

**EXECUTIVE
BOARD
MEETING**

EBS/20/138
Correction 1

CONFIDENTIAL

September 18, 2020

To: Members of the Executive Board

From: The Secretary

Subject: **Sudan—Staff-Monitored Program**

Board Action:	The attached corrections to EBS/20/138 (9/10/20) have been provided by the staff:
Evident Ambiguity	Pages 34 and 53
Factual Errors Not Affecting the Presentation of Staff's Analysis or Views	Pages 24 and 25
Questions:	Mr. Kanda, MCD (ext. 35414) Ms. Baker, MCD (ext. 34041) Ms. Chen, MCD (ext. 37642) Mr. Chaudry, MCD (ext. 38464)

Table 1. Sudan: Selected Economic Indicators, 2017–25 1/

	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Est.			Proj.					
Output and prices	(Annual change in percent)								
Real GDP (market prices)	0.7	-2.3	-2.5	-8.4	0.8	1.4	2.7	3.6	4.5
Consumer prices (end of period)	25.2	72.9	57.0	198.9	103.0	36.7	21.2	17.9	16.0
Consumer prices (period average)	32.4	63.3	51.0	141.6	129.7	57.5	27.8	19.4	16.8
Central government	(In percent of GDP)								
Revenue and grants	7.2	8.9	7.9	6.8	13.9	13.2	14.3	15.0	15.7
Revenue	7.0	8.8	7.4	5.3	11.1	12.3	13.4	14.1	14.9
Tax revenue	5.4	6.8	5.5	3.5	8.9	9.9	11.2	11.9	12.7
Expenditure 2/	13.6	16.8	18.8	13.7	17.4	15.6	16.4	16.7	17.0
Current 2/	13.0	16.3	18.6	13.3	16.4	14.1	14.4	14.7	15.0
Wage bill	3.7	2.4	2.9	5.1	5.1	5.1	5.1	5.1	5.1
Goods and services	1.5	1.2	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Interest	0.5	0.2	0.2	0.0	0.0	0.0	0.1	0.1	0.1
Subsidies 2/	4.2	9.6	11.9	3.8	2.1	2.3	2.4	2.4	2.4
Transfers	2.3	2.1	1.7	1.2	4.3	4.0	4.4	4.6	4.8
Other current	0.8	0.8	0.9	2.2	3.9	1.6	1.5	1.6	1.6
Capital	0.6	0.5	0.1	0.4	1.0	1.5	2.0	2.0	2.0
Overall balance 2/	-6.5	-7.9	-10.9	-6.9	-3.5	-2.4	-2.1	-1.7	-1.3
Public debt 1/	159.2	186.7	201.6	259.4	250.0	220.5	209.2	203.9	197.8
Monetary sector	(Annual changes in percent)								
Broad money	68.8	111.8	60.1	88.2	86.1	45.9	38.4	23.1	16.8
Reserve money	63.8	170.5	77.5	94.5	68.6	43.4	32.9	21.5	16.7
Balance of payments	(In percent of GDP, unless otherwise indicated)								
Exports of goods	8.9	9.8	11.9	14.2	16.7	19.0	19.3	19.3	19.4
Imports of goods	17.9	19.8	25.2	25.0	25.8	26.5	26.5	26.0	25.2
Trade balance	-8.6	-9.1	-13.4	-11.1	-8.9	-6.8	-6.5	-5.8	-4.9
Current account balance (cash basis)	-7.2	-8.7	-10.9	-8.4	-5.5	-6.8	-5.4	-4.0	-3.2
External debt	150.4	177.1	198.9	253.1	245.6	210.0	196.4	191.5	187.3
External debt (in billions of US\$)	53.9	55.1	56.3	57.5	58.8	58.5	59.0	60.3	61.6
Gross usable international reserves (in millions of US\$)	193	178	190	324	491	870	1,688	2,595	3,600
In months of imports	0.3	0.2	0.2	0.4	0.6	1.0	2.0	3.0	4.1
Memorandum items:									
Nominal GDP (in billions of SDGs)	833	1,362	2,017	4,481	10,424	16,652	21,840	26,983	32,910
Nominal GDP (in \$US billion)1/	45.9	35.7	33.4	32.6	32.5	31.9	32.7	33.9	35.4
Exchange rate (SDG/US\$, end of period) 1/	24.0	45.2	71.6	...	...	...	...	...	...
Exchange rate (SDG/US\$, period average) 3/	18.1	38.2	60.5	...	...	...	...	...	...
NEER (2007=100, percent change, period average)	-32.4	-52.2	-41.0	...	...	...	...	...	...
REER (2007=100, percent change, period average)	-13.2	-24.5	-12.5	...	...	...	...	...	...

Sources: Central Bank of Sudan and Ministry of Finance and Economic Planning; and IMF staff estimates and projections.

1/ GDP and public debt estimated at the weighted average of the parallel and official exchange rate.

2/ Including implicit subsidies recorded on central bank's balance sheet.

3/ Exchange rate is calculated as the weighted average of official and parallel exchange rate.

