B. Debt Burden of Developing Countries

(i) Introduction

The Twenty-fourth session of the Asian-African Legal Consultative Committee held in Kathmandu in February 1985 decided to take up the study of the problem of *Debt Burden of Developing Countries* and the *Secretariat* was asked to submit a preliminary study for the Committee's consideration. Accordingly, the *secretariat* prepared a study on debt burden entitled "*The Debt Burden of Developing Countries: A preliminary study of the issues and prospects*". The Twenty-fifth session held in Arusha, Tanzania in February 1986 held discussions on the issues and prospects of the debt burden at the preliminary level. The committee decided, in view of the importance and urgency of the matter that further study on the problem be prepared by the secretariat for examination by an Expert Group Meeting which was to be held in the latter part of 1986, in New Delhi. The *secretariat*, in accordance with the decision of the Arusha Session prepared a further study which was considered by the Expert Group Meeting convened in New Delhi from 11th to 14th November 1986.

During the Expert Group Meeting, the delegates expressed their views on various issues raised by the study. In the course of its deliberations, the Expert Group agreed that the situation arising out

of the increasing debt burden had not only stalled the development in debtor economies but also posed serious challenges to their sovereignty itself. It was also acknowledged that there were several legal issues involved during the loan negotiations which have been a challenge to the developing countries. There was a unanimous view that the escalation of the debt crisis is due, in some of its aspects, to the improper crisis management and the lack of common approach which was the reason why the international community has failed to solve the problem.

After due consideration the Expert Group had decided to adopt the analysis contained in the *Secretariat* studies on debt burden with certain amendments. It was decided that the *Secretariat* should submit the same to the Bangkok Session for further consideration by the Committee.

The Report of the Expert Group while under consideration during the Bangkok Session, generated a good deal of discussion especially regarding the recommendation relating to the solution of the debt burden. Whilst there was general agreement on the analysis and recommendations as adopted by the Expert Group, several delegates expressed their views. While commenting upon the general aspects of the debt question several suggestions relating to the future work in this regard also came up.

A view was expressed that the Committee in this regard should, as a legal body, *inter alia* may initiate at this stage, to formulate the legal norms and principles relating to the debt relief measures on the basis of various municipal legislations and comparative jurisprudence.

According to another view, under the prevailing circumstances the Committee should initiate a study that will analyse the forms and terms of financial loan contracts in order to help the Member States. Several delegates stressed need to carefully watch the developments in this important area.

A preliminary study on the legal aspects of *International Loan Agreements* was prepared for the Singapore Session of the AALCC (1988). The brief contains the following parts: Chapter I, *i.e.* Introduction seeks to place the legal aspects of *International Loan Agreements*, in the proper perspective. Chapter II addresses some of the general but critical guidelines that may help in negotiating loan agreements. It also examines various aspects of *bilateral* and *multilateral* loan agreements. Chapter III addresses specifically, the issues relating to commercial loan agreements including the issues of settlement of disputes. Chapter IV makes general observations with some tentative suggestions. Given the comparative exclusiveness of the problem a definition of the words is are added towards the end.

During that Session, it was decided to circulate the study in view of its importane to the entire membership of the Group of 77. During its Nairobi Session (1989), the AALCC while considering a report on the debt burden prepared by the *Secretariat* directed the *Secretariat* to prepare a study dealing with the legal aspects of rescheduling of loans and debt relief with a view to formulating workable legal guidelines for rescheduling and debt relief. Accordingly, the Secretariat prepared a preliminary study on the various aspects of rescheduling of debts. During the Beijing Session (1990), the AALCC took note of that study and asked the *Secretariat* to continue to update it and commence formulation of a set of legal guidelines on this aspect. In the Cairo Session (1991), this item could not be taken up due to lack of time.

(ii) Decisions of the Twenty-ninth Session (1990)

Agenda Item "Debt Burden of the Developing Countries"

The Committee took note of the report on the *Debt Burden of the Developing Countries* in Doc AALCC/90/12 entitled Legal and Policy Issues of Rescheduling of Loans: A preliminary study.

Requests the *Secretariat* to continue to update the report and to commence a study on formulation of a set of legal guidelines on this subject. Decides to inscribe this item on the agenda of the 30th Session of the Committee.

