

Asia, Africa, Latin America

Overall lending to Asia decreased 18% in FY'90, largely as a result of the slowdown in loan approvals for China. However, big pipelines of projects continue to exist for China, India, Bangladesh, and Indonesia in particular. The number of projects planned for Philippines, Sri Lanka, and Nepal is also noteworthy.

The volume of project lending to Africa and Latin America/Caribbean has declined somewhat; however, these two areas have also been recipients of much of the adjustment and debt reduction commitments.

Sectors

FY'90 saw the implementation of the World Bank's new environmental guidelines, essentially mandating a greater amount of environmental assessment in the preparation of virtually all WB funded projects. The resultant needs for environmental expertise by the borrowing countries, and the Bank, have created substantial new opportunities for capable and experienced firms.

To help respond to the need, CIDA has established 'The Canadian Environmental Trust Fund' at the World Bank. The fund will be for use by the Bank, and its borrowing countries, to hire Canadians for environmental work relating to Bank funded activities.

There are also an increasing number of projects exclusively focused on the environment in the pipelines of many countries. Many of these focus on assisting institutions in the design and establishment of environmental policies, plans and initiatives.

The World Bank is also seeking to substantially increase funding in the population and human resources area. In FY'90 alone, lending for education, population, and health/nutrition projects nearly doubled. The Bank is aiming to increase education lending to \$1.5 billion for each the next three years.

Although lending for energy projects has declined in the past few years, it still remains a significant sector, and amounted to \$3.2 billion (16%) of new commitments over the year.

Telecommunications lending, still relatively small, is on the rise (\$617 million in FY'90 with over \$1 billion still in the pipeline) and considerable opportunities exist in this sector for Canadian suppliers of equipment and consulting expertise.