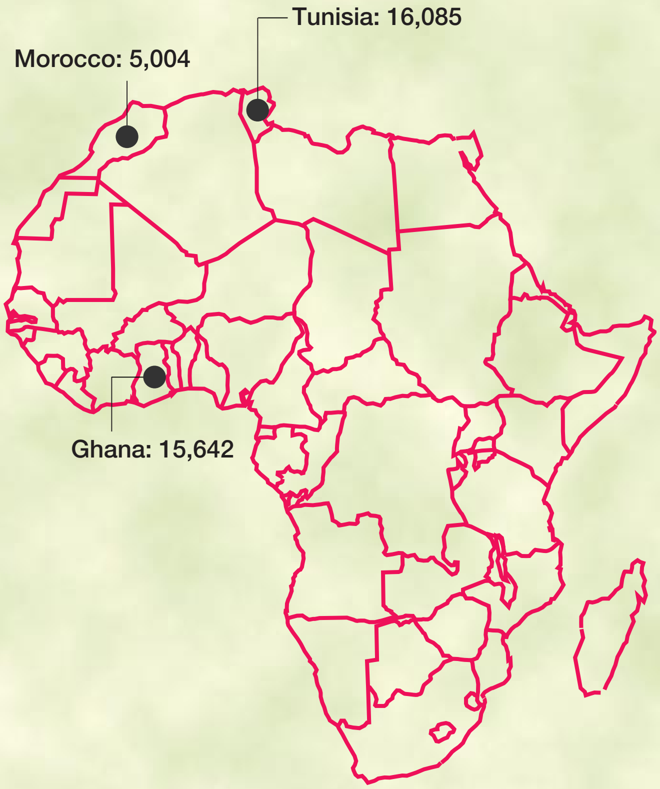
AFRICA



ODA Loan Commitments to African Countries
(As of March 31, 2000/ Unit: ¥ Million)

EGYPT

Development Needs and JBIC Assistance

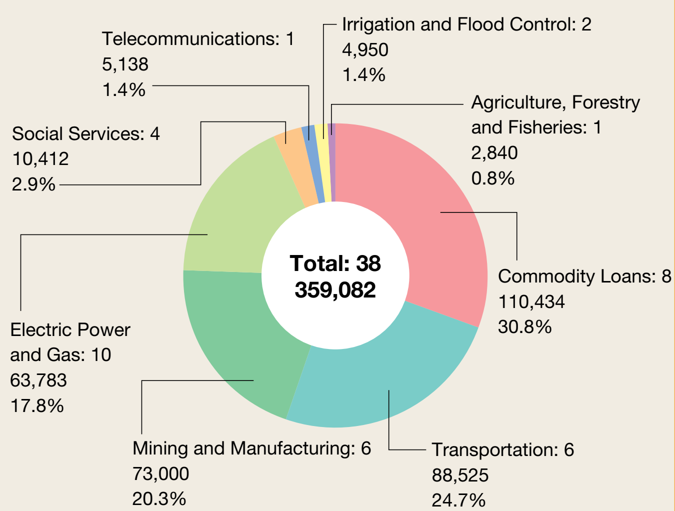
Among African countries, Egypt has been the largest recipient country of ODA loans from JBIC. The primary areas of assistance have focused on development of the Suez Canal, a major source of foreign currency revenue for Egypt, and basic infrastructure such as electric power projects.

However, JBIC had suspended the provision of new ODA loans to Egypt since debt reduction measures were agreed on at the Paris Club in July 1991. It was not until the Japanese government announced its intention to consider the resumption of ODA loans to Egypt in November 1996 at the third Middle East and North Africa Economic Summit held in Cairo that this suspension was lifted, following the agreement to carry out economic reforms under the IMF program in October 1996. Subsequently, an official request was made for the resumption of ODA loans when President Mubarak visited Japan in April 1999, and Egypt and Japan confirmed to positively consider formation and examination of prospective projects.

Egypt is in the process of shifting to private-sector-led development from the government-led development of the 1980s. In its fourth Five-Year Plan (1997-2002), Egypt places emphasis on the transition to a market economy and the active promotion of private-sector initiatives, as well as efforts to correct regional disparities and to provide relief measures to the socially vulnerable who are susceptible to economic reforms.

The cumulative total of ODA loan commitments to Egypt as of the end of fiscal 1999 was ¥359.1 billion for 38 projects.

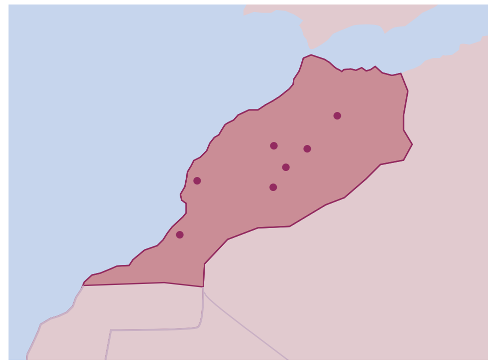
ODA Loan Commitments to Egypt by Sector (As of March 31, 2000)



Completed: 38 projects
Completed in FY1999: 0 projects

(Units: Number of commitments and ¥ million)

MOROCCO



Morocco: Location of Project Committed in FY1999
■Nationwide
•Rural Water Supply Project (I)

