

Table 1. Rwanda: Quantitative Performance Criteria and Benchmarks Under the First and Second Annual ESAF Arrangements, 1998/2000
(In billions of Rwanda francs, unless otherwise indicated)

	1998			1999			2000				
	Jun.	Sep.*	Dec.	Mar.*	Jun.	Sep.	Dec.*	Mar.	Jun.*	Sep.	Dec.
	ESAF I				ESAF II						
(Performance criteria, on test dates*, and quantitative benchmarks)											
Net foreign assets of the NBR (floor on stock)											
Actual (program exchange rate)	28.1	23.8	26.8	22.8	29.6	...	...	...	...	...	...
Adjusted program	27.9	27.6	28.8	26.5	39.1	...	...	...	...	...	...
Program	29.9	31.1	33.5	29.6	25.4	28.0	28.0	26.6	25.1	23.7	22.3
Net domestic assets of the NBR (ceiling on stock)											
Actual (program exchange rate)	9.4	9.7	8.9	16.5	6.7	...	...	...	...	...	...
Adjusted program 1/	15.1	15.5	18.3	11.6	1.8	...	...	...	...	...	...
Program	10.6	9.5	10.1	6.5	13.6	8.9	9.4	11.4	13.4	15.4	17.4
Net credit to the central government by the banking system (ceiling on stock)											
Actual	25.0	24.6	25.9	30.6	20.6	...	...	...	...	...	...
Adjusted program	36.3	37.4	38.9	33.4	17.5	...	...	...	...	...	...
Program	11.8	10.8	11.2	19.3	20.2	23.8	26.9	27.4	27.9	28.4	26.9
New concessional external borrowing (ceiling on flow) 2/											
Actual	--	--	--	--	--	...	...	...	...	...	...
Program	--	--	--	--	--	--	--	--	--	--	--
Short-term external debt (ceiling on stock) 3/											
Actual	--	--	--	--	--	...	...	...	...	...	...
Program	--	--	--	--	--	--	--	--	--	--	--
Primary fiscal balance (floor on cumulative flow since Dec. 31) 4/ 5/											
Actual	-0.7	0.3	-0.3	-2.4	-6.3	...	...	...	...	...	...
Adjusted program	-3.9	-0.2	-2.1	-3.2	-2.4	...	...	...	...	...	...
Program	-3.9	0.3	-1.4	-2.4	-1.8	-5.8	-4.5	-0.4	-0.9	-1.5	-1.0
Stock of outstanding nonreschedulable external arrears (ceiling on stock) 6/											
Actual	36.6	36.6	--	--	--	...	...	...	...	...	...
Program	36.6	36.6	--	--	--	--	--	--	--	--	--
Net accumulation of domestic arrears (ceiling on cumulative net accumulation since Dec. 31)											
Actual	-2.0	-0.5	-3.9	0.1	-2.2	...	...	...	...	...	...
Program	-2.2	-4.4	-6.6	-0.9	-1.9	-2.8	-3.5	--	--	--	--
Social spending (floor on cumulative flow since Dec. 31)											
Actual	...	12.6	17.5	4.5	10.7	...	...	...	...	...	...
Program	...	...	20.3	5.3	11.3	18.6	24.8	5.8	12.5	21.2	29.0
(Indicative targets)											
Reserve money (ceiling on stock)											
Actual	37.5	33.5	35.6	39.3	36.4	...	...	...	...	...	...
Adjusted program	43.0	43.1	47.1	38.1	41.0	...	...	...	...	...	...
Program	40.5	40.6	43.6	36.1	39.0	36.9	37.4	38.0	38.5	39.1	39.7
Budgetary revenue (floor on cumulative flow since Dec. 31)											
Actual	28.9	45.6	66.0	15.1	31.5	...	...	...	...	...	...
Program	28.3	48.7	69.5	15.0	36.8	49.5	71.0	15.7	33.7	57.2	78.4
Wage bill (ceiling on cumulative flow since Dec. 31)											
Actual	13.9	21.3	28.9	8.1	16.8	...	...	...	...	...	...
Program	14.6	22.0	29.7	8.8	17.2	26.3	34.0	7.0	15.0	25.5	35.0
Memorandum items:											
Financed excess social spending (shortfall - , in billions of RF) 5/ 7/	--	--	--	-0.8	-0.6	...	...	...	...	...	...
External budgetary support cumulative shortfall (excess - , in billions of RF) 7/	6.7	5.9	8.6	4.8	-13.1	...	...	...	...	...	...
External budgetary support cumulative shortfall (excess - , in millions of USD)	21.2	18.7	27.2	14.4	-39.6	...	...	...	...	...	...
Program	40.9	56.2	117.2	21.9	28.2	89.1	107.6	26.6	53.2	79.8	106.4
Actual	19.7	37.5	90.0	7.5	67.8	...	...	...	...	...	...

