

Table 1. Dominica: Quantitative Performance Criteria, FY 2002/03

	2002		2003 (Indicative)	
	Sept. 30	Dec. 31	Mar. 31	Jun. 30
(Cumulative amounts from June 30, 2002; in millions of EC dollars)				
Central government overall balance 1/ 2/	-11.1	-11.7	-24.8	-42.4
Central government wage bill	27.6	55.5	83.3	111.1
Banking system net credit to central government 2/ 3/ 4/	-1.8	-3.8	-5.5	-7.3
Banking system net credit to nonfinancial public sector 2/ 3/ 4/	-1.8	-3.8	-5.5	-7.3
(Maximum outstanding amounts at end of period; in millions of EC dollars)				
Central government arrears to Dominica Social Security and DOWASCO 4/	56.4	0.0	0.0	0.0
Central government arrears to other parties 4/	26.4	26.4	21.5	0.0
(Cumulative change from June 30, 2002, in millions of U.S. dollars)				
Disbursement of nonconcessional external debt to the NFPS with maturity of at least one year 1/ 5/	5.7	7.0	14.0	27.5
Contracting or guaranteeing of short-term external debt of the NFPS (with maturity of less than one year) 5/ 6/	0	0	0	0
External payments arrears of the NFPS 4/ 6/ 7/	0	0	0	0

Sources: Dominican authorities; Eastern Caribbean Central Bank (ECCB); and Fund staff estimates and projections.

1/ Limits will be adjusted downward to the extent that project financing falls short of programmed amounts. The same limits will be adjusted upward to the extent that project financing exceeds programmed amounts. These upward adjustments will not exceed US\$1.3 million by end-September 2002, US\$ 2.6 million by end-December 2002, US\$ 3.9 million by end-March 2003, and US\$ 5.2 million by end-June 2003.

2/ Limits will be adjusted upward by a maximum amount of EC\$10 million to accommodate redundancy payments associated with civil service reform.

3/ Limits on banking system net credit to the central government and to the nonfinancial public sector will be adjusted upward to the extent that there are shortfalls in net external nonproject financing that are outside the control of the authorities. These upward adjustments will not exceed US\$1.3 million by end-September 2002, US\$2.6 million by end-December 2002, US\$3.9 million by end-March 2003, and US\$5.2 million by end-June 2003. Limits on banking system net credit to the central government and to the nonfinancial public sector will be adjusted downward to the extent that net external nonproject financing exceeds programmed amounts.

4/ The maximum amount of arrears outstanding by end-September 2002, by end-December 2002, by end-March 2003, and by end June 2003, will be adjusted downward by the amount that the stock of arrears outstanding as of 30 September 2002 falls short of programmed amounts. The maximum amount of arrears outstanding by end-September 2002, will be adjusted upward by the amount that the stock of arrears outstanding as of 30 September 2002 exceeds programmed amounts.

5/ For the definition of external debt, see paragraph 8 of the Technical Memorandum of Understanding.

6/ These performance criteria will be monitored on a continuous basis.

7/ Excluding subscription arrears to regional and international organizations.

Table 2. Dominica: Prior Action and Structural Performance Criteria and Benchmarks for FY 2002/03

Structural Reform Measure	Lead Institution 1/	Completion Date	Category
Tax policy and administration			
Implement fiscal measures in the FY 2002/03 budget, including a stabilization levy, sales tax on telecommunications services, increase in fuel prices, and a limit on the wage bill		Completed	Prior Action
Conduct comprehensive review of tax system and its administration	IMF	December 31, 2002	Benchmark
Implement tax reform measures in line with recommendations of comprehensive review	IMF	June 30, 2003	Performance criterion
Public expenditure			
Conduct public expenditure review	WB	March 31, 2003	Benchmark
Conduct review of public sector investment program	WB/CDB	December 31, 2002	Benchmark
Civil service reform			
Prepare comprehensive civil service reform program	WB	March 31, 2003	Benchmark
Initiate the reform process	WB	June 30, 2003	Benchmark
Privatization			
Dominica Banana Marketing Corporation	EU	September 30, 2002	Benchmark
Create special fund for privatization proceeds	...	March 31, 2003	Benchmark
Financial system oversight			
Conduct comprehensive review of the financial sector	IMF	December 31, 2002	Benchmark
Place nonbank financial institutions under Ministry of Finance supervision (with support from the ECCB)	ECCB	June 30, 2003	Benchmark
Banana sector restructuring			
Various projects: infrastructure and efficiency enhancement	EU	Ongoing	
Other			
Study the feasibility of abolishing DEXIA's monopoly on the importation of sugar and bulk rice	...	December 31, 2002	Benchmark
Examine the scope for transforming the NDC into a self-financing agency	...	December 31, 2002	Benchmark
Eliminate remaining price controls (except on fuels and cement)	...	December 31, 2002	Benchmark
Eliminate price controls on fuels and cement	...	June 30, 2003	Benchmark

Sources: Dominican authorities; the Eastern Caribbean Central Bank (ECCB); and Fund staff estimates and projections.

1/ IMF=International Monetary Fund (includes CARTAC); WB=World Bank; CDB=Caribbean Development Bank; EU=European Union; ECCB=Eastern Caribbean Central Bank.