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IFAD'S PARTICIPATION IN THE
DEBT INITIATIVE FOR HEAVILY INDEBTED POOR COUNTRIES (HIPCs):
OVERVIEW FOR 2000

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IFAD'S PARTICIPATION IN THE DEBT INITIATIVE FOR HEAVILY INDEBTED POOR COUNTRIES (HIPC): OVERVIEW FOR 2000

INTRODUCTION

1. The purpose of the present document is to provide the Governing Council with a cumulative progress report on the implementation of the Debt Initiative for Heavily Indebted Poor Countries (HIPC) and IFAD's participation in it. It includes: a brief history of the debt initiative, as a reminder; a description of the implementation status of the initiative as a whole; some details on the state of the practice for poverty-reduction strategy papers (PRSPs); and a report on the status of IFAD's participation in the debt initiative. The latter covers: commitments so far, actual relief provided and Executive Board decisions on the policy issues related to IFAD's debt-relief modalities and the treatment of arrears.

PART I – BRIEF HISTORY OF THE HIPC DEBT INITIATIVE

2. Implementation of the Debt Initiative for HIPC was launched at the annual meeting of the World Bank/International Monetary Fund (IMF) in late 1996. Soon after its start-up, concerns arose regarding: its slow rate of implementation; limited country coverage; inadequate levels of relief, especially in terms of front-loaded relief; and the weak link between debt relief and poverty eradication. To address these concerns, several members of the Organisation for Economic Co-operation and Development (OECD) drew up detailed proposals for improving the design of the initiative, and the mid-1999 G-8 Summit held in Cologne, Germany, provided policy guidelines for the blueprint of an enhanced framework. In response to the G-8 Summit's call, the World Bank and IMF engaged in consultations with a view to designing the enhanced HIPC debt initiative policy framework. On 26 September 1999, the co-chairpersons of the joint meeting of the Interim and Development Committees issued a statement endorsing the implementation start-up of the enhanced Debt Initiative for HIPC.

3. This enhanced framework consists of the following main elements: the lowering of relief eligibility thresholds and target debt ratios; the promotion of relief from the decision point onwards; and the requirement of a comprehensive country-owned poverty-reduction strategy, linked to agreed international development goals, with measurable indicators to monitor progress. Annex I describes the main parameters of the policy framework for the enhanced initiative. As a result, more countries will obtain faster relief that will enable them to overcome unmanageable debt in an effective and sustainable manner (see Annex II for an expanded list of countries). The linking of debt relief to the pursuit of specific poverty-reduction targets by the concerned governments is a matter that IFAD has pursued since the inception of the debt initiative, and it is now at the centre of the dialogue. Details of the core element of this critical anti-poverty-strategy development process, the PRSP, are given in Annex III. Because of the enhancement of the policy framework, the total cost of the initiative has increased to USD 28.6 billion¹ (see Annex IV). A considerable contribution will be made by the bilateral creditors, and especially by the Paris Club under the long-standing proactive leadership of France, strongly supported by a number of other OECD countries. It should be noted that these currently available figures remain preliminary estimates.

¹ In 1999 net-present-value (NPV) terms.

PART II – PROGRESS IN IMPLEMENTING THE INITIATIVE

4. As of mid-October 2000, enhanced debt relief has been agreed upon for 11 HIPC's, totaling about USD 19 billion in debt-service relief, or USD 10.4 billion in net-present-value (NPV) terms. For countries that have reached their decision points (under the original and the enhanced debt initiative), it is estimated that, as a result of assistance under the initiative from all creditors, on average after the completion point, total debt stock in NPV terms will be reduced by over 40%, debt-service-to-export ratios will fall to below 10%, and the debt-service-to-revenue ratios to below 12%. Taking assistance under the debt initiative together with traditional relief mechanisms (provided by the Paris Club and other bilateral and commercial creditors, and unilateral debt cancellations by creditors over and above the debt-initiative relief), the debt of these countries will ultimately be reduced by about two thirds.

5. Table 1 shows the status of the country cases: six countries have reached the completion point under the original debt initiative; and one – Uganda – under the enhanced framework. In addition, preliminary work has reached an advanced stage for another 13 countries: Chad, Ethiopia, The Gambia, Guinea, Guinea-Bissau, Guyana (enhanced), Madagascar, Malawi, Nicaragua, Niger, Rwanda, Sao Tome and Principe and Zambia. It is expected that about 20 countries could have debt-relief packages agreed upon by the World Bank/IMF by the end of 2000, amounting to more than USD 30 billion in debt-service relief (or about USD 17 billion in NPV terms).

Table 1: Status of Country Cases

Country	Original HIPC Debt Initiative	Enhanced HIPC Debt Initiative
Benin		decision point: July 2000
Bolivia	completion point: September 1998	decision point: February 2000
Burkina Faso	completion point: July 2000	decision point: July 2000
Cameroon		decision point: October 2000
Côte d'Ivoire	decision point: March 1998	
Guyana	completion point: May 1999	
Honduras		decision point: June 2000
Mali	completion point: September 2000	decision point: September 2000
Mauritania		decision point: February 2000
Mozambique	completion point: June 1999	decision point: April 2000
Senegal		decision point: June 2000
Tanzania, United Rep. of		decision point: April 2000
Uganda	completion point: April 1998	completion point: May 2000

6. A series of initiatives have been taken to accelerate the implementation of the debt initiative. These actions include: (a) ensuring that the policy requirements for reaching the decision point are those essential to the success of countries' poverty-reduction and growth strategies; (b) maintaining a flexible approach with respect to track-record requirements, so that countries whose economic performance is broadly on track can be brought expeditiously to their decision points²; (c) continuing to stress the principle that interim PRSPs should be flexible and easy to prepare, so as not to hold up the availability of debt relief or additional concessional assistance during the interim period between the decision point and the completion point. However, as country-specific informal assessments indicate, whether the expected acceleration occurs or not depends on continued progress in pursuing macroeconomic, structural and social reforms in the countries concerned.

² A major innovation under the enhanced debt initiative is the adoption of a 'floating completion point'. Floating completion points have eliminated the fixed three-year period from the decision point and instead have linked irrevocable debt relief to developing and implementing a PRSP, maintaining macroeconomic stability, and undertaking key reforms. The new arrangements strengthen countries' ownership of the debt-relief timetable and support the sustained implementation of reforms, while making it possible to accelerate the completion point.



PART III – POVERTY-REDUCTION STRATEGIES³

7. Countries have responded favourably to the invitation to prepare nationally owned poverty-reduction strategy documents. This favourable response includes in many cases: providing information that substantially exceeds the minimum requirements for interim PRSPs; managing preparatory work at very high levels of political authority; and a much greater degree of participation in the preparatory process than had been envisaged for interim PRSPs. Countries have drawn on their own prior experience with poverty-reduction programmes in preparing interim and full PRSPs, and have identified as priorities for poverty reduction not only expected areas (such as broad-based growth, priority attention to social sectors, provision of public services to the poor, and a strong focus on rural development, including smallholder agriculture and microenterprise development) but also areas such as governance, anti-corruption, transparency and accountability. In addition, several countries have linked their priorities explicitly to the international development goals, and have highlighted special efforts to assist disadvantaged groups (notably women and the landless).

8. At the same time, countries are facing some problems as they move from interim to full PRSPs. Some countries have to rely on out-of-date or limited poverty data/information. In some cases, multilateral and bilateral development partners are supporting countries' efforts to update their poverty analyses. Countries also have limited institutional and analytical capacity to prepare full PRSPs. While interim PRSPs have outlined the participatory processes countries intend to use in preparing full PRSPs, the depth and quality of these plans have varied. In particular, proposed participatory processes will need to deal with such issues as: the capacity of civil society to participate meaningfully in strategy preparation, how best to ensure that the views of the poor themselves are fully taken into account, and the need to ensure that broad-based participation does not undermine national democratic processes and authority. The transition to full PRSPs is likely to present other problems, including effective costing of inputs and definition of expected outcomes, tracking of poverty-related public expenditure, and integration of medium-term poverty-reduction strategies into a consistent long-term macroeconomic framework.

9. In order to manage the transition from interim to full PRSPs, IFAD is recommending that the semi-annual multilateral development bank (MDB) meeting (convened specifically for the HIPC debt initiative) be formalized to some extent, and that it be given responsibility for: (a) collectively supporting countries in developing their PRSPs through a broad-based local participatory process; and (b) monitoring the PRSP implementation and its impact. These measures are expected to safeguard the programmatic additionality of debt-initiative relief, ensuring that debt relief is effectively used for agreed poverty-reduction priorities established in the PRSP.

