

Table 1. Mozambique: Quantitative Performance Criteria and Indicative Targets Under the 2004 PRGF Arrangement and Indicative Targets Under the Authorities' Program for 2003

(In billions of meticaís, unless otherwise specified)

	2003									2004		
	End-June Indicative Targets			End-September Indicative Targets			End-December Indicative Targets			End-Jun. Perform. Criteria	End-Sep. Indicative Targets	End-Dec. Perform. Criteria
	Program	Adjusted	Actual	Program	Adjusted	Actual	Program	Adjusted	Actual	Program	Program	Program
Central gov. domestic primary def. (excl. bank recapitalization costs (ceiling) 1/ 2/ 3/ 4/	2,509	....	2,157	3,721	...	3,060	3,821	....	4,108	2,117	3,259	4,207
Stock of net dom. assets of Bank of Mozambique (BM) (ceiling) 1/ 5/ 6/ 7/	3,266	4,563	3,822	3,668	4,860	3,312	3,316	2,999	1,147	1,496	1,212	2,855
Stock of net international reserves of the BM (floor, in millions of U.S. dollars) 1/ 8/	635	581	611	628	578	623	656	669	797	767	790	797
New nonconcessional external debt contracted or guaranteed by the central government or the BM with maturity of more than one year (ceiling) 9/	0	....	0	0	...	...	0	....	0	0	0	0
Stock of short-term external public debt outstanding (ceiling) 9/ 10/	0	....	0	0	...	...	0	....	0	0	0	0
External payments arrears (ceiling) 3/ 9/ 11/	0	....	0	0	...	...	0	....	0	0	0	0
Central government revenue (floor, indicative target) 3/	6,375	....	6,145	10,257	...	9,861	14,703	....	14,714	8,255	13,345	18,350
Stock of reserve money (ceiling, indicative target) 7/	7,399	....	6,970	7,714	...	7,283	8,238	....	8,682	8,303	8,630	10,247
Wage bill (ceiling, indicative target) 3/	....	....	....	....	....	....	....	....	....	4,485	6,772	9,218
Memorandum items:												
Foreign program assistance; grants and loans (in millions of U.S. dollars)	135	....	81	143	...	92	227	....	241	82	180	264
Actual external debt service payments (in millions of U.S. dollars) 3/	23	....	23	31	...	31	48	....	50	25	38	62
Net flows	112	....	58	112	...	62	179	....	192	57	141	202
Exchange rate (meticaís per U.S. dollar; end of period)	24,020	....	23,710	23,830	...	23,744	24,384	....	23,857	...	...	...
Shortfall in required reserves	...	0	....	...	0	...	...	0	...	...	...	...
Adjustment to BM's net domestic assets at program exch. rates	...	1,297	....	...	1,192	...	...	-317	...	...	...	...
Adjustment to BM's NDA target	...	1,297	....	...	1,192	...	...	-317	...	...	...	...
Adjust. to reserve money	...	0	....	...	0	...	...	0	...	...	...	...
Adjust. to BM's NDA due to shortfall/excess of net progr. assist.	...	1,297	....	...	1,192	...	...	-317	...	...	...	...
Stock adjustments in medium- and long-term foreign liabilities	...	0	....	...	0	...	...	0	...	...	...	...

1/ In 2004, constitute quantitative performance criteria for end-June and end-December.

2/ Defined as revenue minus noninterest current expenditure minus locally financed capital expenditure and locally financed net lending; to be measured from below the line based on financing items.

3/ Cumulative from the beginning of the calendar year.

4/ To be adjusted upward for up to Mt400 billion to accommodate higher-than-budgeted locally financed drought-related expenditures. Also to be adjusted for end-December 2004 for up to Mt600 billion to accommodate additional capital outlays covered by higher-than- envisaged external budgetary grants.

5/ Defined as reserve money minus net foreign assets (NFA) of the BM. NFA are valued at program exchange rates; NFA are defined to exclude the effect of any used stock adjustments in medium- and long-term liabilities.

6/ To be adjusted upward/downward to the extent of any shortfall/excess in foreign program assistance valued at program exchange rates and to be adjusted downward/upward to the extent that actual payments of external debt service outlays by the government,

up to US\$ 25 million. To be adjusted upward for up to Mt400 billion to accommodate higher-than-budgeted locally financed drought-related expenditures.

7/ To be adjusted downward to the extent that eligible bank reserves fall short of 11.51 percent of deposits in commercial banks at the end of each quarter.

8/ To be adjusted downward/upward to the extent of any shortfall/excess of foreign program assistance relative to the programmed amount and to be adjusted upward/downward to the extent that actual payments of external debt debt service fall short of/exceed programmed amounts. The upward adjustment for higher than programmed external grants for end-December 2004 will not take place to the extent that the additional budgetary grants are used to accommodate higher capital outlays by the government, up to US\$ 25 million. To be adjusted downward for up to US\$16 million to accommodate higher-than-budgeted locally financed drought-related expenditures. Moreover, to be adjusted downward/upward for any revision made to the end-2003 figures.

9/ Continuous performance criterion.

10/ Loans of zero to one year's maturity, excluding normal import-related credits converted in U.S dollars at actual exchange rates.

11/ Excluding arrears arising from debt-service payments that become due pending the conclusion of debt-rescheduling agreements.