1/ If the required reserve ratio changes, the ceiling on NDA of the NBR will be adjusted by the absolute change in the ratio times the projected deposit base of the commercial banks.

2/ Credits with a maturity of more than one year. Concessional loans are defined as loans with a grant element in excess of 35 percent on the basis of currency-specific commercial interest reference rates. Debt rescheduling and restructuring are excluded from the borrowing limits.

3/ Debt (excluding normal import-related credits) with a maturity of up to one year.

4/ The primary fiscal balance is defined as total revenue (excluding privatization proceeds) minus current expenditure (excluding scheduled interest payments and exceptional social expenditure) minus domestically financed capital expenditure.

5/ The primary fiscal balance is adjusted downwards to accommodate any fully-externally-financed excess social spending.

6/ To be monitored on a continuous basis.

7/ Applies to net domestic assets of the NBR and to net credit to the central government by the banking system, and, in the opposite direction, to net foreign assets of the NBR.

Cumulative shortfall (excess -) in budget support, excluding debt relief from Paris Club and non-Paris Club creditors, since December 31. The adjustment in case of a shortfall is capped at RF 12 billion at end December 1999, and at RF 9 billion, RF, 11 billion, RF 13 billion, and RF 15 billion at end-March, June, September, and December 2000, respectively. Excludes shortfalls in amounts used to repay domestic debt.

Table 2. Structural Performance Criteria and Benchmarks Under the Second Annual ESAF Arrangement, 1999/2000 1/

Implement tax-inclusive tendering (“toute taxe comprise”). ²	2000 budget
Submit to parliament a draft value-added tax (VAT) law and publicize proposed VAT introduction. ³	End-December 1999
Introduce VAT. ³	End-July 2000
Promulgate an organic budget law that requires a macroeconomic framework for budget preparation and defines timing and responsibilities in the budget process. ²	End-1999
Implement functional classifications for the recurrent and development budgets; adapt the classification for the health and education ministries, consistent with key objectives/programs for these sectors. ²	January 2000
Implementation of central computerized civil service database to manage entry/exit. ²	March 2000
Sale, bringing up to the point of sale, liquidation, or sale of Government’s shares of a cumulative total (since mid-1998) of 46 enterprises out of a divestiture program of 69 enterprises, based on the agreed quarterly timetable. ^{2,4}	Mid-2000
Reduction by 50 percent in the temporary import surcharges from their current level of 10–15 percent. ³	End-December 1999
Agreement with all commercial banks on revised restructuring plans over three years in line with the recommendations of the recently completed audits agreed upon between the BNR, the auditors, and the banks. ³	End-December 1999
Adoption of an action plan for the financial and operational restructuring of the CSR, and agreement between the Government and the CSR on the amount and modalities of consolidation of the Government’s debt to the CSR. ²	December 1999

1/ Adoption of a satisfactory budget for 2000 would be a condition for completion of the first review of the second-year ESAF arrangement.

2/ *Structural benchmark* for second-year ESAF arrangement.

3/ *Structural performance criterion* for second-year ESAF arrangement.

4/ Under the current plan a total of 46 enterprises, out of a total of 69 remain to be divested. At end-September 1999, 19 enterprises have been sold, 3 are under liquidation, and the minority shares in 1 have been sold. The **timetable for divestiture** is as follows:

End- 1999 (14): Coffee Factory Masaka; Mukamira Maize Factory; Lake Ihema Fisheries; Couvoir National de Rubirizi; Gishwati Dairy Plant; Pyrethrum Factory (OPYRWA); Papeterie du Rwanda; Oprovia Warehouses; Hotel Izuba; Hotel Akagera; Guest House Kinigi; Sopab*; Sorwal*; Sonafruit.*

End-June 2000 (9): Rwamagana Rice Mill; Bugarama Rice Mill; Butare Rice Mill; Caisse hypothécaire du Rwanda*; Rwandex; Soproriz; Rwantexco*; Tabarwanda*; Caisse d’épargne du Rwanda.

End-2000 (16): Tea Factories (9); Rwandatel; Etiru*; Imprisco; Magerwa*; Onatracom; Sorwathe*; Redemi.

End-2001 (7): Banque Commerciale du Rwanda; Banque Rwandaise de Developpement*; BACAR*; Banque de Kigali*; Electrogaz; Sonarwa*; Bralirwa*.

