Ovoseas Ald.





PRIME MINISTE

PERSONAL MESSAGE

10 DOWNING STREETSERIAL No. 768 82

THE PRIME MINISTER

10 April 1982

se. Traster alk

dear Prime I livister;

Thank you for your letter of 11 March about Britain's contribution to the Sixth Replenishment of the International Development Association (IDA).

Your letter set out most cogently the importance of IDA to the poorest countries in Africa and elsewhere, and the consequences for them of the application of the pro-rata provision in the IDA 6 Agreement. I also discussed these difficulties with Mrs. Gandhi during her recent visit to London.

In view of the situation in the poorest countries Her Majesty's Government have agreed to waive the pro-rata provision in respect of their second (current) instalment to IDA 6. means that £370 million of Britain's grant contribution of £555 million to IDA 6 is now available for commitment.

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

All good wither.

Your snively

The Honourable R. G. Mugabe, M.P.

I (agent Thethe



Foreign and Commonwealth Office

London SW1A 2AH

6 April 1982

Dear John.

International Development Association:

Letter from Mr Mugabe

We agreed that a reply to
Mr Mugabe's letter of 11 March to the
Prime Minister should await a decision
as to whether Britain would waive the prorata provision in the Agreement of the
Sixth Replenishment of the International
Development Association, a question
raised by Mrs Gandhi during a recent
visit.

(F N Richard Private Secretary

A J Coles Esq 10 Downing St



DRAFT LETTER FOR SIGNATURE BY THE PRIME MINISTER The Hon R G Mugabe MP Prime Minister of Zimbabwe Thank you for your letter of 11 March about Britain's contribution to the Sixth Replenishment of the International Development Association (IDA). Your letter set out most cogently the importance of IDA to the poorest countries in Africa and elsewhere, and the consequences for them of the application of the pro-rata provision in the IDA 6 Agreement. I also discussed these difficulties with Mrs Gandhi during her recent visit to London. In view of the situation in the poorest countries Her Majesty's Government have agreed to waive the pro-rata provision in respect of their 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. I hope very much that other major donors will follow suit. They attack importance to the principle of burden-sharing and that IDA sho broad financial base but they have been told of our decision and the reason for it.