



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

INTERNATIONAL DIVISION

B-161470



LM106860

The Honorable Peter V. Domenici
United States Senate

Dear Senator Domenici:

Your letter of April 17, 1978, requested us to provide you with information about U.S. financial assistance for developing foreign mineral projects. Your letter specifically requested information on loans and grants made over the last 5 years through multilateral and bilateral lending institutions in which the United States is a major contributor. We compiled this information for the period covering 1973 through 1977 from unverified published annual reports of the various international development lending institutions and from interviews with agency officials. These institutions and agencies included the World Bank Group, the Inter-American Development Bank, the Asian Development Bank, the Overseas Private Investment Corporation, the Agency for International Development, and the Peace Corps.

Five percent (\$1.7 billion) of total multilateral international development institutional loans were committed to foreign mineral projects. A total of 59 loans was authorized; 23 were for steel projects and the rest for copper, nickel, aluminum, and other mineral projects.

Foreign mineral assistance appears to be a low priority in U.S. bilateral programs because of the U.S. philosophy of supporting projects that directly assist the poorest majority of people in less-developed countries.

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Among the U.S. bilateral assistance agencies, the Overseas Private Investment Corporation was the largest supporter of foreign mineral projects during 1973-77. Other U.S. bilateral institutions, such as the Agency for International Development and the Peace Corps, have not been very active in providing financial assistance to these projects. Details of our review are contained in appendix I.

We intend to make this report available publicly 30 days after issuance, unless you publicize its contents before then.

Sincerely yours,

C. D. Hylander
J. K. Fasick
Director

BLANK

MULTILATERAL AND BILATERAL ASSISTANCE
FOR DEVELOPING FOREIGN MINERAL PROJECTS

BACKGROUND

The purpose of international development institutional assistance is to serve as a vehicle for resource transfers to achieve specific development objectives in less-developed countries. Because U.S. development policy is strongly committed to channeling aid directly to the poorest majority of people in less-developed countries, the United States, in recent years, has encouraged international development institutions to place greater emphasis on lending in sectors that directly benefit the neediest people in these countries. The largest share of such assistance went to agriculture, industry, irrigation, and transportation during 1973-77.

U.S. influence in the international development institutions is predominantly measured by how much funding the United States provides to these institutions. As the National Advisory Council on International Monetary and Financial Policies concluded:

"U.S. funding decisions must provide for support which does not fall below levels at which U.S. influence would not be adequate to defend or promote our interests or where the multilateral structure * * * would be weakened."

On this basis, U.S. influence in the international development institutions is strong because it is the largest single donor country and has the largest voting power. Tables 1 and 2 show U.S. subscriptions and voting power for the World Bank Group and financial support to the Inter-American Development Bank (IDB), respectively.

Table 1U.S. Subscriptions and Voting Power
in World Bank Group as of June 30, 1977

<u>Institution</u>	<u>Sub- scriptions</u>	<u>Percent of total subscriptions</u>	<u>Percent of total voting power</u>
	(millions)		
International Bank for Reconstruction and Development	\$7,808.7	25.3	22.6
International Devel- opment Association	3,999.9	37.3	23.2
International Finance Corporation	35.2	32.5	26.3

Table 2U.S. Financial Support to the
Inter-American Development Bank
as of December 31, 1976

<u>Bank fund</u>	<u>Total support</u>	<u>U.S. support</u>	<u>Percent of total</u>
	----- (millions) -----		
Ordinary capital	\$1,041	\$ 362	35
Inter-regional capital	85	20	24
Fund for Special Operations	4,463	3,040	68
Social Progress Trust Fund	525	525	100
Other funds	<u>654</u>	<u>0</u>	0
Total	<u>\$6,768</u>	<u>\$3,947</u>	58

For the Asian Development Bank (ADB), the United States held 9 percent of the total subscriptions and 7 percent of total voting power as of January 1, 1978--the largest share of all nonregional members of ADB.

OVERALL INTERNATIONAL DEVELOPMENT INSTITUTIONAL ASSISTANCE TO FOREIGN MINERAL PROJECTS

As table 3 shows, the International Finance Corporation (IFC) was the largest contributor to foreign mineral projects, committing 34 percent of its total loans and investments to that sector. IDB was the next largest contributor, with 6 percent of its total loans committed to mineral development in less-developed countries.

