

With \$10 million in Canadian support, the African Development Bank is setting up a project preparation facility to encourage investment in infrastructure and to develop viable project proposals, including public-private partnerships. It will thus help to mobilize financing for infrastructure in key areas such as water, energy, transportation, and information and communications technologies, including existing untapped resources for infrastructure financing at international financial institutions and from the private sector.

Debt relief

In March 2003, Canada contributed an additional \$75 million to the World Bank-administered Heavily Indebted Poor Countries (HIPC) Trust Fund. Canada maintains a debt service moratorium for seven HIPC countries in Africa and has agreed to forgive all debt once HIPC commitments are met, as it has done recently for Tanzania and Benin. Under the terms of the Canada Debt Initiative, Canada has committed to forgiving over \$1.1 billion in debts owed to Canada by 17 HIPC countries, 14 of which are in Africa.

Canada has also cancelled all official development assistance debts owed to it by sub-Saharan African countries.

Delivering on Canada's other commitments to Africa

In addition to providing and helping to generate additional public and private resources for development, Canada is implementing the specific commitments of the G8 Africa Action Plan.

At the Kananaskis Summit in June 2002, the Prime Minister announced a series of national initiatives in support of NEPAD and the G8 Africa Action Plan, most of which would be funded by the \$500-million Canada Fund for Africa. These initiatives address each of the principal elements of NEPAD, including those that affect individual people in Africa most directly. The allocation is 31 per cent for sustainable growth, trade, and investment; 24 per cent for health and HIV/AIDS; 21 per cent for agriculture and water; 11 per cent for institutions and governance; eight per cent for knowledge: digital opportunities; and five per cent for peace and security. One year later, virtually all of these initiatives are in place, with the remaining few at an advanced stage of preparation.