Development Needs and JBIC Assistance

Morocco is endowed with abundant reserves of mineral resources, including the world's largest deposits of phosphate. As the economy is mainly supported by the mining and agricultural industries, the country's economic structure is fragile and is susceptible to fluctuations in the international markets for minerals, as well as the weather. The Moroccan government is trying to strengthen the economy's fragile structure by promoting foreign direct investment to industries with new export potential. In addition, Morocco has also focused on strengthening economic ties with the European Union, as seen in the signing of the partnership agreement in February 1996. When King Hassan II died in July 1999 after a reign of 38 years, King Mohamed VI succeeded to the throne. The royal succession did not cause instability in the government since King Mohamed VI followed the basic policies laid down by the previous king. Although Morocco recorded economic growth of 6.5% in 1998, a negative growth of 0.5% was projected for 1999, as the economy was affected by a drought that hits roughly every other year.

Structural adjustment efforts undertaken by Morocco have basically achieved macroeconomic stabilization since the 1990s. However, in addition to strengthening the fragile economic structure, major challenges remain such as high unemployment mainly among youths and regional disparities. Morocco is in the process of formulating a new Five-Year Plan, which is expected to focus on these challenges.

JBIC has placed priority on correcting regional disparities and enhancing economic infrastructure in urban areas by

Morocco: Major Economic Indices

Calendar Year	1995	1996	1997	1998	1999 ***
GDP (million DH)	281,700	319,300	319,300	341,400	359,200
GDP per Capita (US$)	1,250	1,361	1,223	1,277	1,293
Real GDP Growth Rate (%)	-6.6	12.1	-2	6.5	-0.6
Consumer Price Index (1995=100)*	100	103.0	103.9	106.9	107.7
Fiscal Balance (% of GDP)**	-5.3	-5	-2	-3.9	N.A.
Current Account Balance (% of GDP)*	-3.9	-0.2	-0.5	-0.7	0.0
Trade Balance (US$ million)	-2,482	-2,193	-1,864	-2,319	-2,461
Exports (US$ million)	6,871	6,886	7,039	7,144	7,573
Imports (US$ million)	9,353	9,080	8,903	9,463	10,034
Foreign Exchange Reserves (excluding gold) (US$ million)	3,610	3,794	3,993	4,435	5,689
External Debt (US$ million)	22,700	21,700	19,300	19,300**	18,700
Debt Service Ratio (DSR) (%) (payment base)	33.4	26.9	26.6	28.0**	26.6
Exchange Rate per US$ (period average)	8.540	8.716	9.527	9.604	9.804

Sources: The Economist Intelligence Unit "EIU Country Report, April 2000"
*IMF, May 2000
**Fiscal Year (Jul.-Jun.) (1995=Calendar Year) EIU Country Profile 1999-2000
***EIU Advance Estimate

Morocco: Major Social Indicators

Life Expectancy at Birth ('98)		Infant Mortality Rate (per 1,000) ('98)		Literacy Rate (%) ('98)		Net Primary Enrollment Ratio*(%) ('97)		Physicians (per 1,000 people) ('90~'98)**	
male	female	male	female	male	female	male	female	male	female
N.A.	N.A.	N.A.	N.A.	60	34	86	67	N.A.	N.A.
67		49		N.A.		77		0.5	

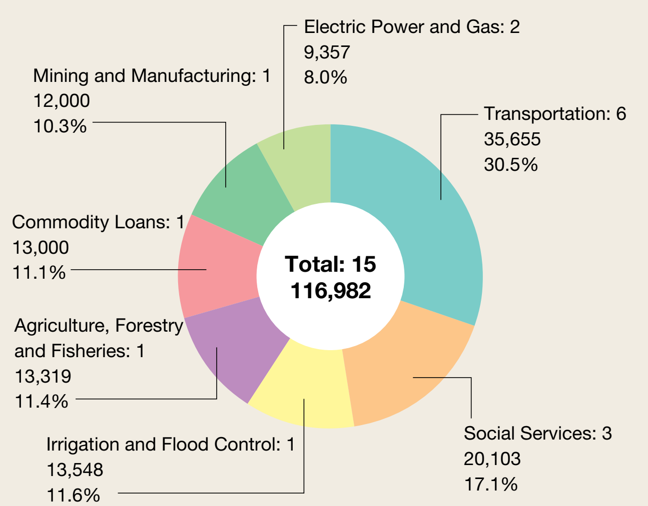
Source: The World Bank "World Development Indicators 2000"
*This figure is the "net" enrollment rate of the percentage of the elementary school age population enrolled in the grade appropriate for their age.
**Data is for the most recent year available.

Morocco: Condition of Major Infrastructure Systems

Paved Roads (%) ('98)	Per Capita Electricity Consumption (kWh) ('97)	Population with Access to Safe Water (%) ('90~96)*	Telephone Mainlines (per 1,000 people) ('98)
52.3	423	52	54

Source: The World Bank "World Development Indicators 2000"
*Data is for the most recent year available.

ODA Loan Commitments to Morocco by Sector (As of March 31, 2000)



Completed: 6 projects
Completed in FY1999: 0 projects
(Units: Number of commitments and ¥ million)

Assistance promoting rural electrification

extending ODA loans for projects related to roads, agriculture (irrigation), water supply systems, and rural electrification. JBIC will continue to provide assistance to these areas, while examining assistance in such fields as the environment and railways.

