

World Bank Group

The largest multilateral aid agency is the International Bank for Reconstruction and Development (IBRD or World Bank) headed by Robert McNamara. Working in close collaboration with the IBRD are its two affiliates, the International Development Association (IDA) and the International Finance Corporation (IFC). Canada is a member of all three institutions.

The World Bank makes loans to developing countries at conventional rates of interest and maturities. Its resources are drawn from the membership subscriptions of 110 countries, totalling some \$23 billion, and from the sale of bonds on international capital markets, including the Canadian markets. Canada's subscription to the Bank's capital amounts to \$792 million, of which one-tenth is actually paid in.

The International Development Association is the World Bank's instrument for providing "soft" credits at lower interest-rates and longer maturity periods than conventional loans. Canada recently responded to a shortage of IDA funds by making a special contribution of \$7.8 million (U.S.) and also by allowing its total contribution of \$67.2 million (U.S.) to the second replenishment of the funds to become available in advance of the scheduled dates. Negotiations for the third replenishment were recently completed, with Canada providing \$50 million annually for three years to the annual \$813-million fund. This represents almost double the Canadian contribution to the previous replenishment.

Canada subscribes \$3.6 million to the share capital of the International Finance Corporation, the World Bank affiliate that invests in enterprises where sufficient private capital is not available. IFC also serves as a clearing-house in which investment opportunities and investors are brought together.

Regional Banks and Development Consortia

Regional banks are intended to accelerate the economic progress of developing member countries by lending funds, promoting investment and providing technical assistance. Canada is a charter member of and an important contributor to the Asian Development Bank and the Caribbean Development Fund and is active in negotiations to set up a Special Fund for the African Development Bank.

Canada is also a member of World Bank consortia that co-ordinate development plans and aid flows for India and Pakistan, OECD consortia for Greece and Turkey, consultative groups for several other countries, the DAC, the Commonwealth Program of Technical Co-operation, and the United Nations Conference on Trade and Development (UNCTAD).

The Private Sector

Special Programs Division

Recently, CIDA launched a program to help voluntary and non-government agencies increase their contributions to international development. In