

Table 1. Uganda: Quantitative Performance Criteria and Benchmarks Under the Program for 2002/03 and 2003/04 1/ 2/

	Mar. 31, 2003 3/ Prog.	Mar. 31, 2003 3/ Adj. prog.	Mar. 31, 2003 3/ Outturn	June 30, 2003 4/ Prog.	June 30, 2003 4/ Adj. prog.	June 30, 2003 4/ Outturn	Sep. 30, 2003 3/ Prog.	Dec. 31, 2003 4/ Prog.	Dec. 31, 2003 4/ Rev. prog.	Mar. 31, 2004 3/ Prog.	Mar. 31, 2004 3/ Rev. prog.	June 30, 2004 4/ Prog.	June 30, 2004 4/ Rev. prog.
(In billions of Uganda shillings; end of period, unless otherwise stated)													
Cumulative change from end-June 2002 for 2002/03, and from end-June 2003 for 2003/04, unless otherwise stated													
Ceiling on the increase in base money liabilities of the Bank of Uganda 5/	46.6	46.6	6.1	49.5	49.5	0.6	9.7	84.0	72.7	81.7	64.9	77.5	76.0
Ceiling on the increase in net claims on the central government by the banking system	31.9	206.4	146.1	-17.4	-139.9	-145.1	127.6	155.3	145.0	215.1	217.3	79.5	-49.7
Ceiling on the issuance of promissory notes by the government 6/	0	0	0	0	0	0	0	0	0	0	0	0	0
Minimum expenditures under the Poverty Action Fund (including the Universal Primary Education component of development expenditures) 7/	464.1	464.1	436.8	647.3	647.3	646.1	151.8	327.3	327.3	502.1	502.1	712.8	712.8
Accumulation of new domestic budgetary arrears of the central government 6/ 8/	0	0	...	0	0	5.1	0	0	...	0	...	0	...
Accumulation of new domestic budgetary arrears under the Commitment Control System (CCS) 6/ 9/	...	...	...	...	...	...	...	...	0	...	0	...	0
Ceiling on public administration expenditure 7/	188.1	188.1	178.7	250.8	250.8	238.9	56.5	123.0	123.0	184.5	184.5	246.0	246.0
New lending by Uganda Development Bank Ltd., including on-lending on behalf of the Government or the Bank of Uganda, pending divestiture 6/ 9/	...	...	...	...	...	...	...	...	0	...	0	...	0
(In millions of U.S. dollars; end of period)													
Ceiling on the stock of external payments arrears incurred by the government or the Bank of Uganda 6/	0	0	0	0	0	0	0	0	0	0	0	0	0
Ceiling on new nonconcessional external borrowing with maturities greater than one year contracted or guaranteed by the government or the Bank of Uganda 6/	0	0	0	0	0	0	0	0	0	0	0	0	0
Minimum increase in net international reserves of the Bank of Uganda	94.2	-5.3	-31.3	66.7	97.9	119.6	-36.3	16.1	-93.4	-22.1	-146.6	45.2	79.7

1/ Fiscal year begins on July 1.

2/ The performance criteria and benchmark targets under the program, and their adjusters, are defined in the technical memorandum of understanding (TMU).

3/ Benchmarks, unless measure is a continuous performance criterion.

4/ Performance criteria, unless measure is an indicative target.

5/ Cumulative changes from the average of June 2003 for the 2003/04 program as defined in the TMU.

6/ Continuous performance criterion.

7/ Indicative target throughout the program.

8/ For the purpose of program monitoring, audits of arrears by the Internal Auditor Office of the Ministry of Finance, Planning and Economic Development was to be used to determine the new arrears. However, the end-March and end-June 2003 audit figures were not available, and information from the CCS was used for the second review of the program. While the CCS shows that the new arrears exceeded the zero limit, it covers only part of the budget and it is possible that additional arrears were accumulated.

From completion of the second review, this item will not apply as a performance criterion.

9/ This item will apply as a performance criterion with effect from the completion of the second review.

