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PROMOTION OF FOREIGN DIRECT INVESTMENT IN AFRICA:

LESSONS FROM ASIAN COUNTRIES

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I. INTRODUCTION

1. Over the last three decades, East and Southeast Asia, which includes Newly Industrialized Economies (NIES) 1/ and the Association for SouthEast Asian Nations (ASEAN)-4 2/ experienced rapid economic growth.

2. This study focuses on Asian Experience and African Development, which was one of the themes discussed in the Tokyo Declaration of African Development: towards the 21st Century, in the Tokyo International Conference for African Development (TICAD). The relevant issues related to our study in the Tokyo Declaration of TICAD were summarized as follows: 1) Some relevance of the Asian experience for African development is acknowledged to draw some lessons and appropriate conclusions and formulate their own development policies, although no one model of development can be simply transferred from one region to another; 2) the backdrop of development success lies in the combination of a strong commitment by the leadership and the people to economic prosperity, appropriate long-term development strategies and functional government administration to pursue these strategies coherently; 3) some policy factors, which contributed to the performance of East and Southeast Asia, are the rational application of macro-economic policies and maintenance of political stability, the promotion of agricultural production through technological research and innovation, long-term investment in education and human resource development, market-friendly and export-led policies to advance and adapt modes of production, measures to stimulate domestic savings and capital formation, policy emphasis on the private sector as an engine of growth and development, and early implementation of land reform; 4) development achievement in East and Southeast Asia have enhanced opportunities for South-South cooperation with Africa.

3. For many developing countries including African countries, FDI has become the principal source of foreign capital, representing 74 per cent of total long-term capital inflows from private sources of over 90 developing countries between 1986 and 1990. FDI also represents an increasing share of total investment in most countries; FDI has become the primary means by which a growing number of countries are integrated in the international economy.

1/ Hong kong, Singapore, South Korea, and Taiwan.

2/ ASEAN includes six nations such as Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand; ASEAN4 as Indonesia, Malaysia, Singapore and Thailand.

4. FDI is important for Africa because, among other things, the continent does not have the adequate savings and foreign exchange resources of its own needed for development and diversification of its economy.

5. African countries are also severely short of certain skills and technologies. Transnational Corporations (TNCs) would appear to be the most effective mechanism for dealing with such problems because, by and large, those firms have the requisite resources and qualities - the necessary internal organizational strength, management skills, and access to capital and technology. FDI contributes to the development of industrialization in Africa, while Official Development Aid (ODA), through government channels, may contribute mainly to expand social capital.

6. African countries are now trying to attract FDI using several measures including Export Processing Zones. However, statistics on FDI inflows to Africa are quite disappointing. FDI has been slow in coming to Africa. In 1990, FDI inflows into Africa dropped to $2.2 billion (roughly equal to that of a small country like Portugal) from $4.45 billion in 1989. This reduced level of inflow is above the trend average of $1.9 billion p.a. for the 1980s, but is still barely 10 percent of the FDI total in the developing world. Investment inflows to Africa rose to $2.5 billion in 1991, an increase by 21 percent from 1990. The total in 1991 was, however, still below the annual average of some $2.7 billion for 1985-1990 period.

7. The environment surrounding FDI is quite different in Asian countries, many of which have been quite successful in attracting FDI. FDI is an important channel for receiving and absorbing foreign know-how, technology and management skills. One of the most important elements is the overall political and economic stability of the host country to attract FDI. Human resources are also one of the key points for investors to consider whether they invest or not. As Indonesia has shown, fiscal incentives including tax holidays are less likely to be important than policy environment, infrastructure and human resources. Most governments in Asia have been supporting a market-friendly economy, providing macroeconomic stability with sound infrastructure and human resources, fostering small-scale industry, negotiating appropriate conditions with investors, identifying market opportunities.

8. One of the key ingredients of successful industrial development in East Asia has also been the active role of small and medium-sized enterprises. The reasons for this situation include the labour-intensive nature of production in small enterprises, their extensive use of locally available raw materials, and their geographical dispersion, which leads to regionally balanced development. In the ASEAN countries, over 90 percent of manufacturing enterprises fall within the small-scale sector, defined as enterprises with fewer than 50 workers.

