

**Table 1. Mali: Program Performance Criteria and Quantitative Benchmarks for April 1, 1998 to March 31, 1999**

	Outstanding as at March 31/98	Change from April 1 to December 31, 1998									Change from January 1 to March 31/1999		
		June Benchmarks			September Performance Criteria			December Benchmarks			Benchmarks		
		Prog.	Adj. Prog.	Prel.	Prog.	Adj. Prog.	Prel.	Rev. Prog.	Adj. Rev. Prog.	Prel.	Rev. Prog.	Adj. Rev. Prog.	Prel.
<b>A. Performance criteria and quantitative benchmarks</b>													
1. Credit to the government (net) <u>1/ 2/ 3/</u>	-19.5	11.3	15.8	6.0	7.0	14.7	3.0	-0.4	5.5	-2.0	6.5	6.4	11.9
2. Cumulative change in government payments arrears <u>4/ 5/</u>													
Domestic	17.4	-5.5	-5.5	-2.9	-8.0	-8.0	-8.3	-10.0	-10.0	-10.0	-2.3	-2.3	-5.4
External	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3. New external borrowing at terms of one year or more <u>3/</u> contracted or guaranteed by the government or public enterprises <u>6/</u> on nonconcessional terms <u>7/ 8/ 9/</u>	10.0	20.0	20.0	0.0	30.0	30.0	5.0	40.0	40.0	5.0	40.0	40.0	5.0
of which: public enterprises <u>6/</u>	10.0	12.5	12.5	0.0	22.0	22.0	0.0	22.0	22.0	0.0	22.0	22.0	0.0
4. Stock of short-term external loans (less than one year) <u>10/</u>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>B. Indicative financial targets</b>													
1. Cumulative tax receipts <u>4/ 11/</u>	46.3	95.7	95.7	102.0	150.0	150.0	162.1	216.8	216.8	222.9	57.2	57.2	58.6
2. Cumulative wage bill <u>3/</u>	14.2	29.6	29.6	28.6	44.9	44.9	43.5	59.2	59.2	58.8	16.3	16.3	15.0
3. Basic overall fiscal balance <u>4/ 12/</u>	12.2	3.9	3.9	20.9	3.6	3.6	30.4	20.5	20.5	20.8	7.0	7.0	9.2
Memorandum item:													
Exceptional external assistance during the year <u>13/</u>	0.0	7.7	3.2	3.2	15.7	8.0	8.0	30.3	24.4	24.4	4.0	7.2	7.2

1/ It is estimated in the program that external budgetary assistance, excluding project aid, will in 1998, on a cumulative basis, reach CFAF 7.7 billion by June 30, CFAF 15.7 billion by September 30, and CFAF 30.3 billion by December 31, 1998. It will total CFAF 4 billion in March 1999. The ceilings for these dates will be adjusted downward by the amounts of excess external budgetary assistance received, but not by more than the programmed amounts, net of the amounts used to accelerate the reduction of the government's domestic payments arrears or the refund of VAT credits owed to the cotton company CMDT. In the event of insufficient external budgetary assistance, as defined above, the ceilings will be adjusted upward accordingly, but not exceeding CFAF 7.7 billion for the second quarter of 1998, CFAF 15 billion at September 30, 1998, CFAF 10 billion at December 31, 1998, and CFAF 5 billion at March 31, 1999.

2/ Excluding the cotton sector stabilization fund and excluding changes in the amounts of consolidated public debt securities held outside the Malian banking system.

3/ Maximum.

4/ Minimum.

5/ These performance criteria will be monitored on a continuous basis.

6/ The public enterprises in question are: CMDT, the telecommunications company: SOTELMA and the electricity and water company: EDM.

7/ Excluding debt relief obtained in the form of rescheduling or refinancing.

8/ Including planned loans on nonconcessional terms to be contracted with the West African Development Bank, the African Development Bank, and the Caisse de Coopération Française in 1998-99.

9/ Cumulative amounts from April 1, 1998 to March 31, 1999.

10/ With the exception of normal import credits and debt relief.

11/ Excluding privatization receipts, which are included in financing.

12/ Overall balance, on a commitment basis, excluding grants and externally financed capital expenditure.

13/ Excluding use of Fund resources.

Table 2. Mali: Structural Measures Adopted as Prior Actions, Performance Criteria, and Structural Benchmarks, 1998/99

Measures	Date	Status
<b>A. Prior Actions to be taken before June 30, 1998</b>		
1. Announce the outcome of the call for bids for the privatization of SONATAM, or an alternative course of action should the call for bids be unsuccessful.		Observed
2. Present to the Council of Ministers the essential features of the reform of indirect taxation, including the merging of the VAT, TPS and CPS into the VAT at a single rate of 18 percent to be applied to all goods and services, with the exception of medical supplies and educational materials.		Observed
3. Reduce the threshold for businesses to be monitored by the DGE from a turnover of CFAF 300 million to CFAF 200 million.		Observed
<b>B. Structural Performance Criteria</b>		
1. Complete the technical audit of the cotton company (CMDT)	September 30, 1998	Observed at end-December 1998
2. Submit proposals for restructuring BIM-SA to the WAMU Banking Commission.	September 30, 1998	Observed
3. Include in the draft budget law for 1999 the reform of direct and indirect taxation with a VAT at a single rate of 18 percent.	September 30, 1998	Observed with delay <sup>1</sup>
<b>C. Structural Benchmarks</b>		
1. Reimbursement by the CMDT of loans granted by the stabilization fund in the stabilization account with a commercial bank.	November 30, 1998	Observed
2. Sale of the government's minority shareholdings in SOMACO, MALITAS, SMPC, <sup>2</sup> and SEMA.	October 30, 1998	Not observed
3. Signature of the contract for the concession of the Hotel de l'Amitié.	November 30, 1998	Observed
4. Call for bids for the opening of the capital of BMCD to investors.	December 31, 1998	Under way

<sup>1</sup> Draft laws on the reform of the system of direct and indirect taxation were submitted to the National Assembly in September 1998 and early January 1999, respectively.

