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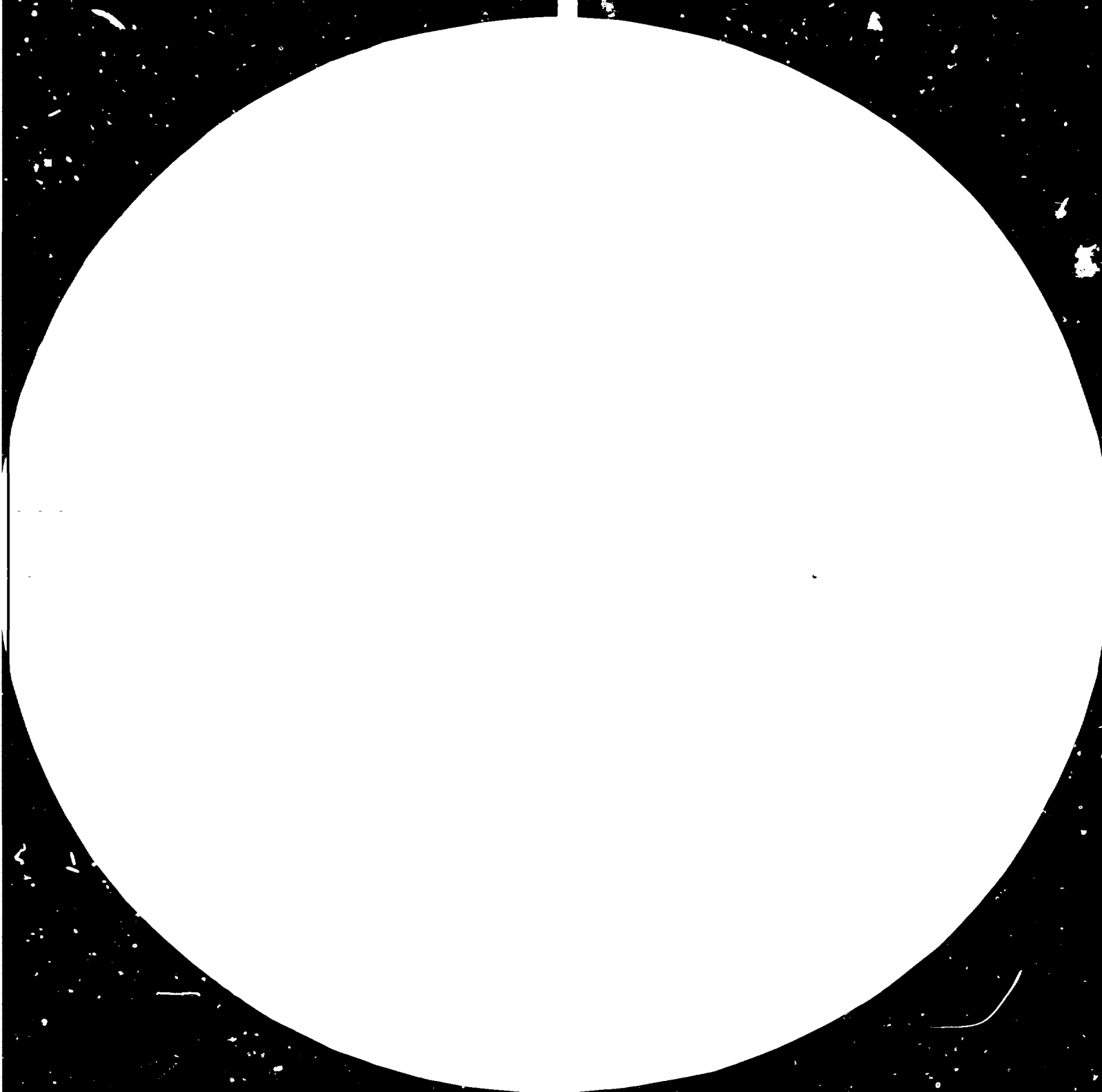
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26 November 1981

ENGLISH

Third Small Expert Group Meeting on
Scenarios of the Iron and Steel Industry's
Development

Vienna, Austria, 3-4 December 1981

1990 SCENARIOS FOR THE IRON AND STEEL INDUSTRY

" SPECIAL DOSSIER "

Complementary paper to DOSSIER VII

"Costs and Financing"

IRON AND STEEL PROJECTS
VERSUS INDEBTEDNESS, SAVINGS,
EXPORTS AND CREDIT-WORTHINESS *

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Corrigendum

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mated between US\$ 100 million (Bangladesh) and US\$ 750 million (Tanzania and Chile). Relating these project-estimates to GDP 1975-79 the possible importance of the project in the national economy becomes apparent. Liberia (73.8%) and Jordan (25.8%) show the highest shares whereas steel projects in Singapore (0.4%) have a marginal influence only.

