

Table 1. Sierra Leone: Quantitative Performance Benchmarks
Under the Emergency Post-Conflict Assistance Policy, 1999-2000

(Cumulative changes from beginning of calendar year to end of month indicated)

	1999					2000						September		December		
	September		December			March			June			Indicative Targets		December		
	Est.	Act.	Prog.	Adjusted Benchmarks		Benchmarks	Adjusted Benchmarks		Act.	Indicative Targets	Adj. Targets	Prel.	Prog.	Revised Prog.	Prog.	Revised Prog.
				Prog.	Act.		Benchmarks	Act.								
(In millions of leones)																
Performance benchmarks																
Net bank credit to the central government (ceiling) 1/ 2/	95,160	86,151	74,817	74,817	82,810	15,000	6,846	-30,500	20,900	24,957	-23,949	29,432	2,026	35,000	28,000	
Net domestic assets of the central bank (ceiling) 1/ 3/	55,609	106,467 12/	28,662	79,520 13/	103,905 12/	11,516	3,362	-74,379 12/	8,289	12,346	-65,263 12/	10,272	8,900	16,187	4,670	
Domestic primary budget balance of the central government (floor) 4/	-54,710	-52,494	-89,473	-89,473	-66,131	-23,511	-23,511	-7,140	-38,068	-38,068	-17,055	-50,808	-45,042	-61,251	-98,340	
Domestic payments arrears of the central government (ceiling) 5/	-2,167	-1,128	-7,978	-7,978	-8,873	-700	-700	-932	-2,200	-2,200	-2,519	-2,200	-2,851	-2,200	-16,052	
(In millions of U.S. dollars)																
Gross foreign reserves of the central bank (floor) 6/	-25.1	-25.1	5.5	-22.1	-5.2	-10.3	-4.6	-1.5	6.3	-5.9 14/	-5.7	-7.4	-8.3	-9.0	-2.3	
New nonconcessional external loans contracted or guaranteed by the government (ceiling)	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	0.0	0.0	
Maturities of 1-12 years 7/ 8/	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	0.0	0.0	
New external loans with maturities of less than 1 year (ceiling) 9/	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	0.0	0.0	
(In millions of leones)																
Financial indicators																
Total domestic government revenue (floor)	53,380	52,498	84,812	84,812	85,819	26,155	26,155	37,116	55,132	55,132	79,679	85,060	107,702	116,975	137,097	
Government wage bill (ceiling)	53,506	52,519	73,235	73,235	73,032	23,642	23,642	21,319	43,835	43,835	46,441	64,027	71,680	84,220	96,919	
Memorandum items:																
External budgetary assistance 10/	6,734	6,740	113,908	113,908	58,028	51,026	51,026	59,180	102,344	102,051	97,994	147,396	149,870	713,973	244,635	
The DDR program 11/	0	0	19,289	19,289	15,870	21,126	21,126	4,406	42,251	42,251	25,344	63,377	38,354	67,216	67,232	
Other	6,734	6,740	94,619	94,619	42,158	29,900	29,900	54,774	60,093	59,800	72,650	84,020	111,516	646,757	177,403 15/	

1/ The ceilings will be adjusted downward by the amount of external budgetary assistance in excess of that programmed (see footnote 10).

2/ Defined as claims on government (net) in the monetary survey.

3/ Defined as the difference between the net foreign assets of the central bank and reserve money.

4/ Defined as domestic revenue minus total expenditure and net lending, excluding interest payments and externally financed capital expenditure and DDR program.

5/ Pending the completion of an inventory of all domestic arrears with the assistance of the European Commission, the amount of total domestic arrears is not available.

6/ In the event of a shortfall in external budgetary assistance (as defined above) excluding the DDR program, the floor will be adjusted downward by the amount of the shortfall. The floor will be adjusted upward by the amount of external budgetary assistance in excess of that programmed.

7/ Excluding disbursements from the Fund and rescheduling arrangements.

8/ External loans contracted or guaranteed other than those with grants element equivalent to 35 percent or more, calculated using a discount rate based on OECD commercial interest reference rates (CIRRs).

9/ Excluding normal import-related credits.

10/ Including program grants, program loans, debt relief, and financing gap, but excluding project-related grants and loans.

11/ The disarmament, demobilization, and reintegration program.

12/ Valued at the exchange rate of 1989 leones per U.S. dollar.

13/ Adjusted to reflect substantial revisions to the September estimates that are due to some misclassifications.

14/ Also adjusted for programmed IMF support of SDR 10.37 mn which did not take place.

15/ No rescheduling of outstanding external arrears of US\$235.2 mn is assumed under the revised program for 2000.

