

Status of IFI Participation as of July 2007

ANNEX - I

International Financial Institutions (IFI)	Formal Agreement to Participate reached		Relevant HPCs	Modalities of Participation under Original Framework	Modalities of Participation under Enhanced Framework	Provision of Interim relief	Comments/Next steps
	Original Framework	Enhanced Framework					
World Bank	Yes	Yes	Afghanistan, Benin, Bolivia, Burkina Faso, Burundi, Cameroon, Chad, Congo DR, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nicaragua, Niger, Republic of Congo, Rwanda, Sao Tome Principe, Senegal, Sierra Leone, Tanzania, Uganda, Zambia (31)	Three instruments used to provide HIPC debt relief on IDA debt: Credit cancellation, forgiveness of IDA debt service as it falls due, and IDA grant funding.	IDA will deliver, to the extent feasible, its full share of debt relief to the country within 20 years after the decision point. Within this objective, IDA will provide annual relief of not less than 50% of IDA debt service due on the amounts disbursed and outstanding at the reference year when HIPC assistance is calculated. For IBRD cases, debt relief would be provided through a combination of IDA debt service grants during the interim period and refinancing on IDA terms at the completion point.	IDA debt relief will begin at the decision point, with the maximum level of debt relief provided during the interim period equal to one third of the total NPV to be provided to the country by IDA.	From IDA14 onwards, donors have committed to cover IDA's debt relief costs under the HIPC initiative. Donors provide HIPC-related contributions to IDA based on burden-sharing arrangements through two mechanisms: (i) directly to IDA; or (ii) through the HIPC Debt Initiative Trust Fund. Contributions will be recorded separately from regular IDA contributions. Donors can pay their HIPC contributions in cash or promissory notes. With the latest transfer from IBRD in September 2005, total amount allocated from IBRD to the World Bank component of the HIPC Trust Fund for IDA is US\$2.33 billion.
IMF	Yes	Yes	Benin, Bolivia, Burkina Faso, Burundi, Cameroon, Chad, Congo DR, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nicaragua, Niger, Republic of Congo, Rwanda, Senegal, Sierra Leone, Tanzania, Uganda, Zambia (29)	Grants which are paid into the country's account at the completion point, administered by the IMF as Trustee, and used to help meet its debt service payments to the IMF.	Delivers HIPC Initiative assistance in the form of grants which are paid into the country's account in annual tranches starting at the decision point, subject to satisfactory assurances by other creditors. The account is administered by the IMF as Trustee, and used to help meet the country's debt service payments to the IMF. The balance of committed assistance, including interest on amounts committed but not disbursed during the interim period, is delivered at the completion point.	Beginning in the decision point year, a country may receive as much as 20% of total IMF assistance each year (up to 25% in exceptional cases) between the decision and completion points, up to the total of IMF debt service due by the country to the IMF each year, with interim assistance not to exceed 60 percent (75% in exceptional cases) of overall IMF debt relief.	The IMF has secured sufficient resources to finance its participation in the HIPC Initiative (excluding the potential debt relief cost for Liberia, Somalia and Sudan).
African Development Bank (AfDB)	Yes	Yes	Benin, Burkina Faso, Cameroon, Chad, Congo DR, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Republic of Congo, Rwanda, Sao Tome Principe, Senegal, Sierra Leone, Tanzania, Uganda, Zambia (24)	Bank Group contribution through loan cancellations and Bilateral contributions from HIPC Trust Fund.	1. Delivery of debt relief through annual debt service reductions. 2. Release of up to 80% of annual debt service obligation as they come due until the total debt relief is provided. 3. Bank Group's cost of HIPC debt relief financed by Donor contributions through HIPC Trust Fund (grant agreements) and Bank Group internal resources through income allocation, loan cancellation, and reflows. 4. DRC debt relief through arrears clearance mechanism, HIPC Trust Fund and internal contribution.	Maximum of 40% of total debt relief in NPV terms during the interim years.	As at mid-2007, 24 countries are benefiting from debt relief under the enhanced HIPC initiative, nine of which are receiving interim relief. Next step is to bring the 10 remaining countries (either post-conflict or fragile countries) to the decision point.
