©2000 International Monetary Fund

April 2000

IMF Staff Country Report No. 00/55

Eritrea: Statistical Appendix

This Statistical Appendix report on Eritrea was prepared by a staff team of the International Monetary Fund as background documentation for the periodic consultation with this member country. As such, the views expressed in this document are those of the staff team and do not necessarily reflect the views of the Government of Eritrea or the Executive Board of the IMF.

Copies of this report are available to the public from

International Monetary Fund • Publication Services
700 19th Street, N.W. • Washington, D.C. 20431

Telephone: (202) 623-7430 • Telefax: (202) 623-7201
Telex (RCA): 248331 IMF UR
E-mail: publications@imf.org
Internet: http://www.imf.org

Price: $15.00 a copy

International Monetary Fund
Washington, D.C.

INTERNATIONAL MONETARY FUND

ERITREA

Statistical Appendix

Prepared by a staff team consisting of R. Kibuka (Head), Z. Brixiova, R. Nakata, and A. Pitt (all AFR)

Approved by the African Department

February 18, 2000

Contents Page

Appendices

I. Summary of the Tax System as of December 1999 3
II. Exchange and Trade System 11

Statistical Appendix Tables

1. Gross Domestic Product by Sector, 1995–99 24
2. Agricultural Production, 1994–98 25
3. Regional Structure of the Agricultural Sector, 1996–98 26
4. Food Grain Position, 1994/95–98/99 28
5. Annual Catch and Sales of Fish, 1996–99 29
6. Gross Value of Public Enterprise Production, 1995–99 30
7. Investment Projects by Sector, 1995–99 31
8. Assab Refinery Production, Purchases, and Sales by Eritrea, 1995–99 32
9. Ex-Refinery and Retail Prices of Petroleum Products, 1997–99 33
10. Electricity Production, Sales, and Tariffs, 1996–99 34
11. Asmara Price Index, 1997–99 35
12. Summary of Developments in the Labor Market, 1995–98 36
13. Structure of Private Sector Wages, 1996–98 37
14. Summary of Government Operations, 1995–99 38
15. Selected Indicators of Government Operations, 1995–99 39
16. Government Revenues and Grants, 1995–99 40
17. Government Current Expenditure by Economic Classification, 1995–99 41
18. Government Current Expenditure by Functional Classification, 1995–99 42
19. Government Capital Expenditure, 1995–99 43
20. Monetary Survey, 1995–99 44

21. Summary Accounts of the Bank of Eritrea, 1995–99 45
22. Summary Accounts of the Commercial Bank of Eritrea, 1995–99 46
23. Summary Accounts of the Housing and Commerce Bank of Eritrea, 1995–99 47
24. Distribution of Net Foreign Assets, 1995–99 48
25. Commercial Banks' Excess Reserves, 1995–99 49
26. Sectoral Distribution of Commercial Bank Loans, 1996–99 50
27. Structure of Interest Rates, 1992–99 51
28. Balance of Payments, 1995–99 52
29. Commodity Composition of Exports, 1994–98 53
30. Commodity Composition of Imports, 1994–98 54
31. Direction of Exports, 1994–98 55
32. Origin of Imports, 1994–98 56
33. External Public Debt Commitments and Disbursements, 1995–99 57
34. Foreign Exchange Rates, 1992–99 58

Eritrea: Sumary of the Tax System as of December 1999

	Tax	Nature of Tax	Deductions and Exemptions	Rates
1.	Tax on income and profits			
1.1	Income tax on employment (Proclamation No. 62/1994; October 5, 1994; Legal Notice No. 20/1995)	Tax withheld monthly by employers on salaries, allowances, pension contributions, and other benefits and personal emoluments (cash and in kind).	Exemptions: income from employment of unskilled workers, employed on a daily and irregular basis; income of business representatives residing in the country less than 183 days.	No. / Taxable income (nakfa per month) / Tax rate on additional income (in percent) 1: up to 200 — 2 2: 201 - 500 — 7 3: 501 - 1,200 — 12 4: 1,201 - 2,000 — 17 5: 2,001 - 3,500 — 24 6: 3,501 - 5,500 — 29 7: 5,501 - 8,000 — 34 8: over 8,000 — 38
1.2	Income taxes on agriculture			
1.2.1	Income tax on commercial farming (Proclamation No. 62/1994; October 5, 1994)	Annual tax levied on taxable income of commercial farms, payable within four months after the end of the fiscal year for all taxpayers. Assessment based on returns filed.	None.	No. / Taxable income (nakfa per year) / Tax rate on additional income (in percent) 1: up to 1,000 — 2 2: 1,001 – 10,000 — 5 3: 10,001 - 20,000 — 10 4: 20,001 - 35,000 — 15 5: above 35,000 — 20
1.2.2	Income tax, rural land use fee, and cattle tax for smallholders (Proclamation No. 63/1994; October 5, 1994; Legal Notice No. 21/1995)	General annual land use fee for every farmer, and an additional annual fee levied on smallholder commercial farming, with specific rates for livestock.	None.	General annual land use fee of ERN 18 per farmer, and ERN 5 for every quarter of a hectare that is commercially used by farmers without a commercial farming license. Specific tax rates for each head of animal: Camel — ERN 4.0 Horned cattle, horse, mule — ERN 2.0 Donkey — ERN 1.0 Sheep or goat — ERN 0.5

Tax	Nature of Tax	Deductions and Exemptions	Rates
1.3 Income tax on profits			
1.3.1 Income tax on profits of incorporated business (Proclamation No. 62/1994; October 5, 1994)	Annual tax levied on taxable income, payable within one, two, or four months after the end of the fiscal year for taxpayer categories A, B, and C. Assessment based on returns filed.	Exemptions: dividends, and interest income of persons. Profits derived from mining activities to be taxed as per mining legislation. For new investments, losses incurred during the first two years may be carried forward for three consecutive years; for new investments, losses may be carried forward an additional one year in exceptionally critical circumstances.	No. / Taxable income (nakfa per year) / Tax rate on additional income (in percent) 1 / up to 100,000 / 25 2 / 100,001 - 400,000 / 28 3 / 400,001 - 750,000 / 30 4 / above 750,000 / 35 Reinvested profit will be taxed only at 20 percent upon submission of certificate of the Investment Center.
1.3.2 Income tax on profits of unincorporated business (Proclamation No. 62/1994; October 5, 1994)	Annual tax levied on taxable income, payable within one, two, or four months after the end of the fiscal year for taxpayer categories A, B, and C. Assessment based on self-declared income, except for certain sectors where presumptive tax rates are applied.	Exemptions: dividends, interest income from bank accounts, and income from self-employed persons residing in rural areas in certain sectors (e.g., blacksmiths, pottery).	No. / Taxable income (nakfa per year) / Tax rate on additional income (in percent) 1 / up to 2,000 / 2 2 / 2,001 - 5,000 / 7 3 / 5,001 - 18,000 / 15 4 / 18,001 - 35,000 / 20 5 / 35,001 - 60,000 / 25 6 / 60,001 - 100,000 / 30 7 / 100,001 - 150,000 / 35 8 / over 150,000 / 38

	Tax	Nature of Tax	Deductions and Exemptions	Rates
1.4	Tax on gains from lottery and other games, royalties, and services income earned abroad (Proclamation No. 62/1994; October 5, 1994)	Levied on taxable gross income of lottery and game wins. To be paid within one month after income is received. Assessment based on returns filed.	None.	Income from lottery (above ERN 500), and from bingo (above ERN 400) 10 percent Royalty and income from services from abroad 10 percent
1.5	Rental income tax (Proclamation No. 62/1994; October 5, 1994)	Annual tax levied on all income received in cash and in kind from the rental of movable and immovable property. Assessment based on returns filed. Tax payments are required within one month after the end of the fiscal year.	None. Local property tax payments, and one-fourth of gross income received for the rent of buildings, furniture, and equipment (as allowance for repairs, maintenance, and depreciation) are deductible.	

No.	Taxable income (nakfa per year)	Tax rate on additional income
1	up to 120	ERN 1
		(in percentage)
2	121 - 380	1.5
3	301 - 480	3.0
4	481 - 660	4.5
5	661 - 840	6.0
6	841 - 1,020	8.0
7	1,021 - 1,200	10.0
8	1,201 - 1,600	12.0
9	1,601 - 2,000	14.0
10	2,001 - 2,400	16.0
11	2,401 - 2,800	18.0
12	2,801 - 3,600	20.0
13	3,601 - 4,400	22.0
14	4,401 - 5,200	24.0
15	5,201 - 6,000	26.0
16	6,001 - 8,000	28.0
17	8,001 - 10,000	30.0
18	10,001 - 12,000	32.0
19	12,001 - 16,000	34.0
20	16,001 - 20,000	36.0
21	20,001 - 24,000	38.0
22	24,001 - 30,000	40.0
23	30,001 - 36,000	42.0
24	36,001 - 42,000	44.0
25	above 42,000	48.0

	Tax	Nature of Tax	Deductions and Exemptions	Rates
1.6	Income tax on Eritreans working abroad (Proclamation No. 67/1995; February 10, 1995)	Tax on net income from employment, rent of movable and immovable property, and vocational and professional services. Payable monthly or annually. Collected through embassies, consulates and other delegations under the Ministry of Foreign Affairs; transferred directly to the Treasury.	None.	2 percent.
1.7	Surtax (Circulars by Ministry of Local Government dated October 3, 1998, and Ministry of Finance dated December 24, 1998)	Additional tax on personal income, corporate income, and unincorporated business income. Base for business profit tax is the average of turnover in 1997 and 1998.	Same as income tax on employment and income tax on profit.	On personal income, same rates (i.e., 2–38 percent) as income tax on employment are applied, in addition to normal income tax, and fixed amounts ranging from ERN 5 to ERN 110 per month are levied on each of 40 income brackets. On business profit, 2.5 percent for services and construction, 1.5 percent for suppliers of goods (importers, wholesalers, and manufacturers) and construction are applied to businesses with annual turnover not less than ERN 100,000. Fixed amounts ranging from ERN 342 to ERN 2,556 are levied on each of 5 brackets for businesses with annual turnover less than ERN 100,000.

	Tax	Nature of Tax	Deductions and Exemptions	Rates	
2.	Taxes on goods and services				
2.1	Sales tax on domestic goods (Proclamation No. 64/1994; October 5, 1994; Legal Notice No. 22/1995)	Single-stage tax levied at factory or wholesale level on all manufactured goods and collected monthly. Sales tax paid on raw materials used for local production will be refunded. Assessment based on self-declaration.	All exports, and the following products for domestic sale are exempted: basic foodstuffs (e.g., cereals, leguminous vegetables, njera, rice, bread); live animals; capital goods for agriculture, industry, and construction; refractory bricks and the like used in building furnaces; fire-fighting equipment; public transport vehicles; vehicles used for road maintenance, lifting and loading equipment; kerosene and aviation fuel; medical equipment; medical, scientific, and technical instruments; fish nets; beehives and incubators; silver and gold when imported by the Bank of Eritrea; traveler's checks, revenue stamps, and bandlets.	Agricultural products, raw materials, most intermediate goods Most consumer goods, drugs, some intermediate goods All other products	3 percent 5 percent 12 percent
2.2	Sales tax on domestic services (Proclamation No. 64/1994; October 5, 1994; Legal Notice No. 22/1995)	Assessment based on value of the service, through self-declaration. Collected monthly.	All exports.	Subject to 10 percent sales tax: telecommunications; laundry; legal services, and public affairs services; photography, photocopying, and other reproduction; auditing and accountancy; lodging; consultancy; clearing and forwarding agents; all other agents; brokers; cinemas; tourism; rent of goods and movable property; garages. Subject to 5 percent sales tax: contractors; hair dressing and beauty salons; tailoring; repairs and maintenance, excluding garages; washing and greasing; billiard and bowling establishments; education and training.	

	Tax	Nature of Tax	Deductions and Exemptions	Rates	
2.3	Excise tax on domestic goods (Proclamation No. 64/1994; October 5, 1994; Legal Notice No. 22/1995)	Levied at factory level on all manufactured goods and payable within one month from the date of production. Assessed on the basis of costs of production, through self-declaration. Collected monthly.	Goods locally produced for direct export.	Mineral water, textiles, carpets	10 percent
				Glass beads and ornaments	30 percent
				Tobacco products, beverages with high alcoholic content	50 percent
				Four-wheel drive vehicles	90 percent
				Beer, perfumes, cosmetics	100 percent

Eritrea: Sumary of the Tax System as of December 1999

	Tax	Nature of Tax	Deductions and Exemptions	Rates
3.	Taxes on international trade			
3.1	Customs duties (Legal Notice 18/1994; (October 5, 1994)	Customs tariff regulations follow the Standard International Trade Classification (SITC) system.	Exemptions: imports of diplomatic and consular missions, personal effects and property of Eritrean returnees, and trade samples not used as merchandise.	Twelve different ad valorem rates, including the following: agricultural products and essential foods (e.g, cereals, oil seeds, hides and skins), most capital goods, raw materials (e.g., fertilizer), pharmaceuticals, pesticides, agricultural and construction machinery — 2 percent basic consumer items (e.g., sugar, coffee), some capital goods, and raw materials — 3 percent fish and fish products, manufactured consumer items, and intermediate goods — 5-50 percent mineral water, video cameras, marble, jewels, and some other manufactured items — 80 percent soft drinks, beer, perfumes, and cosmetics — 90 percent CD recorders, electrical household appliances — 100 percent video recorders — 160 percent beverages with high alcoholic content, and tobacco products — 200 percent specific rates for grease (ERN 0.15 per kg.) and small family cars (10 percent of CC).

Eritrea: Sumary of the Tax System as of December 1999

	Tax	Nature of Tax	Deductions and Exemptions	Rates
3.2	Sales tax on imports (Proclamation No. 64/1994; Legal Notice 18/1994; October 5, 1994; Legal Notice No. 22/1995)	The sales tax applies to all imported commodities, and is computed based on the c.i.f. price plus customs duty and, if applicable, excise tax. Paid on clearance from customs.	Same exemptions as for customs duties, and as for sales tax on domestically produced goods. Reexports are also exempted. Sales tax paid on imports that are used for export production is refunded.	Same as for domestic sales tax.
3.3	Excise tax on imports	Paid by the importer when goods are cleared from customs.	Same as for domestically produced goods.	Same as for domestically produced goods, except for imported salt (3 percent).
3.4	Export tax	Abolished on October 5, 1994.		
4.	Other taxes			
4.1	Stamp duties (Proclamation No 65/1994; October 5, 1994; Legal Notice No. 23/1995)	Duties are levied on a range of legal documents and instruments, including contracts, agreements, bills of exchange, etc.	None.	Twenty different ad valorem and specific rates.

Source: Eritrean authorities.

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
I. Status Under IMF Articles of Agreement		
Date of membership		July 6, 1994
1. Article VIII		
2. Article XIV	Yes	
II. Exchange Arrangements		
1. Currency	Yes	A national currency, the nakfa, was introduced in the period between November 8 and 22, 1997; during this conversion period, the nakfa was exchanged at par with the Ethiopian birr. The Ethiopian birr ceased to be legal tender as of November 22, 1997.
Other legal tender	No	
2. Exchange rate structure		
a. Unitary	Yes	
b. Dual		
c. Multiple		
3. Classification		
a. Pegged		
b. Limited flexibility with respect to a single currency		
c. Cooperative arrangement		
d. Adjusted according to a set of indicators		
e. Managed floating		
f. Independent floating	Yes	Through March, 1997, the official exchange rate of Eritrea was the marginal auction exchange rate of Ethiopia's birr, determined in the weekly foreign exchange auction conducted by the National Bank of Ethiopia. On April 1, 1997, the official and preferential exchange rates were unified at Br 7.1 per US$1. A national currency, the nakfa, was introduced on November 22, 1997, and its exchange rate is market determined. On January 27, 2000, the average buying and selling exchange rates were ERN 9.70 per US$1.
4. Exchange tax	Yes	The Bank of Eritrea (BE) prescribes a commission of 0.25 percent for purchases of foreign exchange and 0.75 percent for sales of foreign exchange, except for banknote transactions. The authorized dealers are permitted, but not required, to levy a service charge of up to 0.25 percent for buying and 0.75 percent for selling for their own account.

