

Table 2. Pakistan: Structural Performance Criteria, Benchmarks and Prior Actions
Under the First Year Under the PRGF (Concluded)

Measures	Timing	Status
II. Structural Benchmarks		
Prepare list of intermediate indicators (selected from Table 5.3 and Tracking/Monitoring Matrix in Annex I of I-PRSP) with baseline data for 2000/01, and preliminary annual targets for the period 2001/02-2003/04.	December 31, 2001	
Quarterly published progress reports on implementation of Poverty Reduction Strategy, including “I-PRSP expenditure”.	To start end-December 2001 for 2001/02 Q1 data, and continued on the basis of the same quarterly schedule throughout fiscal year 2001/02	
Publish rules and regulations including for record-keeping under the universal self assessment scheme for income tax to become effective July 1, 2002.	March 31, 2002	
Prepare proposals for revised income and sales tax appeals and dispute resolution process with a view to implement them with the 2002/03 budget.	March 31, 2002	
Bring United Bank Ltd. and PTCL to the point of sale through transparent and open public offer for sale.	May 31, 2002	
Issuance of a streamlined foreign exchange manual to simplify and clarify rules regarding access to foreign exchange and current account transactions.	July 1, 2002	
Establishment of a contributory pension scheme for new recruits in the civil service, and preparation of a third phase public pension reform package, prepared in collaboration with the World Bank and involving actuarially fair reform of early retirement and of commutation tables.	July 1, 2002	
III. Prior Actions		
Approve medium-term strategy and action plan on CBR reform for the period October 2001–June 2004 (MEFP para. 20-21).		
Approve audit program which includes monthly sales tax audit targets for the period November 2001–June 2002.		

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Measures	Timing	Status
<p>Provision of first progress report covering fiscal year 2000/01 on social and poverty-related spending (“I-PRSP expenditure”) in format set out in the TMU.</p>		
<p>SBP official reserves to reach at least US\$1,850 million by November 15, 2001.</p>		
<p>CBR revenue for July–October 2001 to reach at least PRs 109 billion.</p>		
<p>Issue the following texts to ensure compliance with Article VIII obligations and avoid MCP (a) circular clarifying that unlimited access to foreign exchange on the interbank market for all current transactions (including dividends and profit repatriation), beyond the current bonafide limits, will be granted on the basis of appropriate, clearly specified documentation; and (b) directive lifting the commercial backing requirement on interbank foreign exchange transactions with effect from November 25, 2001.</p>		

Table 1(a). Pakistan: Net external Program Financing FY 2001/02
(Cumulative from July 1, 2001)

(In millions of U.S. dollars)

	Sep. 2001	Dec. 2001	Mar. 2002	Jun. 2002
Program financing (a+b+c+d+e+f-g+h)	-130.4	109.7	-63.5	225.2
(a) World Bank	0.0	174.0	208.0	665.0
(b) AsDB loans	0.0	300.0	350.0	535.0
(c) Other multilaterals	0.0	0.0	0.0	0.0
(d) Bilateral loans	0.0	0.0	0.0	0.0
(e) Commercial bank borrowing	257.0	532.0	718.0	918.0
<i>Of which: IDB</i>	134.0	234.0	320.0	420.0
(f) Privatization receipts	0.0	0.0	0.0	0.0
(g) Amortization due	714.5	1,586.8	2,385.4	3,246.4
Multilateral creditors	143.0	302.9	440.6	599.2
Bilateral creditors	196.2	429.4	652.1	828.3
Commercial banks	359.0	819.0	1,238.0	1,748.0
Other	16.2	35.5	54.7	70.9
(h) Debt service rescheduled/arrears	327.1	690.5	1,045.9	1,353.6
Multilateral creditors	0.0	0.0	0.0	0.0
Bilateral creditors (Jan. 2001)	327.1	327.1	327.1	327.1
Bilateral creditors additional debt relief	0.0	363.4	718.8	1,026.5
Commercial banks	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0

Sources: Ministry of Finance; and Fund staff projections.

