Table 1. Uzbekistan: Quantitative Targets for December 2001 – June 2002
(In billions of sum, unless otherwise indicated)

	31-Dec-01			31-Mar-02	30-Jun-02
	Original Targets 1/	Revised Targets 2/	Outcome 2/	Targets	Targets
Net domestic assets (NDA) of the CBU 3/ 4/	-102.0	-400.9	-431.2	-400.7	-381.3
Net international reserves (NIR) of the CBU 3/ 5/ (in millions of U.S. dollars)	1,092	1,056	1,099	1,081	1,081
Net credit to the government from the CBU 3/ 4/	41.6	-5.6	-14.9	7.7	22.9
Overall deficit (-) of the general government 6/	-65.0	-65.0	-57.2	-35.2	-78.5
Nonaccumulation of external payments arrears (in millions of U.S. dollars) 7/	0	0	0	0	0
Reserve money 4/	308.4	320.6	320.1	338.0	357.7
Ceilings on new nonconcessional external debt contracted or guaranteed by the government or the CBU					
Cumulative from January 1, 2002 (in millions of U.S. dollars)					
a. Maturities over 1 year 8/	…	…	…	200	400
b. Maturities over 1 and less than, or up to, 5 years (included in a. above) 8/	…	…	…	100	200
c. Maturities of less than or up to 1 year, excluding normal import-related credits 8/	…	…	…	25	50

Source: Uzbek authorities; and Fund staff estimates.

1/ As established in the program elaborated in consultation with the IMF staff in July/August 2001, with valuation adjustment based on June 30, 2001 exchange rates and gold prices.
2/ Revised target as defined in footnote 1, but with valuation adjustment based on November 30, 2001 exchange rates and gold prices.
3/ Adjusted for valuation change (based on exchange rates and gold prices as of November 30, 2001), except as indicated in footnote 2.
4/ The specified targets are ceilings.
5/ The specified targets are floors.
6/ For 2001, the deficit is cumulative from January 2001 and based on the government definition of the general government deficit (excluding extra-budgetary funds), measured from above-the-line. For 2002, the deficit is cumulative from January 2002 and based on the IMF definition of the general government deficit, measured from below-the-line.
7/ Continuous.
8/ Excluding gold swaps.

Table 2. Uzbekistan: Prior Actions and Structural Benchmarks for the SMP
covering the first half of 2002

1. Prior actions for the SMP

Exchange market measures

- Eliminate the provisions in the foreign exchange regulations that prevent economic entities from taking part in the OTC market if: (i) they have been in operation less than six months (in which case, commercial banks shall provide information to the CBU relating to such transactions based on an analysis of the documents as supplied by their clients) and (ii) their imports of equipment and other imports for which they wish to purchase foreign exchange do not conform to projections approved by the Ministry of Macroeconomics and Statistics.

- Remove 15 items from the list of consumer goods (currently 61 items) for which the provision of foreign exchange is not recommended.

- Increase the access limit for purchases of foreign exchange by individuals to US$750 per transaction for the period January 1 – March 31, 2002. Purchases in excess of the limit will be permitted for all bona fide transactions if proper documentation is provided.

- Reduce the surrender requirement to 50 percent for strategic exports, except for cotton fiber.

Other measures

- Observance of the end-December 2001 revised targets specified in Table 1.

- Increase the CBU refinance rate from 2.0 percent to at least 2.5 percent per month from January 1, 2002.

- Issue a tender for an international audit of the CBU balance sheet for 2001 by end-January 2002, and sign a contract with the successful bidder before end-March 2002.

- Release to the Fund staff the detailed assessment by the international auditors of the National Bank for Foreign Economic Activity (NBFEA) for 1999 and 2000 of the foreign exchange and gold reserve accounts managed by the NBFEA on behalf of the CBU.

- Adopt a decision by the CBU that provides for the gradual transfer of foreign exchange and gold reserves managed by the NBFEA to the CBU, as and when the contracts expire.

- Improve the state procurement system (mandatory crop patterns and targets) for raw cotton and grain. Mandatory sales to the state will not exceed 50 percent of actual production for the 2002 crop, except in the case of regions where World Bank and Asian Development Bank rural sector pilot projects are being implemented. Each individual farm will be independently responsible for the fulfillment of the procurement quotas being set for raw cotton and grain. The percentage of mandatory sales to the state will be gradually reduced for future crop years.

- Introduce state procurement pricing for raw cotton at the level of about 33 percent of the Liverpool Cotlook A Index price per ton of fiber less fixed costs to cover ginning and transport to final markets for the 2002 crop. The farm gate price will be fixed in advance in sums. The price will be reviewed at the time of the harvest in light of the OTC exchange rate prevailing at that time, and adjusted as necessary.

- Introduce state procurement pricing for grain at the world market level (as observed at the regional commodity exchanges) plus transportation costs for the 2002 crop. The price will be fixed in advance in sums. The price will be reviewed at the time of the harvest in light of the OTC exchange rate prevailing at that time, and adjusted as necessary.

- Permit any private purchaser of cotton and grain on the auction for "high liquidity" goods the right to export these products subject to decentralized export procedures, starting with the 2002 crop.

- Effective January 1, 2002, take all necessary measures to prevent any unjustified interference in the operations of commercial banks by the government, including (i) in the provision of specific loans and credits to enterprises, and (ii) other routine and otherwise legitimate bank operations.

2. Measures to be implemented by March 31, 2002

Exchange market measures

- Remove 20 items from the list of consumer goods for which the provision of foreign exchange is not recommended.

- Increase the access limit for purchase of cash foreign exchange by individuals to US$1,000 per transaction for the period April 1 – June 30, 2002. Purchases of cash foreign exchange in excess of the limit will be permitted for all bona fide transactions if proper documentation is provided.

- The spread between the OTC exchange rate and the curb market exchange rate not to exceed 50 percent.

Other measures

- Finalize draft of new Law on Statistics and pass it on to Parliament by May 1, 2002.

3. Measures to be implemented by June 30, 2002

Exchange market measures

- Eliminate all restrictions on access to foreign exchange (including cash) for bona fide current international transactions, including the elimination of the list of consumer goods for which the provision of foreign exchange is not recommended.

- The spread between the OTC exchange rate and the curb market exchange rate not to exceed 20 percent.

- The management board of the Consolidated Stabilization Fund will be limited exclusively to CBU staff.

Other measures

- Reduce the number of items subject to export bans by 3.

- Reduce the number of monopolies and monopoly products from the list of goods subject to price control by 184 and 52, respectively.

- Amend Paragraph 6 of Presidential Decree UP-2564 to abolish the provision that limits quarterly access to cash from bank accounts for individual entrepreneurs to 50 percent of their turnover.

- Implement the recommendations by STA missions and other international agencies to improve the national accounts, including the computation of discrete quarterly GDP estimates by economic activity at constant prices.