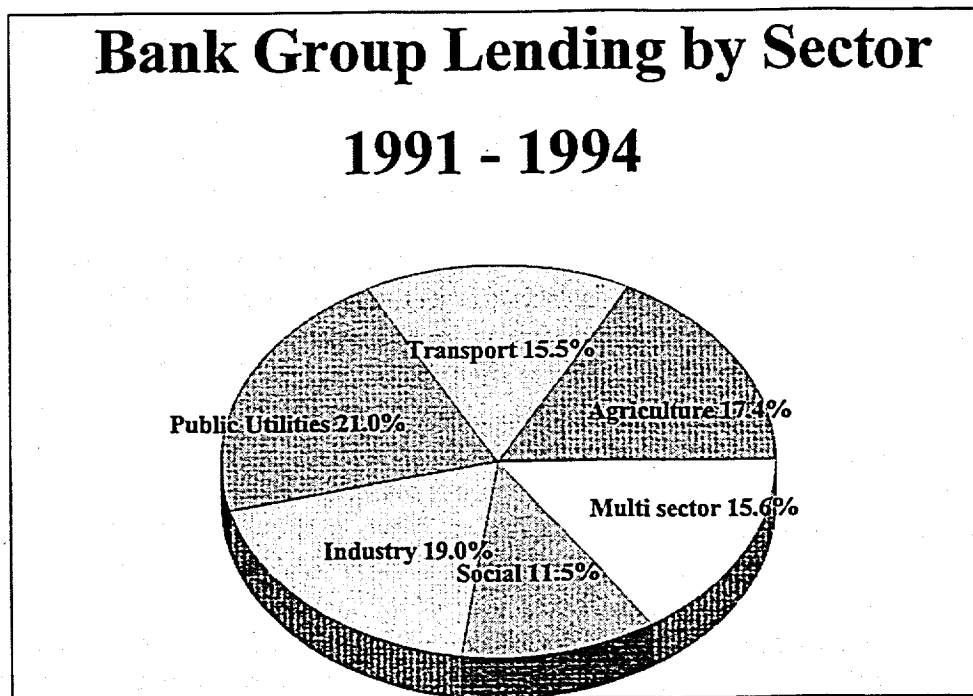


By way of comparison, World Bank lending to the region has exceeded US \$4 billion per annum in each of the past several years.

As of early 1996, the level of future annual lending levels is still not certain. However, successful closure of ongoing capital replenishment negotiations is imminent and the AfDB hopes to resume annual lending levels in the \$1.5 - \$2 billion range within the next few years. In the meantime however, despite the current slowdown in new project loans, suppliers should recognize that disbursements for the multi-year execution of loans approved in prior years continue to finance significant amounts of procurement each year.

Since the AfDB's inception, about 25% of lending has been committed to the agricultural sector, 17% to transport, 22% to the public utilities sector (energy, water/sanitation, etc), 16% to industry, 10% to the social sectors (mainly education, health) and 10% to multi sector activities. It is expected that the public utilities sector will be the largest beneficiary of new lending over the next several years, followed by industry and agriculture.



Lending by geographic region has varied widely over the years, with the relatively more developed North African countries accounting for a steadily increasing share over the past several years and more than 55% of new loan approvals in 1994. Due to a combination of the decline in availability of concessionary resources, ineligibility to receive non-concessional loans, and other factors, commitments to the Bank's poorest member countries have significantly declined. (In fact, no loans have been granted from the African Development Fund since 1993). This trend of a greater concentration of lending in a smaller number of countries is expected to continue throughout the remainder of the decade, with a significant share of lending earmarked for North African and Southern African countries in particular, and much of the East Africa region as well.