Table 2. Uganda: Structural Performance Criteria and Benchmarks, and Status of Implementation
Under the Programs for 2002/03 and 2003/04

Performance Criteria/ Benchmark	Policy Measure	Date of Implementation	Implementation Status	Comments
		Fiscal		
Benchmark	Verify domestic budget arrears outstanding as of end-June 2002.	March 31, 2003	Observed	
Performance criterion	Develop a time-bound plan to clear the outstanding stock of domestic arrears, including arrears on pensions.	June 30, 2003	Not observed	Medium-term expenditure framework submitted to parliament includes U Sh 45 billion a year for payment of domestic [nonpension] arrears outstanding as of end-June 2002. Arrears under the commitment control system (CCS) are to be cleared within each line ministry's budget allocation. Ministry of Public Service is revising plan to clear arrears on pensions based on comments provided by the Ministry of Finance, Planning, and Economic Development (MFPED).
Benchmark	Develop the annual business plan for implementing tax administration measures in 2003/04, in accordance with the Uganda Revenue Authority's (URA's) five-year corporate plan, and a plan for the completion of the computerization of the URA.	June 30, 2003	Implemented late	Business plan developed. A new information technology strategy was submitted to the URA Board in October 2003.
Benchmark	Establish a unit in the office of the Inspector General of Government (IGG) to identify and investigate cases of improper conduct and corruption by URA or staff.	June 30, 2003	Not observed	Monitoring unit has remained within the URA and is being strengthened. Number of staff to increase by 50 percent.
Performance criterion	Adoption by cabinet of a time-bound plan to clear the stock of pension arrears.	June 30, 2004	...	New measure.

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Performance Criteria/ Benchmark	Policy Measure	Date of Implementation	Implementation Status	Comments
Benchmark	Ensure that Internal Auditor Office of MFPED will issue a report with a verified figure for the stock of nonwage/ nonpension arrears to June 2003, including revised figures of arrears to date.	December 31, 2003	...	New measure.
Benchmark	Pay off arrears accumulated under the CCS in 2002/03	March 31, 2004	...	New measure.
Benchmark	Include in the budget documents for the 2004/05 budget, and an update of plan for clearing the stock of nonpension arrears.	June 30, 2004	...	New measure.
Benchmark	Complete initial stage of the modernization of the URA: <ul style="list-style-type: none"> • award contract to implement integrated tax administration system for domestic taxes; • rollout automated system for customs data (ASYCUDA++) to at least three stations other than the Kampala long room; • identify 75 percent of late filers within 45 days of the statutory filing period; and • prepare registry of pay-as-you-earn (PAYE) per employee and tax bracket. 	June 30, 2004	...	New measure.
Fiscal Decentralization				
Benchmark	Produce aggregated local government financial statistics for 2001/02 fiscal year.	September 30, 2003	Observed	
Financial Sector				
Performance criterion	Submit to parliament a bill to repeal the National Social Security Fund (NSSF) Statute to pave the way for regulation of the NSSF by the Bank of Uganda (BOU).	March 31, 2003	Not observed	Waiver granted at the time of the first review of the PRGF-supported program. Bill expected to be submitted by June 2004.
Benchmark	Ensure development by all banks of a Capital Compliance Plan detailing proposals for complying with January 2003 capital requirement for minimum paid-up capital.	September 30, 2002	Observed	

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Performance Criteria/ Benchmark	Policy Measure	Date of Implementation	Implementation Status	Comments
Benchmark	Assign the privatization of Uganda Development Bank Limited (UDBL) to the Privatization Unit and engage a privatization advisor to handle the privatization.	December 31, 2002	Implemented late	Assigned to the Privatization Unit on time. Selection of privatization advisor finalized in October 2003.
Performance criterion	Privatize the UDBL.	June 30, 2003	Not observed	Transactions advisor preparing study on restructuring options.
Performance criterion	Government will decide on the divestiture option to follow on the UDBL based on the recommendations of the transaction advisor.	March 31, 2004	...	New measure
Benchmark	Submit to cabinet an anti-money laundering bill.	June 30, 2004	...	New measure.
Benchmark	Conduct initial offering of a multiyear treasury bond.	June 30, 2004	...	New measure.
Debt management				
Benchmark	Integrate and computerize debt-information management systems within the MFPEP	December 31, 2003	...	New measure.
Safeguards assessment report				
Benchmark	Publish the audited financial statements of the BOU for the year ended June 30, 2002.	April 30, 2003	Implemented late	Audited accounts were posted on the BOU website in July 2003.
Benchmark	Publish the audited financial statements of the BOU for the year ended June 30, 2003.	September 30, 2003	Observed	Audited accounts were posted on the BOU website in September 2003.
Benchmark	Ensure that the BOU and Ministry of Finance enter into a memorandum of understanding to ensure that unrealized gains will be excluded from the distributable profits.	June 30, 2003	Observed	