9. Experiences of Asian countries on FDI differed considerably: although in general all countries, at some stage, adopted outward-orientation growth strategies, in each country the process had been shaped to suit the individual country's specific requirements and endowments. In most Asian countries, FDI has shifted from industries which served the domestic market to export-oriented industries over the 1980s. Recently there has also been a shift of FDI from labour-intensive industries such as textiles and clothing to more sophisticated products such as machinery, electronics and automotive parts and components. The most significant features for each country are given below.

II. FOREIGN DIRECT INVESTMENT IN ASIAN COUNTRIES

A. Trends and Policy on FDI

a) Thailand (GNP per capita: $1,701 in 1991)

10. FDI into Thailand increased from around 3.9 billion baht in 1980 to 64.7 billion baht in 1990, but dropped to 51.4 billion baht in 1991. It reflected a decline of about 20 percent, which was mainly due to a fall in the net surplus of equity investment and loans from Japan. Japanese FDI fell from 27.8 billion baht in 1990 to 15.6 billion baht in 1991, lessening the Japanese share from 45 to 31 percent of the total net FDI. The three NIEs, Hong Kong, Singapore and Taiwan, account for over one-third of total FDI inflows. One concern raised by officials was that due to infrastructural constraints and relatively high wage rates, investors were likely to shift their attention to other countries, especially China and Viet Nam.

11. Thailand has had a remarkable success in attracting FDI and achieving impressive rates of growth over the past three decades. Part of the explanation for its success lies in a policy environment which is conducive to FDI. 3/ No major ownership restrictions apply to foreign capital, incentives are widely available, and corporate taxes have been cut during the 1980s. On the other hand, balance-of-payments problems drove the monetary authorities to tighten their control over the exchange market, but controls were easing by the end of the decade. Approval procedures are far from efficient, but the government has also taken some steps to streamline the process.

<u>Ownership requirement</u>

12. The main piece of legislation governing foreign participation is the 1972 Alien Business Law. No sector is totally off-limits to FDI, but the law requires that some businesses be

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3/ Information compiled by UNCTAD, Division of TNCs and Investment (1992).

majority Thai-owned, and foreign ownership is allowed under certain conditions.

13. No significant changes of the regulations on foreign ownership occurred throughout the 1980s, but existing rules were flexibly applied and implementation has been relaxed over time.

14. Thailand's attitude vis-a-vis FDI has become more favorable since the mid-1980s, when the government launched a major privatization programme, boosted implementation of the Eastern Seaboard Scheme, and encouraged the formation of joint ventures for investments requiring huge capital outlays. Emphasis on export promotion led to a further relaxation of ownership requirements. As a result, 100 percent Japanese investments have been approved along with a proposal to set up bonded warehouses for export processing. On the other hand, the dramatic increase in FDI flows of the late 1980s drove the BOI to become more selective in its promotion policy. By the end of 1990, TNCs operating in Thailand were facing a favorable environment, especially manufacturing projects for export and heavy industries in the Eastern Seaboard. While it is likely that Thailand will continue to welcome foreign capital in the coming years, it will gradually become more selective in its approval and promotional policies, trying to strike a balance between FDI promotion and support for Thai-controlled companies.

Investment approval

15. The Board of Investment (BOI) is the central investment planning authority, enjoying wide discretionary powers to promote both foreign and domestic projects. All investors seeking promotional status must submit applications to the BOI. In an effort to speed up the process, two Investment Service Centres (ISC) were set up in the early 1980s, one at the BOI and the other at the Ministry of Industry. In 1983, the Ministry of Industry announced that factory licenses for projects not seeking incentives would be issued (or rejected) within 15 days of application.

Taxation

16. Thailand's corporate income tax fell from 45 percent in 1980 to 35 percent in 1986. The fiscal reforms of the 1980s brought its corporate tax rate down, from being one of the highest in Asia to a more competitive level. Foreign firms were also eligible for tax cuts on dividends, royalties and interest payments if a double taxation agreement existed between their home countries and Thailand.

