V Africa's Multilateral Debt & Debt Service 1983-90

5.01 Africa's multilateral debt at the end of 1990 amounted to nearly $59 billion of which the bulk ($43 billion or 73%) was concentrated in the sub-Saharan region and of which $25 billion was on concessional terms. The bulk of concessionality was concentrated in the sub-Saharan region ($21.3 billion). The table below shows the growth of multilateral debt in Africa between 1982-90. Multilateral debt comprises three distinct components: (a) debt owed to the International Monetary Fund (IMF), which in Africa has become a subject of considerable controversy; (b) debt owed to the World Bank which comprises both its non-concessional (IBRD) and concessional (IDA) windows and which has also aroused controversy given the Bank's intense involvement with structural adjustment and economic reform programmes in Africa; and (c) debt owed to other multilateral agencies. The latter category includes in particular: (i) the African Development Bank (AfDB) and its affiliated soft-loan window (AfDF) which together account for about 50% of the "other multilateral category" in sub-Saharan Africa; (ii) multilateral agencies such as International Fund for Agricultural Development (IFAD) and the Islamic Development Bank (IsDB); (iii) a host of Arab and Arab-OPEC multilateral banks and funds: such as the Arab Fund for Economic & Social Development, the Arab Monetary Fund, the OPEC Special Fund, BADEA/ABEDA (the Arab Bank for Economic Development in Africa) and other similar but smaller institutions; and finally, (iv) a growing presence of EEC institutions, in particularly the European Development Fund (EDF) and the European Investment Bank (EIB). Each of these types of multilateral debt are discussed separately below.

5.02 **IMF Debt:** Debt owed to the IMF is relatively low where it should be the highest i.e. in the middle-income countries of North Africa and too high where it should be the lowest i.e. in the low-income countries of sub-Saharan Africa. In the former, the IMF has been inhibited by lending for policy reform, especially in Egypt, which has had access to levels of bilateral assistance (especially from the United States and motivated by political rather than economic factors) enabling it to evade IMF/World

TABLE 7 AFRICAN MULTILATERAL DEBT 1982-90
(Amounts in Billions of US Dollars)

		1982	1986	1990(E)
NORTH AFRICA:				
Total Debt Disbursed & Outstanding (DOD):		67.80	91.68	107.19
of which:	Official Multilateral DOD:	6.36	10.56	13.99
	Concessional:	(2.53)	(3.17)	(3.65)
	IMF:	1.25	1.41	1.14
	IBRD/IDA:	2.58	6.01	7.91
	Other:	2.53	3.14	5.04
SUB-SAHARAN AFRICA:				
Total Debt Disbursed & Outstanding (DOD):		72.48	115.40	162.87
of which:	Official Multilateral DOD:	15.46	28.51	42.88
	Concessional:	(6.30)	(12.47)	(21.31)
	IMF:	4.93	7.03	6.42
	IBRD/IDA:	7.09	14.79	23.15
	Other:	3.44	6.69	13.31
CONTINENTAL AFRICA:				
Total Disbursed & Outstanding Debt (DOD):		140.28	207.08	270.06
of which:	Official Multilateral DOD:	21.82	39.07	58.87
	Concessional:	(8.83)	(15.64)	(24.96)
	IMF:	6.18	8.44	7.56
	IBRD/IDA	9.67	20.80	31.06
	Other:	5.97	9.83	18.35

Bank adjustment discipline.[24] Consequently the IMF's presence in Egypt, where it should be prominent more than anywhere else on the continent, is minimal. It has a higher profile in Morocco and no profile at all in Algeria, Libya or Tunisia. In sub-Saharan Africa IMF operations have had

24 Egypt is a prime example of the embarassing double standards employed by the creditor community (and particularly by the United States) when it comes to applying political rather than economic peformance criteria to development financing, to pressures for policy reform or access to adequate debt relief.

destabilizing effects on debt service as well as on adjustment performance. Africa's outstanding obligations to the IMF and the pattern of flows from it are portrayed in Table 8.

