

**Annex A. Section I: Budget Composition of Social and Antipoverty Expenditure, 2001**  
(In millions of Rwanda francs)

	<b>2001 Budget</b>
<b>Education</b>	
140105: Primary and Pre-Primary Education	10,731
140204: Secondary Education	4,029
1403: Higher Education	6,799
<i>excluding:</i>	
140105D17909: Support for local Initiative	
140313D17: Exceptional Expenditures KIST	
140314D17: Exceptional Expenditure KIE	
140315D17: Exceptional Expenditure KHI	
140316: UNR	
1404: Scientific and Educational Research	275
1405: Special Needs Education	10
1406: Institutional Support to Education and Research	1,531
1407: Promotion of Bilingualism	7
1408: AIDS Education	2
1409: Peace Education	6
1410: Education for Girls	14
<b>Health</b>	
1601: Central Support Services	2,706
1602: Support to Specialized Programs	754
1603: Strengthening of Capacity of Referral Hospitals (following items)	
160330: Running of CHK	687
160331: Running of Ndera Hospital	63
<b>Agriculture, Livestock and Fisheries</b>	
0903: Agricultural Production	617
0904: Animal Production	405
0905: Rural Engineering and Soil Conservation	49
0906: Marketing	49
0907: Forests	27
<b>Lands and Resettlement</b>	
220202: Planning and Management of Lands	53
220303: Planning and Supervision of Human Settlements	99
220404: Conservation and Protection of the Environment	26
<b>Energy and Water Resources</b>	
2502: Energy	30
2505: Water and Sanitation	61
2506: Natural Gas	94
2503: Mines and Quarries	54
<b>Local Government</b>	
2302: Decentralization	1,264
<i>excluding:</i>	
230202D17: Law for the management of structural resources	
230202D31: Reconstruction of the communes in the North and	
2303: Social Reintegration	134
2304: Rehabilitation of the Family	5
2305: Mass Education	78
2307: Communal Development	30

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*Annex A. Section I continued*

<b>Gender</b>	
1901: Management, Planning and Administrative Services (Cabinet)	140
1902: Promotion of Socio-Judicial Equity	13
1903: Support to Self-Promotion of Women	211
1904: Strengthening of Capacity	47
1905: Promotion of Gender Approach to Development	40
<b>Youth and Sports</b>	
150101: Central Support Services (Cabinet)	300
1503: Professional Training	165
1502: Mobilization of the Youth	70
150404: Promotion of Sports	154
1505: Cultural Promotion	249
<b>Internal Affairs</b>	
070107: Police Services	3,095
070209: Prisons	426
<i>excluding:</i>	
070209D17901: Food for Prisoners	
<b>Public Service</b>	
200401D16801: Support to the Reform of the Civil Service	85
<b>Transport and Communications</b>	
1802: Modernisation of Transport Infrastructures	57
1805: Development of Transport Infrastructure	56
1803: Transport Services	113
1805: Management of Urban Space	162
<b>Commerce</b>	
1002: Industrial and Artisanal Development	260
100305: Promotion of Commerce	177
<b>Total Social and Antipoverty Expenditure, 2001</b>	<b>36,510</b>

**Annex A. Section II: Budget Composition of Exceptional Social and Antipoverty Expenditure, 2001**  
(In millions of Rwanda francs)

	<b>2001 Budget</b>
<b>Presidency</b>	
0212: Commission Nationale des Droits de l'Homme	457
0213: Commission Constitutionnelle	411
0214: Commission Nationale pour l'Unite et Reconciliation	470
<b>Supreme Court</b>	
050507: Jurisdiction GACACA	348
<b>Defense</b>	
060101D17801: Demobilisation	500
060101D17802: Reinsertion of Military	400
060101D17803: Reintegration of Ex-FAR	515
<b>Internal Affairs</b>	
070209D17901: Food for Prisoners	1,000
<b>Justice</b>	
130101D17902: Creation of the 6th Chambre of GACACA	150
<b>Education</b>	
140105D17909: Support for local Initiative	70
140313D17: Exceptional Expenditures KIST	932
140314D17: Exceptional Expenditure KIE	629
140315D17: Exceptional Expenditure KHI	585
<b>Local Government</b>	
230202D17: Law for the management of structural resources	5
230202D31: Reconstruction of the communes in the North and Umutara	120
230206D17901 to 230216D17901: Food for Prisoners in each Prefecture	388
230317D17904: Fonds for Survivors of Genocide and Massacres and other Support for	4,065
230317D17905: Assistance to Orphans	506
230317D17906: Assistance to other Vulnerable Groups	72
230317D17915: Support for Orphanages and unaccompanied children	388
230703D17922: Development of Management of a data base	1
230703D17923: Development of Management of a System of Geographic Information	1
230703D17925: Development of a Database for Community Development	2
<b>Total Exceptional Expenditure</b>	<b>11,667</b>

**Annex A. Section III: Budget Composition of Social Expenditure, 2000 1/  
(In millions of Rwanda francs)**

	<b>2000 Budget</b>
<b>Education</b>	<b>21509</b>
Wages and salaries (excl. UNR)	11262
Cabinet	31
Administration	61
Etudes et planification	15
Enseignement secondaire et formation	1885
Enseignement primaire/prescolaire	9182
Enseignement supérieur	9
Recherche scientifique et technologique	12
Inspection générale de l'éducation	16
Commission nationale pour l'Unesco	7
Commission nationale pour examen	10
Centre de développement des programmes	34
Goods and services (excl. UNR) 2/	3663
Cabinet	106
Administration	85
Etudes et planification	17
Enseignement secondaire et formation	2043
Enseignement primaire/prescolaire	155
Enseignement supérieur	19
Recherche scientifique et technologique	14
Inspection générale de l'éducation	47
Commission nationale pour l'Unesco	12
Commission nationale pour examen	593
Centre de développement des programmes	572
Transfers	6584
University (UNR)	3238
Scholarships	2818
ISAE, IRST, KIE (food), primary and secondary school	519
Other 3/	8
<b>Health</b>	<b>4383</b>
Wages and Salaries	1502
Cabinet	493
Santé	102
Epidemiologie et hygiene publique	27
Pharmacie	6
Planification et administration	10
Regions sanitaires, districts et hopitaux	864
Goods and Services	2625
Cabinet	1087
Santé 4/	273
Epidemiologie et hygiene publique	176
Pharmacie	336
Planification et administration	31
Regions sanitaires, districts et hopitaux	722
Transfers	256
Cabinet	84
Santé	120
Epidemiologie et hygiene publique	45
Regions sanitaires, districts et hopitaux	7