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
5. Exchange subsidy	No	
6. Forward exchange market	No	
Official coverage	No	
	III. Arrangements for Payments and Receipts	
1. Prescription of currency requirements	Yes	Since November 22, 1997, all transactions with Ethiopia are settled in convertible currencies, except for border trade valued at or below Ethiopian birr 2,000. Prior to that, all transactions with Ethiopia, except those related to the imports of spare parts for the refinery in Assab and the purchase of certain Ethiopian exports, were settled in Ethiopian birr.
2. Payments arrangements	Yes	
a. Bilateral payment agreement	No	
(1) Operative	No	
(2) Inoperative	No	
b. Regional arrangement	Yes	
c. Clearing agreement	Yes	Payments between Eritrea, on the one hand, and Angola, Burundi, Comoros, Democratic Republic of Congo, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Rwanda, Sudan, Swaziland, Tanzania, Uganda, Zambia, and Zimbabwe, on the other, may be made within the framework of the Common Market for Eastern and Southern Africa (COMESA).
d. Barter agreement and open accounts	No	
3. Administration of control	Yes	
Exchange control authorities	Yes	The BE oversees all foreign exchange transactions of the authorized dealers and issues dealers' licenses. It may from time to time issue regulations, directives, and instructions on foreign exchange matters. The Exchange Control Department of the BE issues permits only for those imports that require foreign exchange from the banking system. The National Licensing Office issues licenses for importers, exporters, and commercial agents, and the Ministry of Trade and Industry regulates foreign investments. The Asmara Chamber of Commerce issues certificates of origin for exports.
4. International security restrictions	No	
a. In accordance with Executive Board decision No.144(52/51)	No	

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
b. According to UN sanctions	No	
c. Other	No	
5. Payment arrears	No	
a. Official	No	
b. Private	No	
6. Controls on trade in gold (coins/bullions)	Yes	
a. On domestic ownership/trade	Yes	Authorization from the Ministry of Energy and Mines is required for ownership or possession of gold or other precious metals or ores. Residents may own gold jewelry without restrictions.
b. On external trade	Yes	
7. Controls on banknotes	No	Travelers are not required to declare their foreign currency holdings upon departure.
a. On exports	No	
(1) Domestic currency	No	
(2) Foreign currency	No	Travelers are allowed to reconvert their balances into foreign currencies upon departure.
b. On imports	No	
(1) Domestic currency	No	
(2) Foreign currency	No	Travelers are not required to declare their foreign currency holdings upon entry into Eritrea.
		IV. Resident Accounts
1. Eligibility to open accounts	Yes	
a. Juridical persons	Yes	
b. Natural persons	Yes	
2. Foreign exchange accounts permitted	Yes	
a. Held domestically	Yes	Only investors and individuals earning foreign exchange in connection with foreign trade are allowed to open accounts.
Approval required	No	
b. Held abroad	Yes	Restricted to resident banks.

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
Approval required	Yes	Nonbank residents may not open accounts abroad, except if specifically authorized by the BE.
3. Accounts in domestic currency convertible in foreign currency	No	
V. Nonresident Accounts		
1. Eligibility to open accounts	Yes	
a. Juridical persons	Yes	
b. Natural persons	Yes	
2. Foreign exchange accounts permitted	Yes	Resident Eritreans working temporarily abroad may be permitted to maintain nonresident U.S. dollar accounts in Eritrea.
Approval required	Yes	BE approval is required.
3. Domestic currency accounts	Yes	Available only to members of the diplomatic community, welfare organizations, and nongovernmental organizations and their personnel, as well as to joint ventures and other business firms that invest their capital, wholly or partially, in foreign exchange.
Convertible into foreign currency	Yes	
Approval required	No	
4. Blocked accounts	No	
VI. Imports and Import Payments		
1. Foreign exchange budget	No	
2. Financing requirements for imports	No	Most imports financed with official foreign exchange are effected under letters of credit (LCs) or on a cash-against-documents (CAD) basis. Suppliers' credits must be registered with the BE.
a. Minimum financing requirements	No	
b. Advance payments requirements	No	
c. Advance import deposits	Yes	Only for LC type of imports.
3. Documentation requirements for release of foreign exchange for imports	Yes	
a. Domiciliation requirements	No	

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
b. Preshipment inspection	No	
c. Letters of credit	No	
d. Import licenses used as exchange licenses	Yes	Import payments made through the banking system require a permit issued by the BE upon presentation of pro forma invoices providing information as to type, quantity, unit price, and freight cost (where applicable).
e. Other	Yes	Suppliers' credits must be registered with the BE.
4. Import licenses and other nontariff measures	Yes	
a. Positive list	No	
b. Negative list	No	
c. Open general licenses	Yes	All importers must have a valid trade license issued by the National Licensing Office. These licenses must be renewed each year at a fee of ERN 200. Imports of cars and other motor vehicles require prior permission from the Ministry of Transportation.
d. Licenses with quotas	No	
e. Other nontariff measures	No	
5. Import taxes/tariffs	n.a.	
Taxes collected through the exchange system	Yes	A commission of 2 percent is collected on imports that do not require official foreign exchange and are not aid funded (*franco valuta* imports).
6. State import monopoly	No	The company that produces tobacco and matches holds the monopoly over the imports of these products.
VII. Exports and Export Proceeds		
1. Repatriation requirements	Yes	All export proceeds must be repatriated within 90 days of shipment; where justified, this deadline can be extended by another 90 days.
Surrender requirements	No	
2. Financing requirements	No	Exports may be made under LCs, on an advance payment basis, or on a consignment basis.
3. Documentation requirements	Yes	All exports require documentation by the BE. Certain commodities require clearance from specific government bodies (e.g., the Eritrean Institute of Standards). In particular, livestock and cereals require permission from the Ministry of Agriculture, and marine products require permission from the Ministry of Marine Resources.
a. Letter of credit	No	

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
b. Guarantees	No	
c. Domiciliation	No	
d. Preshipment inspection	No	
e. Other	No	
4. Export licenses	Yes	Exporters must be licensed by the National Licensing Office. The annual licensing fee is ERN 200.
a. Without quotas	Yes	
b. With quotas	No	
5. Export taxes	No	
a. Collected through the exchange system	No	
b. Other export taxes	No	
VIII. Payments for Invisible Transactions and Current Transfers		
CONTROLS ON THESE PAYMENTS	Yes	
1. Freight/insurance	Yes	
a. Prior approval	Yes	
b. Quantitative limits	No	
c. Indicative limits/bona fide test	No	
2. Unloading/storage costs	Yes	
a. Prior approval	Yes	
b. Quantitative limits	No	
c. Indicative limits/bona fide test	No	
3. Administrative expenses	Yes	
a. Prior approval	Yes	
b. Quantitative limits	No	
c. Indicative limits/bona fide test	No	
4. Commissions	Yes	
a. Prior approval	Yes	

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
b. Quantitative limits	No	
c. Indicative limits/bona fide test	No	
5. Interest payments	Yes	
a. Prior approval	Yes	
b. Quantitative limits	No	
c. Indicative limits/bona fide test	No	
6. Profits/dividends	No	For investments certified under the Investment Proclamation No. 59 (1994), foreign investors may freely remit proceeds received from the liquidation of investment and/or expansion, and payments received from the sale or transfer of shares. Petroleum contractors and subcontractors may freely transfer abroad funds accruing from petroleum operations and may pay subcontractors and expatriate staff abroad.
a. Prior approval	No	
b. Quantitative limits	No	
c. Indicative limits/bona fide test	No	
7. Amortization of loans or depreciation of direct investments	n.a.	
a. Prior approval	n.a.	
b. Quantitative limits	n.a.	
c. Indicative limits/bona fide test	n.a.	
8. Payments for travel	Yes	
a. Prior approval	No	
b. Quantitative limits	Yes	For business trips, $250 a person a day for up to 30 days a trip. Exporters may use freely their retention balances for travel purposes. For personal travel, the allowance is $100 a person (adult or minor) a trip. Eritrean nationals can purchase air travel tickets in local and foreign currency.
c. Indicative limits/bona fide test	No	
9. Medical costs	Yes	
a. Prior approval	Yes	Recommendation of the Medical Board of the Ministry of Health is required.

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
b. Quantitative limits	Yes	Up to $10,000 for treatment abroad, other than Ethiopia. The limit may be exceeded in special circumstances.
c. Indicative limits/bona fide tests	Yes	
10. Study abroad costs	Yes	
a. Prior approval	Yes	Approval is granted for higher-education expenses only.
b. Quantitative limits	No	
c. Indicative limits/bona fide tests	No	
11. Subscription and membership fees	Yes	
a. Prior approval	Yes	
b. Quantitative limits	No	
c. Indicative limits/bona fide tests	No	
12. Consulting/legal fees	Yes	
a. Prior approval	Yes	
b. Quantitative limits	No	
c. Indicative limits/bona fide tests	No	
13. Foreign workers' wages	No	
a. Prior approval	No	
b. Quantitative limits	No	
c. Indicative limits/bona fide tests	No	
14. Pensions	No	
a. Prior approval	No	
b. Quantitative limits	No	
c. Indicative limits/bona fide tests	No	
15. Gambling/prize earnings	n.a.	
a. Prior approval	n.a.	
b. Quantitative limits	n.a.	

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
c. Indicative limits/bona fide tests	n.a.	
16. Family maintenance/ alimony	No	
a. Prior approval	No	
b. Quantitative limits	No	
c. Indicative limits/bona fide tests	No	
17. Credit card use abroad	n.a.	
a. Prior approval	n.a.	
b. Quantitative limits	n.a.	
c. Indicative limits/bona fide tests	n.a.	
IX. Proceeds from Invisible Transactions and Current Transfers		
1. Repatriation requirements	No	
2. Surrender requirements	No	
3. Restrictions on use of funds	No	
X. Capital Transactions		
1. Controls on capital and money market instruments	Yes	
a. On capital market securities	Yes	
(1) Shares or other securities of a participating nature	Yes	
(a) Purchases locally by nonresidents	Yes	
(b) Sales or issues locally by nonresidents	n.a.	
(c) Purchases abroad by residents	Yes	Authorized banks may acquire securities with the approval of the BE.
(d) Sales or issues locally by residents	n.a.	
(2) Bonds or other debt securities	n.a.	
(a) Purchases locally by nonresidents	n.a.	

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
(b) Sales or issues locally by nonresidents	n.a.	
(c) Purchases abroad by residents	n.a.	
(d) Sales or issues locally by residents	n.a.	
b. On money market instruments	Yes	
(1) Purchases locally by nonresidents	n.a.	
(2) Sales or issues locally by nonresidents	n.a.	
(3) Purchases abroad by residents	Yes	
(4) Sales or issues locally by residents	n.a.	
c. On collective investment securities	n.a.	
(1) Purchases locally by nonresidents	n.a.	
(2) Sales or issues locally by nonresidents	n.a.	
(3) Purchases abroad by residents	n.a.	
(4) Sales or issues locally by residents	n.a.	
2. Controls on derivatives and other instruments	n.a.	
a. Purchases locally by nonresidents	n.a.	
b. Sales or issues locally by nonresidents	n.a.	
c. Purchases abroad by residents	n.a.	
d. Sales or issues locally by residents	n.a.	
3. Controls on credit operations	Yes	
a. Commercial credit	Yes	

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
(1) By residents to nonresidents	n.a.	
(2) To residents from nonresidents	Yes	Foreign borrowing by residents must be registered with the BE.
b. Financial credit	Yes	
(1) By residents to nonresidents	n.a.	
(2) To residents from nonresidents	Yes	Authorized banks may borrow abroad or overdraw their correspondent accounts abroad with the approval of the BE.
c. Guarantees, sureties, and financial backup securities	n.a.	
(1) By residents to nonresidents	n.a.	
(2) To residents from nonresidents	n.a.	
4. Controls on direct investment	Yes	
a. Outward direct investment	n.a.	
b. Inward direct investment	Yes	Foreign direct investment is permitted in all sectors. However, domestic retail and wholesale trade, and import and commission agencies are open to foreign investors only when Eritrea has a bilateral agreement of reciprocity with the country of the investor; the latter condition may be waived by the government. Approved investments and their subsequent expansion enjoy exemption from customs duties and sales tax for capital goods and spare parts associated with the investment. There are no exemptions from income tax.
5. Controls on liquidation of direct investment	No	
6. Controls on real estate transactions	Yes	
a. Purchases abroad by residents	Yes	
b. Purchases locally by nonresidents	Yes	
c. Sales locally by nonresidents	No	
7. Controls on personal capital movements	n.a.	
a. Loans	n.a.	
(1) By residents to nonresidents	n.a.	

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
(2) To residents from nonresidents	n.a.	
b. Gifts, endowments, inheritances, and legacies	n.a.	
(1) By residents to nonresidents	n.a.	
(2) To residents from nonresidents	n.a.	
c. Settlements of debt abroad by immigrants	n.a.	
d. Transfer of assets	n.a.	
(1) Transfer abroad by emigrants	n.a.	
(2) Transfer into the country by immigrants	n.a.	
8. Specific controls on transactions by commercial banks and other credit institutions	Yes	
a. Borrowing abroad	Yes	Borrowing is subject to prior approval of the BE.
b. Maintenance of accounts abroad	No	
c. Lending to nonresidents (loans, financial or commercial credit)	Yes	
d. Lending locally in foreign exchange	Yes	
e. Purchases of locally issued securities denominated in foreign exchange	n.a.	
f. Differential treatment of deposit accounts in foreign exchange	No	
(1) Reserve requirements	No	
(2) Liquid asset requirements	No	
(3) Interest rate controls	No	
(4) Credit controls	No	

Eritrea: Exchange and Trade System
(Position as of December 1999)

Subject Measure	Existence	Description
g. Differential treatment of nonresident deposit accounts or deposit accounts in foreign exchange	n.a.	
(1) Reserve requirements	n.a.	
(2) Liquid asset requirements	n.a.	
(3) Interest rate controls	n.a.	
(4) Credit controls	n.a.	
h. Investment regulations	No	
(1) Abroad by banks	No	
(2) In banks by nonresidents	No	
i. Open foreign exchange position limits	No	
(1) On nonresident assets and liabilities	No	
(2) On resident assets and liabilities	No	
9. Provisions specific to institutional investors	n.a.	
a. Limits (max.) on securities issued by nonresidents and on portfolio invested abroad	n.a.	
b. Limits (max.) on portfolio invested abroad	n.a.	
c. Limits (min.) on portfolio invested locally	n.a.	
d. Currently matching regulations on assets/liabilities composition	n.a.	
10. Other controls imposed by securities laws	n.a.	