PART IV – IFAD'S PARTICIPATION IN THE HIPC INITIATIVE

Governance Decisions

10. IFAD's Executive Board endorsed the principle of IFAD's engagement in the original Debt Initiative for HIPCs at its Fifty-Ninth Session in December 1996⁴; and the Governing Council, at its Twentieth Session in February 1997, approved the framework for IFAD's participation in the original debt initiative in its Resolution 101/XX⁵. On the basis of documents GC 23/L.7 and GC 23/L.7/Corr.1, the Governing Council subsequently decided at its Twenty-Third Session in February 2000 that IFAD will *fully participate in the enhanced debt initiative*. As indicated in Annex IV, the World Bank estimates IFAD's total cost (for 32 HIPCs) at USD 228 million in end-1999 NPV terms.

³ See Annex III for more details.

⁴ On the basis of document EB 96/59/R.73.

⁵ On the basis of document GC 20/L.6 and document GC 20/L.6/Add.1 (with document GC 21/L.6 establishing the IFAD Trust Fund).

11. In support of IFAD's resource requirements for the debt initiative, the Government of The Netherlands pledged an amount of NLG 26.62 million (at the time approximately USD 15.4 million) in complementary contributions within the framework of the Fourth Replenishment of IFAD's Resources. Beyond The Netherlands' contribution, IFAD's participation in the initiative is currently being financed from internal resources that would otherwise be available for commitment to additional loans and grants under the programme of work. Efforts are being made to mobilize additional external resources to help fund IFAD's participation. In the meantime IFAD will continue to internalize the costs of its participation in the debt initiative.

Commitments

12. IFAD's Executive Board has so far approved debt-relief packages for 12 countries⁶: Benin, Bolivia, Burkina Faso, Côte d'Ivoire (original initiative only), Guyana (original initiative only), Honduras, Mali, Mauritania, Mozambique, Senegal, the United Republic of Tanzania and Uganda (see Table 2). Annex V provides the programmatic basis for the country cases decided upon by the Executive Board in the course of 2000.

Table 2: Status of Approved Country Cases

Country	Original HIPC Debt Initiative	Enhanced HIPC Debt Initiative	Approved Relief (in SDR million (NPV))	
			Original	Enhanced
Benin		decision point: July 2000		4.72
Bolivia	completion point: September 1998	decision point: February 2000		6.56
Burkina Faso	completion point: July 2000	decision point: July 2000		5.18
Cameroon		decision point: October 2000	To be considered in April 2001	
Côte d'Ivoire	decision point: March 1998		0.16	
Guyana	completion point: May 1999		0.64	
Honduras		decision point: June 2000		1.33
Mali	completion point: September 2000	decision point: September 2000		6.82
Mauritania		decision point: February 2000		7.58
Mozambique	completion point: June 1999	decision point: April 2000		10.67
Senegal		decision point: June 2000		2.33
Tanzania, United Rep. of		decision point: April 2000		11.95
Uganda	completion point: April 1998	completion point: May 2000		12.77
Total				70.71

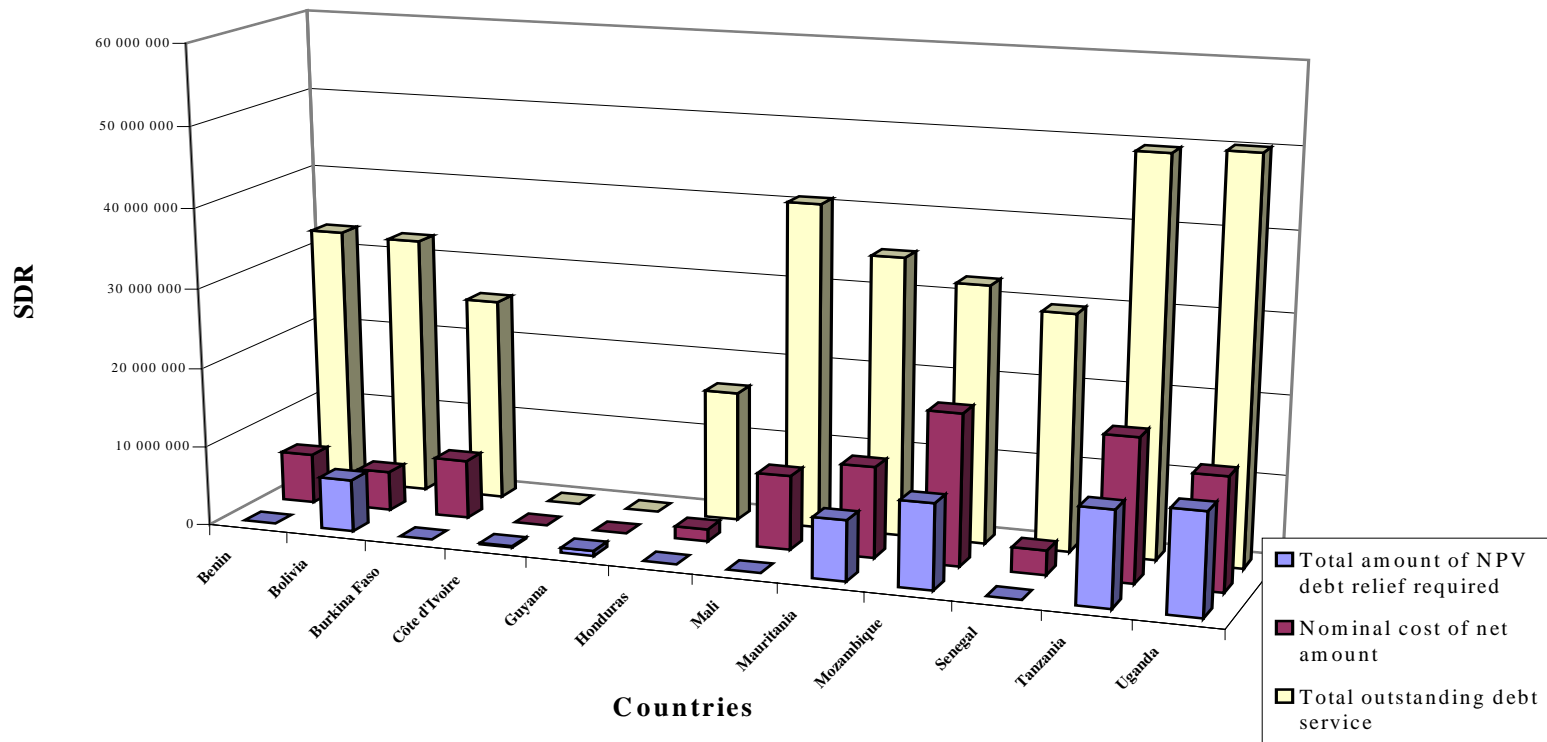
SDR 1 = USD 1.29789 as of 29 September 2000.

13. The total amount of HIPC debt service to IFAD earmarked during 2000 for debt-initiative treatment is SDR 345 million (USD 447 million), or SDR 159 million (USD 206 million) in NPV terms. The Fund is so far committed to providing a total of about SDR 71 million (approximately USD 92 million) in NPV relief (see Annex VI for the detailed technical data sheet).

