

INTERNATIONAL DEVELOPMENT ASSOCIATION AND  
INTERNATIONAL MONETARY FUND

**Heavily Indebted Poor Countries (HIPC) Initiative:  
Status of Implementation**

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## I. INTRODUCTION

1. The endorsement of the enhanced framework for the HIPC Initiative in September 1999 established a framework for the provision of “deeper, broader, and faster” debt relief to the world’s poorest, most indebted countries. This paper provides a summary of the impact of the Initiative for countries that have reached their decision point, updates the cost estimates of debt relief for all countries expected to require assistance under the Initiative, and reviews the current status of creditor participation in the delivery of debt relief.

## II. IMPLEMENTATION TO DATE AND IMPACT OF DEBT RELIEF

2. As of February 2001, twenty-two, or more than half, of the countries expected to receive debt relief under the enhanced HIPC Initiative have reached their decision points, allowing them to begin benefiting from debt service relief that will amount to about US\$34 billion over time.<sup>1</sup> This reflects roughly two-thirds of the total cost of the HIPC Initiative. One of the 22 countries, Uganda, has reached its completion point under the enhanced HIPC Initiative, at which point debt relief was delivered unconditionally; several more are expected to do so by the end of the year. The remaining countries that have yet to reach their decision points under the enhanced framework include some that are likely to reach a decision point this year; others that are conflict-affected, with several of them having protracted arrears to the Bank and the Fund; and a few that could have sustainable debt burdens after traditional relief mechanisms or have indicated that they would not seek assistance under the Initiative (see Table 1).

3. The coming year presents its own challenges in the implementation of the Initiative, with new countries coming forward for debt relief and countries now receiving relief preparing for completion points. The first challenge will be to move as swiftly as practicable to bring new countries to their decision points, and the second will be to ensure that countries that have reached their decision points remain on track and make progress with their macroeconomic and reform programs aimed at poverty reduction. However, moving forward with new decision point cases may be difficult as most of the countries which have yet to qualify for HIPC relief are either currently engaged in, or have recently ended, internal or cross-border armed conflict, or are struggling with severe governance problems. Under the right conditions, including a commitment to peace and a stable political environment, HIPC relief can complement efforts supporting the transition from conflict to sustainable development.

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<sup>1</sup> A debt sustainability analysis for Yemen indicates that the country has a sustainable debt burden after the application of traditional debt relief mechanisms. As such, the country will not require additional debt relief under the enhanced HIPC Initiative (See SM/00/138 and IDA/SecM2000-359, June 28, 2000). In addition, Côte d’Ivoire reached its decision point under the original HIPC Initiative framework in March 1998.

4. The 22 enhanced decision point countries will benefit from a significant reduction in their external indebtedness via a substantial lowering of debt stocks and debt service payments. These benefits contribute significantly to longer-term debt sustainability in these countries.

**Table 1. Grouping of HIPCs: Status as of March 2001**

41 HIPCs					
Angola *	Chad	Guinea	Madagascar	Niger	Tanzania
Benin	Congo, Dem Rep. *	Guinea-Bissau *	Malawi	Rwanda *	Togo
Bolivia	Congo, Rep. of *	Guyana	Mali	Sierra Leone *	Uganda
Burkina Faso	Côte d'Ivoire	Honduras	Mauritania	São Tomé and Príncipe	Vietnam
Burundi *	Ethiopia *	Kenya	Mozambique	Senegal	Yemen, Rep. of
Cameroon	The Gambia	Lao PDR	Myanmar *	Somalia *	Zambia
Central African Republic *	Ghana	Liberia *	Nicaragua	Sudan *	
of which:					
APPROVED (22)		YET TO BE APPROVED (13)		SUSTAINABLE CASES (4) <sup>1/</sup>	NOT SEEKING RELIEF (2)
Benin	Mali	Burundi	Liberia	Angola	Ghana **
Bolivia	Mauritania	Central African Republic	Myanmar	Kenya	Lao P.D.R.
Burkina Faso	Mozambique	Chad	Sierra Leone	Vietnam	
Cameroon	Nicaragua	Congo, Dem. Rep of	Somalia	Yemen, Rep. of	
The Gambia	Niger	Congo, Rep. of	Sudan		
Guinea	Rwanda	Cote d'Ivoire	Togo		
Guinea-Bissau	Senegal	Ethiopia			
Guyana	São Tomé and Príncipe				
Honduras	Tanzania				
Madagascar	Uganda				
Malawi	Zambia				

\* Conflict affected.

\*\* The Ghanaian authorities have indicated their intention to request HIPC debt relief.

<sup>1/</sup> These countries are expected to achieve debt sustainability after receiving debt relief under traditional mechanisms.

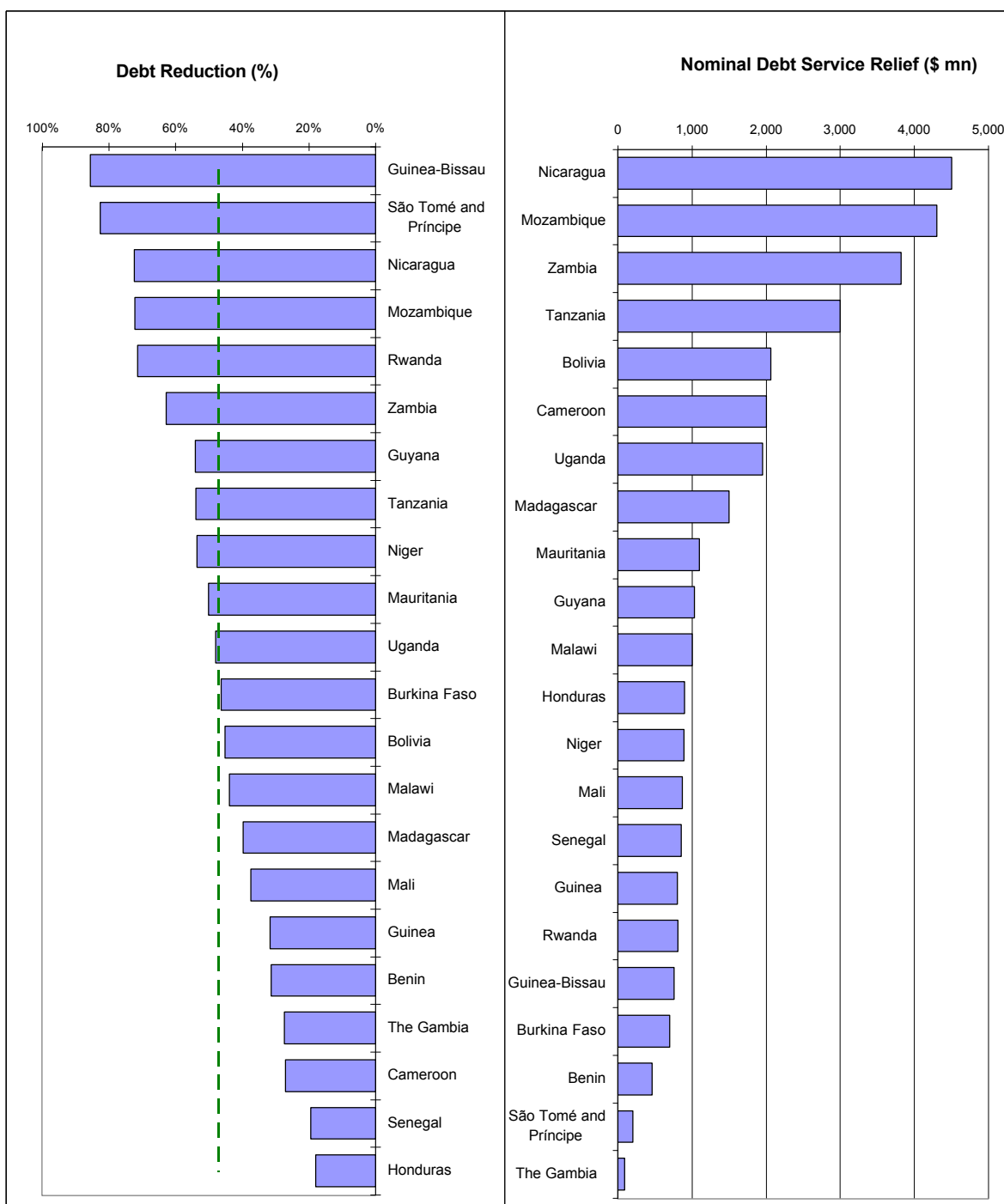
### A. Reduction in Debt Stocks

5. For these 22 countries, assistance committed under the HIPC Initiative will reduce their external debt stock by US\$20.3 billion in net present value (NPV) terms, or by nearly one-half (Charts 1 and 2, and Appendix Table 1). In combination with traditional debt relief and pledges of additional bilateral forgiveness, the external indebtedness of these 22 countries will be reduced by about two-thirds, or from US\$53 billion to US\$20 billion in NPV terms (Table 2).

6. HIPC relief in nominal terms is estimated at US\$34 billion for the 22 decision point cases. Combined with the traditional debt relief and additional bilateral pledges beyond amounts required under the HIPC Initiative, total debt service relief is estimated at US\$53 billion. The nominal debt stock before traditional relief mechanisms was US\$74 billion (Table 2).

**Chart 1. Enhanced HIPC Initiative  
Comparative Debt Reduction and Debt Relief for 22 Decision Point Countries**

**Status as of end March 2001**



Source: HIPC decision point documents.

Note: -- Debt reduction is measured by the common reduction factor. This refers to the percentage by which each creditor needs to reduce its debt stock at the decision point so as to enable the country to reach its debt sustainability target. The calculation is based in net present (NPV) information.

-- For Bolivia, Burkina Faso, Guyana, Mali, Mozambique and Uganda assistance under the original and enhanced frameworks is combined.

Table 2. Preliminary Estimates of Overall Debt Relief  
and Under the HIPC Initiative 1/  
(In billions of U.S. dollars)

	Debt Stocks		Debt Relief							
	1999 NPV terms	Nominal terms	1999 NPV terms				Nominal terms 2/			
	On basis of HIPC documents or GDF data 3/ 4/	On basis of HIPC documents or GDF data 3/ 4/	Traditional debt relief	HIPC relief	Additional bilateral relief 6/	Total relief	Traditional debt relief	HIPC relief	Additional bilateral relief 6/	Total relief
1. Countries that have reached the decision point (22 countries)	53	74	9	19	4	33	13	34	6	53
2. Other HIPCs (10 countries) 5/	40	45	14	10	4	29	19	17	5	41
<b>Total (1+2) (32 countries)</b>	<b>93</b>	<b>118</b>	<b>24</b>	<b>29</b>	<b>9</b>	<b>62</b>	<b>32</b>	<b>51</b>	<b>11</b>	<b>95</b>

Sources: HIPC country documents; Global Development Finance 2001; and IMF and World Bank staff estimates.

1/ The traditional debt relief mechanisms shown in this table reflect only the relief that the HIPCs have not yet benefitted from; i.e., this excludes relief already given in the past.

2/ Debt relief in nominal terms refers to debt service relief over time. The figures are rough estimates, using country-specific information where available. An average conversion factor based on the ratio of nominal debt to NPV of debt is used to derive

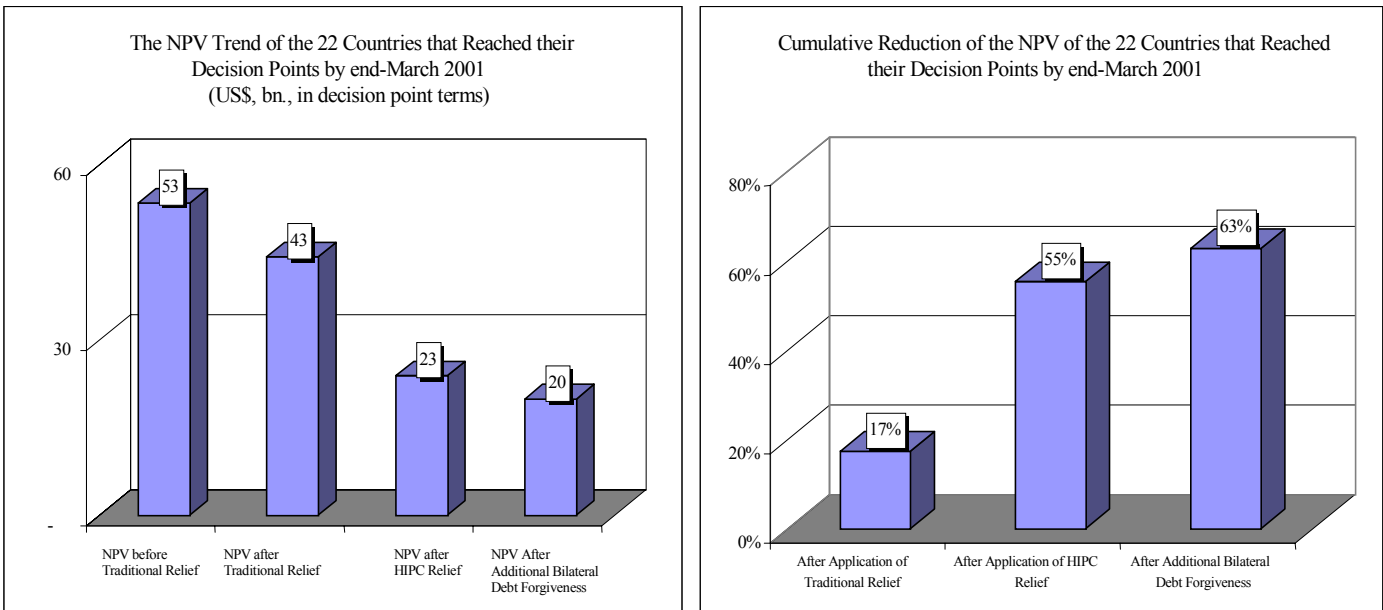
3/ Data from HIPC Initiative country documents on a decision point basis for group 1 and from GDF figures for groups 2 and 3. Debt relief figures for groups 2 and 3 are estimates.

4/ GDF data, which are for 1999, rely on country reporting and are not as comprehensive as the data used under the HIPC Initiative. Calculations of the NPV of debt in the GDF are based on a common (10 percent) discount rate, a methodology which differs from the currency-specific discount rates (or Commercial Interest Reference Rates) used in DSAs for the HIPC documents.

5/ Includes Burundi, Central African Republic, Chad, Cote d'Ivoire, Democratic Republic of Congo, Republic of Congo, Ethiopia, Myanmar, Sierra Leone, and Togo.

6/ Refers to debt relief pledged by individual bilateral creditors over and beyond HIPC debt relief.

**Chart 2. Reduction of Debt Stocks for 22 Decision Point Countries  
Status as of end-March 2001**



Source: HIPC Documents.

Note: The decision point figures shown here differ slightly from the data in Table 2 that are in 1999 NPV terms.

7. The debt stocks relative to exports of the 22 countries will be comparable to those of other developing countries after HIPC relief, down from double their levels before relief. In terms of GDP, post-relief debt levels of these 22 countries will be lower than those of non-HIPC developing countries (Table 3).

Table 3. Debt Indicators in Developing Countries and HIPCs, 1999 1/ 2/

	Developing Country Average	Non-HIPC Developing Countries	All HIPCs, Before HIPC Relief	22 Decision Point HIPCs	
				Before HIPC Relief (1999)	After HIPC Relief (2003)
				(In percent)	(In percent)
NPV of debt-to-exports ratio	133	128	249	260	126
NPV of debt-to-GDP ratio	38	36	84	59	29
Debt service-to-exports ratio	20	21	14	17 3/	8 4/

Sources: World Bank Global Development Finance; and HIPC documents.

1/ Excludes Liberia and Somalia due to incomplete data.

2/ Weighted averages; 1999 figures, based on data in Global Development Finance.

3/ Average for 1998–99 based on debt service paid.

4/ Average for 2001–2003.