In fiscal 1999, JBIC signed an ODA loan agreement for the Rural Water Supply Project (I), which amounts to ¥5.0 billion. As of the end of fiscal 1999, the cumulative total of ODA loan commitments was ¥117.0 billion for 15 projects.

TUNISIA

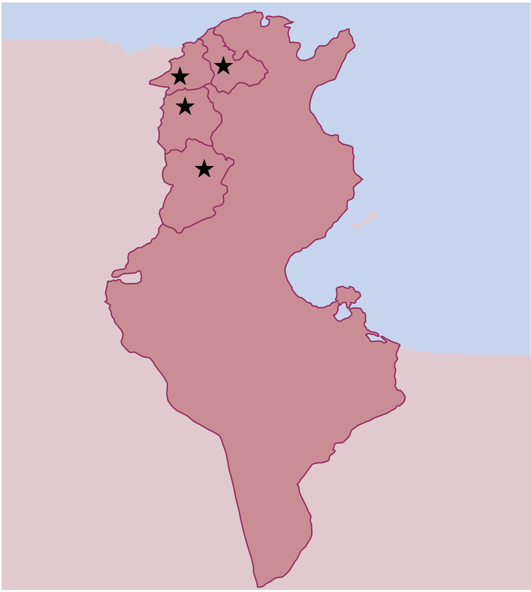
Development Needs and JBIC Assistance

Since Tunisia's economy has traditionally depended on the agricultural sector—particularly the cultivation of wheat, citrus fruits and olives—its industrial structure has been easily influenced by the weather. In recent years, however, the economy has succeeded in diversifying its industrial structure through the expansion of non-agricultural sectors such as exports from light industries (leather and textiles) and the tourist industry. Coupled with active investment supported by a high level saving rate, Tunisia has maintained strong economic growth from 1996 to 1998.

In July 1995, Tunisia concluded a partnership agreement with the European Union with an aim to achieve complete liberalization of trade and capital by 2008. This has allowed the country to aggressively pursue foreign direct investment to promote growth in exports to the European market. In view of this, the country is now expected to enjoy continued economic growth.

To maintain favorable economic growth under these circumstances, Tunisia has been making positive efforts within the framework of its ninth Five-Year Plan (1997-2001). The priorities outlined in the development plan are: 1) to strengthen industrial competitiveness; 2) stabilize productivity in the agricultural sector; 3) to correct regional disparities; 4) to ensure employment opportunities; and 5) environmental conservation.

JBIC has provided ODA loans totaling ¥64.8 billion for 13



Tunisia: Locations of Projects Committed in FY1999

■Nationwide

•Rural Water Supply Project

•Integrated Reforestation Project (★=recipient prefectures)

•Telecommunications Network Development Project (III) projects in agriculture and irrigation as well as in sewerage and water supply systems. Assistance placed priority on stabilizing production in the agricultural sector and correcting regional disparities. JBIC has also extended ODA loans to the transportation, communications, power and manufacturing industries in order to strengthen industrial competitiveness. In the communications sector, in particular, JBIC has extended ODA loans for four projects. JBIC will continue to assist the country's economic and social infrastructure development, as it is essential to strengthen industrial competitiveness (international competitiveness and promotion of private-sector investment), stabilize agricultural production and correct regional disparities. In the future, JBIC will also examine assistance in new fields such as promotion of small- and medium-scale enterprises, human resources development, and environmental improvement with an aim to secure employment opportunities and conserve the environment.

In fiscal 1999, JBIC signed ODA loan commitments totaling ¥16.1 billion for three projects comprising the Rural Water Supply Project, the Integrated Reforestation Project, and the Telecommunications Network Development Project (III). As of the end of fiscal 1999, the cumulative total of 23 ODA loan commitments provided to Tunisia amounted to ¥140.3 billion.

Rural Water Supply Project: Secure safe drinking water in rural areas

Tunisia: Major Economic Indices

Calendar Year	1995	1996	1997	1998	1999***
GDP (million TD)	17,052	19,066	20,901	22,724	24,565
GDP per Capita (million TD)	1,895	2,095	2,272	2,443	2,586
Real GDP Growth Rate (%)	2.3	7.1	5.4	5.0	6.2
Consumer Price Index (1995=100)*	100.0	103.7	107.5	110.9	113.9
Fiscal Balance (% of GDP)**	-4.2	-4.3	4.0	1.4	N.A.
Current Account Balancez (% of GDP)*	-4.3	-2.5	-3.2	-3.3	N.A.
Trade Balance (US$ million)	-1,989	-1,761	-1,955	-2,150	-2,225
Exports (US$ million)	5,470	5,519	5,559	5,725	5,871
Imports (US$ million)	7,459	7,280	7,514	7,875	8,096
Foreign Exchange Reserves (excluding gold) (US$ million)	1,605	1,898	1,978	1,850	2,262
External Debt (US$ million)	10,914	11,465	11,323	11,507**	11,859
Debt Service Ratio (DSR) (%)	16.9	16.4	15.8	17.8*	17.2
Exchange Rate per US$ (period average)	0.946	0.973	1.106	1.139	1.187