Among the countries with below average project costs, only Singapore seems to be in a favourable position as far as indebtedness, savings, exports and credit-worthiness is concerned (see Annex, Table 4).

With the exception of Bahrain (favourable regarding indebtedness and credit-worthiness) the other countries Bangladesh, Jordan and Kenya are nearly all in an unfavourable position due to their low levels of savings, exports and credit-worthiness.

Ecuador and Trinidad and Tobago appear to be in the most outstanding position among those countries planning projects with above average costs. In the case of Ecuador only exports appear to be rather low.

On the contrary, Peru and Tanzania seem to be clearly disadvantaged, whereas the position of Chile remains dubious. Based on total amounts

I. INTRODUCTION

No doubt the overall financial position of a country is an important but by far not the only aspect to be considered in evaluating the chances and risks in realizing industrial projects, in general, and investments in iron- and steel-production, in particular. But recent developments on the international financial markets, inter alia, changes in levels of interest rates, relative increases in private lendings, recycling of OPEC funds, etc. indicate the growing importance of financial aspects in analysing the feasibility of industrial projects. Therefore the Second Small Expert Group Meeting on Scenarios of the Iron and Steel Industry's Development, Vienna, 12-13 March 1981 (see UNIDO/PC.3, 13 April 1981), has asked the secretariat to submit suitable background documentation concerning the financing for the iron and steel industry.

As an initial contribution for such a background documentation, the following note tries to derive some preliminary conclusions only on the overall financial position--favourable or not favourable--of a number of developing countries planning the installation of new iron and steel capacities. Quite simply, estimates of total costs of iron and steel projects up to 1990 are compared in a descriptive way with four criteria: the countries' levels of (1) indebtedness, (2) internal financing capacity (gross domestic savings), (3) foreign exchange (exports) and credit-worthiness (assessments of international banks).

Due to lacking information, 10 of the 55 countries planning iron and steel projects have to be excluded from the analysis. The remaining 45 countries are grouped according to the total capacity of their iron and steel projects and for reasons of comparison a sample of 40 developing countries planning no iron and steel plants is added. (See Tables 1 and 2).

The groupings attempt to reflect differences in technological levels, which are of main importance for various requirements such as finance, management, training, etc.

- Group 1: 0 T capacity (40 countries) (no projects)
- Group 2: Below 0.25 Mill T capacity (17 countries)
- Group 3: 0.25 Mill T - 0.80 Mill T capacity (11 countries)
- Group 4: Above 0.80 Mill T capacity (17 countries)

The comparison of estimated project costs (see Table 3) and the four criteria is done first by country groups in order to determine the relative

Table 1 Planned capacity of iron and steel projects up to 1990 (000t)

Rank	Total capacity	Rank	Total capacity,	Rank	Total capacity
Group 4		Group 3		Group 2	
1	Brazil 15 050	24	Liberia 700	38	Tunisia 225
2	Mexico 14 955	25	Bangladesh 600	39	Ghana 215
3	India 11 210	26	Trinidad and Tobago 600	40	Oman 125
4	Other Asia 9 000 *	27	Peru 550	41	Zaire 120
5	Korea, Rep. of 8 100	28	Bahrain 430	42	Bolivia 100
6	Nigeria 7 040	29	Ecuador 430	43	Honduras 100
7	Iran 6 900 *	30	Jordan 402	44	Paraguay 100
8	Venezuela 5 100	31	Abu Dhabi 400 *	45	Democratic Yemen 100
9	Argentina 4 830	32	Qatar 400 *	46	Gabon 50
10	Indonesia 4 450	33	United Rep. of Tanzania 390	47	Zambia 50
11	Cuba 2 950 *	34	Chile 350	48	Burma 40
12	Pakistan 2 500	35	Kenya 350	49	Senegal 40
13	Thailand 2 300	36	Singapore 250	50	United Rep. of Cameroon 36
14	Algeria 2 050	37	Viet Nam 250 *	51	Dubai 35 *
15	Iraq 2 050			52	Ivory Coast 34
16	Malaysia 1 680			53	Congo 20
17	Egypt 1 565			54	Togo 20
18	Libyan Arab Jamahiriya 1 250 *			55	Central African Republic 10
19	Philippines 1 230				
20	Morocco 1 210				
21	Syrian Arab Republic 1 180				
22	Saudi Arabia 1 035 *				
23	Colombia 850				

* No data on indebtedness, savings, exports and credit-worthiness available.

