

Mr. BLACK. For the record, I did not say definitely that Canada will. I think that they will. We have had indications that they will.

Mr. REES. Do you have any other indications?

Mr. BLACK. I would be very glad to go on record before this committee that if the U.S. Government approves this \$200 million, that I think there would be no difficulty in getting this money more than matched by other countries.

Now, that is all I can say. I mean, there has not been a determined effort to do that because it is very difficult to do unless you know what the United States is going to do. But I feel very confident that can be done.

Mr. REES. Would the regional countries give their contributions in their own currency or in dollar equivalent?

Mr. BLACK. I would think it would be in their own convertible currency, and I would imagine that they would have the same conditions that we do, that it would be tied money. But I would think it is convertible money. It does not make any difference whether it is dollars or not.

Mr. REES. Concerning tied money—let's assume you were having a meeting of the Bank Board and you were discussing a project in Indonesia and the Dutch have expressed interest in Indonesia as they are certainly familiar with the country. Could they raise their hand and say, "We will commit out of our soft window contributions so many million dollars for this project"?

Mr. BLACK. I think that this is a problem that the Bank will have to work out. When you raise the fund in the neighborhood of \$400 million and the contributors all demand that their contribution is tied, you have to match this up with the project that comes along.

In other words, as Mr. Widnall was talking about, it may be that you have a project in the Mekong River and the United States might put up more than half of the money because this would be a chance to use U.S. goods and services, so that the Bank just has to work that out. That is too bad, that the money is tied, because if you didn't have it tied, you could have competitive proposals which would be a saving of money to the Bank, but if we are going to tie our money, other countries will unquestionably tie theirs, and we are going to have to work it out the best we can.

Mr. REES. What portion of the \$400 million soft-window money will be used for grants and what portion will be used strictly for loans?

Mr. BLACK. Well, in the first place, it is not certain that all of this money will be soft-loan money. The bulk of it will probably be soft-loan money, and I do not want to be misleading to say that it will not.

But there is a possibility you might use some of this on a hard-loan basis, depending on the country that is using the money.

What was the last part of your question?

Mr. REES. What percentage would be in actual grant for technical services?

Mr. BLACK. I think that there would be no grant money at all for capital projects. This would all be loan money.

As I said in my statement, that there may be cases in technical assistance, small amounts of money that may be on a grant basis, there would be no grant economic development money. This would be on a loan basis.