

Advanced World Bank Rules and Procedures

In this committee, delegates will address and debate loan proposals in their speeches and comments. Thus, instead of writing position papers or dockets, delegates will construct and submit their own loan proposals before the meeting of committee. Proposals should be made out to either the International Development Agency (IDA) or the International Bank for Reconstruction and Development (IBRD) and should be written from the perspective of the country that the delegate will be representing. It may be written from the perspective of another nation given that the proposing country has good relations with them. We have included a sample loan proposal at the end of this document to assist delegates in their preparation.

At the start of the first session, the presentation order of loan proposals will be established much like a speakers list is established in other committees. Then, the proposals will be discussed one at a time with a maximum time of 10 minutes for both presentation and question answering, but this time may be changed at the discretion of the committee. Next, the committee chooses to proceed with one of three possible actions: First, the loan can be *tabled*, meaning the committee moves on the next loan without discussion of the previous. Tabling a loan requires speakers for and against and must be voted upon. Second, the loan can be *amended* through subsequent debate, and amendments would be presented in formal caucus followed by voting bloc. The chair highly smiles upon this option. Third, the loan can be *passed* as it currently stands, and this requires speakers for and against and must be voted upon. Voting on loan proposals will follow legitimate voting powers currently practiced in the World Bank, which will be addressed in committee. This does not apply, however, to procedural motions,

which require a $\frac{2}{3}$ simple majority. Finally, after a loan has passed, we will cycle through the list of present nations to collect donations for the loan. If the gathered donations do not meet the financial demands of the proposal, the loan is tabled. Delegates are also permitted to independently fund a loan so long as they have sufficient shares.

Sample Loan Proposal

Country: The Federative Republic of Brazil

Delegate: John Doe

Description: Infrastructure Improvement Plan

TOTAL AMOUNT OF LOAN FROM WORLD BANK: \$50,000,000

TOTAL AMOUNT OF LOAN: \$70,000,000

Type of loan: International Development Association (IDA) grant/loan

I. COUNTRY BACKGROUND

Brazil is located in South America and bordered by Bolivia, Paraguay, Uruguay, Peru, Colombia, Venezuela, Guyana, and French Guiana. With a population of 205,823,665, it is one of the most populous countries in South America. In the late 20th century, Brazil was seen as a strong, stable contributor to the global economy, after being able to solve a great period of financial instability.

This image of stability led to Brazil becoming the chosen location for the 2014 FIFA World Cup and the 2016 Summer Olympics. Since then, however, Brazil has been facing economic and political decline, leading to a decrease in the infrastructure currently in place. This economic decline also led to inflation and unemployment. In 2016, former President of Brazil, Dilma Rousseff was impeached, and President Michel Temer currently serves.

II. PROJECT OBJECTIVES

The three objectives of the Project are to (i) improve the current systems of transportation in Brazil, (ii) improve housing and energy, (iii) improve telecommunications

There are three different aspects of the plan that will be addressed:

- Transportation: \$5 million will be covering the improvement and efficiency of the transportation systems currently in place in Brazil. This will include the building of new systems, and the reduction in cost for existing systems, such as roads and highways.
- Housing and Energy: \$30 million will go towards improving the housing and energy sector of Brazil's infrastructure.
- Telecommunications: \$10 million will be for increasing the efficiency and accessibility of communications in Brazil. It will also cover the reduction of costs as well as the creation of new systems.

III. CREDIBILITY/RATIONALE

Currently, Brazil stands as a nation that has not yet become developed. While it remains with the title "developing," it becomes difficult for the nation to gain stability and strength in the international community. With the small steps of improving infrastructure, Brazil can start to move toward increasing to a developed nation.

IV. CO-FINANCING

International Development Agency (World Bank- IDA): \$50,000,000

International Bank for Reconstruction and Development: \$20,000,000

Government of Brazil: \$10,000,000

TOTAL: \$70,000,000 USD

V. ALLOCATION OF FUNDS

Railway/Highway Services: \$10,000,000

Road Services: \$15,000,000

Telecommunications Services: \$5,000,000

Housing Services: \$5,000,000

Energy Services: \$5,000,000

Labor Salaries: \$15,000,000

Additional Research into Infrastructure Plans: \$5,000,000

Contingency Funds: \$10,000,000

TOTAL: \$70,000,000 USD

VI. MATURITY:

Interest Rate: 0.70%

Grace Period: 7 years

Payback Period: 15 years