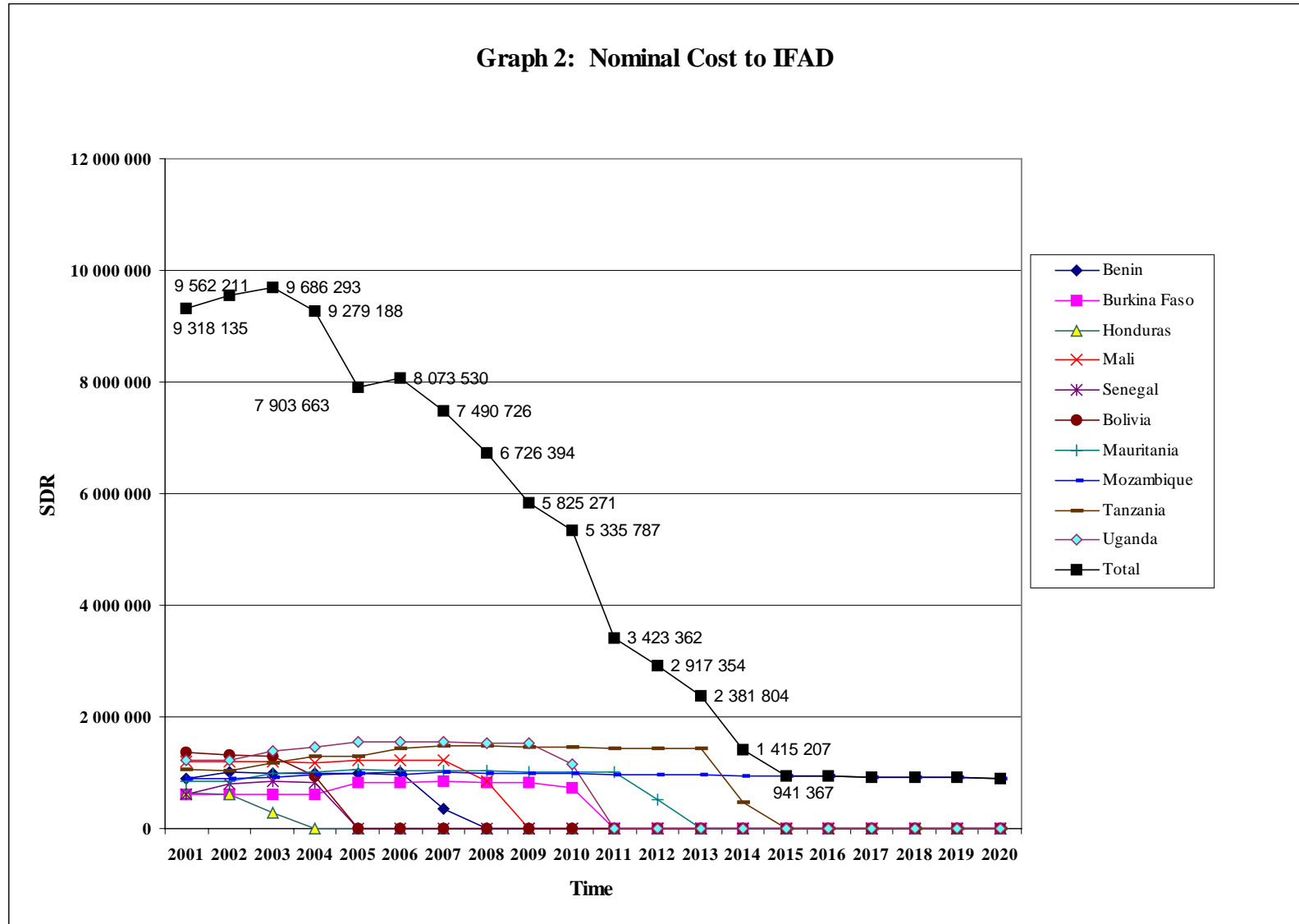
14. The tentatively estimated total nominal cost to IFAD of the debt relief for the approved country cases, including the relief approved earlier by the Executive Board (minus the relief already provided at the time of Board approvals for the enhanced initiative, if any), amounts to SDR 95 million (USD 123 million), spread over a period of 3-20 years – depending on the country – and assumed to start in 2001 (as illustrated in Graph 2). The annual nominal collective cost for the approved cases will reach its highest level, SDR 9.7 million, in 2003 (see Annex IX).

⁶ See documents: EB 97/61/R.14/Rev.1, EB 97/62/R.10/Rev.1, EB 98/64/R.11, EB 98/64/R.12/Rev.1, EB 98/64/R.13, EB 98/64/R.14, EB 98/65/R.8/Rev.1, EB 99/66/R.12, EB 99/68/R.11/Rev.1 and EB 2000/70/R.12 for overviews of several country cases.

Graph 1: IFAD's HIPC Debt Initiative Commitments



Graph 2: Nominal Cost to IFAD





Policy Issues

15. **IFAD's modality for debt relief.** IFAD's Executive Board deliberated on the debt-relief modality most appropriate to the Fund (see document EB 2000/70/R.12). Two options were under consideration. The first consisted of *spreading* the impact of the committed debt relief (on IFAD's resource base and its capacity to approve new loans) over the longer and commonly accepted time frame of 15 to 20 years, providing partial debt-service relief until the NPV of the debt-relief target is reached (e.g., 50% of semi-annual loan repayments). The second option amounts to *front-loading* the relief, providing 100% of debt-service relief until the NPV debt-relief target is reached.

16. The second option, the front-loading modality, was finally retained because: (a) it is more consistent with the spirit of the enhanced initiative of providing deeper and faster relief; (b) the total nominal cost for the same NPV amount is lower⁷ (see Annex VII for an illustration); (c) it reduces the risk of arrears on partial debt-service requirements; and (d) loan administration is less complex. The disadvantage of this option is, however, that IFAD cannot minimize the impact of its participation in the debt initiative on its annual lending programme, as was explicitly called for in the Governing Council resolution of February 2000. Under the front-loading option, the impact of debt relief on IFAD's resource base is a direct function of the amortization schedule of the loans eligible for debt relief.

17. Although the Executive Board needs to make high levels of irrevocable pluri-annual commitments at the time it considers a proposed country case, the actual costs will be incurred by IFAD on a yearly pay-as-you-go basis, as debt-service relief is being provided. As such, the Board makes commitments against future reflows, in a sense on an advanced commitment basis. Debt relief is therefore an issue of reduced inflows of resources, a future annual reduction in resources available for commitment. It is not directly an issue of the programme of work, and consequently it secures the additionality of the debt initiative, provided that future reviews of the adequacy of IFAD's resource base explicitly factor in IFAD's contributions to the initiative. IFAD's annual financial statements will account for the debt initiative in a manner fully compatible with the international accounting standards in force. The IFAD HIPC Debt Initiative Trust Fund will only be used to receive additional external contributions and, from time to time, the estimated amounts of annual resource requirements to finance IFAD's debt-initiative commitments.

18. **Arrears.** Since its inception, the debt initiative has been confronted with the issue of arrears, i.e., overdue *past* debt, as against *future* outstanding debt, the core object of the initiative. Arrears are considered as inconsistent with the basic requirement of a sustained track record of good policy performance (under the original initiative). Therefore, arrears need to be settled prior to the decision point, and at the latest by the completion point.

19. However, recent World Bank/IMF assessments confirm the position taken by IFAD from the inception of the debt initiative that arrears in several HIPCs are an integral part of the problem of unmanageable debt. Thus arrears settlement needs to be part of the exit solution offered by the initiative, but in a manner that avoids creating moral hazard and undesirable precedents. Indeed, not dealing with arrears as part of the solution for countries that have objective debt-servicing constraints will delay the decision point and certainly the completion point, depriving governments of the very resources required to finance and implement their poverty-reduction strategies (during the critical interim period and thereafter).

⁷ For example, for the six cases approved by the Executive Board in document EB 2000/70/R.12, the nominal amount of the front-loading modality was about SDR 11.4 million – USD 15 million – lower than the modality of spreading the costs over 20 years.



20. Guinea-Bissau provides an example of this problem. The country has been declared eligible for debt relief under the initiative, and the World Bank/IMF recommend that the country be provided with as much as 85% of the NPV of debt relief. However, while the World Bank and IMF assess Guinea-Bissau's capacity to service its MDB-debt at about USD 1.5 million per annum, the country currently not only owes an average of about USD 15 million per annum to MDBs in the next three years, but it has also accumulated about USD 22.5-35 million of arrears. The World Bank was informed that several MDBs (including IFAD), because of their current financial rules and regulations, would not be in a position to participate in the debt initiative unless the arrears issue is addressed.

21. In order to address the issue (specifically for Guinea-Bissau, but also as a matter of general policy applicable to similar country cases), the World Bank formulated a comprehensive proposal and called for a meeting with MDBs involved in the debt initiative to discuss the proposed approach⁸. In that meeting, the MDBs agreed that directly assisting deserving HIPC governments in dealing with their arrears has to be part of the debt-exit strategy to be provided at the decision point, while such assistance should be consistent with the arrears clearance policy of the respective MDBs. With respect to the arrears, the specific World Bank/IMF proposal, endorsed by participating MDBs, consists of: (a) a significant level of cancellation of arrears; and/or (b) a substantial concessional rescheduling of the arrears. The NPV loss inherent in such cancellation and such concessional rescheduling will be accounted for against the respective MDB's NPV relief requirement for the country. The meeting also prescribed a bilateral process to work out the specific solutions between different MDBs and the concerned country.

22. In 1995, Guinea-Bissau started accumulating arrears with IFAD, and an arrears settlement plan was worked out in June 1996. As of 31 December 1999, Guinea-Bissau had accumulated SDR 0.6 million of arrears with IFAD. Because of reported difficulties, an IFAD mission visited the country in August 2000. The mission was informed that Guinea-Bissau is indeed facing acute debt-servicing constraints. In spite of these difficulties, however, a substantial portion (USD 300 000) has been paid against the arrears settlement plan, and the Government has committed itself to settle the balance as soon as the financial situation permits.

23. For IFAD, three options are therefore theoretically available. The first consists of simply requiring *full arrears settlement* prior to a decision on IFAD's participation in the debt initiative for the country. The second consists of the World Bank/IMF proposal of *concessional rescheduling of the arrears*. And the third option consists of the additional World Bank/IMF recommendation to *integrate the arrears into the NPV of debt relief under the debt initiative*, in recognition of the significant efforts made by the Government to settle arrears.