Table 3

International Development Institution Loans to Mineral Projects, 1973-77

	<u>Total loans</u>	<u>Loans for minerals</u>	<u>Percent of total</u>
International Bank for Reconstruction and Development	\$20,325.4	\$ 898.5	4
International Development Association	6,991.2	27.2	1
International Finance Corporation	1,013.2	344.5	34
Inter-American Development Bank	6,707.0	415.7	6
Asian Development Bank	<u>2,405.4</u>	<u>26.0</u>	1
Total	<u>\$37,442.2</u>	<u>\$1,711.9</u>	5

Overall, mineral loans fluctuated from a low of 2 percent in 1973 to a high of 7 percent in 1975. In 1976 and 1977, however, loan activity dropped to 3 percent and 5 percent, respectively. Consequently, this sharp rise and drop in total mineral loan assistance was also reflected in the pattern of mineral loan activity of each institution. (See table 4.) For example, IFC--the largest contributor to foreign mineral projects--committed 28 percent of total

Table 4

Individual International Development Institutional
Lending to Mineral Projects, 1973-77
(millions of dollars)

<u>Institution</u>	<u>1973</u>		<u>1974</u>		<u>1975</u>		<u>1976</u>		<u>1977</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
International Bank for Reconstruc- tion and Devel- opment	\$30.0	1	\$170.7	5	\$318.3	7	\$218.0	4	\$161.5	3
International Development Association	.0	0	11.2	1	.0	0	.0	0	16.0	1
International Finance Corporation	40.6	28	99.4	49	63.0	30	92.0	37	49.5	19
Inter-American Development Bank	6.0	1	58.4	5	158.0	11	.0	0	193.3	11
Asian Devel- opment Bank	<u>.0</u>	0	<u>.0</u>	0	<u>26.0</u>	4	<u>.0</u>	0	<u>(a)</u>	
Total	<u>\$76.5</u>	2	<u>\$339.7</u>	5	<u>\$565.3</u>	7	<u>\$310.0</u>	3	<u>\$420.3</u>	5

^aFigures not yet available.

loans to mineral development in 1973 and 49 percent in 1974. However, unlike the pattern of other institutions' mineral loans, IFC's loans dropped to 30 percent in 1975, rose to 37 percent in 1976, and declined to a low of 19 percent in 1977.

A total of 59 international development institutional loans was authorized for foreign mineral development during 1973-77, as shown in table 5. As previously noted, 23 out of 59 loans for minerals were disbursed for steel projects; the remainder included 10 copper, 3 nickel, 1 zinc, and 2 aluminum loans. IFC was the leading contributor, with 22 loans (13 of which were for steel projects), and the International Bank for Reconstruction and Development (IBRD) was the second largest contributor, with 21 loans.

Table 5

Number of Mineral Loan
Projects by Institution, 1973-77

World Bank Group:	
International Bank for Reconstruction and Development	21
International Development Association	3
International Finance Corporation	22
Inter-American Development Bank	10
Asian Development Bank	<u>3</u>
Total	<u>59</u>

However, some mining projects of IBRD had no specific mineral identified. This bank financed eight mining projects classified under "Development Finance Corporation," "Intermediate Credit Institution," and "Technical Assistance." Under Development Finance Corporation and Intermediate Credit Institution classifications, loans were made to assist not only mining projects, but also small- and medium-sized industrial, manufacturing, and agricultural projects. The loans for mining projects were only a small part of a larger loan package to the recipient country. These types of loans are known as "two-step" loans; loan proceeds are reloaned by the government recipient to national development banks which, in turn, make subloans to finance projects, or direct imports of equipment or commodities for projects.

Despite the variability of institutional loans for foreign mineral projects, the distribution of total loans committed to minerals is small when compared with loans focused on such sectors as agriculture, power, transportation, and industry, as set forth in tables 6, 7, and 8.

Table 6

International Bank for Reconstruction and Development
and International Development Association--
Loans by Sector, 1973-77

	<u>Amount</u>	<u>Percent</u>
	(millions)	of total
Agriculture	\$ 7,686.6	28
Development Finance Corporations	2,676.5	10
Education	1,262.9	5
Electric power	3,495.4	13
Industry	2,619.1	9
Transportation	5,046.6	18
Other (note a)	<u>4,529.5</u>	<u>17</u>
	<u>\$27,316.6</u>	<u>100</u>

^aIncludes nonproject, population planning, technical assistance, telecommunications, tourism, transportation, urbanization, water supply and sewage, and maintenance imports.