(iii) Secretariat Study on Legal Aspects of International Loan Agreements

I. Introduction

The external debt burden of the developing countries has come to stay as a generalised crisis of the world economy negating all hopes of solution and relief. Although the political and social consequences have been highlighted by the international community with a view to enhancing the cooperation of the parties concerned, somehow the legal aspect of international borrowing has not been a topical one. However, the events that led to the crisis in 1982 and its aftermath have raised several cardinal questions relating to the rights and duties of the lenders and borrowers. After all, it should be kept in mind that the entire borrowing and its consequences in any given transaction depends upon the loan agreement/documentation that the parties would inevitably enter into.

The terms and conditions of a loan agreement depend upon the nature of the loan and the parties thereto. Historically speaking, the international lending was initially *bilateral* between sovereign nations and it was only from the beginning of the Twentieth century that the *multilateral* form of lending came into existence. Accordingly these transactions were governed by public international law from time to time. What is to be noted, however, in the context of the present crisis, is the radical shift in the source of lending during the seventies. By the end of the last decade the commercial market (i.e. private banks of the West) emerged as the main source of financing, thereby replacing the traditional bilateral and multilateral sources. The credit needy developing countries and the commercial banks thus entered

into a territory hiterto unknown to them. The agreements that sought to regulate the transactions were seemingly the result of immediate and short-time needs of both parties as well as based on narrow legal concepts and even without knowing whether some of them were enforceable. Although the consequences of such illconceived provisions of a loan agreement came to be realised only after 1982, the lenders in an endeavour to strengthen the protection of their interests tended right from the beginning to cast their legal net far and wide to include every conceivable situation. The result was to have over-complicated and untested loan agreements without proper guidelines and applicable law etc.

After the Mexican crisis in 1982 the loan agreements at least in some cases have been sought to be enforced, sometime, through a creditors suit. But the same has run into trouble due to the lack of clarity of the legal regime to be applied to the settlement of disputes. Whereas the loans and financial transactions between sovereign nations, as well as between international organizations and nations are goverened by adequately well developed legal regime within the Public International Law. For instance, the loan agreements between sovereign nations become treaties once they are registered with United Nations under the UN Charter. Hence they would be governed by the Law of Treaty, more particularly the Vienna Convention on the Law of Treaties 1969. The Vienna Convention could be applied in the event of a dispute between the parties to a loan agreement under Public International Law. Moreover, there are adequate case laws, precedents relating to international public debts.

The scene relating to commercial loan agreement is altogether different. The agreements in this regard bristle with legal difficulties to overcome the sudden and sometime chaotic practice that were the highlights of commercial markets but the same were sought to be included in the agreement at the behest of lenders.

An international agreement in this regard could not evade the competing economic and financial laws of various countries since banks from various countries join together to advance a loan. Hence the agreements have to take into consideration the laws relating to mercantile and commercial matters, regulation and control of banking, lending and investment, exchange controls, securities regulations, taxation, monopolies and trade practice, trusts and other such legislations. It is only under such complicated and unknown surroundings that a borrower from developing countries sets his signature to the agreement leaving the destiny of the agreement and its conditionalities to the future.

The legal problems are so vast and unexplored that they are described as terrifying. That explains why the expertise in this subject is the *closed preserve* of a chosen few and the field of international financial law is called *"an exotic and esoteric field"*.[1] However, the pitfalls and impediments are too many from the point of view of the borrowers and of late the lenders too, and there should be an effort to unravel this unexplored field of law with a view to subjecting the same into a well developed, harmonious legal regime for the betterment of the parties. It is with this perspective that an overview of the legal aspects relating to *International Loan Agreements* is presented in the following pages.

II. International Loan Agreements

A. Some Critical Issues in Negotiating Loan agreements

At the outset, loan negotiation is the process of reaching agreement on the terms that will govern the relationship between the lender or lenders, and the borrower during the life of a loan. Partly it entails solving problems of common interest, but to a large extent it serves to resolve problems of opposing interests.[2] Although in a loan agreement, both the lenders and borrowers have their exclusive interests to be safeguarded, it does not preclude them from negotiating the various clauses to their mutual benefit. In fact, all clauses in a loan agreement are negotiable, at least all clauses which are important to the borrowers' position *vis-a-vis* its lenders.[3]

However, it should be noted that the stronger the borrowers' economic, political and market situation the better the negotiating capacity and its chances of obtaining a fair, equitable and balanced loan agreement.[4]

