

Table 1. Bulgaria: Quantitative Performance Criteria and Indicative Targets Under the Stand-By Arrangement, 2002 1/
(In millions of leva, unless otherwise indicated)

Variable and Periods	Target		Outcome	
I. Ceiling on the overall deficit of the general government				
Jan. 1, 2002-Mar. 31, 2002		138		39
Jan. 1, 2002-Jun. 30, 2002		-103		-271
Jan. 1, 2002-Sep. 30, 2002		173		-488
Jan. 1, 2002-Dec. 31, 2002		260		
II. Floor on the balance of the fiscal reserve account				
Mar. 31, 2002		1,900		2,477
Jun. 30, 2002		1,900		3,223
Sep. 30, 2002		1,900		3,539
Dec. 31, 2002		1,900		
III. Ceiling on the wage bill of the 60 monitored SOEs 2/				
Jan. 1, 2002-Mar. 31, 2002		141.8		139.1
Apr. 1, 2002-Jun. 30, 2002 3/		141.6		140.1
Jul. 1, 2002-Sep. 30, 2002 4/		141.1		140.0
Oct. 1, 2002-Dec. 31, 2002		141.1		
	GTD	NSSI	GTD	NSSI
IV. Indicative ceiling on tax on social insurance arrears				
Cumulative change from level on: Dec. 31, 2001				
Mar. 31, 2002	-25	-5	-111	-7
Jun. 30, 2002	-50	-10	-195	-5
Sep. 30, 2002	-75	-15	-250	-5
Dec. 31, 2002	-100	-20		
	Up to one year	Over 1 year (excluding Eurobonds)	Up to one year	Over 1 year (excluding Eurobonds)
V. Ceiling on contracting and guaranteeing public sector external debt (millions of U.S. dollars)				
Cumulative change from level on Dec. 31, 2002:				
Mar. 31, 2002	0	230	0	46
Jun. 30, 2002	0	560	0	205
Sep. 30, 2002	0	690	0	238
Dec. 31, 2002	0	690		

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(In millions of leva, unless otherwise indicated) (concluded)

	Over one year (Eurobond issuance)	1-5 years	Over one year (Eurobond issuance)	1-5 years
V. Ceiling on contracting and guaranteeing public Sector external debt (millions of U.S. dollars) Cumulative change from level on Dec. 31, 2002:				
Mar. 31, 2002	300	0	0	0
Jun. 30, 2002	300	0	-79	0
Sep. 30, 2002	300	0	-79	0
Dec. 31, 2002	0	0		
	NEK	Bulgargaz	NEK	Bulgargaz
VI. Ceiling on changes to arrears owed to Bulgargaz and NEK (millions of Leva). Cumulative change in the stock of arrears from level on May 31, 2002:				
Jun. 30, 2002 (indicative)	0	0	0	0
Sep. 30, 2002	0	0	0	0
Dec. 31, 2002	0	0		

1/ Definitions of the performance criteria and indicative targets are included in the Annexes to the Supplementary Memorandum of Economic Policies (EBS/02/121).

2/ Adjusted downward after the privatization of one of the monitored enterprises.

3/ Adjusted downward after the privatization of three of the monitored enterprises.

4/ Adjusted downward after the privatization of one of the monitored enterprises.

Table 2. Bulgaria: Prior Actions, Structural Performance Criteria, and Benchmarks, 2002¹

