

**AFRICAN DEVELOPMENT FUND**



**AFRICAN DEVELOPMENT BANK**



**NIGER: HIPC APPROVAL DOCUMENT**  
**COMPLETION POINT UNDER THE ENHANCED FRAMEWORK\***

**NB : This document contains errata or corrigenda (see Annexes)**

## TABLE OF CONTENTS

		<b>Page</b>
I	Introduction	1
II	HIPC Qualification	1
III	HIPC Costs	3
IV	Assistance Delivered during the Interim Period	5
V	Bank Group Involvement in the PRSP Process	5
VI	Proposed Delivery Modality	7
VII	Indicative Financing Arrangements	8
VIII	Recommendations	8
 <b>Tables</b>		
	<b>Table 1:</b> Breakdown of Niger’s HIPC Costs	3
	<b>Table 2:</b> Niger’s Interim Debt Relief Assistance	5
	<b>Table 3:</b> Indicative Financing Arrangements	8
 <b>Charts</b>		
	<b>Chart A :</b> Breakdown of Topping up of Debt Relief by Participants	4
	<b>Chart B :</b> Impact of Debt Relief on Niger’s Bank Group Debt Service Profile	7
 <b>Annexes</b>		
	<b>Annex 1:</b> ADB - HIPC Debt Relief Schedule	i
	<b>Annex 2:</b> ADF - HIPC Debt Relief Schedule	ii
	<b>Annex 3:</b> Bank Group - Revised HIPC Debt Relief Schedule	iii
	<b>Annex 4:</b> Bank Group Debt Service Profile	iv
	<b>Annex 5:</b> Niger - Completion Point Document: IMF/ World Bank	v

## **ACRONYMS AND ABBREVIATIONS**

ADB	African Development Bank
ADF	African Development Fund
CSP	Country Strategy Paper
CPA	Country Performance Assessment
DSA	Debt Sustainability Analysis
HIPC	Heavily Indebted Poor Countries
IDA	International Development Association of the World Bank
IMF	International Monetary Fund
MDGs	Millennium Development Goals
NCBP	National Capacity Building Program
NGOs	Non Governmental Organization
NPV	Net Present Value
PRGF	Poverty Reduction and Growth Facility
PRSP	Poverty Reduction Strategy Paper
SAP	Structural Adjustment Program
WAEMU	West African Economic and Monetary Union

## **NIGER - HIPC APPROVAL DOCUMENT COMPLETION POINT UNDER THE ENHANCED FRAMEWORK**

### **I. INTRODUCTION**

1.1 In April 2004, Niger became the 8<sup>th</sup> regional member country (RMC) to reach the completion point under the enhanced HIPC Initiative. As a result the Boards of Directors of the IMF and the World Bank approved US\$520.6 million worth of debt relief in end 1999 NPV terms as agreed at the decision point in December 2000 for the country under the enhanced HIPC framework.<sup>1</sup> They also approved an additional debt relief of US\$ 142.5 million in 2002 NPV terms at the completion point for topping up, with a break down as follows: (i) US\$ 119.2 million as the share of multilateral creditors; and (ii) US\$ 23.3 million as the share of bilateral creditors.<sup>2</sup>

1.2 This document presents the justification for Niger's qualification for the HIPC assistance as well as the proposed plan to finance the balance of the Bank Group's share of Niger's costs at the completion point. Following this introduction, Section 2 summarizes details of Niger's status of the implementation of policy reform during the interim period, December 2000 to April 2004. The total debt relief is disaggregated in Section 3 to illustrate the breakdown of HIPC costs to all creditors at the decision and completion points. Section 4 shows the HIPC debt relief assistance delivered during the interim period. The Bank Group's operations are reviewed in Section 5, with particular emphasis on activities related to the progress made in the implementation of the Poverty Reduction Strategy Paper (PRSP). Section 6 presents details of the proposed delivery modality. The indicative financing plan is presented in Section 7. Finally, recommendations for the Boards' consideration are contained in Section 8.

### **II. HIPC QUALIFICATION**

#### **Policy Reform Requirements**

2.1 Niger reached its decision point in December 2000 and qualified for debt relief assistance of US\$520.6 million in 1999 NPV terms, comprising US \$309.3 million from multilateral creditors and US\$211.3 million from bilateral creditors, reflecting a common reduction factor of 53.5 percent on total external debt in NPV terms.<sup>3</sup> The country reached the completion point in April 2004 and was eligible for topping up additional debt relief assistance of US\$ 142.5 million in end 2002 NPV terms. Niger's external debt outstanding at decision point was US 973.3 million in 1999 NPV terms. After enhanced Initiative debt relief (US \$520.6 million), Niger's external debt position reduced to US \$452.7 million in end 1999 NPV terms, equivalent to US\$ 603.0 million in end 2002

---

<sup>1</sup> Niger - HIPC Approval Document: Decision Point under the Enhanced HIPC Initiative. ref.: ADB/BD/WP/2001/21, dated 9 February 2001, page 1.

<sup>2</sup> Topping up is based on the NPV of debt after additional bilateral debt relief at end 2002. See IMF/IDA - Niger: Enhanced Initiative for HIPC Completion Point Document, ref.: Report No.P-7612 NIR dated 17<sup>th</sup> December 2003, Table 53.

<sup>3</sup> See Niger - Decision Point Document (Ref. ADB/BD/WP/2001/21), page 1.

NPV terms<sup>4</sup>. After additional relief offered by some Paris Club creditors on a voluntary basis (US\$ 27.2 million), the external debt position was reduced to US 575.8 million. Niger's debt was further reduced to US\$ 433.3 million in 2002 NPV terms, after adjustment for topping up. The NPV of debt-to-exports ratio, after assuming full delivery of topping up assistance, would average 157.1 percent for the period 2002-22.