---

1. K. Venkatachari, "The Eurocurrency Loan : Role and Content of the Contract", in Lars Kalderen and Qamar S. Siddiqi (ed) *Sovereign Borrowers : Guidelines on Legal Negotiations with Commercial Lenders* Butterworths, 1984 at p. 74
2. Lars. Kalderen, *"Negotiating Strategies and the Role of the Lawyers"* in Lars Kalderen and Qamar S. Siddiqi (ed) *ibid.*, p. 27.
3. Jose Angel Gurria Trevino, "Negotiating with Transnational Banks : A Sovereign Borrowers' Perspective" in *Issues in Negotiating International Loan Agreements with Transnational Banks*, United Nations Centre on Transnational Corporations, United Nations, New York, 1983, pp. 33-42 at p. 38

There are certain realities that a borrower may not be able to wish them away so easily while negotiating a loan agreement. For instance, the concept of *'trade off'* is seen as central to the idea of negotiation and particularly during the negotiation of loan agreement.[5] *Trade-off* generally means that one can gain a point by sacrificing another and in the context of loan agreement there might be trade-offs. Such a strategy could be applied to both financial and non-financial terms of a contract. For instance, the concept is applicable to issues such as interest rate, method of repayment, default clause, applicable law, waiver of immunity etc. Thus it can be argued that the 'quality' of the loan agreement could affect, at least, marginally, the success of the loan and thereby the cost of the borrower.

It is a practice nowadays that the objective and prime concern of the lender has come to stay as the objective and prime concern of the loan agreement. This is being sought to be done in order to ensure that there shall be no problem of repayment of the loan or enforceability of the agreement. However, over anxiety to cover all possible situations that may exist or arise are deterimental to the borrower. Sometime, such conditions may backfire in as much as they are not enforceable. While the lenders' interests have to be safeguarded, it is equally important for both sides to think that the borrowers interest are no less important than the lenders.

Although each country has laws and regulations which will be brought to bear on the process of negotiating level clauses, a set of general rules must be applied, namely, all clauses will have to be negotiated fully; all implications studied at length; each condition explored in depth, every option must be discussed; and all texts must be self explanatory in order to avoid misunderstanding.[6]

In order to understand legal drafting of the terms and conditions of a loan agreement, it is essential to consider the principal aspects of a sovereign borrowing process. Lars Kalderen lists out four main aspects in this regard: business terms of the Loan; preparation of an information memorandum; preparation for and conduct of the negotiations and the legal work itself.[7]

---

4. *Ibid.*
5. Lars Kalderen *op. cit.* No. 5, p. 29.
6. Jose Angel Gurria - Trevino, op. cit. No.6. *ibid.*, p. 38.
7. Lars Kalderen, *op. cit.* No. 5, p. 30-31.

The *first aspect*, business terms of the loan would comprise maturity, rate of interest, amortisation, repayment etc. as well as the choice of bank or banks to lead manage the loan and handle its syndication, if any, and the compensation to be paid for their services. It is also necessary to choose an agent bank through which the borrower will maintain contact with the bank syndicate throughout the life of the loan. Choosing the lenders in the Eurodollar syndications is more challenging since there are only two options, namely the *'bidding system'* or *'confidence system'*. The bidding system is relatively simple and straight forward. On the contrary the *"confidence"* approach requires greater expertise and skill on the part of the borrower; but gives him a greater degree of control over the whole process of negotiations and the actual marketing of the operation. The approach requires selecting a single institution which the borrower trusts either on the basis of previous experience or as a logial conclusion after having discussed and sounded out the possible loan with a number of banks. The bank selected is granted a mandate to coordinate the formation of a leading syndicate. However, before granting a firm mandate, the borrower will need to employ some of its best financial experts and negotiations and will need a good information system to follow economic trends, market developments etc.

The *second aspect* relates to the preparation of information memorandum. This would require the borrower to place before the lender informations about the borrowing economy, particularly its economic policies and future financial needs. The memorandum will also describe such things as the financial system, the country's position in international trade, its financial position, its means of repaying the loan and the purpose for which the loan will be used. In fact the question of providing an information memorandum is generally dealt with in the section *"representations and warranties"* on the basis of which the loan is made.

