

Table 1. Cambodia: Quantitative Performance Criteria and Benchmarks, June 2001–December 2001

	2000		2001				
	Stock at	Actual	End-Mar. 1/		End-June	End-Sept. 1/	End-Dec.
	End -Dec.		Prog.	Adj. Prog.	Actual	Rev. Prog.	Rev. Prog.
			(Cumulative change from beginning of year)				
Net domestic assets of the central bank (in billions of riels) 2/3/4/	-941	-43	-43	-81	-71	-44	-57
Net credit to the government from the banking system (in billions of riels) 3/4/	3	-32	-32	-72	-42	-7	0
Net domestic financing of the budget (in billions of riels) 3/4/	...	-32	-32	-85	-66	-18	0
Contracting or guaranteeing of external debt by the public sector 5/							
Up to one-year maturity 6/	...	---	---	---	---	---	---
1-5 year's maturity	...	---	---	---	---	---	---
Medium-and long-term nonconcessional debt 7/	...	---	---	---	---	---	---
External payments arrears 8/	...	---	---	---	---	---	---
			(Cumulative change from beginning of year)				
Net official international reserves (in millions of U.S. dollars) 9/ 10/	411	7	2	24	20	27	40
			(Cumulative flows from beginning of year)				
Memorandum items:							
Total nonproject balance of payment support (in millions of U.S. dollars)	...	5	...	0	0	10	20
Total nonproject budget support (in billions of riels)	...	20	...	23	45	87	162
			(Stock at end of period)				
Net domestic assets of the central bank (in billions of riels)	-941	-984	-984	-1,022	-1,012	-985	-998
Net credit to the government from the banking system (in billions of riels)	3	-29	-29	-69	-39	-4	3
Net official international reserves (in millions of U.S. dollars) 11/	414
Net official international reserves (in millions of U.S. dollars) 12/	411	418	413	435	431	438	451
			(At end of period)				
Exchange rate (riels per U.S. dollar, end of period)	3,775	3,925	...	3,915

Sources: Data provided by the Cambodian authorities; and Fund staff estimates.

1/ Performance criteria.

2/ Net domestic assets are defined as reserve money minus net foreign assets of the central bank, adjusted for valuation changes arising from the difference between program and actual exchange rates.

3/ For purposes of verifying compliance with the program, the ceiling for net domestic assets, net credit to the government from the banking system, and net domestic financing of the budget will be adjusted upward (downward) by any shortfall (excess) in external nonproject budget support from the program estimates. The adjustments for shortfalls in nonproject budget support will not exceed \$10 million.

4/ External nonproject budget support exceeded the program estimate by CR3.2 billion in March 2001, and no adjustment was made.

5/ Maturity based on original contract.

6/ Ceiling applies to amount outstanding. Excludes normal import-related credit and any borrowing associated with debt rescheduling.

7/ Excludes amounts contracted under the government loan agreement with China dated July 26, 2000 for a maximum loan amount equivalent to \$12 million.

8/ Continuous performance criterion.

9/ For purposes of verifying compliance with the program, the floor on net official international reserves will be adjusted downward (upward) by any shortfalls (excess) in external nonproject budget support from the program estimates. The adjustments for shortfalls in budget support will not exceed \$10 million. Valuation effects on the stock of gold holdings are excluded, and gold holdings in 2001 are evaluated at the end-December 2000 gold price.

10/ For purposes of verifying compliance with the program, the floor on net official international reserves was adjusted downward by \$5.0 million in March 2001 due to shortfalls in foreign currency external nonproject budget support.

11/ Evaluated at end-December 1999 gold price.

12/ Evaluated at end-December 2000 gold price.

Table 2. Cambodia: Actions for the Completion of the Third PRGF Review and other Structural Benchmarks

I. Prior Actions for Completion of the Third Review	Status
1. Issue subdecree to reduce the number of tariff bands from 12 to 4 and to lower the maximum tariff rate to 35 percent, with associated adjustments in excise rates.	Completed
2. Preparation of the first quarterly report by the NBC on the implementation of the banks' Memoranda of Understanding (MOUs) and on actions taken against non-complying banks.	Completed
3. Implement several of the other tax measures as specified in Annex I, including: (i) treatment of diesel sales as final for VAT purposes; (ii) improved monitoring of visas (visa sticker); and (iii) additional adjustment in selected excise rates.	Completed
4. Propose a candidate to head the National Audit Authority to the National Assembly.	Completed
5. Establish the Steering Committee for preshipment inspection (PSI), as defined in the PSI contract.	Completed
6. Release second quarter allocation for the Priority Action Program (PAP).	Completed
II. Structural Performance Criterion for the Fourth Disbursement (Third Review)	
1. Complete recapitalization of FTB by end-June 2001.	Completed
III. Structural Benchmarks for the Fourth Review	
1. Establish Large Taxpayers Unit, with the possibility of direct payment by check or transfer into National Treasury accounts at the NBC for the largest taxpayers, by end-October 2001 [Structural performance criterion].	
2. Prepare a new chart of accounts for fully licensed banks based on international standards, to be operational by January 2002.	
3. Complete quarterly reports on the implementation of the banks' MOUs (by end-August and end-October 2001) indicating actions to be taken against non-complying banks, with a view to consolidating further the banking system.	
4. Cancel licenses of forestry concessions that have not submitted restructured concession agreements by end-September 2001.	
5. Complete civil service census, and fingerprinting and registration of civil servants, in all provinces by end-July 2001.	
6. Submit the 2002 budget to the National Assembly by end-November 2001 according to the agreed framework, and with new tax measures (from the options recommended by FAD) and legal authorization for the issuance of FTB recapitalization bonds.	