5.03 It shows at a glance why the problem with IMF debt arises. At a time when the Fund is exerting considerable – many African would argue too much – influence over the course of economic policies and direction in African countries it has actually been extracting resources from these countries at an unconscionable rate rather than contributing positively to them. African debtors are thus in double jeopardy. They do not receive any net funding for swallowing the Fund's bitter prescriptions as is commonly thought; they actually pay heavily for that privilege! Between 1983-90, the Fund's operations have resulted in a substantial net transfer of resources from Africa amounting to a cumulative $4.6 billion. Of that amount over $3.1 billion has been extracted from sub-Saharan Africa. Apart from Morocco, North African countries have generally chosen not to deal with the IMF. Unlike sub-Saharan countries, they have been able to exercise a choice. The Fund's effectiveness and moral authority in advocating debt relief on the part of all other creditors is obviously put at risk when net financial transfers between it and Africa continue to be substantially in the wrong direction.

5.04 The IMF is clearly sensitive about this issue though it has chosen not to recognize the validity of the net transfer argument. Constitutionally the Fund is not in the business of assuring positive net transfers to its borrowers over the medium and long-term. Its function is to deal with exigencies, provide emergency financing until external account imbalances have been corrected and economic stability and/or adjustment is achieved, and then to withdraw, which of course makes a negative net transfer inevitable within a short time of the Fund's entry. But sub-Saharan Africa is a fundamentally different situation in which the general normative argument does not apply. Indeed the nature and structure of a generalized debt crisis throughout the developing world, which the IMF has arguably done much to exacerbate by its actions in the 1983-86 period, require a different approach to be taken in assessing the case.

5.05 The Fund was quite wrong in getting as heavily involved in sub-Saharan Africa as it did with inappropriate upper-tranche facilities on the erroneous assumption that it was dealing with a temporary crisis of liquidity. That was not even true in the case of Latin American debtors at the time. It was evident at the outset that low-income Africa was not suffering from a liquidity crisis but a deeply rooted structural one. Though balance of payments support was urgently needed, it was evident even then

TABLE 8 AFRICA'S IMF DEBT & DEBT SERVICE 1983-90

(Amounts in Billions of US Dollars)

	1983	1984	1985	1986	1987	1988	1989	1990(E)
NORTH AFRICA								
Use of IMF Credit (Outstandings)	1.27	1.30	1.45	1.23	1.38	1.05	1.01	0.88
IMF Purchases (Capital Inflows)	0.12	0.19	0.22	0.04	0.21	0.15	0.18	0.15
IMF Repurchases (Repayments):	0.04	0.08	0.20	0.41	0.41	0.31	0.28	0.30
IMF Charges (Interest Payments):	0.08	0.08	0.10	0.09	0.08	0.08	0.08	0.07
Total IMF Debt Service (Outflows):	0.12	0.16	0.30	0.50	0.49	0.39	0.36	0.37
IMF Net Transfers (In-Out)	0.00	0.03	- 0.08	- 0.46	- 0.28	- 0.24	- 0.18	- 0.22
SUB-SAHARAN AFRICA:								
Use of IMF Credit (Outstandings)	5.95	6.01	6.73	7.03	7.57	7.00	6.38	6.42
IMF Purchases (Capital Inflows)	1.62	0.95	0.74	0.74	0.68	1.03	0.87	0.73
IMF Repurchases (Repayments):	0.40	0.59	0.77	1.22	1.22	1.22	1.31	1.00
IMF Charges (Interest Payments):	0.34	0.40	0.40	0.47	0.33	0.28	0.28	0.27
Total IMF Debt Service (Outflows):	0.74	0.99	1.17	1.69	1.55	1.50	1.59	1.27
IMF Net Transfers (In-Out)	0.88	- 0.04	- 0.43	- 0.95	- 0.87	- 0.47	- 0.72	- 0.54
CONTINENTAL AFRICA:								
Use of IMF Credit (Outstandings)	7.22	7.31	8.18	8.26	8.95	8.05	7.39	7.30
IMF Purchases (Capital Inflows)	1.74	1.14	0.96	0.78	0.89	1.18	1.05	0.88
IMF Repurchases (Repayments):	0.44	0.67	0.97	1.63	1.63	1.53	1.59	1.30
IMF Charges (Interest Payments):	0.42	0.48	0.50	0.56	0.41	0.36	0.36	0.34
Total IMF Debt Service (Outflows):	0.86	1.15	1.47	2.19	2.04	1.89	1.95	1.64
IMF Net Transfers (In-Out)	0.88	- 0.01	- 0.51	- 1.41	- 1.15	- 0.71	- 0.90	- 0.76