Table 7Inter-American Development Bank
Loans by Sector, 1973-77

	<u>Amount</u>	<u>Percent</u> <u>of total</u>
	(millions)	
Agriculture	\$1,531	23
Industry and mining	1,206	18
Electric power	1,540	23
Transportation and communications	1,026	15
Sanitation	624	9
Other (note a)	<u>780</u>	<u>12</u>
Total	<u>\$6,707</u>	<u>100</u>

^aIncludes urban development, education, preinvestment, export financing, and tourism.

Table 8International Finance Corporation
Loans by Sector, 1973-77

	<u>Amount</u>	<u>Percent</u> <u>of total</u>
	(millions)	
Mining	\$ 105.5	10
Development Finance Corporations	137.8	14
Construction	92.8	9
Iron and steel	218.0	22
Manufacturing	85.8	8
Textiles	135.3	13
Other (note a)	<u>238.0</u>	<u>23</u>
Total	<u>\$1,013.2</u>	<u>99</u>

^aIncludes tourism, pulp and paper products, motor vehicles, chemicals, money and capital markets, food, machinery, and fertilizers.

Again, IFC was the exception, since its loans remained concentrated in foreign mineral development. During 1973-77, 22 percent of total loans was authorized for iron and steel projects, 14 percent for development finance corporations, and 10 percent for mining. Yet, when IFC's mineral loans are viewed within the context of overall international development institutional mineral loan assistance, IFC did not have a significant impact on overall assistance. (See table 3.)

International development institutional mineral loan activity is also small when compared with U.S. capital investment in the domestic mining industry. For 1973-77, as table 9 shows, institutional loan commitments to foreign mineral projects totaled approximately \$1.7 billion, while U.S. mining plant and equipment expenditures totaled \$18.1 billion.

Table 9

Comparison of Institutional Loans to
Mineral Projects with U.S. Capital
Investment for Domestic Mining, 1973-77

<u>Year</u>	<u>Lending institution loans for minerals</u> (millions)	<u>U.S. mining and plant expenditures</u> (billions)
1973	\$ 76.6	\$ 2.74
1974	339.7	3.18
1975	565.3	3.79
1976	310.0	4.00
1977	<u>420.3</u>	<u>4.44</u>
Total	<u>\$1,711.9</u>	<u>\$18.15</u>

The following sections summarize the mineral loans of each international development lending institution.

International Bank for
Reconstruction and Development

During 1973-77, IBRD--the largest institution of the World Bank Group--accounted for approximately 52 percent of total international development institutional lending. IBRD

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functions as a financial intermediary between the world's capital markets and the relatively more advanced developing countries. During 1973-77, it authorized \$898.5 million for mineral development, about half of that amount for Latin American countries. A total of 21 loans were authorized for foreign mineral development: 5 were for copper projects; 5 for iron and steel projects; 2 for phosphate fertilizer; 8 for development finance corporations, intermediate credit institutions, and technical assistance; and 1 for a non-project loan. (See table 10.)

Table 10

International Bank for Reconstruction
and Development Loan Assistance for
Mineral Projects, 1973-77

<u>Year</u>	<u>Country</u>	<u>Project title</u>	<u>Commodity</u>	<u>Amount</u>
				(millions)
1973	Zambia	Program loan	Copper	\$ 30.0
1974	Botswana	Mining	Copper, nickel	5.5
	Chile	Technical as- sistance	Mining and metallurgy	5.2
	Mexico	Mining and manu- facturing	Iron and steel	70.0
	Philippines	Intermediate credit institution	Mining	50.0
	Turkey	Intermediate credit institution	Nonfuel mining	<u>40.0</u>
	Total			<u>170.7</u>
1975	Brazil	Manufacturing	Iron and steel	95.0
	Philippines	Intermediate credit institution	Mining	30.0
	Romania	Manufacturing	Steel	70.0
	Tunisia	Mining	Phosphate rock	23.3
	Zaire	Mining	Copper and cobalt	<u>100.0</u>
	Total			<u>318.3</u>
1976	Bolivia	Development fin- ance company	Tin mining	10.0
	Brazil	Industry	Steel	60.0
	Chile	Industry	Copper	33.0
	Peru	Industry	Copper	40.0
	Philippines	Development fin- ance company	Mining	<u>75.0</u>
	Total			<u>218.0</u>
1977	Bolivia	Development fin- ance company	Mining	12.0
	Egypt	Industry	Iron and steel	2.5
	Peru	Development fin- ance company	Minerals	35.0
	Zambia	Nonproject	Mining	30.0
	Brazil	Industry	Phosphate fertilizer	<u>82.0</u>
	Total			<u>161.5</u>
	TOTAL			<u>\$898.5</u>