Table 1. Eritrea: Gross Domestic Product by Sector, 1995-99

	1995	1996	1997	1998	1999 Prel.
	(In millions of nakfa, unless otherwise indicated) 1/				
Agriculture	390.9	371.8	390.3	734.9	853.6
Crops and livestock	267.8	241.3	261.0	589.9	681.0
Staple crops	145.4	107.7	117.0	309.1	355.3
Cash crops	72.1	75.7	78.0	206.0	236.8
Livestock	50.3	57.8	65.9	74.7	88.8
Forestry and fishing	123.1	130.5	129.4	145.0	172.6
Forestry	115.2	121.0	124.6	138.3	161.2
Fishing	7.9	9.5	4.8	6.7	11.4
Industry	792.2	1,043.6	1,241.0	1,250.8	1,454.7
Mining and quarrying	2.1	3.6	4.5	3.8	4.7
Manufacturing	343.4	399.9	469.5	461.0	524.8
Handicrafts and small industry	158.5	171.5	186.5	183.7	216.4
Electricity and water	52.5	56.2	65.1	71.7	84.0
Building and construction	235.6	412.3	515.4	530.5	624.9
Distribution services	1,375.3	1,525.5	1,623.0	1,463.4	1,682.1
Trade, wholesale, and retail	921.9	1,050.2	1,134.1	991.2	1,139.4
Transport and communications	453.4	475.3	488.9	472.1	542.7
Other services	938.5	862.4	947.0	1,114.4	1,330.3
Financial services	57.8	68.1	85.7	97.6	114.4
Dwellings and domestic services	79.0	95.6	103.7	115.8	135.1
Public administration and services	758.8	648.3	706.8	844.2	1,014.4
Domestic and other	43.0	50.5	50.8	56.8	66.5
GDP at current factor cost	3,496.9	3,803.3	4,201.4	4,563.4	5,320.7
Indirect taxes less subsidies	375.9	450.4	511.5	464.6	507.6
GDP at current market prices	3,872.8	4,253.7	4,712.9	5,028.0	5,828.3
Net factor payments 2/	776.8	873.9	1,262.4	913.9	988.5
GNP at current market prices	4,649.5	5,127.7	5,975.3	5,941.9	6,816.8
Memorandum items:					
GDP at constant factor cost	1,948.8	2,080.5	2,244.3	2,331.8	2,400.6
(annual percentage change)	2.9	6.8	7.9	3.9	3.0
	(In percent of GDP at current factor cost)				
Agriculture	11.2	9.8	9.3	16.1	16.0
Industry	22.7	27.4	29.5	27.4	27.3
Distribution services	39.3	40.1	38.6	32.1	31.6
Other services	26.8	22.7	22.5	24.4	25.0

Source: Staff estimates based on information provided by the Eritrean authorities.

1/ Prior to 1997, in millions of birr.

2/ Estimated as 50 percent of private remittances.

Table 2. Eritrea: Agricultural Production and Prices, 1994-98

	1994	1995	1996	1997	1998
	(Volume in thousands of quintals; unit price in nakfa per quintal)				
Total volume of staple crops	2,654.8	1,385.1	931.4	984.1	4,673.2
Sorghum					
Retail unit price	145.9	144.5	184.5	195.0	242.0
Volume	1,182.8	610.1	391.9	553.2	2,697.7
Teff					
Retail unit price	258.7	335.6	283.8	320.0	658.0
Volume	148.4	57.6	63.2	41.5	187.1
Millet					
Retail unit price	180.8	227.5	204.8	200.0	368.0
Volume	575.7	127.8	124.1	74.9	518.0
Barley					
Retail unit price	136.0	140.0	165.5	215.0	280.0
Volume	306.6	279.5	128.3	160.9	566.0
Wheat					
Retail unit price	169.1	187.3	226.2	247.0	257.0
Volume	135.2	99.6	78.5	51.3	229.5
Peas					
Retail unit price	195.8	246.7	278.5	291.0	446.5
Volume	16.2	34.5	33.1	12.1	21.8
Sesame					
Retail unit price	400.0	400.0	320.0	400.0	...
Volume	62.2	108.8	46.3	23.0	45.2
Maize					
Retail unit price	155.5	175.9	164.5	186.0	275.0
Volume	185.3	53.5	47.1	64.1	289.9
Others 1/					
Retail unit price	200.0	277.0	313.5	300.0	...
Volume	42.4	13.8	18.9	3.2	118.0
Livestock 2/	(In thousands of units)				
Cows	1,139.0	1,252.0	1,600.0	1,927.8	2,026.2
Goats	4,982.0	5,480.0	6,302.0	4,661.8	7,061.9
Poultry	3,000.0	3,300.0	3,696.0	1,134.3	1,160.9
Total area	12,189.0	12,189.0	12,189.0	12,189.0	12,189.0
Cultivated area (thousands of hectares)	363.0	349.4	371.3	393.1	500.2
Cultivated area (as percent of total)	3.0	2.9	3.0	3.2	4.1

Source: Ministry of Agriculture.

1/ Including horsebeans, groundnuts, lentils, nihug,vetch, and soybeans.
2/ The livestock figures for 1997 are based on surveys conducted during April 1996 - April 1997, and the poultry figure excludes towns.

Table 3. Eritrea: Regional Structure of the Agricultural Sector, 1996-98

Province 1/	1996								
	Total population 2/	Total cultivated area	Staple crops				Livestock population		
			Sorghum	Teff	Millet	Other 3/	Cows	Goats	Poultry
	(In thousands)	(In thousands of hectares)	(In thousands of quintals)				(In thousands)		
Akeleguzay	362.0	35.1	60.0	7.6	8.4	60.6	...	...	...
Barka	246.7	61.1	22.0	...	6.4	0.3	...	...	...
Gash-Setit	322.5	108.6	138.0	...	23.5	44.4	...	...	...
Hamassen 4/	775.5	36.6	0.2	1.0	3.3	90.9	...	...	...
Senhit	269.4	33.3	28.7	...	24.6	14.4	...	...	...
Semhar	125.1	9.5	25.0	...	10.0	6.8	...	...	...
Sahel	237.3	13.4	7.0	...	5.3	5.7	...	...	...
Seraye	446.9	72.9	110.2	54.4	42.4	169.2	...	...	...
Denkel	187.3	...	...	...	...	...	...	...	...
Total	2,972.7	370.5	391.1	63.0	123.9	392.3	...	...	...

Province 1/	1997								
	Total population 2/	Total cultivated area	Staple crops				Livestock population		
			Sorghum	Teff	Millet	Other 3/	Cows	Goats	Poultry
	(In thousands)	(In thousands of hectares)	(In thousands of quintals)				(In thousands)		
Debub	754.5	111.4	72.2	39.2	25.3	160.9	490	706	513
Gash-setit	641.2	183.7	424.0	0.1	29.4	27.1	917	1,746	424
Maekel	569.4	27.2	2.8	2.0	3.8	129.2	41	24	86
Anseba	445.7	43.6	16.5	0.1	6.5	8.1	219	620	78
Semienawi K.B.	462.7	27.2	37.4	...	9.6	34.0	179	995	27
Debubawi K.B.	204.6	...	...	...	...	...	82	571	6
Total	3,078.1	393.1	552.9	41.4	74.6	359.3	1,927	4,662	1,134

Table 3. Eritrea: Regional Structure of the Agricultural Sector, 1996-98 (concluded)

Province 1/	1998								
	Total population 5/	Total cultivated area	Staple crops				Livestock population		
			Sorghum	Teff	Millet	Other 3/	Cows	Goats	Poultry
	(In thousands)	(In thousands of hectares)	(In thousands of quintals)				(In thousands)		
Debub	799.5	129.1	214.7	180.9	46.7	592.5	513	1,072	529
Gash-setit	515.6	220.4	2,167.1	0.7	122.0	86.1	969	2,633	432
Maekel	502.3	30.2	8.2	4.9	8.4	400.1	42	35	95
Anseba	400.8	53.8	170.0	0.5	143.3	40.0	231	941	72
Semienawi K.B.	392.7	66.6	137.6	0.0	197.5	134.5	186	1,516	27
Debubawi K.B.	189.6	...	...	...	...	...	85	865	6
Total	2,800.5	500.1	2,697.6	187.0	517.9	1,253.2	2,026	7,062	1,161

Source: Ministry of Agriculture.

1/ Names of provinces are different between 1996 and 1997 onward due to the restructuring of local administrative zones in April 1996.
2/ Based on 3 percent annual population growth.
3/ Includes barley, wheat, peas, sesame, and maize.
4/ Includes Asmara.
5/ Population figure in 1998 does not include returnees.

Table 4. Eritrea: Food Grain Position, 1994/95-98/99 1/

(In metric tons)

	1994/95	1995/96	1996/97	1997/98 2/	1998/99
Opening balance	65,021	0	14,997	50,000	40,000
Gross domestic production	265,000	149,000	132,000	100,289	468,000
Less post-harvest losses	-25,000	-7,000	-11,000	-10,029	-37,440
Less seed, feed, and nonfood uses	-15,000	-15,000	-15,000	-12,559	-46,800
Net domestic production	225,000	127,000	106,000	77,701	383,760
Domestic grain balance	290,021	127,000	120,997	127,701	423,760
Food imports	54,662	291,970	309,290	140,000	198,270
Commercial	54,662	100,000	120,000	140,000	198,270
Food aid	0	191,970	189,290	0	0
Total grain balance	344,683	418,970	430,287	267,701	622,030
Consumption	392,662	403,973	415,285	591,784	649,980
Memorandum item:					
Grain surplus/deficit	-47,979	14,997	15,002	-324,084	-27,950

Source: Ministry of Agriculture.

1/ Agricultural year, September to August.
2/ Food balance for 1997.

Table 5. Eritrea: Annual Catch and Sales of Fish, 1996-99 1/

	1996			1997			1998			1999 (Est.)		
	Industrial	Artisanal	Total	Industrial	Artisanal	Total	Industrial	Artisanal	Total	Industrial	Artisanal	Total
						(In tons)						
Massawa	2,454	560	3,014	37	154	191	350	1,370	1,720	3,845	712	4,557
Assab	0	258	258	0	34	34	0	201	201	11	229	240
Total	2,454	818	3,272	37	188	225	350	1,571	1,921	3,856	941	4,797
						(In millions of nakfa)						
Massawa	14.7	3.4	18.1	0.2	0.9	1.1	... 2/	1.2	...	3.8	0.2	4.0
Assab	0.0	1.6	1.6	0.0	0.2	0.2	0.0	1.0	1.0	0.6	1.1	1.7
Total	14.7	5.0	19.7	0.2	1.1	1.3	0.0	2.2	1.0	4.4	1.3	5.7

Source: Ministry of Marine Resources.

1/ Industrial or commercial fishing is almost exclusively for export.

2/ In 1998, industrial fishing was carried out by the Eridal Jve, which stopped its operation after six months of the fishing period. The sales revenue from Eridal Jve has not yet been settled.

Table 6. Eritrea: Gross Value of Public Enterprise Production, 1995-99

Type of Industry	Number of Enterprises			Number of Employees			Production				
	Dec. 1997	Dec. 1998	Sep. 1999	Dec. 1997	Dec. 1998	Sep. 1999	1995	1996	1997	1998	1999 Sep.
							(In millions of nakfa)				
Food industries	6	6	4	1,296	1,586	1,391	122.0	145.5	203.7	234.7	170.2
Beverage industries	2	2	1	587	736	506	171.0	199.2	159.6	161.3	123.7
Tobacco and matches	2	1	0	236	103	0	13.4	22.1	16.6	1.7	0.0
Textile industries	5	3	3	3,706	2,503	2,313	54.3	68.2	62.8	28.8	20.3
Leather and shoes	4	4	4	951	917	880	57.9	71.7	69.4	49.4	27.9
Nonmetallic industries	4	4	4	414	369	327	31.3	23.0	28.5	19.3	25.3
Of which: Eritrea Cement	1	1	1	184	169	163	15.5	20.1	25.6	17.1	23.6
Paper and printing	3	2	2	326	242	297	19.1	20.2	11.3	14.8	11.3
Chemical industries	4	3	2	616	408	275	101.9	98.1	59.7	59.8	24.1
Of which: Eritrea Saltworks	2	2	2	537	349	275	75.8	72.3	51.1	54.2	24.1
Metal industries	9	4	2	693	379	243	47.0	66.2	44.3	11.5	5.4
Total	39	29	22	8,825	7,243	6,232	617.9	714.2	655.9	581.3	408.2

Source: Ministry of Trade and Industry.

Table 7. Eritrea: Investment Projects by Sector, 1995-99

(In thousands of nakfa,1/ unless otherwise indicated)

	1995			1996			1997			1998			1999 (Proj.)		
	Local	Foreign	Total	Local	Foreign	Total	Local	Foreign	Total	Local	Foreign	Total	Local	Foreign	Total
Agriculture	32,424	0	32,424	...	...	67,709	7,235	...	7,235	22,651	3,360	26,011	31,742	21,249	52,991
Number of projects	...	...	20	...	...	15	3	...	3	...	...	17	...	...	38
Fishing	66,610	5,400	72,010	...	...	21,149	107	...	107	17817	1180	18,997	...	...	...
Number of projects	...	...	13	...	...	3	1	...	1	...	...	4	...	...	...
Mining	0	0	0	...	...	40,853	...	4,511	4,511	17603	1,220	18,823	...	...	...
Number of projects	...	...	...	...	...	9	...	1	1	...	...	4	...	...	...
Quarrying	0	0	0	6,081	16,352	22,433	18,722	...	18,722	...	...	...	...	...	...
Number of projects	0	0	0	3	1	4	2	...	2	...	...	...	...	...	...
Manufacturing	214,375	152,161	366,536	326,944	41,556	368,500	287,491	100,397	387,888	183,666	33,630	217,296	148,536	89,011	237,547
Number of projects	...	...	68	59	17	76	53	12	65	...	...	68	...	...	54
Construction	46,625	0	46,625	...	...	77,901	8,279	262,515	270,794	...	...	...	...	22,250	22,250
Number of projects	...	...	9	1	5	6	2	4	6	...	...	...	...	...	2
Export/import trade	6,619	0	6,619	...	...	...	...	...	...	...	...	...	...	...	...
Number of projects	...	...	7	...	...	...	...	...	...	...	...	...	...	...	...
Hotels and restaurants	80,903	76,847	157,750	...	...	159,510	28,842	68,004	96,846	215,506	60,446	275,952	34,057	...	34,057
Number of projects	...	...	23	...	...	38	13	2	15	...	...	43	...	...	6
Others	780	0	780	...	...	92,845	41,400	2,241	43,641	25,925	440	26,365	15,368	...	15,368
Number of projects	...	...	4	...	...	25	10	2	12	...	...	14	...	...	8
Total capital	448,336	234,408	682,744	...	...	850,900	392,076	437,668	829,744	483,168	100,276	583,444	229,703	132,510	362,213
Total number of projects	...	...	144	...	...	176	84	21	105	...	...	150	...	...	108

Source: Eritrean Investment Center.

1/ Prior to December 1997, in millions of birr.

Table 8. Eritrea: Assab Refinery Production, Purchases, and Sales by Eritrea, 1995-99

(Quantities in metric tons; value in millions of nakfa;1/ ratio in percent)

	1995				1996				1997				1998 2/			1999 (Proj.)
	Production	Purchases	Value	Purchases-production ratio	Production	Purchases	Value	Purchases-production ratio	Production	Purchases	Value	Purchases-production ratio	Purchases	Sales	Value	Sales
Liquefied petroleum gas	5,209	1,255	4	24.1	5,812	1,631	7	28.1	4,643	1,504	7	32.4	754	824	2	1,205
Regular gasoline	77,056	12,596	23	16.3	84,206	14,035	20	16.7	63,865	14,733	21	23.1	15,888	15,804	18	15,948
Kerosene	24,019	17,236	20	71.8	25,166	19,721	28	78.4	12,181	21,086	30	173.1	9,660	21,387	20	22,267
Jet fuel	17,994	5,411	6	30.1	18,854	9,612	14	51.0	23,061	9,859	14	42.8	8,670	6,918	8	8,388
Automobile diesel	169,827	128,792	104	75.8	176,855	134,179	160	75.9	123,655	137,730	165	111.4	101,522	105,970	93	115,312
Inland fuel oil	123,474	34,829	18	28.2	137,044	45,064	51	32.9	114,964	43,160	49	37.5	33,403	41,379	28	41,303
Bunker fuel oil	10,417	10,792	6	103.6	11,331	6,460	3	57.0	0	7,971	4	0.7	14,192	954	11	...
Export fuel oil	132,562	0	0	0.0	137,527	0	0	0.0	77,960	167	0	0.2	...	...	...	...
Bitumen (asphalt)	18,047	220	0	1.2	20,515	213	0	1.0	15,962	483	1	3.0	...	...	...	...
Total	578,605	211,131	180	36.5	617,310	230,915	284	37.4	436,291	236,693	290	54.3	184,089	193,236	180	204,423

Source: Petroleum Corporation of Eritrea.