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<i>Annex A. Section III continued</i>	<b>2000 Budget</b>
<b>Social Affairs/Gender, women and development</b>	<b>993</b>
<b>Social Affairs</b>	<b>525</b>
Wages and salaries	244
Cabinet	102
Affaires sociales	17
Education populaire	14
Education communautaire et cooperative	18
Planning administration et finance	93
Goods and services	241
Cabinet 5/	52
Affaires sociales 6/	21
Education populaire	129
Education communautaire et cooperative	13
Planning administration et finance	12
Programme national pour enfant	14
Transfers	40
Cabinet	0
Affaires sociales	40
<b>Gender, women and development</b>	<b>468</b>
Wages and salaries	106
Cabinet	59
Genre et développement	10
Administration et planification	24
Promotion de la femme	13
Goods and services	362
Cabinet	111
Genre et développement	106
Administration et planification	42
Promotion de la femme	103
<b>Youth, culture and sport</b>	<b>918</b>
Wages and Salaries	265
Cabinet	130
Youth	18
Culture and Art	19
Sport	14
Formation professionnelle	83
Goods and Services	397
Cabinet	143
Youth 7/	81
Culture and Art 8/	89
Sport	31
Formation professionnelle	52
Transfers	257
Cabinet	87
Sport	50
Formation professionnelle	120
<b>TOTAL</b>	<b>27803</b>
<p>Except for footnote 3, these items are all included under exceptional social spending.                      1/ Excludes additional education expenses (mostly arrears) RF 1 billion paid to teachers.                      2/ Excludes: "programme de formation des enseignants" = 363.9 million; "assistance à l'éducation" KIST = 453.2 million; "assistance à l'éducation" KIE = 260 million; "assistance à l'éducation" KHI = 230 million; and "appui à l'initiative locale" = 487.55 million.                      3/ Includes ACCT, ACCT/PSD, UNESCO, STP/CONFEMEM, OMPI, Indemnités de grade academique, and "indemnités de fonction."                      4/ Excludes "fonctionnement hôpital neuro-psychiatrique" = 15 million.                      5/ Excludes "Fonds pour rescapés du génocide et des massacres" = 3,722.1.                      6/ Excludes "jeunesse en situation difficile" = 9.0 million; "assistance aux orphelins" = 281 million; and "assistance aux group vulnérables" = 92.3 million.                      7/ Excludes "camp de solidarité pour jeunes" = 50 million.                      8/ Excludes "commission du mémorial du génocide et des massacres" = 82.0 million.</p>	

## Annex A. Section IV: Budget Composition of Exceptional Social Expenditure, 1999-2000

(In millions of Rwanda francs)

		<b>2000 Budget</b>
<b>Assistance to victims of genocide</b>		<b>4,507.00</b>
	D122402.12807: Jeunesse en situation difficile (Rwanda RWEJO) 2/	
	D122401.12810: Fonds pour rescapés du génocide et massacres	3,920.00
	D421503.12817: Commission du mémorial du génocide et des massacres	
	D122402.12818: Assistance aux orphelins	490.00
	D122402.12819: Assistance aux groupes vulnérables	97.00
<b>Demobilization/reintegration/reeducation</b>		<b>1,888.00</b>
Demobilization allowances	D220601.12802: Démobilisation des militaires	800.00
Reintegration and Reinsertion ex FAR	D220601.12804: Programme de réintégration des ex-FAR	500.00
	D220601.12808: Reinsertion des militaires	588.00
Reeducation	12803: Camping de rééducation pour civils (Discontinué)	
<b>Retrenchment of civil service/vocational training</b>	D122001.12820: Appui à la réforme administrative	<b>210.00</b>
<b>Education assistance and governance</b>		<b>3,897.32</b>
Education assistance including teacher training		<b>2,041.85</b>
Teacher training	D521401.12806: Programme de formation des enseignants	250.00
KIST	D521401.12813: Assistance à l'éducation KIST	700.00
KIE	D521401.12814: Assistance à l'éducation KIE	574.00
KHI	D521401.12815: Assistance à l'éducation KHI	517.85
Good governance and other		<b>1,855.47</b>
Other (youth, social asst., elections)		<b>500.00</b>
	D421502.12816: Camp de solidarité pour jeunes	0.00
	D122301.12841: Organisation des élections	400.00
	D122305.12844: Assistance sociale	0.00
	D521405.12849: Appui à l'initiative locale	100.00
	D721602.12839: Fonctionnement. Hopital Neuro-Psychiatrique	0.00
Good Governance institutions		<b>1,355.47</b>
	D120201.12812: Institution de bonne gouvernance	250.00
	D120201.12821: Commission pour droit de l'homme 2/	555.49
	D120201.12822: Commission constitutionnelle 2/	50.00
	D120201.12823: Commission nationale pour l'unité et réconciliation 2/	499.98
		<b>10,502.32</b>
<b>Memorandum items:</b>	<i>Additional items considered exceptional expenditure in the budget (2000)</i>	
	D12801: Vivres pour détenus	1,600.00
	D12805: Creation Sixieme Chambre (Gacaca)	250.00
	D12869: Reconstruction des communes du nord et de l'umu	250.00
	<i>Additional items considered exceptional expenditure in the budget (99)</i>	
	D120709.12853: Vivres pour détenus 3/	
	D221201.12850: Fonds pour habitat des agents de l'Etat	
	D221201.12855: Informatisation operations du budget et trésor	
	D521408.12837: Inspection de l'enseignement	
	D521801.12801: Commission pour l'an 2000	
	D620901.12805: Lutte contre les chenilles 2/	
	D621001.12839: Mise en place agence Rwandaise des investissements	
	D721601.12825: Evacuations sanitaires vers HRF 2/	
	D721603.12836: Lutte contre le paludisme	
	D721601.12854: Soins de santé pour les agents de l'Etat	
	<b>Total</b>	<b>2,100.00</b>
	<b>TOTAL</b>	<b>12,602.32</b>
1/ Targets agreed upon in the context of the midterm review.		
2/ Not in the original budget.		
3/ Not considered exceptional expenditure in the original budget, which included RF 1,500 million as goods and services (under the Ministry of Justice).		

Table 1a. Rwanda: Quantitative Performance Criteria and Benchmarks Under the Second and Third Annual PRGF Arrangements, 1999-2001  
(In billions of Rwanda francs, unless otherwise indicated)