The *third aspect* relates to the preparation for and conduct of the negotiations. In this regard it is expected of the official incharge of raising the loan to involve his treasury staff in the process. In other words, this aspect deals with the proper training of the officials of the borrower in relation to draw down of the loan, servicing it, and in restructuring of the loan etc.

The *fourth principal aspect* of a sovereign borrowing operation is the legal work itself. This primarily involves negotiating the documentation to be signed, although it also relates to the whole life

of the transaction after signing. The loan documentation will contain all the details about the terms and conditions of the loan.

B. Terms and Conditions of Public Loan Agreements

1. Bilateral/State Loan Agreements

One of the traditional sources of financial aid for developing countries has been the official aid provided by the Governments of the developed countries. This has been known as the official Development Assistance (ODA). The member countries of OECD have been providing the aid by way of loans through an establishment called Development Assistance Committee (DAC).[8] Each member has established a forum called Agency for International Development which would forward the loans to the borrower countries. Immediately after second World War and until recently the official aid has been the primary source of finance for developing countries. Although the official aid as a source has declined of late, there is still considerable importance attached to it. The basis of these loans was that the OECD member countries enjoyed in the world economy as a whole.

One of the noteworthy features of the ODA loans is the conspicuous departure by the aid giving country from existing market conditions in favour of the recipient country.[9] Various resolutions of the UNCTAD and recommendations of the Development Assistance Committee (DAC) has contributed to the acceptance by the officials donors to grant financial aid for development in the form of non-repayable grants ,or credits with "soft" conditions.[10] Such soft conditions would include long maturities, considerably beneficial grace period with less interest rates. However, the proportion of such credits with a grant element of at least 25% is constantly declining."[11]

8. Australia, Austria, Belgium, Canada, Denmark, Finland, France, Federal Republic of Germany, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, the United States, the Commission for European Communities.
9. See H J Hahn, "public Foreign Debts and International Law" in *Law and State* Vol. 33, pp. 7-26 at p. 9.
10. In calculating the proportion of such credits to the total amount of developmental aid, the DAC has defined the grant element as the difference between the agreed interests and income which the lender could have derived from an investment of the same amount in its domestic capital market, *ibid*.
11. In 1970 it accounted for 41% of the toal indebtedness of the developing countries, but only 25% in 1980. *ibid*.

It may be pointed out that the United Nations General Assembly had declared that during the Second and Third Development Decades the Official aid by the DAC countries would be not less than 0.7 per cent of their Gross National Product. However, only five countries[12] provided more than 0.7 of their GNP in assistance. Net disbursements of ODA from DAC countries remained at their 1983 level of 0.36% of their GNP. In 1984 the net disbursements amounted to $28.6 billion.[13]

On the other hand the OPEC countries provided $ 4.5 billion in net disbursements of ODA to developintg countries.[14] Despite certain problems such as stagnating income from petroleum, these countries could provide 0.86 per cent of their GNP which is far ahead of the DAC assistance. In particular, Saudi Arabia and Kuwait continued to provide a large portion of their income as ODA—3.3 per cent and 3.8 per cent respectively.[15]

Legal Aspects of ODA and other bilateral loan agreements

The bilateral loans between States whether by ODA or otherwise are governed by the rules of international law.[16] They are considered as treaties since States are subjects of international law and all written agreements are treaties.[17] Although the States are free to define the various forms of a loan agreement, the political economic imbalances may lead to problems relating to its interpretation. However, an agreement ought to be at least voidable if political coercion has been used against the entire people by threat of the use of force contrary to international law.[18] There are also problems in this regard, such as "*regime debts*" ("*odious debts*", "*dettes odienses*") These debts are considered to be improper and assumed to be contrary to the interests of the State or whole population.[19] There are instances

12. Denmark, France, the Netherland, Norway and Sweden.
13. See: *The World Bank Annual Report 1985*, p. 44.
14. For an account of OPEC Fund and its loans, see Supra.
15. *World Bank*, No. 17, p.44
16. All facets of law relating to treaties is now codified in the form of Vienna Convention on the Law of Treaties, 1969.
17. For an overview on this point see, Georges R. Delaume "Legal Aspects of International Lending and Economic Development", Oceana Publication 1967, pp. 97-102; Mann, "Reflections on a Commercial Law of Nations" B.Y. BIL 29 (1957) Delaume, The Proper Law of Loans concluded by International Persons". A restatement and AJIL 63 (1962), No. 13.
18. H.J.Hahn, *op. cit* No. 13, p.11
19. *Ibid*, p. 14.