From: African Debt Revisited: Procrastination or Progress?
FONDAD, The Hague, 1992, www.fondad.org

that the Fund did not have the kind of resources at hand in 1983 which were suitable for low-income Africa. The obvious answer would have been to expand the World Bank's soft loan window, IDA, and require it to play a much larger role in the early days of the African debt crisis. But the IMF (and its more powerful shareholders) found that option to be anathema at the time. As a result the Fund went headlong into Africa with the wrong resources and the wrong approach thus locking itself into financing the long slow process of adjustment and recovery in Africa. It cannot be permitted to withdraw its resources at the rate it has been doing in the last eight years. It has now been provided with SAF and ESAF resources which offer better terms but it has been particularly slow and obstructive (in terms of its conditionality) in deploying them; on the grounds that prospective recipients are unwilling to subject themselves to tough Fund discipline.

5.06 Emerging evidence suggests, however, that the kind of discipline and programmes which the Fund is attempting to force through in Africa may, in several instances, be counter-productive rather than helpful in facilitating sustainable economic adjustment and recovery. Moreover, in some countries (like Zambia) its recent behaviour seems to imply that the Fund is more interested in extricating itself from a difficult situation by putting its own debt collection interests ahead of the country it is ostensibly supposed to be helping. Too large a proportion of grant flows to Africa, representing extraordinary efforts on the part of bilateral donors, are being diverted to service obligations to the IMF. Too little is being left over to permit the servicing of other categories of debt or, more importantly, to permit the financing of essential imports for sufficient investment and minimum levels of consumption in African countries. The Fund therefore needs to act swiftly to reduce the total debt service payments which low-income, debt-distressed African countries are obliged to make by: (a) offsetting repurchases of SDRs from upper tranche facilities with equivalent purchases from concessional facilities like SAF and ESAF on a low conditionality basis for at least the next ten years; and (b) reducing immediately the special and regular rate of charges levied on those facilities. A neater option would be to have a special, limited emission of SDRs to write off obligations due to the Fund by low-income African countries. But that proposal has been objected to on somewhat spurious grounds which overplay arguments about the inflationary impact of such a measure.

5.07 The steps the Fund has taken to refinance the upper tranche obligations of African countries on concessional terms through SAF and ESAF have clearly not been effective enough in reducing debt service obligations to the Fund. Though use of Fund credit amounted to less than 4% of total outstanding debt, annual payments to the Fund in 1989 and 1990 by low-income African countries accounted for nearly 20% of total debt service. Much more needs to be done by the IMF to contribute to more equitable sharing of the debt relief burden, although again that is not an argument that the Fund has ever been prepared to accept. However, in Africa, as a large part of the problem of very rapid debt accretion between 1982-90 has been due, directly or indirectly, to the Fund's previous actions there is a powerful raison d'être for the Fund to be more forthcoming in helping to ameliorate the African debt burden rather than subscribing to it. Yet as the World Debt Tables for 1990-91 report . . .

" The total resources available to all eligible countries under (SAF & ESAF) amount to SDR 8.7 billion. . . . After four years of SAF operation, by the end of July 1990, SAF arrangements had been approved for 20 countries in sub-Saharan Africa. The total amount committed for these countries was SDR 1.1 billion of which SDR 661 million was disbursed. At the end of September 1990, 11 ESAF arrangements had been approved for African countries. The total ESAF resources committed to these countries for the three-year period amounted to SDR 1.3 billion, of which SDR 770 million has so far been disbursed. "

5.08 The arguments which the Fund would make to defend such performance are well known. The fact remains, however, that the Fund is not sensitive enough to the serious problems which its overly rigid posture is creating. It is undoubtedly true that many constraints operate on the Fund which do not afflict other creditors. But these constraints are not as binding as one is often led to believe. In that connection it should also be recalled that SAF and ESAF maturities and grace periods, while generous in comparison with the Fund's non-concessional facilities, are still inappropriate for African countries. Refinancing of upper tranche Fund obligations should be done on IDA terms, or at the very least, on Trinidad terms.