Table 2 List of 40 countries and territories planning no iron and steel projects (Group 1)

Afghanistan	Lesotho
Barbados	Madagascar
Botswana	Malawi
Burundi	Mali
Sri Lanka	Mauritania
Chad	Mauritius
Costa Rica	Nepal
Benin	Nicaragua
Dominican Republic	Niger
El Salvador	Panama
Ethiopia	Papua New Guinea
Fiji	Rwanda
Gambia	Sierra Leone
Guatemala	Somalia
Guinea	Sudan
Guyana	Swaziland
Haiti	Uganda
Hong Kong	Upper Volta
Jamaica	Uruguay
Lebanon	Democratic Yemen

Table 3 Total costs for iron and steel projects up to 1990
(million US \$)

Rank	Total cost	Rank	Total cost	Rank	Total cost			
1	Mexico	30 950	19	Philippines	1 565	37	Abu Dhabi	200
2	Brazil	24 300	20	Morocco	1 180	38	Bolivia	200
3	India	17 220	21	Malaysia	1 020	39	Qatar	200
4	Nigeria	12 300	22	Cuba	900	40	Democratic Yemen	200
5	Venezuela	8 750	23	Chile	750	41	Zaire	180
6	Iran	8 000	24	Saudi Arabia	750	42	Bangladesh	100
7	Argentina	7 650	25	United Rep. of Tanzania	750	43	Gabon	100
8	Other Asia	6 075	26	Trinidad and Tobago	600	44	Honduras	100
9	Pakistan	4 775	27	Peru	575	45	Paraguay	100
10	Iraq	4 500	28	Ecuador	500	46	Zambia	100
11	Algeria	4 050	29	Liberia	500	47	Ivory Coast	75
12	Indonesia	3 650	30	Kenya	450	48	Oman	75
13	Libyan Arab Jamahiriya	3 000	31	Ghana	365	49	Senegal	72
14	Thailand	2 750	32	Jordan	375	50	Burma	60
15	Korea, Rep. of	2 400	33	Bahrain	250	51	Dubai	50
16	Syrian Arab Republic	2 180	34	Singapore	250	52	Togo	50
17	Egypt	2 000	35	Tunisia	250	53	United Rep. of Cameroon	43
18	Colombia	1 600	36	Viet Nam	250	54	Congo	30
						55	Central African Republic	20

position of the groups to each other (Chapter 2) and, second, on a country-by-country basis inside each of the 3 groups planning iron and steel projects, in order to determine the relative position of each country inside its capacity group (see chapter 3).

2. RELATIVE POSITION OF COUNTRY GROUPS

Figures 1 through 4 show the averages of estimated investment costs of iron and steel projects up to 1990 in four country groups and in all 85 developing countries under review, compared with gross domestic savings, total debt outstanding disbursed, export of goods and services and ratios of credit-worthiness (see also Table 1 in the Annex). With the exception of the ratios of credit-worthiness, the amounts are expressed in percentages of GDP 1975-1979.

In general, countries with higher project costs have a higher internal financing capacity too (see Figure 1). Group 3 countries are slightly deviating: investment costs in Group 3 countries range by far higher than those of Group 2 countries, whereas gross domestic savings of Group 3 countries are nearly as low as those of Group 2 countries

Comparing estimated costs with the level of indebtedness, a negative correlation can be found (with the exception of Group 1 countries planning no iron and steel projects): the higher the project costs, the lower the level of indebtedness (see Figure 2). Debt outstanding disbursed of countries planning no iron and steel projects range between Group 3 and Group 2 countries.

Taking exports of goods and services of the four country groups into consideration, a negative correlation (with the exception of Group 3 countries) does exist: the lower the level of estimated project costs (related to GDP), the higher the share of exports of goods and services in GDP. Only Group 3 countries (total capacity of iron and steel projects 0.25-0.80 Mill T) combine high project costs with an extremely high export level (see Figure 3). However, taking the absolute amounts (in \$US) into account, estimated project costs increase with exports (see Table 1 in the Annex).

At least Figure 4 indicates that country groups with a higher level of project costs are, in general, in a better position according to the ratio of credit-worthiness regularly published by the Institutional Investor. ^{1/}It should be noted that there is no big difference between Group 3

^{1/} Institutional Investor, international edition, published monthly by Institutional Investor Inc., 488 Madison Avenue, New York, NY 10022

Estimated investment costs of iron and steel projects, gross domestic savings, total debt outstanding disbursed, exports and ratio of credit-worthiness in 4 groups of developing countries

Estimated investment costs of iron and steel projects up to 1990 in % of GDP 1975-1979