The loans for copper, iron, and steel projects generally were to help recipient countries finance part of the foreign exchange costs of replacing obsolete equipment or facilities and to expand production. Copper loans totaled \$208.5 million, or approximately 23 percent of total IBRD loans for mineral development; iron and steel loans totaled \$297.5 million, or 33 percent; and development finance corporation, intermediate credit institution, and technical assistance loans totaled \$257.2 million, or 29 percent.

Development finance corporation and intermediate credit institution loans included not only mining projects, but also small- and medium-sized industrial, manufacturing, and agricultural projects. Such loans are important mechanisms for channeling resources to local businesses. IBRD assistance to the private sector, therefore, is carried out mainly through lending to these institutions which, in turn, relend to small- and medium-sized borrowers in the private sector. The subloans disbursed by the national development banks help to finance imports for subprojects in the various sectors.

IBRD mineral loans entitled "program" loans or "non-project" loans, although identifying specific minerals, are not specifically directed at mineral projects. One purpose of such loans is to provide foreign exchange for essential imports for the private and public sectors. However, unlike development finance corporation or intermediate credit institution loans, proceeds of the loans are not reloaned by national development banks for subprojects but are used directly by the government recipients. In 1973 and 1977, for example, IBRD respectively authorized program and nonproject loans of \$30 million to Zambia. These loans provided foreign exchange for essential imports of capital and intermediate goods; and the government spent domestic funds generated by the imports on education, health, industry, mining, and other sectors. Part of the loan helped Zambia to divert potential government revenue to the expansion of copper production.

International Development Association

The International Development Association (IDA), the soft loan affiliate of the World Bank, lends only to the poorest countries and thus fills a particularly important place in the development process. However, during 1973-77, IDA authorized only three loans, amounting to \$27.2 million, as shown in table 11.

Table 11

International Development Association
Loan Assistance for Mineral Projects,
1973-77

<u>Year</u>	<u>Country</u>	<u>Project title</u>	<u>Commodity</u>	<u>Amount</u>
				(millions)
1974	Bolivia	Mining	Tin, anti- mony, and tungsten	\$ 6.2
	Indonesia	Technical assistance	Mining investment	<u>5.0</u>
	Total			<u>11.2</u>
1977	Burma	Industry	Tin and tungsten	<u>16.0</u>
TOTAL				<u>\$27.2</u>

International Finance Corporation

IFC, the smallest member of the World Bank Group, plays a unique role in stimulating the private sector and facilitating the role of private enterprise in the development process. IFC investments consist of loans and equity subscriptions; private interests become involved in IFC financing through either equity participation or loans. During 1973-77, as shown in table 12, 22 investments totaling \$344.5 million were authorized for mineral development, and 62 percent of that total went to Latin American countries.

Steel projects comprised 13 of the 22 investments and accounted for \$217.8 million, or 63 percent, of total IFC mineral investments. As with IBRD steel loans, the purpose of IFC steel investments is to help recipient countries increase production capacity so as to meet higher demand for steel as well as to provide employment for workers.