1/ Prior to December 1997, in millions of birr.

2/ Eritrea does not produce petroleum products since 1998, after the Assab oil refinery stopped its production.

Table 9. Eritrea: Ex-Refinery and Retail Prices of Petroleum Products, 1997-99

	Unit	Ex-Refinery Price as of 12/96	Retail Prices (As of 12/31/97)					Retail Prices (As of 12/31/98)					Retail Prices (As of Nov. 99)				
			Asmara	Massawa	Assab	Keren	Nakfa	Asmara	Massawa	Assab	Keren	Nakfa	Asmara	Massawa	Assab	Keren	Nakfa
Liquefied petroleum gas	Nakfa/ton	1,276.2	4,000	...	3,250	...	...	4,000	...	3,250	...	...	5,000	...	3,250	...	...
Regular gasoline	Cents/liter	193.5	280	275	275	283	292	280	275	275	283	292	280	275	275	...	...
Kerosene	Cents/liter	100.0	155	153	146	158	167	155	153	146	158	167	155	153	146	...	...
Jet fuel	Cents/liter	163.0	179	...	134	...	...	179	...	134	...	...	179	...	134	...	...
Automobile diesel	Cents/liter	114.3	170	165	156	173	182	170	165	156	173	182	170	165	156	...	...
Inland fuel oil	Cents/liter	75.5	113	109	105	117	128	113	109	104	117	128	113	109	104	...	...

Source: Petroleum Corporation of Eritrea.

Table 10. Eritrea: Electricity Production, Sales, and Tariffs, 1996-99

	1996	1997	1998	1999 Proj.
	(In thousands of kilowatt-hours)			
Total production	154,786	179,192	185,820	206,795
Interconnected system	132,456	149,305	150,498	169,824
Asmara	126,478	136,803	137,016	149,598
Massawa	5,978	12,502	13,482	20,225
Self-contained system	22,330	29,887	35,322	36,971
Assab	12,931	18,992	20,596	19,415
Decamhare	2,746	3,099	3,693	4,414
Keren	2,475	3,027	4,889	6,114
Others	4,178	4,769	6,144	7,028
Total volume of sales	127,507	143,695	145,638	155,885
Interconnected system	103,122	117,313	117,790	125,288
Asmara	82,543	94,149	93,402	98,827
Ghinda	2,747	2,675	3,306	2,822
Massawa	17,832	20,489	21,081	23,639
Self-contained system	24,385	26,383	27,848	30,597
Assab	15,981	16,589	15,916	16,179
Decamhare	2,428	2,783	3,095	3,530
Keren	2,135	2,621	3,854	4,619
Others	3,841	4,390	4,983	6,268
	(In millions of nakfa)			
Total sales revenue	104.6	121.8	120.9	128.6
Interconnected system	84.0	98.5	96.4	101.9
Asmara	66.8	78.5	74.9	79.1
Ghinda	2.4	2.5	2.8	2.6
Massawa	14.8	17.5	18.7	20.2
Self-contained system	20.6	23.3	24.5	26.8
Assab	12.9	13.6	12.8	13.4
Decamhare	2.2	2.3	3.4	3.3
Keren	0.4	2.6	3.7	4.4
Others	5.2	4.8	4.6	5.7
	(Nakfa per kilowatt-hour)			
Electricity tariffs				
Domestic				
Less than 500 kilowatt-hours	0.65 - 0.75	0.65 - 0.75	0.65 - 0.75	0.65 - 0.75
Greater than 500 kilowatt-hours	0.55 - 0.65	0.55 - 0.65	0.55 - 0.65	0.55 - 0.65
General 1/	1.00	1.00	1.00	1.00
Large industry				
Less than 100,000 kilowatt-hours	0.75	0.75	0.75	0.75
Greater than 100,000 kilowatt-hours	0.50	0.50	0.50	0.50

Source: Ministry of Energy and Mines.

1/ Includes street lighting and small industry.

Table 11. Eritrea: Asmara Price Index, 1997-99

	1997	1998			1999		
	Average	June	Sep.	Dec.	Mar.	June	Sep.
				(1996 = 100)			
Food	130.2	174.4	177.7	188.1	190.7	201.0	211.6
Beverage and tobacco	144.1	174.7	158.0	152.3	153.7	140.7	140.7
Clothing and footwear	123.4	132.2	131.0	130.6	127.5	139.3	137.9
Household items and furniture	119.6	113.4	110.9	115.5	114.0	115.1	117.5
Health services and medical care	171.4	166.7	159.5	163.2	163.8	156.3	157.4
Personal care	147.1	162.9	155.3	156.9	155.1	159.7	159.3
Energy and water	151.6	151.8	151.1	151.7	150.5	153.8	159.2
Domestic services	235.1	...	...	...	...	...	...
Transportation	257.6	257.9	256.2	262.6	257.5	258.1	259.9
Communications	269.9	269.8	269.8	269.8	269.8	269.8	269.8
Reading and recreation	123.0	127.3	127.3	127.3	127.3	127.3	127.3
Education and educational materials	203.9	281.2	261.9	256.8	257.7	256.2	266.1
Repair and maintenance	81.9	99.0	99.1	99.0	99.0	65.1	75.8
Other goods and services	126.8	128.6	128.5	129.5	130.2	131.1	132.1
Price index	135.9	159.3	158.5	163.9	164.4	169.7	175.6
				(Changes in percent)			
Inflation							
Quarterly change	...	...	-0.5	3.4	0.3	3.2	3.5
Annual inflation (yearly average)	1.8			16.6			

Source: Bank of Eritrea.

Table 12. Eritrea: Summary of Developments in the Labor Market, 1995-98

	December 1995			December 1996			December 1997			December 1998		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Registered job seekers	7,783	3,657	11,440	16,908	6,078	22,986	27,923	7,329	35,252	18,292	8,444	26,736
Number of job seekers placed	3,972	1,016	4,988	6,738	1,201	7,939	15,013	1,897	16,910	11,974	2,199	14,173
Reported vacancies	...	...	6,548	...	...	11,380	...	...	21,157	...	...	20,479
Eritreans permitted to work abroad	...	...	833	...	...	674	...	...	971	...	...	1,091
Employment in private and public establishments 1/	...	...	...	36,728	17,409	54,137	...	...	...	66,026	32,267	98,293
Of which: government-owned establishments	...	...	...	11,647	6,938	18,585	...	...	...	...	...	...

Source: Ministry of Labor and Human Welfare.

1/ Large establishments only.

Table 13. Eritrea: Structure of Private Sector Wages, 1996-98

(Base salary per month, in nakfa)

	1996				1998			
	Production		Service		Production		Service	
	Lower	Upper	Lower	Upper	Lower	Upper	Lower	Upper
Messenger	234	500	140	547	150	620	150	620
Postman	...	...	...	...	150	620	150	620
Driver	370	818	399	1,160	468	1,916	468	1,916
Typist	390	598	300	1,304	205	1,461	205	1,461
Clerk	234	725	250	900	205	1,461	205	1,461
Storekeeper	234	828	210	1,100	158	9,000	158	9,000
Inspector	390	780	450	1,850	...	...	468	1,980
Teacher	...	...	265	735	...	...	380	2,500
Statistician	...	...	...	...	...	...	1,476	1,903
Nurse	...	...	520	1,531	450	1,874	450	1,874
Senior supervisor	...	...	455	1,200	924	1,000	924	1,000
Production manager	1,145	1,731	1,998	3,000	1,391	8,280	450	8,280
Section head	...	...	520	991	...	...	...	...
Department head	...	...	1,085	1,386	1,391	8,280	450	8,280
University graduates (with master's degree)	...	...	1,050	1,386	1,844	16,400	1,844	16,400
Specialists in all fields	1,200	3,000	1,200	3,000	1,200	12,933	1,200	12,933
Senior experts	1,200	1,998	1,200	1,998	1,200	12,933	1,200	12,933
Managers	1,085	3,000	1,085	3,000	1,391	8,280	450	8,280

Source: Ministry of Labor and Human Welfare.

Table 14. Eritrea: Summary of Government Operations, 1995-99

(In millions of nakfa, unless otherwise indicated) 1/

	1995	1996	1997	1998	1999 Prel.
Total revenue	1,320.2	1,371.6	1,967.4	1,751.2	1,700.1
Tax revenue	715.6	830.4	959.4	976.9	982.5
Direct taxes	339.7	380.0	447.9	512.3	474.9
Indirect domestic taxes	151.0	180.7	212.8	198.5	243.3
Import duties and taxes	224.9	269.7	298.7	266.1	264.3
Nontax revenue	604.6	541.2	1,008.0	599.2	466.5
Port fees and charges	233.5	281.9	444.3	99.7	104.7
Contributions and other	371.1	259.3	563.7	499.5	361.8
Extraordinary revenues	...	...	...	175.1	251.1
Public contribution	...	...	...	148.3	122.6
Surtax	...	...	...	26.8	128.4
Total expenditure	2,680.0	2,721.5	2,588.8	3,832.2	4,628.7
Current expenditure	2,131.3	1,883.3	1,445.5	2,336.7	2,644.3
Wages, salaries, and allowances	652.3	798.3	706.8	858.3	990.9
Materials	844.2	718.1	519.7	1,208.5	1,178.2
Grants and contributions	109.4	91.8	124.5	170.2	216.0
Interest and charges	16.9	36.2	49.3	67.3	113.6
Domestic	16.9	36.2	49.3	62.9	98.3
External	0.0	0.0	0.0	4.4	15.3
Demobilization and reintegration of ex-combatants	41.8	14.0	...	...	...
Relief expenditure	...	...	...	...	20.0
Support to martyrs' families	296.1	30.3	12.5	...	...
Current expenditures, externally financed	170.6	194.6	32.7	32.4	125.5
Capital expenditure and net lending	548.7	838.2	1,143.3	1,495.5	1,984.4
Central treasury	215.5	499.4	683.3	584.0	1,023.2
External grants	287.2	284.1	255.2	425.8	250.9
External loans	46.0	54.7	204.8	485.7	710.3
Overall balance (cash, excluding grants)	-1,359.8	-1,349.9	-621.4	-2,081.0	-2,928.6
As percentage of GNP	-29.2	-26.3	-10.4	-35.0	-43.0
Grants	491.0	508.6	290.4	458.4	376.7
External grants (capital and current)	457.8	478.7	287.9	458.2	376.4
Counterpart funds from external grants	33.2	29.9	2.5	0.2	0.3
Overall balance (cash, including grants)	-868.8	-841.3	-331.0	-1,622.6	-2,551.9
As percentage of GNP	-18.7	-16.4	-5.5	-27.3	-37.4
Financing	868.8	841.3	331.0	1,622.6	2,551.9
External (net)	46.0	54.7	204.8	508.9	841.0
Gross borrowing	46.0	54.7	204.8	508.9	841.0
Of which: U.S. dollar-denominated bonds	...	...	...	23.2	130.7
Amortization	0.0	0.0	0.0	0.0	0.0
Domestic (net)	822.8	786.6	126.2	1,113.7	1,710.8
Banking system	672.2	739.9	178.7	1,130.5	1,791.2
Of which: Treasury bills	...	...	...	...	341.6
Nonbank financing	15.0	18.3	64.7	149.1	122.7
Privatization 2/	15.0	18.3	64.7	149.1	122.7
Residual	135.6	28.4	-117.2	-165.9	-203.1

Sources: Ministry of Finance; and staff estimates.

1/ Prior to 1997, in millions of birr.

2/ Up to 1996, figures include sales of government property.

Table 15. Eritrea: Selected Indicators of Government Operations, 1995-99

	1995	1996	1997	1998	1999 Prel.
	(Percentage change)				
Total revenue	38.9	3.9	43.4	-11.0	-2.9
Tax revenue	8.8	16.0	15.5	1.8	0.6
Nontax revenue	106.2	-10.5	86.3	-40.6	-22.1
Extraordinary revenue	...	...	...	...	43.4
Total expenditure	33.6	1.5	-4.9	48.0	20.8
Current expenditure	37.3	-11.6	-23.2	61.7	13.2
Capital expenditure	20.9	52.8	36.4	30.8	32.7
Grants	-21.6	3.6	-42.9	57.9	-17.8
	(In percent of GNP, unless otherwise indicated)				
Total revenue	28.4	26.7	32.9	29.5	24.9
Tax revenue	15.4	16.2	16.1	16.4	14.4
Nontax revenue	13.0	10.6	16.9	10.1	6.8
Extraordinary revenue	...	...	...	2.9	3.7
Total expenditure	57.6	53.1	43.3	64.5	67.9
Current expenditure	45.8	36.7	24.2	39.3	38.8
Capital expenditure	11.8	16.3	19.1	25.2	29.1
Overall balance (cash, excluding grants)	-29.2	-26.3	-10.4	-35.0	-43.0
Grants	10.6	9.9	4.9	7.7	5.5
Overall balance (cash, including grants)	-18.7	-16.4	-5.5	-27.3	-37.4
Financing	18.7	16.4	5.5	27.3	37.4
External (net)	1.0	1.1	3.4	8.6	12.3
Domestic (net)	17.7	15.3	2.1	18.7	25.1
Memorandum item:					
GNP at current market prices (in millions of nakfa)	4,650	5,128	5,975	5,942	6,817

Sources: Ministry of Finance; and staff estimates.

Table 16. Eritrea: Government Revenues and Grants, 1995-99

	1995	1996	1997	1998	1999 Prel.
	(In millions of nakfa) 1/				
Tax revenue	715.6	830.4	959.4	976.9	982.5
Direct taxes	339.7	380.0	447.9	512.3	474.9
Personal income	74.2	113.6	117.2	128.0	132.5
Business profits	185.0	230.7	292.9	334.1	291.4
Rehabilitation tax	73.2	23.3	18.1	17.5	12.6
Other 2/	7.3	12.4	19.7	32.7	38.4
Domestic indirect taxes	151.0	180.7	212.8	198.5	243.3
Import duties and taxes	224.9	269.7	298.7	266.1	264.3
Customs duties	136.0	167.8	184.2	167.3	162.6
Sales and other taxes on imports	88.9	101.9	114.5	98.8	101.7
Nontax revenue	629.6	559.5	1063.4	599.2	466.5
Port fees and charges	233.5	281.9	444.3	99.7	104.7
Other fees and charges	74.9	87.5	93.3	86.7	69.1
Sales of goods and services	25.4	19.9	25.1	52.8	39.1
Sale of government property	25.0	18.3	55.4	12.7	23.2
Residual surplus and dividends	87.4	20.4	327.7	151.2	170.9
Other 3/	183.4	131.5	117.6	196.1	59.6
Extraordinary revenue	...	...	...	175.3	251.1
Capital revenue	...	...	20.0	149.1	122.7
Revenue	1,345.2	1,389.9	2,042.8	1,900.5	1,822.9
External grants	491.0	508.6	290.5	458.4	376.7
Grants in kind/earmarked	457.8	478.7	288.0	458.2	376.4
Current external assistance	170.6	194.6	32.7	32.4	125.5
Capital assistance (external grants)	287.2	284.1	255.3	425.8	250.9
Counterpart funds from external grants	33.2	29.9	2.5	0.2	0.3
Revenue and external grants	1,836.2	1,898.5	2,333.3	2,358.9	2,199.6
	(In percent of total revenue)				
Direct taxes	25.3	27.3	21.9	27.0	26.1
Domestic indirect taxes	11.2	13.0	10.4	10.4	13.3
Import duties and taxes	16.7	19.4	14.6	14.0	14.5
Nontax revenue	46.8	40.3	52.1	31.5	25.6
Extraordinary revenue	...	...	...	9.2	13.8
Capital revenue	...	...	1.0	7.8	6.7

Source: Ministry of Finance.