2.2 In line with the enhanced HIPC framework arrangements, the countries reaching their completion point must fulfill the following three key conditions:

- Completion and satisfactory implementation of the Poverty Reduction Strategy Paper for at least one year;
- Maintenance of a stable macroeconomic position as evidenced by continued strong performance under a program supported by an arrangement under the PRGF; and
- Implementation of the key governance and social reforms monitored under the Initiative and outlined at the decision point.

2.3 The specific triggers that were set at the decision point to assess Niger's eligibility to reach the completion point under the enhanced HIPC framework have been successfully implemented. The PRSP, was adopted by the Government in January 2002 and subsequently endorsed by the Boards of Directors of the World Bank and IMF as a credible framework for providing concessional assistance to reduce poverty in Niger. The Government has ensured full budgeting of poverty reduction programs financed with HIPC Initiative debt relief assistance and publication of budget execution of these programs. Since 2000, Niger has continued to implement policy reforms and programs aimed at fostering strong and sustained economic growth and poverty reduction. The Government has established a solid track record of implementing policy and structural reforms and satisfactory progress has been achieved in fiscal policies, aimed at ensuring a sustainable fiscal position. As well, the Government complied gradually with the convergence criteria of tight cash management practices and intensified expenditure controls of the West African Economic and Monetary Union (WAEMU). In line with the action plan to strengthen public expenditure management, it is noted that the introduction of a new budget nomenclature, and a new charter of public accounts, as well as the adoption of a new procurement code, are the major budgetary reforms achieved since the adoption of the PRSP.

2.4 The policy reforms to improve access to basic education were successfully implemented through construction of 2,433 new classrooms over 2001/02, of which 86 percent were in the rural areas, as well as the recruitment of 3,701 teachers for the school year 2003/04, with 77 percent employed in the rural areas. Regarding the health sector, the reforms included an increase in the staffing of health centers through redeployment and recruitment of multipurpose nurses and auxiliary midwives, while the National Strategic Framework for the fight against STDs/HIV/AIDS is being implemented.

---

<sup>4</sup> Subsequent debt and debt relief figures are denominated in end 2002 NPV terms for ease of reference. See IMF/IDA: Niger Completion Point document, dated 17 December 2003, Table 12, p. 53

2.5 A copy of the relevant HIPC completion point document prepared by the Bretton Woods institutions (BWIs), with more details on the justification, is attached as Annex V to this report for easy reference.

### III. HIPC COSTS

#### Breakdown of Total HIPC Costs among Creditors

3.1 Of the combined total debt relief at the decision point, and topping up at the completion point, amounting to US\$663.1million in NPV terms, multilateral creditors account for US \$428.4 million, which is 64.6 percent of Niger’s debt relief, while bilateral creditors will deliver the remaining balance of US\$234.6 million, equivalent to 35.4 percent. The Bank Group’s share of debt relief will amount to US\$49.9 million in NPV terms, equivalent to about 11.7 percent of the multilateral creditor’s assistance, and 7.5 percent of total assistance from all creditors. Table 1 below shows a breakdown of the total cost of US\$663.1 million in NPV terms, among the bilateral and multilateral creditors.

**Table 1. Breakdown of Niger’s HIPC Costs**

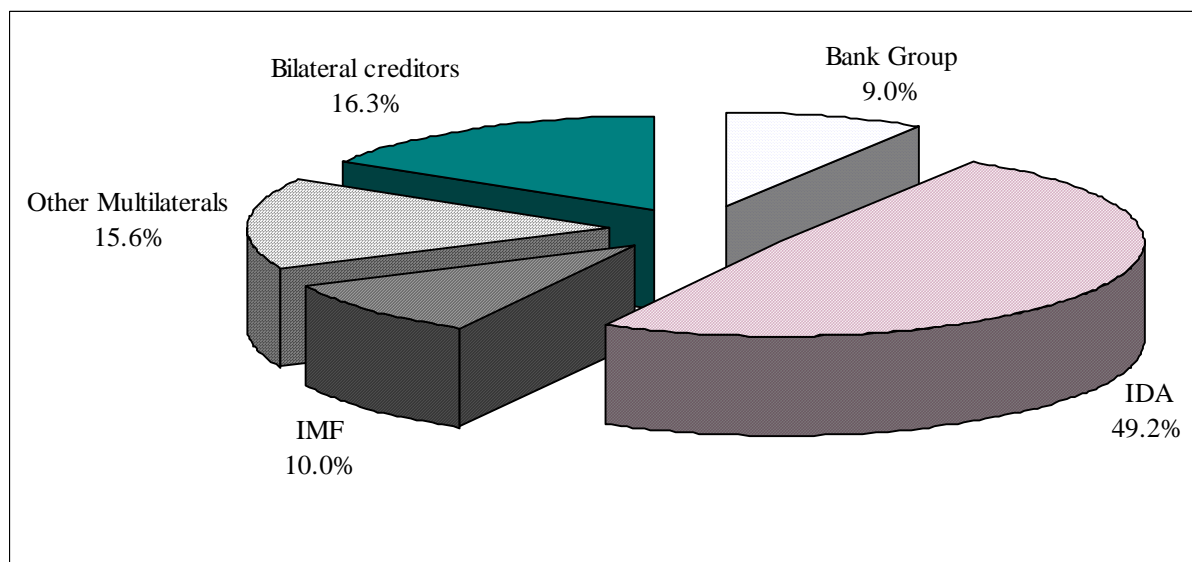
(US\$ millions, NPV terms)

Creditors	Decision Point Assistance (1)	Topping up Assistance (2)	Cumulative assistance at completion point		
			Total (3) =(1)+(2)	Percent of Multilateral cost	Percent of Total debt relief cost
1- Bilateral Creditors	211.3	23.3	234.6	-	35.4
2- Multilateral Creditors	309.2	119.2	428.4	100.0	64.6
<i>of which</i>					
<b>Bank Group</b>	<b>37.2</b>	<b>12.8</b>	<b>49.97</b>	<b>11.7</b>	<b>7.5</b>
IDA	170	70.1	240.1	56.0	36.2
IMF	28	14.2	42.2	9.9	6.4
Other Creditors	74	22.2	96.2	22.5	14.5
<b>Total Debt Relief Assistance</b>	<b>520.6</b>	<b>142.5</b>	<b>663.1</b>	<b>-</b>	<b>100.0</b>

Source: IMF/IDA and Bank Group HIPC database

3.2 Chart 1 shows a breakdown of the topping up costs of US\$142.5 million in end-2002 NPV terms, among the bilateral and multilateral creditors.