* Government (minority) shares to be sold.

Table 3. Rwanda: Quarterly Targets for Recurrent Social Expenditure, 1999-2000 1/

	1998		1999				2000					
	Prog.	Est.	Mar.		June		Sept.	Dec.	Mar.	June	Sept.	Dec.
			Prog.	Est.	Prog.	Est.	Program		Program			
					2/							
(Cumulative flows since the beginning of the year; in billions of Rwanda francs)												
Total social expenditure (recurrent, including UNR)	20.3	17.5	5.3	4.5	11.3	10.7	18.6	24.8	5.8	12.5	21.2	29.0
Basic social spending (recurrent excluding UNR)	17.6	14.7	4.6	3.7	9.8	9.2	16.3	21.8	5.2	11.2	18.9	25.9
Education	17.6	13.9	4.3	3.8	9.1	9.1	15.1	20.0	4.3	9.2	15.6	21.4
Wages and salaries (excl. UNR)	11.7	7.9	2.5	2.4	4.9	5.3	8.0	10.8	2.3	4.8	8.2	11.3
Goods and services (excl. UNR)	3.2	1.4	0.2	0.1	1.3	1.0	2.4	2.8	0.7	1.6	2.7	3.7
Transfers	2.7	4.6	1.6	1.4	3.0	2.9	4.6	6.4	1.3	2.8	4.7	6.4
University (UNR)	2.7	2.8	0.7	0.8	1.5	1.5	2.3	3.0	0.6	1.3	2.2	3.0
Scholarships 3/	...	1.4	0.7	0.5	1.2	1.2	2.0	2.7	0.5	1.1	1.9	2.7
ISAE, IRST, primary school, other 4/	...	0.3	0.2	0.1	0.3	0.1	0.4	0.6	0.1	0.3	0.5	0.7
Health	2.1	2.6	0.7	0.5	1.7	1.1	2.8	3.7	1.0	2.1	3.6	4.9
Wages and salaries	1.1	1.0	0.4	0.3	1.0	0.6	1.5	2.0	0.5	1.1	1.8	2.5
Goods and services	1.1	1.1	0.3	0.1	0.6	0.5	1.2	1.6	0.5	1.0	1.6	2.3
Transfers	0.0	0.5	0.0	0.0	0.1	0.0	0.1	0.1	0.0	0.1	0.1	0.2
Social affairs/gender, women and development	0.6	1.0	0.3	0.0	0.2	0.2	0.3	0.4	0.4	0.8	1.3	1.8
Wages and salaries	...	...	...	0.0	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.4
Goods and services	...	...	...	0.0	0.1	0.1	0.1	0.1	0.1	0.3	0.5	0.7
Transfers	...	...	...	0.0	0.0	0.1	0.1	0.1	0.1	0.3	0.5	0.7
Youth, culture and sport	0.0	0.0	0.0	0.1	0.4	0.3	0.5	0.7	0.2	0.4	0.7	1.0
Wages and salaries	...	...	...	0.0	0.1	0.1	0.2	0.3	0.1	0.2	0.3	0.4
Goods and services	...	...	...	0.0	0.1	0.1	0.2	0.3	0.1	0.2	0.3	0.4
Transfers	...	...	...	0.1	0.1	0.1	0.1	0.2	0.0	0.1	0.2	0.2
Memorandum items:												
Total social expenditure (including KIST, KHI, KIE, teacher training)	...	17.5	5.6	4.7	11.8	11.1	19.5	26.1	6.1	13.0	22.1	30.3
KHI, KIE, KIST, teacher training 5/	...	0.0	0.3	0.2	0.5	0.4	0.8	1.3	0.3	0.6	0.9	1.3

Sources: Rwandese authorities; and staff estimates.

1/ To be monitored based on the fiscal "flash" reports, financial data from the ministries of education and health, and surveys of decentralized units with assistance from the World Bank and DFID.

2/ Targets agreed upon in the context of the midterm review of the first annual ESAF arrangement.

3/ Include scholarships for Ministry of Education only.

4/ ISAE and IRST are agricultural and technical research institutions; other includes higher education activities.

5/ The transfers to these institutions (for training of health workers and teachers and for research) are included under exceptional social spending.

