DEVPOLICYBLOG

Australia will support multilateral bank lending to Fiji post-elections

By Stephen Howes 29 August 2013

In a follow up to <u>my blog</u> on Australia and New Zealand's ban on World Bank and Asian Development Bank (ADB) lending to Fiji, the Australian Treasury has confirmed that it would support lending to Fiji after elections.

'Australia has advised the World Bank and ADB that we would support new lending (beyond the scope of humanitarian support) once Fiji has held credible elections,' the statement said.

The <u>response from Treasury</u> to a query we submitted in April implies that Australia has been opposed to lending to Fiji in the past, and remains opposed, the first time this admission has been made public.

In my blog, I opposed Australia's opposition to World Bank and ADB lending not because I am a supporter of the Fijian Bainimarama dictatorship, but because these Banks are, under their constitution, not meant to take into account the political character of the government they are lending to. Australia should respect this, rather than trying to get the institutions to impose sanctions on our behalf. I was also critical of the lack of transparency around the decision. At least on that front, the response from Treasury is a step forward.

About the author/s

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