

Table 1. Kyrgyz Republic: Quantitative Targets Under the First Annual ESAF Arrangement, 1998/99
(In millions of soms, unless otherwise indicated) 1/

	ESAF								
	1997	1998						1999	
	Dec. 31 Actuals	Mar. 31 Actuals	Jun. 30 Benchmarks	Actuals	Sep. 30 Performance Criteria (Adjusted)	Actuals	Dec. 31 Revised Benchmarks (Adjusted)	Actuals Prel.	Mar. 31 Revised Benchmarks
I. Quantitative Benchmarks and Performance Criteria									
1. Cumulative floor on tax collections 2/	3,847	1,090	984	1,097	2,188	2,356	3,727	3,753	5,019
2. Floor on net international reserves of the NBKR in convertible currency (end -of -period stock, in millions of U.S. dollars) 3/	29.1	27.2	14.5	14.7	27.1	9.6	10.7	20.1	16.4
3. Ceiling on net domestic assets of the NBKR (end-of-period stock) 3/ 4/ 5/	2,637	2,775	3,068	2,991	2,945	2,891	3,031	3,018	3,125
4. Ceiling on banking system net claims on government 3/ 4/ 6/	3,454	3,615	3,886	3,863	3,874	3,767	3,740	3,573	3,604
5. Ceiling on outstanding stock of wage and pension arrears and arrears to KyrgyzEnergO 7/	57	0	0	196	0	114	0	217	125
6. Ceiling on outstanding stock of external debt of less than one year 8/ (in millions of U.S. dollars)	0	0	0	0	0	0.5	0	0	0
7. Ceiling on contracting or guaranteeing of new nonconcessional debt 9/ (cumulative, in millions of U.S. dollars) Of which 1-10 years	20	0	30	0	30	20	30	20	30
8. Ceiling on the stock of external arrears (in millions of U.S. dollars) 10/	2	0	0	0	0	0.3	0	0	0
9. Cumulative floor on budgetary expenditure on health 11/	886	211	253	210	520	464	684	711	1,031
10. Cumulative floor on budgetary expenditure on education 11/	1,475	322	449	365	891	811	1,211	1,167	1,610
II. Indicative targets									
1. Ceiling on reserve money (NBKR liabilities)	3,069	3,147	3,203	3,149	3,316	2,957	3,118	3,278	3,315
2. Ceiling on net domestic assets of the banking system (end of period) 3/ 4/ 5/	3,408	3,854	4,124	4,306	4,089	4,293	4,267	4,051	4,192

1/ Foreign exchange components valued at the exchange rate US\$1 = som 18.647, gold holdings valued at US\$303.50 per ounce, SDR valued at SDR 1 = US\$1.35. Targets exclude claims and liabilities to BCIS countries.

2/ Beginning April 1, 1998. Includes collection of tax arrears and the cash part of tax collections in kind.

3/ To be adjusted by 50 percent of any shortfall or excess relative to program projections from the disbursement of (nonproject) foreign loans and cash grants. The original projections for disbursements of foreign (nonproject) loans and cash grants are US\$4.4 million by June 30, 1998, and US\$26.9 million by September 30, 1998. The shortfall as of September 30, 1998 was US\$ 1.2 million. Based on the outcome for end-September, the revised projections for the remainder of the program period are US\$49.4 million by December 31, 1998, and US\$ 59.0 million by March 31, 1999. The outcome for end-December 1998 was US\$ 49.9 million. The adjustment is to be limited to 10 percent of reserve money.

4/ Excludes counterpart of the loan by the Eximbank of Turkey and the EBRD enterprise loan which are channeled through the NBKR.

5/ Reflects the revaluation of net claims vis-a-vis other CIS countries at som -107.9 million.

6/ To be adjusted upward by som 619 million for capitalized interest under a debt restructuring agreement between the NBKR and the government as soon as the underlying law is enacted. The agreement was implemented without the capitalization of interest on December 31, 1998.

7/ Wage arrears and arrears to Kyrgyz EnergO from the Republican budget; pension arrears of the Social Fund.

8/ Excludes normal import financing.

9/ Following SM/96/86, a loan is classified as concessional if its grant element is at least 35 percent, calculated using a discount rate based on the 10-year average of OECD commercial interest reference rates (CIRR), for loans of maturity greater than 15 years; for loans of maturity 15 years or less, the discount rate should be based on the six month average of the OECD CIRR.

10/ On a continuous basis.

11/ Beginning April 1, 1998.