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# ECONOMIC DEVELOPMENT IN AFRICA

## Corrigendum

*Paragraph 13 and table 1 should read as follows:*

13. The enhanced framework lowered the ratio of net present value (NPV) of debt to exports to a fixed ratio of 150 per cent (replacing the previous range of 200 to 250 per cent). It also lowered the thresholds for the fiscal window to an export-to-GDP ratio of at least 30 per cent (previously 40 per cent) and a revenue-to-GDP ratio of at least 15 per cent (previously 20 per cent). For countries meeting these new thresholds, the NPV debt-to-revenue ratio was lowered from 280 per cent to 250 per cent (see table 1). It was estimated that thanks to these changes in the enhanced HIPC debt sustainability criteria, seven additional countries (Benin, Central African Republic, Ghana, Honduras, Lao People's Democratic Republic, Senegal and Togo) would become eligible for HIPC debt relief.[7]

**Table 1. Eligibility thresholds: Original and enhanced HIPC**

| A. Element | B. Original | C. Enhanced |
|---|---|---|
| NPV debt-to-export ratio (%) | 200 to 250 | 150 |
| NPV debt-to-revenue ratio (%) | 280 | 250 |
| Openness criterion (exports as a % of GDP) | 40 | 30 |
| Revenue threshold (revenue as a % of GDP) | 20 | 15 |
| Debt relief | Fixed at completion point | Interim relief at decision point |
| Front-loading of debt relief | No | Yes |

*Source:* Gautam (2003).

[7] See Perspectives on the Current Framework and Options for Change – Further Supplement on Costing (12 May 1999), table 4; available on the HIPC website.