24. The first option would result in delaying the debt initiative for Guinea-Bissau for a lengthy period, until the Government had mobilized the resources required to settle the arrears; in the meantime, no country portfolio development could be pursued, thereby depriving the country of the resources required to implement its poverty-reduction strategy. This is not a desirable option. The second option would indeed allow the initiative to proceed, but the loan-administration requirements for IFAD would become extremely complex, which is equally undesirable. The third option (integrating arrears into the debt relief) both allows the initiative to proceed and keeps loan accounting simple. In addition, it is also the most attractive option from a cost point of view. Under this option, the nominal amount of debt relief that IFAD needs to provide to reach its 85% debt-relief requirement for the country amounts to approximately SDR 1 688 000 less than the standard IFAD debt-relief modality⁹ (SDR 4 263 000 against SDR 5 951 000), because the integration of arrears into

⁸ 13 October 2000.

⁹ Which assumes arrears have been cleared up front.



the debt relief enhances the front-loading of the relief and therefore the NPV of the same nominal amount of relief.

25. The Executive Board thus approved the general policy principle¹⁰ of incorporating arrears *accrued before IFAD's decision point*¹⁰ into the front-loaded debt-relief modality for countries:

- that have been declared eligible for debt relief under the HIPC debt initiative;
- that have accrued arrears with IFAD;
- that have made *demonstrated, concrete* efforts to settle these arrears and/or to adhere to the agreed arrears settlement plan, if any; and
- whose debt-servicing capacity in the short term is assessed by the World Bank/IMF as objectively inadequate to service debt and settle the arrears.

26. IFAD's contribution to the debt relief in such country cases will therefore be structured as follows:

- at the *decision point*: immediate integration of the eligible arrears¹¹ into the NPV of debt relief to be provided to the country by IFAD under the HIPC debt initiative;
- during the *interim period*:
 - (a) the government will remain current on its loan-service obligations as the norm¹²; and
 - (b) IFAD will first (and upon government request) support the government in developing its PRSP and subsequently support the implementation of the poverty-reduction strategy with programme assistance, including the immediate reactivation of the country portfolio. IFAD's 'arrears integration' and scope for relief of debt-service requirements during the interim period will directly depend on the quality of the collaboration between the government and IFAD for the PRSP process; and
- at the *completion point*: on condition of a successful interim period, 100% of debt-service relief until the NPV relief target is reached.

27. This policy will be applied for the first time in proposals to be considered by the Executive Board in its April 2001 Session.

¹⁰ Also applicable to other similarly deserving cases of HIPC's listed in IFAD's periodic report to the Executive Board on arrears. The list of HIPC's with their arrears to IFAD is provided in Annex VIII.

¹¹ Calculated at 'present value', in accordance with IFAD's policy on arrears-settlement packages (see document GC 21/L.7). Arrears exceeding the level of debt relief to be provided under the HIPC debt initiative will be subject to IFAD's normal policy of arrears settlement. It should be noted that arrears incurred before the cut-off point of eligible debt will not be included in the debt stock to be relieved, as this would unduly inflate the country's debt stock to be treated by the HIPC initiative.

¹² As the norm, IFAD will expect 100% debt service during the interim period. However, based on the World Bank/IMF assessment of an individual country's debt-servicing capacity during this period, IFAD may request the Executive Board to consider lower debt-servicing requirements, for example 50% or, as for instance in the case of Guinea-Bissau, 0% of the debt-servicing requirement during the interim period.



Relief Provided

28. The actual provision of debt relief, after the Executive Board has approved the country case, depends on: (a) the timing of the country reaching the completion point, the time when relief starts being due; and (b) the amortization schedule of the eligible loans.

29. Table 3 shows the nominal relief actually provided by IFAD thus far. As of 31 October 2000 only Bolivia, Guyana, Mozambique and Uganda had benefited from debt relief.

Table 3: Relief Provided

Country	SDR
Bolivia	2 574 649
Guyana	607 164
Mozambique	629 414
Uganda	2 858 382
Total	6 669 609

PARAMETERS OF THE POLICY FRAMEWORK FOR THE ENHANCED HIPC DEBT INITIATIVE

1. Deeper Debt Relief:

- by lowering the NPV debt-to-exports target from 200-250% to 150%;
- by lowering the NPV debt-to-fiscal revenues target from 280% to 250%;
- by lowering the qualifying thresholds from 40% to 30% of exports-to-GDP, and from 20% to 15% of revenues-to-GDP ratio; and
- by calculating debt relief based on actual data at the decision point rather than on projections for the completion point

2. Faster Debt Relief:

- by providing interim relief between the decision and completion points;
- by introducing floating completion points, permitting strong performers to reach the completion point earlier; and
- by front-loading the delivery of debt relief, subject to the debt-service profile due to creditors.

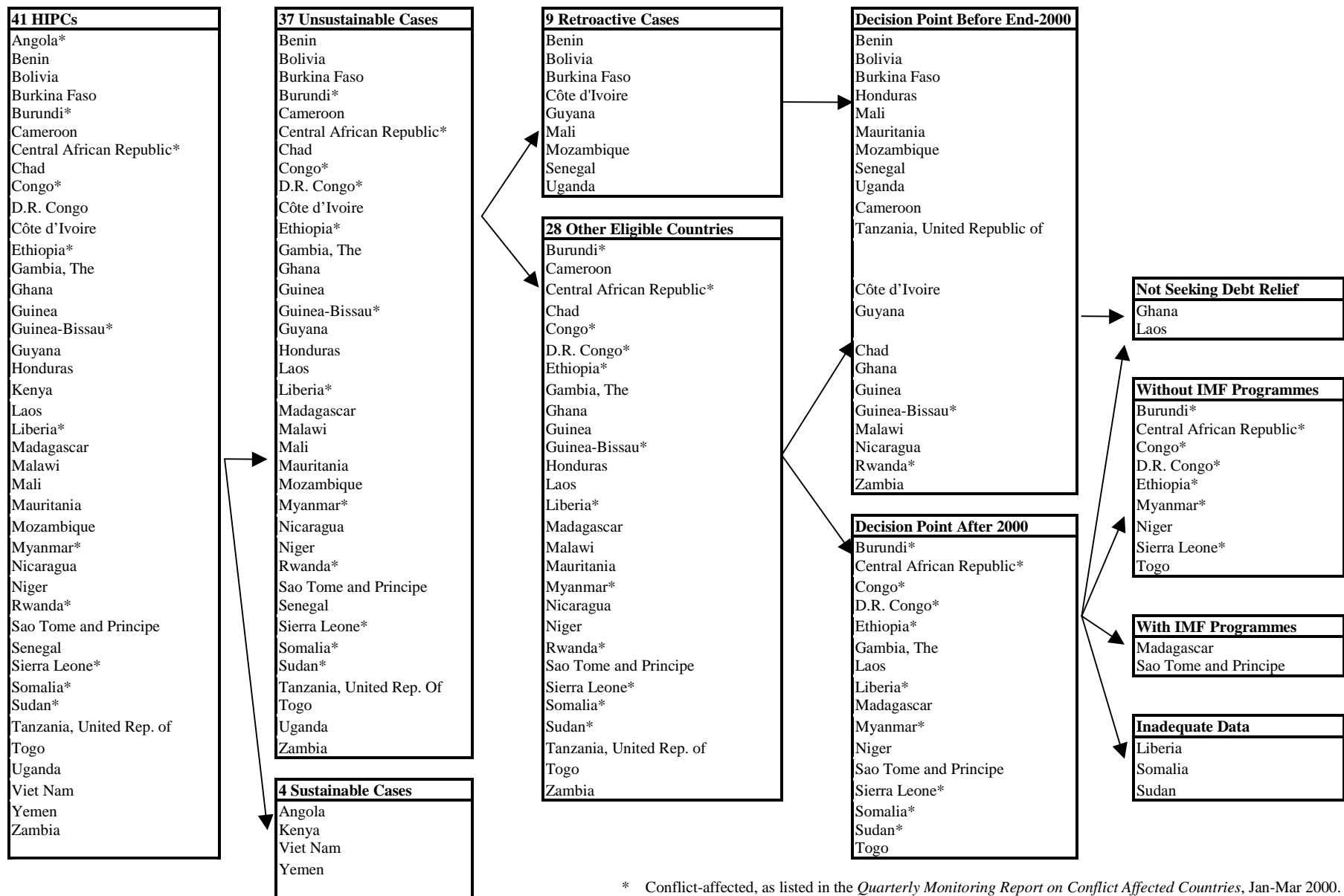
3. Stronger Link to Poverty Reduction:

- through the requirement of a poverty-reduction strategy paper (Annex III); and
- by making decisions on the basis of interim PRSPs, in order to accelerate access to debt relief without compromising both the quality of the participatory process and the result of the countries' poverty-reduction strategy efforts.

4. Results:

- greater safety margin for the achievement of debt sustainability;
- more freeing-up of resources earlier for enhanced focus on poverty reduction;
- stronger impact on poverty eradication;
- expansion of eligibility to 42 HIPCs; and
- increase in overall costs.