### B. Reduced Debt Service Payments

8. Table 4 shows that overall debt service paid is cut by about one-third, or about US\$0.8 billion annually during the 2001–2003 period, compared with actual annual payments made in 1998–99. While the absolute dollar amounts vary across countries (see Appendix Tables 3 and 4), the actual debt service savings for the 22 decision point countries over the initial years represent an average of 1.6 percentage points of GDP (Table 4). Debt service declines from 3.7 percent of GDP in the past to 2.1 percent after HIPC relief. The savings are greater when post-HIPC relief debt service obligations are compared to what was scheduled to be paid before any debt relief. Here, the average annual savings over the coming three years amount to about US\$1.7 billion, or 1.9 percentage points of GDP. Perhaps more importantly, debt service as a percentage of government revenue is to fall from 27 percent in the past to a projected 12 percent in 2001–03, and to below 10 percent by 2005; this also reflects the impact of a rising revenue trend.

9. Comparing the 22 decision point HIPCs with other developing countries shows that debt service as a percentage of exports for the 22 countries, at an average of 8 percent of exports in the next three years, is expected to be about one-third the average for non-HIPC developing countries (Table 3).



**Table 4. Measures of Debt Service Savings, 1998–2003  
(Average annual data)**

	Africa (18 countries)	Latin America (4 countries)	Total (22 countries)	
<b>Debt service indicators</b> <sup>3/</sup>				
	<i>(In percent)</i>			
Debt Service relative to Exports				
<i>Before HIPC relief (1998–99)</i>	17.0	16.2	16.8	
<i>After HIPC relief (2001–03)</i>	8.1	8.5	8.2	
Debt Service relative to GDP				
<i>Before HIPC relief (1998–99)</i>	3.3	5.1	3.7	
<i>After HIPC relief (2001–03)</i>	1.8	3.0	2.1	
Debt Service relative to Revenue				
<i>Before HIPC relief (1998–99)</i>	26.0	32.0	27.4	
<i>After HIPC relief (2001–03)</i>	11.8	12.3	11.9	
<b>Debt service levels</b>				
	<i>(In billions of U.S. dollars)</i>			<i>(In percent of GDP)</i> <sup>3/</sup>
Debt service paid, 1998–99 <sup>1/</sup>	1.9	0.8	2.7	3.7
Debt service due before HIPC relief, 2001–03 <sup>2/</sup>	2.6	1.0	3.6	4.0
Debt service to be paid after HIPC relief, 2001–03	1.3	0.6	1.9	2.1

Sources: HIPC documents; and IMF and World Bank staff estimates.

1/ Reflects debt relief already provided under the original framework for Bolivia, Guyana, Mozambique and Uganda.

2/ Represents debt service that would have been due in 2001–03 after traditional debt relief but before HIPC relief.

3/ Weighted averages.

### C. Prospects for Longer-Term Debt Sustainability

10. The decline in the debt stock and servicing obligations on existing debt that has been brought about by the HIPC Initiative significantly reduces the likelihood of future debt servicing problems and provides a good basis to exit from rescheduling. However, assuring debt sustainability over the longer term requires an equally strong focus on strengthening domestic policies and institutions by HIPCs themselves, and on access to adequate concessional financing flows from the international community. In the case of many HIPCs,

failure to implement such policies consistently and thoroughly contributed to the buildup of unsustainable debt in the first place. Long-term debt sustainability can only be achieved if the underlying causes that triggered past debt problems are redressed.<sup>2</sup>

11. Debt relief under the enhanced HIPC Initiative is delivered more quickly and all 22 decision point countries are now receiving interim relief from at least some creditors, with others expected to follow. Interim assistance offers countries an opportunity to receive immediate benefits while providing them time and support needed to fully articulate, in their Poverty Reduction Strategy Papers (PRSPs), the priorities and programs that should be supported by debt relief funds as well as by public resources in general. Progress with the PRSP process is described in a companion paper.

#### **D. Expected Uses of Debt Relief and Social Spending**

12. Relief under the HIPC Initiative will enable governments to substantially increase spending directed at reducing poverty, in particular (but not limited to) social spending. Before assessing data on social spending, it should be noted that HIPC documents have used data as available, and hence the coverage of social spending is not uniform across countries. With this caveat, social expenditures in 2001–02 are projected to increase by US\$ 1.7 billion, an amount twice as much as the estimated cash benefits of HIPC relief. Expressed in relation to growing GDP, social spending would rise, on average, by about 1.2 percentage points beyond levels that prevailed in 1999, i.e, from 5.8 percent of GDP to 7.0 percent. As a share in government revenue, social spending would increase from 35 percent before HIPC relief to 40 percent after HIPC relief, reflecting in part the projected rise in the revenue base (see Table 5 and Appendix Tables 5 and 6).

13. Based on early indications on the intended uses of the resources freed up by debt relief, increases in health and education are expected to account for an estimated 65 percent of the total HIPC resources. On average, these 22 HIPCs are budgeting about 40 percent of their HIPC interim assistance on education and 25 percent on health care. Other priority sectors include HIV-AIDS, where almost every HIPC is developing or strengthening education and treatment programs, rural development and water supply, governance and institutional development, and road construction. In addition, resources made available by the HIPC Initiative may be used to finance other priority expenditures, including clearance of arrears.

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<sup>2</sup> Projections in debt sustainability analysis are based on a baseline macroeconomic framework that requires the maintenance of macroeconomic stability and sustained efforts to address structural impediments to growth and poverty reduction. Alternative scenarios are also presented in HIPC documents, which provide information on the profile of debt and debt-servicing indicators under adverse shocks or poor policy environments. See “The Challenge of Maintaining Long-Term External Debt Sustainability,” SM/01/94 (3/21/01) and IDA/SecM2001-0204, March 20, 2001, for a detailed discussion of the prospects for long-term debt sustainability in HIPCs and a framework for maintaining a sustainable debt position after the completion point.

**Table 5. Average Annual Social Expenditure in 22 HIPCs 1/**

	Africa (18 countries)	Latin America (4 countries)	Total (22 countries)
(In billions of U.S. dollars)			
<i>Before HIPC relief (1999)</i>	2.5	1.8	4.3
<i>After HIPC relief (2001-02)</i>	3.4	2.6	6.0
(In percent of GDP)			
<i>Before HIPC relief (1999)</i>	4.4	10.8	5.8
<i>After HIPC relief (2001-02)</i>	5.1	13.5	7.0
(In percent of government revenue)			
<i>Before HIPC relief (1999)</i>	29.6	48.0	35.4
<i>After HIPC relief (2001-02)</i>	32.4	56.4	39.8

Sources: HIPC documents; and IMF and World Bank staff estimates.

1/ Weighted averages.

14. With HIPC relief leading to increased spending in poverty-reducing areas, there will be an urgent need to improve the monitoring and effectiveness of such spending. In this regard, it will be critical to have in place public expenditure management systems that allow for the effective accounting and monitoring of overall spending on poverty-related programs.<sup>3</sup> With the assistance of the Bank and Fund, HIPCs are strengthening their public expenditure management systems in order to track poverty-reducing spending within their government budgets. More broadly, efforts in this regard should be extended to all public spending as governments, in cooperation with civil society, endeavor to increase transparency and improve results by identifying the actual impact of spending on social outcomes.

<sup>3</sup> IMF and World Bank staff have presented a joint paper on “Tracking of Poverty-Reducing Spending in Heavily Indebted Poor Countries (HIPCs)” to their respective Boards. The paper discusses some key principles of expenditure tracking, reviews the public expenditure management systems in 25 HIPCs, and recommends an approach to be used for tracking poverty-reducing spending in HIPCs. The Boards have stressed the need to give attention to the short-term, intermediate tracking mechanisms that are presently within the capabilities of all HIPCs and to highlight the steps needed to reach some acceptable benchmarks for tracking poverty-reducing spending.

## **E. Completion Point Triggers**

15. The enhanced HIPC Initiative has allowed countries to reach their completion points as soon as key reforms have been implemented. The countries are, therefore, in a better position to exercise greater ownership and determine the pace at which irrevocable debt relief will be delivered. Although these completion point triggers differ among the countries, they have generally addressed the following areas: (i) the elaboration and initial implementation of a comprehensive poverty reduction strategy in a PRSP; (ii) maintenance of a stable macroeconomic environment which is fundamental for poverty-reducing growth, and (iii) the improvement of public expenditure management systems to ensure that debt relief savings (and other public resources) reach targeted areas; and (iv) specific social sector measures, governance, and key structural reforms. The floating completion point requirements are expected to allow countries to reduce the period between the decision and completion points below what was envisaged under the original framework.

### **III. UPDATE OF COSTS OF HIPC RELIEF**

#### **A. Sources, Assumptions and Caveats**

16. This section provides an update of the costs of providing debt relief under the HIPC Initiative, based on the most recent available information.

17. Compared to the August 2000 costing exercise,<sup>4</sup> the following new or additional information is included:

- A total of 22 countries have presented decisions point documents under the enhanced HIPC Initiative to the Boards of the IMF and IDA.<sup>5</sup> Of these 13 have been presented since the last costing update and include updated debt sustainability analyses (DSAs)
- Preliminary documents have been presented to the Fund and Bank Boards for Chad and Ethiopia, including updated DSAs. A more recent DSA has been used for Chad.
- The timing of actual and projected decision and completion points has been revised in light of developments since August.
- Exchange rates and commercial interest reference rates (CIRRs), which the NPV of debt in U.S. dollars is based on, have changed since the last costing update.

18. The coverage, assumptions and data sources for this update are detailed in Box 1.

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<sup>4</sup> See *Enhanced Initiative for Heavily Indebted Poor Countries – Review of Implementation*, IMFC/doc/00/1 and DC/2000-18, September 8, 2000.

<sup>5</sup> The data used in this exercise is based on the decision point documents approved by the Boards of the Bank and the Fund.

### Box 1. Country Coverage, Data Sources, and Assumptions

#### *Country Coverage*

- The costing analysis is based on 41 HIPCs: **Angola, Benin, Bolivia, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Democratic Republic of Congo, Republic of Congo, Côte d'Ivoire, Ethiopia, The Gambia, Ghana, Guinea, Guinea-Bissau, Guyana, Honduras, Kenya, Lao P.D.R., Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Myanmar, Nicaragua, Niger, Rwanda, São Tomé and Príncipe, Senegal, Sierra Leone, Somalia, Sudan, Tanzania, Togo, Uganda, Vietnam, Yemen, and Zambia.**
- From the above list, **Ghana** and **Lao P.D.R.**, both with debt deemed unsustainable after application of traditional debt relief mechanisms, have been excluded from the costing exercise because they have indicated that they will not be seeking assistance under the enhanced HIPC Initiative.<sup>1</sup>
- **Yemen** has been excluded from the costing exercise because its debt levels have been found to be sustainable, based on the latest debt sustainability analysis. In addition, **Angola, Kenya, and Vietnam** have been excluded because their debt levels are expected to be sustainable after application of traditional debt relief mechanisms.
- As in the past, **Liberia, Somalia, and Sudan** have not been included due either to weaknesses in the data and/or the protracted time that will be required to resolve their arrears problems.
- It is possible that the HIPC Initiative may extend coverage to countries outside the current group of 41 countries listed above. Currently, no countries have been added to this list.

#### *Data Sources*

- Enhanced decision point documents have been presented to the Boards of the Bank and the Fund for the following 22 countries: **Benin, Bolivia, Burkina Faso, Cameroon, The Gambia, Guinea, Guinea-Bissau, Guyana, Honduras, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nicaragua, Niger, Rwanda, São Tomé and Príncipe, Senegal, Tanzania, Uganda, and Zambia.**
- Preliminary documents have been presented to the Boards for **Chad** and **Ethiopia**, and a more recent DSA has been used for Chad. Updated DSAs have been used for **Côte d'Ivoire** and **Sudan**.
- There have been no data updates for the following 13 countries: **Angola, Burundi, Central African Republic, Democratic Republic of Congo, Republic of Congo, Kenya, Lao P.D.R., Liberia, Myanmar, Sierra Leone, Somalia, Togo, and Vietnam.** Data for the following 4 countries is particularly weak or unavailable: **Democratic Republic of Congo, Liberia, Myanmar, and Somalia.**

#### *Assumptions*

- Calculations of total costs include costs under the original and enhanced HIPC Initiative frameworks, including assistance that has already been delivered.
- Countries must make full use of traditional debt relief mechanisms (i.e., a stock-of-debt operation which provides a 67 percent reduction in the NPV of eligible debt from the Paris Club, and an assumption of comparable treatment by non-Paris Club bilateral and commercial creditors) to be eligible for assistance under the enhanced HIPC Initiative. The cost estimates are based on data after full use of traditional debt relief mechanisms.
- All eligible countries are assumed to request assistance under the enhanced HIPC Initiative, with the exception of **Ghana** and **Lao P.D.R.**
- Each country-specific DSA is based on macroeconomic assumptions regarding exports and fiscal revenues developed by Bank and Fund staffs in consultation with country authorities.

<sup>1</sup>The Ghanaian authorities have recently expressed their intention to participate in the Initiative and have requested an update of the country's DSA.

## **B. Projected Costs of HIPC Relief**

19. The total cost of assistance under the HIPC Initiative is now estimated to be US\$29.3 billion in 1999 NPV terms (Table 6), whereas the previous estimate stood at US\$28.6 billion. The share of assistance remains broadly equally divided between bilateral and multilateral creditors. Total costs have increased slightly for both bilateral and multilateral creditors, but more so for bilateral creditors. The revision in total costs mainly reflects (i) refinements in the debt data during the reconciliation process leading up to the decision points (especially for Madagascar) and (ii) higher estimates of costs for Côte d'Ivoire due to an observed decline in government revenue.

20. Two-thirds of the total cost, an estimated US\$19.4 billion (end-1999 NPV), has been committed to the 22 countries that reached their decision points in 2000 (Table 7).<sup>6</sup> About 70 percent of the costs to multilateral creditors are attributed to these countries, while bilateral creditors account for 61 percent. As in the previous costing, the Paris Club retains the largest share of the bilateral cost (71 percent), followed by non-Paris Club official bilateral creditors (26 percent) and commercial creditors (3 percent).

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<sup>6</sup> One retroactive case, Côte d'Ivoire, reached its decision point under the original framework in 1998, but did not yet reach its enhanced decision point in 2000.

**Table 6. HIPC Initiative: Estimates of Potential Costs by Creditor Group**

	<b>August 2000 Costing Exercise 1999 NPV terms (32 countries)</b>	<b>Updated Costing Exercise 1999 NPV terms (32 countries) 2/</b>	<b>Memorandum item In Percent of Total Costs</b>
<i>(In billions of US dollars)</i>			
<b>Total costs 1/</b>	<b>28.6</b>	<b>29.3</b>	<b>100.0</b>
<b>Bilateral and commercial creditors</b>	<b>14.6</b>	<b>15.1</b>	<b>51.6</b>
Paris Club	11.0	11.3	38.6
Other official bilateral	2.5	2.6	8.8
Commercial	1.1	1.2	4.1
<b>Multilateral creditors</b>	<b>14.0</b>	<b>14.2</b>	<b>48.4</b>
World Bank	6.2	6.3	21.5
<i>Of which:</i> IDA	5.6	5.6	19.1
IBRD	0.6	0.7	2.4
IMF	2.2	2.2	7.7
AfDB/AfDF	2.3	2.4	8.1
IaDB	1.1	1.1	3.7
Others	2.2	2.2	7.5
<i>Memorandum item:</i> Total costs including Liberia, Somalia, and Sudan	37.3	37.3	129.7

Sources: Enhanced Initiative for Heavily Indebted Poor Countries - Review of Implementation (EBS/00/166, 8/14/00 and SecM2000-487, 8/14/2000); country authorities; and Fund and Bank staff estimates.

