

ing in Manila, and the Bank's own positive reaction to such a Fund, potential donor countries can now respond to your initiative on a matter of such vital importance to the well-being of Asia. We recognize that the response will be voluntary and will require time for appropriate executive and legislative action in donor countries.

In the discussion on this subject, the Board of Directors of the Bank felt that it would be undesirable to restrict the Bank's use of such Special Funds to certain members. The Bank recognizes the urgency of the problems of agricultural development in your countries. It will also necessarily take into account views of any donor country with respect to special emphasis.

We would certainly hope that both you and the donor countries will assist the Bank in the arduous task of making the best use of the Special Funds. Our own staff has been kept deliberately small. We will need to make use of your experts in completing the studies required before disbursing these funds. We are now proceeding to establish a small panel of experts from both the recipient and potential donor countries to meet with us periodically to advise on Special Fund programs for agriculture.

At this time it would be premature to go into detail about any funds, or the Bank's program for using the funds. The Board has already begun to examine the framework for Bank policy with respect to the complex questions associated with the shape and conditions of any funds that may be offered, as well as the possible uses of funds. On the basis of this work already underway and studies that will be shortly begun, I hope to be able to provide all our members with a better idea of possible programs and to ask prospective donors for contributions.

At this time, I conceive that Special Funds will provide loans on concessional terms, as well as some grants, particularly to meet the great demands for technical assistance to agriculture. This technical assistance might be in such areas as promoting research, in training extension workers and educating farmers to use improvements, in carrying out project feasibility studies, and in many other fields. I would only want to re-emphasize here what I have already said and what I am sure you will support: namely that the "softness" of this Special Fund be in the financial terms of assistance, and not in the rigour of the evaluation of the project or the conditions necessary to use the assistance effectively. It is also clear that the assistance cannot be in substitution of what can, and must, be done in your own countries by way of self help.

I am happy to have been able to announce to you the important decision of our Board with respect to the Special Agricultural