Sources: The Economist Intelligence Unit "EIU Country Report, April 2000"
*IFS May, 2000
**EIU Country Profile 1999-2000
***EIU Advance Estimate

Tunisia: Major Social Indicators

Life Expectancy at Birth ('98) male	female	Infant Mortality Rate (per 1,000) ('98) male	female	Literacy Rate (%) ('98) male	female	Net Primary Enrollment Ratio*(%) ('97) male	female	Physicians (per 1,000 people) ('90~'98)** male	female
N.A.	N.A.	N.A.	N.A.	79	58	100	100	N.A.	N.A.
72		28		N.A.		100		0.7	

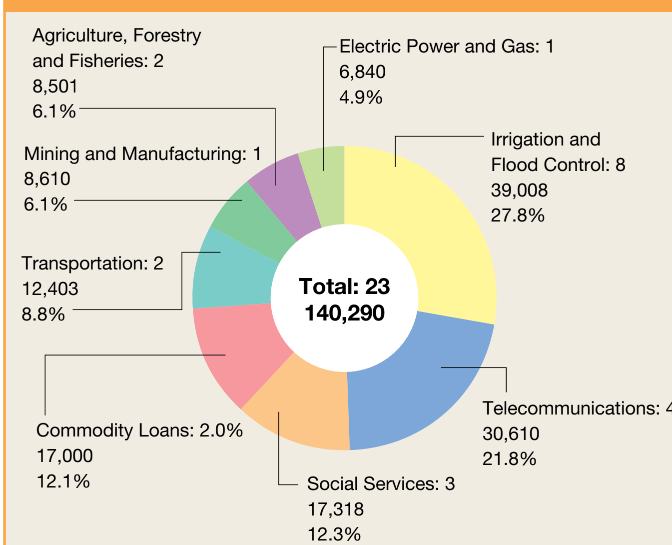
Sources: The World Bank "World Development Indicators 2000"
*This figure is the "net" enrollment rate of the percentage of the elementary school age population enrolled in the grade appropriate for their age.
**Data is for the most recent year available.

Tunisia: Condition of Major Infrastructure Systems

Paved Roads (%) ('98)	Per Capita Electricity Consumption (kWh) ('97)	Population with Access to Safe Water (%) ('90~'96)*	Telephone Mainlines (per 1,000 people) ('98)
78.9	709	99	81

Source: The World Bank "World Development Indicators 2000"
*Data is for the most recent year available.

ODA Loan Commitments to Tunisia by Sector (As of March 31, 2000)



Completed: 6 projects
Completed in FY1999: 0 projects
(Units: Number of commitments and ¥ million)

GHANA

Development Needs and JBIC Assistance

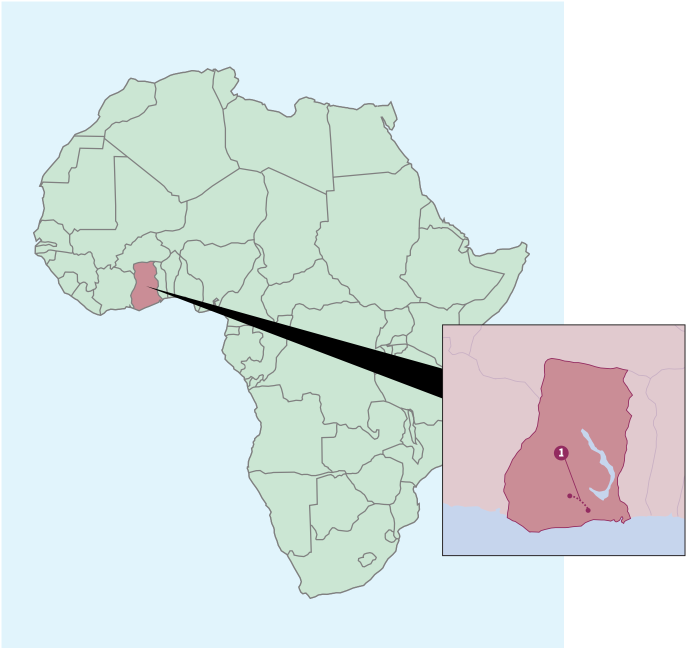
Ghana has pursued economic policies based on structural adjustment and macroeconomic stabilization since 1983. In 1995, the country formulated the long-term development plan "Vision 2020" with the objective of improving the welfare of its citizens and promoting private-sector investment so that Ghana can become a middle-income country by 2020.

In response to Ghana's serious attempts to promote development through structural adjustment policies, JBIC continued to support the country's efforts at structural adjustment in fiscal 1999 by providing a commodity loan of ¥6.0 billion with quick disbursement. Including this loan, JBIC had provided ODA loans for 17 projects amounting to ¥125.1 billion as of the end of March 2000. Of these projects, 11 were project-type loans for infrastructure development in the transportation, telecommunications, electric power and water supply sectors, and six were extended for structural adjustment programs. Ghana is considered one of the highest priority countries in Africa, as represented by the second highest amount in ODA loan commitments after Kenya among the Sub-Saharan countries.

JBIC's examination of assistance to Ghana will be centered on the following two areas: (1) implementation of structural adjustments, such as the medium-term public expenditure management plan and sector reforms, both in cooperation with other donors such as the World Bank; and (2) improvement of social and economic infrastructure to create an environment that encourages private-sector investment.

