \$9 million in non-interest bearing notes. The United States guarantee, which has an important bearing on the Bank's ability to borrow, was raised from \$2,540 million to \$5,715 million. The increase in the resources of the Bank will become fully effective by July 31, 1960.

Only a small part of the subscribed share capital of the Bank is paid up; the remainder can be called only if needed to enable the Bank to meet its own obligations and not for lending. Of the total paid-up capital of the Bank \$195.5 million has, in accord with the Articles of Agreement, been paid up in gold or in United States dollars and \$1,782.4 million in the currencies of the member countries. These currencies can, however, be used by the Bank for its lending operations only with the approval of the members concerned. The United States, Canada, Japan, Sweden, Austria, Italy, Venezuela, Lebanon, Panama and Costa Rica have to date released without qualification the whole of the remaining paid-up part of their subscriptions, equivalent to \$752.4 million. Many other countries, however, have made conditional or partial releases or agreed to releases over a period. Canada's release amounting to Can. \$58.5 million has been fully utilized by the Bank in its lending activities.

From its inception to December 31, 1959 the Bank has made 249 loans in 51 countries in the aggregate of \$4,871 million of which \$3,591 million has been disbursed. During the twelve-month period ending December 31, 1959, 30 loans were made in 20 countries and territories, totalling the equivalent of \$621 million. During 1959 private investors acquired portions of the Bank's loans amounting to \$181.7 million of which \$.8 million was by private Canadian interests. This brought total private participation in the Bank's lending operations to \$651.4 million of which \$20.9 million was by Canadian institutions.

Since its inception the Bank has sold issues frequently on the United States market and smaller issues in Switzerland, Canada, Germany, Belgium, the United Kingdom and the Netherlands. The Bank has also placed notes directly with the German Bundesbank. During 1959 the Bank did not float bond issues in the United States, but the equivalent of \$332 million was borrowed outside the United States. There was a net increase of \$198 million in the Bank's funded debt. As of December 31, 1959 the total amount of Bank bonds outstanding was \$1,989.8 million including Canadian dollar bond issues totalling \$33.9 million.

The Bank's total net earnings to December 31, 1959 were \$310.9 million, which were allocated to a Supplemental Reserve, and the total reserves were \$461.9 million.

The International Finance Corporation

As of December 31, 1959, the IFC comprised 58 member countries and had a subscribed capital of \$95.4 million. The Canadian representation in the Corporation is ex officio the same as the representation in the Bank.