1/ Excluding Liberia, Somalia, and Sudan, as well as Angola, Ghana, Kenya, Lao P.D.R., Vietnam, and Yemen for the reasons cited in Box 1. The potential cost for Ghana could amount to about US\$2.1 billion in 1999 NPV terms.

2/ In 2000 NPV terms, the total costs for the 32 countries are estimated to be US\$31.1 billion, consisting of US\$16 billion for bilateral and commercial creditors, and US\$15.1 billion for multilateral creditors.

Table 7. HIPC Initiative: Timeline of Cost Commitments by Main Creditors

(In billions of U.S. dollars, in end-1999 NPV terms) 1/

	Total (32 countries)	Decision Point Cases (22)			Post-2000
		Retroactive 2/ (8 countries)	New cases 3/ (14 countries)	Total (22 countries)	Others 5/ (10 countries)
<b>Total costs</b>	<b>29.3</b>	<b>6.4</b>	<b>13.0</b>	<b>19.4</b>	<b>10.0</b>
<b>Bilateral and commercial creditors</b>	<b>15.1</b>	<b>2.5</b>	<b>6.7</b>	<b>9.2</b>	<b>5.9</b>
<b>Multilateral creditors</b>	<b>14.2</b>	<b>3.8</b>	<b>6.3</b>	<b>10.2</b>	<b>4.0</b>
World Bank	6.3	1.7	2.9	4.5	1.8
<i>Of which</i> : IDA	5.6	1.7	2.6	4.3	1.3
IBRD	0.7	0.0	0.3	0.3	0.4
IMF	2.2	0.6	1.0	1.6	0.6
AfDB/AfDF	2.4	0.4	0.8	1.2	1.1
IaDB	1.1	0.6	0.5	1.1	0.0
Other	2.2	0.5	1.1	1.7	0.5
Memorandum item:					
In percent of total cost	100	22	44	66	34

Sources: Country authorities; and IMF and World Bank staff estimates.

1/ Excluding Liberia, Somalia, and Sudan, as well as Angola, Ghana, Kenya, Lao P.D.R., Vietnam, and Yemen for the reasons cited in Box 1.

The potential cost for Ghana could amount to about US\$2.1 billion in 1999 NPV terms.

2/ Benin, Bolivia, Burkina Faso, Guyana, Mali, Mozambique, Senegal, and Uganda. Cote d'Ivoire is a retroactive case but has not reached its enhanced decision point.

3/ Cameroon, The Gambia, Guinea, Guinea-Bissau, Honduras, Madagascar, Malawi, Mauritania, Nicaragua, Niger, Rwanda, Sao Tome and Principe, Tanzania, and Zaire.

4/ Burundi, Central African Republic, Democratic Republic of Congo, Republic of Congo, Myanmar, and Sierra Leone.

5/ Chad, Cote d'Ivoire, Ethiopia, and Togo.



#### IV. STATUS OF CREDITOR PARTICIPATION

##### A. Multilateral Creditors

21. Multilateral creditors account for US\$14.2 billion of the US\$29.3 billion in total costs estimated for the HIPC Initiative. Virtually all multilateral creditors have pledged to participate in the HIPC Initiative and several have made commitments to provide interim relief once countries reach their decision points. IDA, the IMF and the AfDB are among the largest multilateral creditors that will provide interim assistance to countries that have reached their decision points.

22. The total estimated cost to **IDA** is US\$6.3 billion in 1999 NPV terms, of which the 22 HIPCs at their decision points under the enhanced framework account for approximately US\$4.5 billion, or nearly US\$8 billion in debt service relief over time. The commitments made by IDA to date have already resulted in the delivery of more than US\$1.5 billion in HIPC debt relief. As of March 13, 2001, debt relief was provided through: (i) the cancellation of US\$1.1 billion of IDA credits to Burkina Faso, Guyana, Mali, Mozambique, and Uganda via the HIPC Trust Fund (representing close to three years of IDA disbursements to these five countries) and debt service relief of about US\$140 million; and (ii) IDA grants amounting to US\$230 million, mainly to Mozambique and Uganda, as well as debt service grants of US\$15 million for Cameroon and Honduras.

23. Looking forward, IDA debt relief assistance to the first 22 countries will average some US\$375 million each year over 2001–2009 (Appendix Table 12). Compared to annual net transfers of US\$1 billion to these 22 countries during FY 1998–2000, the HIPC Initiative could, with sustained IDA flows, increase IDA's net transfers to HIPCs by more than one-third. IDA is providing interim relief to qualifying countries, and all of the agreements have been signed and are effective.

24. To help finance these and ongoing commitments, the IBRD has so far allocated net income and surplus equal to US\$1.3 billion into the World Bank component of the HIPC Trust Fund, out of a total pledge of US\$2.1 billion in NPV terms over time. In the absence of further IBRD transfers to the HIPC Trust Fund, additional funding will be needed to reimburse IDA for the foregone debt service on IDA credits, beginning around 2005 (the end of IDA 13). An estimated US\$500 million per annum, or about US\$1.3 billion in IDA 14 and US\$1.6 billion in IDA 15, will be required. Furthermore, resources will be required to finance the costs of three countries (Cameroon, Côte d'Ivoire, and Honduras) that have substantial levels of outstanding IBRD debt, since IBRD net income transfers to the HIPC Trust Fund cannot be used to provide relief on these loans. Several bilateral donors have made specific pledges and contributions to the HIPC Trust Fund to support debt relief efforts by the World Bank.

25. Total costs to the **IMF** are estimated at US\$2.2 billion in NPV terms, while estimated costs for the 22 decision point countries amount to some US\$1.6 billion in 1999 NPV terms. In November 2000, the U.S. Congress approved legislation that allows the IMF to use the balance of investment income (about US\$800 million) generated from proceeds of IMF

off-market gold transactions for the PRGF-HIPC Trust. With the transfer of this income, resources available to the PRGF-HIPC Trust are expected to be sufficient to fully cover commitments under the HIPC Initiative. Interim relief from the Fund is being provided to all countries except Bolivia (which did not request interim relief and where assistance under the original HIPC Initiative was heavily front-loaded), Honduras and Nicaragua (where financing assurances from other creditors are pending), and São Tomé and Príncipe (where no assistance from the IMF was required since there was no credit outstanding from the Fund at end-1999, the basis for its HIPC relief calculations). IMF assistance is delivered in the form of grants to cover debt service due to the Fund, and is generally drawn down over a 7-9 year period. Of the US\$1.6 billion committed at the 22 decision points<sup>7</sup>, nearly US\$0.6 billion has been disbursed as of March 2001, including assistance under the original HIPC framework (Appendix Table 14).

26. The costs for **other multilateral creditors** are approximately US\$5.7 billion, of which relief to the first 22 countries amounts to some US\$4 billion. In this context, the AfDB, IaDB, and a number of sub-regional MDBs will require support from bilaterals and the HIPC Trust Fund to meet their costs under the Initiative. Last year saw significant progress toward securing financing arrangements for multilateral creditors, with total pledges to the HIPC Trust Fund, which is administered by IDA, reaching US\$2.5 billion, and paid-in contributions approaching US\$1 billion (Appendix Table 15)<sup>8</sup>. Since US\$550 million of the outstanding amount is already covered under existing donor contribution agreements, roughly US\$1 billion in outstanding pledges will need to be covered by additional contributions. In addition, over time, significant additional pledges will be needed to meet the projected costs of the Initiative as additional countries reach their decision points. Pledges included a contribution of EUR 734 million by the European Community and the appropriation by the United States Congress of US\$360 million to the Trust Fund. Other pledges and contributions in 2000 came from Australia, Austria, Belgium, Canada, Germany, Italy, Japan, the Netherlands, New Zealand, Spain, Switzerland, the U.K., and a new combined pledge by five Nordic countries of US\$100 million (Denmark, Finland, Iceland, Norway, and Sweden).

27. As of April 18, 2001, the **AfDB** Board had approved the HIPC debt relief packages for all of the 18 African HIPCs that have already reached the decision point. Legal agreements have been signed with the HIPC Trust Fund to support AfDB interim relief for eight countries; agreements to support interim relief for another four countries have been finalized and forwarded for signature.

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<sup>7</sup> In NPV terms at the countries' respective decision points.

<sup>8</sup> Pledges included a contribution of EUR 734 million by the European Community and the appropriation by the United States Congress of US\$360 million to the Trust Fund. Other pledges and contributions in 2000 came from Australia, Austria, Belgium, Canada, Germany, Italy, Japan, the Netherlands, New Zealand, Spain, Switzerland, the U.K., and a new combined pledge by five Nordic countries of US\$100 million (Denmark, Finland, Iceland, Norway, and Sweden).

28. During the annual meeting of its Board of Governors in March 2001, shareholders of the **IaDB** voted to approve the financial framework that would enable the Bank to provide debt relief to Bolivia, Guyana, Honduras and Nicaragua under the HIPC Initiative. The financing framework puts in place the remaining resources needed for the IaDB to meet its full obligation of US\$1.1 billion in net present value under the enhanced HIPC initiative. The IaDB is expected to receive US\$168 million from donors through the HIPC Trust Fund as well as contributions totaling US\$150 million from countries in Latin America and the Caribbean that have agreed to the conversion of resources from the IaDB's Fund for Special Operations. The financing framework also provides for substantial donor support through the HIPC Trust Fund to five sub-regional creditors of the HIPC countries in Latin America and the Caribbean (Appendix Table 16).

29. To assist multilateral creditors with the challenges associated with financing the Initiative, the World Bank is continuing to host semi-annual meetings of participating MDBs in Washington. Meetings were held in October 2000, focusing on the financing challenges associated with the end-year decision point cases, and on March 14–15, 2001, when in addition to ongoing financing questions—especially with respect to timely confirmation of HIPC debt relief—the agenda addressed issues relating to the PRSP process and completion point schedules, as well as the challenge of ensuring long-term debt sustainability.

### **B. Paris Club Creditors**

30. The Paris Club has been providing enhanced HIPC Initiative assistance mainly through Cologne terms flow reschedulings during the interim period. So far seven countries have received Cologne terms flow reschedulings,<sup>9</sup> and another five have had their existing rescheduling agreements topped up to Cologne terms.<sup>10</sup> One country, Uganda, has already reached the completion point, and several more are expected to reach their completion points in the coming months. Another group of countries is expected to receive Cologne terms flow reschedulings later this year.<sup>11</sup> Among the remaining 22 countries that have so far reached their decision point, three countries are receiving assistance under the original HIPC framework (Bolivia, Guyana, and Mozambique); Honduras and Mozambique are benefiting from a moratorium on debt service; and The Gambia and São Tomé and Príncipe are not receiving interim assistance as the amounts involved are very small.

31. As was pointed out in earlier reviews of the HIPC Initiative,<sup>12</sup> the majority of Paris Club members have pledged debt relief beyond their assistance under the Initiative. Most countries have pledged to offer 100 percent relief on all pre-cutoff date debt, while several have pledged 100 percent debt relief on post-cutoff date debt as well. In most cases,

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<sup>9</sup> Cameroon, Guinea-Bissau, Madagascar, Malawi, Mauritania, Niger, and Tanzania.

<sup>10</sup> Benin, Burkina Faso, Mali, Senegal, and Zambia.

<sup>11</sup> Guinea, Nicaragua, and Rwanda.

<sup>12</sup> See for example, EBS/00/166 and IDA SecM2000-487.

the debt relief offered under their commitment is expected to be provided at completion point but several countries have offered to deliver this additional assistance from decision point (Appendix Table 17). The overall effect of these commitments is to reduce HIPC's debt burdens by an estimated US\$4.3 billion in NPV terms, or lowering the average post-HIPC relief NPV of debt to exports by 18 percentage points to 113 percent (Appendix Table 18).

### C. Non-Paris Club Official Bilateral and Commercial Creditors

32. **Non-Paris Club official bilateral creditors** face a total cost of approximately US\$2.6 billion in NPV terms, or about 9 percent of the total cost of the Initiative. Bank and Fund staff have continued their efforts to secure participation of these creditors in the HIPC Initiative, and management supported these efforts through contacts with these creditors at the Annual Meeting in Prague.<sup>13</sup> To date, a number of creditors have delivered or agreed to provide assistance under the enhanced HIPC Initiative to their HIPC debtors as detailed in Appendix Table 19. The commitments cover around 40 percent of the cost of assistance to non-Paris Club official bilateral creditors for the 22 decision point HIPC's. Several other creditors<sup>14</sup> are considering providing debt relief and have been in contact with the staff.

33. **Commercial creditors.** Commercial debt accounts for a relatively small share of the total debt of the HIPC's—costs of participation in the HIPC Initiative are estimated at US\$1.2 billion, or 4 percent of total HIPC relief. The main mechanisms for commercial debt reduction are buybacks and operations offering creditors a menu of restructuring options designed to achieve debt- and debt-service reduction. Most of these operations have been supported by grants from the Debt Reduction Facility for IDA-only countries, which was established in 1989 to provide grants to HIPC's to finance voluntary debt reduction agreements between HIPC's and commercial creditors.

34. As of March 2001, sixteen HIPC's had completed debt buyback operations with the support of this facility (Appendix Table 20). A total of US\$6.7 billion worth of principal and interest arrears was extinguished in seventeen operations at an average discount of about 86 percent. Operations are currently under preparation for Cameroon, Honduras and Tanzania; these operations will deal with about US\$1.2 billion worth of potentially eligible principal.

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<sup>13</sup> All creditors have been contacted except for Cuba, North Korea, and Taiwan Province of China, which are not members of the Bretton Woods Institutions.

<sup>14</sup> Including Bulgaria, Croatia, India, Kuwait, Oman, Saudi Arabia, and Slovenia.

## V. EXPERIENCE WITH STREAMLINING PRELIMINARY HIPC INITIATIVE DOCUMENTS

35. During the meetings of the IMF and IDA Boards on November 2, 2000,<sup>15</sup> Executive Directors approved a proposal to streamline preliminary HIPC Initiative documents for upcoming cases in 2000. As requested by the Directors at that time, this section reviews the experience with the early cases of streamlined documents, i.e., for The Gambia, Guinea-Bissau, Madagascar, Niger, and São Tomé and Príncipe, which were discussed by the Boards last November.<sup>16</sup>

36. The proposal to streamline preliminary documents arose from the desire to reduce duplication, processing time and resource requirements while preserving advance consultation with Directors on key aspects of HIPC Initiative decisions. As set out in the proposal, streamlined preliminary documents would focus on the following key issues:

- eligibility for HIPC Initiative assistance;
- track record;
- summary debt sustainability analysis;
- timing of possible decision points;
- possible triggers for the floating completion point; and
- likely assistance under the Initiative (including breakdown by principal creditor groups).

37. In endorsing the proposal and during the subsequent discussions of the five aforementioned countries, Executive Directors also stressed the importance that a streamlined preliminary document:

- safeguard the integrity of the HIPC consultation and preparation process and therefore remain separate and distinct from the decision point document;
- include a concise and informative description and assessment of the track record of policy reforms;
- provide comprehensive information on the monitoring and tracking of expenditure; include a table on debt service before and after HIPC relief;
- comprise a full discussion of the rationale for the choice of the completion point triggers proposed. Executive Directors further recommended that these triggers be specific, feasible, and closely linked to poverty reduction;
- include a Debt Sustainability Analysis (DSA) which enables a clear presentation, in table form, of debt service both before and after the proposed assistance under the enhanced HIPC Initiative;

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<sup>15</sup> HIPC Initiative—Proposal for Streamlining Preliminary HIPC Initiative Documents (EBS/00/207 and IDA/R2000-186, 10/26/2000).

<sup>16</sup> The preliminary document for Ethiopia, also mentioned in the proposal to streamline, was discussed by the Boards in March 2001.

- include a relevant sensitivity analysis and discussion of the critical assumptions underlying the DSA scenario.

38. Directors noted that it was suggested in the original proposal to shorten the streamlined preliminary documents to five to eight pages of text with accompanying boxes and tables, but the experience showed that 10–13 pages are required to cover all the desired information on policy track record, expenditure tracking, rationale for and discussion of completion point triggers, and the DSA. Looking ahead, staff will seek to cover all the necessary information and to keep future HIPC documents as short as possible.