**Chart 1: Breakdown of Topping up of Debt Relief by Participants**



Source: IMF/IDA and Bank Group HIPC database

### **Explanation of Changes in total debt relief at Decision and Completion Point**

3.3 The enhanced HIPC framework allows for an exceptional topping up of the HIPC Initiative assistance in the event of a deterioration of the debt sustainability indicators beyond their threshold after the decision point, if the deterioration is due to exogenous factors that have fundamentally led to changes in a country's economic circumstances.<sup>5</sup> In Niger's case, these exogenous factors have fundamentally affected the country's debt sustainability, raising the NPV of debt-to-exports ratio at end-1999 from 150 percent to 209 percent at end 2002, with the ratio likely to remain high throughout the projection period in the absence of remedial action. In these circumstances, additional topping-up debt relief is necessary to bring the NPV of debt-to-exports down to 150 percent at the completion point.

3.4 After full delivery of HIPC Initiative assistance to Niger at the end of 2002, the NPV of debt to exports ratio was 209 percent, about 59 percent above the HIPC threshold. This was due to three factors: (a) an increase in Niger's external indebtedness due to new borrowings and export weakening (shortfall of grant financing and less concessional terms of new borrowing); (b) a decline in the level of uranium exports over the period 2000-2002; and (c) the impact of lower discount rates for US dollars and SDRs recorded at the end 2002.<sup>6</sup> Net new borrowings undertaken between 2000 and 2002 accounted for about 50 percent of the overshooting in the NPV of debt to exports ratio (of 59 percent), while

<sup>5</sup> See Box 1 of IMF/IDA: EBS/01/141 dated 20 August 2001, and IDA/Secm2001-0539/1, dated 21 August 2001.

<sup>6</sup> IMF/IDA Completion Point Document for Niger, dated 17 December 2003, page 27, para 60.

the lower discount rates for the US dollar and SDR at end 2002 and the decline in exports explained 20 and 10 percentage points respectively of the increase in NPV.

#### **IV. ASSISTANCE DELIVERED DURING THE INTERIM PERIOD.**

4.1 The Bank Group debt relief to Niger during the interim period - December 2000 to April 2004 - amounted to US\$ 7.05 million in nominal terms, which is equivalent to US\$6.52 million in 1999 NPV terms, accounting for 17.53 percent of total debt relief in NPV terms. This interim relief period lasted for 39 months instead of the scheduled 36 months, indicating a slight slippage of 3 months.

**Table 2: Niger Interim Debt Relief Assistance**

	(Millions US\$)		
	<b>NPV Terms</b>	<b>Nominal Terms</b>	<b>% of Total Debt Relief (NPV terms)</b>
Jan. 2001 – April 2004	6.52	7.05	17.53%
Total Debt Relief Approved at Decision Point	37.20	58.43	-

#### **V. BANK GROUP INVOLVEMENT IN THE PRSP PROCESS**

5.1 Niger's PRSP was completed in January 2002, using a broad based participatory process involving the Government, beneficiaries, civil society, NGO's, the private sector, and the Bank Group, among other development partners. The PRSP clearly presents the strategic reforms that Niger envisages between the present time and 2015, in order to reduce by half the level of poverty in accordance with the MDGs. Niger's PRSP, sets out medium- and long-term objectives, sectoral priorities and strategies to be implemented regarding creation of conducive macroeconomic environment to promote economic growth and structural reforms. Sectoral priorities in the PRSP emphasize rural development, which remains the major source of economic growth; restructuring of the financial sector; accelerating the privatisation of public enterprises; improvement in governance and private sector development.

5.2 The program for the 2002-2004 period, which coincides with the ADF-IX period, puts emphasis on priority poverty reduction programs, the objectives of which are in line with Niger's strategic vision. This vision has four strategic pillars: (i) creation of a stable macroeconomic environment to promote economic growth; (ii) development of the productive sectors to diversify the economic activities, reduce vulnerability and increase income generation; (iii) improvement in access of the poor to quality social services, notably health and education; and (iv) strengthening of human and institutional capacities, promotion of good governance and decentralisation.

5.3 The Bank Group actively supported the Government in validating the priority sectors contained in the PRSP. The Country Strategy Paper (CSP) for Niger for the 2002-2004 period is based on the guiding principles of selectivity, country ownership, participatory approach and strategic partnership emphasized by the Bank Group's Strategic Plan, while it is also in line with the thrust and orientation of the country's PRSP.<sup>7</sup> The CSP (2002-2004) proposes to focus Bank Group's operations strategy on poverty reduction, through support for rural development, as well as strengthening of basic education and training.<sup>8</sup> This is consistent with the Government's priorities since the strategy addresses Niger's core concerns with regard to poverty reduction and capacity building. Regarding rural development the Bank Group will continue to support Government priorities with respect to food security, intensification and diversification of agricultural production, and natural resources protection. Within the framework of its Water Initiative in Africa, the Bank will also continue to pay close attention to water resources management and control, especially development of irrigation schemes. The support for irrigated farming will be accompanied by integrated actions to control desertification and open up areas of high agricultural potential, strengthen access to basic services, enhance women's participation, consolidate farmers' organization and improve the capacity of rural actors. The Bank Group will scale up its activities to support Government's ongoing efforts to implement the 2002-2012 Ten-Year Education Program, particularly by increasing access to primary and secondary education, improving the quality and relevance of education and strengthening the planning and management capacity of ministries in charge of education.

