

Table 1. Nigeria: Quantitative Performance Criteria, December 1999 - December 2000. 1/
(End of period)

	end-Dec. 1999 stock	Performance criteria 1/ end-Sept. end-Dec. Program: cumulative from end-December, 1999	
1. Floor on net official international foreign exchange reserves (in U.S.\$ millions). 2/ 3/ 4/	5,441	1,325	2,361
2. Ceiling on net domestic assets of the central bank (in billions of naira). 2/ 3/ 4/	-269	-127	-221
3. Ceiling on borrowing by the Federal government (in billions of naira). 4/ 5/	...	0	0
3a. Indicator on domestic financing of the consolidated government (in billions of naira). 2/ 3/ 4/ 6/	...	-111	-163
4. Use of excess proceeds by the Federal government above the N75 billion already included in the 2000 Budget estimates. 7/	...	0	0
5. Ceiling on warrants issued without cash-backing. 7/	...	0	0
6. Floor on debt-service payments (in millions of U.S.\$). 4/ 8/	...	1,301	1,500
7. Floor on the payments by NNPC for crude oil and consumption tax (in billions of naira). 4/ 9/	...	74	105
8. Ceiling on new nonconcessional external debt with a maturity of one year or more contracted or guaranteed by the government (in U.S.\$ millions). 4/ 10/	...	0	0
9. Ceiling on new nonconcessional short-term external debt (with a maturity of less than one year) contracted or guaranteed by the government (stock in U.S.\$ millions). 4/ 11/	0	0	0
10. Ceiling on accumulation of new external payment arrears (in U.S.\$ millions). 4/ 7/ 12/	...	0	0

Source: Nigerian authorities; and staff estimates and projections.

1/ Performance criteria for end-March 2001, and end-June 2001, will be set by the time of the first review of the program.

2/ Program figures for net official international reserves will be adjusted upward (downwards) and those for net domestic assets of the central bank will be adjusted downward (upward) to the extent that central bank receipts of oil export revenue and royalties (less actual distributions to federal state and local government up to a maximum of N75 billion) exceed (fall below) the programmed levels on account of higher (lower) than programmed international oil prices.

3/ Program figures for net official international reserves will be adjusted upward and those for net domestic assets of the central bank will be adjusted downward to the extent that debt service payments fall short of the programmed levels.

4/ Cumulative flows from end-December, 1999.

5/ This ceiling applies to borrowing from all sources, with the exception of budgetary funding received through the IDA Economic Reconstruction Credit, a similar loan from the African Development Fund (ADF), and highly concessional donor loans, which would be used to finance poverty reduction programmes.

6/ This is not a performance criterion. This definition of domestic financing is intended to monitor the macroeconomic impact of budgetary operations through the program period. It is defined as the change in the net position of the consolidated government with the CBN, commercial and merchantbanks, and the non-bank public (excluding the reduction in domestic arrears of N56 shown in the fiscal table 4a). The program projections assume no net financing for state and local governments from the banking system, hence is the same as the projection for the performance criterion on domestic financing.

7/ These performance criteria apply continuously.

8/ Excluding payments of debt service carried over from 1999.

9/ This is defined as payments by the NNPC into the federation account for 300,000 barrels of crude oil per day, and the consumption tax on petroleum products.

10/ Nonconcessional external debt is defined as loans having a grant element of less than 35 percent on the basis of currency-specific discount rates based on OECD commercial interest reference rates, excluding debt contracted as a direct result of the restructuring of the Brady bonds and promissory notes.

11/ Short-term debt excludes normal import-related credits.

12/ This excludes those arrears that would accumulate pending the completion of discussions between Nigeria and the Paris Club.

Table 2. Nigeria: Structural Benchmarks, 2000 (performance criteria are marked *)**By end-March 2000:¹**

- Formal proposal to the Chief Justice for the creation of a special division of the Federal High Court charged specifically with cases of financial and economic crimes.
- Commence the establishment of the modalities for the operation of the Poverty Reduction Initiative.
- Complete the sale of government equity to strategic investors in Unipetrol, African Petroleum, Ashaka Cement and the NAL merchant bank.
- Establish a timetable for the restructuring of debt to external commercial creditors.

By end-June 2000:¹

- Completion of review of fiscal regime for the oil and gas sectors.
- Completion of management audit of the NNPC with assistance from the World Bank.
- Initiation of the process of developing a Poverty Reduction Strategy with participation of all parties involved.

By end-September 2000:

- Submission to the National Assembly of the Auditor General's report (Parts I and II) on the accounts of the government of the Federation of Nigeria for the period ended 31st December 1999.
- Commencement of the operations of the independent Anti-Corruption Commission; nomination of the head of the Commission.*
- Completion of the audit of the federal civil service.*

By end-December 2000:

- Approval by the Council of Ministers of the Draft Telecommunications Law, the Draft Electricity Law, and the regulatory framework for the power and telecommunications sectors.
- Completion of technical audit to study options for the Ajaokuta Steel Complex and the Aladja steel works.
- Bring to the point of sale of NICON Insurance, Nigerian Reinsurance, the Nicon Hilton Hotel and Nigeria Hotel Limited.

¹ Measures initially included in the program for 2000, some of which were to be performance criteria.

- Completion of a comprehensive review of the structure of trade tariffs and level of real effective protection and value added in a range of industries.*
- Implementation of recommendations of IMF and World Bank technical assistance missions regarding the strengthening of petroleum tax administration.
- Publication of the results of value-for-money audits of randomly selected federal government expenditures undertaken during the third quarter of 2000.*

By end-March 2001

- Adopt appropriate stand-alone fiscal regime for gas and power projects.*
- Establish regulatory agencies for power and telecommunications sectors.
- Publication of the results of value-for-money audits of randomly selected federal government expenditures undertaken during the fourth quarter of 2000.*
- Bring to the point of sale of NITEL/MTEL.*
- Institute and publish new procurement procedures.

By end-June 2001

- Publication of the results of value-for-money audits of randomly selected federal government expenditures undertaken during the first quarter of 2001.*
- To be set during the first review.
- To be set during the first review.