

Table 1. Malawi: Quantitative Targets for FY2004/05 1/

	End-June 2004 Stock Preliminary	Cumulative Flows Since June 30, 2004			
		2004		2005	
		End-Sep. Actual	Target	End-Dec. Target	End-Mar. Indicative Target
(In millions of Malawi kwacha)					
1. Ceiling on net domestic assets of the Reserve Bank of Malawi (RBM) 2/	18,731	1,344	-1,216	-2,396	-3,743
2. Ceiling on central government's net domestic borrowing (4 commercial banks) 2/	47,104	6,060	6,711	6,247	4,194
3. Ceiling on central government wages and salaries	...	3,400	7,300	11,236	15,300
4. Ceiling on central government discretionary expenditures	...	8,278	20,126	28,071	34,820
(In millions of U. S. dollars)					
4. Floor on net foreign assets (NFA) of the monetary authorities 2/	-0.1	-11.6	-2.9	-13.4	33.9
5. Ceiling on the accumulation of external payments arrears 3/	...	0.0	0.0	0.0	0.0
6. Ceiling on the contracting or guaranteeing of nonconcessional external debt with original maturities of over one year by the central government, the RBM or other agencies on behalf of the central government. 3/ 4/	...	10.0	10.0	10.0	10.0
7. Ceiling on the contracting or guaranteeing of nonconcessional external debt with original maturities of one year, or less, by the central government, the RBM or other agencies on behalf of the central government. 3/	...	0.0	0.0	0.0	0.0
Memorandum item:					
Baseline for balance of payments support (in millions of U.S. dollars)	...	0.0	58.0	84.7	114.3

1/ Targets are defined in the TMU.

2/ Targets are subject to an adjuster for BOP support. See TMU for full explanation.

3/ Evaluated on a continuous basis.

4/ Loan contracted following an agreement by the previous government to purchase communication equipment for the Ministry of Defense.

Table 2. Malawi: Structural Benchmarks Under the Staff-Monitored Program			
	Measure	Implementation Date	Status
1.	<b>Prior actions</b>		
1.1	Move presidency to Lilongwe.		Completed
1.2	Include the new wage strategy within 2004/05 budget framework.		Completed
1.3	Forward the final Anti-Corruption Bureau report on NFRA to the DPP.		Completed
1.4	Submit the 2002/03 public accounts to the Public Accounts Committee of parliament.		Completed
2.	<b>Structural benchmarks</b>		
2.1	Submit to parliament a 2004/05 budget that is consistent with SMP.	End-September 2004	
2.2	Issue Treasury instructions under the Public Finance Management Act.	End-October 2004	Draft completed and circulated
2.3	Submit the 2003/04 public accounts to the Public Accounts Committee of parliament.	End-February 2005	
2.4	Provide check numbers for outstanding checks issued against the 2003/04 budget to RBM for entry into the government account payment system.	End-October 2004	
2.5	Test tailored reimbursement reports and send them to key RBM and Ministry of Finance senior staff.	End-October 2004	
2.6	Test and activate the budget ceiling module that is part of the government account payment system.	End-October 2004	
2.7	Financial control officers to submit to the Secretary of the Treasury a summary of financial transactions within 14 days of the end of each month (monthly expenditure and commitment reports).	October 15, 2004	
2.8	Issue the interim report on the 2004 audit of domestic arrears for nine ministries and solicit donor support for an audit of the remaining ministries.	End-October 2004	