

APPENDIX
4

Selected Program Conditionality, 1991–2001¹

Date of Approval	Arrangement	Quantitative Performance Criteria	Structural Performance Criteria	Structural Benchmarks
7/29/91	Stand-By Arrangement	<ol style="list-style-type: none"> 1. Overall NFPS cash balance 2. Combined NFPS/CB balance 3. Treasury outlays 4. Cumulative NDA change 5. Cumulative NIR change 6. External PS arrears 7. Total outstanding disbursed external PS debt 8. Cumulative net disbursements of short-term PS debt 		
3/31/92	Extended Arrangement	<ol style="list-style-type: none"> 1. Overall NFPS cash balance 2. Combined NFPS/CB balance 3. Cumulative NDA change 4. Cumulative NIR change 5. External PS arrears 6. Total outstanding disbursed external PS debt 7. Cumulative net disbursements of short-term PS debt 	<ol style="list-style-type: none"> 1. Implement by June 30, 1992, tax reform aimed at replacing income tax by taxes on distributed profits and business primary surplus. 2. Implement by December 31, 1992, social security reform to achieve financial balance on cost and accrual basis. 	
4/12/96	Stand-By Arrangement	<ol style="list-style-type: none"> 1. Cumulative PS balance 2. Cumulative ceiling on federal noninterest expenditure 3. Cumulative NDA change 4. Cumulative change in free international reserves 5. Cumulative net disbursements of PS debt 6. Cumulative net increase in short-term PS debt 		
2/4/98	Extended Arrangement	<ol style="list-style-type: none"> 1. Cumulative federal deficit 2. Cumulative NDA change 3. Cumulative net disbursements of PS debt 4. Cumulative net increase in short-term PS debt <p>Indicative targets:</p> <ol style="list-style-type: none"> 1. Cumulative ceiling on federal noninterest expenditure² 2. Combined federal and provincial deficits 		<ul style="list-style-type: none"> • By the first review, implement single presumptive tax, tax administration program, and labor market reform; present to Congress tax reform bill; and lease airports and telecom frequencies. • By the second review, obtain congressional approval of tax reform and new anti-trust law; implement reforms of tax administration, budgetary operations, social security system, and financial system; and submit to Congress draft legislation on privatization of Banco Nación.

Date of Approval	Arrangement	Quantitative Performance Criteria	Structural Performance Criteria	Structural Benchmarks
3/10/00	Stand-By Arrangement	<ol style="list-style-type: none"> 1. Cumulative federal balance 2. Cumulative federal primary expenditure 3. Cumulative change in federal debt 4. Cumulative change in short-term federal debt 5. Cumulative NDA change 6. Cumulative change in consolidated PS debt³ <p>Indicative target:</p> <ol style="list-style-type: none"> 1. Cumulative consolidated provincial balance 		<ul style="list-style-type: none"> • By the first review, implement reforms of labor market, tax administration, and arrangements to monitor provincial finances; and submit to Congress reform plans for social security, revenue sharing, and Banco Nación. • By the second review, implement social security reform; modify central bank charter and banking law; and complete conversion of Banco Nación into public corporation.
1/12/01	Second review under Stand-By Arrangement	<ol style="list-style-type: none"> 1. Cumulative federal balance 2. Cumulative federal primary expenditure 3. Cumulative change in federal debt 4. Cumulative change in short-term federal debt 5. Stock of NDA 6. Cumulative change in consolidated PS debt <p>Indicative target:</p> <ol style="list-style-type: none"> 1. Cumulative consolidated provincial balance 		<ul style="list-style-type: none"> • By the third review, issue presidential decree strengthening and consolidating tax payments facilities; design national tax audit plan; begin to set up Tax Frauds Tribunal; issue regulations for proposed pension reform and Protection of Competition Law; and prepare plans to restructure social security family allowances. • By the fourth review, implement plans to restructure family allowances; issue regulatory proposal for ports system; and announce timetable for elimination of CET surcharge.
5/21/01	Third review under Stand-By Arrangement	<ol style="list-style-type: none"> 1. Cumulative federal balance 2. Cumulative federal primary expenditure 3. Cumulative change in federal debt 4. Cumulative change in short-term federal debt 5. Stock of NDA 6. Cumulative change in consolidated PS debt <p>Indicative target:</p> <ol style="list-style-type: none"> 1. Cumulative consolidated provincial balance 		<ul style="list-style-type: none"> • By the fourth review, implement plans to streamline tax payments facilities arrangements and to restructure family allowances; submit to Congress draft law on pension reform; issue regulatory proposal for ports system; and announce timetable for elimination of CET surcharge. • By the fifth review, complete 80,000 desk audits; present legislation to facilitate banking resolution; and implement new regulatory framework for telecom sector.
9/7/01	Fourth review under Stand-By Arrangement	<ol style="list-style-type: none"> 1. Cumulative federal balance 2. Cumulative change in federal debt 3. Cumulative change in short-term federal debt 4. Stock of NDA 5. Cumulative change in consolidated PS debt <p>Indicative targets:</p> <ol style="list-style-type: none"> 1. Cumulative consolidated provincial balance 2. Cumulative federal primary expenditure 		<ul style="list-style-type: none"> • By the fifth review, complete 80,000 desk audits; implement plans to streamline tax payments facilities arrangements, strengthen tax collections, and restructure family allowances; submit to Congress reform legislation on revenue sharing; and strengthen compliance with prudential and reporting requirements for public banks. • By the sixth review, complete 100,000 desk audits; and fully implement Tax Frauds Tribunal.

Sources: Various IMF staff reports.

¹Abbreviations are as follows: NFPS (nonfinancial public sector); CB (central bank); CET (common external tariff); NDA (net domestic assets); NIR (net international reserves); and PS (public sector).

²Later converted into a performance criterion.

³Binding from the fourth quarter of 2000.