Investment incentives

17. Thailand's incentives structure went through several changes during the 1980s. Overall, the trend has not been toward greater liberalization. Since 1987, decentralization away from the

Greater Bangkok area has become a top priority. Larger incentives were granted to firms locating in rural provinces. These included tax holidays for 4-8 years, capital allowances, and other fiscal and tariff incentives. New decentralization measures were issued in January 1989. Incentives were boosted for projects starting up operations in the rural areas, but withheld from those located in Thailand's central region. A special credit for rural development was also available through the Industrial Finance Corporation and the Bank of Thailand (BOT). Thus, incentives were increasingly geared toward those areas and priorities set by the government.

b) Singapore (GNP per capita: $14,705 in 1992)

18. Singapore, which had no sizeable domestic market and no pool of industrial entrepreneurs, started its industrialization with an export-oriented economy. When launching its export-oriented industrialization strategy, it was found that Singapore lacked the industrial experience needed either to obtain the capital, technology, and managerial and marketing skills efficiently, or to modify a given investment requirement package. Thus, heavy dependence on TNCs was unavoidable. FDI accounted for nearly 25 percent of its total investment in the 1980s, among the highest in the world. Initially, FDI in Singapore was concentrated in petroleum-refining and petroleum products, followed by electrical, electronic, chemicals and chemical products, transport equipment and textile and garment industries. Recently there has been increasing evidence of FDI being directed to the tertiary sector, particularly financial services. It indicates that as a result of autonomous developments and conscious policy, Singapore is emerging as a major financial centre in the region. At present, about 43 percent of FDI stock is in manufacturing and an almost equal amount in financial and business services.

c) Malaysia (GNP per capita: $2,780 in 1992)

19. FDI rose sharply from less than $0.4 billion in 1985 to $1.8 billion in 1988 and to $3.2 billion in 1989. In 1990, FDI inflows more than doubled over the 1989 level, to exceed $6.5 billion. Malaysia emerged as a site for export-oriented FDI by offering an alternative location for labour-intensive exports as well as the benefit of a well-endowed natural resource base, which is usually hard to come by.

20. FDI has been central to modern Malaysia since it decided to diversify its industrial base from the twin pillars of the colonial economy, tin and rubber. With the 1968 Investment Incentives Act, Malaysia shifted from import-substituting industrialization (ISI) to export-oriented industrialization (EOI). Increasing competition among OECD-based TNCs provided the chance to attract investors willing to move production offshore

in order to reduce costs. In return, very favorable treatment was offered to foreign firms. 4/

21. Following the 1969 race riots, however, Malaysian policy makers advocated a more interventionist role for the state in order to redress ethnic imbalances. This was reflected in the New Economic policy, as a result, the policy environment for FDI became more restrictive during the 1970s, with emphasis being placed upon equity dilution by TNCs on behalf of the Malay community. Yet the slowdown of FDI in the late 1970s led the government to relax FDI regulations substantially, starting in the mid-1980s. The major policy changes have been related to ownership requirements and investment incentives. Overall, the policy environment for TNCs as of the early 1990s has been very liberal and quite predictable.

Ownership requirements

22. Policy guidelines in force by 1980 required local majority ownership for projects substantially dependent on the domestic market. Wholly foreign-owned companies were allowed only if they exported their output entirely. In addition, the New Economic Policy (NEP) launched in the early 1970s established a maximum of 30 percent foreign equity for the economy as a whole to be attained by 1990.

23. However, equity rules were relaxed in the 1980s. By the end of 1990, new ventures were allowed to set up wholly foreign-owned subsidiaries if they exported 50 percent of production or employed 3590 full-time workers. Starting with the release of the Fourth Plan (1981-85) in 1981, Malaysia sought to attract foreign investors into heavy and high-tech industries, mainly on a joint-venture basis. Ownership conditions became more liberal during the 1980s.5/

Screening and approval procedures

24. Under Malaysia's law, all project proposals must be registered with the Ministry of Industry. Malaysian Industrial Development Authority (MIDA), a "one-stop" agency in charge of screening and promotion of FDI, helps investors through the approval process. The MIDA was charged in 1989 with the responsibility to evaluate all technology contracts, including joint ventures, technical assistance, licensing, patent, trademark and engineering services.

4/ Information compiled by UNCTAD, TNCs and Investment Division.

5/ Some sectoral limitations were preserved. Eleven industries, ranging from food processing to iron and steel products, tin smelting, petroleum refining, and small engines were excluded in 1987 form 1986 foreign equity guidelines.

25. Lately, MIDA has become more selective in approving applications by TNCs. Applications have been more easily approved for high-tech and heavy industrial projects, according to the merits of each case.

Investment incentives

26. Under the investment Incentives Act, 1968, the MIDA offered a wide array of incentives, including pioneer status (2-5 year tax holiday), investment tax credits, reinvestment allowances, accelerated depreciation and export allowances.

