

SPEECH BY DR. JAGAN TO THE LEGISLATIVE COUNCIL

Honourable Members,

I should like to take this opportunity of informing Council of certain details of a Loan Agreement which I signed on behalf of the Government of British Guiana on 23rd June last with the International Bank for Reconstruction and Development.

The Agreement provides for a loan by the World Bank to British Guiana of an amount in various currencies equivalent to \$1,250,000 U.S. which is equal, at the current rate of exchange, to about \$2,125,000 B.W.I. The loan is guaranteed by the U.K. Government and it is repayable with interest at $5\frac{3}{4}\%$ over a period of just over 8 years - in half yearly instalments - the first instalment falling due on November 1, 1963. The proceeds of the loan are to be used exclusively to augment the funds available to the British Guiana Credit Corporation for the mechanization of agriculture, land improvement, improvement of poultry raising and animal husbandry, processing of and storage facilities for rice and other agricultural products, logging and saw-milling, water transport for agricultural and forestry products and improvement of marine and river fishing.

Members will be pleased, I am sure, to hear that two private banks in the U.S.A. have participated, without any further guarantees, in the loan to the extent of \$1 Mn. U.S. - an indication of the trust and confidence which the business world has in the economic future of British Guiana - a country on the threshold of internal self-Government and soon, I hope, to become fully independent.
