

SUMMARY OF ACTIONS TAKEN AT MEETINGS OF THE
BOARD OF GOVERNORS OF THE INTERNATIONAL
BANK FOR RECONSTRUCTION AND DEVELOPMENT

Held in
Savannah, Georgia
March 8-18, 1946

1. Credentials

The credentials of the Governors and Alternate Governors of the following 37 countries were approved by the Board and they were accorded the full right of participation in the meetings of the Board: Belgium, Bolivia, Brazil, Canada, Chile, China, Costa Rica, Cuba, Czechoslovakia, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, France, Greece, Guatemala, Honduras, Iceland, India, Iran, Iraq, Luxembourg, Mexico, Netherlands, Nicaragua, Norway, Panama, Paraguay, Peru, Philippine Commonwealth, Poland, Union of South Africa, United Kingdom, United States, Uruguay, Yugoslavia.

The credentials of the representatives of the following six countries invited to send observers to the Inaugural Meeting of the International Bank were approved and the Board accorded them the privilege of full observation in the Inaugural Meeting: Australia, Colombia, Denmark, New Zealand, Union of Soviet Socialist Republics, Venezuela.

The Board accepted the credentials of the representative of the Economic and Social Council of the United Nations and accorded him the privilege of full observation in the Inaugural Meeting.

2. Subscription for Denmark

The Board agreed that whenever the Danish Government accepts membership in the International Bank for Reconstruction and Development in accordance with the Articles of Agreement the minimum number of shares of capital stock of the Bank to be subscribed by Denmark shall have a par value of \$68 million.

3. Admission of Schedule A Countries to Membership in Bank

The Board of Governors of the International Bank for Reconstruction and Development resolved: "That membership in the International Bank for Reconstruction and Development is approved under Article II, Section 1 (b) of the Articles of Agreement for all countries listed in Schedule A which are members of the International Monetary Fund and whose governments accept membership in accordance with the provisions of Article XI until December 31, 1946."

4. Applications for Membership

The Board received applications for membership in the Bank from the following four countries: Lebanon, Syria, Italy, and Turkey. The applications were supported by the Governor representing the United States. The applications were referred to the Executive Directors for study and recommendation to the Board of Governors.

5. Procedures

5. Procedures Committee

The Board approved the following resolution: "The Board of Governors of the International Bank for Reconstruction and Development resolves that a Procedures Committee of twelve Governors be constituted, consisting of those governors who were appointed members of the Executive Committee of the Board at this meeting of the Board to be available after the termination of this meeting and until the next annual meeting of the Board for consultation at the discretion of the Chairman, normally by correspondence and also, if occasion required, by convening immediately before the annual meeting of the Board." The following countries were appointed members of the Procedures Committee: Chairman, United States; Vice Chairman, United Kingdom; other members, Belgium, Brazil, Canada, China, Egypt, France, India, Mexico, Netherlands, and Poland.

6. Additional Executive Directors

At the request of the Governor for India, the Board of Governors of the International Bank for Reconstruction and Development adopted the following resolution: "There shall be one additional Executive Director who shall hold office until the second election of Executive Directors if, at any time before the second election, both of the following conditions exist:

"1. There have been admitted to membership the governments of one or more countries not listed on Schedule A; and

"2. The members not entitled to appoint Executive Directors, whose votes are not included in those entitled to be cast by Executive Directors holding office at the time the additional director is elected, have votes totaling 4,000.

"Those members not entitled to appoint directors, whose votes are not included in those entitled to be cast by directors holding office at the time the additional director is to be elected, shall participate in the election. Each governor participating shall cast for one person all of the votes to which he is entitled, and a simple majority of the votes cast shall constitute election, but the director elected shall be deemed to be elected by all of the members eligible to participate. If no one receives a majority of the votes cast on the first ballot, additional ballots shall be held, and the candidate who received the lowest number of votes on the preceding ballot shall be ineligible for election."

7. Economic and Social Council

A letter from the President of the Economic and Social Council requesting the establishment of liaison with the Bank was referred to the Executive Directors with authority to discuss an arrangement for collaboration with the Council and to prepare recommendations for submission to the Board of Governors.

8. Temporary Secretary

The Board appointed Mr. John S. Hooker, Room 1001, 1818 H Street NW, Washington, D. C. as Temporary Secretary and adopted a resolution authorizing him to make arrangements for first meeting of Executive Directors.

9. Fiscal Year and First Annual Meeting of Board

The Board approved July 1 as the beginning of the Fiscal year of the Bank and set September 1946 as the date of the first annual meeting of the Board.

10. First Meeting of Executive Directors

The Board resolved that the first meeting of the Executive Directors would be convened about May 1, 1946, (since the Board's action, the date of May 7, 1946 has been agreed upon) that the Executive Directors and their Alternates would take office on that date and that the next regular election of Executive Directors would take place at the annual meeting of the Board of Governors in September 1948.

11. Advisory Council

The Board resolved that the Executive Directors be requested to examine the problems relating to the selection of the Advisory Council by the Board of Governors, and to make recommendations to the Board for its consideration at its annual meeting to be held in September 1946.

12. Interpretation of Articles of Agreement

The Board resolved that the Executive Directors of the International Bank for Reconstruction and Development be invited, at the request of the Governor for the United States of America, to interpret the Articles of Agreement, pursuant to Article IX(a), as to the authority of the Bank to make or guarantee loans for programs of economic reconstruction and the reconstruction of monetary systems, including long-term stabilization loans.

13. Election of Executive Directors

The following individuals were elected Executive Directors of the Bank:

| <u>Name</u> | <u>Country</u> | <u>Votes received</u> |
|--------------------------------|----------------|-----------------------|
| Professor Kyriakos Varvaressos | Greece | 2,230 |
| Mr. Victor Moller | Chile | 3,670 |
| Dr. Luis Machado Y Ortego | Cuba | 3,610 |
| Mr. Camille Gutt | Belgium | 3,860 |
| Mr. J. W. Beyen | Netherlands | 4,250 |
| Mr. R. B. Bryce | Canada | 3,500 |
| Dr. Leon Baranski | Poland | 3,650 |

14. By-Laws

The Board adopted By-Laws for the Bank. (Copy of By-