Figure 1

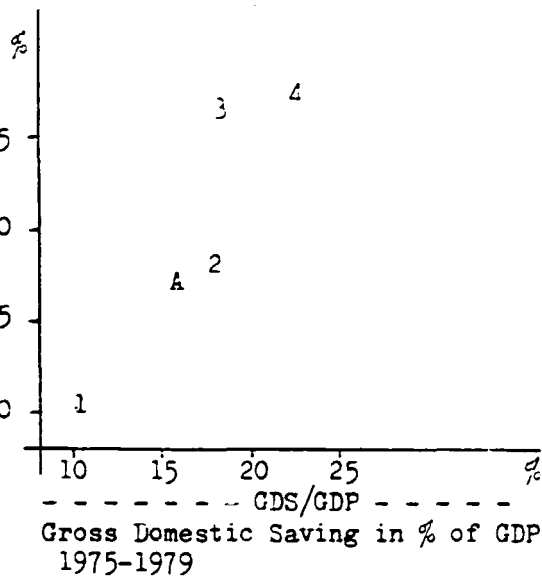


Figure 2

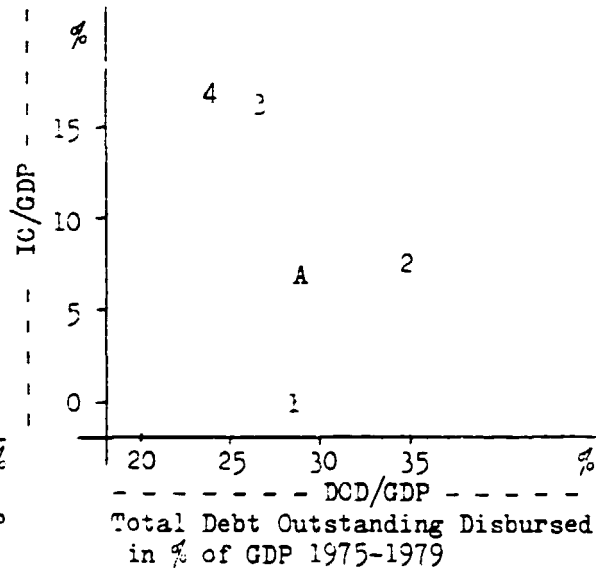


Figure 3

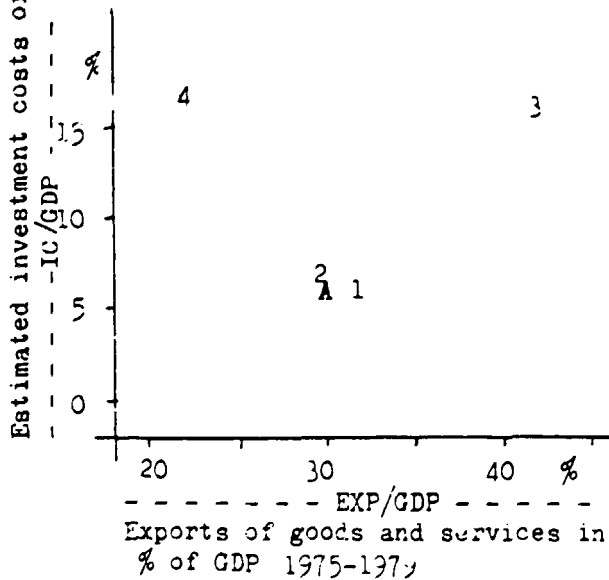
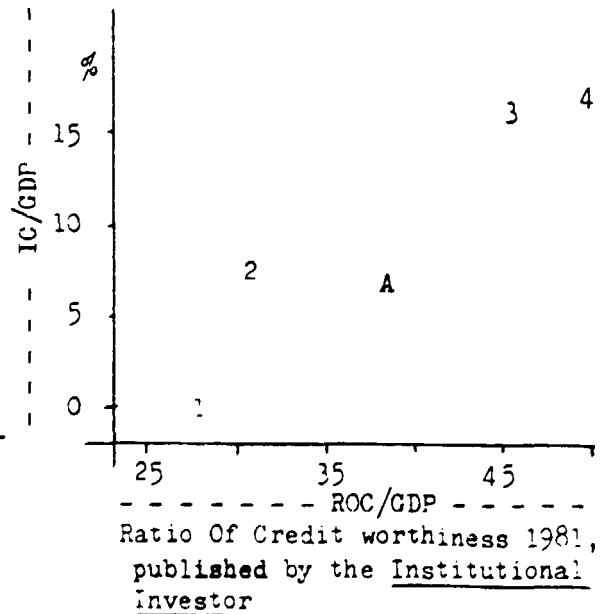


Figure 4



- A = Average of 85 developing countries
- 1 = Average of country group 1 (0 Tons)
- 2 = Average of country group 2 (below 0.25 mill. Tons)
- 3 = Average of country group 3 (0.25 - 0.80 mill. Tons)
- 4 = Average of country group 4 (above 0.80 mill. Tons)

and Group 4 countries in both dimensions, whereas Group 2 countries range, on the average, on a much lower level. Some advantages seem to exist for a number of Group 3 and Group 4 countries in the international competition for external financing: the level of credit-worthiness of those countries is hardly lower (in some cases even higher) than the average of all ratios for 100 developed and developing countries published by the Institutional Investor (see Table 1 in the Annex).

