

A new international agency for aid to under-developed countries came into being with the formation of the International Development Association in September 1960. The IDA is designed to make development loans on terms less rigorous than those which govern the lending operations of the International Bank for Reconstruction and Development and it is expected to make available a significant amount of new development finance. The authorized capital of the IDA is \$1 billion, of which the Canadian quota will be \$37.8 million, payable over a five-year period. Canada formally joined the IDA, following Parliamentary approval, in August.

With the achievement of independence by a number of African dependent territories in 1960, the eyes of the world were focused on the problems of assisting these new nations to achieve political stability and rapid economic progress. In recognition of the responsibility of members of the Commonwealth for assisting their Commonwealth partners in Africa, a decision was taken at a meeting of the Commonwealth Economic Consultative Committee in London in September 1960 to engage in a Special Commonwealth African Assistance Programme. The Canadian Government announced at this meeting its intention, subject to Parliamentary approval, to make available \$10.5 million over a three-year period, beginning with the fiscal year 1961-62, for Canadian aid to members of the Commonwealth in Africa.

The United Nations has a very important role to play in assistance to under-developed nations and, in view of the increasing demands that are being made upon United Nations programmes of assistance by the new African nations, the Canadian Government decided to increase Canada's voluntary contributions to these programmes. At a pledging conference held at United Nations Headquarters in October 1960, the Canadian Representative announced that, subject to Parliamentary approval, Canada would increase its contribution to the United Nations Special Fund from \$2 million in 1960 to \$2,350,000 in 1961 and its contribution to the United Nations Expanded Programme of Technical Assistance from \$2 million in 1960 to \$2,150,000 in 1961. In addition, the Canadian Government has continued to co-operate to the best of its ability with the United Nations in recruiting Canadians for technical assistance assignments in Africa under the United Nations programmes and in placing United Nations trainees from Africa in Canada.

In the light of the growing significance and complexity of programmes of economic and technical assistance, a major reorganization of the administration of Canadian aid programmes has been undertaken. An External Aid Office has been created with an experienced senior official as Director-General, responsible to the Secretary of State for External Affairs. The External Aid Office brings together a number of officials from several government departments in one organization, where they may deal more effectively and expeditiously with the operation of Canadian aid programmes.