Table 2. Sierra Leone: Structural Performance Benchmarks Under the
Emergency Post-Conflict Assistance Policy, 1999-2000

Measures	Test Dates	Status
Implementation of a new method of calculating the official exchange rate at the Bank of Sierra Leone (BSL)	November 30, 1999	Implemented November 8, 1999
Reactivation of the Net Domestic Financing Committee	November 30, 1999	Implemented November 19, 1999
Reaching of an agreement with public enterprises, including on timetables for the settlement of cross debts, to regularize financial relations with the government and public enterprises	December 31, 1999	In Progress 1/
Completion of a study on tax and duty exemptions	December 31, 1999	In Progress 2/
Passage of a new Banking Act by Parliament	December 31, 1999	Implemented February 16, 2000.
Provision of income and expenditure and balance sheets of public enterprises on a quarterly basis	Continuous from December 1999	Ongoing 3/
Passage by Parliament of the budget for 2000	January 31, 2000	Implemented April 28, 2000
Introduction of foreign exchange auctions at the BSL	January 1, 2000	Implemented February 9, 2000
Passage by Parliament of a new Income Tax Act	April 30, 2000	Implemented April 6, 2000 4/
Completion of the verification of pensioners	June 30, 2000	In Progress 5/
Adoption of a plan of action and targets for civil service reform	September 30, 2000	
Rationalization of the indirect tax system and harmonization of the tariff system	January 1, 2001	In Progress 6/

1/ Cross debt positions between the government and parastatals have been prepared. A three-year settlement plan has been proposed, and a final agreement between parties is awaiting cabinet approval.

2/ A DFID consultant has submitted a final report, and duty exemptions with respect to NGOs are also being addressed in line with the consultant's recommendations

3/ Twelve public enterprises have submitted their returns, and thirteen enterprises have been identified for the monitoring of financial and performance indicators.

4/ The tax clearance certificate required for payments of certain international transactions has not been removed.

5/ The European Commission is providing assistance.

6/ An IMF FAD mission provided technical assistance in 1998. Due to the security setbacks, a follow-up FAD mission scheduled for 2000 to develop a revenue-neutral package has been postponed.

Table 3. Sierra Leone: Summary and Timetable of Policy Actions, 1999-2002

Policy Area	Implementation Period	Technical Assistance and Funding 1/
External sector		
Tariff reform	1999-2001	IMF
Strengthening of the functioning of foreign exchange market	1999-2002	IMF
Public sector		
Independent tax and customs authority	1999-2001	World Bank, DfID, EC
Rationalization of Ministry of Finance	1999-2000	World Bank, DfID, EC
Strengthening of government accounting system	1999-2000	EC
Strengthening of judicial and legal system	1999-2001	World Bank
Verification of the civil service payroll and numbers	1999-2000	EC
Verification of government pensioners	1999-2000	EC
Civil service reform and rationalization of public service	1999-2002	IMF, World Bank, and DfID
Capacity building in statistics and macroeconomic management	1999-2002	World Bank, AfDB, UNDP, DfID, EC
Governance	1999-2002	World Bank, AfDB, UNDP, DfID, EC
Public enterprise reform, including divestiture	1999-2002	IMF, World Bank
Inventory of domestic arrears	1999-2000	EC
Consumption-based taxation and wider tax base	1999-2001	IMF
Financial sector		
Strengthening of bank supervision	1999-2002	IMF, World Bank
Strengthening of the financial position of commercial banks	1999-2002	IMF, World Bank
Microfinancing schemes and rural banks	1999-2001	AfDB, IFAD
Statistics		
Strengthening of present Central Statistics Office	1999-2000	IMF
Building of new statistics institution	1999-2002	IMF, World Bank, UNDP, AfDB
Publication of monthly trade data	1999-2000	IMF, World Bank
Improvement of the macroeconomic database	1999-2002	IMF, World Bank, UNDP
Other		
Disarmament, demobilization, and reintegration program	1999-2002	World Bank, DfID, EC, UNDP Canada, Finland, Japan, Norway Germany, Italy, Netherlands, US
New mining policy	1999-2001	World Bank, USAID
Education sector initiatives	1999-2002	World Bank, AfDB, DfID, EC
Health sector initiatives	1999-2002	World Bank, AfDB, USAID, DfID, EC
Poverty reduction and social safety nets	1999-2002	World Bank, AfDB, USAID, DfID, EC
Liberalization of petroleum distribution and pricing	1999-2000	IMF

1/ U.K. Department for International Development (DfID), European Commission (EC), African Development Bank (AfDB), United Nations Development Program (UNDP), International Fund for Agricultural Development (IFAD), and U.S. Agency for International Development (USAID)