in which a newly elected government could question the legality and property of a debt contracted by a former dictator and the consequences relating to such debts. The only area which seems to have been settled is the question of State succession to debts.[20] The clearest rule in this regard is that when the successor is a newly independent State, no State debt passes except by agreement.[21] Moreover any such agreement shall not infringe the principle of the permanent sovereignty of the people over its natural resources nor endanger the fundamental economic equilibrium of the new State.[22]

However, the changing eonomic circumstances relating to the debt obligations under a loan agreement may raise questions regarding the continued validity of such agreements.[23] The scene relating to debt crisis has fastly changed placing many a debtor country on the brink of economic disaster and thereby political chaos. Under such circumstances it is debatable whether a debtor nation could deny the obligations under the concept of *Rebus sic standibus*. Although the creditors would expectedly counter it under the concept of *pacta sunt survanda* the practicality of the implementaion of the loan agreement lies somewhere between these two contradictory concepts of *Treaty Law*. It may be observed in this regard that the concept of rebus sic standibus has been not in frequently resorted to by the developed nations on several occasions to repudiate impossible agreements.[24] Although the inability of a debtor to repay or service the loan according to terms of an agreement might pose serious legal questions as mentioned before, the creditor-debtor community has devised a novel method of rearranging the loan terms by what is known as resheduling. The economic purpose of rescheduling is to defer payments so that instalments and interest are paid at a later date.[25] These bilateral and multilateral reschedulings are carried out under the aegis of Paris Club. Under the Paris Club the Creditor governments of leading industrial States (DAC members) carry out the rescheduling of individual debtor countries. The nomenclature "Paris Club" has

20. The Vienna Convention on Succession of States in respect of State Property, Archives and Debts of July 7, 1983.
21. Article 38(1).
22. Article 38(2).
23.
24. For some important examples see Georgi Haraszti Some Fundamental Problems of the Law of Treaties, Akademiai Kiado, Budapest, 1973, pp. 331-361.
25. For a detailed account on rescheduling the institutions involved and the procedures adopted, See: Doc. No. AALCC/XXV/9 (1985), pp. 23-25 and Doc. No. AALCC/XXV/9/Part II (1986), pp. 29-34.

stuck because such rescheduling have been taking place since 1956 in Paris. Although there is no legally recognisable organization of legal rules, the Paris Club has evolved certain procedural principles in this regard. However, it may be pointed out that in relation to the process of rescheduling, there is a need to explore the normative contents of the rescheduling process. Such an exploration is essential in the light of two factors. Firstly, that rescheduling has become an accepted method of postponing the obligations instead of insisting on the repayment as and when it becomes due, secondly, whether there is an indirect recognition by the creditors of the concept *rebus sic standibus*. It is, therefore, quite pertinent to distil the normative content of rescheduling of public debts.

2. Multilateral Loans

(i) *The World Bank Loan*

General Aspects

The World Bank (International Bank for Reconstruction and Development) and its affiliates International Development Association (IDA) and International Financial Corporation (IFC) are together known as the "World Bank Group" [26] and form the biggest international source for multilateral transfer of resoures in the form of loans/credits to developing countries.

The basic objective of the World Bank (IBRD) would appear to be unclear even at its birth.[27] In its early operations the Bank confronted two important policy choices namely the question of how to distribute its financial sources between reconstruction of war torn Europe and development of third world; secondly how to define its own role as a developmental agency, a task which implied the formulation of a theory and strategy of "*what constitutes development*".[28]

26. The International Bank for reconstruction and Development was founded along with International Monetary Fund in 1945 as an outcome of what was historically known as Bretton Woods Conference, International Development Association (IDA) was founded in 1960 as a soft loan agency. Although it has a separate constitution and account it functions within the parameters laid down by the World Bank. The International Financial Corporation was established in 1956 with a view to encourage private capital in borrowing countries.
27. H.G. Petersmann, "The operations of World Bank and the Evolution of its Functions since Bretton Woods" (1944-84) in *The German Yearbook of International Law*, 1985, p. 18.
28. *Ibid*, p. 18.