39. Directors agreed last fall that staff, on an exceptional basis, could request the Boards to consider preliminary documents with a review period of five working days (rather than the normal ten working days) on a case-by-case basis through the end of 2000. This procedure was helpful in bringing 22 countries to their enhanced decision points. Looking ahead, the review period will return to normal as planned.

**Table 1: Enhanced HIPC Initiative: Committed Debt Relief and Outlook  
Status as of end March, 2001**

(In millions of US dollars) 1/

	Reduction in NPV Terms			Nominal Debt Service Relief			Date of Approval
	Original HIPC Initiative	Enhanced HIPC Initiative	Total	Original HIPC Initiative	Enhanced HIPC Initiative	Total	
<b>COUNTRIES THAT HAVE REACHED THEIR DECISION POINTS (22)</b>							
<b>TOTAL</b>	<b>3,117</b>	<b>17,202</b>	<b>20,320</b>	<b>6,170</b>	<b>27,460</b>	<b>33,630</b>	
Benin	...	265	265	-	460	460	Jul-00
Bolivia	448	854	1,302	760	1,300	2,060	Feb-00
Burkina Faso	229	169	398	400	300	700	Jun-00
Cameroon	...	1,260	1,260	...	2,000	2,000	Oct-00
The Gambia	...	67	67	...	90	90	Dec-00
Guinea	...	545	545	...	800	800	Dec-00
Guinea-Bissau	...	416	416	...	790	790	Dec-00
Guyana	256	329	585	440	590	1,030	Nov-00
Honduras	...	556	556	-	900	900	Jul-00
Madagascar	...	814	814	...	1,500	1,500	Dec-00
Malawi	...	643	643	-	1,000	1,000	Dec-00
Mali	121	401	523	220	650	870	Sep-00
Mauritania	...	622	622	-	1,100	1,100	Jan-00
Mozambique	1,716	254	1,970	3,700	600	4,300	Apr-00
Nicaragua	...	3,267	3,267	-	4,500	4,500	Dec-00
Niger	...	521	521	...	900	900	Dec-00
Rwanda	...	453	453	-	810	810	Dec-00
São Tomé and Príncipe	...	97	97	...	200	200	Dec-00
Senegal	...	488	488	-	850	850	Jun-00
Tanzania	...	2,026	2,026	-	3,000	3,000	Apr-00
Uganda	347	656	1,003	650	1,300	1,950	Jan-00
Zambia	...	2,499	2,499	-	3,820	3,820	Dec-00
<b>COUNTRIES STILL TO BE CONSIDERED (13)</b>							
Chad	...	157	157	-	250	250	Jul-00 2/
Ethiopia	...	908	908	...	1,450	1,450	Mar-01 3/
Côte d'Ivoire	345	...	345	800	...	800	Mar-98 4/
Burundi	...	...	...	...	...	...	
Central African Republic	...	...	...	...	...	...	
Congo, Dem. Rep. of	...	...	...	...	...	...	
Congo, Rep. of	...	...	...	...	...	...	
Liberia	...	...	...	...	...	...	
Myanmar	...	...	...	...	...	...	
Sierra Leone	...	...	...	...	...	...	
Somalia	...	...	...	...	...	...	
Sudan	...	...	...	...	...	...	
Togo	...	...	...	...	...	...	
<b>COUNTRIES NOT SEEKING HIPC DEBT RELIEF (2)</b>							
Ghana 5/	...	...	...	...	...	...	
Lao PDR	...	...	...	...	...	...	
<u>Memorandum item:</u>							
Debt relief committed under original and enhanced frameworks 6/	<b>3,462</b>	<b>17,202</b>	<b>20,665</b>	<b>6,970</b>	<b>27,460</b>	<b>34,430</b>	

Sources: HIPC Initiative country documents; World Bank and IMF staff estimates.

1/ In net present value (NPV) terms of the decision point year.

2/ Preliminary documents reviewed.

3/ Preliminary document reviewed in November 1998, and updated in March 2001.

4/ Approved debt relief under the original framework.

5/ The Ghanaian authorities have indicated their intention to request HIPC debt relief.

6/ Countries that have reached their decision points under the enhanced HIPC framework through February 2001, and Côte d'Ivoire, which had reached the decision point under the original framework earlier.

Table 2. Impact of Debt Relief on Countries at the Decision Points by end-2000 1/

(In billions of U.S. dollars and percent)

	<b>Before HIPC Assistance</b>	<b>After HIPC Assistance</b>	<b>Percent Change</b>
<b>Debt Stock 2/</b>			
NPV Debt (in billions of U.S. dollars)	43	23	-47
NPV Debt/Exports (in percent) 3/	345	150	-57
NPV Debt/Revenues (in percent) 4/	382	250	-35
NPV Debt/GDP (in percent) 5/	59	29	-51
<b>Debt Service</b>			
Average paid, 1998-99	2.7	...	...
Average due, 2001-05 6/	3.6	2.0	-43
<b>Debt Service Ratios</b>			
Debt Service/Exports Ratio			
Average due, 2001-05 6/	16%	8%	-49%
Debt Service/Revenues Ratio			
Average due, 2001-05 6/	23%	11%	-42%
Debt Service/GDP Ratio			
Average due, 2001-05 6/	5%	2%	-54%

Sources: HIPC decision point documents; and IMF and World Bank staff estimates.

1/ Impact shown for those 22 countries that have already reached their enhanced decision points. All ratios are simple averages.

2/ As of end-2000, assuming that debt relief is provided unconditionally at the decision points.

3/ Assistance granted based on the NPV to exports target: Benin, Bolivia, Burkina Faso, Cameroon, The Gambia, Guinea, Guinea-Bissau, Madagascar, Malawi, Mali, Mozambique, Nicaragua, Niger, Rwanda, Sao Tome and Principe, Tanzania, Uganda, and Zambia.

4/ Fiscal window cases: Guyana, Honduras, Mauritania, and Senegal.

5/ For "After HIPC Assistance" the NPV of debt to GDP ratio is for 2003.

6/ Debt service for 2000 is not included because many countries reached their enhanced decision point only in December 2000. For Bolivia and Uganda the "Before HIPC Assistance" figures are after delivery of original HIPC relief.



Table 3: Summary Debt Service for 22 HIPCs that Reached Decision Points by end-2000  
(In million of US dollars, unless otherwise indicated)

	1998	1999	2000	2001	2002	2003	2004	2005
<b>African Countries</b>								
Debt service paid	1,964	1,838						
Debt service due after enhanced HIPC Initiative relief 1/			1,719	1,293	1,273	1,309	1,524	1,465
Debt service/exports (in percent) 2/	16.7	19.8	18.3	10.0	8.6	7.3	7.1	6.6
Debt service/fiscal revenue (in percent) 2/	24.4	29.0	25.9	14.0	12.0	10.1	9.8	8.7
<b>Latin American Countries</b>								
Debt service paid	1,027	669						
Total debt service due after enhanced HIPC Initiative relief 1/			644	484	643	703	665	706
Simple average of debt service/exports (in percent) 2/	20.0	13.4	12.7	8.8	10.2	9.4	8.2	8.1
Simple average of debt service/fiscal revenue (in percent) 2/	38.7	21.7	19.7	13.8	15.8	15.4	12.3	11.7
<b>Total (22 countries)</b>								
Debt service paid	2,991	2,506						
Debt service due after enhanced HIPC Initiative relief 1/			2,364	1,776	1,916	2,012	2,189	2,171
<b>Simple average (22 countries)</b>								
Debt service/exports (in percent) 2/	17.4	18.6	17.3	9.8	8.9	7.7	7.3	6.9
Debt service/fiscal revenue (in percent) 2/	27.5	27.7	24.8	14.0	12.7	11.1	10.3	9.3

Sources: HIPC country documents; and World Bank and IMF staff estimates.

1/ The debt service figure for 2000 largely reflects debt service paid in 2000 for countries that did not reach their decision point until late in 2000. Thus, the full impact of relief for these countries will not be felt until 2001 and thereafter. See Table 5 for a detailed breakdown.

2/ Ratios for 1998 do not include countries that reached their decision points in December 2000.

Note: Debt service figures for 1998 and 1999 reflect debt relief already provided to Bolivia, Guyana, Mozambique and Uganda under the original framework

Table 4. Debt Service for Individual HIPCs that Reached Decision Points, by Country, 1998-2005  
(In million of US dollars, unless otherwise indicated)

	1998	1999	2000	2001	2002	2003	2004	2005
<b>Benin</b>								
Debt service paid	64	66						
Debt service due after enhanced HIPC Initiative relief 1/			63	46	43	39	39	37
Debt service/exports (in percent)	16	17	17	11	9	8	7	6
Debt service/fiscal revenue (in percent)	17	18	12	10	8	7	6	5
<b>Bolivia</b>								
Debt service paid	388	249						
Debt service due after enhanced HIPC Initiative relief 1/			277	185	212	235	254	278
Debt service/exports (in percent)	29	20	21	13	14	14	13	14
Debt service/fiscal revenue (in percent)	19	13	14	10	11	11	10	10
<b>Burkina Faso</b>								
Debt service paid	60	53						
Debt service due after enhanced HIPC Initiative relief 1/			34	30	35	38	40	41
Debt service/exports (in percent)	16	18	12	9	10	9	9	8
Debt service/fiscal revenue (in percent)	18	14	9	7	7	7	7	6
<b>Cameroon 2/</b>								
Debt service paid 3/	401	401	312					
Debt service due after enhanced HIPC Initiative relief 1/				226	242	291	328	347
Debt service/exports (in percent)	18	15	11	8	8	9	9	9
Debt service/fiscal revenue (in percent)	28	24	18	12	12	13	13	12
<b>Gambia, The</b>								
Debt service paid 3/	26	16	20					
Debt service due after enhanced HIPC Initiative relief 1/		16		16	15	8	9	10
Debt service/exports (in percent)	-	13	16	11	10	5	5	5
Debt service/fiscal revenue (in percent)	-	20	23	17	15	8	8	9
<b>Guinea</b>								
Debt service paid 3/	128	108	140					
Debt service due after enhanced HIPC Initiative relief 1/		108		78	90	99	92	88
Debt service/exports (in percent)	15	14	16	8	9	9	8	7
Debt service/fiscal revenue (in percent)	34	28	39	18	18	18	15	12
<b>Guinea-Bissau</b>								
Debt service paid 3/	8	34	29					
Debt service due after enhanced HIPC Initiative relief 1/		34		5	6	8	5	4
Debt service/exports (in percent)	-	61	39	6	7	8	4	3
Debt service/fiscal revenue (in percent)	-	88	69	11	12	13	7	5
<b>Guyana</b>								
Debt service paid 3/	131	70						
Debt service due after enhanced HIPC Initiative relief 1/		70	74	48	34	39	42	43
Debt service/exports (in percent)	19	10	10	6	4	5	5	5
Debt service/fiscal revenue (in percent)	65	32	31	19	13	13	14	13
<b>Honduras</b>								
Debt service paid	311	241						
Debt service due after enhanced HIPC Initiative relief 1/			167	134	210	276	247	258
Debt service/exports (in percent)	13	10	6	4	6	7	6	5
Debt service/fiscal revenue (in percent)	32	23	15	10	14	16	13	12
<b>Madagascar 4/</b>								
Debt service paid 3/	166	106	105					
Debt service due after enhanced HIPC Initiative relief 1/		106		64	56	68	79	82
Debt service/exports (in percent)	-	12	11	6	5	5	6	5
Debt service/fiscal revenue (in percent)	-	25	21	12	9	10	10	9
<b>Malawi</b>								
Debt service paid 3/	90	87	110					
Debt service due after enhanced HIPC Initiative relief 1/		87		59	57	45	45	47
Debt service/exports (in percent)	-	18	23	12	11	8	8	8
Debt service/fiscal revenue (in percent)	-	30	31	13	11	8	7	6
<b>Mali</b>								
Debt service paid	74	84						
Debt service due after enhanced HIPC Initiative relief 1/			88	64	64	66	67	66
Debt service/exports (in percent)	11	13	14	9	8	8	7	7
Debt service/fiscal revenue (in percent)	17	18	20	13	12	11	10	9

Table 4 (concluded). Debt Service for Individual HIPCs by country, 1998-2005  
(In million of US dollars, unless otherwise indicated)

	1998	1999	2000	2001	2002	2003	2004	2005
<b>Mauritania</b>								
Debt service paid	88	98						
Debt service due after enhanced HIPC Initiative relief 1/			87	80	58	49	43	43
Debt service/exports (in percent)	22	24	20	18	13	10	8	8
Debt service/fiscal revenue (in percent)	35	35	22	20	14	10	8	8
<b>Mozambique</b>								
Debt service paid	104	81						
Debt service due after enhanced HIPC Initiative relief 1/			50	48	51	54	55	60
Debt service/exports (in percent)	19	14	9	6	4	4	4	4
Debt service/fiscal revenue (in percent)	23	17	9	8	7	7	6	6
<b>Nicaragua</b>								
Debt service paid 3/	198	108	126					
Debt service due after enhanced HIPC Initiative relief 1/ 5/		108		117	188	153	123	127
Debt service/exports (in percent)	-	13	13	11	17	12	9	9
Debt service/fiscal revenue (in percent)	-	19	20	16	26	21	13	12
<b>Niger</b>								
Debt service paid 3/	27	28	94					
Debt service due after enhanced HIPC Initiative relief 1/		28		49	49	26	29	29
Debt service/exports (in percent)	-	9	36	18	17	8	9	8
Debt service/fiscal revenue (in percent)	-	16	60	27	24	11	11	10
<b>Rwanda</b>								
Debt service paid 3/	14	21	40					
Debt service due after enhanced HIPC Initiative relief 1/		21		16	13	8	11	11
Debt service/exports (in percent)	-	19	31	11	8	4	5	4
Debt service/fiscal revenue (in percent)	-	11	21	8	6	3	4	3
<b>São Tomé and Príncipe</b>								
Debt service paid 3/	10	8	6					
Debt service due after enhanced HIPC Initiative relief 1/		8		2	1	1	1	1
Debt service/exports (in percent)	-	50	24	10	6	6	4	3
Debt service/fiscal revenue (in percent)	-	93	41	17	10	10	6	6
<b>Senegal</b>								
Debt service paid	222	219						
Debt service due after enhanced HIPC Initiative relief 1/			173	159	145	143	225	134
Debt service/exports (in percent)	14	15	10	8	7	7	10	5
Debt service/fiscal revenue (in percent)	27	28	19	16	14	12	18	10
<b>Tanzania 2/</b>								
Debt service paid	224	193						
Debt service due after enhanced HIPC Initiative relief 1/			154	142	144	148	152	158
Debt service/exports (in percent)	21	16	12	10	8	8	7	7
Debt service/fiscal revenue (in percent)	29	20	15	12	11	11	10	9
<b>Uganda 2/</b>								
Debt service paid	110	98						
Debt service due after enhanced HIPC Initiative relief 1/			48	51	56	68	94	103
Debt service/exports (in percent)	15	12	11	6	6	6	6	8
Debt service/fiscal revenue (in percent)	16	13	11	6	5	5	5	6
<b>Zambia</b>								
Debt service paid 3/	147	136	169					
Debt service due after enhanced HIPC Initiative relief 1/		136		158	148	151	211	202
Debt service/exports (in percent)	16	16	16	13	10	10	13	12
Debt service/fiscal revenue (in percent)	24	25	26	25	21	20	27	24
<b>Total debt service paid 3/</b>	2,991	2,506	1,149					
<b>Total debt service due 1/</b>			1,214	1,778	1,916	2,012	2,192	2,171
<b>Simple average of debt service/exports (in percent)</b>	17	19	17	10	9	8	7	7
<b>Simple average of debt service/fiscal revenue (in percent)</b>	27	28	25	14	13	11	10	9

Sources: HIPC country documents; and World Bank and IMF staff estimates.