Asian Development Bank (AsDB)	Formal agreement in principle.	Formal agreement in principle.	Afghanistan (1)	Not applicable	To be determined as necessary. Full participation in review of Asian countries and PRSP development. Full participation of the ADB in the HIPC Initiative is assumed.	To be determined.	Has exposure to Afghanistan, Lao PDR and Myanmar. Lao PDR has opted out of the Initiative, and Myanmar is currently inactive. Under the ring-fencing exercise from 2006, the Kyrgyz Republic was identified as meeting the HIPC Initiative income and indebtedness criteria using end-2004 data. However, the Kyrgyz government has not shown any signs that it wishes to be included in the initiative. Afghanistan reached decision point in July 2007.
Inter-American Development Bank (IaDB)	Yes	Yes	Bolivia, Guyana, Haiti, Honduras, Nicaragua (5)	Interest subsidy on ordinary capital loans, and write-off of selected FSO loans.	Assistance will cover approximately 50% of debt service on FSO loans and subsidy to selected Ordinary Capital loans during 2001-2008. Beyond 2008, assistance includes selective cancellation of principal repayments on FSO loans.	Interim relief was provided for Guyana, Honduras and Nicaragua with the amount of relief not exceeding 1/3 of the total debt relief committed to each country.	Financing framework in place by means of direct contributions from borrower member countries through the conversion of local currencies, non-borrowers member countries through contributions to the HIPC Trust Fund, and the use of FSO internal resources. Bolivia reached completion point in 2001, Guyana and Nicaragua in 2004, and Honduras in 2005. Haiti has yet to reach completion point as of mid-2007.
Arab Bank for Economic Development in Africa (BADEA)	Yes, on a country-by-country basis.	Yes, on a country-by-country basis.	Benin, Burkina Faso, Burundi, Cameroon, Chad, Congo DR, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Madagascar, Malawi, Mali, Mozambique, Niger, Republic of Congo, Rwanda, Sao Tome Principe, Senegal, Sierra Leone, Tanzania, Uganda, Zambia (24)	-Concessional clearance of arrears -Concessional rescheduling of debt -Reduction of interest rates	-Concessional clearance of arrears -Concessional rescheduling of debt -Reduction of interest rates	Interim relief could be considered within the framework of present modalities used by BADEA in the form of arrangements for settlement of arrears for HPCs in arrears to BADEA.	BADEA's Board has approved assistance to a total of 24 HPCs, 13 of which have received relief in full (ie Uganda, Mozambique, Mali, Benin, Senegal, Burkina Faso, Ethiopia, Ghana, Tanzania, Rwanda, Madagascar, Niger and Zambia). Further countries receiving BADEA assistance qualifying to the decision point will be considered under the enhanced framework at the level of "agreement in principle" until formally approved on a case-by-case basis by the Board.

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Arab Monetary Fund (AMF)	n/a	Yes, on a country-by-country basis.	Mauritania (1)	n/a	The modality of participation shall be case-specific and may include and combine concessional rescheduling. Relief by partial reduction of debt installments due on existing loans and concessional resolution of arrears.	In what relates to Mauritania, AMF agreed with Mauritania to deliver debt relief over a five-year period through a 75% partial reduction of all debt installments due on existing loans starting June 30, 2003 until the full relief is delivered by October 2007	
Caribbean Development Bank (CDB)	Yes	Yes	Guyana (1)	The CDB has delivered its assistance under the original framework through contributions to a fund which covers debt service for a number of CDB loans through 2002. (Board of Directors' decision to participate of October 16, 1997).	Debt service relief.	Already providing relief through 2002 under original HIPC Initiative.	Board of Directors' meeting, Barbados, July 13, 2000 approved the participation of the CDB and came to an understanding on financing. Financing framework: US\$5.5 million in NPV terms out of Accumulated Net Income of the SDF of the CDB, and Canada, Germany, Italy and UK to provide the remaining US\$4.2 million in NPV terms, approved by the Board of the CDB the week of October 10, 2000.
CARICOM Multilateral Clearing Facility (CMCF)	Yes	Yes, in principle and subject to Board approval.	Guyana (1)	The CMCF has already written down the common phase of its outstanding claims on Guyana, to deliver debt relief of US\$26.7 million and received support from the HIPC Trust Fund to cover the remaining relief of US\$2.4 million.	Several modalities have been explored by the technical working group including reschedulings with extended repayment periods and lowered interest rates, with a potential financing gap of US\$3-5 million to be covered by donor support.	Was delivered.	The Board of the CMCF at its meeting in November 2001 agreed, at the request of one of the major creditors of the facility, to revisit the modality previously agreed by the Governors. This was done in an effort to deliver the required relief without inflicting any undue burden to any of the creditors. The technical team provided another option which includes a longer maturity period, and further reductions in the interest rate in order to provide reduction in the NPV of US\$25.9 million. The remaining gap was US\$3.0 million which the HIPC Trust Fund had agreed to finance. More recently, the major creditor member indicated its inability to provide its proposed share of the debt relief even under the modified option. Discussions are ongoing to find a resolution to the issue.