	1999		2000				2001			
	Sep.	Dec.*	Mar.	Jun.*	Sep.	Dec.	Mar.*	Jun.	Sep.*	Dec.
	PRGF II				PRGF III					
(Performance criteria, on test dates*, and quantitative benchmarks)										
Net foreign assets of the NBR (floor on stock) 1/										
Actual (program exchange rate)	22.8	25.5	23.2	15.8	17.8	...	...	...	...	...
Adjusted program	29.3	30.8	26.4	23.8	23.1	...	...	...	...	...
Program 2/	28.0	28.0	26.6	25.1	22.0	25.6	24.3	23.9	23.1	22.3
Net domestic assets of the Banking System (ceiling on stock)										
Actual (program exchange rate)	60.9	61.9	61.2	75.8	70.4	...	...	...	...	...
Adjusted program 3/	...	...	...	...	...	...	...	...	...	...
Program 2/	...	...	...	...	...	59.6	62.8	65.0	67.7	70.4
Net domestic assets of the NBR (ceiling on stock)										
Actual (program exchange rate)	11.5	14.9	12.1	21.3	17.7	...	...	...	...	...
Adjusted program 3/	7.6	6.6	11.6	14.6	13.1	...	...	...	...	...
Program 2/	8.9	9.4	11.4	13.3	16.0	...	...	...	...	...
Net credit to the central government by the banking system (ceiling on stock) 4/										
Actual	27.1	32.4	26.5	34.7	33.6	...	...	...	...	...
Adjusted program	22.5	24.0	32.6	31.1	27.5	...	...	...	...	...
Program 2/	23.8	26.9	32.4	29.8	28.6	32.8	33.3	32.8	32.8	32.8
New nonconcessional external debt (ceiling on flow) 5/										
Actual	0.0	0.0	0.0	0.0	0.4	...	...	...	...	...
Program 2/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-term external debt (ceiling on stock) 6/										
Actual	0.0	0.0	0.0	0.0	0.0	...	...	...	...	...
Program 2/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Primary fiscal balance (floor on cumulative flow since Dec. 31) 7/ 8/										
Actual	-11.5	-14.4	5.7	4.2	-0.8	...	...	...	...	...
Adjusted program	-4.8	-4.9	-0.3	3.3	2.1	...	...	...	...	...
Program 2/	-5.8	-4.5	-1.5	2.8	1.8	-1.5	1.3	4.1	1.4	1.1
Stock of outstanding nonreschedulable external arrears (ceiling on stock) 9/										
Actual	0.0	0.0	0.0	0.0	0.4	...	...	...	...	...
Program 2/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net accumulation of domestic arrears (ceiling on cumulative net accumulation since Dec. 31)										
Actual	0.4	-4.0	1.6	-2.0	0.9	...	...	...	...	...
Program 2/	-2.8	-3.5	-0.2	-1.5	-2.5	-4.5	0.0	0.0	0.0	0.0
Social spending (floor on cumulative flow since Dec. 31) 10/										
Actual	17.7	25.1	4.5	10.9	18.3	...	...	...	...	...
Program 2/	18.6	24.8	5.8	11.4	18.6	28.4	6.0	14.5	25.5	36.5
(Indicative targets)										
Reserve money (ceiling on stock)										
Actual	34.2	40.4	35.3	37.1	35.5	...	...	...	...	...
Adjusted program	36.9	37.4	...	...	...	...	...	...	...	...
Program 2/	36.9	37.4	38.0	38.5	38.0	37.9	38.8	39.6	40.5	41.3
Budgetary revenue (floor on cumulative flow since Dec. 31)										
Actual	47.6	63.6	20.1	36.0	51.6	...	...	...	...	...
Program 2/	49.5	71.0	15.6	38.5	56.8	69.6	18.7	39.9	60.1	81.3
Wage bill (ceiling on cumulative flow since Dec. 31)										
Actual	25.6	34.4	8.3	17.5	26.6	...	...	...	...	...
Program 2/	26.3	34.0	8.7	17.5	26.2	36.0	9.0	18.5	28.5	38.6
Memorandum items:										
Total external budgetary support and social spending adjustment (min (A, B) ) 11/	-1.3	-2.9	0.2	1.3	-1.1	...	...	...	...	...
Cap on external budgetary support adjustment (A)	9.0	12.0	9.0	11.0	13.0	15.0	9.0	11.0	13.0	15.0
Uncapped external budgetary support and social spending adjustment (B = C + D)	-1.3	-2.9	0.2	1.3	-1.1	...	...	...	...	...
Budgetary support cumulative shortfall + (excess -) (C)	-0.6	-2.0	2.4	1.8	1.2	...	...	...	...	...
Financed social and exceptional social spending, excess + (shortfall -) (D = min (E, F) )	-0.7	-0.9	-2.3	-0.5	-2.4	...	...	...	...	...
Budgetary support cumulative excess + (shortfall = 0) (E)	0.6	2.0	0.0	0.0	0.0	...	...	...	...	...
Social and exceptional social spending, excess + (shortfall -) (F)	-0.7	-0.9	-2.3	-0.5	-2.4	-2.4	...	...	...	...

Sources: Rwandese authorities; and Fund staff estimates and projections.

1/ Net foreign reserves are defined for this purpose, consistent with the definition of the Special Data Dissemination Standards (SDDS) template, as external assets readily available to, or controlled by, the National Bank of Rwanda (NBR) net of external liabilities of the NBR. Pledged or otherwise encumbered reserves assets including, but not limited to, reserve assets used as collateral or guarantee for third party external liabilities, are to be excluded.

2/ "Program" targets for 2000 are revised program targets.

3/ 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.

4/ Ceiling on contracting or guaranteeing by the central government, local governments and the NBR of new nonconcessional external debt with original maturity of more than one year. Debt rescheduling and restructuring are excluded from the borrowing limits. Includes financial leases and other instruments giving rise to external liabilities, contingent or otherwise, on nonconcessional terms. In determining the level of concessionality of these obligations, the definition of concessional borrowing shall apply. Concessional borrowing is defined as having a grant element of 35 percent or more until September 2000, and 50 percent or more from December 2000 onwards. For loans with a maturity of at least 15 years, the 10-year average commercial interest reference rates (CIRRs) published by the OECD should be used as the discount rate for assessing the level of concessionality, while the 6-month average CIRRs should be used for loans with shorter maturities. To both the 10-year and the 6-month averages, the following margins for differing repayment periods should be added: 0.75 percent for repayment periods of less than 15 years; 1 percent for 15-19 years; 1.15 percent for 20-29 years; and 1.25 percent for 30 years or more.

5/ From December 2000 onwards, the definition of net credit to government by the banking system has been changed to exclude public nongovernmental deposits.

6/ Ceiling on change in outstanding stock of external debt (excluding normal import-related credits) owed or guaranteed by the central government, local government and the NBR with original maturity of up to and including one year.

7/ 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.

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

9/ To be monitored on a continuous basis.

10/ The definition of social spending from March 2001 has been changed to include a larger variety of social/antipoverty spending. Before March 2001, social spending is defined as expenditures by the ministries of health and education.

11/ Applies to net domestic assets of the NBR up to September 2000, to net domestic assets of the banking system from December 2000 onwards, 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 1b. Rwanda: Calculation of the Budgetary Support Adjustments to the Quantitative Performance  
Criteria and Benchmarks Under the Second and Third Annual PRGF Arrangements, 1999-2001 1/