Table 1(b). Pakistan: External Grants for FY 2001/02
(Cumulative from July 1, 2001)

(In millions of U.S. dollars)

	Sep. 2001	Dec. 2001	Mar. 2002	Jun. 2002
External cash budget grants	0.0	616.5	801.4	817.9
United States	0.0	600.0	600.0	600.0
European Union	0.0	9.2	36.6	45.8
Japan	0.0	0.0	150.0	150.0
United Kingdom	0.0	7.4	14.8	22.2
Other	0.0	0.0	0.0	0.0
Saudi oil facility	173.2	359.1	544.9	730.7
Project grants	9.4	20.2	32.5	44.7
Memorandum item:				
Grants for Afghan refugees	0.0	162.7	226.5	298.6

Sources: Ministry of Finance; and Fund staff projections.

ATTACHMENT I

Table 2. Pakistan: Position of Billing/Receivables and Reconciliation in Respect of Federal and Provincial Government Departments Vis-à-Vis WAPDA for the Quarter of ____ to ____

SR. NO.	CATEGORY	RECEIVABLES AT THE END OF PREVIOUS QUARTER	AMOUNT WITHDRAWN AGAINST PREVIOUS QUARTER	BILLING DURING QUARTER	AMOUNT RECONCILED AGAINST COLUMN 5	TOTAL	PAYMENT DURING QUARTER	RECEIVABLES AT THE END OF THE QUARTER
1	2	3	4	5	6	7=3-4+5	8	9=7-8
A	Federal Govt.							
I.	Federal Govt. agencies							
II.	AJK							
	Subtotal							
B	Provincial Govt. debts							
I.	Punjab							
II.	NWFP							
III.	Sindh							
IV.	Baluchistan							
	Subtotal							
C	Total Govt (A+B) <i>Of which:</i> Priority connections ¹							
	WAPDA debt service Liability to government							
	Net position							

¹ Priority connections consist of: President Secretariat (president house), Chief Justice of Pakistan (office/residence), Chairman's Senate (office/residence), Governors' (office/residence), and Federal and provincial government hospitals.

Table 3. Pakistan: I PRSP Expenditure, 1999/2000–2001/2002

(In billions of Pakistani rupees)

	Year			Q1	
	Act.	Prov.	Proj.	Prel. Act.	Prov.
	1999/2000	2000/2001	2001/2002	2000/2001	2001/2002
Total	114.4	119.3	136.4		
Education	54.0	56.4	63.2		
Current	51.6	54.4	59.0		
Development	2.4	2.0	4.1		
Health	17.3	17.5	19.3		
Current	14.3	15.0	15.9		
Development	3.0	2.5	3.4		
Population planning	3.4	1.6	2.1		
Current	0.0	0.0	0.0		
Development	3.4	1.5	2.1		
Social security & other welfare	2.1	1.6	1.7		
Current	2.0	1.5	1.6		
Development	0.1	0.1	0.1		
Natural calamities	1.2	0.9	1.0		
Rural development 1/	6.5	12.0	15.2		
Current	1.3	3.9	2.8		
Development	5.3	8.1	12.5		
Land reclamation	0.9	1.4	1.5		
Food subsidies	9.9	8.2	8.7		
Water supply and sanitation	5.6	4.5	5.5		
Current	1.9	2.1	2.0		
Development	3.7	2.4	3.5		
Other	13.4	15.3	18.2		
Irrigation	8.3	8.2	9.4		
Current	5.4	5.8	4.8		
Development	2.9	2.4	4.6		
Roads	5.1	7.1	8.9		
Current	1.9	3.0	1.3		
Development	3.3	4.2	7.6		
Memorandum items:					
Khushal program	3.5	5.2	7.0		
Federal	...	5.1			
Provincial	...	4.3			

Source: Ministry of Finance.

1/ Includes the Khushal program.

