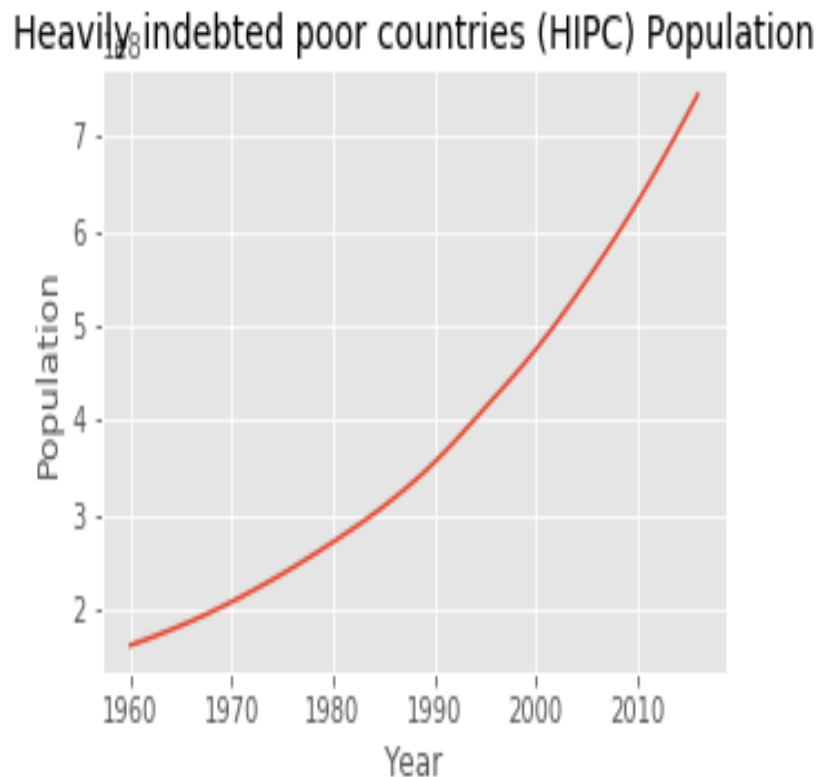


Heavily indebted poor countries (HIPC)



The heavily indebted poor countries (HIPC) are a group of 37 developing countries with high levels of poverty and debt overhang which are eligible for special assistance from the International Monetary Fund (IMF) and the World Bank. The HIPC Initiative was initiated by the International Monetary Fund and the World Bank in 1996, following extensive lobbying by NGOs and other bodies. It provides debt relief and low-interest loans to cancel or reduce external debt repayments to sustainable levels, meaning they can repay debts in a timely fashion in the future. To be considered for the initiative, countries must face an unsustainable debt burden which cannot be managed with traditional means. Assistance is conditional on the national governments of these countries meeting a range of economic management and performance targets and undertaking economic and social reforms.[which?]As of January 2012, the HIPC Initiative had identified 39 countries (33 of which are in Sub-Saharan Africa) as being potentially eligible to receive debt relief. The 36 countries that have so far received full or partial debt relief are: Tanzania Is now[when?] not part of the HIPC.