	1999		2000				2001			
	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.*	Jun.	Sep.*	Dec.
	PRGF II						PRGF III			
(In billions of Rwanda francs)										
<b>Total external budgetary support and social spending adjustment (min (A, B) )</b>	-1.3	-2.9	0.2	1.3	-1.1	...	...	...	...	...
Cap on external budgetary support adjustment (A)	9.0	12.0	9.0	11.0	13.0	15.0	9.0	11.0	13.0	15.0
Uncapped external budgetary support and social spending adjustment (B = C + D )	-1.3	-2.9	0.2	1.3	-1.1	...	...	...	...	...
Budgetary support cumulative shortfall + (excess - ) (C = C*, but in RF) 2/	-0.6	-2.0	2.4	1.8	1.2	...	...	...	...	...
Financed social and exceptional social spending, excess + (shortfall - ) (D = min (E, F) )	-0.7	-0.9	-2.3	-0.5	-2.4	...	...	...	...	...
Budgetary support cumulative excess + (shortfall = 0) (E)	0.6	2.0	0.0	0.0	0.0	...	...	...	...	...
Social and exceptional social spending, excess + (shortfall - ) (F = G + H)	-0.7	-0.9	-2.3	-0.5	-2.4	...	...	...	...	...
<b>Adjustment for financed excess social spending (Min (C***, G) )</b>	-1.0	0.3	-1.3	-0.4	-0.3	...	...	...	...	...
External budgetary support cumulative excess + (shortfall = 0) (C** = max (-C, 0) )	0.6	2.0	0.0	0.0	0.0	...	...	...	...	...
Social spending, excess + (shortfall - ) (G)	-1.0	0.3	-1.3	-0.4	-0.3	...	...	...	...	...
Social and exceptional social spending, excess + (shortfall - ) (F = G + H)	-0.7	-0.9	-2.3	-0.5	-2.4	...	...	...	...	...
Social spending, excess + (shortfall - ) (G)	-1.0	0.3	-1.3	-0.4	-0.3	...	...	...	...	...
Program 3/	18.6	24.8	5.8	11.4	18.6	28.4	6.0	14.5	25.5	36.5
Actual	17.7	25.1	4.5	10.9	18.3	...	...	...	...	...
Exceptional social spending, excess + (shortfall - ) (H)	0.3	-1.2	-1.0	-0.1	-2.1	...	...	...	...	...
Program 3/	6.7	9.1	1.8	3.8	8.2	12.6	1.5	5.0	8.4	11.7
Actual	7.0	7.9	0.8	3.7	6.1	...	...	...	...	...
External budgetary support cumulative shortfall (excess - ) (C = C*, but in RF) 2/	-0.6	-2.0	2.4	1.8	1.2	...	...	...	...	...
External budgetary support cumulative non-debt shortfall (excess - ) (K)	...	2.9	1.6	0.1	...	...	...	...	...	...
Shortfall in domestic debt repayment (billions of RF) (L) 4/	...	4.9	-0.9	-1.7	...	...	...	...	...	...
Program 3/	...	-5.8	0.0	0.0	...	...	...	...	...	...
Actual	...	-0.9	-0.9	-1.7	...	...	...	...	...	...
(In millions of U.S. dollars)										
External budgetary support cumulative non-debt shortfall (excess - ) (C* = I - J) 2/	-1.9	8.8	4.5	0.4	3.5	...	...	...	...	...
Program (I) 3/	65.6	107.6	15.8	29.4	62.7	106.9	11.2	26.5	54.0	77.8
EU	16.0	30.0	6.8	16.6	24.8	43.2	20.2	0.0	30.5	30.5
AfDB 5/	0.0	13.5	0.0	0.0	0.0	0.0	0.0	0.0	10.0	10.0
WB	38.0	38.0	0.0	0.0	17.5	35.0	16.0	0.0	0.0	31.0
Multilateral refinancing	2.2	2.6	0.6	1.3	2.0	2.6	0.0	0.0	0.0	0.0
Bilateral donors 7/	29.3	36.6	8.3	22.4	32.8	39.8	0.3	6.5	6.8	33.8
Net accumulation in multilateral debt trust fund (-)	-13.8	-13.1	0.1	-9.1	-4.4	-2.7	5.0	10.1	9.1	14.1
Minus projected overfinancing (which must be allocated to social spending)	-6.1	0.0	0.0	-1.7	-10.0	-11.0	-30.3	10.0	-2.3	-41.6
Actual (J)	67.5	98.8	11.3	29.1	59.1	...	...	...	...	...
EU	11.0	16.7	3.4	16.6	18.1	...	...	...	...	...
AfDB	0.0	13.5	0.0	0.0	0.0	...	...	...	...	...
WB	38.0	38.0	0.0	0.0	16.1	...	...	...	...	...
Multilateral refinancing 6/	3.6	2.6	-0.4	-0.4	1.0	...	...	...	...	...
Bilateral donors 7/	24.2	36.4	7.6	22.4	28.9	...	...	...	...	...
Net accumulation in multilateral debt trust fund (-)	-9.2	-8.5	0.7	-9.5	-5.0	...	...	...	...	...
Memorandum items:										
(In Rwanda francs per dollar)										
Exchange rates										
RF/USD program	330.5	330.5	351.9	351.9	351.9	411.0	415.5	415.5	415.5	415.5

Sources: Rwandese authorities; and Fund staff estimates and projections.

1/ Cumulative from start of year.

2/ C = C\* converted to Rwandese francs at the program exchange rate.

3/ "Program" targets for 2000 are revised program targets.

4/ Starting in June 2000 this item will no longer be added to the external budgetary support cumulative shortfall.

5/ From the originally programmed AfDB disbursement of US\$13.5 million, US\$5 million is deducted, which was received at end-1998, but booked in the government accounts only in early 1999. This amount has been reclassified as domestic nonbank financing in 1999.

6/ The cumulative flow for December 1998 includes the expected refinancing of arrears outstanding as of end-March 1998.

7/ Excludes debt relief obtained from Paris Club creditors and debt relief to be obtained from non-Paris Club creditors.

Table 1c: Sample Calculations of EBSSA Adjustment

Outcomes		Result	Calculations				
Shortfall in external budgetary support (SEBS)	Excess social plus exceptional social spending (ESESS)	EBSSSA adjustment (reduction in NFA target)	Excess budgetary support (EBS) (not less than zero)	FESESSA (minimum of EBS and ESESS)	SEBS + FESESSA	CAP	EBSSA adjustment (smaller of SEBS + FESESSA and the cap)
-10.0	10.0	--	10.0	10.0	--	4.0	--
-10.0	7.0	-3.0	10.0	7.0	-3.0	4.0	-3.0
-10.0	3.0	-7.0	10.0	3.0	-7.0	4.0	-7.0
-10.0	--	-10.0	10.0	--	-10.0	4.0	-10.0
-10.0	-3.0	-13.0	10.0	-3.0	-13.0	4.0	-13.0
-10.0	-7.0	-17.0	10.0	-7.0	-17.0	4.0	-17.0
-10.0	-10.0	-20.0	10.0	-10.0	-20.0	4.0	-20.0
-5.0	10.0	--	5.0	5.0	--	4.0	--
-5.0	7.0	--	5.0	5.0	--	4.0	--
-5.0	3.0	-2.0	5.0	3.0	-2.0	4.0	-2.0
-5.0	--	-5.0	5.0	--	-5.0	4.0	-5.0
-5.0	-3.0	-8.0	5.0	-3.0	-8.0	4.0	-8.0
-5.0	-7.0	-12.0	5.0	-7.0	-12.0	4.0	-12.0
-5.0	-10.0	-15.0	5.0	-10.0	-15.0	4.0	-15.0
--	10.0	--	--	--	--	4.0	--
--	7.0	--	--	--	--	4.0	--
--	3.0	--	--	--	--	4.0	--
--	--	--	--	--	--	4.0	--
--	-3.0	-3.0	--	-3.0	-3.0	4.0	-3.0
--	-7.0	-7.0	--	-7.0	-7.0	4.0	-7.0
--	-10.0	-10.0	--	-10.0	-10.0	4.0	-10.0
5.0	10.0	4.0	--	--	5.0	4.0	4.0
5.0	7.0	4.0	--	--	5.0	4.0	4.0
5.0	3.0	4.0	--	--	5.0	4.0	4.0
5.0	--	4.0	--	--	5.0	4.0	4.0
5.0	-3.0	2.0	--	-3.0	2.0	4.0	2.0
5.0	-7.0	-2.0	--	-7.0	-2.0	4.0	-2.0
5.0	-10.0	-5.0	--	-10.0	-5.0	4.0	-5.0
10.0	10.0	4.0	--	--	10.0	4.0	4.0
10.0	7.0	4.0	--	--	10.0	4.0	4.0
10.0	3.0	4.0	--	--	10.0	4.0	4.0
10.0	--	4.0	--	--	10.0	4.0	4.0
10.0	-3.0	4.0	--	-3.0	7.0	4.0	4.0
10.0	-7.0	3.0	--	-7.0	3.0	4.0	3.0
10.0	-10.0	--	--	-10.0	--	4.0	--