Central African States Development Bank (BDEAC)	n/a	Pending	Cameroon (1)				
Central American Bank for Economic Integration (CABEI)	Yes	Yes	Honduras, Nicaragua (2)	Cancellation of debt and loan restructuring.	Honduras: provided full debt relief quota of US\$73 million (NPV) by extending the maturity and reducing the interest rate of loans with HIPC TF support. Nicaragua: provided US\$243.9 million (NPV) as interim assistance. Modalities included debt service subsidy, extending maturity and reducing interest rate of loans and stock reduction. Provided US\$195.1 million (NPV) at completion point through a partial cancellation of debt outstanding and rescheduling of the remaining debt over 20 years.	Yes, interim relief was provided for Honduras. Interim and completion point debt relief delivered to Nicaragua with HIPC TF support.	CABEI has fully delivered its debt relief quota to Honduras and Nicaragua: CABEI's own resources US\$228.5 million and donors contributions, including HIPC TF support, US\$283.5 million.
Central Bank of West African States (BCEAO)	Yes	Yes	Benin, Mali, Senegal (3)	Concessional rescheduling (15 years, 0% interest) of the outstanding debt at the completion point for each eligible HIPC country (Benin, Cote d'Ivoire, Mali, and Senegal).	Same as original, but rescheduling over 24 years--rather than 15--no grace period, at no interest (approved September 14, 2000).	This point must be submitted for approval by the Council of Ministers as this is a new concept compared to the present modalities.	Under the original framework, BCEAO had confirmed a contribution of CFA Francs 15.6 billion. Under the enhanced framework, an additional CFA Francs 8 billion will be provided. BCEAO intends to request donor support to cover the additional cost.
Corporación Andina de Fomento (CAF)	Yes	Yes	Bolivia (1)	Mostly front-loaded prepayment of future debt maturities, using off-balance resources and HIPC Trust Fund resources and annual grants to cover debt service as it comes due. US\$19.5 million NPV relief by CAF. US\$19.5 million NPV relief by HIPC Trust Fund.	Front-loaded stock of debt relief over a four-year period, using off-balance sheet funds assigned from net income and HIPC Trust Fund resources. US\$41.3 m of relief provided in 2002. The remaining relief has been delivered by CAF on a US\$5 m per year basis. Full relief was achieved in NPV terms on October 2005.	No. Front-loaded stock-of-debt relief will be delivered directly to Bolivia over a period of 5 years, starting in 2001.	On December 7, 2000, the Board of Directors approved management's proposal to allocate US\$20 million in NPV terms from net income to cover the additional cost of relief under the enhanced HIPC Initiative. The shareholders' assembly ratified the decision of the Board at their March 2001 meeting. The remainder of the assistance requires resources from donors, and CAF could be eligible for funding from the IDB/subregional framework agreement.
European Commission/ European Union (EC/EU)	Yes	Yes	Benin, Burkina Faso, Burundi, Cameroon, Chad, Congo DR, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Guyana, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Republic of Congo, Rwanda, Sao Tome Principe, Senegal, Sierra Leone, Tanzania, Uganda, Zambia (26)	Provision of grants to cancel EU loans at the completion point.	During the interim period, the EC provides grants for debt service on selected loans. At the completion point, the EC will provide grants to make possible the full or partial cancellation of loans based on agreed HIPC debt-reduction ratios. The EC participates also as a donor to the HIPC Trust Fund.	Yes. Possibility of suspension on a yearly basis during the interim period.	In July 2000, EU concluded two Contribution Agreements with the HIPC Trust Fund for ACP (Euro 690 million including 670 million for AfDB) and Latin America and Asian countries (Euro 54 million). A first tranche of Euro 250 million for ACP countries and the totality of Euro 54 million for Latin America and Asia was disbursed in July 2002. A second tranche of Euro 250 million was released to the HIPC Trust Fund in January 2002. A decision on special loan cancellation, implying a further Euro 60 million commitment to HIPC was taken in 2002. Euro 200 million has been allocated to the EIB Trust Fund for debt relief of EU loans (special loans and risk capital).