5.4 The Bank Group also plans to support reforms in good governance and capacity building to enable the Government to reinforce the stability of the macro-economic framework and improve the impact of the reforms initiated in order to maintain sustained economic growth capable of reducing poverty. During the 2003-2004 period, the ADF will co-finance with other development partners the Fourth Structural Adjustment Program (SAP IV) by consolidating public finance reform, civil service reform, education system modernization, health cover improvement and financial sector reform. Moreover, within this overall framework, the Bank Group will support Niger's efforts to improve management of the Government's expenditures and the reform programs to increase private sector investment in the country and review possibilities for strengthening its assistance to the development of SMEs.

5.5 Under the ADF-IX enhanced performance-based allocation system, the Bank Group approved for Niger an amount of UA 35.75 million (including a maximum sum of UA 9.65 million in the form of grants) to be utilised for poverty reduction projects and reform programs in accordance with the priorities contained in the CSP 2002-2004. Over the ADF-X period, the Bank Group will step up initiatives to develop a mechanism for monitoring pro-poor projects and programs under the PRSP and CSP to ensure that the poor benefit from these projects and programs beyond the HIPC.

---

<sup>7</sup> Bank Group Strategic Plan 2003-2007 (ref. ADB/BD/WP/2002/ 82/Rev.3/Approved - ADF/WP/2002/29/Rev.3/Approved, dated 18 December 2002, Chapter IV.

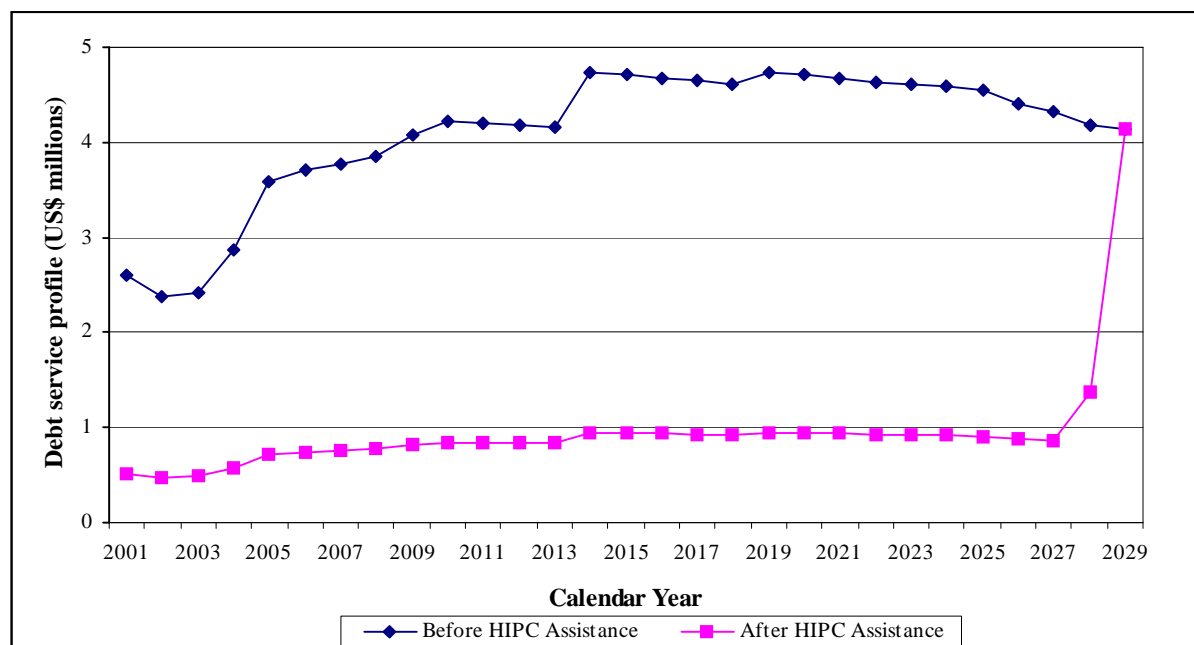
<sup>8</sup> See Niger: Country Strategy Paper, 2002-2004, Addendum (ref ADB/BD/WP/2003/86/ Add.1 of 29 September 2003), pages 1 and 2.

## VI. PROPOSED DELIVERY MODALITY

6.1 As Niger has reached the completion point, it is proposed that the Bank Group makes a commitment to provide irrevocable debt relief of US\$ 49.97 million in NPV terms. The debt relief would be provided by releasing Niger from up to 80 percent of debt service obligations to the Bank Group each year, until the entire amount of US\$ 49.97 million is delivered over the next 24 years from April 2004 until July 2028. The impact of debt relief on Niger's debt service profile is shown in Chart 2 below, while the country's debt service profile before and after HIPC assistance is presented in Annex IV.

6.2 The provision of debt relief, as described, is consistent with the rules and regulations of the African Development Bank and the African Development Fund.