5.09 In 1990 a mechanism was created to deal with the problem of a few countries (such as Zambia, Sierra Leone, Sudan) which had built up large and chronic arrears in their payments to the IMF. This has commonly come to be known as the "rights approach" and involves freezing Fund arrears as of a certain date while reinstituting normal operational relationships

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between the IMF and the country concerned but without the Fund disbursing any new money. During a 3-4 year period of time the country services all current obligations to the Fund (including the interest payments on frozen arrears) and adheres to a Fund-monitored programme. Each year the country builds up "rights" to accessing the Fund's concessional facilitities until at the end of the period the Fund disburses a sufficient quantum of ESAF funds to clear the frozen arrears. This approach has broken the impasse that formerly existed in the Fund's dealings with deeply debt-distressed countries such as Zambia which were in large arrears. But it has the major disadvantage of such countries bearing the burden of unaffordable annual interest service charges to the Fund on large arrears balances. It results in other financiers effectively financing the Fund's debt service rather than in increasing net resource flows to the country. To make the rights approach more effective something more needs to be done about the interest on arrears involving both a reduction in the amount of interest charged on arrears and its capitalization. So far the rights approach has been experimented with only in Zambia and experience over the first tentative stages indicates that interest relief on frozen arrears will be absolutely essential for the approach to succeed. Unless such relief is provided quickly other agencies and donors will be increasingly reluctant to make extraordinary efforts to close financing gaps for programmes in countries where the rights approach is applied simply because too large of proportion of their grants will be pre-empted by the IMF thus also resulting in repeated programme failure.

5.10 **World Bank Debt:** The obligations of African debtors to the World Bank Group arouse considerably less passion than those of the Fund, despite the increasing criticism that the Bank has come under for its association with Fund-type adjustment programmes in the 1980s. Two reasons account for this attenuated reaction. First, the World Bank (or more specifically IDA) remains the single largest source of concessional finance available to low-income African countries. Second, thanks to the terms of IDA credits, net transfers between the Bank and Africa remain positive and large. At the end of 1990, African countries owed the World Bank $31 billion, or about 12% of their total debt. The proportion was higher for sub-Saharan Africa (14%) than for North Africa (8%). Of that amount nearly $16 billion was accounted for by IDA, almost all of it concentrated in countries South of the Sahara. World Bank exposure (in dollar terms) has *tripled* between 1983-90 in both

TABLE 9 DEBT & DEBT SERVICE OWED TO THE WORLD BANK 1983-90

(Amounts in Billions of US Dollars)

	1983	1984	1985	1986	1987	1988	1989	1990(E)
NORTH AFRICA								
IBRD (Outstandings)	2.30	2.27	3.38	4.71	6.23	6.01	6.25	6.89
IDA (Outstandings)	0.76	0.85	0.91	0.95	0.99	1.00	1.01	1.02
Total World Bank DOD:	3.06	3.12	4.29	5.66	7.22	7.01	7.26	7.91
IBRD Debt Service:	0.32	0.38	0.48	0.69	0.91	0.86	1.00	1.19
IDA Debt Service:	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total WBG Debt Service:	0.33	0.39	0.49	0.70	0.92	0.87	1.01	1.20
IBRD Net Transfers:	0.16	0.27	0.22	0.16	- 0.07	- 0.19	- 0.16	- 0.05
IDA Net Transfers:	0.13	0.09	0.04	0.03	0.02	0.01	0.10	0.04
Total WBG Net Transfers:	0.29	0.36	0.26	0.19	- 0.05	- 0.18	- 0.06	- 0.01
SUB-SAHARAN AFRICA:								
IBRD (Outstandings)	3.86	3.96	5.28	7.04	9.28	8.42	8.42	8.38
IDA (Outstandings)	4.36	5.06	6.10	7.75	10.11	11.46	12.98	14.77
Total World Bank DOD:	8.22	9.02	11.38	14.79	19.39	19.88	21.40	23.15
IBRD Debt Service:	0.44	0.53	0.62	0.87	1.07	1.31	1.23	1.53
IDA Debt Service:	0.04	0.06	0.08	0.09	0.11	0.13	0.13	0.14
Total WBG Debt Service:	0.48	0.59	0.70	0.96	1.18	1.44	1.36	1.67
IBRD Net Transfers:	0.27	0.30	0.03	0.03	- 0.07	- 0.73	- 0.39	- 0.41
IDA Net Transfers:	0.60	0.72	0.80	1.31	1.57	1.57	1.57	1.96
Total WBG Net Transfers:	0.87	1.02	0.83	1.34	1.50	0.84	1.18	1.55
CONTINENTAL AFRICA:								
IBRD (Outstandings)	6.16	6.23	8.66	11.75	15.51	14.43	14.67	16.27
IDA (Outstandings)	5.12	5.91	7.01	8.70	11.10	12.46	13.99	15.79
Total World Bank DOD:	11.28	12.14	15.67	20.45	26.61	26.89	28.66	31.06
IBRD Debt Service:	0.76	0.91	1.10	1.56	1.98	2.17	2.23	2.87
IDA Debt Service:	0.05	0.07	0.09	0.10	0.12	0.14	0.14	0.15
Total WBG Debt Service:	0.81	0.98	1.19	1.66	2.10	2.31	2.37	3.02
IBRD Net Transfers:	0.43	0.57	0.25	0.19	- 0.14	- 0.92	- 0.55	- 0.46
IDA Net Transfers:	0.73	0.81	0.84	1.34	1.59	1.58	1.67	2.00
Total WBG Net Transfers:	1.16	1.38	1.09	1.53	1.45	0.66	1.12	1.54