The World Bank's emergence as the first agency for developmental aid, gave recourse to growth oriented development models based on the 19th century industrialisation experience of European States.[29] However, due to its existence for more than 40 years the World Bank seemingly has changed its concept of development. Starting from a simple growth oriented models of deveopment, Bank's concept of development has slowly extended to include, "*structural reforms*" both on international level and national level. In this regard, what is more important is that the World Bank have developed a good mass of "*institutional practice*" over a period of time reflecting the main changes in the World economy since World War II.[30]

Although the World Bank enjoys a near universality in membership and has extended its loan operation to all aspects of development in developing countries.[31] It has come to acquire a controversy relating to its very objectives. There are two major factors which have led to such a controversial image.

The voting system relating to the decision-making process within the World Bank is based on what is known as "*weighted voting*".[32] This "*weighted voting*" has brought more often disagreement than agreement among the members. The industralised countries command nearly 60 per cent of the votes which has brought several decisions that have not been in accordance with the perceptions of developing countries.[33] Concern has been expressed in many independent quarters regarding the weighted voting system that has slowly resulted in the demand that voting system should be restructured on an equitable basis.[34]

---

29. *Ibid*, p. 19.
30. *Ibid*, p. 8.
31. For instances according to Article III, the loans from World Bank are project based. It has advanced loans to projects relating to various fields such as industry, mining oil and gas, agricultue and rural development, water resources, forestry and tree farming and urban shelter projects.
32. See D.W. Bowett. *the Law of International Institutions* (London 1975 3rd Edition) p. 100.
33. For instance, the 20 percent votes of United States is called 'blocking minority'.
34. See Willy Brandt Commission on International Development Issues. *North South: A Programme for Survival* (Pan Books 1980) p. 250: Also paragraph 18, Manila Declaration and programme of Action, adopted by the Third Ministerial Meeting of the Group of 77 held at Manila from 26 January to 7 February 1976. See *Proceedings of the United Nations Conference on Trade and Development, Fourth Session, Vol. I* Report and Annexures p. 119, also see *Reshaping the International Order : A Report to the Club of Rome* (Hutchison, London 1977, p. 219, 2100: *Towards a new International Economic Order. Report by a Commonwealth Experts Group* (London 1975) p. 49. On the ideologial and political connotations of the World Bank operations See Eonomic Declaration by the Seventh Conferene of the Heads of State or Government of Non-Aligned Countries held at New Delhi, March 1983, p. 84.

Secondly, the conditionalities attached to World Bank Loan would seem to substantiate the view that the Bank has its own view of development regardless of what a recipient says about it. Of late, the conditionalities have come to be viewed as interfering into the sensitive area of sovereignty and domestic planning.[35]

For instance, over a period of time the conditions that are attached to loans have come to acquire a permanancy in its dealings. Some of the conditions are similar to those that one laid down by the International Monetary Fund while lending to its borrowers.[36]

However, it may be noted that World Bank's annual commitment of $14 billion is quite insignificant when compared to the requirements of development finance for developing countries. The factors such as restricted capital base, unrealistic capital lending ration, unutilised guarantee clauses, domination of western countries in framing the policies, unequal voting system, disturbing conditionalities have contributed, quite justifiably, that the World Bank should be restructured along with IMF to suit the needs of poor members in accordance with the principles of New International Economic Order.

The Legal Basis of World Bank Loan Agreements

The basic rules governing the Bank's loan and guarantee agreements are laid down in Articles III and IV of its Articles of Agreement. They are supplemented by the "*General Conditions Applicable to Loan and Guarantee Agreements*".[37] Under these rules the Bank may "make loans or guarantees to any member or any political sub-division thereof and any business, industrial and agricultural enterprise in the territories of a member.[38] However, the Bank due to its long existence and varied experience has developed certain "*guidelines*" which are used in the Articles of Agreement. The most important of these are the "Guidelines for the withdrawal of Proceeds of IBRD Loans and IDA Credits.[39] the "Guidelines for Procurement under World Bank Loans and IDA Credits",[40] and the "Guidelines for the Use of Consultants

---

35.
36. For an account on the nature of IMF's conditionalities See: Doc. No. AALCC/XXV/9, p. 12-13.
37. The Bank's "General Conditions Applicable to Loan and Guarantee Agreements were last reissued on October 27, 1980.
38. See Article III sec 4.
39. Edited by the World Bank in October 1974.
40. Edited by the World Bank in March 1977.