1/ Debt service due after the full use of traditional debt relief mechanism and assistance under the enhanced HIPC initiative. The 2000 figures are for the early decision point cases only.

2/ On fiscal year basis, i.e. 2000 column shows FY 2000/2001.

3/ The debt service figure for 2000 largely reflects pre-HIPC relief debt service because these countries did not reach their decision point until late in 2000. Thus, the full impact of relief for these countries will not be felt until 2001 and thereafter.

4/ The assistance for Madagascar is indicative and subject to change. Following the Bank's Board meeting, staff were informed that the Madagasy authorities and Paris Club creditors would need to revisit the outstanding bilateral debt numbers. Also, minor adjustments need to be incorporated in the case of three multilateral creditors. Consequently, the IMF Board approved US\$790 million in HIPC assistance, with the understanding that Madagascar's total HIPC assistance will be determined as a result of the expected revisions mentioned above.

5/ Debt service due in 2002/03 reflects a hypothetical assumption that arrears to non-Paris Club creditors (about US\$2 billion) would be regularized and serviced. It also reflects the resumption of payments to the Paris Club creditors that had provided a total deferral of debt service in the wake of Hurricane Mitch in 1998.

Note: Debt service figures for 1998 and 1999 reflect debt relief already provided to Bolivia, Guyana, Mozambique and Uganda under the original framework.

**Table 5. Social Expenditure by the 22 Countries that Reached Decision Points 1/**

	1999	2000	2001	2002
<i>(In millions of US dollars)</i>				
<b>Social Expenditure</b>				
African Countries	2,452	2,682	3,191	3,577
Latin American Countries	1,826	2,227	2,468	2,762
Total	4,278	4,909	5,659	6,339
<i>(In percent)</i>				
<b>Social Expenditure/Government Revenue</b>				
African Countries	29.6	29.9	32.3	32.5
Latin American Countries	48.0	54.7	55.6	57.3
Total	35.4	37.6	39.6	40.0
<b>Social Expenditure/GDP</b>				
African Countries	4.4	4.5	5.0	5.2
Latin American Countries	10.8	12.6	13.2	13.8
Total	5.8	6.4	6.9	7.1

Sources: HIPC country documents; and World Bank and IMF staff estimates.

Note: The coverage of social expenditure varies across countries. All social data includes spending on health and education. In 11 countries, social spending refers exclusively to public expenditure on health and education. In addition, social spending includes new programs to be financed partly with HIPC assistance in Benin, basic sanitary infrastructure in Bolivia, rural development and water supply in Burkina Faso, poverty-related activities such as de-mining and rural development in Guinea-Bissau, funding for the Social Impact Amelioration Program and Basic Needs Trust Fund in Guyana, social safety net and rural development programs in Honduras, poverty reduction programs in Mauritania, other spending including promotion of women in Senegal, water supply in both Tanzania and Uganda, and social safety nets, water and sanitation and disaster relief in Zambia.

1/ For the six countries where no data is available for 2002 (Benin, Bolivia, Guinea, Senegal, Uganda and Zambia), social expenditure has been assumed to remain unchanged as a percentage of GDP from the previous year.

Table 6. Social Expenditure for Individual HIPCs that Reached Decision Points, by Country 1/  
(In million US dollars)

	1999	2000	2001	2002
<b>African Countries</b>				
<b>Benin</b>				
Social Expenditure	115	148	195	214 2/
Social Expenditure/Revenue (in percent)	31	36	39	39
Social Expenditure/GDP (in percent)	5	6	7	7
<b>Burkina Faso</b>				
Social Expenditure	141	142	165	192
Social Expenditure/Revenue (in percent)	36	37	39	40
Social Expenditure/GDP (in percent)	5	5	6	6
<b>Cameroon</b>				
Social Expenditure	264	316	389	451
Social Expenditure/Revenue (in percent)	16	18	21	22
Social Expenditure/GDP (in percent)	3	3	4	4
<b>The Gambia</b>				
Social Expenditure	23	26	30	34
Social Expenditure/Revenue (in percent)	29	30	33	35
Social Expenditure/GDP (in percent)	5	6	7	7
<b>Guinea</b>				
Social Expenditure	101	105	109	120 2/
Social Expenditure/Revenue (in percent)	26	30	29	29
Social Expenditure/GDP (in percent)	4	3	3	3
<b>Guinea-Bissau</b>				
Social Expenditure	26	30	42	47
Social Expenditure/Revenue (in percent)	66	74	89	87
Social Expenditure/GDP (in percent)	12	13	17	16
<b>Madagascar</b>				
Social Expenditure	156	188	223	277
Social Expenditure/Revenue (in percent)	37	38	41	45
Social Expenditure/GDP (in percent)	4	5	5	6
<b>Malawi</b>				
Social Expenditure	99	118	143	161
Social Expenditure/Revenue (in percent)	34	33	32	32
Social Expenditure/GDP (in percent)	5	7	9	10
<b>Mali</b>				
Social Expenditure	83	98	115	126
Social Expenditure/Revenue (in percent)	18	22	24	23
Social Expenditure/GDP (in percent)	3	4	4	4
<b>Mauritania</b>				
Social Expenditure	85	97	111	121
Social Expenditure/Revenue (in percent)	30	34	37	38
Social Expenditure/GDP (in percent)	8	8	9	9
<b>Mozambique</b>				
Social Expenditure	158	161	173	203
Social Expenditure/Revenue (in percent)	32	30	29	30
Social Expenditure/GDP (in percent)	4	4	4	4
<b>Niger</b>				
Social Expenditure	99	85	112	132
Social Expenditure/Revenue (in percent)	58	55	62	64
Social Expenditure/GDP (in percent)	5	4	6	6
<b>Rwanda</b>				
Social Expenditure	75	73	89	108
Social Expenditure/Revenue (in percent)	40	39	45	47
Social Expenditure/GDP (in percent)	4	4	5	6

Table 6 (concluded). Social Expenditure for Individual HIPCs by Country 1/  
(In million US dollars)

	1999	2000	2001	2002
<b>São Tomé and Príncipe</b>				
Social Expenditure	8	8	9	12
Social Expenditure/Revenue (in percent)	93	77	76	86
Social Expenditure/GDP (in percent)	17	17	20	22
<b>Senegal</b>				
Social Expenditure	257	258	277	301 2/
Social Expenditure/Revenue (in percent)	33	29	29	28
Social Expenditure/GDP (in percent)	6	5	5	5
<b>Tanzania</b>				
Social Expenditure	289	327	361	379
Social Expenditure/Revenue (in percent)	30	31	30	30
Social Expenditure/GDP (in percent)	3	4	4	4
<b>Uganda</b>				
Social Expenditure	306	349	400	436 2/
Social Expenditure/Revenue (in percent)	40	39	39	36
Social Expenditure/GDP (in percent)	5	6	6	6
<b>Zambia</b>				
Social Expenditure	167	152	248	263 2/
Social Expenditure/Revenue (in percent)	30	24	39	38
Social Expenditure/GDP (in percent)	5	5	7	7
<b>Latin American Countries</b>				
<b>Bolivia</b>				
Social Expenditure	1,041	1,068	1,135	1,210 2/
Social Expenditure/Revenue (in percent)	53	52	53	52
Social Expenditure/GDP (in percent)	12	12	13	13
<b>Guyana</b>				
Social Expenditure	77	101	106	114
Social Expenditure/Revenue (in percent)	35	42	42	42
Social Expenditure/GDP (in percent)	11	14	14	15
<b>Honduras</b>				
Social Expenditure	442	685	721	844
Social Expenditure/Revenue (in percent)	42	60	54	55
Social Expenditure/GDP (in percent)	8	12	12	13
<b>Nicaragua</b>				
Social Expenditure	267	374	506	594
Social Expenditure/Revenue (in percent)	47	59	71	83
Social Expenditure/GDP (in percent)	12	15	19	20

Sources: HIPC country documents; and staff estimates.

Note: The coverage of social expenditure varies across countries. All social data includes spending on health and education. In 11 countries, social spending refers exclusively to public expenditure on health and education. In addition, social spending includes new programs to be financed partly with HIPC assistance in Benin, basic sanitary infrastructure in Bolivia, rural development and water supply in Burkina Faso, poverty-related activities such as de-mining and rural development in Guinea-Bissau, funding for the Social Impact Amelioration Program and Basic Needs Trust Fund in Guyana, social safety net and rural development programs in Honduras, poverty reduction programs in Mauritania, other spending including promotion of women in Senegal, water supply in both Tanzania and Uganda, and social safety nets, water and sanitation and disaster relief in Zambia.

1/ The figures for 2000 for Cameroon, The Gambia, Guinea, Guinea-Bissau, Guyana, Madagascar, Malawi, Mauritania, Nicaragua, Niger, Rwanda, Sao Tome and Principe, and Zambia largely reflect social expenditure before HIPC relief in 2000 because these countries did not reach their decision point until late 2000. Thus, the full impact of relief for these countries will not be felt until 2001.  
2/ For the six countries where no data is available for 2002 (Benin, Bolivia, Guinea, Senegal, Uganda and Zambia), social expenditure has been assumed to remain unchanged as a percentage of GDP from the previous year.

Table 7. HIPC Initiative: Estimates of Costs for Other Multilateral Creditors  
(In millions of U.S. dollars, in end-1999 NPV terms) 1/

	<b>Total Costs</b> (32 countries)	<b>Decision Point Cases</b> (22 countries) 2/
<b>Total other multilateral</b>	<b>2,209</b>	<b>1,687</b>
EU/EIB	530	332
CABEI	480	480
IFAD	230	175
BADEA	165	117
OPEC Fund	145	113
IsDB	112	107
CAF		82
EIB	66	21
AsDB	62	0
AFESD	60	60
CMCF	53	53
BCEAO	52	5
BOAD	58	37
FONPLATA	25	25
NDF	18	18
CDB	18	18
ECOWAS (CEDEAO)	13	13
AMF	11	11
PTA Bank	7	7
BDEAC	10	1
NIB	3	3
FEGECE	3	2
EADB	3	3
FOCEM	2	2
EU	2	2
Memorandum items:		
European MDBs 3/	618	376
Latin American MDBs 4/	575	657
Arab MDBs 5/	349	295
African MDBs 6/	145	68
Other MDBs 7/	521	291

Sources: Creditor statements; and IMF and World Bank staff estimates.

1/ Excluding Liberia, Somalia, Sudan, and Ghana. Costs for the World Bank, IMF, AfDB, and IaDB are presented in Table 6.

2/ The 22 decision point cases include Benin, Bolivia, Burkina Faso, Cameroon, The Gambia, Guinea, Guinea-Bissau, Guyana, Honduras, M Malawi, Mali, Mauritania, Mozambique, Nicaragua, Niger, Rwanda, Senegal, Sao Tome and Principe, Tanzania, Uganda and Zambia.

3/ Includes the EU/EIB, NDF, and NIB.

4/ Includes CABEI, CAF, CMCF, FONTPLATA, and CDB.

5/ Includes BADEA, IsDB, AFESD, and AMF.

6/ Includes BOAD, BCEAO, BDEAC, ECOWAS, PTA, EADB, and FEGECE.

7/ Includes OPEC, IFAD, and AsDB.

Table 8. Estimated HIPC Relief Costs for Individual HIPCs by Creditor Group 1/  
(22 Countries)

(In millions of U.S. dollars, in end-1999 NPV terms)

	Grand Total	(In percent of total)	Benin	Bolivia	Burkina Faso	Cameroon	The Gambia	Guinea	Guinea- Bissau	Guyana	Honduras	Madagascar	Malawi
<i>(22 countries)</i>													
Total	19,372	100	250	1,280	375	1,189	63	515	392	566	524	768	606
Bilateral	9,223	48	72	420	53	883	16	205	200	213	203	431	153
<i>Of which :</i>													
Paris Club	6,546	34	60	392	21	812	5	144	142	157	159	361	122
Non-Paris Club	2,406	12	12	23	32	12	12	59	57	28	41	67	14
Commercial	272	1	-	7	-	58	-	2	0	28	3	3	18
Multilateral	10,151	52	178	861	322	306	46	310	193	353	321	336	453
<i>Of which :</i>													
World Bank	4,531	23	80	189	155	169	21	143	88	66	92	238	312
IMF	1,625	8	23	83	42	35	2	30	11	70	29	21	28
AfDB/AfDF	1,233	6	35	-	61	74	15	71	57	-	-	56	67
IaDB	1,074	6	-	469	-	-	-	-	-	114	126	-	-
Others	1,687	9	40	121	64	28	8	66	36	103	74	22	45



Table 8 (concluded). Estimated HIPC Relief Costs for Individual HIPCs by Creditor Group 1/  
(22 Countries)

(In millions of U.S. dollars, in end-1999 NPV terms)

	Malawi	Mali	Mauritania	Mozambique	Nicaragua	Niger	Rwanda	Sao Tome and Principe	Senegal	Tanzania	Uganda	Zambia
Total	606	493	586	1,955	3,082	491	427	92	461	1,912	987	2,358
Bilateral	153	152	246	1,226	2,023	199	53	28	200	949	193	1,102
<i>Of which :</i>												
Paris Club	122	101	129	964	821	99	33	18	119	751	106	1,027
Non-Paris Club	14	48	117	216	1,163	98	20	9	81	172	71	53
Commercial	18	3	-	46	39	2	0	-	1	26	16	22
Multilateral	453	341	340	730	1,059	292	374	64	261	962	793	1,256
<i>Of which :</i>												
World Bank	312	172	94	402	179	160	215	22	117	655	498	465
IMF	28	57	44	130	77	26	41	-	42	113	152	568
AfDB	67	63	69	137	-	35	71	32	54	118	80	138
IaDB	-	-	-	-	365	-	-	-	-	-	-	-
Others	45	49	133	62	439	70	47	9	48	76	61	85

Sources: HIPC documents; and IMF and World Bank staff estimates.

1/ Data expressed in 1999 NPV terms in contrast to decision point figures used in Table 1. For example, for Bolivia, original HIPC Initiative assistance is \$448 million in 1998 NPV terms, or \$475 million in 1999 NPV terms, while enhanced HIPC Initiative assistance is \$854 million assessed at the decision point and \$806 million in 1999 NPV terms. This lead to a total at the decision point of \$1,302 million in Appendix Table 1 and a total in end-1999 NPV terms of \$1,280 million in Table 8.