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the North African and sub-Saharan regions. Part of that growth is explained by an exchange rate effect following the significant depreciation of the US dollar between 1985-89 but substantial additional lending, mainly in the form of rapidly disbursing adjustment support loans and credits, also took place. Table 9 portrays annual movements in World Bank lending and debt service between 1983-90.

5.11 Outstanding levels of World Bank debt to North Africa have been relatively stagnant since 1987 (Egypt and Morocco account for two-thirds of it) and net transfers to the region have actually been modestly negative since then. IDA balances reflect outstandings on credits committed prior to 1980; there has been no new IDA lending to the region since then. New IBRD lending will need to grow to offset increasing levels of debt service payments by North African countries to the World Bank; this will happen when Brady deals are completed for Morocco and, conceivably, for Egypt. World Bank management appears aware of the need to avert any debt servicing problems from arising by adjusting lending levels to ensure balanced or mildly positive net transfers. Like the IMF, the Bank publicly pretends not to accept the validity of arguments suggesting that maintaining positive net transfers to borrowers is a sound policy in its own right. In practice, it keeps a much sharper (and more sensitive) eye on net transfers resulting from its operations than its sister institution.

5.12 Nigeria and Cote d'Ivoire accounted for $5 billion of the $8.4 billion in IBRD loans outstanding to sub-Saharan Africa at the end of 1990. About $1.4 billion was owed by Kenya and Zimbabwe. The remaining $2 billion was owed by several low-income, debt-distressed African countries which are now eligible for borrowing only from IDA and for which the IBRD debt servicing burden has become excessively onerous. The table above indicates clearly that net transfers on IBRD loans are significantly negative. This effect has been offset by timely action on the part of Bank management to increase IDA flows to the region, and to exert special efforts to co-ordinate other donor flows in association with IDA under its two Special Programmes for Africa. The net result has been a healthy positive net transfer for the sub-Saharan region as a whole although some acutely distressed countries (e.g. Zambia) do not yet receive positive net transfers of a magnitude which offsets their enormous debt service burdens and leaves enough over for investment and growth.

5.13 To alleviate the interest service burden on IBRD loans for the severely indebted low-income African countries, the World Bank, in September 1988, created a special facility (the "fifth dimension") funded by 10% of IDA reflows, the investment income on IDA donor encashments and special contributions by Norway and Sweden. Special allocations can be made from this facility to eligible borrowers in proportion to their annual interest payments on IBRD loans. The step taken by the World Bank to help cover interest payments on outstanding IBRD debt through this interest subsidy facility was timely and laudable. Initially it did not go far enough. When established the facility was not large enough to cover all IBRD interest obligations of all potentially eligible low-income African countries. It covered only 60% of the annual IBRD interest obligations due. In late 1990 the Bank took steps to expand coverage to 90% of interest due. But only a few of the eligible countries have benefitted from the facility.