LIST OF HIPC DEBT-INITIATIVE COUNTRIES



* Conflict-affected, as listed in the *Quarterly Monitoring Report on Conflict Affected Countries*, Jan-Mar 2000.



THE POVERTY-REDUCTION STRATEGY PAPERS¹

1. Characteristics of a PRSP:

- It must be a cogent, highly strategic and action-oriented document that describes the priorities in the government's poverty-eradication strategy, and that spells out the budgetary implications of this prioritization.
- It must ensure consistency between a country's macroeconomic, structural and social policies and its goals for poverty reduction and social development.
- It should serve as the basis for designing World Bank and IMF lending operations, and as a framework with which all Poverty Reduction and Growth Facility (PRGF) and World Bank-supported programmes should be consistent.

2. Contents:

- medium- and long-term goals for poverty reduction and social development, with a range of relevant results-oriented indicators for monitoring progress in poverty reduction;
- a macroeconomic framework consistent with the poverty-reduction and social development goals, over at least a three-year time frame;
- structural reforms and priorities, sectoral strategies (three-year agenda) and associated funding needs (domestic and external) necessary to deliver the growth and poverty-reduction objectives;
- anti-poverty and other social policies, linked to an analysis of the social impact of macroeconomic and structural policies, and associated funding needs (domestic and external); and
- overall external financing needs for each year of the programme.

3. Process:

- It must be produced in a way that ensures transparency and broad-based participation in the choice of goals, the formulation of policies and the monitoring of implementation – with the ultimate ownership of the government:
 - (a) governments take the lead;
 - (b) participation of civil society and other stakeholders (e.g., donors) is secured;
 - (c) with possible facilitation by and technical assistance from the World Bank and IMF;
 - (d) annual reviews and reworking of the PRSP, e.g., every three years, to ensure that the framework remains sufficiently current.
- Where possible, it should be linked to the Comprehensive Development Framework (and the common country assessment).

¹ Subject to availability of human resources, IFAD may want to play a proactive role in supporting HIPC countries to enhance the quality of their poverty-reduction strategy, at least in some strategically important countries, and in close cooperation with its strategic partners.

**WORLD BANK/IMF ESTIMATES
 OF THE POTENTIAL TOTAL COST OF THE HIPC INITIATIVE**
(FOR 32 HIPCS¹ BY CREDITOR CATEGORY)

(USD billion in end-1999 NPV terms)

	Costs	Details
Total costs	28.6	
Bilateral and commercial creditors	14.6	
Multilateral creditors:	14.0	
World Bank		6.2
IMF		2.2
AfDB/AfDF		2.3
IDB		1.1
Other		2.2
<i>(of which IFAD)</i>		0.228

Source: “HIPC Initiative: Update on Costing the Enhanced HIPC Initiative”, World Bank.

Notes: AfDB – African Development Bank
 AfDF – African Development Fund
 IDB – Inter-American Development Bank

¹ Excluding Ghana and Laos; and Liberia, Somalia and The Sudan.

COUNTRY CASES APPROVED BY THE IFAD EXECUTIVE BOARD IN 2000

1. In the course of 2000 the Executive Board considered and approved HIPC initiative debt-relief proposals for: **Benin, Bolivia, Burkina Faso, Honduras, Mali, Mauritania, Mozambique, Senegal, the United Republic of Tanzania and Uganda.** The basis for these decisions is summarized below, and Annex VI provides a summary of the technical data for these approved country cases. Annex X provides the list of Executive Board documents for more details.

2. **Benin.** Benin was first considered for debt relief under the original debt-initiative framework in July 1997, and it was determined at the time that other sources of debt relief were sufficient for Benin to attain a sustainable debt position as defined under the terms of the original framework. However, Benin's debt situation has been reviewed in the light of the enhancement of the debt initiative endorsed by the international community in September 1999. Under the revised criteria that currently apply, its external debt was found to be unsustainable.

3. Benin has been declared eligible for debt relief under the enhanced debt-initiative framework in recognition of the substantial progress the country has made in implementing a comprehensive programme of macroeconomic, structural and social reforms, and achieving poverty reduction. Since the mid-1990s, Benin has been implementing an ambitious programme of economic reforms, which has received broad support from the international community. Overall, progress has been made in re-establishing financial stability, restoring economic growth and strengthening the efficiency of the economy.

4. Under the enhanced initiative, countries are eligible for assistance provided that NPV of external debt exceeds 150% of exports. In order to achieve the enhanced debt sustainability target, all creditors are expected to provide a reduction of 31.3% in the NPV of their outstanding claims as of end-1998. Total relief from all Benin's creditors would amount to USD 265 million in NPV terms. The Executive Board approved IFAD's contribution to debt relief for Benin in the amount of SDR 4.72 million in 1998 NPV terms (tentatively, SDR 6.24 million in nominal terms, spread over seven years).

5. The completion point will be reached when the following conditions have been met: (a) completion of a PRSP through a participatory process; (b) maintenance of a stable macroeconomic environment, as evidenced by satisfactory performance under a programme supported by an arrangement through IMF's poverty-reduction and growth facility (PRGF), and specific structural reform measures as part of the policy dialogue with the International Development Association (IDA); (c) satisfactory implementation of a number of key structural and social reforms with high poverty impact in the areas of governance, government financial management, liberalization of the cotton sector, immunization rates, the fight against HIV/AIDS, and school enrolment and learning outcomes in primary education; and (d) confirmation of the participation of other creditors in the debt-relief operation.

6. **Bolivia.** IFAD's basic decision to participate in the debt relief for Bolivia, under the original framework, was taken by the Executive Board on the basis of document EB 98/64/R.13.

7. Consistent with a reduction of Bolivia's NPV of debt-to-exports ratio to the enhanced-initiative target of 150%, its total additional debt-relief requirement from all of its creditors is estimated to amount to USD 854 million in NPV terms. For each multilateral creditor, this is equivalent to 29.5% of total NPV debt outstanding at the end of 1998 after full implementation of the assistance under the original framework. This is expected to translate into debt-service relief over time of close to USD 1.3 billion. This amount is in addition to the approximately USD 760 million (or



USD 448 million in NPV terms) of relief provided under the original debt initiative. In all, the NPV of Bolivia's external public debt is to be reduced by 35% under the (original and enhanced) HIPC framework.

8. IFAD's Executive Board approved the top-up of the debt relief approved earlier under the original framework, in order to allow Bolivia to benefit from the enhanced framework, and the Fund will contribute to debt relief for Bolivia in the total amount (including the earlier decision) of SDR 6.56 million in 1998 NPV terms (tentatively an additional SDR 4.93 million in nominal terms, spread over 4 years).

9. Under the enhanced initiative, debt relief becomes irrevocable once a country reaches its 'floating completion point' For Bolivia, this will occur when a poverty reduction strategy has been adopted – in a participatory process with civil society.

10. **Burkina Faso.** IFAD's basic decision to participate in the debt relief for Burkina Faso under the original framework was made by the Executive Board on the basis of the strategy document EB 97/62/R.10/Rev.1. When Burkina Faso reached its completion point under the original debt initiative, its NPV of debt-to-exports ratio had deteriorated between the decision point and this completion point. At this completion point, the NPV of Burkina Faso's debt-to-exports ratio, after taking into account the impact of traditional debt-relief mechanisms, was estimated to be 279% at end-1999, compared with 238% projected in the decision point document. The assistance committed under the original framework at decision point would only have brought this ratio down to 242%, instead of the agreed 205%. Under the original framework, it was foreseen that if the assistance provided at completion point is not sufficient to bring a country's NPV of debt-to-exports ratio to within 10% of the target set at decision point (i.e., between 195% and 215%), it would be topped up to reach the target. This completion point top-up resulted in an increase of USD 113 million in the amount of assistance committed at the decision point, bringing total assistance under the original framework to USD 228 million in end-1999 NPV terms, of which multilateral contributions account for USD 196.4 million and bilateral contributions USD 32 million. IFAD's Executive Board approved the top-up of the originally approved amount to the level of SDR 2.96 million (from SDR 1.39 million).

11. Burkina Faso has subsequently been declared eligible for debt relief under the enhanced framework, also in recognition of the substantial progress the country has made in implementing a comprehensive programme of macroeconomic, structural and social reform, and in achieving poverty reduction. Burkina Faso has made determined efforts to address key social areas such as primary health care (by increasing access to generic drugs and training more health personnel) and education (by giving renewed priority to basic education and improving enrolment and completion rates).

12. In order to achieve the 150% target ratio of NPV of external debt to exports, all creditors are expected to provide a total reduction of 46.3% (i.e., an additional 26.8% after the full application of assistance under the original HIPC framework) in the NPV of their outstanding claims as of end-1999. Total relief from all of Burkina Faso's creditors under the enhanced initiative would amount to a total of USD 398 million in end-1999 NPV terms (including the USD 229 million under the original framework). The Executive Board approved IFAD's contribution to debt relief for Burkina Faso in the amount of SDR 5.18 million in 1999 NPV terms (tentatively SDR 7.34 million in nominal terms, spread over ten years), which includes the amount approved earlier under the original framework.

