

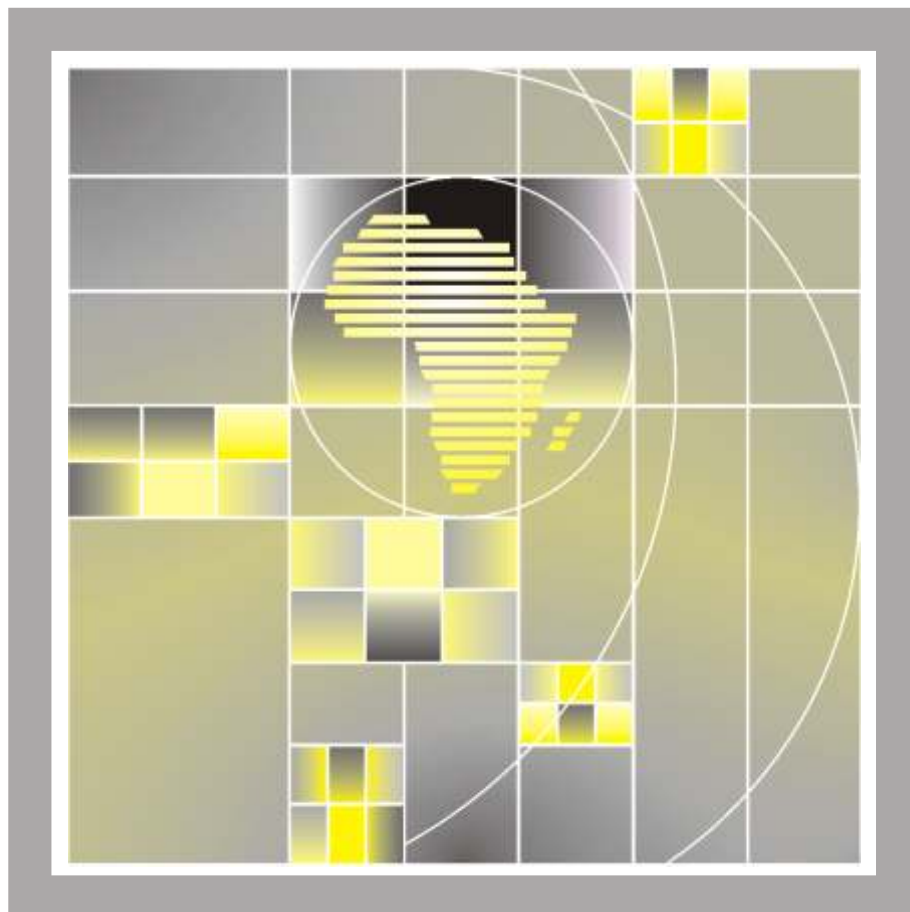
UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

ECONOMIC DEVELOPMENT IN AFRICA

Debt Sustainability: Oasis or Mirage?



UNITED NATIONS



UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
Geneva

ECONOMIC DEVELOPMENT IN AFRICA

Debt Sustainability: Oasis or Mirage?



UNITED NATIONS
New York and Geneva, 2004

NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

The designations employed and the presentation of the material in this publication do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area, or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Material in this publication may be freely quoted or reprinted, but acknowledgement is requested, together with a reference to the document number. A copy of the publication containing the quotation or reprint should be sent to the UNCTAD secretariat.

UNCTAD/GDS/AFRICA/2004/1

UNITED NATIONS PUBLICATION

<i>Sales No. E.04.II.D.37</i>

ISBN 92-1-112648-7

Copyright © United Nations, 2004
All rights reserved

CONTENTS

Page

Introduction	1
---------------------------	----------

Chapter I

Africa's debt overhang and HIPC debt relief: What are the issues?	3
--	----------

1. Introduction	3
2. The genesis and nature of the African debt crisis	5
3. A brief history of debt relief	11
(a) Traditional debt relief mechanisms	11
(b) The HIPC Initiative	14
4. Issues arising in the implementation of the enhanced HIPC Initiative .	19
(a) Pace of implementation	19
(b) Long-term debt sustainability	20
(c) Remaining on track post decision point.....	21
(d) Interim relief	22
(e) Financing	22
(f) Creditor participation and "burden sharing"	24
(g) "Additionality"	26
(h) Pre-decision point and post-conflict countries	27

Chapter II

Analysis of eligibility and debt sustainability criteria of the HIPC Initiative	29
--	-----------

1. Introduction	29
2. Objectivity of HIPC eligibility criteria	29
(a) The poverty criterion	29
(b) Debt sustainability criteria	30
3. Examples of alternative debt sustainability criteria	43
4. Non-HIPC debt-distressed African countries	46