**Chart 2: Impact of Debt Relief on Niger's Bank Group Debt Service Profile**



Source: Annex IV

### Legal Aspects of Debt Relief Operations

6.3 Debt relief for Niger is to be provided, under the enhanced framework of the HIPC Debt Relief Initiative, through the mechanism of debt service relief, in accordance with the terms described in the preceding paragraphs. These terms will be implemented by:

- A revised Debt Relief Agreement between the Bank Group and the Government of Niger;

- A HIPC Trust Fund Grant Agreement between the Bank Group, the International Development Association (IDA) and the Government of Niger; and
- A Contribution Agreement between the Bank Group and the IDA

## VII. INDICATIVE FINANCING ARRANGEMENTS

7.1 The Bank Group's share of debt relief will be financed as follows:

**Table 3. Indicative Financing Arrangements**  
(in US\$ millions, NPV Terms)

<b>Sources of Financing</b>	<b>Total Contribution</b>	<b>Percent of total (%)</b>
Internal Resources	<b>9.99</b>	20
European Commission pledge	<b>19.99</b>	40
HIPC Trust Fund	<b>19.99</b>	40
<b>TOTAL</b>	<b>49.97</b>	<b>100</b>

7.2 During the interim period, the debt relief delivered amounted to US \$7.05 million, in nominal terms, provided by the EC and the HIPC Trust Fund.

## VIII. RECOMMENDATIONS

8.1 The Boards of Executive Directors are invited to:

- Note the justifications for Niger's qualification for HIPC assistance at its completion point, under the enhanced HIPC framework; and
- Approve the plan to finance the Bank Group's share of HIPC debt relief for Niger, in accordance with the arrangements presented in Section 7.

**AFRICAN DEVELOPMENT BANK**  
**HIPC Debt Relief Schedule**  
(in US\$ millions)

**NIGER**

Completion Point  
Date: April 2004

Calendar Year	TOTAL ADB	TOTAL (ADB/ADF)
2001	0	2.086025
2002	0	1.900323
2003	0	1.929553
2004	0	2.300008
2005	0	2.867501
2006	0	2.970114
2007	0	3.013605
2008	0	3.085862
2009	0	3.261587
2010	0	3.379411
2011	0	3.359538
2012	0	3.341348
2013	0	3.319793
2014	0	3.788420
2015	0	3.764876
2016	0	3.742773
2017	0	3.717790
2018	0	3.694247
2019	0	3.786338
2020	0	3.763105
2021	0	3.737514
2022	0	3.713102
2023	0	3.688690
2024	0	3.665189
2025	0	3.639866
2026	0	3.524752
2027	0	3.460304
2028	0	2.804819
	<b>0</b>	<b>91.306452</b>

**Summary**

Total Nominal Relief	US\$ 91.306452 mn
<i>of which</i>	
<b>ADB</b>	<b>US\$ 0.000000 mn</b>
ADF	US\$ 91.306452 mn
Total NPV Relief	US\$ 49.972351 mn
<i>of which</i>	
In 1999 NPV	US\$ 37.200000 mn
In 2002 NPV	US\$ 12.772351 mn
Duration	28 years

**AFRICAN DEVELOPMENT FUND**  
**HIPC Debt Relief Schedule**  
(in US\$ millions)

**NIGER**

Completion Point  
Date: April 2004

Calendar Year	TOTAL ADF	TOTAL (ADB/ADF)
2001	2.086025	2.086025
2002	1.900323	1.900323
2003	1.929553	1.929553
2004	2.300008	2.300008
2005	2.867501	2.867501
2006	2.970114	2.970114
2007	3.013605	3.013605
2008	3.085862	3.085862
2009	3.261587	3.261587
2010	3.379411	3.379411
2011	3.359538	3.359538
2012	3.341348	3.341348
2013	3.319793	3.319793
2014	3.788420	3.788420
2015	3.764876	3.764876
2016	3.742773	3.742773
2017	3.717790	3.717790
2018	3.694247	3.694247
2019	3.786338	3.786338
2020	3.763105	3.763105
2021	3.737514	3.737514
2022	3.713102	3.713102
2023	3.688690	3.688690
2024	3.665189	3.665189
2025	3.639866	3.639866
2026	3.524752	3.524752
2027	3.460304	3.460304
2028	2.804819	2.804819
	<b>91.306452</b>	<b>91.306452</b>

**Summary**

Total Nominal Relief	US\$ 91.306452 mn
<i>of which</i>	
ADB	US\$ 0.000000 mn
<b>ADF</b>	<b>US\$ 91.306452 mn</b>
Total NPV Relief	US\$ 49.972351 mn
<i>of which</i>	
In 1999 NPV	US\$ 37.200000 mn
In 2002 NPV	US\$ 12.772351 mn
Duration	28 years

## AFRICAN DEVELOPMENT BANK GROUP

Revised HIPC Debt Relief Schedule  
(in US\$ millions)

## NIGER

Completion  
Point Date:  
April 2004

Calendar year	Total Debt Approved at Decision Point	Topping Up of Assistance	TOTAL
2001- Apr. 2004*	7.054366	0	7.054366
2004	1.161543	0	1.161543
2005	2.867501	0	2.867501
2006	2.970114	0	2.970114
2007	3.013605	0	3.013605
2008	3.085862	0	3.085862
2009	3.261587	0	3.261587
2010	3.379411	0	3.379411
2011	3.359538	0	3.359538
2012	3.341348	0	3.341348
2013	3.319793	0	3.319793
2014	3.788420	0	3.788420
2015	3.764876	0	3.764876
2016	3.742773	0	3.742773
2017	3.717790	0	3.717790
2018	3.694247	0	3.694247
2019	2.903505	0.882833	3.786338
2020	0	3.763105	3.763105
2021	0	3.737514	3.737514
2022	0	3.713102	3.713102
2023	0	3.688690	3.688690
2024	0	3.665189	3.665189
2025	0	3.639866	3.639866
2026	0	3.524752	3.524752
2027	0	3.460304	3.460304
Jan.- Sept. 2028	0	2.804819	2.804819
<b>TOTAL</b>	<b>58.426278</b>	<b>32.880174</b>	<b>91.306452</b>

\* Cumulative of the total debt relief provided during the interim period

## Niger: Debt Service Profile

(In US\$ million)