13. Burkina Faso will reach its floating completion point when the following conditions have been met as part of overall progress in poverty reduction: (a) maintenance of a stable macroeconomic environment, with performance to be monitored under IMF's PRGF arrangement; and (b) satisfactory implementation of a set of agreed measures identified in the Government's PRSP, focusing on improving education and health indicators and governance.



14. **Honduras.** Honduras was reviewed directly within the framework of the enhanced debt initiative. The international community has declared Honduras eligible for debt relief under this framework in recognition of the substantial progress made in implementing a comprehensive programme of macroeconomic, structural and social reforms, and achieving poverty reduction. This progress has been particularly impressive in the context of the challenges facing Honduras in the wake of Hurricane Mitch.

15. In order to achieve the target NPV of debt-to-government revenue ratio of 250% provided under the enhanced initiative, all creditors are expected to provide a reduction of 17.8% in NPV of their outstanding claims as of end-1999. Total relief from all of Honduras' creditors would amount to USD 556 million in NPV terms. The Executive Board approved IFAD's contribution to debt relief for Honduras in the amount of SDR 1.33 million in 1999 NPV terms (tentatively SDR 1.53 million in nominal terms, spread over three years).

16. Honduras will reach its completion point under the enhanced framework when the following conditions have been met: (a) continued commitment to the financial and economic programme supported by IMF's PRGF; (b) completion of a PRSP through a participatory process and a first annual implementation report of the strategy; (c) implementation of an agreed set of measures in the context of the Government's poverty-reduction strategy, including the preparation of a participatory anti-corruption strategy, social security reform, strengthening of the financial sector, improvements in the quality of education, delivery of health services to the poor and the efficiency of safety nets; and (d) confirmation of the participation of other creditors in the debt-relief operation.

17. **Mali.** IFAD's basic decision to participate in debt relief for Mali under the original debt-initiative framework was made by the Executive Board on the basis of the strategy document EB 99/66/R.12. The international community has also declared Mali eligible for debt relief under the enhanced framework in recognition of the substantial progress the country has made in implementing a comprehensive programme of macroeconomic, structural and social reforms, and achieving poverty reduction.

18. In order to achieve the 150% target ratio of NPV of external debt to exports, all creditors are expected to provide a total reduction of 37% (i.e., an additional 28% after the full application of assistance under the original framework) in the NPV of their outstanding claims as of end-1998. Relief from all of Mali's creditors under the enhanced initiative would amount to a total of USD 530 million in end-1998 NPV terms (including the USD 128 million under the original framework). The Executive Board approved IFAD's contribution to debt relief for Mali in the amount of SDR 6.82 million in 1998 NPV terms (tentatively SDR 9.30 million in nominal terms, spread over eight years), which includes the amount approved earlier under the original framework.

19. Mali will reach its floating completion point under the enhanced framework when it has been determined that the following conditions have been met as part of overall progress in poverty reduction: (a) as part of the PRSP, maintenance of a stable macroeconomic environment, with performance to be monitored under IMF's PRGF arrangements and IDA's lending programme; (b) satisfactory implementation of a set of agreed structural reforms, including continued implementation of reforms under the cotton-sector restructuring plan, and pursuit of the privatization programme, especially of public utilities and banks; (c) satisfactory implementation of reforms in the educational sector, as defined in the Government's ten-year education programme; and (d) preparation of a full PRSP through a participatory process.

20. **Mauritania.** Mauritania constitutes another country case which has been reviewed directly within the framework of the enhanced debt initiative. The country has established a good track record of adjustment and reform on the macroeconomic, social and political fronts. Substantial structural reforms have been implemented, and fiscal consolidation has been achieved. Reflecting this effort,



gross domestic product (GDP) has grown by an annual average of close to 5% since 1992 and there has been significant improvement in social indicators, although 50% of the population remains below the poverty line.

21. In order to bring Mauritania's NPV of debt-to-revenues ratio to 250% under the fiscal criterion, total relief from all of Mauritania's creditors would amount to USD 622 million in NPV terms. For each multilateral creditor, this is equivalent to 50% of the total NPV of debt outstanding at the end of 1998. This is expected to translate into debt-service relief over time of approximately USD 1.1 billion, which implies debt service savings of USD 36 million per year over the next ten years. Based on proportional burden sharing of NPV of debt outstanding at end-1998, the multilateral contribution would be USD 361 million and that of bilateral creditors USD 261 million. IFAD's Executive Board approved the Fund's contribution to debt relief for Mauritania in the amount of SDR 7.58 million in 1998 NPV terms (tentatively SDR 11.4 million in nominal terms, spread over 12 years).

22. Assistance becomes irrevocable once the country reaches its "floating completion point", which is triggered by successful implementation of a set of predefined reforms in the macroeconomic, structural and social domains. To reach the completion point, Mauritania is required to: (a) prepare, in broad consultation with civil society, a fully developed PRSP; and (b) implement the strategy for at least one year. The PRSP will also serve as a basis for future concessional assistance from the World Bank and the IMF.

23. **Mozambique.** IFAD's basic decision to participate in debt relief for Mozambique was made by the Executive Board on the basis of the strategy document EB 98/64/R.12/Rev.1. In this case, also, IFAD was invited to top-up the debt relief approved earlier under the original debt-initiative framework in order to allow a country to benefit from the enhanced framework.

24. Mozambique has made substantial progress in achieving macroeconomic stability, carrying out structural reforms and strengthening its policy efforts towards poverty reduction. During the past four years, real GDP grew by almost 10% a year on average, while average annual inflation fell from about 47% to 2%. Mozambique has also made strong structural adjustment efforts in recent years, including in areas of fiscal management, governance and public administration, and private sector development. Despite the difficulties posed by the recent floods, Mozambique is determined to continue these efforts so that it can harvest the full benefits of the debt relief made possible through the debt initiative.

25. In order to lower its NPV of debt-to-exports ratio to 150% (end-1998), the required total debt relief from all of Mozambique's creditors under the enhanced framework amounts to USD 600 million, or USD 254 million in NPV terms. Under the decision taken, all creditors would provide an additional reduction in NPV terms equal to 9.3% of their outstanding claims as of end-1998. In total, HIPC-initiative debt relief would amount to USD 4.3 billion (USD 1.97 billion in NPV terms) or 72.1% of debt outstanding at end-1998. IFAD's Executive Board approved the Fund's contribution to debt relief for Mozambique in the amount of SDR 10.67 million in 1998 NPV terms (tentatively SDR 18.96 million in nominal terms, spread over 20 years).

26. The completion point will be reached once the following conditions have been met: (a) completion of an agreed and fully participatory PRSP; (b) implementation of an agreed set of measures in the context of the country's PRSP, including in areas of social development, public sector reform, and the legal and regulatory framework; and (c) maintenance of a stable macroeconomic environment, as evidenced by satisfactory performance under a programme supported by an arrangement under the IMF's PRGF.



27. **Senegal.** Senegal constitutes a new country case that has been reviewed directly within the framework of the enhanced debt initiative. Senegal was first considered for debt relief under the original framework in 1998, and it was determined at the time that Senegal did not qualify for debt-initiative assistance because its external debt appeared to be sustainable with respect to the prevailing criteria, i.e. traditional debt relief was sufficient for Senegal to obtain a sustainable debt position. However, Senegal's debt situation has been reviewed in the light of the enhancement of the debt initiative endorsed by the international community in September 1999; and under the revised criteria that currently apply, its external debt was found to be unsustainable.

28. The international community has declared Senegal eligible for debt relief under the enhanced initiative in recognition of the substantial progress the country has made in implementing a comprehensive programme of macroeconomic, structural and social reforms, and achieving poverty reduction.

29. In order to achieve the NPV of debt-to-government revenue ratio of 250% provided under the enhanced initiative, all creditors are expected to provide a reduction of 19.3% in NPV of their outstanding claims as of June 1998. Total relief from all of Senegal's creditors would amount to USD 488 million in NPV terms. The Executive Board approved IFAD's contribution to debt relief for Senegal in the amount of SDR 2.33 million in 1998 NPV terms (tentatively SDR 3.07 million in nominal terms, spread over four years).

30. The actual delivery of debt-initiative assistance will be contingent upon Senegal's fulfilling a number of monitorable actions. It should, in particular: (a) maintain a satisfactory macroeconomic framework as supported by the ongoing IMF PRGF arrangement; (b) have fully defined its poverty-reduction strategy in a participatory manner and designed, within the context of the PRSP, a comprehensive set of indicators to monitor progress in poverty reduction; and (c) have satisfactorily implemented key structural reforms.