European Investment Bank (EIB)	Yes	Yes	Cameroon, Congo DR, Ghana, Guinea, Malawi, Mauritania, Senegal (7)	Debt relief will be applied towards prepayment of EC/EU loans. EIB's Board of Directors approved a contribution of 10 million Euro to HIPC based on loans made to eligible borrowers from the Bank's own resources.	Debt relief will be applied to EC/EU loans and will take the form of: debt service relief during the interim period, and prepayment of loans at completion point.	Yes, interim relief on part of debt service falling due.	EIB will cover its full cost with internal resources up to 60 million Euro for the enhanced framework and 10 million Euro for the original framework. So far, seven countries (Cameroon, DRC, Ghana, Guinea, Malawi, Mauritania, Senegal) are eligible for debt relief from EIB. Interim debt relief has already been provided to Mauritania, Malawi, Senegal, Guinea and Ghana. Provision of relief to DRC requires new modalities currently under consideration. Relief at completion point has been provided to Mauritania and Senegal.
Fund for Cooperation Compensation & Development; Economic Community of West African States (ECOWAS Fund)	No	No		Not currently participating.			

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East African Development Bank (EADB)	Yes	Yes	Tanzania, Uganda (2)	Reduce interest rate on outstanding loans to Uganda and extend repayment period by 3 years (total maturity: 10 years).	Reduced interest rate on one outstanding loan to Uganda and extended repayment period. For second Uganda loan, waiver of interest accrued on principal outstanding. For Tanzania, reduced interest rate on outstanding loan and extended repayment period.	No	Formal approval by Governing Council to participate in December 2000. Bilateral agreements with the governments of Uganda and Tanzania signed in 2004. Assistance has been provided under HIPC Trust Fund covering 90% of debt relief given by EADB.
Arab Fund for Economic and Social Development (FADES/AFESD)	n/a	Yes	Mauritania (1)	n/a	Concessional refinancing (10 years grace, 40 years maturity, interest rate of 0.5%).	To be determined.	Formal Board of Directors approval of participation in HIPC program on June 12, 2000. Letter dated February 20, 2001 indicates that relief will be provided through a new loan to replace old loans along with new lending terms for old loans.
Fund for the Financial Development of the River Plate Basin (FONPLATA)	Yes	Yes	Bolivia (1)	Concessional loan restructuring (exceptional decision) supplemented by donors.	Cancellation of up to 25% of amount assigned to FONPLATA, which may not exceed an amount equal to \$4 mn US in NPV terms. Assistance provided only in the case of Bolivia.	Already providing relief under the original framework.	Participated only in Bolivia's debt relief after the completion point.
International Fund for Agricultural Development (IFAD)	Yes	Yes	Benin, Bolivia, Burkina Faso, Burundi, Cameroon, Chad, Congo DR, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nicaragua, Niger, Republic of Congo, Rwanda, Sao Tome Principe, Senegal, Sierra Leone, Tanzania, Uganda, Zambia (30)	Up to 100% debt service relief until debt relief target is reached starting from the completion point. As a rule, no interim relief is provided. The legal instrument is a unilateral letter to the government.	Up to 100% debt service relief until the NPV target is achieved starting from the Completion Point. As a rule, no interim relief is provided. The legal instrument is a unilateral letter to the government.	Interim relief being considered only in the context of an arrears clearance process under strictly limiting conditions.	At the HIPC Trust Fund meeting in November 2006, donors agreed IFAD's entry into the fund for the purposes of providing resources to meet IFAD's debt relief requirements. As agreed by the meeting, 67% of the agreed debt (updated as required) at decision Point will be met by the Trust Fund. As at 31 December 2006, IFAD had committed itself to providing approximately USD 324.8 M (NPV) of relief, equivalent to approximately USD 489.9 M in nominal terms to countries that have reached Decision Point. As of 30 June 2007 an amount of approximately US\$ 155.0 M has been delivered to those countries reaching Completion Point against earlier commitments.