Year	Before Debt Relief			Debt Relief			After Debt Relief		
	ADB	ADF	Total	ADB	ADF	Total	ADB	ADF	Total
2001	-	2.6075	2.6075	-	2.0860	2.0860	-	0.5215	0.5215
2002	-	2.3754	2.3754	-	1.9003	1.9003	-	0.4751	0.4751
2003	-	2.4119	2.4119	-	1.9296	1.9296	-	0.4824	0.4824
2004	-	2.8750	2.8750	-	2.3000	2.3000	-	0.5750	0.5750
2005	-	3.5844	3.5844	-	2.8675	2.8675	-	0.7169	0.7169
2006	-	3.7126	3.7126	-	2.9701	2.9701	-	0.7425	0.7425
2007	-	3.7670	3.7670	-	3.0136	3.0136	-	0.7534	0.7534
2008	-	3.8573	3.8573	-	3.0859	3.0859	-	0.7715	0.7715
2009	-	4.0770	4.0770	-	3.2616	3.2616	-	0.8154	0.8154
2010	-	4.2243	4.2243	-	3.3794	3.3794	-	0.8449	0.8449
2011	-	4.1994	4.1994	-	3.3595	3.3595	-	0.8399	0.8399
2012	-	4.1767	4.1767	-	3.3413	3.3413	-	0.8353	0.8353
2013	-	4.1497	4.1497	-	3.3198	3.3198	-	0.8299	0.8299
2014	-	4.7355	4.7355	-	3.7884	3.7884	-	0.9471	0.9471
2015	-	4.7061	4.7061	-	3.7649	3.7649	-	0.9412	0.9412
2016	-	4.6785	4.6785	-	3.7428	3.7428	-	0.9357	0.9357
2017	-	4.6472	4.6472	-	3.7178	3.7178	-	0.9294	0.9294
2018	-	4.6178	4.6178	-	3.6942	3.6942	-	0.9236	0.9236
2019	-	4.7329	4.7329	-	3.7863	3.7863	-	0.9466	0.9466
2020	-	4.7039	4.7039	-	3.7631	3.7631	-	0.9408	0.9408
2021	-	4.6719	4.6719	-	3.7375	3.7375	-	0.9344	0.9344
2022	-	4.6414	4.6414	-	3.7131	3.7131	-	0.9283	0.9283
2023	-	4.6109	4.6109	-	3.6887	3.6887	-	0.9222	0.9222
2024	-	4.5815	4.5815	-	3.6652	3.6652	-	0.9163	0.9163
2025	-	4.5498	4.5498	-	3.6399	3.6399	-	0.9100	0.9100
2026	-	4.4059	4.4059	-	3.5248	3.5248	-	0.8812	0.8812
2027	-	4.3254	4.3254	-	3.4603	3.4603	-	0.8651	0.8651
2028	-	4.1705	4.1705	-	2.8048	2.8048	-	1.3657	1.3657
2029	-	4.1414	4.1414	-	-	-	-	4.1414	4.1414
<b>Total</b>	-	<b>118.9390</b>	<b>118.9390</b>	-	<b>91.3065</b>	<b>91.3065</b>	-	<b>27.6325</b>	<b>27.6325</b>

**Note:** The debt service obligations at the completion point in year 2004, before debt relief assistance, was around US\$ 2.9 million. The debt service is rising due to the new non-concessionary loans contracted between the decision point and the completion point, which is one of the reasons for the topping up.<sup>9</sup> After full delivery of HIPC debt relief in 2028, the debt service will be US\$ 4.1 million and Niger will assume full payment of its debt service obligations falling due from 2029.

<sup>9</sup> IMF/IDA Completion point document for Niger, dated 17 December 2003, pages 28/29: See footnote 29 which states: "New borrowing over the period 2000-002 in gross terms, explains 83 percent of the overshooting of the NPV of debt to exports ratio beyond 150 percent at end 2002".

**IMF/ World Bank HIPC Document for NIGER**

# Annex

## MAIN DOCUMENT

Table 1 in page 3 should be replaced by the table below:

**Table 1. Breakdown of Niger's HIPC Costs**

(US\$ millions, NPV terms)

Creditors	Decision Point Assistance (1)	Topping up Assistance (2)	Cumulative assistance at completion point		
			Total (3) =(1)+(2)	Percent of Multilateral cost	Percent of Total debt relief cost
1- Bilateral Creditors	211.3	23.3	234.6	-	35.4
2- Multilateral Creditors	309.2	119.2	428.4	100.0	64.6
<i>of which</i>					
<b>Bank Group</b>	<b>37.24</b>	<b>12.77</b>	<b>50.01</b>	<b>11.7</b>	<b>7.5</b>
IDA	170	70.1	240.1	56.0	36.2
IMF	28	14.2	42.2	9.9	6.4
Other Creditors	74	22.2	96.2	22.5	14.5
<b>Total Debt Relief Assistance</b>	<b>520.6</b>	<b>142.5</b>	<b>663.1</b>	<b>-</b>	<b>100.0</b>