Chapter III

How sustainable is African HIPC's debt after debt relief? 48

1. Post-HIPC debt sustainability 48
 - (a) HIPC methodology to determine the amount of debt relief 50
 - (b) Currency-specific short-term discount rates 54
2. Do HIPC's actually save on debt service? 55
 - (a) NPV debt reductions lead to continuously high debt service payments 58
3. Is HIPC debt relief additional to traditional aid? 61

Chapter IV

New approaches to attaining sustainable debt levels 64

1. Introduction 64
2. Alternative modalities for delivering sustainable debt 64
 - (a) Payment caps on HIPC debt service 64
 - (b) The human development approach to debt sustainability 65
 - (c) MDG-based approach to debt relief 66
3. Resource requirements 67
 - (a) Requirements for attaining MDGs 67
 - (b) Meeting the costs of a debt write-off 68
4. Addressing specific design problems in the HIPC Initiative 72
 - (a) Revisions to HIPC eligibility and debt sustainability indicators 72
 - (b) Overly optimistic growth projections 73
 - (c) Insufficient interim debt relief 73
 - (d) Adjustments in the burden-sharing concept 74
 - (e) Using a single fixed low discount rate for the NPV calculation 75

Conclusions 76**Notes 78****References 85**

List of Boxes

Box	Page
1. Kenya: HIPC with “sustainable” debt	46
2. Nigeria: Non-HIPC debt-distressed African Country	47

List of Charts

Chart	
1. Official, multilateral and private debt of Africa, 1970–2002	7
2. Africa’s external debt situation, 1970–2002	10
3. HIPC Initiative: Breakdown of estimated potential costs by main creditors.....	23
4. Total debt service paid, 1990–2001	56
5. Total debt service paid to XGS, 1990–2001	57
6. Total debt service paid to GDP, 1990–2001	57
7. Projected debt service on public external debt, 2003–2005	59
8. Projected debt service on public external debt to projected exports, 2003–2005	60
9. Projected debt service on public external debt to projected government revenues, 2003–2005	60

List of Tables

Table	
1. Africa’s external debt ratios, 1970–2002	6
2. Paris Club restructuring terms for low-income countries, 1975–2001 ..	12
3. Eligibility thresholds: Original and enhanced HIPC.....	16
4. HIPC Initiative: Progress in implementation by country, status as of February 2004	18
5. HIPC Initiative: Estimates of costs to multilateral creditors and status of their commitments	25
6. HIPCs and other African countries: Comparisons based on per capita income, poverty (HPI-1) and IDA-only category	32
7. Selected debt indicators	34

List of Tables (contd.)

Table	Page
8. NPV debt-to-revenue ratios, with and without HIPC debt relief	38
9. Projections on public external debt service-to-government revenues, 2003–2005	39
10. Domestic public debt of African HIPCs: debt stock and interest payments, 2000–2002	41
11. Likelihood of achieving debt sustainability under different scenarios in 2020	49
12a Calculations of implicit growth rates for Government revenues, 2003–2005	52
12b Calculations of implicit growth rates for exports, 2003–2005	53
13. Remaining debt of 27 HIPCs that reached the enhanced decision point by end-2003	69

Notes

- The \$ sign refers to the US dollar.
- One billion equals one thousand million.
- One trillion equals one thousand billion.

Explanatory notes

Sub-Saharan Africa (SSA): Except where otherwise stated, this includes South Africa.

North Africa: Unlike in the UNCTAD *Handbook of Statistics*, in this publication Sudan is classified as part of sub-Saharan Africa, not North Africa.

Throughout, the term “dollar” (\$) refers to US dollars, unless otherwise stated.

Abbreviations

AfDB	African Development Bank
CAFOD	Catholic Agency for Overseas Development
CIRR	commercial interest reference rate
COD	cut-off date
DSA	debt sustainability analysis
EURODAD	European Network on Debt and Development
FDI	foreign direct investment
FTAP	Fair and Transparent Arbitration Procedure
G-7	Group of Seven
GAO	General Accounting Office (of the United States)
GDI	gross domestic income
GDP	gross domestic product
GNI	gross national income
GNP	gross national product
HIPC	Heavily Indebted Poor Country (Initiative)
HIPCs	heavily indebted poor countries
HPI-1	Human Poverty Index for developing countries
IADB	Inter-American Development Bank
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IMF	International Monetary Fund
KHS	Kenya shilling
MDB	multilateral development bank
MDC	Millennium Development Goal
NPV	net present value
ODA	official development assistance
OECD	Organisation for Economic Co-operation and Development
OED	Operations Evaluations Department (of the World Bank)
PC	Paris Club
PPG	public and publicly guaranteed
PRGF	Poverty Reduction and Growth Facility

预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_10416