Table 2. Rwanda: Proposed Structural Performance Criteria and Benchmarks for the First and Second Review under the Third Annual PRGF Arrangement, 2000/2001

Action	Timing
Develop a system for monitoring poverty related expenditures on a monthly basis <sup>1</sup>	January 1, 2001
Begin collecting taxes under VAT law <sup>2</sup>	January 1, 2001
The NBR to conduct weekly auctions to sell foreign exchange to the highest bidder among the commercial banks at whatever rate clears the auction <sup>2</sup>	January 31, 2001
Prepare a monitorable action plan for further strengthening the Auditor General's office, and a strategy and timetable for delivering a full audit of public accounts annually <sup>1</sup>	End-February 2001
Completion of audits of the large companies' 1998 tax returns and completion of 40 audits of 1999 returns <sup>1</sup>	End-March 2001
Issue financial instructions in accordance with the organic budget law <sup>2</sup>	End-June 2001
Submit to Parliament TPR law to make all salary allowances in cash and in kind fully subject to TPR <sup>1</sup>	End-June 2001
Adopt law that allows for the efficient and timely enforcement of arbitration awards rendered by the arbitrage center <sup>2</sup>	End-June 2001
Effect improvements in the system of the <i>voie parée</i> in accordance with the recommendation of the interministerial committee established for the purpose <sup>1</sup>	End-June 2001
Offer 51 percent of Rwandatel to a strategic investor <sup>1</sup>	September 2001
Achieve collection rate of 75 percent of tax assessment within one month of assessment through strict application of reminder enforcement procedures <sup>1</sup>	September 2001
Maintain and achieve voluntary declaration and payment compliance rates of at least 95 percent for large enterprises and at least 40 percent for SME (from 95 percent and 10 percent, respectively in 1999) <sup>1</sup>	September 2001
Complete a review of all waivers and exemptions from import duties and taxes, produce a plan that provides for their elimination by a specific date (with the exception of those established under international treaties) and propose in accordance with this plan that some of the waivers or exemptions will be eliminated with effect for the 2002 budget. <sup>2</sup>	September 2001
Establish a <i>Tribunal de Commerce</i> (Commercial Court) and a <i>Tribunal Fiscal</i> (Tax Court) <sup>1</sup>	End-December 2001

<sup>1</sup>Structural benchmark.

<sup>2</sup>Structural performance criterion.

Table 3. Rwanda: Quarterly Targets for Social and Antipoverty Expenditure, 1998-2001 1/  
(Cumulative flows since the beginning of the year; in billions of Rwanda francs)

	1998		1999					2000						2001				
	Prog.	Est.	Mar. Est.	June Est.	Sep. Est.	Dec. Prog. Est.		Mar. Prog.	Est.	June Prog.	Est.	Sep. Prog.	Est.	Dec. Prog.	Mar.	Jun.	Sept.	Dec.
															Program			
<b>Total social expenditure (recurrent, including UNR)</b>	20.3	17.5	4.5	10.7	17.7	27.5	25.1	5.8	4.5	11.4	10.9	18.6	18.3	28.4	6.0	14.5	25.5	36.7
Basic social spending (recurrent, excluding UNR)	17.6	14.7	3.7	9.2	15.3	24.3	21.9	5.2	4.0	10.0	9.6	16.4	15.9	25.2	5.5	13.2	23.3	33.7
<b>Education</b>	17.6	13.9	3.8	9.1	14.5	20.7	20.4	4.3	3.8	8.9	8.7	14.3	15.0	21.6	4.6	10.8	18.1	25.3
Wages and salaries (excluding UNR)	11.7	7.9	2.4	5.3	8.1	11.3	11.3	2.3	2.8	5.6	5.9	8.4	9.1	12.2	3.1	6.7	10.8	15.0
Goods and services (excluding UNR)	3.2	1.4	0.1	1.0	2.4	2.9	2.8	0.7	0.1	0.7	0.2	1.6	0.8	2.9	0.4	1.2	2.5	3.9
Transfers	2.7	4.6	1.4	2.9	4.1	6.6	6.3	1.3	1.0	2.6	2.6	4.3	5.1	6.6	1.1	2.9	4.8	6.4
University (UNR)	2.7	2.8	0.8	1.5	2.3	3.2	3.2	0.6	0.5	1.3	1.3	2.2	2.4	3.2	0.5	1.3	2.2	3.0
Scholarships 2/	...	1.4	0.5	1.2	1.5	2.8	2.6	0.5	0.4	1.1	1.0	1.8	2.3	2.8	0.4	1.2	2.0	2.6
ISAE, IRST, primary school, other 3/	...	0.3	0.1	0.1	0.2	0.5	0.5	0.1	0.1	0.2	0.2	0.4	0.3	0.5	0.2	0.4	0.6	0.8
<b>Health</b>	2.1	2.6	0.5	1.1	2.3	4.9	3.3	1.0	0.5	1.7	1.7	3.0	2.7	4.9	0.8	2.2	4.4	6.5
Wages and salaries	1.1	1.0	0.3	0.6	1.0	2.0	1.4	0.5	0.3	0.8	0.7	1.3	1.0	2.0	0.4	0.9	1.7	2.5
Goods and services	1.1	1.1	0.1	0.5	1.2	2.6	1.8	0.5	0.2	0.8	1.0	1.6	1.5	2.6	0.3	1.1	2.4	3.8
Transfers	0.0	0.5	0.0	0.0	0.1	0.3	0.1	0.0	0.0	0.1	0.1	0.2	0.2	0.3	0.1	0.2	0.3	0.3
<b>Social affairs/gender, women and development</b>	0.6	1.0	0.0	0.2	0.3	1.0	0.5	0.4	0.1	0.3	0.1	0.6	0.2	1.0	0.3	0.8	1.9	3.2
Wages and salaries	...	...	0.0	0.1	0.1	0.4	0.2	0.1	0.0	0.1	0.1	0.2	0.1	0.4	0.1	0.2	0.3	0.6
Goods and services	...	...	0.0	0.1	0.1	0.6	0.2	0.1	0.0	0.2	0.0	0.3	0.1	0.6	0.2	0.5	1.5	2.5
Transfers	...	...	0.0	0.1	0.1	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	--	0.1	0.1	0.1
<b>Youth, culture and sport</b>	0.0	0.0	0.1	0.3	0.6	0.9	0.9	0.2	0.1	0.5	0.4	0.7	0.5	0.9	0.3	0.7	1.2	1.6
Wages and salaries	...	...	0.0	0.1	0.2	0.3	0.2	0.1	0.0	0.1	0.1	0.2	0.1	0.3	0.1	0.2	0.3	0.1
Goods and services	...	...	0.0	0.1	0.2	0.4	0.3	0.1	0.1	0.2	0.2	0.3	0.3	0.4	0.1	0.3	0.6	0.9
Transfers	...	...	0.1	0.1	0.3	0.3	0.4	0.0	0.0	0.2	0.1	0.3	0.1	0.3	0.1	0.2	0.3	0.7
Memorandum items:																		
Total social expenditure (including KIST, KHI, KIE, teacher training)	...	17.5	4.7	11.1	18.2	29.6	26.1	6.1	4.9	12.2	11.8	20.1	19.6	30.5	6.5	15.6	27.2	39.1
KIST, KHI, KIE, teacher training 4/	...	0.0	0.2	0.4	0.6	2.0	0.9	0.3	0.4	0.9	0.9	1.5	1.3	2.0	0.5	1.1	1.7	2.3

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/ Include scholarships for Ministry of Education only.