27. Starting in 1988, manufacturing companies were allowed to deduct for tax purposes double the amount spent for approved training. By the end of 1990, the MIDA offered a wide array of promotional privileges for firms that manufacture a priority product, are export-oriented or labour-intensive, are located in selected rural areas, or comply with NEP equity restructuring targets.

Taxation

28. By the end of 1990, Malaysia's corporate tax structure, the highest among ASEAN countries in the early 1980s, was brought in line with the regional average. With the reduction of the income tax, the removal of the excess profits tax and the gradual elimination of the development tax, the corporate tax rate declined from 48 percent throughout the 1980s to an expected 35 percent by 1994. Malaysia has also concluded double taxation agreements with 27 countries.

d) Indonesia (GNP per capita: $640 in 1991)

29. The primary sector is still a major recipient of FDI for a resource-rich country like Indonesia. Under a restructured industrial regime starting in 1966, FDI was liberalized within the framework of an import-substituting strategy. The cumulative value of FDI over the period of 1967-1985 was $15.4 billion in all sectors except oil, insurance and banking. In this period, the petroleum sector received 70 percent of cumulative FDI, with manufacturing receiving only 20 percent. After 1985, when the FDI law was further liberalized, the emphasis on FDI in the petroleum sector was strengthened, and in 1990, 80 percent of all FDI was directed to that sector.

30. Table 1 shows FDI in Asian countries has undergone substantial changes in its sectoral structure. In Singapore, the 1980s saw the shift of FDI from the secondary to the tertiary sector. Malaysia and Thailand have seen a decline in the shares directed to the secondary sector. The importance of FDI in primary and extractive industries has declined significantly. Increased FDI in manufacturing activities has mainly been the result of industrialization policies and specific policy measures adopted

by the developing countries in Asia. 6/ Although most of the FDI flows into Asia have been in the manufacturing sector, there are instances where investment still flows into traditional areas in large measure.

C. Role of Foreign Direct Investment

31. Changes in relative factor prices bring about significant changes in the flow of investment, generating new trade flows within the region. The relocation of semi-finished goods or final products across national boundaries through FDI creates a two-way or triangle trade flow among participating countries. 7/ Another important aspect of FDI is the dynamic transfer of production processes. Production processes are moved to countries that offer the best comparative advantages. For example, the production of labour-intensive goods has been gradually transferred to NIES from Japan, and from NIES to ASEAN4 and China. Further shifts of production to South Asia and Indochina in the near future are quite possible. This dynamic transfer generates a "multi-tiered", interdependent structure in East Asia's manufacturing industries.

32. The international division of labour in the region was deepened through FDI. TNCs sought global strategies to most economically combine design, procurement, production, sale, marketing, customer services, and Research & Development (R&D). For example, Japanese TNCs specialized at home on design, R&D, production of knowledge-intensive parts and components, and assembly of high-tech products. The relatively low-tech and labour-intensive production processes were moved to ASEAN4, which became depots of part and semi-finished products, and/or manufacturers of standardized products. NIES became producers of relatively high value-added products, and served as distribution centres and/or regional headquarters.

33. Therefore, intra-firm, intra-region transactions based on either vertical and horizontal integrations across borders prospered in the region year after year. Networks for the production of intermediate goods and semi-finished products, were gradually tied together through relative price changes , without intentionally forming an economic bloc or a free trade area.

6/ United Nations (1993) Economic and Social Survey of Asia and the Pacific, (United Nations Publications, ST/ESCAP/1243/Part II).

7/ IDB-ECLAC, Lessons from Trade and Investment in East Asia, WP-TWH-53, August 1993.

Table 1. The Sectoral Distribution of FDI Stock

(Percentage)