Table 4. Pakistan: Poverty Alleviation and Other Programs Eligible for Additional Grant-Financed Expenditure, 2001/02 1/

(In billions Pakistani of rupees)

	Budget Accounting Code	2001/02	2001/02			
		Year	Q1	Q2	Q3	Q4
		Budget	Est.	Proj. (cumulatively)		
Total		90.05	17.28	41.3	63.4	90.1
Recurrent expenditure		12.60	2.42	5.8	8.9	12.60
Food support program	74900	2.90	0.56	1.3	2.0	2.90
Federal assistance to provinces for law and order	22000	9.70	1.86	4.5	6.8	9.70
Development expenditure		77.45	14.86	35.6	54.5	77.45
Khushal program	2100	7.00	1.34	3.2	4.9	7.00
Devolution	2100	3.01	0.58	1.4	2.1	3.01
On-farm water management	52100	0.70	0.13	0.3	0.5	0.70
Primary education	41500	31.00	5.95	14.2	21.8	31.00
Secondary education	41400	18.44	3.54	8.5	13.0	18.44
General hospitals and clinics	42200	9.10	1.74	4.2	6.4	9.10
Other health facilities and preventive measures	42500	2.50	0.48	1.2	1.8	2.50
Population planning	43000	1.80	0.35	0.8	1.3	1.80
Social security and other welfare	47000	3.90	0.75	1.8	2.8	3.90

Source: Ministry of Finance

1/ Federal and provincial expenditure.

Table 5 (a): Financial Accounts of Water and Power Development Authority (Power Wing)

(In million of Pakistani rupees)

	1998/99	1999/2000 Prov.	2000/01 Prel. Est.	2001/02				2001/02 Proj.
				Q1	Q2	Q3	Q4	
Operating revenue and expenditure								
Revenue	129,016	137,145	150,500					170,121
From electricity	127,753	131,046	146,260					165,584
Other operating revenues	1,263	6,099	4,240					4,537
Operating expenditure	109,993	129,969	165,591					196,494
Cost of fuel	19,536	26,457	29,895					37,139
Purchase of power from IPPs	42,532	54,150	84,612					104,637
Capacity payments	22,602	23,563	33,340					59,828
Energy payments	19,930	30,587	51,272					44,809
Operating, maintenance, administrative expenses	12,960	15,151	15,674					17,782
Hydel profit to provinces	6,000	6,000	6,000					6,000
Interest charges	18,413	16,444	16,850					18,074
Other operating expenditure	10,552	11,767	12,560					12,862
Net operating balance incl. interest charges	19,023	7,176	-15,091					-26,373
Savings, investment and net borrowing								
Gross savings	35,049	21,287	91					-5,649
Net operating balance incl. interest charges	19,023	7,176	-15,091					-26,373
Other income	5,474	2,383	2,622					7,862
Other operating expenditure	10,552	11,767	12,560					12,862
Capital expenditure	17,391	24,654	23,833					25,000
Net financing requirements	-17,658	3,367	23,742					30,649
Financing								
Net cash collection from previous operations	-17,658	3,367	23,742					30,649
Change in accounts receivables (- = increase)	1,301	-17,214	-31,885					2,802
Changes in current liabilities (+ = increase)	-10,448	5,299	-5,805					-2,913
Changes in current liabilities (+ = increase)	11,749	-22,513	-26,080					5,715
External borrowing (capital expenditure)	7,970	12,246	14,216					13,034
Debt amortization (due basis)	-13,953	-22,398	-19,644					-14,086
<i>Of which:</i> to the government								
Rural electrification (budget CD loan)	1,129	1,151	713					1,037
Capital contributions	2,618	2,935	3,140					3,360
Debt-equity conversion	0	36,383	0					0
Other 1/	-16,723	-9,736	57,202					24,502
Memorandum items:								
Production (in GWh)	54,222	56,259	58,352					60,472
Units generated	38,334	38,395	37,065					37,951
Power purchased	15,888	17,864	21,287					22,521
Unit sold	38,906	40,910	43,757					46,382
Average tariff (in rupees per kWh)	3.3	3.2	3.3					3.6
Average cost (in rupees per kWh)	2.8	3.2	3.8					4.2
<i>Of which:</i> fuel and electricity	1.6	2.0	2.6					3.1
Total bank credit outstanding								
<i>Of which:</i> guaranteed by the government								
TFC outstanding								
<i>Of which:</i> guaranteed by the government								

Sources: Ministry of Finance; and Fund staff estimates.