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

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

Table 4. Rwanda: Summary of Reporting Requirements

Status	Variable or Table	Reporting Frequency	Reporting delay from end of period covered	Report data electronically
<b>A. Monetary and Foreign Exchange</b>				
PC	Net foreign assets NBR	Weekly	Seven days	
PC	Net domestic assets NBR	Weekly	Seven days	
QI	Reserve money	Weekly	Seven days	
PC	Net credit to central government	Monthly	Three weeks	
Table	Monthly balance sheet of the NBR	Monthly	Four weeks	Yes
Table	Summary balance sheet of the commercial banks	Monthly	Four weeks	Yes
Table	Individual balance sheets of the commercial banks	Monthly	Four weeks	Yes
Table	Details of public sector deposits with individual commercial banks	Quarterly	Four weeks	Yes
Table	Details of commercial banks' loan provisioning and capital adequacy	Monthly	Four weeks	Yes
Table	Monthly data on foreign exchange operations of commercial banks, the NBR, and foreign exchange bureaus	Monthly	Four weeks	Yes
Table	Net open foreign exchange positions of commercial banks and foreign exchange bureaus	Monthly	Four weeks	Yes
Table	Exchange rates	Weekly	Seven days	Yes
<b>B. Debt</b>				
PC	New external government borrowing	Monthly	Three weeks	
PC	Stock of short-term external government debt	Monthly	Three weeks	
<b>C. Fiscal</b>				
PC	Domestic arrears (repayment of the end-of-year stock of arrears and accumulation of new arrears)	Monthly	Three weeks	
PC	External arrears	Quarterly	Three weeks	
OV	External budgetary support	Monthly	Three weeks	
Table	Fiscal data (revenue, expenditure, <sup>2</sup> social expenditure, exceptional social expenditure, wage bill)	Monthly	Three weeks	
Table	Development budget implementation	Quarterly	Three weeks	
Table	Scheduled debt service and payments	Quarterly	Three weeks	
<b>D. Public enterprises</b>				
Table	Public enterprises financial statements	Semi-annual	Four weeks	
Table	Public enterprises bank deposits	Quarterly	Four weeks	
Table	Estimated and actual tax payments of the public enterprises	Quarterly	Four weeks	
<b>E. Civil service</b>				

Table 4. Rwanda: Summary of Reporting Requirements

Status	Variable or Table	Reporting Frequency	Reporting delay from end of period covered	Report data electronically
OV	Size of the civil service (core civil service and teachers)	Monthly	Three weeks	
<b>F. Balance of payments</b>				
Table	Export and imports	Monthly	Four weeks	Yes
Table	Detailed Balance of Payments	Quarterly	Four weeks	
<b>G. Prices</b>				
OV	CPI Kigali (NBR), urban, and rural (Minecofin)	Monthly	Four weeks	Yes
<p>1/ All the exchange rates specified in the text, section V.</p> <p>2/ On commitment basis (<i>engagement</i>) and on payment order basis (<i>ordonnancement</i>); the provision of fiscal data is based on the <del>flash</del> reporting (aggregate and by ministry).</p> <p>PC = performance criterion or quantitative benchmark;</p> <p>QI = quantitative indicator;</p> <p>OV= other variable.</p>				

Table 5a. Rwanda: Education Performance Indicators, 1998–2000 1/

	1998	1999	2000
<b>Primary education</b>			
Enrollment and completion (annual)			
Total gross enrollment 2/	1,270,733 (88%)	1,288,617 (88%)	1,428,908 (97.1%)
Male	635,765 (...)	644,430 (90%)	720,481
Female	634,968 (...)	644,187 (87%)	708,427
Completion 3/	60,361 (22%)	...	...
Transition to secondary education 4/	12,503 (21%)	14,151 (22%)	... (25.6%)
Number of qualified teachers (annual/school term) 5/	10,463 (46%)	11,860 (51%)	13,934 (53.2%)
Student-teacher ratio (annual/school term)	56	55	54
Student-qualified teacher ratio (annual/school term)	121	109	102
Average number of books per class (annual)	...	...	...
Average number of books per pupil (annual)	0.56	...	...
Average number of teachers provided with teaching materials (annual)	...	...	...
Number of teachers trained through in-service training (annual) 6/	2,568	7,116	4,094
Number of students enrolled at the 11 teacher training colleges (three-year colleges) (annual) 7/	...	2,611	4,659
Number of classes (annual)	...	30,866	...
Number of classrooms (annual)	...	23,395	38,627
Number of classrooms constructed/extended (annual)	576	89	160
Repetition rate percent	...	(30)	...
Drop out rate percent 8/	...	(30)	...
Percent passing national exams 9/	...	(22.6)	(25.6%)
<b>Secondary education</b>			
Enrollment and completion (annual)			
Total gross enrollment (rate) 2/	90,840 (...)	103,222 (10%)	103,222 (10%)
Male	45,054 (...)	50,919	50,919
Female	45,786 (...)	52,303	52,303
Completion 3/	10,500 (...)	...	...
Transition to higher education 4/	... (...)	...	...
Number of qualified teachers (annual/school term) 5/ 10/	1,188 (31%)	1,098 (31%)	1,098 (31%)
Average number of books per class (annual)	...	...	...
Average number of books per pupil (annual)	...	...	...
Average number of teachers provided with teaching materials (annual)	...	...	...
Number of teachers trained through in-service training (annual) 6/	...	836	836
Number of students enrolled for teacher training at the Kigali Institute of Education (KIE) (four-year institute) (annual)	299	400	400
Number of classes (annual)	...	...	...
Number of classrooms constructed/extended (annual)	30	44	44

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 schoolage in percent.

3/ In parentheses, completion rate: number of pupils in cohort reaching grade 6 divided by number of pupils enrolled in firstgrade six years before in percent.

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 in percent.

5/ In parentheses, in percent of total number of teachers.

6/ 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.

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

8/ In 1999, estimate based on Butare and Kigali Ngali.

9/ Figure provided by National Examinations Council.

10/ 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 5b: 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	606,055 2/	575,789 3/	462,225 4/	480,650 5/
2a. Number of qualified physicians at hospitals (annual)	181 6/	144	...	...	148	148
2b. Number of qualified nurses (annual)	899	1,033	...	...	1,143	1,442
3a. Expenditure on medicines in district hospitals (millions of Rwanda Francs; quarterly) 7/	39.8	...	...	...	...	...
3b. Expenditure on medicines in health centers (millions of Rwanda Francs; quarterly) 7/ 8/	2.8	1.5	0.2	0.3	0 4/	1.4
3c. Expenditure for medicines on the budget (millions of Rwanda Francs; quarterly) 8/	74	229	0	75	75	95
4a. Number of functional health centers (quarterly)	330	346	346	348	348 9/	348
4b. Number of functional hospitals (quarterly)	28	29	29	29	29 10/	29
5a. Number of fully equipped/staffed health centers (quarterly) 10/	...	...	...	...	...	...
5b. Number of fully equipped hospitals (quarterly) 10/	...	...	...	...	...	...
6. Number of medical and paramedical students enrolled in Kigali Institute of Health (three-year program)		282				

Source: Ministry of Health, National Health Information System

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

2/ Based on 92 percent of expected monthly reports.