Country or area		Inward stock			Outward stock		
		Primary	*Secondary*	*Tertiary*	*Primary*	*Secondary*	*Tertiary*
Newly industrializing economies							
Hong Kong	1975	...	60.4	...	...	...	...
	1980	...	28.7	...	...	...	...
	1989	...	25.9	...	...	...	...
Republic of Korea	1976	1.0	79.9	19.0	2.6	26.8	37.1
	1980	1.0	66.8	32.2	22.2	17.6	60.1
	1988	0.9	61.5	37.6	43.7	34.6	21.8
Singapore	1975	0.2	46.9	52.9	...	...	...
	1980	0.2	54.6	45.2	...	...	...
	1989	0.2	42.4	57.4	...	...	...
Taiwan Province of China	1975	...	90.6	0.9	...	...	...
	1980	...	93.6	6.4	4.2	85.8	10.0
	1988	...	88.3	11.7	1.1	65.7	33.2
ASEAN-4							
Indonesia	1975	61.2	32.5	6.3	...	...	...
	1980	70.4	25.4	4.2	...	...	...
	1990	81.7	15.4	2.9	...	...	...
Malaysia	1975	39.3	30.6	30.1	b	b	b
	1980	31.3	30.1	38.6	b	b	b
	1988	28.3	41.2	30.5	b	b	b
Philippines	1975	9.2	44.9	45.9	...	...	...
	1980	18.8	50.4	30.7	...	...	...
	1988	28.6	48.3	23.1	...	19.8	80.2
Thailand	1975	15.1	29.9	55.0	...	...	...
	1980	13.5	31.7	54.7	2.6	1.1	96.6
	1989	9.2	42.8	48.0	0.3	17.3	82.3
South Asia							
India	1975	26.3	70.4	3.2	...	...	...
	1980	8.9	87.0	4.1	...	...	...
	1988	...	...	...	3.1	81.7	15.2
Pakistan	1975	6.9	48.1	45.0	...	...	...
	1980	7.9	53.6	38.5	...	...	...
	1988	11.5	38.7	49.8	...	...	...
Pacific islands							
Papua New Guinea	1975	81.4	10.5	8.1	...	...	...
	1980	73.7	16.4	9.8	...	...	...
	1989	60.3	10.9	28.9	...	...	...
Other Asia							
China	1983	66.9	20.4	12.7	2.0	12.2	85.7
	1985	15.0	36.2	48.8	37.0	20.3	42.7
	1988	8.2	49.7	42.2	...	...	...
Viet Nam	1989	67.7	12.7	19.6	...	...	...

Source: Country tables in part III of the *World Investment Directory 1992*, vol. I, *Asia and the Pacific* (United Nations publication, Sales No. E.92.II.A.11).

[a] *Foreign direct investment stock*

For associate and subsidiary enterprises, this is the value of the share of their capital and reserves (including retained profits) attributable to the parent enterprise (this is equal to total assets minus total liabilities), plus the net indebtedness of the associate or subsidiary to the parent firm.

For branches, this is the value of fixed assets and the value of current assets and investments, excluding amounts due from the parent, less liabilities to third parties.

34. NIES invited FDI from forerunner countries to offset the domestic investment-savings gap, as well as to acquire technology-intensive production methods. For example, South Korea accumulated $7.5 billion FDI from 1962 to June 1990, of which 49 percent came from Japan, and 28 percent from the United States. Taiwan received $10,98 billion FDI between 1952 and October 1990, of which Japan accounted for 32 percent, and the United States 29 percent. After digesting the technology and management know-how, NIES invested in ASEAN4 countries, mainly in the low-cost labour sectors. Simply, NIES were pulling in technology-intensive, R&D-type industries from advanced countries, while pushing out labour-intensive, relatively low value-added industries to ASEAN4.

III. Lessons from Asian Experience

35. Whereas foreign aid can be important in assisting economies fill in gaps in savings and foreign exchange and can be channeled into areas such as human resource development, these are only short-term solutions. In the long run, aid can only be supplementary; a country can not depend on aid in the long term. Aid did play a role in Asian development, and that role was positive mostly because aid was on the whole put to productive and efficient use.8/

36. Rapidly growing Asian countries generally drew in modest resources from abroad: about 2-5 percent of GDP, during their periods of high growth. However, the worst Asian crisis may have been that faced by the Philippines in the mid-1980s. Savings plummeted from 26 to 21 and to 16 percent of GDP in 1983, 1984, and 1985, respectively. Investment fell even faster from 30 to 22 to 16 percent, as net foreign resources declined from four percent to zero, and the Philippines GDP contracted by more than 15 percent in 1984-1985. Nevertheless, the Philippines was able to restore a measure of investor confidence, leading to a repatriation of capital, a rise in investment levels to 20 percent of GDP, and a return to modest growth with 3-6 percent despite a continuing drop in net foreign capital inflows in the next two years.