Table 12

International Finance Corporation
Loan Assistance for Mineral Projects, 1973-77

<u>Fiscal year</u>	<u>Country</u>	<u>Project title</u>	<u>Commodity</u>	Amount (loan and equity) (millions)
1973	Brazil	Mining and refining	Nickel	\$ 30.4
	Brazil	Steel	Steel	9.0
	Nigeria	Aluminum	Aluminum	1.2
	Total			40.6
1974	Brazil	Steel	Steel	64.5
	Guatemala	Mining	Nickel	15.0
	Iran	Steel	Steel	3.9
	Turkey	Steel	Steel	4.0
	Yugoslavia	Steel	Steel	10.0
	Philippines	Steel	Ferro alloy steel	2.0
	Total			99.4
1975	Argentina	Steel	Steel	14.0
	India	Steel	Steel	9.5
	Mexico	Steel	Steel	15.6
	Peru	Mining	Copper	15.0
	Turkey	Steel	Steel	8.9
	Total			63.0
1976	Colombia	Mining	Asbestos	6.0
	Korea	Nonferrous metal	Zinc	20.6
	Turkey	Steel	Steel	15.4
	Yugoslavia	Steel	Steel	50.0
	Total			92.0
1977	Brazil	Mining	Bauxite	15.0
	Brazil	Manufacturing	Iron and aluminum castings	20.0
	Brazil	Steel	Steel	11.0
	Philippines	Mining	Chromite and copper	3.5
	Total			49.5
TOTAL				\$344.5

Inter-American Development Bank

IDB functions as an important element of the Inter-American system, a concept which has political and security objectives of great interest to the United States. It serves as the principal channel for U.S. funds--particularly soft loans--to Latin America. During 1973-77, IDB loan assistance for mineral development totaled \$415.7 million. A total of 10 loans were made--5 to steel projects, totaling \$307 million or approximately 74 percent of overall loans; 2 for copper projects; 2 for projects that included a variety of minerals such as copper, lead, and zinc; and 1 was for a phosphate fertilizer project. (See table 13.)

Asian Development Bank

ADB made only three loans for mineral projects, amounting to \$26 million, during 1973-77. (See table 14.)

BILATERAL ASSISTANCE TO
FOREIGN MINERAL PROJECTS

Except for the Overseas Private Investment Corporation (OPIC), U.S. bilateral assistance institutions have not been very active in foreign mineral development. Officials of the Agency for International Development (AID) and the Peace Corps told us that foreign mineral development is a low priority in U.S. bilateral assistance to the less-developed countries because these types of projects do not directly aid the poorest majority of people in these countries. This section examines OPIC and AID foreign mineral assistance. Peace Corps participation at present is limited to two volunteers in Ghana working on geochemical projects with the government's geology department.

OPIC

Among the U.S. bilateral development agencies, OPIC appears to be the largest supporter of foreign mineral projects. However, in contrast to international development institutions, which provide loans or grants directly to less-developed countries, OPIC's main purpose is to provide political risk insurance to U.S. company projects in developing countries. U.S. investments insured by OPIC are safeguarded against the noncommercial risks of expropriation, inconvertibility of currency, and war, revolution, and insurrection. Although OPIC has occasionally provided financing for projects where adequate financing was not available, it has not financed any foreign mineral projects during 1973-77.

Table 13

Inter-American Development Bank
Loan Assistance for
Mineral Projects, 1973-77

<u>Fiscal year</u>	<u>Country</u>	<u>Project title</u>	<u>Commodity</u>	<u>Amount</u>
				(millions)
1973	Peru	Mining	Copper, lead, zinc, gold, silver, and tungsten	\$ 6.0
1974	Brazil	Mining	Assorted minerals	^a 4.4
	Mexico	Mining	Steel	<u>54.0</u>
	Total			<u>58.4</u>
1975	Brazil	Steel mill expansion	Steel	63.0
	Brazil	Steel mill expansion	Steel	40.0
	Argentina	Steel mill expansion	Steel	<u>55.0</u>
	Total			<u>158.0</u>
1977	Mexico	Industry	Steel	95.0
	Peru	Mining	Copper	33.4
	Brazil	Mining	Copper	63.2
	Colombia	Fertilizer	Phosphate	<u>1.7</u>
	Total			<u>193.3</u>
TOTAL				<u>\$415.7</u>

^aCanadian funds.

Table 14Asian Development Bank Loan Assistance for
Mineral Projects, 1973-77

<u>Fiscal year</u>	<u>Country</u>	<u>Project title</u>	<u>Commodity</u>	<u>Amount</u>
				(millions)
1975	Philippines	Development Bank of Philippines		\$25.0
	Sri Lanka	Mining	Rutile, zircon	<u>1.0</u>
	Total			<u>26.0</u>
1977	Korea	Mineral resources development	(a)	(a)
TOTAL				<u>\$26.0</u>

*Figures and description of loan not yet available.

During 1973-77, OPIC insured approximately \$95 million worth of foreign mining investments. According to recent testimony given by the president of OPIC before the Subcommittee on Foreign Operations and Related Agencies, House Committee on Appropriations, 31 percent of OPIC's insured investments were in mineral exploration projects in less-developed countries.