1/ Prior to 1997, in millions of birr.

2/ Agricultural income tax and land use fee, taxes on dividends and rental income.

3/ Including voluntary contributions for rehabilitation purposes.

Table 17. Eritrea: Government Current Expenditure by Economic Classification, 1995-99

	1995	1996	1997	1998	1999 Prel.
	(In millions of nakfa) 1/				
Current expenditure	2,131.3	1,883.3	1,445.5	2,336.7	2,644.3
Wages and operating expenditure	1,496.5	1,516.4	1,226.5	2,066.8	2,169.1
Wages, salaries, and allowances	652.3	798.3	706.8	858.3	990.9
Materials	844.2	718.1	519.7	1,208.5	1,178.2
Grants and contributions	109.4	91.8	124.5	170.2	216.0
Interest and charges	16.9	36.2	49.3	67.3	113.6
Domestic debt	16.9	36.2	49.3	62.9	98.3
External debt	0.0	0.0	0.0	4.4	15.3
Demobilization and reintegration of ex-combatants 2/	41.8	14.0	...	...	...
Relief expenditure	...	...	...	...	20.0
Support to martyrs' families	296.1	30.3	12.5	...	...
Current expenditure, externally financed	170.6	194.6	32.7	32.4	125.5
	(In percent of GNP)				
Current expenditure	45.8	36.7	24.2	39.3	38.8
Of which: Wages, salaries, and allowances	14.0	15.6	11.8	14.4	14.5
Materials	18.2	14.0	8.7	20.3	17.3
Grants and contributions	2.4	1.8	2.1	2.9	3.2
Demobilization and reintegration of ex-combatants 2/	0.9	0.3	...	...	...
Relief expenditure	...	...	...	...	0.3
Current expenditure, externally financed	3.7	3.8	0.5	0.5	1.8
	(In percent of total current expenditure)				
Wages, salaries, and allowances	30.6	42.4	48.9	36.7	37.5
Materials	39.6	38.1	36.0	51.7	44.6
	(Annual changes in percent)				
Wages and operating expenditure	68.5	1.3	-19.1	68.5	5.0
Wages, salaries, and allowances	41.6	22.4	-11.5	21.4	15.4
Materials	97.5	-14.9	-27.6	132.5	-2.5
Grants and contributions	47.8	-16.1	35.6	36.7	26.9
Demobilization and reintegration of ex-combatants 2/	-72.8	-66.5	-100.0	...	...
Current expenditure, externally financed	-62.6	14.1	-83.2	-0.9	287.3
Current expenditure	37.3	-11.6	-23.2	61.7	13.2

Sources: Ministry of Finance; and staff estimates.

1/ Prior to 1997, in millions of birr.

2/ Excluding costs for reintegration of ex-combatants.

Table 18. Eritrea: Government Current Expenditure by Functional Classification, 1995-99

	1995	1996	1997	1998	1999 Jan.-Oct.
			(In millions of nakfa) 1/		
General services	1,090.3	1,233.1	886.0	1,776.3	1,622.8
Internal affairs	110.7	74.7	56.6	21.1	19.6
Regional administration	48.6	40.6	55.5	161.8	178.1
Foreign affairs	71.5	77.1	84.5	88.4	40.6
Ministry of Finance	37.7	39.1	30.8	27.3	20.6
Defense 2/	770.5	968.1	634.2	1,458.8	1,334.5
Other 3/	51.3	33.5	24.4	18.9	29.4
Economic services	235.1	186.4	140.8	66.3	47.5
Agriculture and natural resources 4/	30.1	15.4	32.8	36.0	29.5
Trade, industry, and tourism	8.6	14.3	7.2	8.9	6.0
Mining and energy	9.6	5.5	4.0	3.3	2.7
Roads, transport, and communication	97.6	85.4	85.0	12.8	6.1
Construction and urban development	88.5	61.8	9.7	3.0	1.6
Other 5/	0.7	4.0	2.1	2.3	1.6
Social services	226.9	188.0	279.5	323.0	233.7
Education and training	97.6	70.7	139.3	159.2	128.0
Health	75.3	56.0	81.1	99.4	81.4
Labor and social welfare	33.2	35.1	8.9	8.6	7.1
Relief and rehabiliation	7.8	3.3	8.7	8.9	7.9
Other 6/	13.0	22.9	41.5	46.9	9.3
Safety net measures	337.9	44.2	12.5	0.0	0.0
Demobilization and reintegration of ex-combatants 7/	41.8	14.0	0.0	...	...
Support to martyrs' families	296.1	30.2	12.5	...	...
Interest and charges	16.9	36.2	49.4	67.3	89.5
Domestic debt	16.9	36.2	49.4	62.9	79.6
External debt	...	0.0	0.0	4.4	9.9
Current expenditure, externally financed	170.6	194.6	32.7	32.4	120.5
Miscellaneous	53.6	0.0	44.6	71.4	90.1
Total current expenditure	2,131.3	1,882.5	1,445.5	2,336.7	2,204.1
			(In percent of GNP)		
General services	23.4	24.0	14.8	29.9	23.8
Of which: defense 8/	11.8	10.4	3.4	17.2	13.2
Economic services	5.1	3.6	2.4	1.1	0.7
Social services	4.9	3.7	4.7	5.4	3.4
Of which: education and health	3.7	2.5	3.7	4.4	3.1
			(Annual changes in percent)		
General services	71.5	13.1	-28.1	100.5	-8.6
Economic services	27.1	-20.7	36.7	191.5	10.1
Social services	67.6	-17.1	9.6	4.6	-54.1
Other	-2.8	-52.5	-21.2	-11.4	-24.5

Sources: Ministry of Finance; and staff estimates.

1/ Prior to 1997, in millions of birr.
2/ Including the cost of the National Service Program in 1994-96, and the back pay of wages and salaries.
3/ Including President's Office, Ministry of Justice, and Auditor General.
4/ Including Ministry of Marine Resources.
5/ Including Standards Office and Land Commission.
6/ Including Ministry of Information and Culture.
7/ Excluding costs for reintegration of ex-combatants.
8/ Excluding National Service Program in 1994-96, and adjusted for back pay of wages and salaries.

Table 19. Eritrea: Government Capital Expenditure, 1995-99

	1995	1996	1997	1998	1999 Jan.-Oct.
		(In millions of nakfa) 1/			
General services	54.4	163.9	99.6	188.3	604.3
Economic development	410.4	471.4	709.7	1,056.5	1,140.6
Agriculture and natural resources 2/	272.5	256.1	180.6	410.6	211.0
Mining and energy	17.8	93.1	190.7	198.4	393.1
Trade, industry, and tourism	25.1	35.0	83.1	76.7	5.1
Transport, construction, communication	93.8	73.6	242.1	370.8	419.3
Finance	1.2	13.6	13.2	...	112.1
Social development	83.9	202.9	334.0	250.7	156.5
Education	15.5	49.3	99.3	94.2	20.9
Health	35.5	87.7	55.0	72.8	127.8
Social affairs	32.9	25.0	19.6	78.7	6.7
Other 3/	...	40.9	160.1	5.0	1.1
Total capital expenditure	548.7	838.2	1,143.3	1,495.5	1,901.4
Financing by source	548.7	838.2	1,143.3	1,495.5	1,901.4
Central treasury	215.5	499.4	683.3	584.0	972.0
External grants	287.2	284.1	255.2	425.8	240.9
External loans	46.0	54.7	204.8	485.7	688.5
		(In percent of GNP)			
General services	1.2	3.2	1.7	3.2	8.9
Economic development	8.8	0.0	0.0	0.0	0.0
Social development	1.8	5.0	3.0	6.9	3.1
Of which: education and health	1.1	1.8	3.2	3.3	5.8
		(In percent of total)			
General services	9.9	19.6	8.7	12.6	31.8
Economic development	74.8	56.2	62.1	70.6	60.0
Social development	15.3	24.2	29.2	16.8	8.2
Of which: education and health	9.3	16.3	13.5	11.2	7.8
		(Annual changes in percent)			
General services	214.5	201.3	-39.2	89.1	220.9
Economic development	20.9	14.9	50.6	48.9	8.0
Social development	14.3	141.8	64.6	-24.9	-37.6
Total capital expenditure	20.9	52.8	36.4	30.8	27.1

Sources: Ministry of Finance; and staff estimates.

1/ Prior to 1997, in millions of birr.
2/ Including Ministry of Marine Resources.
3/ Including Ministry of Information and Culture.

Table 20. Eritrea: Monetary Survey, 1995 - 1999 1/

	1995	1996	1997	1998		1999		
		December		June	Dec.	Mar.	June	Sep.
				(In millions of nakfa) 2/				
Net foreign assets 3/	1,009.8	1,169.8	2,010.9	1,784.8	834.8	657.3	831.8	768.4
Foreign assets	1,044.6	1,206.9	2,227.4	2,024.3	1,104.3	949.3	1,143.2	1,100.4
Foreign liabilities	34.8	37.1	216.6	239.6	269.4	292.0	311.4	331.9
Net claims on the birr area 4/	947.6	278.5	...	...	...	...	...	...
Birr assets	1,666.9	1,846.3	...	...	...	...	...	...
Cash in vault	1,026.2	934.9	...	...	...	...	...	...
Correspondent account	640.7	911.4	...	...	...	...	...	...
Clearing accounts	0.0	0.0	...	...	...	...	...	...
Birr liabilities	719.3	1,567.8	...	...	...	...	...	...
Correspondent account	665.1	1,525.8	...	...	...	...	...	...
Clearing accounts	54.2	42.0	...	...	...	...	...	...
Net domestic credit	1,909.6	2,995.8	3,544.3	4,023.9	5,496.9	5,769.2	6,105.0	6,546.1
Net claims on the central government 5/	759.7	1,499.6	1,678.3	1,998.9	2,868.8	3,069.8	3,258.0	3,900.4
Credit to central government	1,011.5	1,815.5	2,000.7	2,540.7	3,195.0	3,575.0	3,875.0	4,706.6
Deposits of central government 6/	251.8	315.9	322.4	541.8	326.2	505.2	617.0	806.2
Credit to the economy	1,149.9	1,496.3	1,866.0	2,025.0	2,628.1	2,699.4	2,847.0	2,645.8
Credit to public enterprises	460.5	458.7	385.4	368.0	554.9	348.8	680.8	474.8
Credit to private sector	689.4	1,037.6	1,480.6	1,657.0	2,073.2	2,350.6	2,166.2	2,170.9
Broad money	3,227.4	3,929.4	4,950.4	5,276.1	6,061.6	6,351.9	6,866.2	7,391.0
Money (M1)	1,295.8	1,677.0	2,190.9	2,370.8	2,707.5	2,835.6	3,089.1	3,423.7
Currency outside banks	0.0	0.0	575.4	664.8	827.0	874.7	947.4	1,016.7
Deposits	1,295.8	1,677.0	1,615.5	1,706.0	1,880.5	1,961.0	2,141.6	2,407.0
Quasi money	1,931.6	2,252.4	2,759.5	2,905.2	3,354.1	3,516.2	3,777.1	3,967.3
Other items (net)	639.6	516.2	606.2	534.0	271.0	75.7	71.7	-76.5
	(Annual changes in percent of beginning-of-period broad money stock, unless otherwise indicated)							
Net foreign assets	-4.3	5.0	21.4	8.5	-23.8	-26.5	-18.1	-13.4
Net claims on the birr area	-10.6	-20.7	...	...	...	...	...	...
Net domestic credit	46.9	33.7	14.0	25.7	39.4	39.9	39.4	36.0
Net claims on the central government	25.5	22.9	4.5	14.3	24.0	25.9	23.9	26.1
Credit to the economy	21.4	10.7	9.4	11.3	15.4	14.1	15.6	9.9
Credit to public enterprises	8.5	-0.1	-1.9	-1.3	3.4	-3.0	5.9	1.2
Credit to private sector	13.0	10.8	11.3	12.7	12.0	17.0	9.7	8.7
Broad money	22.5	21.7	26.0	33.5	22.4	24.7	30.1	34.3
Money (M1)	1.4	11.8	13.1	18.7	10.4	9.8	13.6	18.1
Quasi money	21.0	9.9	12.9	14.7	12.0	14.9	16.5	16.2
Other items (net)	9.6	-3.8	2.3	10.1	-6.8	-11.3	-8.8	-11.7
Memorandum items:								
Broad money, excluding currency outside banks (in millions of nakfa)	3,227.4	3,929.4	4,375.0	4,611.3	5,234.6	5,477.2	5,918.7	6,374.3
Credit to the economy (annual growth in percent)	96.5	30.1	24.7	28.4	40.8	36.2	40.6	25.9
Credit to the private sector (annual growth in percent)	98.4	50.5	42.7	43.3	40.0	58.5	30.7	28.1
Net domestic credit (annual growth in percent)	183.9	56.9	18.3	33.7	55.1	54.5	51.7	43.4
Velocity (GNP/average broad money) 7/	1.6	1.4	1.3	...	1.1	...	...	...
Velocity (GDP/average broad money) 7/	1.3	1.2	1.1	...	0.9	...	...	...

Sources: Bank of Eritrea; and staff estimates.

1/ Changes compared with SM/98/161 (6/29/98) are due to classification issues.

2/ Prior to December 1997, in millions of birr.

3/ Calculated at end-period exchange rates.

4/ As of December 1997, net birr claims were to be resolved with Ethiopia and are included in "other items (net)."

5/ From May 1998 onward, includes ERN 60 million (equivalent to the credit extended by the Commercial Bank of Eritrea to Eritrea Relief and Refugee Commission).

6/ From 1996 onward, deposits of central government reflect additional amounts previously classified under "other items (net)."

7/ Prior to the introduction of the nakfa in November 1997, broad money does not include currency outside banks because of unavailability of data.

