

Most World Bank loans are made to finance infrastructure projects (roads, rails, ports and electricity generation and transmission) which provide the framework basic to a country's economy but which generally do not attract private investors. Increasingly, however, the Bank has been giving more emphasis to other sectors such as agriculture, rural development, telecommunications, education, water supply and sewage.

Canada's subscription to the World Bank is the equivalent of \$1,022.5 million in current US dollars out of a total for all countries of US\$30,821 million. Only 10% of each subscription is paid in, however, with the balance remaining as a guarantee against which the Bank is able to sell its own bonds in world capital markets. Thus Canada's paid-in subscription is US\$102.2 million. Over the years, the IBRD has placed nine bond issues in the Canadian private sector capital market, totalling \$212 million, of which approximately \$152 million is still outstanding. No issues were marketed in Canada in 1974.

The Bank of Canada purchases portions of the two-year dollar bond issues which the IBRD has been offering for a number of years to central bank and other governmental agencies. Two such issues were offered in 1974 (at interest rates of 6.9% and 9.0%, respectively) with the Bank of Canada purchasing \$25.0 million at the 6.9% rate, and \$8.0 million at the 9.0% rate. Canada now holds \$58 million of the Bank's two year issue bonds.

The International Development Association (IDA) was established as an affiliate of the IBRD in 1960. Its resources come mainly from governments in the form of interest-free advances, enabling it to make loans on very soft terms (0% and 50 years repayment). IDA lends to its member countries whose per capita income is less than \$375 a year; by June 30, 1974, IDA had made loans of US\$1,095 million to 63 of its 114 member countries.

Since IDA cannot borrow from world capital markets, its resources must be replenished by its member countries every several years. The Fourth Replenishment of IDA's resources, which will provide \$4.5 billion over four years, came into effect on January 17, 1975, by which date final notifications to contribute a total of \$3.5 billion had been received from member countries. Canada's share of the Fourth Replenishment will be \$276 million in Canadian dollars, to be paid in over four years. To permit the Association to continue giving development credits in the period between the exhaustion in July 1974 of the Third Replenishment resources available for commitment and the commencement of the Fourth Replenishment, certain donor countries gave IDA permission to make commitments against their first, and in some cases their second, annual instalments of their contributions. Canada provided advance commitment authority against its first two instalments and also paid in its first instalment in advance of the official commencement of the Replenishment.

The International Finance Corporation (IFC) was established in 1956 as an affiliate of the IBRD to assist less-developed member countries to promote the growth of the private sector of their economies. IFC's principal aims are to provide risk capital for productive private enterprises in association with private investors and management; to encourage the development of local capital markets; and to stimulate the international flow of private capital. IFC makes investments in the form of share subscriptions and long-term loans, carries out stand-by and underwriting arrangements and provides financial and technical assistance to privately controlled development finance companies. Of IFC's total subscribed capital of US\$107 million, Canada provided US\$3.6 million. In addition to its subscribed capital, IFC is able to finance its activities through loans from its parent institution, the World Bank. Total investments and underwriting commitments by IFC to December 31, 1974 amounted to US\$1,135.5 million. Commitments made during 1974 were US\$257 million.

The International Atomic Energy Agency (IAEA) was created in 1957 as an autonomous international organization under the aegis of the UN which has empowered it to try to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity throughout the world. At the end of 1974, membership consisted of 105 states. Because Canada has been designated as one of the members most advanced in nuclear technology,