A total of 18 mineral projects were insured, including aluminum, cobalt, nickel, fluorspar, manganese, and steel. Five aluminum projects accounted for approximately \$30 million, or 31 percent, of OPIC-insured mining investments. (See table 15.)

AID

AID works in conjunction with the U.S. Geological Survey in assisting mineral development. Geological Survey assistance is limited to technical assistance, cooperative research and scientific exchanges with developing countries and also includes:

1. Help in developing or strengthening earth-science institutions and cadres.

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2. Geologic mapping and appraisal of resources.
3. Special studies of geologic or hydrologic phenomena or resources.
4. Short-range advisory help on geologic or hydrologic problems and resources.

AID/Geological Survey assistance for foreign mineral development amounted to \$1,031,731 for the years 1975-77. Data was not available for the years 1973-74. Assistance in 1975 alone accounted for \$665,051.

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Table 15
Overseas Private Investment Corporation's
Support of Mineral Projects, 1973-77
(U.S. dollars)

<u>Fiscal year</u>	<u>Company</u>	<u>Country</u>	<u>Project</u>	<u>Total insured investment this investor</u>	<u>Largest single maximum coverage (note a)</u>
1973	Continental Ore	Burma	Mining and processing of fluorapatite	\$ 206,000	\$ 205,800
	Kaiser Cement and Gypsum Corporation	Thailand	Mining and processing of fluorapatite	<u>2,517,500</u>	1,265,920
					2,723,500
1974	Dresser Industries	Greece	Mining and processing of barite-bentonite	800,000	997,677
	Reynolds International	Thailand	Manufacture of aluminum foil and sheeting	1,000,000	1,000,000
	Production Machine Corp.	Yugoslavia	Manufacture of cold rolled steel strips	<u>1,200,000</u>	1,200,000
					3,000,000
1975	Abex Company	India	Manufacture last alloy steel tubes	225,000	225,000
	Crocker National Bank	Ghana	Aluminum	18,000,000	36,000,000
	Kaiser Aluminum	Ghana	Aluminum	9,600,000	9,600,000
	Newmont Mining	Indonesia	Nickel	2,166,840	2,166,840
	Rosario Resources	Dominican Republic	Gold and silver mining	4,320,000	8,640,000
	Sinplot Industries	Dominican Republic	Gold and silver mining	4,320,000	4,320,000
	U.S. Steel	Indonesia	Nickel	<u>6,210,880</u>	6,210,880
					44,842,720
1976	Arco Steel	Philippines	Manufacture of steel bars	5,359,000	6,218,000
	Continental Ore Corp.	Kenya	Mining and milling	156,007	312,014
	Dresser Industries	Thailand	Mining of barite	1,008,000	1,419,750
	Interocean Shipping	Sierra Leone	Rutile mining	16,352,250	22,553,250
	San Sebastian Mines, Inc.	El Salvador	Gold	<u>1,000,000</u>	1,000,000
				23,875,257	
1977	Carpenter Tech Corp.	Brazil	Manufacture/sale steel pipe/tubing	1,170,000	1,170,000
	Dresser Industries	Greece	Mining and processing of barite and bentonite (expansion)	504,000	1,008,000
		Greece	Mine barite/bentonite	350,000	423,500
	Dresser Industries	Greece	Manufacture of refractory magnesite	8,560,000	8,560,000
	Hanna Mining Co.	Brazil	Manufacture of aluminum ingots (expansion)	1,263,136	2,526,071
	J. M. Huber Corp.	Brazil	Rauin beneficiation plant	5,100,000	10,200,000
	Production Machinery Corp.	Yugoslavia	Cold steel-rolling mill	535,050	535,050
	Roma Industry Inc.	Brazil	Steel products fabrication	1,879,255	3,758,510
	SIFCO Industries	India	Technical assistance for specialty steel forging (expansion)	450,000	450,000
	Waterbury Farrel	Yugoslavia	Cold steel-rolling mill	258,000	258,000
Reynolds Metals	Egypt	Manufacture of aluminum pipe	<u>621,000</u>	981,000	
			20,690,441		
Total			<u>95,131,918</u>		

^aLargest single maximum coverage is the largest amount a U.S. company can claim if expropriation, war damage, or unconvertibility of currency occurs.

(48012)