Source: IMF/IDA and Bank Group HIPC database

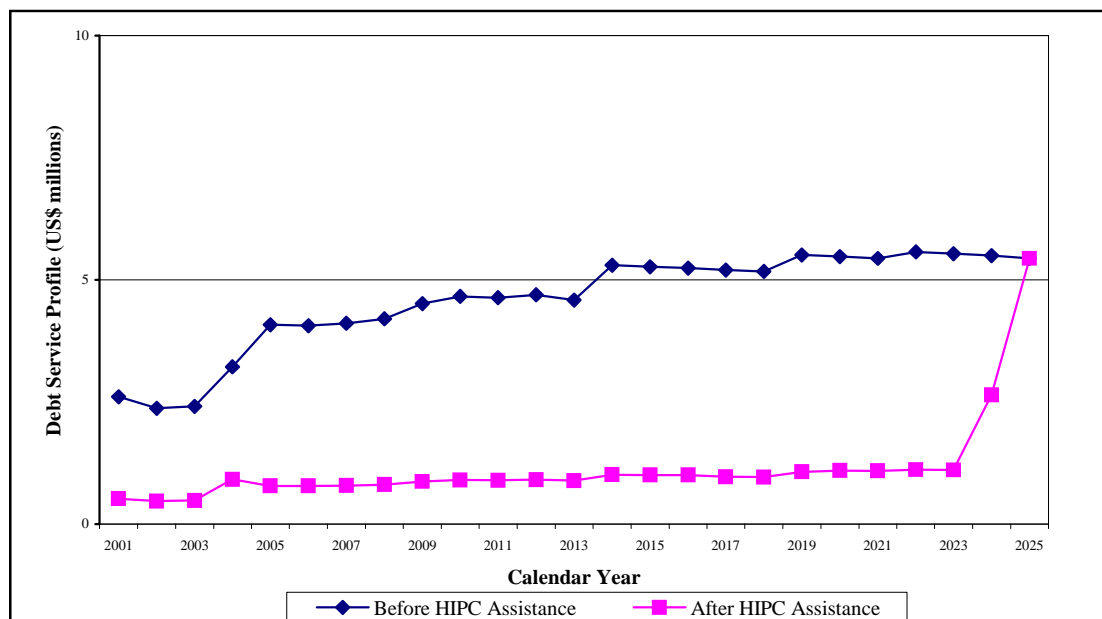
**Paragraph 6.1, line 3:** the sentence “.....the Bank Group makes a commitment to provide irrevocable debt relief of US\$ 49.97 million in NPV terms.” has been changed and should now be read as follows: “ ..... **the Bank Group makes a commitment to provide irrevocable debt relief of US\$ 50.01 million in NPV terms.**”

**Paragraph 6.1, sentence 2:** “The debt relief would be provided by releasing Niger from up to 80 percent of debt service obligations to the Bank Group each year, until the entire amount of US\$ 49.97 million is delivered over the next 24 years from April 2004 until July 2028” is replaced by the following sentence:

**“The debt relief would be provided by releasing Niger from up to 80 percent of debt service obligations to the Bank Group each year, until the entire amount of US\$ 50.01 million is delivered over the next 20 years from April 2004 until July 2024.”**

**Chart 2** should be replaced by the revised chart presented below:

**Chart 2: Impact of Debt Relief on Niger’s Bank Group Debt Service Profile**



Source: Annex IV

**Table 3** should be replaced by the revised table presented below:

**Table 3. Indicative Financing Arrangements**  
(in US\$ millions, NPV Terms)

<b>Sources of Financing</b>	<b>Total Contribution</b>	<b>Percent of total</b> (%)
Internal Resources	<b>10.00</b>	20
European Commission pledge	<b>20.00</b>	40
HIPC Trust Fund	<b>20.00</b>	40
<b>TOTAL</b>	<b>50.00</b>	<b>100</b>

ANNEXES

Annex I should be replaced by the annex below:

Page 1/4

**AFRICAN DEVELOPMENT BANK  
HIPC Debt Relief Schedule  
(in US\$ millions)**

**NIGER**

Completion Point  
Date: April 2004

Calendar Year	TOTAL ADB	TOTAL (ADB/ADF)
2001	0	2.086025
2002	0	1.900323
2003	0	1.929553
2004	0	2.300008
2005	0	3.296730
2006	0	3.279192
2007	0	3.321916
2008	0	3.394448
2009	0	3.642212
2010	0	3.758587
2011	0	3.737045
2012	0	3.784640
2013	0	3.694275
2014	0	4.281189
2015	0	4.260022
2016	0	4.235632
2017	0	4.234105
2018	0	4.207825
2019	0	4.441661
2020	0	4.382041
2021	0	4.352094
2022	0	4.457939
2023	0	4.428412
2024	0	2.856005
	<b>0</b>	<b>86.261878</b>

**Summary**

Total Nominal Relief	US\$ 86.261878 mn
<i>of which</i>	
<b>ADB</b>	<b>US\$ 0.000000 mn</b>
ADF	US\$ 86.261878 mn
Total NPV Relief	US\$ 50.010685 mn
<i>of which</i>	
In 1999 NPV	US\$ 37.238334 mn
In 2002 NPV	US\$ 12.772351 mn
Duration	24 years

Annex II should be replaced by the annex below:

Page 2/4

**AFRICAN DEVELOPMENT FUND**  
**HIPC Debt Relief Schedule**  
(in US\$ millions)

**NIGER**

Completion Point  
Date: April 2004

Calendar Year	TOTAL ADF	TOTAL (ADB/ADF)
2001	2.086025	2.086025
2002	1.900323	1.900323
2003	1.929553	1.929553
2004	2.300008	2.300008
2005	3.296730	3.296730
2006	3.279192	3.279192
2007	3.321916	3.321916
2008	3.394448	3.394448
2009	3.642212	3.642212
2010	3.758587	3.758587
2011	3.737045	3.737045
2012	3.784640	3.784640
2013	3.694275	3.694275
2014	4.281189	4.281189
2015	4.260022	4.260022
2016	4.235632	4.235632
2017	4.234105	4.234105
2018	4.207825	4.207825
2019	4.441661	4.441661
2020	4.382041	4.382041
2021	4.352094	4.352094
2022	4.457939	4.457939
2023	4.428412	4.428412
2024	2.856005	2.856005
	<b>86.261878</b>	<b>86.261878</b>

**Summary**

Total Nominal Relief	US\$ 86.261878 mn
<i>of which</i>	
ADB	US\$ 0.000000 mn
<b>ADF</b>	<b>US\$ 86.261878 mn</b>
Total NPV Relief	US\$ 50.010685 mn
<i>of which</i>	
In 1999 NPV	US\$ 37.238334 mn
In 2002 NPV	US\$ 12.772351 mn
Duration	24 years