Table 9. Estimated Paris Club Costs of HIPC Relief by Creditor Country 1/  
(22 Countries)

(In millions of U.S. dollars, in end-1999 NPV terms)

	Total	Benin	Bolivia	Burkina Faso	Cameroon	The Gambia	Guinea	Guinea-Bissau	Guyana	Honduras	Madagascar
<i>(22 countries)</i>											
<b>Total</b>	<b>6,547</b>	<b>60</b>	<b>392</b>	<b>21</b>	<b>812</b>	<b>5</b>	<b>144</b>	<b>142</b>	<b>157</b>	<b>159</b>	<b>361</b>
Australia	1	-	-	-	-	-	-	-	-	-	-
Austria	148	-	9	1	68	2	1	-	-	-	7
Belgium	116	1	22	-	31	-	1	4	-	-	7
Brazil	212	-	-	-	-	-	1	6	-	-	-
Canada	83	0	1	-	32	-	-	-	1	1	6
Denmark	20	-	0	-	15	-	-	-	1	1	-
Finland	7	-	-	-	0	-	-	-	-	-	-
France	1,223	25	18	11	392	1	76	4	1	5	87
Germany	791	1	95	-	136	-	1	2	7	7	16
Israel	4	-	-	-	-	-	-	-	-	-	0
Italy	556	9	20	2	33	-	7	76	-	14	28
Japan	1,517	8	143	-	9	-	17	-	1	88	128
Netherlands	88	3	8	2	7	0	-	-	3	2	-
Norway	20	9	-	-	-	1	2	-	-	0	-
Portugal	203	-	-	-	-	-	-	39	-	-	-
Russia	572	1	-	0	-	-	17	7	1	-	45
South Africa	1	-	-	-	-	-	-	-	-	-	-
Spain	329	-	43	3	23	-	2	5	-	28	24
Sweden	19	-	1	-	12	-	-	-	-	-	2
Switzerland	11	-	-	-	8	-	-	-	-	1	1
Trinidad and Tobago	88	-	-	-	-	-	-	-	88	-	-
United Kingdom	317	2	9	1	33	-	1	-	39	-	6
United States	222	0	22	-	12	-	18	-	16	12	5

Table 9 (concluded). Estimated Paris Club Costs of HIPC Relief by Creditor Country 1/  
(22 Countries)

(In millions of U.S. dollars, in end-1999 NPV terms)

	Malawi	Mali	Mauritania	Mozambique	Nicaragua	Niger	Rwanda	Sao Tome and Principe	Senegal	Tanzania	Uganda	Zambia
<b>Total</b>	<b>122</b>	<b>101</b>	<b>129</b>	<b>956</b>	<b>821</b>	<b>99</b>	<b>33</b>	<b>18</b>	<b>119</b>	<b>751</b>	<b>117</b>	<b>1,027</b>
Australia	-	-	-	-	1	-	-	-	-	-	-	-
Austria	6	-	20	7	1	-	2	-	-	11	10	3
Belgium	-	-	-	-	-	-	-	0	1	49	-	-
Brazil	-	-	7	80	29	-	-	-	-	67	-	23
Canada	-	1	-	-	-	-	2	-	0	15	-	23
Denmark	-	-	-	-	-	-	-	-	3	-	-	-
Finland	-	-	-	-	5	-	-	-	-	-	2	-
France	4	56	49	191	33	71	20	3	47	52	11	66
Germany	0	-	2	77	213	-	-	3	14	31	1	186
Israel	-	-	-	-	1	-	-	-	-	-	3	-
Italy	-	0	0	174	41	-	-	4	14	62	38	33
Japan	108	28	27	23	96	13	9	-	19	303	25	470
Netherlands	-	1	9	-	17	-	-	-	2	33	-	0
Norway	-	-	-	-	-	-	-	-	4	3	0	-
Portugal	-	-	-	159	-	-	-	5	-	-	-	-
Russia	-	13	-	153	235	-	-	1	-	56	-	43
South Africa	1	-	-	-	-	-	-	-	-	-	-	-
Spain	2	-	11	22	124	5	-	2	9	4	21	-
Sweden	-	-	-	3	-	-	-	-	0	-	-	-
Switzerland	-	-	-	-	1	-	-	-	-	-	-	-
Trinidad and Tobago	-	-	-	-	-	-	-	-	-	-	-	-
United Kingdom	0	1	3	48	1	6	-	-	0	60	6	100
United States	-	0	1	17	25	3	0	-	4	5	0	81

Sources: HIPC documents; and IMF and World Bank staff estimates.

1/ See footnote 1 in Table 8.

Table 10. Estimated Non-Paris Club Official Bilaterals' Costs of HIPC Relief by Creditor Country 1/  
(22 Countries)

(In millions of U.S. dollars, in end-1999 NPV terms)

	Total	Benin	Bolivia	Burkina Faso	Cameroon	The Gambia	Guinea	Guinea-Bissau	Guyana	Honduras	Madagascar
<i>(22countries)</i>											
<b>Non-Paris Club official bilateral</b>	<b>2,405</b>	<b>12</b>	<b>22</b>	<b>32</b>	<b>12</b>	<b>12</b>	<b>59</b>	<b>57</b>	<b>28</b>	<b>41</b>	<b>67</b>
Abu Dhabi	5	-	-	-	-	-	-	-	-	-	-
Algeria	172	-	-	1	-	-	-	3	-	-	12
Angola	23	-	-	-	-	-	-	5	-	-	0
Argentina	3	2	-	-	-	-	-	-	1	-	-
Brazil	13	-	10	-	-	-	-	-	2	-	-
Bulgaria	71	-	-	-	-	-	1	-	-	-	-
Burundi 2/	0	-	-	-	-	-	-	-	-	-	-
Cape Verde 2/	0	-	-	-	-	-	-	-	-	-	-
China	172	4	7	2	5	2	8	1	5	-	6
Colombia	3	-	-	-	-	-	-	-	-	3	-
Costa Rica	353	-	-	-	-	-	-	-	-	4	-
Côte d'Ivoire	7	-	-	7	-	-	-	-	-	-	-
Croatia	1	-	-	-	-	-	-	-	-	-	-
Cuba	2	-	-	-	-	-	-	0	-	-	-
Czech Republic	11	1	-	-	-	-	-	-	-	-	-
Congo, Dem. Rep. of 2/	0	0	-	-	-	-	-	-	-	-	-
Egypt	3	-	-	-	-	-	3	-	-	-	-
Former Yugoslavia	38	-	-	-	-	-	1	-	0	-	-
Guatemala	336	-	-	-	-	-	-	-	-	5	-
Honduras	91	-	-	-	-	-	-	-	-	-	-
Hungary	11	-	-	-	-	-	-	-	-	-	-
India	32	-	-	-	-	-	-	-	1	-	-
Iran	48	-	-	-	-	-	-	-	-	-	-
Iraq	76	-	-	-	-	-	1	-	-	-	22
Kuwait	195	5	-	10	5	1	15	12	6	6	4



Table 10 (continued). Estimated Non-Paris Club Official Bilaterals' Costs of HIPC Relief by Creditor Country 1/  
(22 Countries)

(In millions of U.S. dollars, in end-1999 NPV terms)

	Malawi	Mali	Mauritania	Mozambique	Nicaragua	Niger	Rwanda	Sao Tome and Principe	Senegal	Tanzania	Uganda	Zambia
<b>Non-Paris Club official bilateral</b>	<b>15</b>	<b>51</b>	<b>124</b>	<b>229</b>	<b>1,233</b>	<b>104</b>	<b>21</b>	<b>10</b>	<b>85</b>	<b>182</b>	<b>75</b>	<b>56</b>
Abu Dhabi	-	-	4	-	-	-	1	-	-	-	1	-
Algeria	-	3	18	96	18	8	-	0	2	18	-	-
Angola	-	-	-	11	-	-	-	6	-	1	-	-
Argentina	-	-	-	-	-	-	-	-	-	-	-	-
Brazil	-	-	-	-	-	-	-	-	-	-	-	-
Bulgaria	-	-	-	7	60	-	-	-	-	6	-	1
Burundi 2/	-	-	-	-	-	-	-	-	-	-	0	-
Cape Verde 2/	-	-	-	-	-	-	-	0	-	-	-	-
China	13	18	17	2	3	4	4	2	14	27	7	32
Colombia	-	-	-	-	-	-	-	-	-	-	-	-
Costa Rica	-	-	-	-	369	-	-	-	-	-	-	-
Côte d'Ivoire	-	1	-	-	-	-	-	-	-	-	-	-
Croatia	-	-	-	-	-	-	-	-	-	1	-	-
Cuba	-	-	-	1	-	-	-	-	-	-	-	-
Czech Republic	-	-	-	-	4	-	-	-	-	6	-	0
Congo, Dem. Rep. of 2/	-	-	-	-	-	-	-	-	-	-	-	-
Egypt	-	-	-	-	-	-	-	-	-	0	-	-
Former Yugoslavia	-	-	-	1	4	-	-	1	-	24	-	9
Guatemala	-	-	-	-	351	-	-	-	-	-	-	-
Honduras	-	-	-	-	96	-	-	-	-	-	-	-
Hungary	-	-	-	4	5	-	-	-	-	3	-	-
India	-	-	-	2	1	-	-	-	-	7	14	9
Iran	-	-	-	-	25	-	-	-	-	26	-	-
Iraq	-	3	18	19	-	0	-	-	0	16	0	0
Kuwait	1	7	26	19	-	18	8	-	32	17	11	-

Table 10 (concluded). Estimated Non-Paris Club Official Bilaterals' Costs of HIPC Relief by Creditor Group 1/  
(22 Countries)

(In millions of U.S. dollars, in end-1999 NPV terms)

	Malawi	Mali	Mauritania	Mozambique	Nicaragua	Niger	Rwanda	Sao Tome and Principe	Senegal	Tanzania	Uganda	Zambia
Libya	-	1	10	26	56	10	0	-	-	20	26	-
Mexico	-	-	-	-	41	-	-	-	-	-	-	-
Morocco	-	-	-	-	-	-	-	-	-	-	-	-
Niger 2/	-	-	-	-	-	-	-	-	-	-	-	-
Nigeria	-	-	-	-	-	-	-	-	-	-	3	-
North Korea	-	-	-	0	2	-	-	-	-	-	2	-
Oman	-	-	-	-	-	-	-	-	1	-	-	-
Pakistan	-	-	-	-	-	-	-	-	-	-	1	-
Peru	-	-	-	3	7	-	-	-	-	-	-	-
Poland	-	-	-	-	6	-	-	-	-	2	-	-
Romania	-	-	-	26	-	-	-	-	-	0	-	3
Rwanda	-	-	-	-	-	-	-	-	-	-	2	-
Saudi Arabia	-	15	30	-	-	21	8	-	22	6	3	0
Slovak Republic	-	-	-	8	19	-	-	-	-	-	-	-
South Africa	-	-	-	4	-	-	-	-	-	-	-	-
South Korea	-	-	-	-	-	-	-	-	-	0	1	-
Taiwan Province of China	-	-	-	-	118	41	-	-	11	-	-	-
Tanzania	-	-	-	-	-	-	-	-	-	-	5	-
Thailand 2/	-	-	-	-	-	-	-	-	-	-	-	-
United Arab Emirates	-	4	-	-	-	2	-	-	4	2	-	-
Venezuela	-	-	-	-	47	-	-	-	-	-	-	-
Yugoslavia	-	-	-	-	-	-	-	-	-	-	-	-
Zambia 2/	-	-	-	-	-	-	-	-	-	0	-	-
Zimbabwe 2/	-	-	-	-	-	-	-	-	-	0	-	-

Sources: HIPC documents; and IMF and World Bank staff estimates.

1/ See footnote 1 in Table 8.

2/ Total claims are less than \$0.5 million.

**Table 11. Relative Size of HIPC Relief Costs to Official Bilateral Creditors**

(In millions of U.S. dollars, in end-1999 NPV terms, unless otherwise indicated)

Creditors	Total Costs for the 22 Decision Point Countries 1/	As Share of Creditor's			Per Capita (In U.S. dollars)
		Exports (In percent)	GDP (In percent)	Reserves (In percent)	
<b>Paris Club Creditors</b>	6,547				
Australia	1	0.0	0.0	0.0	0.0
Austria	148	0.2	0.1	0.9	18.1
Belgium	116	0.1	0.0	1.0	11.4
Brazil		-	-	-	-
Canada	83	0.0	0.0	0.3	2.7
Denmark	20	0.0	0.0	0.1	3.8
Finland	7	0.0	0.0	0.1	1.4
France	1,223	0.3	0.1	2.8	20.7
Germany	791	0.1	0.0	1.2	9.6
Israel	4	0.0	0.0	0.0	0.6
Italy	556	0.2	0.0	2.1	9.7
Japan	1,517	0.3	0.0	0.5	12.0
Netherlands	88	0.0	0.0	0.8	5.6
Norway 3/	20	0.0	0.0	0.1	4.4
Portugal	203	0.6	0.2	2.2	20.4
Russia	572	0.7	0.3	6.3	3.9
South Africa	1	0.0	0.0	0.0	0.0
Spain	329	0.2	0.1	1.0	8.3
Sweden	19	0.0	0.0	0.1	2.1
Switzerland	11	0.0	0.0	0.0	1.5
Trinidad and Tobago	88	2.6	1.3	9.3	68.3
United Kingdom	317	0.1	0.0	1.0	5.4
United States	222	0.0	0.0	0.3	0.8



**Table 11 (continued). Relative Size of HIPC Relief Costs to Official Bilateral Creditors**

(In millions of U.S. dollars, in end-1999 NPV terms, unless otherwise indicated)

Creditors	Total Costs for the 22 Decision Point Countries 1/	As Share of Creditor's			Per Capita (In U.S. dollars)
		Exports (In percent)	GDP (In percent)	Reserves (In percent)	
<b>Non-Paris Club Official Bilateral Creditors</b>	2,405				
Abu Dhabi	5	n.a.	n.a.	n.a.	n.a.
Algeria	172	1.3	0.4	3.6	5.6
Angola	23	0.4	0.4	4.7	1.9
Argentina	3	0.0	0.0	0.0	0.1
Brazil	13	0.0	0.0	0.0	0.1
Bulgaria	71	1.4	0.6	2.2	8.7
Burundi 2/	0	0.5	0.0	0.7	0.1
Cape Verde 2/	0	0.1	0.0	0.2	0.4
China	172	0.1	0.0	0.1	0.1
Colombia	3	0.0	0.0	0.0	0.1
Costa Rica	353	4.3	2.3	24.1	98.2
Côte d'Ivoire	7	0.1	0.1	1.1	0.5
Croatia	1	0.0	0.0	0.0	0.3
Cuba 3/	2	n.a.	n.a.	n.a.	0.2
Czech Republic	11	0.0	0.0	0.1	1.0
Congo, Dem. Rep. of 2/	0	0.0	0.0	0.2	0.0
Egypt	3	0.0	0.0	0.0	0.0
Former Yugoslavia 3/	38	n.a.	n.a.	n.a.	3.6
Guatemala	336	9.7	1.9	28.0	30.3
Honduras	91	3.9	1.7	7.2	14.2
Hungary	11	0.0	0.0	0.1	1.1
India	32	0.1	0.0	0.1	0.0
Iran	48	0.2	0.1	0.7	0.8
Iraq 3/	76	n.a.	n.a.	n.a.	3.4
Kuwait	195	1.4	0.6	3.9	92.6

**Table 11 (concluded). Relative Size of HIPC Relief Costs to Official Bilateral Creditors**

(In millions of U.S. dollars, in end-1999 NPV terms, unless otherwise indicated)

Creditors	Total Costs for the 22 Decision Point Countries 1/	As Share of Creditor's			Per Capita (In U.S. dollars)
		Exports (In percent)	GDP (In percent)	Reserves (In percent)	
Libya	175	2.2	0.5	2.4	32.0
Mexico	47	0.0	0.0	0.1	0.5
Morocco	2	0.0	0.0	0.0	0.1
Niger 2/	0	0.1	0.0	0.6	0.0
Nigeria	2	0.0	0.0	0.0	0.0
North Korea 3/	4	n.a.	n.a.	n.a.	0.2
Oman	1	0.0	0.0	0.1	0.5
Pakistan	3	0.0	0.0	0.2	0.0
Peru	7	0.1	0.0	0.1	0.3
Poland	10	0.0	0.0	0.0	0.3
Romania	33	0.3	0.1	1.2	1.5
Rwanda	2	1.5	0.1	0.9	0.2
Saudi Arabia	137	0.3	0.1	0.8	6.9
Slovak Republic	26	0.2	0.1	0.7	4.7
South Africa	4	0.0	0.0	0.1	0.1
South Korea	1	0.0	0.0	0.0	0.0
Taiwan Province of China	212	0.2	0.1	0.2	n.a.
Tanzania	4	0.3	0.0	0.5	0.1
Thailand 2/	0	0.0	0.0	0.0	0.0
United Arab Emirates	13	0.0	0.0	0.1	5.3
Venezuela	54	0.2	0.1	0.4	2.3
Zambia 2/	0	0.0	0.0	0.0	0.0
Zimbabwe 2/	0	0.0	0.0	0.0	0.0

Sources: HIPC documents; and staff estimates.

1/ Includes the 22 countries that reached decision points under the enhanced framework.

