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Sierra Leone Qualifies For \$1.6 Billion in Debt Relief - [Agence France
Presse/Factiva]

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"Sierra Leone on Monday qualified for a \$1.6 billion debt write-off from its main creditors under global schemes to cancel the debts of the world's poorest countries, the World Bank and International Monetary Fund (IMF) said.

The write-off covers debts owed by the West African country to the World Bank, the IMF, African Development Bank, commercial creditors, and other governments. The debt relief follows the completion by Sierra Leone's government of an economic program overseen by the World Bank and the IMF. 'At last Sierra Leone is getting the debt relief that is necessary,' Mats Karlsson, the World Bank's Country Director for Sierra Leone said in a statement.

Devastated by a 1991-2002 civil war, Sierra Leone is the 21st country to become eligible for debt relief under the Enhanced Heavily Indebted Poor Countries initiative, the statement said. It also qualified for the separate Multilateral Debt Relief Initiative agreed by the Group of Eight industrial countries in Gleneagles, Scotland, last year to further ease the debt burdens of the world's impoverished nations."

In related news, "the World Bank will give \$10 million to aid development in Sierra Leone and help the desperately poor post-war nation reform the way it is governed, the Bank said on Monday. 'The grant will provide critical resources to support elements of the Government's Poverty Reduction Strategy,' the Bank said in the statement released in the capital of the west African nation It also aims to help the country's leaders boost progress in 'governance, decentralization of government, management of public resources and private sector-led economic growth,' the statement said.

The World Bank's President Paul Wolfowitz said on a visit to Sierra Leone in July that its post-war recovery had been managed more successfully than in any other African nation, particularly in governance and use of donor funds. But the former British colony is still desperately poor, ranking nearly bottom in the United Nations' 2006 human development index. On Saturday a top European Union official in Sierra Leone said the EU would provide EUR 165 million in development aid to the country over the next two years." [Agence France Presse/Factiva]