

ORS  
PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. 178/82



subject filed on :  
overseas Aid. Policy  
Review, Pt 3

SD

WFO

10 DOWNING STREET

THE PRIME MINISTER

21 April 1982

Dear President Zia

Thank you for your letter of 27 March about contributions to the Sixth Replenishment of the International Development Association (IDA)

The current difficulty arises because the United States has yet to appropriate in full the contribution it has pledged to IDA 6 and because the IDA Replenishment Agreement provides that IDA may commit the contributions of other members only in proportion to the commitment of the United States for which appropriations have been made. There has been no suggestion that donor countries might reduce their contributions as such.

However, following representations made to us about the consequences for the poorest countries of the application of the pro rata provision in the IDA 6 Agreement, and the serious difficulties it is causing countries such as yours, we agreed last month to waive the pro rata provision in respect of our second (current) instalment to IDA 6. This means that £370 million of Britain's grant contribution of £555 million to IDA 6 is now available for commitment. This is part of our policy of helping the poorest countries to the best of our ability.

I hope very much that other major donors will follow suit. They attach importance to the principle of burden-sharing and to IDA having a broad financial base but they have been told of our decision and the reason for it.

Every good wish,

(SGD) MARGARET THATCHER

His Excellency General Mohammed Zia-ul-Haq

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