3/ Based on 88 percent of expected monthly reports.

4/ Based on 79 percent of expected monthly reports.

5/ Based on 16 percent of expected monthly reports.

6/ In 1997, including 54 expatriates.

7/ In 1997, from the Health Financing Study (Ministry of Health, World Bank, and Etude du Financement du System de Santé, HERA, May 1999). In 1999, based on reports from ten regional health centers (91 percent of expected reports).

8/ In 1999, the purchase of medicines was decentralized so as to promote cost sharing; hospitals and health centers now manage their own purchases of drugs. Because the Ministry of Health purchases drugs only for epidemics, the amount budgeted for 1999 is less than that for 1998.

9/ Provisional data.

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

Table 1. Rwanda: Proposed Prior Actions for the Submission of Request to the IMF Executive Board for Consideration of the Third Annual PRGF Arrangement 2000/2001

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1. Adoption by Cabinet and submission to parliament of a 2001 Budget Law consistent with the revenue and expenditure targets agreed with the Fund staff.
  2. Issuance of an administrative directive to reconcile monthly the SGS valuation of imports with that of customs and justify differences of implied taxation.
  3. Announcement by the government, concurrent with the presentation of Budget to parliament, of the decision to tax petroleum products on the basis of a revised petroleum pricing mechanism with implementation in five equal instalments—between February 2001 and June 2001—by:
    - (a) applying a 3-month moving average of international petroleum prices, and
    - (b) adjusting the reference price for taxation in line with the 3-month moving average.
  4. Adopt, as part of the Budget Law for 2001, a 5 percent withholding tax on imports, deductible from profit tax, with introduction from March 1, 2001.
  5. The RRA to complete audits<sup>1</sup> of 100 large companies 1998 tax returns by Dec. 15, 2000.
  6. Complete the audits of the accounts of the Ministries of Public Works, Transport and Communications, Energy, Water and Natural Resources, Defense, and Education and avail the reports at least in one language.
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<sup>1</sup> This is to understand that the audit reports are issued to the companies.

Table 2. Rwanda: Quantitative Performance Criteria and Benchmarks Under the Second and Third Annual PRGF Arrangements, 1999-2001  
(In billions of Rwanda francs, unless otherwise indicated)

	1999		2000				2001			
	Sep.	Dec. <sup>a</sup>	Mar.	Jun. <sup>a</sup>	Sep.	Dec.	Mar. <sup>a</sup>	Jun.	Sep. <sup>a</sup>	Dec.
	PRGF II				PRGF III					
(Performance criteria, on test dates <sup>a</sup> , and quantitative benchmarks)										
Net foreign assets of the NBR (floor on stock) 1/										
Actual (program exchange rate)	22.8	25.5	23.2	15.8	17.8	...	...	...	...	...
Adjusted program	29.3	30.8	26.4	23.8	23.1	...	...	...	...	...
Program 2/	28.0	28.0	26.6	25.1	22.0	25.6	24.3	23.9	23.1	22.3
Net domestic assets of the Banking System (ceiling on stock)										
Actual (program exchange rate)	60.9	61.9	61.2	75.8	70.4	...	...	...	...	...
Adjusted program 3/	...	...	...	...	...	...	...	...	...	...
Program 2/	...	...	...	...	...	59.6	62.8	65.0	67.7	70.4
Net domestic assets of the NBR (ceiling on stock)										
Actual (program exchange rate)	11.5	14.9	12.1	21.3	17.7	...	...	...	...	...
Adjusted program 3/	7.6	6.6	11.6	14.6	13.1	...	...	...	...	...
Program 2/	8.9	9.4	11.4	13.3	16.0	...	...	...	...	...
Net credit to the central government by the banking system (ceiling on stock) 4/										
Actual	27.1	32.4	26.5	34.7	33.6	...	...	...	...	...
Adjusted program	22.5	24.0	32.6	31.1	27.5	...	...	...	...	...
Program 2/	23.8	26.9	32.4	29.8	28.6	32.8	33.3	32.8	32.8	32.8
New nonconcessional external debt (ceiling on flow) 5/										
Actual	0.0	0.0	0.0	0.0	0.4	...	...	...	...	...
Program 2/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Short-term external debt (ceiling on stock) 6/										
Actual	0.0	0.0	0.0	0.0	0.0	...	...	...	...	...
Program 2/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Primary fiscal balance (floor on cumulative flow since Dec. 31) 7/ 8/										
Actual	-11.5	-14.4	5.7	4.2	-0.8	...	...	...	...	...
Adjusted program	-4.8	-4.9	-0.3	3.3	2.1	...	...	...	...	...
Program 2/	-5.8	-4.5	-1.5	2.8	1.8	-1.5	1.3	4.1	1.4	1.1
Stock of outstanding nonreschedulable external arrears (ceiling on stock) 9/										
Actual	0.0	0.0	0.0	0.0	0.4	...	...	...	...	...
Program 2/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net accumulation of domestic arrears (ceiling on cumulative net accumulation since Dec. 31)										
Actual	0.4	-4.0	1.6	-2.0	0.9	...	...	...	...	...
Program 2/	-2.8	-3.5	-0.2	-1.5	-2.5	-4.5	0.0	0.0	0.0	0.0
Social spending (floor on cumulative flow since Dec. 31) 10/										
Actual	17.7	25.1	4.5	10.9	18.3	...	...	...	...	...
Program 2/	18.6	24.8	5.8	11.4	18.6	28.4	6.0	14.5	25.5	36.5
(Indicative targets)										
Reserve money (ceiling on stock)										
Actual	34.2	40.4	35.3	37.1	35.5	...	...	...	...	...
Adjusted program	36.9	37.4	...	...	...	...	...	...	...	...
Program 2/	36.9	37.4	38.0	38.5	38.0	37.9	38.8	39.6	40.5	41.3
Budgetary revenue (floor on cumulative flow since Dec. 31)										
Actual	47.6	63.6	20.1	36.0	51.6	...	...	...	...	...
Program 2/	49.5	71.0	15.6	38.5	56.8	69.6	18.7	39.9	60.1	81.3
Wage bill (ceiling on cumulative flow since Dec. 31)										
Actual	25.6	34.4	8.3	17.5	26.6	...	...	...	...	...
Program 2/	26.3	34.0	8.7	17.5	26.2	36.0	9.0	18.5	28.5	38.6
Memorandum items:										
Total external budgetary support and social spending adjustment (min (A, B) ) 11/	-1.3	-2.9	0.2	1.3	-1.1	...	...	...	...	...
Cap on external budgetary support adjustment (A)	9.0	12.0	9.0	11.0	13.0	15.0	9.0	11.0	13.0	15.0
Uncapped external budgetary support and social spending adjustment (B = C + D)	-1.3	-2.9	0.2	1.3	-1.1	...	...	...	...	...
Budgetary support cumulative shortfall + (excess -) (C)	-0.6	-2.0	2.4	1.8	1.2	...	...	...	...	...
Financed social and exceptional social spending, excess + (shortfall -) (D = min (E, F) )	-0.7	-0.9	-2.3	-0.5	-2.4	...	...	...	...	...
Budgetary support cumulative excess + (shortfall = 0) (E)	0.6	2.0	0.0	0.0	0.0	...	...	...	...	...
Social and exceptional social spending, excess + (shortfall -) (F)	-0.7	-0.9	-2.3	-0.5	-2.4	-2.4	...	...	...	...

