Date Introduced: 20 March 1985
House: House of Representatives
Presented by: Hon. Bill Hayden, M.P., Minister for Foreign Affairs

Short Digest of Bill

Purpose

To authorise an additional and voluntary contribution of $A60m to the International Development Association (IDA).

Background

IDA, established in 1960, is an affiliate of the World Bank and provides long-term, interest-free loans to its poorest developing member countries for development projects. The Committee to Review the Australian Overseas Aid Program (Jackson), whose report was tabled in the House of Representatives on 7 June 1984, believed the IDA to be an effective channel for disbursement of such funds.

IDA's resources are replenished every three years by funds from developed donor countries. Australia has been a member of the IDA since 1960 and has contributed to the seven replenishments.

The target agreed by donors for the seventh replenishment is $US9b and is intended to cover IDA's lending operations over the three-year period commencing 1 July 1984. It represents $US3b less than the amount provided under the sixth replenishment. Australia's contribution of $A200m to the seventh replenishment was authorised by the International Development Association (Further Payment) Act 1984.

Outline

This Bill provides for an additional and voluntary contribution of $A60m to assist IDA with overcoming the reduction of funds in the seventh replenishment.
Main Provisions

The Bill will come into operation on the date of Royal Assent (clause 2).

Clause 4 empowers Australia to make a special contribution, not exceeding $A60m, to IDA.

Under clause 5, the Treasurer may make promissory notes and issue them to IDA.

For further information, if required, contact:

Economics and Commerce Group
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