In summation, countries that are planning iron and steel capacities between 0.25 and 0.80 Mill T and above 0.80 Mill T seem, in general, to be in a far more favourable position to realize their projects. With regard to their level of indebtedness, internal financing capacity (savings) and credit-worthiness, they show up better than those countries planning iron and steel projects with a total capacity below 0.25 Mill T.

As far as exports are concerned, the picture is not clear. Group 3 countries with their high export ratios seem to be in a more favourable position to obtain sufficient foreign exchange, whereas Group 2 countries and especially Group 4 countries seem to be rather disadvantaged. But high exports are not only an equivalent for foreign exchange. If the structure of exports is homogeneous, this can also indicate a certain vulnerability to changes in the conditions on the export markets.

3. RELATIVE POSITION OF COUNTRIES IN THE VARIOUS CAPACITY GROUPS

Inside each of the capacity groups, a distinction is made between countries in which the estimated project costs are below the group average and those in which they are above the group average. Group averages of total debt outstanding disbursed, gross domestic savings, exports and ratio of credit-worthiness are serving as means of classification for countries as to be in a favourable or an unfavourable position. The position of a country is classified as favourable--in the case of gross domestic savings, exports and credit-worthiness--if the country can be found to be above the group average-- in the case of indebtedness if the country ranges below the group average.

The classification is done by using total amounts and GDP-related values as well.

3.1 Group 2: Capacity of iron and steel projects below 0.25 Mill T.

Most of these 17 countries planning so-called mini-projects are African countries south of the Sahara (10 countries). Additionally, 3

Latin American countries, 2 countries from the Middle East, 1 Asian country and 1 North African country can be found in this group.

Estimated costs of iron and steel projects up to 1990 range between \$US 20 million (Central African Republic) and \$US 385 million (Ghana). In terms of GDP 1975-1979, the figures are between 1.1% (the United Republic of Cameroon) and 45.9% (Ghana). Among the countries planning less cost-intensive projects, Gabon and the United Republic of Cameroon seem to be in quite a favourable position (see Tables 2 and 2.1 in the Annex). Out of the four indicators, three can be found in a favourable position. In the case of Gabon, only the level of indebtedness is above the average.

Among the countries with more cost-intensive iron and steel projects, Tunisia seems to be in the most favourable position and Bolivia in the most unfavourable position.

Zaire is in a medium position: on one side savings and exports indicate some advantages, whereas on the other side indebtedness is relatively high and the ratio of credit-worthiness relatively low.

Unfortunately there is information only on Ghana's indebtedness, so that a more comprehensive assessment of this country with the highest estimated project costs in this group cannot be undertaken. Compared with the other countries of this group, the level of total debt outstanding disbursed is low.

This classification is in general confirmed by the same analysis using GDP-related values (see Table 2.1 in the Annex).

Only 7 countries show a slightly different picture: Honduras, the Ivory Coast, Paraguay, Senegal, and Tunisia get more favourable classifications, whereas the United Republic of Cameroon and, especially, Zaire by far are in a less favourable position.

In summation, among countries planning iron and steel projects up to 0.25 Mill T, Tunisia and Gabon are clearly in the most favourable position, whereas Bolivia seems to be in an extremely disadvantaged position.

3.2 Group 3: Capacity of iron and steel projects between 0.25 and 0.80 Mill T.

Eleven countries are under review, which are planning iron and steel projects with a total capacity between 0.25 and 0.80 Mill T. Four of these are in Latin America and the Caribbean, 3 are in Africa, 2 are in the Middle East and 2 are in South Asia. Project costs in these countries are esti-

it could be classified as quite favourable (only the debt burden disturbs the positive picture), whereas based on GDP-related values a rather negative classification emerges because both levels of savings and exports are moving from an above-average position into a below-average position.

In summary, it can be stated that in the groups of countries planning iron and steel projects with a total capacity between 0.25 and 0.80 Mill T, Singapore, Ecuador and Trinidad and Tobago are in the most favourable position, whereas the position of Bangladesh, Jordan, Kenya, Peru and Tanzania must be regarded as unfavourable. Due to lacking and/or inconsistent information, no clear assessment can be undertaken for countries such as Bahrain, Chile and Liberia.

3.3 Group 4: Capacity of iron and steel projects above 0.80 Mill T.

This group of countries with huge iron and steel projects consists-- as does Group 2--of 17 countries, but the distribution of countries is not as concentrated on one part of the world as in Group 2. In total, 7 Asian countries, 5 Latin American countries, 3 North African countries, 1 African country south of the Sahara and 1 country from the Middle East are planning the installation of iron and steel capacities above 0.80 Mill T.