Sources: Rwandese authorities; and Fund staff estimates and projections.

1/ Net foreign reserves are defined for this purpose, consistent with the definition of the Special Data Dissemination Standards (SDDS) template, as external assets readily available to, or controlled by, the National Bank of Rwanda (NBR) net of external liabilities of the NBR. Pledged or otherwise encumbered reserves assets including, but not limited to, reserve assets used as collateral or guarantee for third party external liabilities, are to be excluded.

2/ "Program" targets for 2000 are revised program targets.

3/ 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.

4/ Ceiling on contracting or guaranteeing by the central government, local governments and the NBR of new nonconcessional external debt with original maturity of more than one year. Debt rescheduling and restructuring are excluded from the borrowing limits. Includes financial leases and other instruments giving rise to external liabilities, contingent or otherwise, on nonconcessional terms. In determining the level of concessionality of these obligations, the definition of concessional borrowing shall apply. Concessional borrowing is defined as having a grant element of 35 percent or more until September 2000, and 50 percent or more from December 2000 onwards. For loans with a maturity of at least 15 years, the 10-year average commercial interest reference rates (CIRRs) published by the OECD should be used as the discount rate for assessing the level of concessionality, while the 6-month average CIRRs should be used for loans with shorter maturities. To both the 10-year and the 6-month averages, the following margins for differing repayment periods should be added: 0.75 percent for repayment periods of less than 15 years; 1 percent for 15-19 years; 1.15 percent for 20-29 years; and 1.25 percent for 30 years or more.

5/ From December 2000 onwards, the definition of net credit to government by the banking system has been changed to exclude public nongovernmental deposits.

6/ Ceiling on change in outstanding stock of external debt (excluding normal import-related credits) owed or guaranteed by the central government, local government and the NBR with original maturity of up to and including one year.

7/ 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.

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

9/ To be monitored on a continuous basis.

10/ The definition of social spending from March 2001 has been changed to include a larger variety of social/antipoverty spending. Before March 2001, social spending is defined as expenditures by the ministries of health and education.

11/ Applies to net domestic assets of the NBR up to September 2000, to net domestic assets of the banking system from December 2000 onwards, 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 3. Rwanda: Proposed Structural Performance Criteria and Benchmarks for the First and Second Review under the Third Annual PRGF Arrangement, 2000/2001

Action	Timing
Develop a system for monitoring poverty related expenditures on a monthly basis <sup>1</sup>	January 1, 2001
Begin collecting taxes under VAT law <sup>2</sup>	January 1, 2001
The NBR to conduct weekly auctions to sell foreign exchange to the highest bidder among the commercial banks at whatever rate clears the auction <sup>2</sup>	January 31, 2001
Prepare a monitorable action plan for further strengthening the Auditor General's office, and a strategy and timetable for delivering a full audit of public accounts annually <sup>1</sup>	End-February 2001
Completion of audits of the large companies' 1998 tax returns and completion of 40 audits of 1999 returns <sup>1</sup>	End-March 2001
Issue financial instructions in accordance with the organic budget law <sup>2</sup>	End-June 2001
Submit to Parliament TPR law to make all salary allowances in cash and in kind fully subject to TPR <sup>1</sup>	End-June 2001
Adopt law that allows for the efficient and timely enforcement of arbitration awards rendered by the arbitrage center <sup>2</sup>	End-June 2001
Effect improvements in the system of the <i>voie parée</i> in accordance with the recommendation of the interministerial committee established for the purpose <sup>1</sup>	End-June 2001
Offer 51 percent of Rwandatel to a strategic investor <sup>1</sup>	September 2001
Achieve collection rate of 75 percent of tax assessment within one month of assessment through strict application of reminder enforcement procedures <sup>1</sup>	September 2001
Maintain and achieve voluntary declaration and payment compliance rates of at least 95 percent for large enterprises and at least 40 percent for SME (from 95 percent and 10 percent, respectively in 1999) <sup>1</sup>	September 2001
Complete a review of all waivers and exemptions from import duties and taxes, produce a plan that provides for their elimination by a specific date (with the exception of those established under international treaties) and propose in accordance with this plan that some of the waivers or exemptions will be eliminated with effect for the 2002 budget. <sup>2</sup>	September 2001
Establish a <i>Tribunal de Commerce</i> (Commercial Court) and a <i>Tribunal Fiscal</i> (Tax Court) <sup>1</sup>	End-December 2001

<sup>1</sup>Structural benchmark.

<sup>2</sup>Structural performance criterion.

Table 4. Rwanda: Structural Performance Criteria and Benchmarks Under the Second Annual PRGF Arrangement, 1999/2000 1/

Reform	Original Timing	Status
Implement tax-inclusive tendering ( <i>toute taxe comprise</i> ). <sup>2</sup>	2000 budget	Done January 2000
Submit to parliament a draft value-added tax (VAT) law and publicize proposed VAT introduction. <sup>3</sup>	End-December 1999	Done end-March 2000
Introduce VAT. <sup>3</sup>	End-July 2000	Postponed to January 1, 2001
Promulgate an organic budget law that requires a macroeconomic framework for budget preparation and defines timing and responsibilities in the budget process. <sup>2</sup>	End-1999	Draft law submitted to parliament in August 2000
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. <sup>2</sup>	January 2000	Done, to be fully implemented in 2001 Budget
Implement central computerized civil service database to manage entry/exit. <sup>2</sup>	March 2000	Done for Ministry of Public Service and Labour, to be extended to other ministries by end-December 2001
Complete redeployment of staff within all ministries in line with the new <i>cadres organiques</i> .	October 2000	Done
Sell, bring to the point of sale, or liquidate 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. <sup>2,4</sup>	Mid-2000	Done for 15 out of 22 companies to be brought to the point of sale by September 2000
Reduce by 50 percent the temporary import surcharges from their current level of 10–15 percent. <sup>3</sup>	End-December 1999	Done
Eliminate import surcharge.	July 2000	Done
Reach agreement with all commercial banks on revised restructuring plans over three years in line with the recommendations of the recently completed audits agreed upon among the BNR, the auditors, and the banks. <sup>3</sup>	End-December 1999	Partially implemented by end-1999; fully implemented by end-June 2000
Adopt an action plan for the financial and operational restructuring of the Caisse Social du Rwanda (CSR), and reach agreement with the CSR on the amount and modalities of consolidation of the government's debt to the CSR. <sup>2</sup>	December 1999	Agreement on consolidation reached April 2000; action plan on restructuring pending completion of actuarial study (expected for end-2000)

<sup>1</sup> Adoption of a satisfactory budget for 2000 would be a condition for completion of the first review of the second annual PRGF arrangement (July 1999-June 2000).

<sup>2</sup> Structural benchmark for second annual PRGF arrangement.

<sup>3</sup> Structural performance criterion for second annual PRGF arrangement.

<sup>4</sup> Under the original plan a total of 46 enterprises, out of a total of 69 remained to be divested. At end-September 1999, 19 enterprises had been sold, 3 were under liquidation, and the minority shares in 1 had been sold. The **timetable for divestiture** was 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)