In 1999, economic conditions in Ghana became increasingly severe, as international prices plunged for gold and cacao, the country's principal export products, while oil prices increased. In response to this situation, JBIC intends to

Road Rehabilitation Project



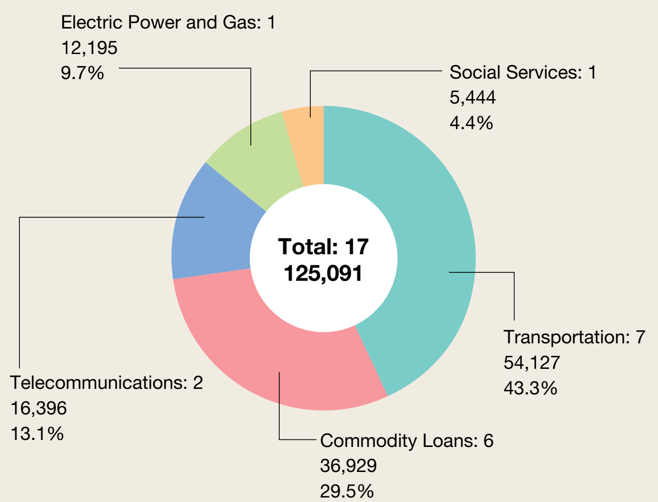
Ghana: Locations of Projects Committed in FY1999

1. Achimota-Anyinam Road Improvement Project

■Nationwide

•Economic Reform Support Operation

ODA Loan Commitments to Ghana by Sector (As of March 31, 2000)



Completed: 10 projects
Completed in FY1999: 0 projects

(Units: Number of commitments and ¥ million)

investigate the possibility of short-term assistance, while maintaining consistency with plans for medium- and long-term assistance. Particularly with regard to assistance area (2) mentioned previously, JBIC conducted a survey in 1997-1998 on "Prescriptions for Industrial Development in Ghana." JBIC also held a workshop related to the survey where presentations were given on the experiences by other Asian countries, and proposals to were made foster industrial growth in Ghana. JBIC will continue to try to maximize the effectiveness of its assistance through knowledge assistance.

Ghana: Major Economic Indices

Calendar Year	1995	1996	1997	1998
GDP (million cedi)	7,418,000	10,385,000	14,113,000	17,364,000
GDP per Capita (million cedi)	0.428	0.582	0.770	0.926
Real GDP Growth Rate (%)	4.5	5.2	4.2	4.6
Consumer Price Index (1995=100)	100.0	146.6	187.4	214.8
Fiscal Balance (% of GDP)	0.95	-3.2	-2.1	-6.0
Current Account Balance (% of GDP)	-6.7	-10.6	-13.1	-6.9
Trade Balance (US$ million)	-247	-366	-638	-750
Exports (US$ million)	1,431	1,571	1,490	1,813
Imports (US$ million)	1,678	1,937	2,128	2,563
Foreign Exchange Reserves (excluding gold) (US$ million)	697.5	828.7	508.0	377.0
External Debt (US$ million)	5,872	6,202	5,982	6,057
Debt Service Ratio (DSR) (%)	21.4	23.5	27.4	21.5
Exchange Rate per US$ (period average)	1,200	1,637	2,050	2,314

Sources: IMF "International Financial Statistics, May 2000"
The World Bank "Global Development Finance 1999"
The Economist Intelligence Unit "EIU Country Report, April 2000"

Ghana: Major Social Indicators

Life Expectancy at Birth ('98)		Infant Mortality Rate (per 1,000) ('98)		Literacy Rate (%) ('98)		Net Primary Enrollment Ratio*(%) ('97)		Physicians (per 1,000 people) ('90~'98)**	
male	female	male	female	male	female	male	female	male	female
N.A.	N.A.	N.A.	N.A.	78	60	N.A.	N.A.	N.A.	N.A.
60		65		N.A.		N.A.		N.A.	

Source: The World Bank "World Development Indicators 2000"
*This figure is the "net" enrollment rate of the percentage of the elementary school age population enrolled in the grade appropriate for their age.
**Data is for the most recent year available.

Ghana: Condition of Major Infrastructure Systems

Paved Roads (%) ('98)	Per Capita Electricity Consumption (kWh) ('97)	Population with Access to Safe Water (%) ('90~'96)*	Telephone Mainlines (per 1,000 people) ('98)
24.1	276	56	8

Source: The World Bank "World Development Indicators 2000"
*Data is for the most recent year available.