The total estimated investment costs exceed \$US 10 billion in only 4 of these countries, i.e.: Mexico (\$US 31 billion), Brazil (\$US 24 billion), India (\$US 17 billion) and Nigeria (\$US 12 billion). The costs for iron and steel investments are the lowest in this group in Malaysia (\$US 1 billion). Relating the costs up to 1990 to GDP 1975-1976 reveals that iron and steel projects have a much higher importance in the domestic economy in countries such as Mexico (34.6%) and the Syrian Arab Republic (31.4%) than in countries such as Malaysia and the Philippines (both 7.3%).

Among the countries planning iron and steel projects with total costs below the group's average--these are 12 countries due to the extremely high costs of only a small number of countries--Argentina and Malaysia are in the most favourable position. On the contrary, for Egypt, Morocco, Pakistan, and the Syrian Arab Republic a highly negative picture emerges. For a number of countries no clear evaluation can be undertaken because positions in the analysis based on total amounts are different from those in the analysis using the GDP-related values.

Indonesia and Korea have only one favourable position regarding indebtedness in the GDP-based analysis, using total amounts savings change to be below average.

Colombia and Thailand are in medium positions; while the level of indebtedness and the ratio of credit-worthiness indicate advantages, the levels of exports and savings are rather disadvantageous.

The Philippines are slightly in an unfavourable position: a low level of indebtedness and (only related to GDP) above-average savings are the only positive assessments that can be made.

The position of Algeria remains unclear. Contradictory to the more or less favourable position, considering total amounts it appears to be rather favourable in the GDP-related analysis.

No country can be specified as clearly unfavourable among those countries planning iron and steel projects with extremely high total costs. In this group Nigeria and Venezuela are in the most outstanding position, whereas the positions of Brazil and Mexico are not as favourable. In the case of Mexico, this is effected by its relatively high level of indebtedness and (related to GDP) the relatively low exports. In the case of Brazil by high total indebtedness and (related to GDP) low levels of exports and savings. It should be noted that related to GDP, Brazil's debt outstanding disbursed is slightly below group 4's average.

India's position seems to be unstable. As in the case of Brazil, indebtedness related to GDP shows a more favourable picture as total indebtedness, whereas exactly the opposite is true for savings. While the low level of savings indicates a less favourable position, India's credit-worthiness ranks above the group average.

In summary, among countries planning iron and steel capacities with a total capacity above 0.80 Mill T, Argentina, Nigeria and Venezuela seem to be in outstanding positions as far as their levels of indebtedness, internal savings capacity, exports and credit-worthiness are concerned, whereas Egypt, Morocco, and Pakistan are in most favourable positions.

4. FINAL REMARKS

Due to the nature of the approach applied in this note, a number of remarks have to be made:

1. The comparison of estimated project costs with a set of indicators describing the overall financial position of a country made it possible to reveal whether a country is in a favourable or an unfavourable position. These evaluations should be understood as what they are: a first step toward a necessarily more detailed analysis. However, this note provides a preliminary global overview of the financial position of those countries planning the installation of iron and steel capacities.
2. The grouping of countries by the total capacity of their iron and steel projects is based on the assumption that to produce similar capacities, similar technologies with similar characteristics, e.g., capital intensity, will be applied. Therefore, it is assumed that those countries are in competition in the same segments of the international financial markets to obtain foreign capital in-flows. Therefore, the classification of being either in a favourable or unfavourable position is done only in a relative way inside each of the capacity groups.
3. In analysing debt-outstanding disbursed, only total debt was used. The nature of debt--or in other words the nature of capital in-flows, official or private--is an important indication of a country's borrowing capacity. As is shown in Table 2 in the Annex, countries planning small capacities, especially Group 2 countries, rely to a great extent on official creditors, whereas most of the Group 4 countries have access to private international loans.
4. It has to be noted that the analysis is obviously based on past developments. In order to obtain a picture that incorporates the development of the most recent period and at the same time excludes optional variations, in most cases five-year averages (1975-1979) have been used. However, forecasts of the development of favourability will depend on the development of the very indicators that are dependent on other economic and political developments as well. Savings, for example, are highly dependent on price changes in the world market of a country's main export commodities.

5. A continuation of the analysis has to take into account the following aspects:

- the nature of foreign direct investment
- terms of loan commitments (maturities, interest rates)
- debt service
- international reserves
- some related aspects of locational attractiveness

The implementation of these aspects into the analysis would serve to differentiate and to improve the existing results. Apart from that, the results could provide some important insights into those factors affecting the attractiveness of developing countries to obtain foreign financial resources for industrial projects from various sources.