Table 4. Rwanda: Education Performance Indicators, 1997–99

(In units indicated; in parentheses in percent)

	1997	1998	1999
Primary Education			
1. Enrollment and completion (annual)			
Total enrollment 2/	1,154,768 [80%]	1,270,733 [88%]	...
Male	574,642 [...]	635,765 [...]	...
Female	580,126 [...]	634,968 [...]	...
Completion 3/	71,017 [28%]	60,361 [22%]	...
Transition to secondary education 4/	10,304 [18%]	12,503 [21%]	14,151 [22%]
2. Number of qualified teachers (annual/school term)	6,574 [33%]	10,463 [46%]	11,631 [50%]
3a. Average number of books per class (annual)	...	...	...
3b. Average number of books per pupil (annual)	...	...	...
3c. Average number of teachers provided with teaching materials (annual)	...	...	...
4a. Number of teachers trained through in-service training (annual) 5/	2,210	2,568	7,116
4b. Number of students enrolled at the 11 teacher training colleges (3 year colleges) (annual) 6/	...	...	2,611
5. Number of classrooms constructed/extended (annual)	1,243	576	...
Secondary Education			
1. Enrollment and completion (annual)			
Total enrollment (rate) 2/	82,224 [...]	90,840 [...]	...
Male	41,588 [...]	45,054 [...]	...
Female	40,636 [...]	45,786 [...]	...
Completion 3/	8,133 [...]	10,500 [...]	...
Transition to higher education 4/	... [11%]	... [...]	...
2. Number of qualified teachers (annual/school term) 7/	1,115 [28%]	1,188 [31%]	1,098 [31%]
3a. Average number of books per class (annual)	...	...	...
3b. Average number of books per pupil (annual)	...	...	...
3c. Average number of teachers provided with teaching materials (annual)	...	...	...
4a. Number of teachers trained through in-service training (annual) 5/	...	...	836
4b. Number of students enrolled for teacher training at the Kigali Institute of Education (KIE) (4-year institute) (annual)	...	299	400
5. Number of classrooms constructed/extended (annual)	...	30	...

1/ Agreed between the authorities and Fund and World Bank staffs.

2/ In parentheses, **gross enrollment rate**: number enrolled, regardless of age, divided by population in official primary school age.

3/ In parentheses, **completion rate**: number of pupils in cohort teaching grade 6 divided by number of pupils enrolled in first grade six years before.

4/ In parentheses, transition rate: number of pupils admitted in secondary schools (higher education) divided by number of pupils enrolled in grade 6 of primary (secondary) school.

5/ In 1999, includes teachers attending 3-6 day training courses. The program for teacher training was initiated in 1998, and became fully operational only in 1999.

6/ Before 1999, primary school teachers were trained in secondary schools (data on number of trainees unavailable).

7/ Before 1999, includes both trained teachers with certificates and those with BAC (first two years of university); from 1999, includes only trained teachers with certificates.

Table 5. Rwanda: Health Sector Performance Indicators, 1997–99 1/

	1997	1998	1999			
			Q1	Q2	Q3	Q4
1. Number of curative consultations at health centers•new cases (quarterly)	2,760,421	2,233,279	451,354 2/	303,138 3/	494,130 4/	
2a. Number of qualified physicians at hospitals (annual)	181 5/	144	...	...	148	
2b. Number of qualified nurses (annual)	899	1,033			1,143	
3a. Expenditure on medicines in district hospitals (million RF; quarterly) 6/	39.8	...	...	...	...
3b. Expenditure on medicines in health centers (million RF; quarterly) 6/ 7/	2.8	1.5	0.2	0.3	0.2 4/	
3c. Expenditure for medicines on the budget (million RF; quarterly) 7/	74	229	0	75	75	
4a. Number of functional health centers (quarterly)	330	346	346	348	348 8/	
4b. Number of functional hospitals (quarterly)	28	29	29	29	29 9/	
5a. Number of fully equipped/staffed health centers (quarterly) 9/	...	...	...	...	...
5b. Number of fully equipped hospitals (quarterly) 9/	...	...	...	...	...
6. Number of medical and paramedical students enrolled in Kigali Institute of Health (3 year program)		282				

Source: National Health Information System, Ministry of Health.

1/ Agreed between the authorities, and Fund and World Bank staffs.

2/ Based on 75 percent of expected monthly reports.

3/ Based on 50 percent of expected monthly reports.

4/ Based on 35 percent of expected monthly reports.

5/ In 1997, including 54 expatriates.

6/ In 1997, from the Health Financing Study (Ministry of Health, World Bank, and Hera, May 1999). In 1999, based on reports from ten regional health centers (91 percent).

7/ In 1999, the purchase of medicines has been decentralized so as to promote cost sharing; hospitals and health centers now manage their own purchases of drugs.

Because the Ministry of Health purchases only drugs for epidemics, the amount budgeted for 1999 is less than that for 1998.

8/ Provisional data.

9/ Based on to be defined standards for health centers and hospitals.