

OTHER CONSTRAINTS TO INCREASED IBRD LENDING --

SOME IMPOSED BY US, SOME BY OUR BORROWERS

1. Some borrowers have chosen not to borrow. They simply have too much debt and cannot service it. Some are cancelling loans.
2. Some borrowers find bilateral loans less costly -- particularly if subsidized to facilitate exports of bilateral lenders. Others have private market access at favorable terms.
3. Some are not creditworthy for Bank loans. The Bank cannot lend to countries who are not creditworthy. And IDA funds are limited.
4. Some have no plans for development. We will not lend if there are no development plans.
5. Others cannot supply the local cost component of a loan. We should not take over projects where they have no financial commitment and no external sources except ours.
6. Some cannot meet conditions imposed or the structural charges required -- either because it is politically too difficult or

they do not have the administrative and managerial control to carry them out.