INTERNATIONAL DEVELOPMENT ASSOCIATION (FURTHER PAYMENT)
BILL 1984

Date Introduced: 5 September 1984
House: House of Representatives
Presented by: Hon. Lionel Bowen, M.P., Acting
Minister for Foreign Affairs

Short Digest of Bill

Purpose

To authorise a contribution by Australia of $A200m to the seventh replenishment of 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 Report), 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 previous six IDA replenishments.

The seventh replenishment, totalling $US9 billion, is intended to cover IDA's lending operations over the three-year period commencing 1 July 1984. The Minister's Second Reading Speech outlines the problems surrounding the negotiation of this figure, which is $3 billion less than the replenishment for 1980.

Main Provisions

This Bill will come into operation on the day of Royal Assent (clause 2).

Clause 4 empowers Australia to make a contribution of $A200m to IDA from which $A161,410 is by way of membership subscription with voting rights. That a small proportion of donors' contributions is counted as a subscription, is designed to ensure that the relative voting
power of each of the developed member countries continues to correspond to the relative share of their total contributions.

Clause 6 provides that the Treasurer may issue promissory notes or similar obligations in favour of the IDA, to the extent that the IDA is prepared to accept promissory notes in place of payment under clause 4.

For further information, if required, contact:

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