1/ Please provide explanation for this residual item.

Table 5 (b). Accounts of the Karachi Electricity Supply Corporation

(In million of Pakistani rupees)

	1998/99	1999/2000	2000/01 Prel. Est.	2001/02				2001/02 Proj.
				Q1	Q2	Q3	Q4	
Operating revenue and expenditure								
Revenue	23,782	26,042	29,986					35,777
Sale of energy	23,285	25,035	29,011					34,962
Other income	496	1,007	975					815
Expenditure	31,265	38,958	45,961					50,590
Fuel and electricity	20,713	23,560	31,897					34,176
Fuel and oil consumed	9,312	13,916	18,301					19,870
Electricity purchased (incl capacity charges)	11,401	9,644	13,596					14,306
Operation and maintenance expenses	3,452	3,314	3,652					4,158
Financial charges	3,042	5,481	6,486					8,044
Other operating expenses	4,058	6,603	3,926					4,212
<i>Of which: depreciation</i>	2,726	2,821	2,911					3,163
Net operating revenue incl. interest charges	-7,482	-12,916	-15,975					-14,814
Savings, investment and net borrowing								
Gross savings	-4,756	-10,095	-13,064					-11,651
Net operating balance incl. interest charges	-7,482	-12,916	-15,975					-14,814
Depreciation	2,726	2,821	2,911					3,163
Capital expenditure	2,386	2,451	4,442					3,550
Net financing requirements	7,142	12,546	17,506					15,201
Financing								
Net financing from the budget								
Scheduled repayments of CDL (-)								
Scheduled repayments of onlent foreign loans (-)								
Debt for equity swaps (+)								
Arrears to budget								
Change in outstanding liabilities to suppliers (+ =increase)								
Change in receivables (+ =decrease)								
<i>Of which: from government</i>								
Net Bank financing								
Amortizations on existing loans								
New loans								
Other 1/								
Memorandum items								
Production (in GWh)								
Units generated	6,613	7,745	7941					8678
Power purchased	4,007	3,701	3688					3657
Unit sold	6,131	6,430	6974					8132
Average tariff (in rupees per kWh)	3.8	3.9	4.2					4.3
Average cost (in rupees per kWh)	5.1	6.1	6.6					6.2
<i>Of which: fuel and electricity</i>	3.0	3.7	4.6					4.2
Total Bank credit outstanding								
<i>Of which: guaranteed by the government</i>								
TFC outstanding								
<i>Of which: guaranteed by the government</i>								

Sources: Ministry of Finance; and Fund staff estimates.

1/ Please provide explanation for this residual item.

Table 5 (c). Pakistan International Airways, 1999–2002

(In million of Pakistani rupees)

	1999	2000	2001 proj	2001				2002 Proj.
				Q1	Q2 (cumulative)	Q3	Q4	
Operating revenue and expenditure								
Operating revenue								
Operating expenditure								
Operating costs								
<i>Of which</i> : salaries and pensions								
<i>Of which</i> : fuel								
Interest expenses								
Net operating revenue incl. interest charges								
Savings and investment								
Gross savings								
Net operating balance incl. interest charges								
Other income								
Depreciation								
Capital expenditure								
Net financing requirements								
Financing								
Financing from Federal government (net)								
Gross lending								
Amortization								
<i>Of which</i> : onlent foreign loans								
Net bank financing								
Repayments								
New loans								
<i>Of which</i> : guaranteed by the government								
TFC								
Other 1/								
Memorandum items								
Total Bank credit outstanding								
<i>Of which</i> : guaranteed by the government								
TFC outstanding								
<i>Of which</i> : guaranteed by the government								

Sources: Ministry of Finance; and Fund staff estimates.