Table 1: Estimated investment costs of iron and steel projects, gross domestic savings, total debt outstanding, disbursed, exports and ratio of creditworthiness in 4 groups of developing countries

	Total sample 85 developing countries	Group 1 0 T.	Group 2 up to 0.25 mill.T.	Group 3 0.25 to 0.80 mill.T.	Group 4 above 0.80 mill.T.
Total estimated costs of iron and steel projects up to 1990 (mill.US\$)	1,594 (85)	0 (40)	120 (17)	464 (11)	7,549 (17)
Total estimated costs of iron and steel projects up to 1990 in % of GDP 1975-1979	6.4 (85)	0 (40)	6.7 (15)	16.3 (10)	16.5 (17)
Gross Domestic Savings 1975-1979 (mill.US\$)	2,739 (72)	218 (32)	591 (14)	1,126 (9)	10,109 (17)
Gross Domestic Savings in % of GDP 1975-1979	15.4 (72)	10.1 (32)	17.4 (14)	18.0 (9)	22.5 (17)
Total debt outstanding disbursed in mill.US\$ 1975-1979	2,097 (85)	394 (40)	937 (17)	1,476 (11)	7,670 (17)
Total debt outstanding disbursed in % of GDP 1975-1979	28.3 (78)	28.4 (35)	34.6 (17)	26.1 (9)	23.3 (17)
Exports 1975-1979 in mill.US\$	2,245 (72)	444 (32)	867 (14)	2,576 (9)	6,595 (17)
Exports in % of GDP 1975	29.9 (72)	31.3 (32)	29.8 (14)	41.4 (9)	21.4 (17)
Institutional Investor's Ratio of credit worthiness 1981	38.4 (50) 50.7 (100) ^{1/}	27.4 (15)	30.6 (10)	45.7 (9)	49.4 (16)

^{1/} Average of 100 developed and developing countries
() = Number of countries covered in the average

Table 2.1

ANALYSIS BASED ON
GDP RELATED AMOUNTS

Group 2 Capacity up to 0.25 million tons	Total Debt Outstanding Disbursed		Gross Domestic Savings		Exports		Ratio of Credit Worthiness		Total	
	Favour- able Below Average	Unfavour- able Above Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average
Bolivia		-		-		-		-		4
Burma	+			-		-			1	2
U.R. Cameroon	+			-		-			1	2
Central African Rep.	+			-		-			1	2
Congo		-		-	+			-	1	3
Zaire		-		-		-		-		4
Gabon		-	+		+		+		3	1
Honduras	+			-	+				2	1
Ivory Coast	+		+		+		+		4	
Paraguay	+		+			-	+		3	1
Senegal	+			-	+			-	2	2
Togo		-		-	+				1	2
Tunisia	+		+		+		+		4	
Zambia		-	+		+			-	2	2
----- Above Group 2 Average	+								1	

----- Estimated Project Costs in % GDP
----- Below Group 2 Average
----- Above Group 2 Average

Table 3

ANALYSIS BASED ON
TOTAL AMOUNTS

Group 3 Capacity 0.25 - 0.80 million tons	Total Debt Outstanding Disbursed		Gross Domestic Savings		Exports		Ratio of Credit Worthiness		Total	
	Favour- able Below Average	Unfavour- able Above Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average
Bahrain	+						+		2	
Bangladesh		-		-		-				3
Jordan	+			-		-		-	1	3
Kenya	+			-		-		-	1	3
Singapore	+		+		+		+		4	
Chile		-	+		+		+		3	1
Ecuador	+		+			-	+		3	1
Liberia	+							-	1	1
Peru		-	+			-		-	1	3
Trinidad & Tobago	+		+			-	+		3	1
Tanzania	+			-		-		-	1	3

- - Estimated Project Costs - -
 Above Group 3 Average Below Group 3 Average

ANALYSIS BASED ON
GDP RELATED AMOUNTS

Table 3.1

	Total Debt Outstanding Disbursed		Gross Domestic Savings		Exports		Ratio of Credit Worthiness		Total	
	Favourable Below Average	Unfavourable Above Average	Favourable Above Average	Unfavourable Below Average	Favourable Above Average	Unfavourable Below Average	Favourable Above Average	Unfavourable Below Average	Favourable Above Average	Unfavourable Below Average
<u>Group 3</u> Capacity 0.25 - 0.80 million tons										
- Estimated Project Costs in % GDP - Above Group 3 Average										
Bangladesh		-		-		-				3
Chile		-		-		-	+		1	3
Ecuador	+		+			-	+		3	1
Kenya	+			-		-		-	1	3
Peru		-		-		-		-		4
Singapore	+		+		+		+		4	
Jordan		-		-	+			-	1	3
Trinidad & Toabgo	+		+		+		+		4	
Tanzania (Liberia)		-		-		-		-		4
							+		1	