5.14 In 1990 the total interest burden on IBRD loans owed by these countries was about $340 million while the number of supplemental credits approved under the facility by then (to only 8 out of 27 potentially eligible countries) amounted to $159 million. At present, the total annual debt service obligations of severely-indebted low-income countries on outstanding IBRD loans amount to nearly $750 million (including principal repayments). The facility will require expansion if it is to help cover the entire amount of interest and not simply 90% of the interest payments due. Secondly, it still leaves the residual obligation of clearing about $2 billion in outstanding IBRD principal most of which will fall due for amortization by low-income sub-Saharan countries within the next 5 years. Refinancing at the outset those residual principal obligations on IDA or grant terms (if bilateral donors were to contribute) would be a far superior option to exercise at the present time. For countries which have ongoing programmes financed by the Bank, what happens is that annual amortizations get refinanced as the Bank attempts to maintain positive net transfers with IDA financing taking into account repayments of principal on IBRD loans. But the way in which it is done still imposes larger debt service obligations over time than would arise if there was a clean-out of remaining balances on old IBRD loans up front.[25]

25 Similar treatment needs to be extended to African Development Bank (AfDB) loans which continue to be disbursed to low-income recipients who are patently uncreditworthy to receive funding on such terms. The same applies to other multilaterals (such as those in the Arab-OPEC world) which have extended hard-window facilities because though outstanding debt stocks due to multilateral banks account for 20-22% of total African debt stocks, debt service payments to these creditors presently account for 30-35% of total service payments.

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5.15 **Other Multilateral Debt:** Apart from the IMF and World Bank, other multilateral institutions (of the types indicated in paragraph 5.01) have begun to develop a larger profile on the continent and particularly in sub-Saharan Africa as the Table 10 shows. Unfortunately, no year-by-year breakdowns were available of the different institutions within the "other multilateral category" and judgements about the relative exposure of each are based on 1989 data (for which breakdowns are available). The table suggests that these multilateral institutions are becoming important sources of finance for Africa but they are increasing their exposure in a way which aggravates rather than alleviates the African debt burden. For instance, the AfDB continues to disburse non-concessional loans to countries like Zambia, which is already in arrears to the tune of *over $3 billion* to other creditors and is eligible for IDA only borrowing. It makes little sense for such countries to justify seeking relief from IBRD debt service only to take on more of the same type of debt from the AfDB!

5.16 Disbursements and outstandings from multilateral creditors other than the World Bank and IMF have been rising rapidly throughout the 1980s in both North and sub-Saharan Africa with the increases being particularly rapid in the latter region. In North Africa the sources of such funding are mainly the AfDB and the Arab/OPEC multilateral agencies with the EEC institutions playing a relatively insignificant role (particularly in Egypt). In sub-Saharan Africa, the AfDB accounts for about half of the "other" multilateral category. Its concessional resources (through its soft loan window AfDF) account for about 50% of that institution's total exposure in the region (compared with nearly 64% of World Bank exposure being IDA credits). Thus the AfDB is clearly lending relatively more by way of "hard" resources to sub-Saharan countries than their current financial circumstances could possibly justify and thus adding to the debt problem of the region.

5.17 There is an urgent need for larger replenishments of the AfDF to enable the concessional profile of AfDB in sub-Saharan countries to be similar to the World Bank's. There is also an urgent need for the AfDB to devise a similar interest subsidy facility as the World Bank has done to provide interest relief on its hard loan assets in the debt-distressed, low-income countries. As a second step AfDB loan amortizations need to be refinanced on AfDF terms over time in much the same way as the World

TABLE 10 DEBT & DEBT SERVICE OWED TO "OTHER" MULTILATERALS 1983-90

(Amounts in Billions of US Dollars)