1/ Please provide explanation for this residual item.

Table 5 (d). Pakistan Railways, 1998/99–2001/02

(In million of Pakistani rupees)

	1998/99	1999/2000	2000/01 Prel. Est.	2001/02				2001/02 Proj.
				Q1	Q2	Q3	Q4	
Operating revenue and expenditure								
Operating revenue	11,443	13,340	16,308					17,170
Revenue receipts	9,292	9,572	11,908					12,370
Passengers	4,447	4,779	5,657					5,850
Goods	3,698	3,760	5,038					5,380
Others 1/	1,147	1,033	1,213					1,140
Transfers from the budget 2/	2,151	3,767	4,400					4,800
Expenditure	15,215	15,537	15,240					16,451
Operating expenditure	11,892	12,395	12,727					14,233
<i>Of which:</i> salaries and pensions								
Interest charges	3,323	3,142	2,513					2,219
Net operating balance incl. interest charges	-3,772	-2,197	1,068					719
Savings, investment and net borrowing								
Gross savings	-3,772	-2,197	1,068					719
Net operating balance incl. interest charges	-3,772	-2,197	1,068					719
Capital expenditure	3,388	1,069	2,457					6,369
Net financing requirements	7,160	3,266	1,388					5,650
Financing								
External financing net	1,287	401	-690					...
Amortization								
New loans								
<i>Of which:</i> guaranteed by the government								
Budget investment transfer	997	1,035	1,767					1,629
SBP overdraft	4,430	1,830	311					-3,000
Other 3/	509	0	0					0
Memorandum items:								
Overall balance (cash basis)	-7,160	-3,266	-1,388					-5,650
Passenger traffic								
Number of passengers (in million)	64.9	67.5	70.2					71.0
Number of kilometers traveled (in million)	18,980	18,495	19,706					21,000
Average kilometer per passenger	292.4	274.0	280.7					295.8
Average rate per passenger kilometer (in rupees)	0.23	0.26	0.29					0.28
Freight traffic								
Number of tons (in thousands)	5,500	4,800	5,760					5,900
Number of kilometers traveled (in million)	3,966.5	3,612.1	4,736.7					4,800.0
Average kilometers per ton	721	753	822					814
Average rate per ton per kilometer (in rupees)	0.93	1.04	1.06					1.12
Number of employees	100,643	94,243	92,500					90,000

Sources: Ministry of Finance; and Fund staff estimates.

1/ Includes public service obligation, which are transfers from the budget to cover the cost of public services provided by Railways.

2/ Transfers from the budget to cover operational shortfalls.

3/ Please provide explanation for this residual item.

Table 5 (e). Pakistan Steel Mills Corporation

(In million of Pakistani rupees)

	1998/99	1999/2000	2000/01 Prel. Est.	2001/02				2001/02 Proj.
				Q1	Q2 (cumulative)	Q3	Q4	
Operating revenue and expenditure								
Operating revenue								
Net sales								
Operating expenditure								
Raw material costs								
Salaries and pensions								
Depreciation								
Other operating expenses								
Interest charges								
Net operating balance incl. interest charges								
Savings, investment and net borrowing								
Gross savings								
Net operating balance incl. interest charges								
Other income								
Depreciation								
Capital expenditure								
Net financing requirements								
Financing								
Net budgetary financing								
Amortization (due basis)								
New loans								
Net bank financing								
Amortization								
New loans								
<i>Of which:</i> guaranteed by the government								
Other 1/								
Memorandum items:								
Tons of steel produced (in thousands)								
Tons of steel sold (in thousands)								
Number of employees								

Sources: Ministry of Finance; and Fund staff estimates.

1/ Please provide explanation for this residual item.