

# Foreword

Since the mid-1990s Africa has made substantial economic progress and now stands at an important crossroads. As the next millennium approaches, the nations of the continent must find ways to capitalize on the current situation. Much will depend on whether they are able to sustain economic growth led by the private sector. The International Finance Corporation can play an important role in supporting private sector development by building on its track record in the region, applying relevant lessons from its global experience, and focusing its resources to meet the particular challenges Africa poses.

IFC's objective in Africa is the same as the Corporation's global objective: to promote private sector investment in developing countries that will reduce poverty and improve people's lives. Yet Africa poses special challenges that call for a response different from IFC's approach in other regions. This volume reviews the current economic and business setting in Africa, examines IFC's experience in the region, and presents the Corporation's strategy for supporting the private sector in Africa to achieve the ultimate objectives of reducing poverty and improving people's lives. The focus is the changing economic climate since the mid-1990s and the evolution of IFC's strategic response in that period.

IFC's Africa strategy is based on extensive analysis of the Corporation's experience, an evaluation of the effectiveness of recent priorities in IFC activities, and consultations with African governments and African and international businessmen and banks. This strategy reflects the consensus that a more targeted approach is needed in using IFC resources to help develop the private sector in Africa and lay the groundwork for the sustained economic development that has so far eluded most of the region.

Peter Woicke  
Executive Vice President  
International Finance Corporation