

EXPLANATORY MEMORANDUM

Bill for an Act to authorise a
special contribution by Australia
to the Sixth Replenishment of the
International Development Association

Circulated with the authority of the Hon. Bill Hayden,
Minister for Foreign Affairs

OUTLINE

This Bill will authorise an appropriation of \$67,844,000 as a special contribution by Australia to the Sixth Replenishment of the International Development Association. Existing legislation is the International Development Association Act 1960 which authorised the first Australian contributions to the Association. Further contributions were authorised under further payments Acts in subsequent years, the most recent being the International Development Association (further payments) Act of 1980.

The International Development Association was established in 1960 as a channel for concessional assistance to low-income developing countries. It forms part of the World Bank. Australia participated in the six replenishments of the Association to date.

The purpose of the Bill is to enable Australia to fulfil its obligations in the appropriate manner in regard to this special contribution to the Association's Sixth Replenishment. This contribution demonstrates the Government's continuing strong support for the Association as an effective channel for development assistance to low-income developing countries. It will help the Association enter into commitments for new development projects in the period July 1983-June 1984.

EXPLANATION OF CLAUSES

- Clause 1 Formal Clause
- Clause 2 Commencement Clause
- Clause 3 Interpretation Clause
- Clause 4 This clause specifies the amount that Australia will contribute to the Association by way of a special contribution.
- Clause 5 (1) This sub-clause specifies the manner in which Australia will make its contribution i.e. the Treasurer may make promissory notes and issue them to the Association.
- (2) This sub-clause specifies the terms under which a promissory note may be lodged.
- (3) This sub-clause states that Section 6 of the International Development Association Act 1960, which provided inter alia that the Governor-General may authorise the issue of securities, does not apply to a payment under this Act. This sub-clause puts the matter of authority for issuing promissory notes beyond doubt.
- Clause 6 This Clause appropriates the required funds from the Consolidated Revenue Fund.