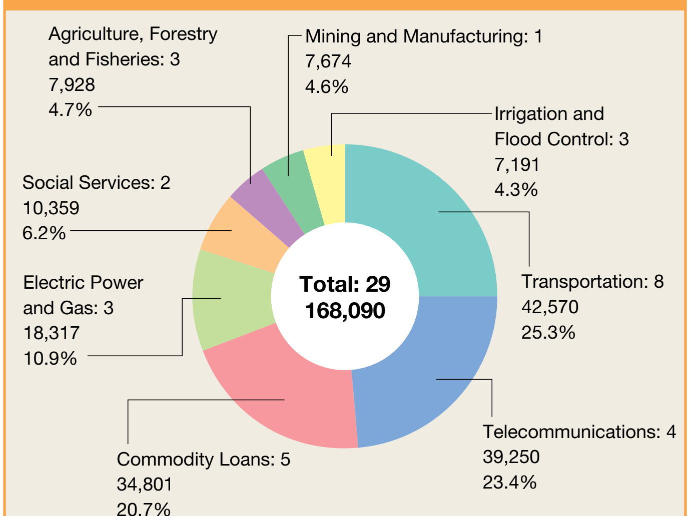
KENYA

Development Needs and JBIC Assistance

The political situation in Kenya has generally remained stable, with democratic elections held in December 1992 and 1997 under a multiparty system. In response to the country's efforts toward democratization, assistance from donor countries was resumed in 1993. Kenya has since worked closely with the World Bank and IMF to implement policies aimed mainly at reducing poverty, including economic stabilization, deregulation of government regulations and privatization of state-owned enterprises. However, due to delays in implementing economic reforms and improving governance, structural adjustment loans from the IMF and the World Bank have been frozen since summer 1997, and donor countries have taken a more prudent stance on financing to Kenya. Under these circumstances, Kenya is facing a tough economic situation, requiring efficiency improvement in the public sector and further structural adjustments, including cuts in public expenditures.

Furthermore, Kenya faces many other urgent tasks in economic and social development to achieve sustainable

ODA Loan Commitments to Kenya by Sector (As of March 31, 2000)



Completed: 24 projects
Completed in FY1999: 1 project
(Units: Number of commitments and ¥ million)

development. These tasks include rehabilitation of insufficiently developed roads and other infrastructure, which was damaged by the heavy rains and flooding at the end of 1997; fostering of the manufacturing industry together with the recovery of agriculture following the heavy rains; and promotion of export-oriented industrialization by encouraging private-sector investment. Designated as a heavily indebted poor country (HIPC), Kenya must also improve debt management capabilities.

As of the end of fiscal 1999, JBIC had extended ODA loans to Kenya for 29 projects for a cumulative total of ¥168.1 billion, making it one of the major recipients of ODA loans in the Sub-Saharan region. These loans have been provided for projects in a wide range of sectors, including transportation, telecommunications, electric power and agriculture. New ODA loans have not been extended since fiscal 1997, partly due to the freeze on loans from the IMF and World Bank.

Since the flooding delayed the progress and hampered the effects of existing ODA loan projects, measures to recover from flood damage are urgently required. At the same time, monitoring by JBIC together with other aid donors such as the World Bank and IMF, of the progress in structural adjustment reforms and improvement in governance in Kenya is necessary. Considering these factors, JBIC will focus on providing assistance in economic and social development, including roads, irrigation and ports, while helping to strengthen the country's debt-management capabilities.

Kenya: Major Economic Indices

Calendar Year	1995	1996	1997	1998	1999
GDP (kenyan shiling million)	465,600	528,000	627,400	699,000	701,400
GDP per Capita (kenyan shiling million)	0.017	0.019	0.022	0.024	0.023
Real GDP Growth Rate (%)	4.4	4.1	2.1	1.8	1.4
Consumer Price Index (1995=100)	100.0	108.8	121.9	129.0	132.4
Fiscal Balance (% of GDP)	0.6	1.2	-1.4	-0.8	-0.7
Current Account Balance (% of GDP)	-4.4	-0.8	-3.5	-3.1	1.0
Trade Balance (US$ million)	-750	-515	-886	-1,016	-919
Exports (US$ million)	1,924	2,083	2,063	2,013	1,969
Imports (US$ million)	2,674	2,598	2,949	3,029	2,888
Foreign Exchange Reserves (excluding gold) (US$ million)	353	747	788	783	650
External Debt (US$ million)	7,380	6,900	6,490	6,480	6,020
Debt Service Ratio (DSR) (%)	30.1	27.6	21.5	24.9	25.4
Exchange Rate per US$ (period average)	51.430	57.115	58.732	60.367	70.38

Sources: IMF "International Financial Statistics"
The World Bank "Global Development Finance"
The Economist Intelligence Unit Report

Kenya: Major Social Indicators

Life Expectancy at Birth ('98)		Infant Mortality Rate (per 1,000) ('98)		Literacy Rate (%) ('98)		Net Primary Enrollment Ratio*(%) ('97)		Physicians (per 1,000 people) ('90~'98)**	
male	female	male	female	male	female	male	female	male	female
N.A.	N.A.	N.A.	N.A.	88	73	63	67	N.A.	N.A.
51		76		N.A.		65		less than 0.05	

Source: The World Bank "World Development Indicators 2000"
*This figure is the "net" enrollment rate of the percentage of the elementary school age population enrolled in the grade appropriate for their age.
**Data is for the most recent year available.

Kenya: Condition of Major Infrastructure Systems

Paved Roads (%) ('98)	Per Capita Electricity Consumption (kWh) ('97)	Population with Access to Safe Water (%) ('90~'96)*	Telephone Mainlines (per 1,000 people) ('98)
13.9	127	53	9

Source: The World Bank "World Development Indicators 2000"
*Data is for the most recent year available.

ZIMBABWE

Development Needs and JBIC Assistance

For an inland country such as Zimbabwe, development of the transportation and telecommunications sectors is of particular importance. In the telecommunications sector, a public investment plan has been formulated for the modernization of telecommunications networks. In the transportation sector, development projects are being implemented with priority on the rehabilitation and improvement of the existing road network.

