

Republic of Yemen: Credit Ceilings and Net International Reserve Floors, 2001–01 1/ 2/ 3/
(In billions of Yemeni rials)

	Actual Dec. 31 2000	Actual Feb. 28 2001	Program Ceiling Feb. 28 2001	Adjusted Ceiling Feb. 28 2001	Program Ceiling May 31. 2001	Adjusted Ceiling May 31. 2001	Actual May 31. 2001	Program Ceiling Aug. 30. 2001	Adjusted Ceiling Aug. 30. 2001	Actual Aug. 30. 2001
(In billions of Yemeni rials)										
Net domestic assets of the Central Bank of Yemen 4/ 5/	-149.2	-29.6	-15.2	-17.2	-26.2	-22.4	-75.1	-32.1	-40.5	-114.9
Of which: claims on the public sector 5/ 6/	-65.1	-36.9	-16.5	-18.5	-36.6	-32.8	-64.5	-51.3	-59.7	-80.7
Total domestic financing of the budget 5/7/	99.2	-33.4	-19.7	-21.7	-40.1	-36.3	-52.4	-54.8	-63.2	-86.3
Reserve money 8/	244.1	-13.7	-9.3	-11.3	-8.7	-4.9	-20.4	-4.6	-13.0	-18.2
Own net international reserves (US\$ millions) 5/ 9/	2,248.1	90.0	29.8	31.8	69.5	65.7	285.1	96.0	104.4	499.9
(Cumulative changes from end-December, 2001)										
Memorandum items:										
Programmed external financing of the budget (US\$ millions) 10/	...	-3.1	-3.7	...	-9.3	...	-21.1	-14.9	...	-24.2
Programmed average crude oil export price (\$/barrel)	...	23.4	22.6	...	22.4	...	24.6	21.9	...	25.0
Programmed volume (mill barrels)										
for government oil exports	...	11.2	11.3	...	27.4	...	29.3	43.1	...	46.1
...
Adjustors										
External financing of the budget (excess -)	...	...	-0.6	...	11.8	...	...	9.3	...	...
Government crude oil exports (excess -)	...	...	-1.4	...	-8.0	...	...	-17.8	...	...
Combined adjustment	...	...	-2.0	...	3.8	...	...	-8.4	...	...
...

Sources: Yemeni authorities; and staff estimates.

1/ The ceilings on CBY net domestic assets, claims on the public sector, and total domestic financing of the budget performance criteria will be increased or decreased, and the floor on own net international reserves decreased or increased by the full cumulative amount of any shortfall or excess, respectively, in net external financing of the budget, as defined in Footnote 10 below, vis-à-vis the programmed level. The ceilings will also be adjusted downwards for cumulative shortfalls of cash payment towards debt owed to domestic importers of wheat relative to program levels.

2/ The credit ceilings will be increased and the NIR floor decreased by 80 percent of the amount of any shortfall and the credit ceilings and decreased and the NIR floor increased by 100 percent of any excess, in cumulative government crude oil export receipts vis-à-vis the programmed level owing to changes in the government's received crude oil export prices. For the purpose of this adjustment, the excess and shortfall will be calculated as the difference between the value of the programmed volume of crude oil exports at actually received prices and the programmed value. The projected quarterly average exchange rate will apply to the calculations.

3/ The total upward adjustments of the credit ceilings and the total downward adjustment of the NIR floor on account of a cumulative shortfall of the external financing and the oil export receipts as defined in Footnotes 1 and 2 above will be limited to US\$110 million.

4/ Net domestic assets (NDA) of the Central Bank of Yemen (CBY) is defined as CBY reserve money less net foreign assets.

5/ Performance criterion for February 28, 2001; May 31, 2001; and August 31, 2001.

6/ The sum of the CBY's net claims on the central government as defined below and gross claims on public enterprises.

7/ The claims of the banking system on the central government, excluding the counterpart to YBRD claims on the CBY, net of central government deposits, plus the stock of treasury bills and treasury bill repos held by the domestic nonbank sector.

8/ Indicative target for February 28, 2001; May 31, 2001; and August 31, 2001.

9/ Net international reserves are defined as reserve assets minus reserve liabilities. For the purpose of the performance criteria, reserve assets are liquid, convertible currency claims of CBY on nonresidents that are readily available, excluding gold, silver, and foreign cash held by the CBY. Reserve liabilities are defined as the foreign exchange obligations of the CBY to both residents and nonresidents arising from both predetermined and contingent liabilities (including short- and medium-term liabilities of the CBY; deposits of domestic commercial banks; and deposits of the Government with the CBY). Pledged or otherwise encumbered reserve assets, including but not limited to reserve assets used as collateral (or guarantee for third party external liabilities) are excluded, except for attachments to CBY reserves related to the ongoing commercial debt restructuring. Foreign exchange assets and liabilities will be valued at the closing rates in London or New York.

10/ Consists of rescheduled interest obligations, disbursements of loans net of amortization obligations, amortization and interest arrears (if any), rescheduled amortization obligations, less interest obligations on external debt, and less the cost of buybacks and/or swaps of debt owed to official bilateral creditors or foreign commercial banks or arising from suppliers' credit. Excludes grants. External financing transactions will be valued at the projected average quarterly exchange rate.

Republic of Yemen: Quantitative Performance Criteria on New Public Sector or Publicly Guaranteed External Debt and Accumulation of New External Payment Arrears, 2001

(In millions of U.S. dollars)

	Program Feb. 28, 2001	Actual 1/ Feb. 28, 2001	Program May 31, 2001	Actual 1/ May 31, 2001	Program Aug. 31, 2001	Actual 1/ Aug. 31, 2001
(Cumulative changes from January 1, 2001)						
I. Ceilings on net disbursement of short-term debt 2/ 3/	10	0	20	0	30	0
II. Ceiling and subceilings on the contracting of new nonconcessional external public sector or publicly guaranteed debt 3/ 4/						
Debt with an initial maturity over one year	25	5.2	50	17.3	75	22.4
Debt with an initial maturity over one year and up to and including 5 years	15	5.2	25	17.3	35	22.4
III. Ceiling on accumulation of new external payment arrears 3/ 5/	0	0	0	0	0	0

Sources: Yemeni authorities; and Fund staff estimates.

1/ Actual cumulative disbursements.

2/ Debt with an initial maturity of one year or less; excludes normal import-related credits. Debt has the meaning set forth in point number 9 of the Guidelines on Performance Criteria with respect to foreign debt.

3/ Performance criterion for February 28, 2001, May 31, 2001, and Aug. 30, 2001.

4/ Excluding loans with a grant element equivalent to 35 percent or more calculated using currency specific discount rates based on commercial interest reference rates plus a margin depending on the maturity of the loan; restructuring and refinancing loans undertaken in multilateral restructuring of official bilateral debt; and use of AMF and IMF resources. Includes commitments contracted or guaranteed for which value has not been received.

5/ To be applied on a continuous basis. Includes financial leases and other instruments giving rise to external liabilities, contingent or otherwise, in nonconcessional terms. In determining the level of concessionality of these obligations, the definition of concessional borrowing shall apply.