Annex III should be replaced by the annex below:

Page 3/4

**AFRICAN DEVELOPMENT BANK GROUP**

**Revised HIPC Debt Relief Schedule  
(in US\$ millions)**

**NIGER**

Completion  
Point Date:  
April 2004

<b>Calendar year</b>	<b>Total Debt Approved at Decision Point*</b>	<b>Topping Up of Assistance</b>	<b>TOTAL</b>
2001	2.086025	-	2.086025
2002	1.900323	-	1.900323
2003	1.929553	-	1.929553
2004	2.300008	-	2.300008
2005	2.867501	0.429230	3.296730
2006	2.970114	0.309077	3.279192
2007	3.013605	0.308311	3.321916
2008	3.085862	0.308586	3.394448
2009	3.261587	0.380626	3.642212
2010	3.379411	0.379176	3.758587
2011	3.359538	0.377506	3.737045
2012	3.341348	0.443292	3.784640
2013	3.319793	0.374482	3.694275
2014	3.788420	0.492769	4.281189
2015	3.764876	0.495145	4.260022
2016	3.742773	0.492859	4.235632
2017	3.717790	0.516315	4.234105
2018	3.694247	0.513578	4.207825
2019	2.991680	1.449981	4.441661
2020	-	4.382041	4.382041
2021	-	4.352094	4.352094
2022	-	4.457939	4.457939
2023	-	4.428412	4.428412
Jan-July 2024	-	2.856005	2.856005
<b>TOTAL</b>	<b>58.514453</b>	<b>27.747425</b>	<b>86.261878</b>

\* Revised

Annex IV should be replaced by the annex below:

Page 4/4

### Niger: Debt Service Profile

(In US\$ million)

Year	Before Debt Relief			Debt Relief			After Debt Relief		
	ADB	ADF	Total	ADB	ADF	Total	ADB	ADF	Total
2001	-	2.608	2.608	-	2.086	2.086	-	0.522	0.522
2002	-	2.375	2.375	-	1.900	1.900	-	0.475	0.475
2003	-	2.412	2.412	-	1.930	1.930	-	0.482	0.482
2004	-	3.218	3.218	-	2.300	2.300	-	0.918	0.918
2005	-	4.084	4.084	-	3.297	3.297	-	0.787	0.787
2006	-	4.062	4.062	-	3.279	3.279	-	0.782	0.782
2007	-	4.114	4.114	-	3.322	3.322	-	0.792	0.792
2008	-	4.203	4.203	-	3.394	3.394	-	0.809	0.809
2009	-	4.518	4.518	-	3.642	3.642	-	0.876	0.876
2010	-	4.664	4.664	-	3.759	3.759	-	0.905	0.905
2011	-	4.637	4.637	-	3.737	3.737	-	0.900	0.900
2012	-	4.697	4.697	-	3.785	3.785	-	0.912	0.912
2013	-	4.584	4.584	-	3.694	3.694	-	0.890	0.890
2014	-	5.297	5.297	-	4.281	4.281	-	1.016	1.016
2015	-	5.271	5.271	-	4.260	4.260	-	1.011	1.011
2016	-	5.240	5.240	-	4.236	4.236	-	1.005	1.005
2017	-	5.206	5.206	-	4.234	4.234	-	0.972	0.972
2018	-	5.173	5.173	-	4.208	4.208	-	0.965	0.965
2019	-	5.511	5.511	-	4.442	4.442	-	1.069	1.069
2020	-	5.478	5.478	-	4.382	4.382	-	1.096	1.096
2021	-	5.440	5.440	-	4.352	4.352	-	1.088	1.088
2022	-	5.572	5.572	-	4.458	4.458	-	1.114	1.114
2023	-	5.536	5.536	-	4.428	4.428	-	1.107	1.107
2024	-	5.500	5.500	-	2.856	2.856	-	2.644	2.644
2025	-	5.438	5.438	-	0.000	0.000	-	5.438	5.438
<b>Total</b>	-	114.838	114.838	-	86.262	86.262	-	28.576	28.576

**Note:** The debt service obligations at the completion point in year 2004, before debt relief assistance, was around US\$ 3.22 million. The debt service is rising due to the new non-concessionary loans contracted between the decision point and the completion point, which is one of the reasons for the topping up.<sup>9</sup> After full delivery of HIPC debt relief in 2024, the debt service will be US\$ 2.6 million and Niger will assume full payment of its debt service obligations falling due from 2025.

<sup>9</sup> IMF/IDA Completion point document for Niger, dated 17 December 2003, pages 28/29: See footnote 29 which states: "New borrowing over the period 2000-002 in gross terms, explains 83 percent of the overshooting of the NPV of debt to exports ratio beyond 150 percent at end 2002".



**NIGER: HIPC APPROVAL DOCUMENT**  
**COMPLETION POINT UNDER THE ENHANCED FRAMEWORK**

**CORRIGENDUM**

Paragraph 6.1. is revised to read as follows:

**“6.1 As Niger has reached the completion point, it is proposed that the Bank Group makes a commitment to provide irrevocable debt relief of US\$ 37.238334 million in end 1999 NPV terms and US\$ 12.772351 million, in end 2002 NPV terms, with effect from April 2004. The Bank Group’s debt relief would be provided by releasing Niger from up to 80 percent of debt service obligations to the Bank Group each year, until the entire amount is delivered. Total debt relief will be delivered by July 2028.”**

Paragraph 6.2. is also revised to read as follows:

**“6.2 The impact of debt relief on Niger’s debt service profile is shown in Chart 2 below, while the country’s debt service profile before and after HIPC assistance is presented in Annex IV. The provision of debt relief, as described, is consistent with the rules and regulations of the African Development Bank and the African Development Fund.”**