Table 21. Eritrea: Summary Accounts of the Bank of Eritrea, 1995-99 1/

(In millions of nakfa) 2/

	1995	1996	1997	1998		1999		
		December		June	Dec.	Mar.	June	Sep.
Net foreign assets	420.3	844.9	1,871.2	1,456.3	553.1	357.7	473.6	449.5
Assets	426.4	851.0	1,871.2	1,456.3	553.1	357.7	473.6	449.5
Claims on foreign commercial banks	269.4	476.6	1,323.0	951.2	161.0	182.6	277.8	244.5
Foreign exchange	157.0	374.4	548.2	505.0	392.1	175.1	195.8	204.9
Gold	132.0	322.8	450.5	465.8	378.7	161.6	172.0	177.9
Foreign currency	25.0	51.6	97.7	39.3	13.4	13.5	23.8	27.1
Liabilities	6.1	6.1	0.0	0.0	0.0	0.0	0.0	0.0
Net claims on the birr area	258.0	196.2	-18.3	-18.3	-18.3	-18.3	-18.3	-18.3
Birr in vault	276.3	214.4	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities to National Bank of Ethiopia	18.3	18.2	18.3	18.3	18.3	18.3	18.3	18.3
Domestic credit	759.7	1,599.6	1,913.7	2,239.5	1,183.7	1,387.3	1,536.8	1,787.5
Net claims on the central government	759.7	1,499.6	1,678.3	1,938.9	808.8	1,009.8	1,198.0	1,498.8
Credit to central government	1,011.5	1,815.5	2,000.7	2,480.7	1,135.0	1,515.0	1,815.0	2,305.0
Deposits of central government	251.8	315.9	322.4	541.8	326.2	505.2	617.0	806.2
Claims on commercial banks	0.0	100.0	235.4	300.6	374.9	377.5	338.7	288.7
Other items (net)	-98.0	-149.0	858.5	752.3	1,262.8	1,433.4	1,437.1	1,628.3
Unclassified assets	208.5	255.5	1,371.6	1,355.8	1,966.6	2,251.5	2,318.6	2,555.2
Uncleared effects	0.1	1.2	0.3	0.0	0.5	2.9	5.9	2.9
Sundry debtors	80.7	125.7	238.2	213.2	827.2	1,066.5	1,110.0	1,349.4
Fixed assets	3.1	4.0	12.0	12.4	12.5	12.6	12.9	13.1
Other accounts	118.5	118.5	0.0	0.0	0.0	0.0	0.0	0.0
Subscription to international organizations	6.1	6.1	125.1	134.1	130.4	173.6	193.9	193.9
Birr collected from banks	0.0	0.0	996.0	996.0	996.0	996.0	996.0	996.0
Unclassified liabilities	227.2	269.6	366.2	456.6	566.2	620.5	683.9	729.3
Sundry creditors	77.0	50.5	185.2	191.9	233.0	328.0	332.0	338.6
Other accounts	150.2	219.1	65.9	140.6	212.7	128.9	168.0	206.8
Subscription to international organizations	0.0	0.0	115.1	124.2	120.5	163.6	183.9	183.9
Capital account	79.3	135.0	146.8	146.9	137.7	197.6	197.6	197.6
General reserve fund	76.5	44.1	139.7	139.8	133.6	193.6	193.6	193.6
Capital reserves	2.8	2.8	7.1	7.1	4.1	4.1	4.1	4.1
Provisions	0.0	88.1	0.0	0.0	0.0	0.0	0.0	0.0
Reserve money	1,340.1	2,493.5	4,625.2	4,429.8	2,981.0	3,160.1	3,429.2	3,846.9
Currency in circulation	...	...	802.3	1,044.7	1,227.5	1,264.5	1,319.0	1,378.5
Deposits of commercial banks	1,340.1	2,493.5	3,822.9	3,385.1	1,753.5	1,895.6	2,110.2	2,468.4

Source: Bank of Eritrea.

1/ Changes compared with SM/98/161 (6/29/98) are due to classification issues.
2/ Prior to December 1997, in millions of birr.

Table 22. Eritrea: Summary Accounts of the Commercial Bank of Eritrea, 1995-99 1/

(In millions of nakfa) 2/

	1995	1996	1997	1998		1999		
		December		June	Dec.	Mar.	June	Sep.
Reserves	1,334.5	2,447.4	3,917.1	3,711.5	1,967.6	2,010.3	2,122.1	2,022.1
Cash in vault	0.0	0.0	212.6	343.7	330.3	314.9	290.9	286.1
Deposits with the Bank of Eritrea	1,334.5	2,447.4	3,704.5	3,367.8	1,637.3	1,695.4	1,831.2	1,736.1
Net foreign assets	553.4	289.9	90.3	236.3	214.2	218.0	275.6	246.0
Assets	616.2	342.3	325.5	501.4	500.3	530.4	600.6	595.2
Claims on foreign banks	608.8	320.8	301.4	471.8	467.9	489.5	533.3	536.7
Foreign exchange	7.4	21.5	24.1	29.6	32.4	40.9	67.3	58.5
Liabilities	62.8	52.4	235.2	265.1	286.1	312.4	325.0	349.1
Nonresident local currency accounts	28.0	15.4	18.7	25.6	16.7	20.3	13.6	17.2
Nonresident foreign currency accounts	34.8	37.1	216.6	239.6	269.4	292.0	311.4	331.9
Net claims on the birr area	671.7	65.5	-1,184.8	-1,182.2	-1,181.7	-1,181.7	-1,181.7	-1,181.7
Claims on the birr area	1,336.8	1,591.3	1,230.1	1,230.1	1,230.1	1,230.1	1,230.1	1,230.1
Cash in vault	696.1	679.9	0.0	0.0	0.0	0.0	0.0	0.0
Correspondent account	640.7	911.4	0.0	0.0	0.0	0.0	0.0	0.0
Claims on Commercial Bank of Ethiopia	0.0	0.0	1,230.1	1,230.1	1,230.1	1,230.1	1,230.1	1,230.1
Liabilities to the birr area	665.1	1,525.8	2,414.9	2,412.3	2,411.8	2,411.8	2,411.8	2,411.8
Net domestic credit	1,112.1	1,507.8	1,653.2	1,804.5	4,008.5	4,078.5	4,157.1	4,592.7
Claims on central government (net)	0.0	0.0	0.0	0.0	2,000.0	2,000.0	2,000.0	2,341.6
Claims on nonfinancial public enterprises	460.5	458.7	385.1	427.6	265.4	408.4	312.7	480.9
Loans and advances	252.4	265.3	169.3	163.2	131.5	213.4	160.6	287.6
Overdrafts	208.1	193.4	215.7	264.3	133.9	195.0	152.1	193.3
Claims on the private sector	651.6	951.9	1,218.8	1,339.0	1,722.1	1,649.3	1,826.9	1,753.0
Loans and advances	432.9	531.1	779.8	909.9	1,196.1	1,164.1	1,297.2	1,268.7
Overdrafts	218.7	420.8	439.0	429.1	526.0	485.2	529.7	484.3
Claims on other financial institutions	0.0	97.2	49.3	38.0	21.0	20.8	17.5	17.2
Deposits	3,009.9	3,530.7	3,742.4	3,926.8	4,352.1	4,467.4	4,782.2	5,163.9
Demand deposits	1,295.8	1,670.9	1,597.9	1,679.8	1,808.7	1,849.3	2,018.8	2,276.6
Local government	121.4	195.7	235.9	307.3	369.3	367.7	404.8	388.1
Nonfinancial public enterprises	807.3	991.3	757.8	805.9	861.6	910.6	986.4	1,134.7
Domestic banks	15.9	0.7	21.4	10.9	15.7	12.0	28.5	10.4
Cooperatives	43.7	64.4	75.9	59.9	60.4	58.4	58.5	56.9
Private sector	283.7	412.3	504.0	472.3	461.9	475.8	540.1	657.7
Financial agencies	23.8	6.6	2.8	23.5	39.9	24.7	0.5	28.7
Savings deposits	1,668.3	1,827.4	2,121.1	2,234.6	2,529.4	2,605.5	2,750.9	2,870.8
Cooperatives	0.5	0.4	0.6	1.0	1.5	1.7	1.9	2.1
Private sector	1,667.8	1,827.0	2,120.5	2,233.6	2,527.9	2,603.8	2,749.0	2,868.7
Fixed deposits	45.8	32.4	23.4	12.5	13.9	12.7	12.4	16.5
Domestic banks	39.0	25.0	15.0	0.0	0.0	0.0	0.0	0.0
Cooperatives	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0
Private sector	6.8	7.3	7.4	12.5	13.9	12.7	12.4	16.5
Other items (net)	-661.8	-779.6	-733.3	-643.3	-656.5	-657.7	-590.9	-515.3

Sources: Bank of Eritrea; and Commercial Bank of Eritrea.

1/ Changes compared with SM/98/161 (6/29/98) are due to classification issues.
2/ Prior to December 1997, in millions of birr.

Table 23. Eritrea: Summary Accounts of the Housing and Commerce Bank of Eritrea, 1995-99 1/

(In millions of nakfa) 2/

	1995	1996	1997	1998		1999		
	December			June	Dec.	Mar.	June	Sep.
Reserves	61.5	46.5	131.9	53.4	170.1	261.0	300.1	737.7
Cash in vault	0.0	0.0	14.3	36.2	70.1	75.0	80.7	75.8
Deposits with the Bank of Eritrea	61.5	46.5	117.6	17.2	100.0	186.1	219.4	661.9
Net foreign assets	2.0	13.5	30.7	66.7	50.9	61.2	69.0	55.7
Assets	2.0	13.5	30.7	66.7	50.9	61.2	69.0	55.7
Claims on foreign banks	2.0	13.5	15.0	44.7	40.1	57.4	62.4	47.2
Foreign exchange	0.0	0.0	15.7	22.0	10.7	3.8	6.6	8.5
Net claims on the birr area	53.8	40.5	...	...	...	...	...	...
Claims on the birr area	53.8	40.5	...	...	...	...	...	...
Net domestic credit	213.7	519.7	420.5	688.0	1,018.6	1,055.3	1,186.0	804.1
Claims on nonfinancial public enterprises	0.0	0.0	0.4	0.4	349.6	0.4	428.1	53.9
Claims on the private sector	37.8	85.7	261.8	318.0	351.1	701.3	339.3	417.9
Loans and advances	37.8	85.7	254.5	292.0	321.9	679.5	324.3	403.1
Overdrafts	0.0	0.0	7.3	26.1	29.2	21.8	15.0	14.8
Claims on cooperatives	0.0	0.0	1.5	1.3	1.1	1.1	1.0	0.0
Claims on other financial institutions	0.0	0.0	0.0	0.4	3.2	3.2	3.3	3.6
Investments	175.9	434.0	156.8	367.8	313.6	349.3	414.3	328.6
Deposits	217.5	398.7	632.6	684.4	882.5	1,009.8	1,136.6	1,210.5
Demand deposits	0.0	6.0	17.6	26.3	71.8	111.7	122.8	130.5
Savings deposits	186.2	325.1	495.1	532.2	695.7	757.8	811.3	872.2
Fixed deposits	31.3	67.6	61.5	61.9	31.9	54.3	94.6	87.9
Resident foreign currency deposits	0.0	0.0	58.4	64.1	83.2	86.0	107.9	119.9
Resident foreign currency demand deposits	0.0	0.0	15.8	5.2	6.9	0.1	15.8	22.0
Resident foreign currency fixed and savings deposits	0.0	0.0	42.6	58.9	76.3	85.9	92.1	97.9
Other items (net)	-113.5	-221.6	49.5	-123.7	-357.0	-367.7	-418.5	-387.0

Sources: Bank of Eritrea; and Housing and Commerce Bank of Eritrea.

1/ Changes compared with SM/98/161 (6/29/98) are due to classification issues.
2/ Prior to December 1997, in millions of birr.

Table 24. Eritrea: Distribution of Net Foreign Assets, 1995-99 1/

(In millions of nakfa) 2/

	1995	1996	1997	1998		1999		
		December		June	Dec.	Mar.	June	Sep.
Net foreign assets (excl. birr claims)	975.7	1,148.4	1,992.2	1,759.2	818.2	636.9	818.2	751.2
Bank of Eritrea (BE)	420.3	844.9	1,871.2	1,456.3	553.1	357.7	473.6	449.5
Commercial Bank of Eritrea (CBE)	553.4	289.9	90.3	236.3	214.2	218.0	275.6	246.0
Housing and Commerce Bank of Eritrea (HCB)	2.0	13.5	30.7	66.7	50.9	61.2	69.0	55.7
Assets	1,044.6	1,206.9	2,227.4	2,024.3	1,104.3	949.3	1,143.2	1,100.4
BE	426.4	851.0	1,871.2	1,456.3	553.1	357.7	473.6	449.5
CBE	616.2	342.3	325.5	501.4	500.3	530.4	600.6	595.2
Foreign exchange	7.4	21.5	24.1	29.6	32.4	40.9	67.3	58.5
Claims on foreign banks	608.8	320.8	301.4	471.8	467.9	489.5	533.3	536.7
HCB	2.0	13.5	30.7	66.7	50.9	61.2	69.0	55.7
Foreign exchange	0.0	0.0	15.7	22.0	10.7	3.8	6.6	8.5
Claims on foreign banks	2.0	13.5	15.0	44.7	40.1	57.4	62.4	47.2
Liabilities	68.9	58.5	235.2	265.1	286.1	312.4	325.0	349.1
BE	6.1	6.1	0.0	0.0	0.0	0.0	0.0	0.0
CBE	62.8	52.4	235.2	265.1	286.1	312.4	325.0	349.1
Annual change	-111.2	172.7	843.8	442.6	-1,174.0	-1,359.5	-941.1	-740.4
BE	-28.6	424.6	1,026.3	256.9	-1,318.1	-1,474.4	-982.7	-688.8
CBE	-84.6	-263.5	-199.6	155.4	123.9	93.3	39.3	-1.5
HCB		11.6	17.2	30.2	20.1	21.6	2.3	-50.1
Birr claims (net)	975.6	293.8	-1,203.1	-1,200.5	-1,200.0	-1,200.0	-1,200.0	-1,200.0
BE	258.0	196.2	-18.3	-18.3	-18.3	-18.3	-18.3	-18.3
CBE	671.7	65.5	-1,184.8	-1,182.2	-1,181.7	-1,181.7	-1,181.7	-1,181.7
HCB	45.9	32.0	0.0	0.0	0.0	0.0	0.0	0.0
Assets	1,666.9	1,846.3	1,230.1	1,230.1	1,230.1	1,230.1	1,230.1	1,230.1
BE	276.3	214.4	0.0	0.0	0.0	0.0	0.0	0.0
CBE	1,336.8	1,591.3	1,230.1	1,230.1	1,230.1	1,230.1	1,230.1	1,230.1
Cash in vault	696.1	679.9	0.0	0.0	0.0	0.0	0.0	0.0
Correspondent account	640.7	911.4	0.0	0.0	0.0	0.0	0.0	0.0
CBE Addis Ababa (clearing account)	0.0	0.0	1,230.1	1,230.1	1,230.1	1,230.1	1,230.1	1,230.1
HCB	53.8	40.5	0.0	0.0	0.0	0.0	0.0	0.0
Liabilities	691.3	1,552.4	2,433.2	2,430.5	2,430.0	2,430.0	2,430.0	2,430.0
BE	18.3	18.2	18.3	18.3	18.3	18.3	18.3	18.3
CBE	665.1	1,525.8	2,414.9	2,412.3	2,411.8	2,411.8	2,411.8	2,411.8
HCB	7.9	8.4	0.0	0.0	0.0	0.0	0.0	0.0
Annual change	-280.9	-681.8	-1,496.9	-845.3	3.1	0.6	0.5	0.5
BE	11.0	-61.8	-214.5	-163.3	0.0	0.0	0.0	0.0
CBE	-345.6	-606.2	-1,250.4	-669.9	3.1	0.6	0.5	0.5
HCB	53.7	-13.9	-32.0	-12.1	0.0	0.0	0.0	0.0

Sources: Bank of Eritrea; Commercial Bank of Eritrea; and Housing and Commerce Bank of Eritrea.

1/ Changes compared with SM/98/161 (6/29/98) are due to classification issues.

2/ Prior to December 1997, in millions of birr.