ANALYSIS BASED ON
TOTAL AMOUNTS

Table 4

Group 4 Capacity Above 0.80 million tons	Total Debt Outstanding Disbursed		Gross Domestic Savings		Exports		Ratio of Credit Worthiness		Total	
	Favour- able Below Average	Unfavour- able Above Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average
Algeria		-		-		-	+		1	3
Argentina	+		+		+		+		4	
Colombia	+			-		-	+		2	2
Indonesia		-		-	+		+		2	2
Korea Rep.		-		-	+		+		2	2
Malaysia	+			-	+		+		3	1
Morocco	+			-		-		-	1	3
Pakistan	+			-		-		-	1	3
Philippines	+			-		-		-	1	3
Syrian A.R.	+			-		-		-	1	3
Thailand	+			-		-	+		2	2
Egypt		-		-		-		-		4
Brazil		-	+		+		+		3	1
India		-	+			-	+		2	2
Mexico		-	+		+		+		3	1
Nigeria	+		+		+		+		4	
Venezuela	+		+		+		+		4	

Estimated Project Costs

Average

Average

Table 4.1

ANALYSIS BASED ON
GDP RELATED AMOUNTS

Group 4 Capacity Above 0.80 million tons	Total Debt Outstanding Disbursed		Gross Domestic Savings		Exports		Ratio of Credit Worthiness		Total	
	Favour- able Below Average	Unfavour- able Above Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average	Favour- able Above Average	Unfavour- able Below Average
Argentina	+		+			-	+		3	1
Brazil	+			-		-	+		2	2
Colombia	+			-		-	+		2	2
Indonesia		-	+		+		+		3	1
Korea Rep.		-	+		+		+		3	
Malaysia	+		+		+		+		4	
Morocco		-		-		-		-		4
Philippines	+		+			-		-	2	2
Thailand	+			-		-	+		2	2
Egypt		-		-		-		-		4
Algeria		-	+		+		+		3	1
India	+			-		-	+		2	2
Mexico		-	+			-	+		2	2
Nigeria	+		+		+		+		4	
Pakistan		-		-		-		-		4
Syrian A.R.	+			-		-		-	1	3
Venezuela	+		+		+		+		4	

Estimated Project Costs in % GDP
 - - - - - Below Group 4 Average
 - - - - - Above Group 4 Average

Table 5: Gross flow total official creditors and gross flow total private creditors in % of total gross flow 1975 - 1979

Group 2	Gross flow total official creditors %	Gross flow total private creditors %	Total gross flow mill. US\$
BOLIVIA	36.8	63.2	346.8
BURMA	72.6	27.4	205.9
U.R. CAMEROON	55.6	44.4	288.7
CENTRAL AFRICAN REP.	53.2	46.8	18.6
CONGO	67.0	33.0	123.3
ZAIRE	42.9	57.1	470.8
GABON	20.6	79.4	254.5
GHANA	97.8	2.2	82.8
HONDURAS	65.5	34.7	140.6
IVORY COAST	19.7	80.3	730.0
OMAN	51.7	48.3	127.2
PARAGUAY	57.8	42.2	80.3
SENEGAL	54.0	46.0	133.8
YEMEN DEM. REP.	100.0	0.0	75.6
TOGO	40.3	59.7	113.7
TUNISIA	56.9	43.1	460.5
ZAMBIA	54.5	45.5	268.0
AVERAGE	55.7	44.3	
Group 3			
BAHRAIN	100.0	0.0	12.5
BANGLADESH	96.2	3.8	476.6
CHILE	15.1	84.9	837.9
ECUADOR	15.9	84.1	528.3
JORDAN	61.5	38.5	177.5
KENYA	62.5	37.5	235.0
LIBERIA	52.0	48.0	81.1
PERU	42.6	57.4	1152.6
SINGAPORE	27.6	72.4	232.6
TRINIDAD & TOBAGO	14.3	85.7	72.0
TANZANIA UNITED REP.	97.2	2.8	181.8
AVERAGE	45.0	55.0	
Group 4			
ALGERIA	10.3	89.7	3029.3
ARGENTINA	12.9	87.1	1823.2
BRAZIL	11.2	88.8	6794.6
COLOMBIA	39.2	60.8	475.6
INDIA	92.2	7.8	1360.7
INDONESIA	41.7	58.3	1994.9
KOREA REP.	27.2	72.8	2833.7
MALAYSIA	24.5	75.5	706.4
MEXICO	7.3	92.7	7113.3
MOROCCO	37.0	63.0	1162.0
NIGERIA	15.0	85.0	634.7
PAKISTAN	90.4	9.6	835.2
PHILIPPINES	36.3	63.7	1070.0
SYRIAN ARAB REP.	90.5	9.5	486.4
THAILAND	54.5	45.5	505.4
EGYPT	69.4	30.6	2330.2
VENEZUELA	3.4	96.6	1965.4
AVERAGE	39.0	61.0	

Source: World Bank, World debt tables.