31. **Tanzania, United Republic of.** The United Republic of Tanzania has been reviewed directly in the framework of the enhanced debt initiative. The country's eligibility for debt relief under the enhanced initiative is in recognition of the substantial progress made in implementing a comprehensive programme of macroeconomic, structural and social reforms, and achieving poverty reduction. During the past few years, growth rates have averaged more than 4% per annum, inflation has declined to less than 7%, and the Government has been repaying domestic debt. The United Republic of Tanzania has also implemented significant reforms in external, financial and public sectors.

32. To achieve the NPV of debt-to-exports target of 150%, total relief from all of the United Republic of Tanzania's creditors would amount to USD 2.03 billion in NPV terms. Under the decision taken, all creditors would provide a reduction of 54% in the NPV of their outstanding claims as of end-June 1999. The Fund's Executive Board approved IFAD's contribution to debt relief for the United Republic of Tanzania in the amount of SDR 11.95 million in 1999 NPV terms (tentatively SDR 17.93 million in nominal terms, spread over 14 years).

33. The completion point will be reached once the following conditions have been met: (a) maintenance of a stable macroeconomic environment, as evidenced by satisfactory performance under a programme supported by an arrangement under IMF's PRGF, and specific structural reform measures in the areas of governance, government financial management, tax reform, and improvement of the business environment and of utility performance; (b) completion of an agreed PRSP through a participatory process, and a first annual report on the progress of the implementation of the strategy; and (c) implementation of a set of other measures specifically related to poverty reduction.



34. **Uganda.** IFAD's basic decision to participate in the debt relief for Uganda was made by the Executive Board on the basis of document EB 97/61/R.14/Rev.1. In this case too, the Executive Board approved a top-up of the debt relief approved earlier under the original debt-initiative framework in order to allow Uganda to benefit from the enhanced framework.

35. Uganda's eligibility for debt relief under the enhanced initiative recognizes the effectiveness of Uganda's poverty reduction strategy to date, the application of resources from debt relief under the original framework to its poverty reduction programmes, the iterative process involving civil society in the formulation of the poverty reduction strategy, and the authorities' continued commitment to macroeconomic stability and structural reform.

36. In order to bring Uganda's NPV of debt-to-exports ratio to 150%, total relief required under the enhanced initiative is USD 656 million in NPV terms. For each multilateral creditor, this is equivalent to 37.51% of total NPV debt outstanding at end-June 1999 after full implementation of the assistance under the original framework. This is expected to translate into debt-service relief over time of about USD 1.3 billion. This amount is in addition to the USD 650 million (or USD 347 million in NPV terms) of relief provided in April 1998 at Uganda's completion point under the original initiative. Thus total debt-service relief under the original and the enhanced frameworks will yield approximately USD 2 billion, i.e., a total reduction of 54% in the NPV of its debt outstanding at the end of June 1999.

37. The Executive Board approved IFAD's contribution to debt relief for Uganda in the amount of SDR 12.77 million in 1999 NPV terms (tentatively SDR 14.17 million in nominal terms, spread over ten years), which includes the amount approved earlier under the original framework. Uganda had already reached its completion point under the enhanced debt initiative, thus delivery of the debt relief began immediately upon Board approval.

TECHNICAL DATA OF THE APPROVED COUNTRY CASES

	Cut-Off Date for Eligible Debt	Total Outstanding Debt Service (SDR)	Discount Rate (%)	NPV of Total Outstanding Debt Service (SDR)	Target NPV-Debt/Export Ratio (%)	Target Fiscal Ratio of Debt (%)	Common Debt-Reduction Factor (%)	NPV Debt Relief Approved by the EB (SDR) 1/	Estimated Time Period for Debt Relief (years) 2/	Required Reduction of Future Nominal Repayments (% of debt service)	Estimated Nominal Cost of Net Amount (SDR) 1/	Remarks 2/
Benin	Dec-98	33 005 137	5.25	15 081 277	150		31.3	4 720 440	7	100	6 243 790	Enhanced
Bolivia	Dec-98	32 610 471	5.25	18 754 998	150		35.0	6 564 249	4	100	4 926 359	Enhanced (approved under original HIPC DI : SDR 2 200 000)
Burkina Faso	Dec-99	25 533 651	5.59	11 193 315	150		46.3	5 182 505	10	100	7 343 223	Enhanced (approved under original HIPC DI : SDR 1 390 860 at DP, revised to 2 955 035 at CP)
Côte d'Ivoire						280.0	6.0	164 300		100		Original HIPC DI
Guyana						280.0	24.0	630 000		100		Original HIPC DI
Honduras	Dec-99	16 317 725	5.59	7 482 666		250	17.8	1 331 915	3	100	1 527 819	Enhanced
Mali	Dec-98	40 757 521	5.25	18 430 543	150		37.0	6 819 301	8	100	9 303 302	Enhanced (approved under original HIPC DI : SDR 1 575 000)
Mauritania	Dec-98	34 912 948	5.25	15 158 293		250	50.0	7 579 147	12	100	11 400 148	Enhanced
Mozambique	Dec-98	32 271 650	5.25	14 801 914	150		72.1	10 672 180	20	100	18 951 262	Enhanced (approved under original HIPC DI : SDR 7 741 870)
Senegal	Jun-98	29 603 818	5.25	12 079 036		250	19.3	2 331 354	4	100	3 073 314	Enhanced
Tanzania, United Republic of	Jun-99	49 530 777	4.87	22 121 593	150		54.0	11 945 660	14	100	17 932 401	Enhanced
Uganda	Jun-99	50 181 004	4.87	23 655 279	150		54.0	12 773 851	10	100	14 170 254	Enhanced (approved under original HIPC DI : SDR 4 160 000)
Total		344 724 702		158 758 914				70 714 902			94 871 872	
USD		447 414 743		206 051 606				91 780 164			123 133 254	

Exchange rate 1 SDR = 1.29789 USD, as of 29/09/2000

1/ These are highly tentative estimates. The final nominal amounts (and timeframe) will depend on: the timing of the completion point, the approach to settle arrears at decision point and during the interim period (if any), the amounts of debt relief already provided (if any), and the development of the countries' future debt service obligations (additional disbursements under eligible loans and possibly new loans, if any).

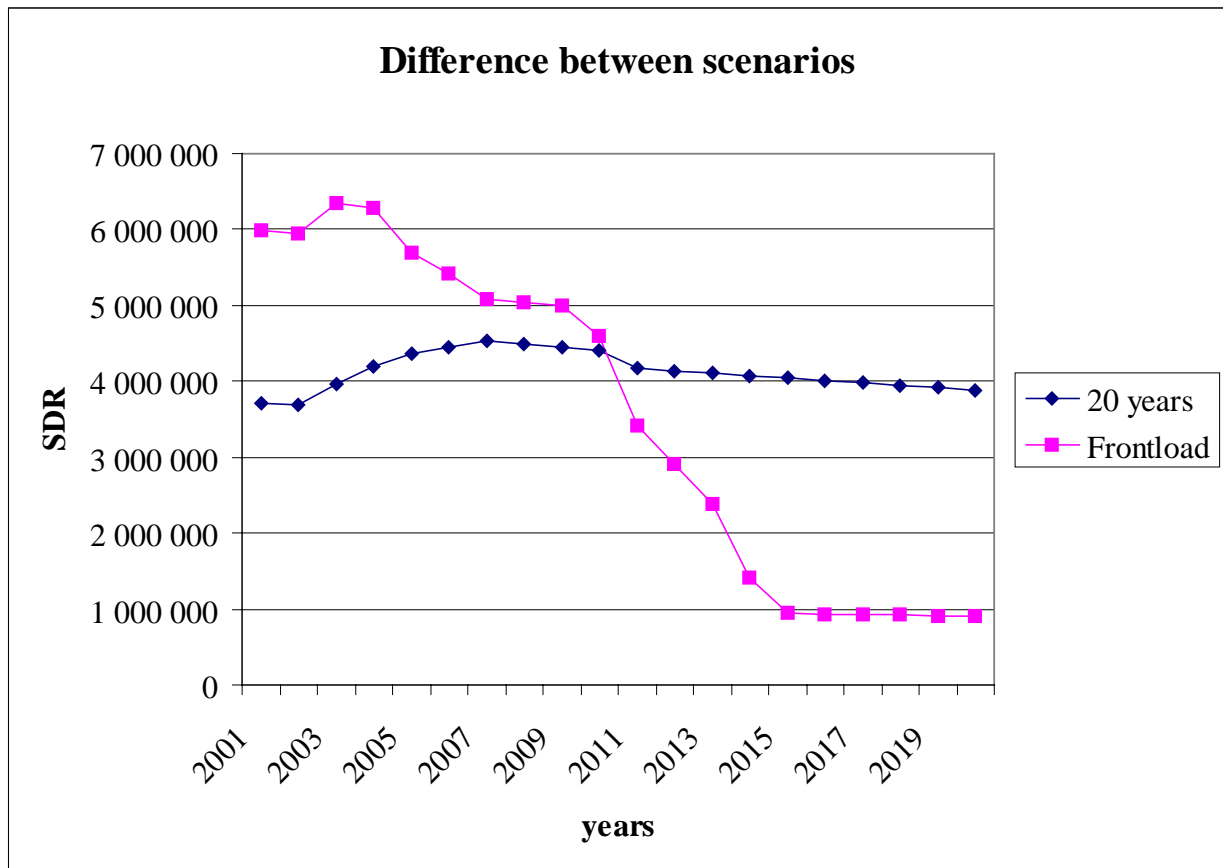
2/ Amounts approved under the original HIPC DI (if any) are included in the amount approved to meet also the enhanced HIPC DI requirements.