37. Indonesia also has had problems with its external debt. After defaulting in the mid-1960s, rapid economic growth and the oil boom helped Indonesia keep debt levels low until another crisis emerged in the mid-1980s, due to falling oil prices, maturing debt, and the rapidly appreciating yen. The debt-

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8/ Seiji Naya (1993), "The Asian Development Experience: Its Relevance to African development Problems", Issues Paper in TICAD/No.2-B/1993; Annex Tables 1 and 2 show different basic pattern of foreign resource utilization in Africa and Asia.

service ratio approached 40 percent in the late 1980s. Indonesia avoided default by quick adoption of reform policies; a flexible donor response was also crucial.

38. Thus, while the Asian economies have largely avoided onerous debt burdens, the key has been effective management of foreign capital inflows and flexible responses, both by governments and donors. Africa lacks both.

39. However, although FDI has contributed to the growth and development of certain modern industries in East Asia, it is the indigenous industrial sector that has been the major driving force behind industrial growth in most of these economies. FDI in East Asia has sometimes been criticized for being excessively capital intensive, for having limited linkages with domestic economies, and for crowding out local investment by using up export quotas and generalized system of preferences (GSP) privileges. 9/

40. The current conventional wisdom in economics is that growth-oriented governments should concentrate on providing a salutary macroeconomic environment within which private enterprise can grow. Much of it comes from experiences from the East Asian success story: Japan followed by NIES (Taiwan, South Korea, Hong Kong, and Singapore), and more recently some of the ASEAN countries (Malaysia, Thailand, and Indonesia). The progressive development of different parts of East Asia involved export-oriented industries and later more sophisticated capital- and skill-intensive activities with market-oriented growth. The only example of successful export-led growth in Africa is that of Mauritius and it is interesting to note that the East Asian economy (Hong Kong and Taiwan) has played an important role in that success.

41. African policy makers could learn from their Asian counterparts the techniques necessary to create macroeconomic stability, provide infrastructure, improve education and training, and identify market opportunities.

42. Among the cases of regional integration in the world, the main lesson to be learned, for example, from the Association of Southeast Asian Nations (ASEAN), is that given a favourable economic climate for enterprise, sound regional cooperation, and a healthy and sizeable economy in which private enterprise plays the dominant economic role, fruitful development of transnational production links between the countries of a sub-region may possibly be produced, even without formal institutional support of regional economic integration.

9/ Peter B. Robinson and Somsak Tambunlertchai (1993), Africa and Asia can High Rates of Economic Growth be Replicated?, An International Centre for Economic Growth Publication, San Francisco, California.

ANNEX TABLE 1
official Development Assistance

	Millions of dollars			Per Capita (dollars)	As a % of GNP
	1988	1989	1990	1990	1990
Sub-Saharan Africa					
Mozambique	893	772	946	60.2	65.7
Tanzania	982	920	1,155	47.1	48.2
Ethiopia	970	752	888	17.4	14.6
Somalia	433	427	428	54.8	45.9
Chad	264	241	315	55.5	28.6
Malawi	366	412	479	56.3	25.7
Burundi	188	196	265	48.8	24.0
Zaire	576	634	823	22.0	10.9
Uganda	363	403	557	34.1	18.4
Madagascar	304	321	382	32.8	12.3
Sierra Leone	102	100	70	16.9	7.8
Mali	427	454	474	56.0	19.4
Nigeria	120	346	234	2.0	0.7
Niger	371	296	358	46.7	14.2
Rwanda	252	232	287	40.3	13.4
Burkina Faso	298	272	315	34.9	9.9
Benin	162	263	261	55.1	na
Kenya	808	967	1,000	41.4	11.4
Ghana	474	552	465	31.2	7.4
Central African Rep.	196	192	232	76.3	17.8
Togo	199	183	210	57.8	13.0
Zambia	478	392	438	54.0	14.0
Guinea	262	346	292	51.0	10.4
Mauritania	184	242	211	107.0	20.0
Lesotho	108	127	138	78.0	24.5
Liberia	65	59	115	44.9	na
Sudan	937	772	792	31.5	9.3
Zimbabwe	273	265	343	35.0	5.5
Senegal	569	650	739	99.8	12.7
Cote d'Ivoire	439	403	689	57.9	6.9
Cameroon	284	458	483	41.2	4.3
Congo	89	91	209	92.0	7.3
Botswana	151	160	148	118.2	5.5
Mauritius	59	58	89	82.9	3.6
Angola	159	148	212	21.2	na
Namibia	22	59	57	32.0	na
Gabon	106	133	140	123.0	3.0