<sup>2</sup> The government holds a majority of the shares in this company owing to some shares having been sold and then recovered following nonpayment.

Table 3. Mali: Program Quantitative Performance Criteria and Benchmarks  
for the Period April 1, 1999–March 31, 2000

	Amounts at March 31, 1999	Change from April 1 to December 31, 1999			Change from January 1 to March 31, 2000 Performance criteria
		June Benchmarks	Sept.	Dec.	
			Perfor- mance Criteria	Bench- marks	
(Billions of CFA francs)					
<b>A. Quantitative performance criteria and benchmarks</b>					
1. Credit to the government (net) <u>1/ 2/ 3/</u>	-14.0	11.1	2.7	0.0	8.5
2. Cumulative change in government payments arrears <u>4/ 5/</u>					
Domestic	9.3	-6.0	-8.0	-9.3	0.0
External	0.0	0.0	0.0	0.0	0.0
3. New external borrowing at terms of one year or more <u>3/</u> contracted or guaranteed by the government or public enterprises <u>6/</u> on nonconcessional terms <u>7/ 8/ 9/</u>	12.9	13.0	22.0	31.0	41.0
of which: public enterprises <u>6/</u>	0.0	10.0	15.0	20.0	25.0
4. Stock of short-term external loans (less than one year) <u>10/</u>	0.0	0.0	0.0	0.0	0.0
<b>B. Indicative financial targets</b>					
1. Cumulative tax revenue <u>4/ 11/</u>	58.6	111.8	176.4	248.5	62.8
2. Cumulative wage bill <u>3/</u>	15.0	33.0	50.4	68.1	18.5
3. Basic overall fiscal balance <u>4/ 12/</u>	9.2	2.1	10.9	17.8	1.7
<i>Memorandum item:</i>					
External budgetary assistance during the year <u>13/</u>	7.2	12.1	26.3	26.3	5.3

1/ The program provides that external budgetary assistance, excluding project aid, will in 1999, on a cumulative basis, reach CFAF 12.1 billion by June 30, and CFAF 26.3 billion by September 30 and December 31. It will total CFAF 5.3 billion by March 31, 2000. Ceilings for these dates will be adjusted downward by the amounts of excess external budgetary assistance received, net of those amounts used to accelerate the reduction of the government's domestic payments arrears or refund of VAT credits owed to the cotton company: CMDT. In the event of a shortfall in external budgetary assistance, as defined above, the ceilings will be adjusted upward accordingly, but not exceeding CFAF 12.1 billion for the first half of 1999, CFAF 20 billion at September 30, 1999, CFAF 15 billion at December 31, 1999, and CFAF 4 billion at March 31, 2000.

2/ Excluding the Cotton Sector Stabilization Fund and excluding changes in the amounts of consolidated public debt securities held outside the Malian banking system.

3/ Maximum.

4/ Minimum.

5/ These performance criteria will be monitored on a continuous basis..

6/ The public enterprises in question are: CMDT, the telecommunications company: SOTELMA, and the electricity and water company: EDM.

7/ Excluding debt relief obtained in the form of rescheduling or refinancing.

8/ Including planned loans on nonconcessional terms to be contracted with the West African Development Bank, the African Development Bank, and the Caisse de Cooperation Française in 1999-2000.

9/ Cumulative amounts from April 1, 1999 to March 31, 2000.

10/ With the exception of normal import credits and debt relief.

11/ Excluding privatization receipts, which are included in financing.

12/ Overall balance, on a commitment basis, excluding grants and externally financed capital expenditure.

13/ Excluding use of Fund resources.

Table 4. Mali: Structural Measures Adopted as Prior Actions, Performance Criteria and Structural Benchmarks, 1999/2000

Measures	Date	Status
<b>A. Prior Actions Taken Before end-June 1999</b>		
1. Implementation of a VAT at a single rate of 18 percent		
2. Signing of an agreement in principle for the privatization of SONATAM		
3. Divestiture of government's minority shareholdings in SOMACO-SA, MALITAS, SMPC, and SEMA-SA		
4. Adoption of a cotton sector action plan based on the technical audit of the sector		
5. Adoption of a 1999-2002 action plan to reduce the number of nonbank public enterprises in the government's portfolio from 33 at end-1998 to 18 at end-March 2002		
<b>B. Structural performance criteria</b>		
1. Signature of a new government/CMDT/producer performance contract, including the elements of the above-mentioned action plan	November 30, 1999	
2. Call for bids for the opening of the capital of EDM	November 30, 1999	
3. Opening of the telecommunications sector to competition by granting at least one cellular telephony license to private operators	November 30, 1999	
4. Completion of an audit of CRM and INPS	March 31, 2000	
<b>C. Structural benchmarks</b>		
1. Creation of a steering committee with private sector participation to simplify administrative procedures and reduce the time required to establish new enterprises	July 31, 1999	
2. Completion of the restructuring of BIM-SA	August 31, 1999	
3. Adoption of an action plan for financial sector reform	September 30, 1999	
4. Call for bids for the opening of the capital of BMCD	September 30, 1999	
5. Preparation of a financial action plan for the implementation of the ten-year development program for education (PRODEC)	September 30, 1999	
6. Call for bids for the privatization of the management of ADM	December 31, 1999	
7. Appointment of new adjudicators at the commercial courts, including representatives of banking and insurance sectors	December 31, 1999	