ANNEX VII

Comparison of Relief Modalities

	Bolivia	Burkina	Mauritania	Mozambique	Tanzania, United Republic of	Uganda	Total	20 years	Frontload
2001	1 355 107	619 928	840 888	898 863	1 047 135	1 233 297	5 995 217	3 702 459	5 995 217
2002	1 328 019	615 678	854 424	892 387	1 040 525	1 224 898	5 955 931	3 684 642	5 955 931
2003	1 300 932	611 429	979 043	908 681	1 167 450	1 381 535	6 349 069	3 968 039	6 349 069
2004	942 301	607 179	1 015 319	956 417	1 292 372	1 469 896	6 283 483	4 201 767	6 283 483
2005	-	828 036	1 051 106	980 911	1 283 091	1 557 149	5 700 292	4 374 716	5 700 292
2006	-	422 488	1 043 290	973 503	1 429 373	1 545 619	5 414 273	4 457 769	5 414 273
2007	-	-	1 035 473	1 002 836	1 491 017	1 546 668	5 075 995	4 527 918	5 075 995
2008	-	-	1 027 657	995 153	1 480 026	1 535 044	5 037 879	4 487 734	5 037 879
2009	-	-	1 019 841	987 469	1 469 034	1 523 419	4 999 764	4 447 549	4 999 764
2010	-	-	1 012 025	979 786	1 458 043	1 152 730	4 602 583	4 407 364	4 602 583
2011	-	-	1 004 208	972 102	1 447 052	-	3 423 362	4 170 516	3 423 362
2012	-	-	516 875	964 418	1 436 060	-	2 917 354	4 138 277	2 917 354
2013	-	-	-	956 735	1 425 069	-	2 381 804	4 106 038	2 381 804
2014	-	-	-	949 051	466 156	-	1 415 207	4 073 799	1 415 207
2015	-	-	-	941 367	-	-	941 367	4 041 561	941 367
2016	-	-	-	933 684	-	-	933 684	4 009 322	933 684
2017	-	-	-	926 000	-	-	926 000	3 977 083	926 000
2018	-	-	-	918 317	-	-	918 317	3 944 844	918 317
2019	-	-	-	910 633	-	-	910 633	3 912 605	910 633
2020	-	-	-	902 949	-	-	902 949	3 880 367	902 949
Total	4 926 359	3 704 738	11 400 148	18 951 262	17 932 401	14 170 254	71 085 163	82 514 369	71 085 163



**HIPCS WITH ARREARS TO IFAD***(in USD million, as of 31 October 2000)*

Country	Amount of Arrears
Cameroon	2.49
Congo	2.58
Côte d'Ivoire	0.46
D.R. Congo	6.70
Equatorial Guinea	0.03
Guinea-Bissau	0.66
Liberia	13.84
Niger	0.66
Central African Republic	0.50
Sierra Leone	1.12
Somalia	9.33
Togo	0.32
Zambia	0.43
Total	39.12

PROJECTED COSTS TO IFAD OF COMMITMENTS TO DATE

	Benin	Burkina Faso	Honduras	Mali	Senegal	Bolivia	Mauritania	Mozambique	Tanzania	Uganda	Total
2001	884 213	619 928	624 103	1 207 580	607 022	1 355 107	840 888	898 863	1 047 135	1 233 297	9 318 135
2002	1 007 406	615 678	611 195	1 198 717	788 962	1 328 019	854 424	892 387	1 040 525	1 224 898	9 562 211
2003	999 879	611 429	292 521	1 189 854	854 969	1 300 932	979 043	908 681	1 167 450	1 381 535	9 686 293
2004	992 352	607 179	-	1 180 991	822 362	942 301	1 015 319	956 417	1 292 372	1 469 896	9 279 188
2005	984 824	828 036	-	1 218 547	-	-	1 051 106	980 911	1 283 091	1 557 149	7 903 663
2006	1 018 770	832 936	-	1 230 038	-	-	1 043 290	973 503	1 429 373	1 545 619	8 073 530
2007	356 346	837 715	-	1 220 671	-	-	1 035 473	1 002 836	1 491 017	1 546 668	7 490 726
2008	-	831 611	-	856 903	-	-	1 027 657	995 153	1 480 026	1 535 044	6 726 394
2009	-	825 507	-	-	-	-	1 019 841	987 469	1 469 034	1 523 419	5 825 271
2010	-	733 204	-	-	-	-	1 012 025	979 786	1 458 043	1 152 730	5 335 787
2011	-	-	-	-	-	-	1 004 208	972 102	1 447 052	-	3 423 362
2012	-	-	-	-	-	-	516 875	964 418	1 436 060	-	2 917 354
2013	-	-	-	-	-	-	-	956 735	1 425 069	-	2 381 804
2014	-	-	-	-	-	-	-	949 051	466 156	-	1 415 207
2015	-	-	-	-	-	-	-	941 367	-	-	941 367
2016	-	-	-	-	-	-	-	933 684	-	-	933 684
2017	-	-	-	-	-	-	-	926 000	-	-	926 000
2018	-	-	-	-	-	-	-	918 317	-	-	918 317
2019	-	-	-	-	-	-	-	910 633	-	-	910 633
2020	-	-	-	-	-	-	-	902 949	-	-	902 949
Total	6 243 790	7 343 223	1 527 819	9 303 302	3 073 314	4 926 359	11 400 148	18 951 262	17 932 401	14 170 254	94 871 874

**List of IFAD Documents on the HIPC Debt Initiative**

Document Number	Title
GC 20/L.6	IFAD's Participation in the Debt Initiative for Heavily Indebted Poor Countries
GC 20/L.6/Add.1	IFAD's Participation in the Debt Initiative for Heavily Indebted Poor Countries
GC 21/L.6	Establishment of an IFAD Heavily Indebted Poor Countries Debt Initiative Trust Fund
GC 21/L.7	IFAD's Policy Framework for Managing Partnerships with Countries in Arrears
GC 23/L.7 and Corr.1	IFAD's Involvement in the Heavily Indebted Poor Countries Debt Initiative (HIPC DI) and its Enhancement
EB 96/59/R.73	IFAD's Policy Framework for Managing Partnerships with Countries in Arrears
EB 97/61/R.14/Rev.1	Uganda: Proposed IFAD Contribution to the Republic of Uganda under the Heavily Indebted Poor Countries Debt Initiative
EB 97/62/R.10/Rev.1	Report and Recommendation of the President to the Executive Board on a Proposed IFAD Contribution to Burkina Faso for the Heavily Indebted Poor Countries Debt Initiative
EB 98/64/R.11	Côte d'Ivoire: Proposed IFAD Contribution to the Republic of Côte d'Ivoire under the Heavily Indebted Poor Countries Debt Initiative
EB 98/64/R.12/Rev.1	Mozambique: Proposed IFAD Contribution to the Republic of Mozambique under the Heavily Indebted Poor Countries Debt Initiative
EB 98/64/R.13	Bolivia: Proposed IFAD Contribution to the Republic of Bolivia under the Heavily Indebted Poor Countries Debt Initiative
EB 98/64/R.14	Guyana: Proposed IFAD Contribution to the Co-operative Republic of Guyana under the Heavily Indebted Poor Countries Debt Initiative
EB 98/65/R.8/Rev.1	Report on the Implementation Status of the Heavily Indebted Poor Countries Debt Initiative (HIPC DI) and Financial Implications for IFAD
EB 99/66/R.12	Mali: Proposed IFAD Contribution to the Republic of Mali under the Heavily Indebted Poor Countries Debt Initiative
EB 99/68/R.11/Rev.1	IFAD's Involvement in the Heavily Indebted Poor Countries Debt Initiative (HIPC DI) and its Enhancement
EB 2000/70/R.12	IFAD's Participation in the Enhanced Heavily Indebted Poor Countries Debt Initiative (HIPC DI) – Bolivia, Mauritania, Mozambique, Tanzania and Uganda
EB 2000/71/R.12	IFAD's Participation in the Enhanced Heavily Indebted Poor Countries Debt Initiative (HIPC DI) – Benin, Burkina Faso, Honduras, Mali and Senegal