	1983	1984	1985	1986	1987	1988	1989	1990(E)
NORTH AFRICA								
Non-Concessional DOD	0.69	0.75	0.84	1.02	1.28	1.61	2.16	2.63
Concessional DOD	2.00	2.00	2.11	2.12	2.19	2.32	2.38	2.41
Total "Other" DOD:	2.69	2.75	2.95	3.14	3.47	3.93	4.54	5.04
Non-Concessional Debt Service:	0.06	0.14	0.22	0.17	0.30	0.36	0.39	0.53
Concessional Debt Service:	0.04	0.04	0.04	0.08	0.05	0.08	0.08	0.13
Total Other Debt Service:	0.10	0.18	0.26	0.25	0.35	0.44	0.47	0.66
Non-Concessional Net Transfers:	0.08	0.07	0.03	0.36	0.20	0.30	0.11	0.11
Concessional Net Transfers:	0.09	0.00	0.05	0.03	0.06	0.02	0.15	0.10
Total "Other" Net Transfers:	0.17	0.07	0.08	0.39	0.26	0.32	0.26	0.21
SUB-SAHARAN AFRICA:								
Non-Concessional DOD	0.92	0.98	1.44	1.94	2.70	3.41	3.92	4.57
Concessional DOD	2.94	3.15	3.83	4.75	5.91	7.16	7.69	8.74
Total "Other" DOD:	3.86	4.13	5.27	6.69	8.61	10.57	11.61	13.31
Non-Concessional Debt Service:	0.10	0.14	0.14	0.25	0.32	0.39	0.38	0.69
Concessional Debt Service:	0.13	0.13	0.14	0.25	0.25	0.28	0.28	0.41
Total Other Debt Service:	0.23	0.27	0.28	0.50	0.57	0.67	0.66	1.10
Non-Concessional Net Transfers:	0.27	0.13	0.21	0.20	0.23	0.20	0.15	0.11
Concessional Net Transfers:	0.39	0.31	0.28	-0.18	-0.12	0.24	0.06	0.08
Total "Other" Net Transfers:	0.66	0.44	0.49	0.02	0.11	0.44	0.21	0.19
CONTINENTAL AFRICA:								
Non-Concessional DOD	1.61	1.73	2.28	2.96	3.98	5.02	6.08	7.20
Concessional DOD	4.94	5.15	5.94	6.87	8.10	9.48	10.07	11.15
Total "Other" DOD:	6.55	6.88	8.22	9.83	12.08	14.40	16.15	18.35
Non-Concessional Debt Service:	0.16	0.28	0.36	0.42	0.62	0.75	0.77	1.22
Concessional Debt Service:	0.17	0.17	0.18	0.33	0.30	0.36	0.36	0.54
Total Other Debt Service:	0.33	0.45	0.54	0.75	0.92	1.11	1.13	1.76
Non-Concessional Net Transfers:	0.35	0.20	0.24	0.56	0.43	0.50	0.26	0.22
Concessional Net Transfers:	0.48	0.31	0.33	-0.15	-0.06	0.26	0.21	0.18
Total "Other" Net Transfers:	0.83	0.51	0.57	0.41	0.37	0.76	0.47	0.40

From: African Debt Revisited: Procrastination or Progress?
FONDAD, The Hague, 1992, www.fondad.org

Bank is attempting to do now, using IDA disbursements to offset IBRD principal repayments. As noted earlier, it makes no sense for the AfDB to keep lending and disbursing non-concessional resources to debt distressed sub-Saharan countries when the same countries are seeking almost total relief on their IBRD debt servicing obligations.

5.18 The EEC institutions account for about 20% of the "other" multilateral debt category (although it should be noted that EEC grant funding is now second only in size to IDA disbursements but it does not appear on the loan account), IFAD for a further 6% and the various Arab multilateral institutions make up the balance of 24%. IFAD funding is generally on relatively soft terms and does not pose a problem. About 60% of EEC lending is through the EIB on relatively hard terms but not enough is known about the tenor of such debt or of the difficulties being experienced by African countries in servicing it. The same is true of debt owed to Arab and OPEC multilateral agencies.

5.19 Suggestions on how such debt should be dealt with in the context of relief efforts by agencies such as the World Bank are difficult to make except to stress that the relief burden on multilateral debt should be shared proportionately by the institutions involved, including of course the IMF. This principle is the cornerstone of burden-sharing within the Paris Club structure and indeed within the London Club structure when relief is provided on commercial debt. Hence, even if creditors are treated differently *across categories,* acknowledging the seniority accorded to preferred creditors, there is no particular reason why the same underlying principle of equitable burden-sharing should not be applicable *within each category,* including the multilateral category, especially where rights of preferential treatment as creditors are supposedly equal for certain types of multilateral institutions (e.g. the IMF, IBRD and AfDB).