Table 25. Eritrea: Commercial Banks' Excess Reserves, 1995-99 1/

	1995	1996	1997	1998		1999
		December		June	Dec.	June
	(In millions of nakfa, 2/ unless otherwise indicated)					
Commercial Bank of Eritrea						
Reserves	2,006.2	2,512.9	3,917.1	3,711.5	1,967.6	2,122.1
Net claims on the birr area 3/	671.7	65.5	...	...	...	...
Deposits with Bank of Eritrea	1,334.5	2,447.4	3,704.5	3,367.8	1,637.3	1,831.2
Cash in vaults	0.0	0.0	212.6	343.7	330.3	290.9
Deposits	3,009.9	3,530.7	3,742.4	3,926.8	4,352.1	4,782.2
Demand	1,295.8	1,670.9	1,597.9	1,679.8	1,808.7	2,018.8
Savings	1,668.3	1,827.4	2,121.1	2,234.6	2,529.4	2,750.9
Fixed	45.8	32.4	23.4	12.5	13.9	12.4
Reserve requirements (20 percent of deposits)	602.0	706.1	748.5	785.4	870.4	956.4
Excess reserves	1,404.2	1,806.8	3,168.6	2,926.1	1,097.2	1,165.6
(in percent of deposits)	46.7	51.2	84.7	74.5	25.2	24.4
Excess reserves, incl. allowance of 5 percent of deposits	1,253.7	1,630.2	2,981.5	2,729.8	879.6	926.5
(in percent of deposits)	41.7	46.2	79.7	69.5	20.2	19.4
Housing and Commerce Bank of Eritrea						
Reserves	115.3	87.0	131.9	53.4	170.1	300.1
Net claims on the birr area 3/	53.8	40.5	...	...	...	...
Deposits with Bank of Eritrea	61.5	46.5	117.6	17.2	100.0	219.4
Cash in vaults	0.0	0.0	14.3	36.2	70.1	80.7
Deposits	217.5	398.7	632.6	684.4	882.5	1,136.6
Demand	0.0	6.0	17.6	26.3	71.8	122.8
Savings	186.2	325.1	495.1	532.2	695.7	811.3
Fixed	31.3	67.6	61.5	61.9	31.9	94.6
Foreign currency deposits	0.0	0.0	58.4	64.1	83.2	107.9
Reserve requirements (20 percent of deposits)	43.5	79.7	126.5	136.9	176.5	227.3
Excess reserves	71.8	7.3	5.4	-83.5	-6.4	72.8
(in percent of deposits)	33.0	1.8	0.8	-12.2	-0.7	6.4
Excess reserves, incl. allowance of 5 percent of deposits	60.9	-12.6	-26.3	-117.7	-50.5	15.9
(in percent of deposits)	28.0	-3.2	-4.2	-17.2	-5.7	1.4
Total commercial banking sector						
Excess reserves	1,476.0	1,814.1	3,174.0	2,842.6	1,090.8	1,238.4
(in percent of deposits)	45.7	46.2	72.5	61.6	20.8	20.9
Excess reserves, incl. allowance of 5 percent of deposits	1,314.6	1,617.6	2,955.2	2,612.1	829.1	942.5
(in percent of deposits)	40.7	41.2	67.5	56.6	15.8	15.9

Sources: Bank of Eritrea; Commercial Bank of Eritrea; Housing and Commerce Bank of Eritrea; and staff estimates.

1/ Changes compared with SM/98/161 (6/29/98) are due to classification issues.
2/ Prior to 1997, in millions of birr.
3/ As of 1997, net birr claims have to be resolved with Ethiopia and are no longer included in reserves.

Table 26. Eritrea: Sectoral Distribution of Commercial Bank Loans, 1996-99 1/

(In millions of nakfa) 2/

	1996		1997				1998				1999			
	December		June		December		June		December		June		September	
	Total	*Of which* Private	Total	*Of which* Private	Total	*Of which* Private	Total	*Of which* Private	Total	*Of which* Private	Total	*Of which* Private	Total	*Of which* Private
Agriculture	114.2	46.1	92.7	53.9	119.2	66.3	138.0	91.1	164.8	112.2	181.7	131.2	184.9	142.7
Term loans	64.1	42.2	51.8	50.5	64.6	46.9	78.0	71.9	97.8	85.1	98.3	97.4	99.7	96.4
Overdrafts	50.1	3.9	40.9	3.4	54.6	19.4	60.0	19.2	67.0	27.1	83.4	33.8	85.2	46.3
Manufacturing	246.2	88.5	254.0	116.3	317.2	205.6	350.8	47.2	419.2	287.6	427.7	264.3	456.0	286.7
Term loans	147.2	58.8	144.1	62.6	188.6	128.8	193.3	26.4	204.4	132.2	231.0	133.7	252.4	147.6
Overdrafts	99.0	29.7	109.9	53.7	128.6	76.8	157.5	20.8	214.8	155.4	196.7	130.6	203.6	139.1
Domestic trade and services	707.6	500.9	569.0	433.4	750.7	580.8	758.1	758.1	904.3	839.3	1,016.0	946.8	1,088.4	983.0
Term loans	480.3	280.0	377.0	344.5	506.3	382.0	546.1	546.1	711.7	659.7	801.9	751.8	885.0	784.6
Overdrafts	227.3	220.9	192.0	88.9	244.4	198.8	212.0	212.0	192.6	179.6	214.1	195.0	203.4	198.4
Export	38.9	33.6	39.1	32.9	58.3	40.3	45.2	38.2	41.4	40.3	40.8	36.2	42.7	38.1
Term loans	26.8	21.5	21.8	17.2	31.3	25.3	25.2	20.7	22.8	21.7	26.3	21.7	25.4	22.4
Overdrafts	12.1	12.1	17.3	15.7	27.0	15.0	20.0	17.5	18.6	18.6	14.5	14.5	17.3	15.7
Import	203.1	176.9	164.4	148.9	230.8	199.7	323.0	296.5	297.0	275.2	301.5	265.0	299.4	268.0
Term loans	83.7	77.9	40.7	40.7	93.2	86.4	145.7	145.7	135.8	135.8	134.3	134.3	137.6	136.4
Overdrafts	119.4	99.0	123.7	108.2	137.6	113.3	177.3	150.8	161.2	139.4	167.2	130.7	161.8	131.6
Building and construction	95.2	34.9	92.2	34.2	103.8	53.0	112.8	108.7	113.4	99.7	124.8	100.9	119.7	101.8
Term loans	37.9	33.9	37.6	33.7	41.3	37.3	46.1	42.0	107.5	93.8	118.8	94.9	113.4	95.6
Overdrafts	57.3	1.0	54.6	0.5	62.5	15.7	66.7	66.7	5.9	5.9	6.0	6.0	6.3	6.2
Other	102.5	102.5	130.2	130.2	73.2	73.2	76.7	76.8	67.9	207.3	63.2	63.2	59.3	59.3
Of which: loans under dispute 3/	50.1	...	...	...	...	...	...	...	...	...	...	...	...	...
Total	1,507.7	983.4	1,302.8	949.8	1,653.2	1,218.9	1,804.6	1,416.6	2,008.0	1,861.6	2,155.7	1,807.6	2,250.4	1,879.6
Term loans	942.5	616.8	801.9	679.4	998.5	779.9	1,034.4	852.8	1,280.0	1,128.3	1,410.6	1,233.8	1,513.5	1,283.0
Overdrafts	565.2	366.6	500.9	270.4	654.7	439.0	693.5	487.0	660.1	526.0	681.9	510.6	677.6	537.3

Sources: Bank of Eritrea; Commercial Bank of Eritrea; and staff calculations.

1/ Changes compared with SM/98/161 (6/29/98) are due to classification issues; figures are based on CBE loans only.

2/ Prior to December 1997, in millions of birr.

3/ From June 1998 on, loans under dispute are distributed to individual sectors.

Table 27. Eritrea: Structure of Interest Rates, 1992-99 1/

(In percent per annum)

	December 1992 - August 1994							
	Government-owned enterprises	Individuals and private organizations	1994	1995	1996	1997	1998	1999 2/
			December					
Savings deposits	...	8.0	6.0	6.0 - 8.0	6.0	6.0	6.0 (6.5)	6.0 (6.0)
Loans								
Agriculture	9.0	10.0	...	...	...	...	...	...
Commercial	...	...	8.0	8.5 - 9.5	8.5 - 9.5	8.5 - 9.5	8.5 - 9.5	8.0 - 12.0
Small scale	...	...	7.5	7.5 - 8.5	7.5 - 8.5	7.5 - 8.5	7.5 - 8.5	8.0 - 12.0
Industry, mining, power, and water resources	11.0	12.0	8.5	8.5 - 9.5	8.5 - 9.5	8.5 - 9.5	8.5 - 9.5 (8.5)	8.0 - 12.0
Cottage industries	...	...	...	7.5 - 8.5	7.5 - 8.5	7.5 - 8.5	7.5 - 8.5	8.0 - 12.0
Domestic trade	11.0	12.5	9.0	12.0	12.0	12.0	12 (11.0)	8.0 - 12.0
Transport and communications	11.0	11.0	8.5	8.5	8.5	8.5	8.5	8.0 - 12.0
Export trade	10.0	10.0	8.0	8.5	8.0	8.0	8.0 (8.0)	8.0 - 12.0
Import trade	11.0	12.0	9.0	12.0	9.0 - 12.0	9.0 - 12.0	9.0 - 12.0 (9.0)	8.0 - 12.0
Hotels and tourism	10.0	12.5	9.0	9.5	8.5 - 9.5	8.5 - 9.5	8.5 - 9.5	8.0 - 12.0
Personal loans	...	...	...	10.0	10.0	10.0	10.0 (8.5 - 12.0)	8.0 - 12.0
Housing								
Construction	8.5	9.5	7.0	7.5 - 9.5	7.5 - 9.5	7.5 - 10.0	7.5-10.0 (8.5-9.0)	8.0 - 12.0
Purchases	10.0	12.0	8.0	12.0	12.0	8.5 - 11.0	8.5 - 11.0 (12.0)	8.0 - 12.0

Sources: Bank of Eritrea; Commercial Bank of Eritrea (CBE); and Housing and Commerce Bank of Eritrea (HCB).

1/ Represents the interest rate structure of the CBE; from 1998, numbers in brackets are for HCB.

2/ As of December 1998, interest rates are no longer sectorally differentiated.

Table 28. Eritrea: Balance of Payments, 1995-99

	1995	1996	1997	1998	1999 Prel.
	(In millions of U.S. dollars)				
Trade balance	-323.2	-418.5	-441.1	-498.9	-480.7
Exports, f.o.b	80.6	95.3	53.5	27.9	26.3
Imports, c.i.f.	403.8	513.8	494.6	526.8	506.9
Franco valuta	237.2	272.0	279.6	214.9	219.1
Private	163.8	189.1	211.0	128.0	130.5
Official (aid-financed imports)	73.4	82.9	68.6	86.9	88.6
Petroleum products	38.0	48.2	46.9	37.6	36.9
Other imports (financed by bank reserves)	128.6	193.6	168.1	274.3	250.9
Services (net)	47.1	51.2	55.4	10.8	18.4
Receipts	90.8	104.9	149.8	80.8	73.6
Payments	43.7	53.7	94.4	70.0	55.2
Investment income (net)	7.6	-7.3	-3.4	4.4	3.4
Private transfers (net)	215.3	243.9	352.1	245.4	240.2
Receipts	215.8	245.3	354.4	247.7	242.5
Payments	0.5	1.4	2.3	2.2	2.3
Current account, excluding official transfers	-53.2	-130.7	-37.0	-238.3	-218.6
Official transfers (net)	71.0	81.8	51.4	62.9	51.9
Capital account	8.2	44.1	67.6	100.3	135.7
Official long-term capital	8.2	7.4	28.9	65.5	83.3
Loan disbursements	8.2	7.4	28.9	65.5	84.0
Amortization payments	0.0	0.0	0.0	0.0	0.6
Foreign direct investment	...	36.7	38.7	31.7	36.0
Portfolio investment	...	...	...	3.1	16.4
Short-term capital and errors and omissions	-84.1	-70.8	-142.7	-89.7	39.1
Financing gap	0.0	0.0	0.0	0.0	0.0
Overall balance	-58.1	-75.6	-60.7	-164.8	8.0
Net foreign assets (- increase) and claims on the birr area (- increase)	58.1	75.6	60.7	164.8	-8.0
Bank of Eritrea	2.6	-53.8	-113.1	178.6	...
Commercial Bank of Eritrea	63.7	129.0	170.5	-16.5	...
Housing and Commerce Bank of Eritrea	-8.2	0.4	3.3	2.7	...
	(In units indicated)				
Memorandum items:					
Current account, excluding official transfers (in millions of U.S. dollars)	-53.2	-130.7	-37.0	-238.3	-218.6
(in percent of GNP)	-7.7	-17.2	-4.5	-29.6	-27.8
Current account, including official transfers (in millions of U.S. dollars)	17.8	-48.9	14.4	-175.4	-166.8
(in percent of GNP)	2.6	-6.4	1.7	-21.8	-21.2
Gross reserves in convertible currency (in millions of U.S. dollars)	165.5	189.9	313.7	145.2	121.9
(in months of imports of goods and services)	4.4	4.0	6.4	2.9	2.6
Stock of external debt (in millions of U.S. dollars)	39.8	47.2	76.1	141.6	224.9
(in percent of GNP)	5.8	6.2	9.2	17.6	28.6
Debt-service ratio (in percent of exports)	0.4	0.4	1.0	2.9	9.3
Exchange rate (nakfa per U.S. dollar; annual average)	6.7	6.7	7.2	7.4	8.2
GNP (in millions of U.S. dollars)	688.8	760.7	829.9	804.6	785.2

Sources: Bank of Eritrea; and staff estimates.

Table 29. Eritrea: Commodity Composition of Exports, 1994-98 1/

(In millions of nakfa, 2/ unless otherwise indicated)

	1994	1995	1996	1997	1998
Food and live animals	117.7	141.3	92.4	81.3	58.3
Of which: Ethiopia	24.9	56.5	19.2	15.1	2.8
In percent	21.2	40.0	20.8	18.5	4.8
Beverages and tobacco	9.2	19.7	26.2	8.9	0.2
Of which: Ethiopia	8.4	17.9	25.7	8.4	0.1
In percent	91.3	90.9	98.1	93.8	50.0
Crude materials	132.1	156.1	123.0	129.5	89.6
Of which: Ethiopia	73.8	117.0	92.0	94.6	30.0
In percent	55.9	75.0	74.8	73.0	33.5
Mineral fuels, lubricants, and related materials	0.0	0.1	0.2	0.1	0.1
Of which: Ethiopia	0.0	0.1	0.2	0.1	0.1
In percent	0.0	100.0	100.0	100.0	100.0
Animal and vegetable oils, fats, and waxes	0.0	2.2	2.6	1.4	0.0
Of which: Ethiopia	0.0	2.2	2.5	1.3	0.0
In percent	0.0	100.0	96.2	97.1	0.0
Chemicals and related products	7.5	12.0	13.4	8.2	4.1
Of which: Ethiopia	6.8	11.0	11.4	5.6	1.4
In percent	90.4	91.7	85.1	67.8	34.1
Manufactured goods	67.8	100.3	88.3	64.3	26.1
Of which: Ethiopia	37.1	68.3	59.4	38.6	6.4
In percent	54.7	68.1	67.3	59.9	24.5
Machinery and transport equipment	11.7	20.2	27.7	10.8	4.7
Of which: Ethiopia	10.2	13.9	20.7	5.8	1.3
In percent	87.4	68.8	74.7	53.5	27.7
Miscellaneous manufactured articles	51.1	76.9	146.6	70.9	13.8
Of which: Ethiopia	46.3	67.3	104.8	68.8	10.1
In percent	90.6	87.5	71.5	97.1	73.2
Total	397.1	528.8	520.4	375.3	196.9
Of which: Ethiopia	207.5	354.2	335.9	238.1	52.2
In percent	52.3	67.0	64.5	63.5	26.6

Source: Customs Office.