Measures	Program Timing	Form of Conditionality	Status	Review
MEP, February 2002				
1. Parliament to adopt a 2002 State budget consistent with paragraphs 8–12.	Before IMF Board meeting	Prior action	Met	First
2. Council of Ministers (CoM) to adopt an ordinance on income policies consistent with paragraph 16.	Before IMF Board meeting	Prior action	Met	First
3. Finalize the school redeployment plan, and submit it to CoM (paragraph 13).	End-March 2002	Benchmark	Met	First
4. Adopt a child allowance allocation system, limiting allowances to most needy families (paragraph 11).	End-March 2002	Benchmark	Met	First
5. Bank Consolidation Company (BCC) to adopt a privatization strategy for DSK Bank (paragraph 19).	End-March 2002	Benchmark	Met	First
6. Issue a tender either to privatize the State Insurance Institute, or to transfer the management of the company to a strategic investor as an interim step toward privatization (paragraph 19).	End-March 2002	Benchmark	Met	First
7. Parliament to adopt the Bank Bankruptcy law (paragraph 21).	End-March 2002	Benchmark	Met, with a delay	First
8. Announce a schedule to bring household electricity prices to full cost-recovery levels (paragraph 25).	End-April 2002	Performance Criterion	Met, with a delay	First
9. Submit to parliament a law to establish the unified revenue agency (paragraph 14).	End-June 2002	Benchmark	Met	Second
10. Complete accreditation process for all hospitals (paragraph 13).	End-June 2002	Benchmark	Met, with a delay	Second
11. Have the Council of Ministers approve the final draft of a new Energy Act as described in paragraph 25.	End-June 2002	Benchmark	Not met	Second

1/ Paragraph numbers refer to the Memorandum of Economic Policies dated February 12, 2002.

Table 2. Bulgaria: Prior Actions, Structural Performance Criteria, and Benchmarks, 2002¹

Measures	Program Timing	Form of Conditionality	Status	Review
12. Make the new energy pricing regime fully operational (paragraph 25).	End-June 2002	Benchmark	Met	Second
13. Announce a reform of the import tariff schedule, to be phased over the period to January 2006, reducing the unweighted average MFN tariff to no more than 6 percent with significant annual reductions (paragraph 27).	End-June 2002	Benchmark	Not met	Second
14. Further improve the Treasury Single Account (TSA) by ensuring that the funds of the autonomous budgets (BTV, BN Radio, judiciary system, and the HIF) as well as the suspense accounts in Leva are also included in the TSA (paragraph 14).	December 2002	Benchmark	Not met	Second
Supplementary MEP, July 2002 2/				
15. Announce a schedule to bring household electricity prices to full cost-recovery levels (paragraph 3).	IMF Board presentation of the review	Prior Action	Met	First
16. Parliament to adopt the Bank Bankruptcy law (paragraph 19).	End-July 2002	Benchmark	Met, with a delay	Second
17. Settlement of the sale of Biochim Bank (paragraph 20)	End-September 2002	Benchmark	Met	Second

^{1/} Paragraph numbers refer to the Memorandum of Economic Policies dated February 12, 2002.

^{2/} Paragraph numbers refer to the draft Supplementary Memorandum of Economic Policies.

Table 3. Bulgaria: Structural Performance Criteria and Benchmarks, 2002–03

Measures	Program Timing	Level of Conditions	Status	Review
SMEP, February 2003				
Fiscal				
1. Initiate the publication on the Ministry of Finance website of data on monthly consolidated government budget implementation and on the Fiscal Reserve Account.	End-March 2003	Benchmark		Third
2. Extend the operations of the large taxpayer office so as to include the group of companies that contribute at least 60 percent of tax revenue.	End-June 2003	Benchmark		Fourth
3. Implement the Bullstat number as the single key identification for all tax operations.	End-June 2003	Benchmark		Fourth
4. Include all non-participating leva-denominated extrabudgetary funds and autonomous budget units in the Treasury Single Account.	End-September 2003	Benchmark		Fourth
5. Make the Financial Management Information System fully operational in the Ministry of Finance.	End-December 2003	Benchmark		
6. No new extrabudgetary funds or state-owned enterprises will be created during the program period.	Continuous	Benchmark		Fourth
Financial sector				
7. Completion of the sale of DSK Bank.	End-June 2003	Benchmark		Fourth
Energy sector				
8. State Energy Regulatory Commission to announce increase in average household electricity prices by 15 percent.	June 30, 2003	Benchmark		Fourth
9. Announce increase in average district heating prices by 10 percent.	June 30, 2003	Benchmark		Fourth