Table 2. Sudan: Medium-Term Macroeconomic Outlook, 2017–25

	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Est.	Est.	Est.	Proj.					
Output and prices	(Annual change in percent)								
Real GDP (at market prices)	0.7	-2.3	-2.5	-8.4	0.8	1.4	2.7	3.6	4.5
Consumer prices (end of period)	25.2	72.9	57.0	198.9	103.0	36.7	21.2	17.9	16.0
Consumer prices (period average)	32.4	63.3	51.0	141.6	129.7	57.5	27.8	19.4	16.8
GDP deflator	29.8	69.8	36.3	142.5	130.9	57.6	27.7	19.2	16.7
Investment and savings	(In percent of GDP)								
Gross domestic expenditure	108.7	109.2	109.4	111.1	108.9	106.8	106.5	105.8	104.9
Final consumption	97.5	95.6	99.5	101.1	97.9	94.8	93.5	92.3	90.9
Gross capital formation	11.2	13.6	9.9	10.0	11.0	12.0	13.0	13.5	14.0
Gross Savings	1.2	0.5	-5.2	-2.7	1.2	1.3	3.5	5.3	6.8
Central government operations									
Revenue and grants	7.2	8.9	7.9	6.8	13.9	13.2	14.3	15.0	15.7
Revenue	7.0	8.8	7.4	5.3	11.1	12.3	13.4	14.1	14.9
<i>Of which:</i> Oil revenues 1/	0.8	1.3	1.3	1.3	1.8	1.7	1.4	1.4	1.4
Taxes	5.4	6.8	5.5	3.5	8.9	9.9	11.2	11.9	12.7
Expenditure 2/	13.6	16.8	18.8	13.7	17.4	15.6	16.4	16.7	17.0
Current 2/	13.0	16.3	18.6	13.3	16.4	14.1	14.4	14.7	15.0
Wages	3.7	2.4	2.9	5.1	5.1	5.1	5.1	5.1	5.1
Subsidies 2/	4.2	9.6	11.9	3.8	2.1	2.3	2.4	2.4	2.4
Transfers	2.3	2.1	1.7	1.2	4.3	4.0	4.4	4.6	4.8
Capital	0.6	0.5	0.1	0.4	1.0	1.5	2.0	2.0	2.0
Overall balance	-6.5	-7.9	-10.9	-6.9	-3.5	-2.4	-2.1	-1.7	-1.3
Primary balance	-5.7	-7.6	-10.6	-6.8	-3.5	-2.4	-2.0	-1.6	-1.2
Public debt 3/	159.2	186.7	201.6	259.4	250.0	220.5	209.2	203.9	197.8
Monetary sector	(Annual change in percent, unless otherwise indicated)								
Broad money	68.8	111.8	60.1	88.2	86.1	45.9	38.4	23.1	16.8
Reserve money	63.8	170.5	77.5	94.5	68.6	43.4	32.9	21.5	16.7
Credit to the private sector	38.4	69.3	45.8	90.5	71.9	56.1	32.6	24.2	25.3
Broad money (percent of GDP)	24.4	31.6	34.2	29.0	23.2	21.2	22.3	22.3	21.3
Net claims on government (percent of GDP)	18.9	21.4	23.3	22.0	15.9	13.3	12.4	11.8	10.8
Credit to the private sector (percent of GDP)	8.7	9.0	8.9	7.6	5.6	5.5	5.6	5.6	5.8
External sector	(In percent of GDP, unless otherwise indicated)								
Exports of goods (in US\$, annual percent change)	32.5	-15.0	14.0	16.6	16.9	11.9	4.3	3.6	4.7
Imports of goods (in US\$, annual percent change)	9.9	-14.1	18.8	-2.9	2.8	0.8	2.6	1.5	1.3
Merchandise trade balance	-8.6	-9.1	-13.4	-11.1	-8.9	-6.8	-6.5	-5.8	-4.9
Current account balance (cash basis)	-7.2	-8.7	-10.9	-8.4	-5.5	-6.8	-5.4	-4.0	-3.2
External debt 3/	150.4	177.1	198.9	253.1	245.6	210.0	196.4	191.5	187.3
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Gross usable international reserves (in millions of US\$)	193	178	190	324	491	870	1,688	2,595	3,600
In months of next year's imports of G&S	0.3	0.2	0.2	0.4	0.6	1.0	2.0	3.0	4.1
Memorandum items:									
Nominal GDP (in billions of SDG)	833	1,362	2,017	4,481	10,424	16,652	21,840	26,983	32,910
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Sources: Central Bank of Sudan and Ministry of Finance and Economic Planning; and IMF staff estimates and projections.

1/ Oil sales, oil transit fees, and Transitional Financial Arrangement.

2/ Including implicit subsidies recorded on central bank's balance sheet.

3/ GDP estimated at the weighted average of the parallel and official exchange rate.

Table 9. Sudan: Quantitative Targets, 2019–2021 1/

	2019 December	2020 December	2021 June
Quantitative Benchmarks			
Banking system net credit to the central government (ceiling: in SDG billion)	386	672	819
CBOS net domestic assets (ceiling: in SDG billion) 2/	830	1,083	1,203
Net international reserves (floor: in millions of U.S. dollars) 2/	(728)	(594)	(511)
<u>Contracting or guaranteeing of external long term non-concessional debt</u> by the government or the central bank(ceiling: in millions of U.S. dollars) 3/	230	300	150
Indicative Targets			
Social spending (floor: in SDG billion)	15	99	201
Nonoil primary deficit (ceiling: in SDG billion)	242	367	274
Reserve money (ceiling: in SDG million) 2/	516	766	890
Memorandum items:			
Exernal non-project grants for Family Support Program (in millions of U.S. dollars)		328	600
Other external non-project grants (in millions of U.S. dollars)	-	212	-
Government asset sales (in SGD billion)		35	41
External non-project loans (in millions of U.S. dollars)	91	127	60
1/ The variables are defined according to the TMU.			
2/ Evaluated using program exchange rate of 45 SDG per U.S. dollar.			
3/ Continuous benchmark; flow from the beginning of the year.			

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