1/ Data may differ from those in Table 28, owing to incomplete information on commodity composition of exports.
2/ Prior to 1997, in millions of birr.

Table 30. Eritrea: Commodity Composition of Imports, 1994-98 1/

(In millions of nakfa, 2/ unless otherwise indicated)

	1994	1995	1996	1997	1998
Food and live animals	426.2	426.7	542.9	599.9	460.1
Of which: Ethiopia	54.7	90.5	182.7	202.7	18.8
In percent	12.8	21.2	33.7	33.8	4.1
Beverages and tobacco	43.3	10.7	23.5	22.4	20.2
Of which: Ethiopia	1.2	1.7	6.4	8.3	0.0
In percent	2.8	15.9	27.2	37.1	0.0
Crude materials	49.1	65.9	116.5	67.7	43.7
Of which: Ethiopia	11.6	18.7	20.3	16.0	1.0
In percent	23.6	28.4	17.4	23.6	2.3
Mineral fuels, lubricants, and related materials	12.9	48.2	39.5	52.5	41.3
Of which: Ethiopia	0.4	0.2	0.1	0.1	1.0
In percent	3.1	0.4	0.3	0.1	2.3
Animal and vegetable oils, fats, and waxes	33.3	28.8	55.0	57.6	71.3
Of which: Ethiopia	0.0	0.0	0.2	0.3	0.0
In percent	0.0	0.0	0.4	0.6	0.0
Chemicals and related products	120.3	144.2	209.7	182.8	152.2
Of which: Ethiopia	1.3	3.3	4.3	4.7	0.2
In percent	1.1	2.3	2.1	2.5	0.1
Manufactured goods	320.5	478.1	733.8	678.5	642.4
Of which: Ethiopia	14.7	16.8	25.5	18.4	1.3
In percent	4.6	3.5	3.5	2.7	0.2
Machinery and transport equipment	752.6	1,166.0	1,091.1	1,158.2	1,030.1
Of which: Ethiopia	3.9	7.8	11.7	12.6	2.5
In percent	0.5	0.7	1.1	1.1	0.2
Miscellaneous manufactured articles	234.9	166.9	250.8	242.7	231.4
Of which: Ethiopia	3.1	7.8	10.5	11.4	1.1
In percent	1.3	4.7	4.2	4.7	0.5
Total	1,993.1	2,535.5	3,062.8	3,062.0	2,693.0
Of which: Ethiopia	90.9	146.8	261.7	274.6	24.9
In percent	4.6	5.8	8.5	9.0	0.9

Source: Customs Office.

1/ Data may differ from those in Table 28, owing to incomplete information on commodity composition of imports.

2/ Prior to 1997, in millions of birr.

Table 31. Eritrea: Direction of Exports, 1994-98 1/

	1994	1995	1996	1997	1998
			(In millions of nakfa) 2/		
Belgium	0.0	0.0	0.1	0.0	0.2
Djibouti	0.7	1.4	2.2	2.7	0.5
Ethiopia	207.5	354.2	342.4	238.1	52.2
Germany	0.1	5.0	1.0	2.1	3.6
Italy	10.2	15.2	22.3	18.3	10.4
Japan	16.3	6.3	0.0	0.0	26.0
Korea	0.2	0.0	0.0	0.0	0.0
Netherlands	0.0	1.6	1.3	1.4	5.7
Saudi Arabia	50.3	15.9	20.0	7.3	2.3
Sudan	57.9	76.0	51.5	62.3	53.5
Sweden	0.0	0.1	0.6	0.0	0.0
United Arab Emirates	0.0	1.3	1.3	0.9	14.3
United Kingdom	10.2	1.8	4.0	1.8	2.0
United States	1.2	0.6	39.9	3.2	4.0
Yemen	7.4	27.4	0.0	0.2	0.8
Other	35.1	22.0	33.8	37.0	21.4
Total	397.1	528.8	520.4	375.3	196.9
			(In percent)		
Belgium	0.0	0.0	0.0	0.0	0.1
Djibouti	0.2	0.3	0.4	0.7	0.3
Ethiopia	52.3	67.0	65.8	63.4	26.5
Germany	0.0	0.9	0.2	0.6	1.8
Italy	2.6	2.9	4.3	4.9	5.3
Japan	4.1	1.2	0.0	0.0	13.2
Korea	0.1	0.0	0.0	0.0	0.0
Netherlands	0.0	0.3	0.2	0.4	2.9
Saudi Arabia	12.7	3.0	3.8	1.9	1.2
Sudan	14.6	14.4	9.9	16.6	27.2
Sweden	0.0	0.0	0.1	0.0	0.0
United Arab Emirates	0.0	0.2	0.2	0.2	7.3
United Kingdom	2.6	0.3	0.8	0.5	1.0
United States	0.3	0.1	7.7	0.9	2.0
Yemen	1.9	5.2	0.0	0.1	0.4
Other	8.8	4.2	6.5	9.9	10.9
Total	100.0	100.0	100.0	100.0	100.0

Source: Customs Office.

1/ Data may differ from those in Table 28, owing to incomplete information on the direction of exports.
2/ Prior to 1997, in millions of birr.

Table 32. Eritrea: Origin of Imports, 1994-98 1/

	1994	1995	1996	1997	1998
			(In millions of nakfa) 2/		
Belgium	66.5	64.3	84.1	26.8	47.3
Djibouti	29.8	41.1	78.6	79.0	57.3
Ethiopia	90.9	146.9	261.8	274.6	25.0
Germany	147.4	142.5	217.0	168.4	152.7
Italy	431.0	459.0	429.1	420.1	469.8
Japan	34.4	58.9	111.2	125.5	107.1
Korea	16.0	58.1	126.0	0.0	118.4
Netherlands	107.8	60.3	49.4	51.2	60.1
Saudi Arabia	328.0	490.4	465.6	480.2	15.4
Sudan	51.7	71.1	97.9	20.3	22.0
Sweden	16.1	31.7	19.3	22.9	19.0
United Arab Emirates	178.6	236.9	365.9	402.0	436.8
United Kingdom	79.1	78.5	68.5	142.1	120.5
United States	35.3	93.8	83.1	96.4	113.9
Yemen	20.5	19.6	3.6	5.4	11.4
Other	360.1	482.4	601.8	747.3	916.4
Total	1,993.2	2,535.5	3,062.9	3,062.2	2,693.1
			(In percent)		
Belgium	3.3	2.5	2.7	0.9	1.8
Djibouti	1.5	1.6	2.6	2.6	2.1
Ethiopia	4.6	5.8	8.5	9.0	0.9
Germany	7.4	5.6	7.1	5.5	5.7
Italy	21.6	18.1	14.0	13.7	17.4
Japan	1.7	2.3	3.6	4.1	4.0
Korea	0.8	2.3	4.1	0.0	4.4
Netherlands	5.4	2.4	1.6	1.7	2.2
Saudi Arabia	16.5	19.3	15.2	15.7	0.6
Sudan	2.6	2.8	3.2	0.7	0.8
Sweden	0.8	1.3	0.6	0.7	0.7
United Arab Emirates	9.0	9.3	11.9	13.1	16.2
United Kingdom	4.0	3.1	2.2	4.6	4.5
United States	1.8	3.7	2.7	3.1	4.2
Yemen	1.0	0.8	0.1	0.2	0.4
Other	18.1	19.0	19.6	24.4	34.0
Total	100.0	100.0	100.0	100.0	100.0

Source: Customs Office.

1/ Data may differ from those in Table 28, owing to incomplete information on the origin of imports.
2/ Prior to 1997, in millions of birr.

Table 33. Eritrea: External Public Debt Commitments and Disbursements, 1995-99

(In millions of U.S. dollars)

Lender	Contract Date	Amount Contracted, End-1999	1995	1996	1997	1998	1999
			Disbursements				
International Development Association-1 1/	April 7, 1993	26.0	5.1	1.6	0.4	0.0	0.0
China-1 2/	May 24, 1993	2.4	0.0	0.0	0.0	0.0	0.0
China-2 2/	April 4, 1994	3.6	0.0	0.0	0.3	0.0	0.0
European Investment Bank 3/	May 22, 1994	10.0	0.0	1.7	1.2	1.5	2.1
International Fund for Agricultural Development 1/	Jan. 30, 1995	12.3	0.7	0.0	1.1	0.2	0.1
Kuwait Fund for Arab Economic Development-1 4/	April 14, 1994	16.7	1.9	2.0	1.3	0.2	0.0
Saudi Fund for Development-1 5/	June 24, 1995	35.0	0.2	0.2	5.2	3.1	17.1
Abu Dhabi Fund for Development 6/	July 7, 1995	25.0	0.2	0.2	3.7	8.7	6.1
Arab Bank for Economic Development in Africa (BADEA) 7/	Sep. 21, 1995	12.0	0.2	0.2	3.8	8.7	5.4
Kuwait Fund for Arab Economic Development-2 4/	Sep. 27, 1995	25.3	0.0	0.0	1.8	2.1	5.0
International Development Association-2 1/	March 26, 1996	17.0	0.0	1.4	2.8	1.5	2.4
OPEC Fund for International Development-1 8/	July 16, 1996	5.0	0.0	0.0	0.7	1.8	1.1
African Development Bank-1 9/	Nov. 8, 1996	5.5	0.0	0.0	0.5	6.4	0.8
International Development Association-3 1/	April 24,1997	6.0	0.0	0.0	0.3	0.8	1.2
Kuwait Fund for Arab Economic Development-3 10/	May 13, 1997	22.5	0.0	0.0	2.3	10.3	2.1
African Development Bank-2 9/	May 29, 1997	12.4	0.0	0.0	0.0	0.4	0.1
Italy 11/	July 11, 1997	25.0	0.0	0.0	3.3	2.0	12.0
BADEA	July 18, 1997	10.0	0.0	0.0	0.0	2.5	0.4
OPEC Fund for International Development-2 8/	Aug. 22, 1997	6.0	0.0	0.0	0.0	3.7	0.8
Swedish International Development Cooperation Agency (SIDA) 12/	Dec. 11, 1997	2.2	0.0	0.0	0.0	0.0	0.0
International Development Association-4 1/	Dec. 11, 1997	32.5	0.0	0.0	0.0	1.3	10.5
International Development Association-5 1/	Dec. 22, 1997	19.6	0.0	0.0	0.0	0.1	0.5
United States 13/	Jan. 24, 1998	10.0	0.0	0.0	0.0	10.0	0.0
International Development Association-6 1/	Feb. 10, 1998	57.2	0.0	0.0	0.0	0.2	0.4
African Development Bank-3 9/	Feb. 16, 1998	14.6	0.0	0.0	0.0	0.2	2.1
African Development Bank-4 9/	Feb. 16, 1998	16.8	0.0	0.0	0.0	0.0	0.0
Saudi Fund for Development-2 14/	Mar. 23, 1998	20.0	0.0	0.0	0.0	0.0	0.0
Libya-1 15/	Sep 24, 1998	9.7	0.0	0.0	0.0	0.0	9.7
Libya-2 16/	Dec. 20, 1998	4.0	0.0	0.0	0.0	0.0	4.0
Total		464.4	8.2	7.4	28.9	65.5	84.0

Source: Ministry of Finance.

1/ Maturity period 40 years; grace period 10 years; interest rate 0.75 percent.
2/ Maturity period 30 years; grace period 10 and 5 years for 1993 and 1994 loans, respectively; interest-free loans.
3/ Maturity period 20 years; grace period 6 years; interest rate 5.0 percent.
4/ Maturity period 30 years; grace period 5 years; interest rate 1.0 percent.
5/ Maturity period 20 years; grace period 5 years; interest rate 2.5 percent.
6/ Maturity period 20 years; grace period 5 years; interest rate 3.0 percent.
7/ Maturity period 18 years; grace period 5 years; interest rate 3.0 percent.
8/ Maturity period 18 years; grace period 5 years; interest rate 2.0 percent.
9/ Maturity period 50 years; grace period 10 years; interest rate 0.75 percent.
10/ Maturity period 41 years; grace period 5 years; interest rate 1.0 percent.
11/ Maturity period 30 years; grace period 12 years; interest rate 1.0 percent.
12/ Maturity period 15 years; grace period 9 years; interest-free loan.
13/ Maturity period 32 years; grace period 5 years; interest rate 3.0 percent.
14/ Maturity period 20 years; grace period 7 years; interest rate 1.0 percent.
15/ Maturity period 6 years; grace period 0 years, interst rate 4.0 percent.
16/ Maturity period 10 years; grace period 3 years, interst rate 3.0 percent.

Table 34. Eritrea: Foreign Exchange Rates, 1992-99

(Average data)

	Nakfa/ U.S. Dollar Official Exchange Rate 1/	Nakfa/ U.S. Dollar Preferential Exchange Rate 1/	Nakfa/ U.S. Dollar Foreign exchange Bureau Exchange Rate 2/	Nominal Effective Exchange Rate Index 3/ (1992 = 100)	Real Effective Exchange Rate Index 3/ (1992 = 100)
1992	2.8	6.6	...	100.0	100.0
1993	5.3	7.1	...	96.0	93.2
1994	6.2	7.1	...	96.1	95.5
1995	6.3	7.1	...	97.7	99.1
1996	6.4	7.1	...	101.5	105.9
1997	7.0	7.1	...	105.0	106.9
1998	7.4	...	...	104.0	110.7
1997					
January	6.5	7.1	...	103.5	103.7
February	6.6	7.1	...	104.9	105.2
March	6.7	7.1	...	105.9	104.0
April	7.1	7.1	...	103.5	101.4
May	7.1	...	...	103.4	102.2
June	7.1	...	...	104.2	104.4
July	7.1	...	...	104.8	107.7
August	7.1	...	...	107.2	110.2
September	7.1	...	...	106.2	110.9
October	7.1	...	...	105.5	107.8
November	7.1	...	...	104.8	109.2
December	7.1	...	...	106.2	116.0
1998					
January	7.1	...	...	107.6	110.2
February	7.1	...	...	107.8	110.2
March	7.1	...	...	108.2	109.6
April	7.1	...	...	103.8	105.5
May	7.3	...	7.3	104.2	106.9
June	7.4	...	7.4	104.4	109.2
July	7.4	...	7.4	104.5	111.9
August	7.5	...	7.5	103.7	112.7
September	7.5	...	7.5	101.5	110.7
October	7.5	...	7.5	100.1	110.6
November	7.6	...	7.6	101.4	114.6
December	7.6	...	7.6	100.8	115.9
1999					
January	7.6	...	7.6	101.0	117.5
February	7.6	...	7.6	102.4	121.0
March	7.7	...	7.7	103.7	123.6
April	7.8	...	7.8	103.8	125.2
May	8.1	...	8.3	98.9	120.9
June	8.1	...	8.6	98.3	121.1
July	8.1	...	9.1	95.8	120.1
August	8.1	...	9.4	92.9	118.4
September	8.1	...	9.6	...	...
October	8.1	...	9.8	...	...
November	8.9	...	9.9	...	...

Sources: Eritrean authorities; National Bank of Ethiopia; and staff estimates.

1/ Prior to November 22, 1997, the exchange rate refers to the birr/U.S. dollar rate. Prior to May 1, 1993, the official exchange rate was pegged to the U.S. dollar. From May 1, 1993, to April 1, 1997, the official exchange rate was equal to the marginal rate determined in foreign exchange auctions conducted by the National Bank of Ethiopia. The official rate was unified with the preferential rate on April 1, 1997.

2/ Average of exchange rates reported by foreign exchange bureaus and banks.

3/ Staff estimates based on data on Eritrea's trading partners and average of official and preferential exchange rates.