Based on priorities outlined in the development plan by the government of Zimbabwe, JBIC has placed emphasis on the telecommunications sector and has provided assistance for development of telecommunication networks in the following order of priority: international network, capital region network, main trunk line network and regional network. About 60% of Zimbabwe's 109 telephone exchanges—80% of its 550,000 lines—have been set up through ODA loans.

To further ensure the effectiveness of projects currently underway in Zimbabwe, it has become necessary to establish a support system from a broad perspective, including capacity building through collaboration with JICA and other organizations.

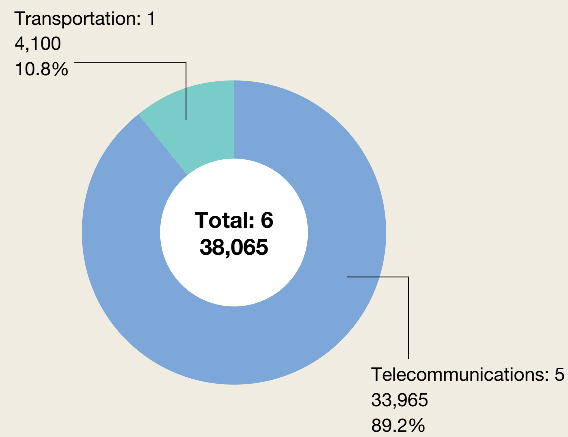
Regarding future support for Zimbabwe, JBIC aims to examine potential fields for assistance in accordance with the country's development needs, while making sure that Zimbabwe steadily implements its current structural adjustment program.

Zimbabwe has been designated as a model country in the strategy of DAC Shaping the 21st Century[1]. Under this context, Japan's High Level Mission on Economic and Technical Cooperation held discussions in 1998 on the priority areas for future economic cooperation, and agreed to examine assistance in the area of improving conditions for promotion of industrialization (human resources development, improvement of economic infrastructure such as telecommunications and transportation, promotion of small- and medium-scale enterprises); agriculture (irrigation systems); and environmental conservation, including water supply and sewerage facility development. Actual sectors and projects to be assisted under ODA loans will be examined on the basis of this agreement.

As of the end of fiscal 1999, the cumulative total of six ODA loans provided to Zimbabwe amounted to ¥38.1 billion.

*This development strategy, which places highest priority on self-reliance of poor nations and the poor and emphasizes concrete results, was adopted at the OECD/DAC High Level Meeting of May 1996.

ODA Loan Commitments to Zimbabwe by Sector (As of March 31, 2000)



Completed: 3 projects
Completed in FY1999: 0 projects

(Units: Number of commitments and ¥ million)

Zimbabwe: Major Economic Indices

Calendar Year	1995	1996	1997	1998	1999*
GDP (Zimbabwe$ million)	61,763	84,767	99,737	130,608	216,300
GDP per Capita (US$)	638.0	765.2	747.8	535.4	N.A.
Real GDP Growth Rate (%)	-0.7	7.6	4.3	0.5	0.0
Consumer Price Index (1995=100)	100.0	121.4	144.2	190.1	N.A.
Fiscal Balance (% of GDP)	-9.4	-6.1	-5.1	-3.9	N.A.
Current Account Balance (% of GDP)	-1.5	-1.3	-1.4	-1.4	N.A.
Trade Balance (US$ million)	-30	249	-230	79	N.A.
Exports (US$ million)	2,040	2,496	2,424	2,047	N.A.
Imports (US$ million)	2,070	2,247	2,654	1,968	N.A.
Foreign Exchange Reserves (excluding gold) (US$ million)	595.5	598.8	160.1	130.8	268.0
External Debt (US$ million)	5,053	4,994	4,924	4,716	4,300
Debt Service Ratio (DSR) (%)	23.7	21.3	22.2	38.2	N.A.
Exchange Rate per US$ (period average: R/US$)	8.66	9.92	11.90	21.41	38.31

Sources: IMF "International Financial Statistics, May 2000"
The World Bank "Global Development Finance 1999"
The Economist Intelligence Unit "EIU Country Report, April 2000"
*EIU Advance Estimate

Zimbabwe: Major Social Indicators

Life Expectancy at Birth ('98)		Infant Mortality Rate (per 1,000) ('98)		Literacy Rate (%) ('98)		Net Primary Enrollment Ratio*(%) ('97)		Physicians (per 1,000 people) ('90~'98)**	
male	female	male	female	male	female	male	female	male	female
N.A.	N.A.	N.A.	N.A.	92	83	94	92	N.A.	N.A.
51		73		N.A.		93		0.1	

Source: The World Bank "World Development Indicators 2000"
*This figure is the "net" enrollment rate of the percentage of the elementary school age population enrolled in the grade appropriate for their age.
**Data is for the most recent year available.

Zimbabwe: Condition of Major Infrastructure Systems

Paved Roads (%) ('98)	Per Capita Electricity Consumption (kWh) ('97)	Population with Access to Safe Water (%) ('90~'96)*	Telephone Mainlines (per 1,000 people) ('98)
47.4	919	77	17

Source: The World Bank "World Development Indicators 2000"
*Data is for the most recent year available.