2/ Total claims are less than \$0.5 million.

3/ Population estimates for 1998.

Table 12. Estimated Delivery of World Bank Assistance under the HIPC Initiative, 2000-09

(In million U.S. dollars)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Debt service before HIPC relief</b>										
Benin	11	12	14	15	16	17	17	18	18	19
Bolivia	18	21	23	24	25	26	28	30	33	35
Burkina Faso	13	15	19	20	21	22	23	23	23	24
Cameroon	72	72	60	54	55	41	34	29	30	30
Gambia	4	4	4	4	5	5	5	6	6	6
Guinea	20	22	22	24	25	26	29	30	33	35
Guinea-Bissau	4	5	5	6	6	7	7	7	7	8
Guyana	8	9	8	8	8	7	7	7	7	7
Honduras	49	36	33	29	22	21	20	17	16	7
Madagascar	28	30	31	33	35	37	40	44	47	48
Malawi	0	30	34	38	41	42	47	49	50	53
Mali	20	23	24	26	28	30	32	33	34	36
Mauritania	7	9	9	10	10	11	12	13	13	13
Mozambique	19	19	22	24	27	30	31	33	36	38
Nicaragua	12	11	9	9	11	13	14	14	15	17
Niger	13	14	15	16	17	17	20	22	24	24
Rwanda	12	14	16	17	18	19	21	21	22	23
Sao Tome & Principe	0	1	2	1	1	2	2	2	2	2
Senegal	30	30	30	32	33	36	38	41	44	45
Tanzania	45	54	60	63	70	70	71	75	78	80
Uganda	33	39	45	53	62	72	73	74	92	93
Zambia	22	26	31	34	40	45	47	47	49	49
<b>TOTAL</b>	<b>440</b>	<b>495</b>	<b>514</b>	<b>539</b>	<b>575</b>	<b>596</b>	<b>617</b>	<b>632</b>	<b>680</b>	<b>693</b>
<b>Debt service after HIPC relief</b>										
Benin	8	6	7	7	8	8	8	9	9	10
Bolivia										
after: original HIPC	0	0	16	24	25	26	28	30	33	35
enhanced HIPC	0	0	8	12	13	13	14	15	16	18
Burkina Faso										
after: original HIPC	10	9	14	14	15	16	17	17	17	17
enhanced HIPC	7	2	6	7	7	8	9	9	9	9
Cameroon	58	46	30	7	9	11	12	12	15	27
Gambia	4	2	2	2	2	3	3	3	3	3
Guinea	20	11	11	12	12	13	14	15	17	18
Guinea-Bissau	4	0	0	0	1	1	1	1	1	1
Guyana										
after: original HIPC	7	7	6	7	6	5	5	5	5	5
enhanced HIPC	7	5	4	4	4	2	2	2	2	2
Honduras	39	18	9	3	1	1	1	1	1	1
Madagascar	28	15	16	16	17	18	20	22	23	24
Malawi	0	14	15	17	18	19	21	22	22	24
Mali										
after: original HIPC	18	19	21	22	24	27	29	30	31	32
enhanced HIPC	16	9	10	11	12	13	14	14	15	16
Mauritania	3	3	3	3	4	4	4	4	5	5
Mozambique										
after: original HIPC	8	9	9	10	11	11	12	13	14	15
enhanced HIPC	1	2	4	4	4	4	4	5	5	13
Nicaragua	12	6	1	1	1	1	1	1	1	2
Niger	13	5	5	5	6	6	7	7	8	8
Rwanda	12	2	2	2	2	2	2	2	3	3
Sao Tome & Principe	0	0	0	0	0	0	0	0	0	0
Senegal	23	16	15	16	17	18	19	20	22	31
Tanzania	35	17	18	20	22	22	22	23	24	25
Uganda 1/										
after: original HIPC	16	19	25	33	54	64	65	66	83	83
enhanced HIPC	12	9	13	19	29	35	36	36	51	51
Zambia	17	4	4	5	5	6	7	7	7	8
<b>TOTAL</b>	<b>318</b>	<b>190</b>	<b>183</b>	<b>172</b>	<b>193</b>	<b>207</b>	<b>221</b>	<b>231</b>	<b>260</b>	<b>295</b>

**Table 12 (concluded). Estimated Delivery of World Bank Assistance under the HIPC Initiative, 2000-09***(In million U.S. dollars)*

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>World Bank debt relief</b>										
Benin	3	6	7	8	8	9	9	9	9	10
Bolivia	18	21	14	12	13	13	14	15	16	18
<i>of which: original HIPC</i>	18	21	6	0	0	0	0	0	0	0
<i>enhanced HIPC</i>	0	0	8	12	13	13	14	15	16	18
Burkina Faso	6	13	13	13	14	14	14	14	15	16
<i>of which: original HIPC</i>	3	6	6	6	6	6	6	6	6	7
<i>enhanced HIPC</i>	3	7	7	7	8	9	9	9	9	9
Cameroon	14	27	30	47	45	31	22	17	15	3
Gambia	0	2	2	2	2	2	3	3	3	3
Guinea	0	11	11	12	12	13	14	15	16	18
Guinea-Bissau	1	5	5	5	5	6	6	6	7	7
Guyana	1	4	4	4	4	5	5	5	5	5
<i>of which: original HIPC</i>	1	2	2	2	2	2	2	2	2	2
<i>enhanced HIPC</i>	0	2	2	2	3	3	3	3	3	3
Honduras	10	18	24	26	21	20	19	16	15	6
Madagascar	0	15	16	16	17	18	20	22	23	24
Malawi	0	17	19	21	23	23	26	27	28	30
Mali	4	14	14	15	16	17	18	19	19	20
<i>of which: original HIPC</i>	2	4	4	4	4	4	4	4	4	4
<i>enhanced HIPC</i>	2	10	11	11	13	14	15	15	16	17
Mauritania	5	6	6	6	7	7	8	8	9	9
Mozambique	18	17	18	21	23	26	27	28	31	25
<i>of which: original HIPC</i>	11	11	13	14	16	19	19	20	22	23
<i>enhanced HIPC</i>	7	6	5	6	7	8	8	8	9	3
Nicaragua	0	6	8	8	10	11	13	13	13	15
Niger	0	9	10	10	11	12	14	15	16	16
Rwanda	0	12	14	15	16	17	18	19	19	20
Sao Tome & Principe	0	1	2	1	1	1	1	2	2	2
Senegal	7	14	15	16	17	18	19	21	22	14
Tanzania	10	38	41	44	48	49	49	52	54	55
Uganda	21	29	32	34	33	37	37	37	41	42
<i>of which: original HIPC</i>	17	20	20	20	8	8	8	8	9	9
<i>enhanced HIPC</i>	4	10	12	14	25	29	29	29	32	33
Zambia	5	22	27	29	35	39	40	40	42	41
<b>TOTAL</b>	<b>122</b>	<b>305</b>	<b>331</b>	<b>367</b>	<b>382</b>	<b>389</b>	<b>396</b>	<b>401</b>	<b>420</b>	<b>398</b>
<b>Memorandum</b>										
<i>Average Annual Debt Service Reduction 2/</i>	<b>28%</b>	<b>62%</b>	<b>64%</b>	<b>68%</b>	<b>66%</b>	<b>65%</b>	<b>64%</b>	<b>63%</b>	<b>62%</b>	<b>57%</b>

Sources: HIPC country documents; and staff estimates.

1/ These numbers differ from those in the 2nd completion point document, as the document did not reflect new borrowing that took place between the original decision point and the enhanced decision point

Table 13. Possible Delivery of IMF Assistance under the Enhance Initiative

(In millions of U.S. dollars)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>IMF debt service before HIPC relief 1/</b>											
Benin	14	16	16	16	12	9	6	4	2	2	1
Bolivia	31	35	33	31	39	40	43	42	32	21	11
Burkina Faso	11	14	15	18	19	16	12	10	6	3	1
Cameroon	21	10	2	6	20	33	40	40	36	22	9
Gambia, The	2	1	0	0	1	2	3	3	3	2	1
Guinea	9	13	13	16	21	20	15	14	8	3	1
Guinea Bissau	1	1	1	3	3	3	3	2	1	1	1
Guyana	26	17	17	17	18	16	14	9	6	2	0
Honduras	10	14	45	42	15	26	22	22	21	13	0
Madagascar	6	3	5	9	9	12	20	16	13	13	11
Malawi	10	8	8	10	13	14	11	8	6	3	1
Mali	19	24	29	29	30	25	18	12	8	4	1
Mauritania	12	15	18	19	16	13	9	6	2	2	0
Mozambique	31	29	24	20	21	23	21	16	11	4	0
Nicaragua	7	7	7	9	17	26	26	26	24	13	1
Niger	3	2	5	10	13	13	12	9	4	1	1
Rwanda	13	13	8	3	6	10	12	12	10	7	3
Sao Tome & Principe	0	0	0	0	0	0	0	0	0	0	0
Senegal	25	31	31	40	48	42	32	22	13	9	3
Tanzania 2/	32	24	25	24	29	42	42	38	23	13	2
Uganda 2/	53	48	43	44	51	46	36	25	13	2	2
Zambia	9	219	219	219	219	220	5	4	3	1	0
<b>TOTAL</b>	<b>344</b>	<b>545</b>	<b>564</b>	<b>585</b>	<b>619</b>	<b>650</b>	<b>402</b>	<b>341</b>	<b>244</b>	<b>141</b>	<b>49</b>
<b>IMF debt service after Enhanced HIPC Initiative relief 1/</b>											
Benin	11	11	10	10	8	7	5	2	2	2	1
Bolivia	22	22	21	19	26	29	35	36	30	21	11
Burkina Faso	8	8	8	8	9	8	8	8	6	3	1
Cameroon	21	7	2	4	14	24	32	32	30	17	7
Gambia, The	2	1	0	0	1	2	2	2	2	2	1
Guinea	9	10	11	11	11	10	11	11	8	3	1
Guinea Bissau	1	0	0	0	1	0	0	0	0	0	1
Guyana	17	5	6	6	6	6	6	6	6	2	0
Honduras	8	9	38	35	10	22	18	20	21	13	0
Madagascar	6	2	3	3	4	6	15	14	13	13	11
Malawi	10	5	4	5	5	7	5	5	5	3	1
Mali	18	16	18	18	18	15	10	7	5	4	1
Mauritania	7	6	8	8	7	6	4	4	2	2	0
Mozambique	0	2	4	7	7	7	5	5	5	3	0
Nicaragua	7	5	6	5	6	2	6	7	6	5	1
Niger	3	2	3	5	5	5	5	5	4	1	1
Rwanda	13	4	2	1	2	1	4	4	4	4	3
Sao Tome & Principe	0	0	0	0	0	0	0	0	0	0	0
Senegal	24	26	25	31	35	30	26	22	13	9	3
Tanzania 2/	27	4	0	0	15	28	28	25	10	1	2
Uganda 2/	31	19	17	20	25	24	24	17	10	2	2
Zambia	9	68	63	63	113	109	5	4	3	1	0
<b>TOTAL</b>	<b>254</b>	<b>233</b>	<b>251</b>	<b>260</b>	<b>328</b>	<b>349</b>	<b>256</b>	<b>240</b>	<b>187</b>	<b>111</b>	<b>47</b>
<b>IMF Original and Enhanced HIPC Initiative assistance</b>											
Benin	2	5	6	6	4	2	1	1	0	0	0
Bolivia	10	13	12	12	13	12	9	6	2	0	0
Burkina Faso	3	7	7	9	10	8	3	2	0	0	0
Cameroon	0	3	0	2	6	9	8	8	6	5	1
Gambia, The	0	0	0	0	0	0	1	1	1	0	0
Guinea	0	3	2	5	10	10	5	3	0	0	0
Guinea Bissau	0	1	1	2	2	2	3	2	1	0	0
Guyana	9	12	12	11	12	10	7	3	0	0	0
Honduras	2	5	7	7	5	4	4	1	0	0	0
Madagascar	0	1	3	5	4	6	5	2	0	0	0
Malawi	0	3	4	5	8	7	6	3	1	0	0
Mali	1	8	11	11	12	10	8	6	3	0	0
Mauritania	5	8	10	11	8	7	5	2	0	0	0
Mozambique	31	27	19	14	14	16	16	11	5	1	0
Nicaragua	0	2	1	4	11	24	20	19	17	8	0
Niger	0	1	1	5	8	8	7	4	0	0	0
Rwanda	0	9	6	2	3	8	8	8	6	3	0
Sao Tome & Principe	0	0	0	0	0	0	0	0	0	0	0
Senegal	2	6	6	10	13	12	5	0	0	0	0
Tanzania 2/	4	20	25	24	15	14	13	13	12	12	0
Uganda 2/	21	29	26	24	26	22	12	8	2	0	0
Zambia	0	151	156	156	107	111	0	0	0	0	0
<b>TOTAL</b>	<b>90</b>	<b>312</b>	<b>314</b>	<b>325</b>	<b>291</b>	<b>301</b>	<b>146</b>	<b>101</b>	<b>57</b>	<b>30</b>	<b>2</b>
<b>Memorandum</b>											
<i>Average Annual Debt Service Reduction</i>	<b>26%</b>	<b>57%</b>	<b>56%</b>	<b>56%</b>	<b>47%</b>	<b>46%</b>	<b>36%</b>	<b>30%</b>	<b>24%</b>	<b>21%</b>	<b>3%</b>

Sources: HIPC country documents and staff estimates.

1/ Obligations to the Fund as presented in the members' respective decision point documents under the Enhanced HIPC Initiative, with revisions where necessary.

2/ Fiscal year data.

**Table 14. Status of Commitments of HIPC Assistance by the IMF  
as of April 6, 2001**  
(In millions of SDRs)

Member	Decision Point	Completion Point 1/	Amount Committed	Amount Disbursed
Benin	Jul. 2000	Floating	18.4	3.7
Bolivia	Sep. 1997 1/	Sep. 1998	21.2	21.2
Bolivia	Feb. 2000	Floating	41.1	-
Burkina Faso	Sep. 1997 1/	Jul. 2000	16.3	16.3
Burkina Faso	Jul. 2000	Floating	15.0	1.5
Cameroon	Oct. 2000	Floating	28.5	2.2
Côte d'Ivoire	Mar. 1998 2/	-	14.4	-
Gambia, The	Dec. 2000	Floating	1.8	0.1
Guinea	Dec. 2000	Floating	24.2	2.4
Guinea Bissau	Dec. 2000	Floating	9.2	0.5
Guyana	Dec. 1997 1/	May 1999	25.6	25.6
Guyana	Nov. 2000	Floating	30.7	6.1
Honduras	Jun. 2000	Floating	22.7	-
Madagascar	Dec. 2000	Floating	16.6	0.7
Malawi	Dec. 2000	Floating	23.1	2.3
Mali	Sep. 1998 1/	Sep. 2000	10.8	10.8
Mali	Sep. 2000	Floating	33.6	0.7
Mauritania	Feb. 2000	Floating	34.8	9.9
Mozambique	Apr. 1998 1/	Jun. 1999	93.2	93.2
Mozambique	Apr. 2000	Floating	11.6	2.3
Nicaragua	Dec. 2000	Floating	63.0	-
Niger	Dec. 2000	Floating	21.6	0.4
Rwanda	Dec. 2000	Floating	33.8	6.8
Sao Tomé & Príncipe	Dec. 2000	Floating	-	-
Senegal	Jun. 2000	Floating	33.8	4.8
Tanzania	Mar. 2000	Floating	89.0	26.6
Uganda	Apr. 1997 1/	Apr. 1998	51.5	51.5
Uganda	Feb. 2000	May 2000	68.1	68.1
Zambia	Dec. 2000	Floating	468.8	117.2
23 Members, of which 22 members received enhanced HIPC assistance			1,322.4	475.0

Source: [www.imf.org/external/fin.htm](http://www.imf.org/external/fin.htm).

