



INTERNATIONAL DEVELOPMENT ASSOCIATION

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Subject: Replenishment of IDA funds

The International Development Association (IDA), an affiliate of the World Bank, today announced that formalities looking toward the replenishment of its resources in the amount of \$750 million had been completed.

This was accomplished on June 29 with the formal notification to IDA by 12 governments that they would contribute new resources to the organization aggregating more than \$600 million, which was a condition prescribed by IDA's Board of Governors when the replenishment was authorized in September 1963.

The new funds will be available for commitment in new development credits by IDA over a period extending to at least June 30, 1966. Payment is to be made in three equal annual installments, the first not due until November 1965, one year after the final payment on the subscription to IDA's initial resources.

The following list shows the 12 governments which had given formal notification to IDA by June 29, together with the amounts of their contributions; Belgium, which gave notification on July 2, is included in the list:

	(\$ U.S.)
Australia	19,800,000
Austria	5,040,000
Belgium	8,250,000
Denmark	7,500,000
France	61,872,000
Germany	72,600,000
Italy	30,000,000
Japan	41,250,000
Luxembourg	375,000
Norway	6,600,000
Sweden	15,000,000
United Kingdom	96,600,000
United States	312,000,000

Four other governments are taking steps toward formal notification that they will contribute the amounts proposed for them. The four are:

	(\$ U.S.)
Canada	41,700,000
Finland	2,298,000
Netherlands	16,500,000
South Africa	3,990,000

In addition, the Government of Kuwait has decided to participate in the replenishment of IDA resources, with a contribution of \$3.36 million.

Initial subscriptions to IDA, together with three supplementary contributions by Sweden totaling more than \$15 million, have amounted to more than \$790.9 million in freely convertible currency. With its new commitment of \$15 million, Sweden's contributions to IDA will have totaled \$40,225,000, or nearly four times the amount of its initial subscription.

IDA was established in 1960 by member governments of the World Bank. IDA's Articles of Agreement authorize it to make development credits on terms bearing less heavily on the balance of payments of recipient countries than do conventional loans. All of the development credits so far extended by IDA have been repayable in foreign exchange over 50 years, free of interest. To help meet IDA's administrative costs, a service charge of $\frac{3}{4}$ of 1% per annum is payable on amounts withdrawn and outstanding.

IDA so far has extended credits amounting to \$778,350,000 for economic development projects in 22 countries. It has lent \$395.85 million for the development of railways, highways and telecommunications, \$132.8 million for irrigation, land improvement, flood control and other projects to increase the output of food and other agricultural products, \$85.5 million for the construction of schools and of municipal water and sewerage systems, \$57.7 million for the development of electric power facilities, and \$106.5 million for the development of industry.