ANNEX TABLE 1 - Continued
official Development Assistance

	Millions of dollars			Per Capita (dollars)	As a % of GNP
	1988	1989	1990	1990	1990
Other Africa					
Egypt, Arab Rep.	1,537	1,568	5,604	107.6	15.9
Morocco	481	450	970	38.6	3.8
Tunisia	316	234	316	39.2	2.5
Algeria	171	152	227	9.1	0.4
South Africa	na	na	na	na	na
Asia					
NIEs:					
Hong Kong	22	40	37	6.4	0.1
Korea	10	52	52	1.2	0.0
Singapore	22	95	-3	-1.0	0.0
Taiwan	na	na	na	na	na
ASEAN-4:					
Indonesia	1,632	1,839	1,724	9.7	1.6
Malaysia	104	140	469	26.3	1.1
Philippines	854	844	1,277	208.0	2.9
Thailand	563	739	805	14.4	1.0
South Asia:					
Bangladesh	1,592	1,800	2,103	19.7	9.2
Myanmar	451	184	170	4.1	0.8
India	2,097	1,895	1,586	1.9	0.6
Nepal	399	493	429	22.7	13.8
Pakistan	1,408	1,129	1,152	10.3	2.9
Sri Lanka	598	547	665	39.1	8.2
China	1,989	2,153	2,076	1.8	0.6
Japan	na	na	na	na	na

Source: World Bank, World Development Indicators, World Development Report 1992.

ANNEX TABLE 2
Total External Debt

	Millions of dollars	Debt/GNP Ratio	Debt Service/Export Ratio
	1990	1990	1990
Sub-Saharan Africa			
Mozambique	4,718	3.8	na
Tanzania	5,866	2.2	0.3
Ethiopia	3,250	0.5	0.6
Somalia	2,350	2.5	0.1
Chad	492	0.5	0.0
Malawi	1,544	0.9	0.2
Burundi	906	0.8	0.5
Zaire	10,115	1.2	0.1
Uganda	2,726	0.8	0.4
Madagascar	3,938	1.5	0.5
Sierra Leone	1,189	1.2	0.0
Mali	2,433	1.1	0.1
Nigeria	36,068	1.1	0.2
Niger	1,829	0.8	0.2
Rwanda	741	0.3	0.1
Burkina Faso	834	0.3	0.2
Benin	1,427	0.8	0.1
Kenya	6,840	0.8	0.5
Ghana	3,498	0.6	0.3
Central African Rep.	901	0.8	0.1
Togo	1,296	0.9	0.2
Zambia	7,223	2.1	na
Guinea	2,497	1.0	na
Mauritania	2,227	2.2	0.1
Lesotho	390	0.4	na
Liberia	1,870	na	0.0
Sudan	15,383	na	0.1
Zimbabwe	3,199	~~0.5~~	na
Senegal	3,745	0.7	0.3
Cote d'Ivoire	17,956	2.0	0.5
Cameroon	6,023	0.5	0.4
Congo	5,118	2.2	0.2
Botswana	516	0.2	na
Mauritius	939	0.4	0.1
Angola	7,710	na	0.1
Namibia	na	na	na
Gabon	3,647	1.0	na

ANNEX TABLE 2 - Continued
Total External Debt

	Millions of dollars	Debt/GNP Ratio	Debt Service/Export Ratio
	1990	1990	1990
Other Africa			
Egypt, Arab Rep.	39,885	1.3	1.0
Morocco	23,524	1.0	0.4
Tunisia	7,534	0.6	0.4
Algeria	26,806	0.5	0.5
South Africa	na	na	na
Asia			
NIEs:			
Hong Kong	na	na	na
Korea	34,014	0.1	0.1
Singapore	na	na	na
Taiwan	881	na	na
ASEAN-4:			
Indonesia	67,908	0.7	0.3
Malaysia	19,502	0.5	0.1
Philippines	30,456	0.7	0.3
Thailand	25,868	0.3	0.2
South Asia:			
Bangladesh	12,245	0.5	0.3
Myanmar	4,675	na	0.2
India	70,115	0.2	0.3
Nepal	1,621	0.5	0.4
Pakistan	20,683	0.5	0.3
Sri Lanka	5,851	0.7	0.1
China	52,555	0.1	0.1
Japan	na	na	na

Sources: World Development Report 1992 and Asian Development Outlook 1991.