



**AN BILLE UM CHOMHLACHAS FORBARTHA
IDIRNÁISIÚNTA (LEASÚ), 1990
INTERNATIONAL DEVELOPMENT ASSOCIATION
(AMENDMENT) BILL, 1990**

EXPLANATORY MEMORANDUM

Summary

1. The Bill is designed to enable the Government to make a total payment of £12,740,000 to the Ninth Replenishment of the International Development Association. As on previous occasions, the Bill amends the International Development Association Act, 1960 by including this payment in the schedule of payments which may be made to the Association.

The International Development Association

2. The International Development Association (IDA) is the "soft loan" arm of the World Bank. It was established in 1960 to provide concessionary assistance to the world's poorest developing countries. The IDA obtains its resources in a number of ways, the main one being three-yearly replenishments (grant contributions) provided by the richer member countries (also known as Part I members) and a small number of its other (Part II) members.

3. Ireland joined the Association on its foundation in 1960, and subscribed \$3 million to the initial capital. It did not contribute to the first or second replenishments of IDA's resources but contributed to all subsequent replenishments.

Ninth Replenishment

4. The Resolution on the Ninth Replenishment of the Association approved by the Board of Governors of the Association provided for a replenishment of SDR 11.68 billion (IR £10.63 billion). The vast bulk of these funds will be provided by Part I countries. Cash payments under the replenishment will arise over a period of up to 10 years beginning in 1991 as the projects financed by the funds committed under the replenishment are carried out.

5. As a Part I member of the Association, Ireland is expected to contribute to the periodic replenishments. A contribution of £12,740,000 is proposed and this will count as part of our official development assistance.

Sections in the Bill

6. *Section 1* of the Bill amends section 3 of the International Development Association Act, 1960, as amended by subsequent legislation, by the insertion of a new subsection (2) (k) which provides for the contribution to the Ninth Replenishment of a sum not exceeding £12,740,000 in the aggregate. Paragraph (k) of the existing legislation is redesignated in the Bill as paragraph (l)—this is a purely textual change not indicating any new commitment. *Section 2* of the Bill contains the short title and collective citation.

*An Roinn Airgeadais,
Meán Fómhair, 1990.*



INTERNATIONAL DEVELOPMENT ASSOCIATION
(AMENDMENT) BILL, 1991

EXPLANATORY MEMORANDUM

1.1.1

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1. The Bill is intended to enable the Government to make a total payment of £12,750,000 to the Irish Republic under the International Development Association. As on previous occasions, the Bill amends the International Development Association Act, 1980 by including this payment in the schedule of payments which may be made to the Association.

The International Development Association (IDA) is the soft loan arm of the World Bank. It was established in 1960 to provide concessional assistance to the world's poorest developing countries. The IDA obtains its resources in a number of ways, the main one being three yearly replenishments (grant commitments) provided by the other member countries (also known as Part I members) and a small number of the other (Part II) members.

2. Ireland joined the Association in its foundation in 1962, and accepted a grant in the initial capital. It did not contribute to the first or second replenishments of IDA's resources but contributed to all subsequent replenishments.

3. The Resolution on the Ninth Replenishment of the Association approved by the Board of Governors of the Association provided for a replenishment of SDR 11,88 billion (the £11,82 billion) for the year 1991. The replenishment will be provided by Part I countries. Contributions under the replenishment will also over a period of up to 10 years beginning in 1991 as the projects financed by the funds committed under the replenishment are carried out.

4. As a Part I member of the Association, Ireland is expected to contribute to the periodic replenishments. A contribution of £12,750,000 is proposed and this will count as part of our official development assistance.

5. Section 4 of the Bill amends section 7 of the International Development Association Act, 1980, as amended by subsequent legislation, by the insertion of a new subsection (3) which provides for the contribution to the Ninth Replenishment of the soft loan arm of the World Bank to be aggregated. Paragraph (3) of the existing legislation is redesignated in the Bill as paragraph (2). This is a purely technical change not affecting any new commitment. Section 7 of the Bill contains the short title and collective citation.

The Right Hon. Minister,
Irish Finance, 1991