Islamic Development Bank (IsDB)	Yes	Yes	Benin, Burkina Faso, Cameroon, Chad, Gambia, Guinea, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, Sierra Leone, Uganda (13)	Rescheduling of the debts over a maximum period of 25 years. In case of debt relief shortfall using the 25 years re-scheduling modality, additional concessional loans targeted at programs identified in the country PRSP will be considered.	Rescheduling of the debts over a maximum period of 25 years. In case of debt relief shortfall using the 25 years re-scheduling modality, additional concessional loans targeted at programs identified in the country PRSP will be considered.	Provision of interim debt relief approved in principle if such relief can be effectively delivered through rescheduling.	The Board of Executive Directors has to-date, approved to deliver debt relief to 12 out of 13 member countries that have so far become eligible under the HIPC debt Initiative. To date the Bank has signed debt relief agreement with 8 of the 9 member countries that have reached completion point, and a draft agreement for one country (Senegal) sent for comments prior to signature.
Nordic Investment Bank (NIB)	Yes	Yes	Cameroon (1)	n/a	NIB will make country-specific contributions to the HIPC Trust Fund to cover its share of NPV relief, and provide debt service relief on NIB loans (percentage to be determined) from Completion Point.	NIB will front-load its assistance under the Enhanced Initiative to the fullest extent possible. NIB will not provide interim relief.	Debt relief to Cameroon has been delivered in full.
Nordic Development Fund (NDF)	Yes	Yes	Bolivia, Ethiopia, Ghana, Malawi, Mozambique, Nicaragua, Senegal, Tanzania, Uganda, Zambia (10)	Makes country-specific contributions to the HIPC Trust Fund to cover its share of NPV relief. Covers 100% of country's debt service due to the NDF as it falls due (applies to identified debt only) until the contribution is exhausted. NDF's contribution to the Initiative will be financed by NDF's accumulated and future net income.	NDF will continue to make country-specific contributions to the HIPC Trust Fund to cover its share of NPV relief. Covers 100 percent of country's debt service due to the NDF as it falls due commencing at completion point, until the contribution is exhausted.	NDF will front-load its assistance under the Enhanced Initiative to the fullest extent possible. NDF will not provide interim relief.	Letter of January 26, 2001 to Mr. Wolfensohn and Mr. Fischer announced that the Nordic Council of Ministers passed a resolution in August 2000 to amend the statutes of the NDF to facilitate contribution to debt relief initiatives. Authorisation to bring forward NDF's engagement in the Initiative in accord with the resolution was obtained in December 2000. Assistance confirmed for Bolivia, Ethiopia, Ghana, Malawi, Mozambique, Nicaragua, Senegal, Tanzania, Uganda and Zambia. Assistance has been delivered in full to the HIPC Trust Fund.
OPEC Fund for International Development (OFID)	Yes	Yes	Afghanistan, Benin, Bolivia, Burkina Faso, Burundi, Cameroon, Chad, Congo DR, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nicaragua, Niger, Republic of Congo, Rwanda, Sao Tome Principe, Senegal, Sierra Leone, Tanzania, Uganda, Zambia (31)	On a country-by-country basis, on basis of following options: (a) new concessional credit from a HIPC account funded by transfer from excess of revenues over expenditures; (b) reduction of interest and service charges on existing loans; (c) restructuring of principal installments; or (d) a combination of the three.	On a country-by-country basis, on basis of following options: (a) new concessional credit from a HIPC account funded by transfer from excess of revenues over expenditures; (b) reduction of interest and service charges on existing loans; (c) restructuring of principal installments; or (d) a combination of the three.	Yes, on a case-by-case basis.	Approval by Ministerial Council in June 1996 of OFID participation in the Initiative. Special HIPC Facility created to finance Fund contributions to HIPC; Normal lending programs to HPCs maintained at an enhanced level.
West African Development Bank (BOAD)	Yes	Yes	Benin, Burkina Faso, Mali, Niger, Senegal (5)	Debt-stock reduction through the HIPC Trust Fund for Burkina Faso and Mali has been used.	Debt-stock reduction or payment of debt service can be used depending on the external resources to be mobilized through the HIPC Trust Fund. BOAD's internal resources will be used along with external resources.	Depending on external resources mobilized, BOAD wishes to extend maximum feasible assistance in the interim period (maximum of 20% per year).	The original HIPC framework assistance for the two countries (Burkina Faso, Mali) has been delivered. Under the Enhanced framework, BOAD delivered interim assistance announced in 2001 to four countries (Benin, Burkina Faso, Mali and Senegal). Assistance to Burkina Faso, Benin and Mali has been fully implemented following the completion point.