SOUTH AFRICA

Development Needs and JBIC Assistance

JBIC's assistance to South Africa supports the country's political priority areas in accordance with the Reconstruction and Development Plan (RDP)[1], which was promoted by the Mandela administration inaugurated in 1994: 1) correcting racial inequalities; 2) upgrading the industrial infrastructure; 3) dealing with environmental problems; 4) unifying Southern Africa with South Africa as its center; and 5) reducing the fiscal deficit.

Since fiscal 1996, JBIC has extended ODA loans for the Kwandebele Region Water Augmentation Project, the Rural Social Infrastructure Program and other projects. These projects contributed to raising the standard of living for the black population in their former homelands[2] by improving water supply and sewerage conditions, the living environment of residents in these areas, and stimulating regional industries.

South Africa has a relatively high economic scale and project implementation capabilities compared with other Sub-Saharan countries. While aiming for progress on existing projects in South Africa, JBIC intends to actively investigate the possibilities of providing new ODA loans in areas such as developing infrastructure in black residential areas including water supply and sewerage systems, reinforcing the industrial foundation by assisting small- and medium-scale enterprises and fostering human resources, and preventing pollution by using renewable energy sources[3].

Furthermore, JBIC is making positive efforts to formulate projects in coordination with JICA for region-wide assistance, such as enhancing infrastructure for regional transportation in surrounding southern African countries, which will equally benefit South Africa.

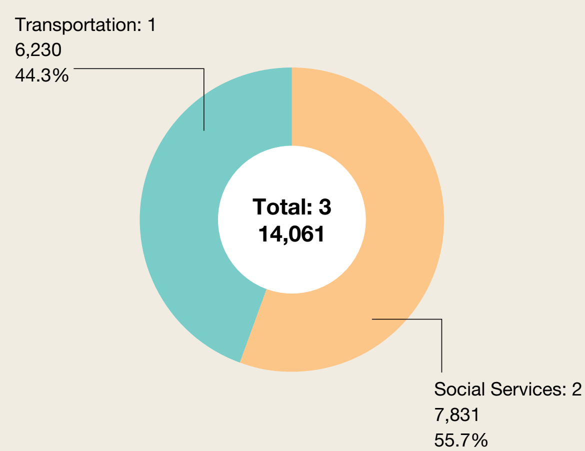
*1: A program worked out by the Mandela Administration to resolve racial discrimination and concentration of poverty among black South Africans resulting from apartheid policies.
*2: Homelands: The general term for the 10 black residential areas established in South Africa to enforce racial segregation under the former apartheid regime.
*3: Wind power, small-scale hydropower, solar energy, cogeneration, biomass energy, etc.

South Africa: Major Economic Indices

Calendar Year	1995	1996	1997	1998	1999*
GDP (million rand)	548,100	618,417	683,666	740,581	785,000
GDP per Capita (US$)	3,595	3,301	3,332	3,096	N.A.
Real GDP Growth Rate (%)	3.1	4.2	2.5	0.7	1.2
Consumer Price Index (1995=100)	100.0	107.4	116.5	124.6	131.0
Fiscal Balance (% of GDP)	-4.3	-4.6	-4.1	-2.6	N.A.
Current Account Balance (% of GDP)	-1.5	-1.3	-1.4	-1.4	-2.1
Trade Balance (US$ million)	2,667	2,694	2,323	2,018	2,500
Exports (US$ million)	30,071	30,263	31,171	29,234	26,300
Imports (US$ million)	27,404	27,569	28,848	27,216	23,800
Foreign Exchange Reserves (excluding gold) (US$ million)	2,820	942	4,799	4,357	6,353
External Debt (US$ million)	25,358	26,050	25,221	24,712	25,300
Debt Service Ratio (DSR) (%)	9.5	11.7	17.3	12.2	12.4
Exchange Rate per US$ (period average: R/US$)	3.62709	4.29935	4.60796	5.52828	6.10948

Sources: IMF "International Financial Statistics, May 2000"
The World Bank "Global Development Finance 1999"
The Economist Intelligence Unit "EIU Country Report, April 2000"
*EIU Advance Estimate

ODA Loan Commitments to South Africa by Sector (As of March 31, 2000)



Completed: 0 projects
Completed in FY1999: 0 projects
(Units: Number of commitments and ¥ million)

South Africa: Major Social Indicators

Life Expectancy at Birth ('98)		Infant Mortality Rate (per 1,000) ('98)		Literacy Rate (%) ('98)		Net Primary Enrollment Ratio*(%) ('97)		Physicians (per 1,000 people) ('90~'98)**	
male	female	male	female	male	female	male	female	male	female
N.A.	N.A.	N.A.	N.A.	85	84	100	100	N.A.	N.A.
63		51		N.A.		100		0.6	

Source: The World Bank "World Development Indicators 2000"
*This figure is the "net" enrollment rate of the percentage of the elementary school age population enrolled in the grade appropriate for their age.
**Data is for the most recent year available.

South Africa: Condition of Major Infrastructure Systems

Paved Roads (%) ('98)	Per Capita Electricity Consumption (kWh) ('97)	Population with Access to Safe Water (%) ('90~'96)*	Telephone Mainlines (per 1,000 people) ('98)
11.8	3,800	70	115

Source: The World Bank "World Development Indicators 2000"
*Data is for the most recent year available.