

Table 3
Debt Forgiveness by Creditor Governments, 1980-88
(U.S. \$millions)

Country	Sub-Saharan Africa	Other Developing Countries	Total
Canada	566	0	566
Denmark	206	53	259
Finland ^a
Germany	342	0	342
Italy	12	0	12
Japan	34	314	347
Netherlands	81	76	157
Norway	111	0	111
Sweden ^a	9	0	9
United Kingdom	265	225	489
TOTAL	1,625	668	2,293

^a While these countries did not report or reported little or no debt forgiveness in 1980-88, they converted a substantial dollar volume of official development assistance loans to grants in 1978-79.

Source: The World Bank, *World Debt Tables* 1989-90, Vol. I, p. 44.

2. Getting Serious About Export Credit Debt

More significant to the recovery prospects of low-income debtors than writing off old aid debt, are actions to reduce the considerably more onerous burden of export credit debt which carries much harder terms. Loans from creditor governments' export promotion agencies constitute more than half of these countries' total debt and the largest part of their annual debt payments. Canada has provided some leadership in this area as well. The 1988 Toronto economic summit achieved important G-7 support for the principle of relief on this non-concessional debt. As of the end of 1989, 13 African countries had received Toronto terms at the Paris Club. Five of these countries have benefited from the reduced interest rate option on debts they owe to Canada's Export Development Corporation (EDC) and the Canadian Wheat Board (CWB).⁽²⁷⁾ EDC's exposure in Sub-Saharan Africa is about \$600 million out of the \$2.4 billion that it is owed by indebted developing countries.

(27) Benin, Madagascar, Sénégal, Tanzania, and Zaire, according to information supplied by the Department of Finance.