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10 DOWNING STREET

THE PRIME MINISTER

3 April 1984

*Dear Hon. Powell and Mr. Rangel*

Thank you for your letter about the resources for the International Development Association.

As I think you know, we in Britain have always regarded the Association as an effective and efficient agency for promoting economic and social development in the world's poorest countries. The geographical allocation of its resources resembles our own bilateral aid programme more than that of any other aid donor's. The high priority which the Association accords to sub-Saharan Africa has our full backing.

We had hoped that a replenishment of \$12 billion could be achieved and we made this known to the United States in the hope that they, too, would contribute to a replenishment of \$12 billion.

We are in no doubt that a replenishment of \$9 billion is insufficient to meet the needs of IDA recipient countries. This is why we decided to participate in supplementary financing on the basis of equitable burden-sharing among donors, and are encouraging others to do so. Our own contributions would not be conditional upon United States participation, although we would hope that they would eventually join in and we intend that any arrangements that are made should allow for this.

/ Since

*[Signature]*

Since all other donors, apart from the United States, indicated a willingness to contribute to an IDA 7 of \$12 billion, we naturally hope that they will all participate in supplementary financing. But until we know the outcome of IDA Management's discussions with all donors to IDA we shall not know either the extent of donor support or the likely level of supplementary financing.

We are, in short, doing all we can to help the International Development Association and are well aware of the importance of trying to secure additional funds.

If you believe that a meeting is desirable to discuss this further I would be glad to try to arrange to see you, subject to finding a mutually convenient date.

*Your sincerely*  
*Raymond D. White*

Herr Willy Brandt  
and  
H.E. Mr. Shridath Ramphal, Kt, CMG QC.