1/ Original HIPC decision point.

2/ Decision point under the original framework. The Fund's HIPC assistance will be committed at the completion point, subject to satisfactory assurances regarding exceptional assistance to be provided by other creditors under the HIPC Initiative.

**Table 15. Status of Bilateral Donor Pledges to the HIPC Trust Fund (IDA) 1/**  
(As of end-March 2001, in millions of U.S. dollars, in nominal terms)

Donor	Contributions and Pledges at end-Aug 99	Contributions Pledged After August 1999		Total Bilateral Contributions/ Outstanding Pledges	Total Bilateral Paid-in Contributions	Outstanding Bilateral Contributions/ Pledges	
	2/ (1)	EU/EC 3/ (2)	Bilateral (3)	(4=1+3) 4/ (4)	(5)	(6=4-5)	
Australia 8/	5		7	12	10	2	6/
Austria		17	25	25		25	
Belgium	13	25	2	15	15		
Canada	27		85	112	112		
Denmark	26	15	19	45	35	10	6/
Finland	15	10	8	23	15	8	
France	21	160		21		21	
Germany	24	154	48	72	24	48	6/
Greece	1	8		1	1		
Iceland 8/			2	2	1	1	6/
Ireland	15	4		15	15		
Italy 8/		83	70	70	22	48	6/
Japan	10		190	200	56	144	
Korea 7/							
Luxembourg	1	2		1	1		
Netherlands	61	34	77	138	138		
New Zealand 8/			2	2	2		
Norway	42		37	79	61	18	6/
Portugal	15	6		15	15		
Spain	15	39	70	85	15	70	
Sweden	28	18	35	63	28	35	
Switzerland	30		30	60	45	15	6/
United Kingdom 5/	171	85	50	221	76	145	
United States			600	600		600	
<i>Total EU/EC Contributions</i>		<i>661</i>		<i>661</i>	<i>274</i>	<i>387</i>	
<b>Total</b>	<b>520</b>	<b>661</b>	<b>1,356</b>	<b>2,537</b>	<b>960</b>	<b>1,577</b>	

Source: IDA staff estimates.

1/ Figures are approximate. Some pledges are in the donor's national currency and a number of the contributions are in the form of promissory notes.

2/ Includes allocations from the Interest Subsidy Fund (ISF) to the HIPC Trust Fund. Australia is retaining its surplus resources (currently \$6m in the ISF rather than transferring them to the HIPC Trust Fund) but has authorized the World Bank to use them to provide debt relief as necessary under the HIPC Initiative. There remain approximately \$100 million in ISF surplus assets that have not been allocated or committed to the HIPC Trust Fund.

3/ For illustration, the exchange rate used is EUR0.90 - US\$1 and the attribution to member states is based on their respective contributions to EDF8. Of this amount, EUR 304 million (eq. to US\$274 million) has been received.

4/ Many donors have also provided debt relief through other initiatives and mechanisms including: the Debt Reduction Facility for IDA-only Countries (providing financing for commercial debt reduction efforts), and specific country-held multilateral debt relief facilities. Most notably, additional debt service relief has also been provided to several Central American countries in the aftermath of Hurricane Mitch through the Central American Emergency Trust Fund. Bilateral donor funding to that trust fund to provide debt service relief to Honduras and Nicaragua includes (in \$ million): Spain - \$30; Norway - \$15.3; Netherlands - \$12.8; Switzerland - \$18.3; Italy - \$12; United Kingdom - \$16.3; Austria - \$2.7; Canada - \$5.4; Germany - \$13.2; Sweden - \$23.4; United States - \$25; and Denmark - \$10.9 (through a bilateral trust fund administered by IDB). These resources are not included herewith as the debt relief under HIPC is additional to these efforts.

6/ For these donors, contribution agreements have been signed covering part or all of its outstanding balance.

7/ Korea has confirmed that it will contribute to the HIPC Trust Fund but has not indicated the exact amount.

8/ The contributions provided by Australia, Iceland, and New Zealand are allocated for debt relief provided by IDA/IBRD. Of Italy's contribution, \$25 million is available for debt relief to be provided by IDA.

**Table 16. HIPC Initiative: Estimated Financing of Other MDBs**

(In end-1999 NPV terms, in millions of U.S. dollars)

<b>MDB groups</b>	<b>Total Cost</b>	<b>To be Covered by Internal Resources</b>	<b>To be Cover HIPC Trust</b>
Latin American MDBs 1/	1,649	1,074	450
African MDBs 2/	2,516	425	2,090
Arab MDBs 3/	349	349	
EU	531	531	
Other European MDBs 4/	87	87	
Other MDBs 5/	667	667	
<b>Total</b>	<b>5,799</b>	<b>3,134</b>	<b>2,540</b>

Sources: IDA staff estimates and HIPC Trust Fund Administrator.

1/ Includes IaDB, CABEI, CAF, CDB, CMCf, and FONPLATA. The Trust Fund will only be covering US\$450 million of the IaDB's balance of US\$575 million, the remaining US\$150 million will be met by a pledge from the GRULAC committee.

2/ Includes AfDB, BCEAO, BOAD, ECOWAS Fund, EADB, BEAC, FECEGE, PTA Bank. The AfDB will meet only US\$370 million of its costs of US\$2.4 billion. The remainder -- US\$2 billion -- will be met by the Trust Fund.

3/ Includes BADEA, IsDB, FADES, AMF.

4/ Includes NDF and NIB.

5/ Includes AsDB, IFAD, OPEC Fund.



Table 17. Paris Club Creditors' Delivery of Debt Relief Under Bilateral Initiatives Beyond the HIPC Initiative

Countries covered		ODA (In percent)		Non-ODA (In percent)		Provision of relief	
		Pre-COD	Post-COD	Pre-COD	Post-COD	Decision point (In percent)	Completion point
(1)		(2)	(3)	(4)	(5)	(6)	(7)
Australia	HIPCs	100	100	100	100 1/	1/	1/
Austria	HIPCs (case-by-case)	Case-by-case (100)	Case-by-case (100)	Case-by-case (100)	-	Case-by-case	Case-by-case
Belgium	HIPCs	Case-by-case (100)	Case-by-case (100)	Case-by-case	-	flow	Stock
Canada	HIPCs 2/	- 3/	- 3/	100	100	100 flow	Stock
Denmark	HIPCs	100	Case-by-case	-	-	-	Stock
France	HIPCs	100	100	100	-	100 flow 7/	Stock
Finland	HIPCs	95	98	-	-	-	-
Germany	HIPCs	100	100	100	-	100 flow	Stock
Ireland	-	-	-	-	-	-	-
Italy	HIPCs	100	100	100	100	100 flow	Stock
Japan	HIPCs	100	100	100	-	-	Stock
Netherlands	HIPCs	100	100	100	-	90-100 flow 5/	Stock 5/
Norway	HIPCs	- 3/	- 3/	100	100 8/	100 flow	Stock
Russia	Case-by-case	-	-	-	-	-	Stock
Spain	HIPCs	100	Case-by-case	Case-by-case	Case-by-case	-	Stock
Sweden	Case-by-case	- 3/	- 3/	Case-by-case (100)	-	-	Stock
Switzerland	HIPCs	- 3/	- 3/	Case-by-case	Case-by-case	Case-by-case, flow	Stock
United Kingdom	HIPCs	100	100	100	100 6/	100 flow 6/	Stock
United States	HIPCs	100	100	100	100 4/	100 flow	Stock

Source: Paris Club Secretariat.

1/ Australia: (a) post-COD non-ODA relief to apply to debts incurred before a date to be finalised; (b) timing details for both flow and stock relief are to be finalised.

2/ Canada: including Bangladesh. Canada has granted a moratorium of debt service as of January 2001 on all debt disbursed before end-March 1999 for 11 out of 17 HIPCs with debt service due to Canada. The debt will be written off at the completion point. The countries to be covered are: Benin, Bolivia, Cameroon, Ethiopia, Guyana, Honduras, Madagascar, Mali, Senegal, Tanzania, and Zambia.

3/ 100 percent of ODA claims have already been cancelled on HIPCs, with the exception of Myanmar's debt to Canada.

4/ United States: 100 percent post-COD non-ODA treated on debt assumed prior to 06/20/99 (the Cologne Summit).

5/ The Netherlands: (a) ODA: 100 percent ODA pre- and post-cutoff date debt will be cancelled at decision point; (b) non-ODA: in some particular cases (Bolivia, Burkina Faso, Mali, Ethiopia, Nicaragua, and Tanzania), the Netherlands will write off 100 percent of the consolidated amounts on the flow at decision point; all other HIPCs will receive interim relief up to 90 percent reduction of the consolidated amounts. At completion point, all HIPC countries will receive 100 percent cancellation of the remaining stock of the pre-COD debt.

6/ United Kingdom: "beyond 100%": full write-off of all debts of HIPCs as of their decision points, and reimbursement at the decision point of any debt service paid before the decision point.

7/ France: cancellation of 100 percent of debt service on pre-cutoff date commercial claims as they fall due starting at the decision point.

8/ On debt assumed before December 31, 1997.

Note: Columns (1) to (7) describe the additional debt relief provided following a specific methodology under bilateral initiatives and need to be read as a whole for each creditor. In column (1), "HIPCs" stands for eligible countries effectively qualifying for the HIPC process. A "100 percent" mention in the table means that the debt relief provided under the enhanced HIPC framework will be topped up to 100 percent through a bilateral initiative.

**Table 18. Estimates of Bilateral Pledges for Debt Relief  
Beyond the HIPC Initiative 1/**

(In millions of U.S. dollars and in percent)

Countries	Possible decrease in debt (NPV terms, US\$ millions)	NPV-of-Debt-to Exports Ratio		
		After HIPC assistance 2/	After possible additional bilateral forgiveness	Percent reduction
Benin	42	150	139	7
Bolivia	163	150	138	8
Burkina Faso	19	150	144	4
Cameroon	762	150	117	22
Gambia	2	150	148	1
Guinea	162	150	129	14
Guinea-Bissau	9	150	131	13
Guyana	90	70	57	19
Honduras	626	104	78	25
Madagascar	386	150	103	31
Malawi	133	150	126	16
Mali	68	150	139	7
Mauritania	156	137	103	25
Mozambique	265	150	98	35
Nicaragua	286	150	116	23
Niger	38	150	137	9
Rwanda	14	150	139	7
Senegal	239	131	115	12
Sao Tome and Principe	2	150	134	11
Tanzania	240	150	129	14
Uganda	23	150	147	2
Zambia	614	150	88	41
<b>Total/average</b>	<b>4,340</b>	<b>138</b>	<b>113</b>	<b>18</b>

Sources: HIPC documents and staff estimates.

1/ Calculated for illustrative purposes at each country's respective decision point based on creditor indications so far.

2/ Assuming unconditional delivery of assistance.

Table 19. Reschedulings of HIPCs with non-Paris Club Official Bilateral Creditors, 1997 - 2000

Creditor	Debtor	Agreement Date	Total amount (US\$ million)	Coverage 1/	Terms and other comments
Argentina	Benin	Jun-98	20.5	P	Buyback with 84 percent discount
Argentina	Guinea	Dec-98	22.5	P	Buyback with 86 percent discount
Brazil	Bolivia	Jan-01 2/	...	P+I	Rescheduling of outstanding obligations to be on terms comparable to Paris Club agreement
Brazil	Guyana	Jan-01 2/	...	P+I	Rescheduling of outstanding obligations to be on terms comparable to Paris Club agreement
China	African HIPCs	Oct-00	1,200.0	A+P	80 percent write-off pledged
Costa Rica	Nicaragua	Dec-00	383.0 3/	A+P	Creditor agreed to deliver HIPC assistance
Czech Republic	Guinea	Oct-97	20.0	A	Buyback with 88.5 percent discount; payment in local (Guinean currency)
Czech Republic	Nicaragua	Nov-96	132.0 4/	P	Rescheduled over 13 years, zero interest rate for first 8 years and 5 percent thereafter
Czech Republic	Zambia	Nov-00	0.1 3/	P	Buyback with 89 percent discount
Egypt	Tanzania	Jul-00	0.4 3/	P	Creditor agreed to 90 percent NPV reduction of outstanding debt
Guatemala	Nicaragua	Dec-00	364.0 3/	A+P	Creditor agreed to deliver HIPC assistance
Honduras	Nicaragua	Dec-00	100.0 3/	A+P	Creditor agreed to deliver HIPC assistance
Mexico	Nicaragua	Sep-96	996.0 4/	P	Upfront reduction of 92 percent; remaining \$ 83 mn to be paid over 15 years.
Morocco	Guinea	Dec-00 2/	24.7 3/	A+P	Creditor pledged to forgive outstanding claims
Pakistan	Uganda	Nov-00	3.2	A+P	Agreed to deliver HIPC assistance
Pakistan	Guinea-Bissau	Nov-00	3.0	A+P	Agreed to deliver HIPC assistance
Poland	Bolivia	Jul-97	1.5	P	Upfront payment of 18 percent
Slovak Republic	Nicaragua	Apr-00	81.1	P	90 percent upfront reduction; remaining \$8 mn to be repaid over 13 years
South Africa	Mozambique	Mar-00 2/	2.0	P	Full debt write-off granted by creditor
Tanzania	Uganda	Aug-97	122.5	A	Buyback with 85 percent discount; US\$ 58.1 mn of the total is pending verification
Venezuela	Bolivia	Jun-97	4.0	P	100 percent forgiven

Sources: Country authorities; and IMF and World Bank staff estimates.

1/ A = arrears; P = principal; I = interest

2/ Approximate date.

3/ Amounts in net present value terms.

4/ Rescheduling took place in 1996.

**Table 20. IDA Debt Buybacks: Summary of Completed Operations for HIPC's -- 1991 to 2001**  
**(End-March 2001)**  
**(in million of U.S. dollars)**

Date Completed	Country	Principal and Interest Extinguished	Price in cents Per dollar 1/	% Eligible Debt Extinguished	Total 2/ Resources Utilized	IBRD Resources Utilized
March 1991	Niger	207	18	99	19.37	8.42
December 1991	Mozambique	198	10	64	13.41	5.91
November 1992	Guyana	93	14	100	10.23	10.00
February 1993	Uganda	177	12	89	22.58	10.21
May 1993	Bolivia	170	16	94	27.26	9.81
August 1994	Sao Tome & Principe	10	10	87	1.27	1.27
September 1994	Zambia	408	11	78	24.99	11.76
September 1995	Sierra Leone 3/	286	13	73	31.53	21.00
December 1995	Nicaragua	1,819	8	81	89.20	40.75
January 1996	Ethiopia	284	8	80	18.83	6.18
August 1996	Mauritania	89	10	98	5.82	3.18
December 1996	Senegal 4/	112	20	96	15.00	7.46
December 1997	Togo	74	13	99	6.11	5.11
March 1998	Côte d'Ivoire 5/	2,027	24	100	173.90	20.00
March 1999	Guinea	61	13	75	8.67	5.59
August 1999	Guyana II	34	9	62	3.36	1.20
March 2001	Yemen	675	4	92	15.20	7.50
	<b>Total</b>	<b>6,724.74</b>	<b>13.9</b> 6/	<b>86.29</b>	<b>486.73</b>	<b>175.35</b>

1/ Of original face value of principal.

2/ Represent resources for IBRD, donors and contributions from certain recipient countries. These figures also include US\$15 million for technical assistance grants and closing costs, and other related expenses.

3/ Two tier operation. Commercial debt was bought back at 15 cents and suppliers credit at 8 cents.

4/ 16 cents for the cash buy-back and 20 cents for long terms exchange bonds.

5/ The numbers relate only to the cash buy-back component of the total debt under the operation since the Facility financed exclusively the cash buy-back option, as approved by the Executive Directors (Report No. P-7151-IVC). Other resources for the operation included IDA credits, French concessional financing, IMF credits and co-financing from the government of Côte d'Ivoire.

6/ Weighted average.