

I. COUNTRY REFORM PROGRESS

The authorities are implementing digital and institutional revenue administration reforms. Developments include the rollout of an e-payments module and mandatory e-declaration for large taxpayers. The use of a unique taxpayer identification number and improved access to digital databases have facilitated control and cross-checking among tax agencies. An action plan to strengthen tax compliance and controls has been introduced with capacity development (CD) support from the IMF's Fiscal Affairs Department (FAD), alongside a sequenced monitoring framework. These measures are meant to enhance the capacities of revenue administrations in tackling the high number of defaulters, collecting recoverable tax arrears, redirecting tax audits toward taxpayers with the highest risks, and addressing suspected fraud cases in customs. Despite some advancements, there are ongoing challenges in achieving the full objectives of revenue administration reforms. Investments in IT infrastructure and human resources are required but have not yet been completed. Sustained political commitment will be equally important to ensure successful execution of the action plan. Effective implementation of the action plan on tax compliance is critical to support revenue gains over the short and medium term.

II. PROJECT DELIVERY HIGHLIGHTS

Revenue Module II – Revenue Administration
Key Progress in FY26: In FY26, Central African Republic authorities, supported by CD funded by the Global Public Finance Partnership (GPFP), undertook measures to modernize revenue collection, including the rollout of an integrated tax administration IT system, the adoption of a new tax compliance certificate regime, and the implementation of a systematic tax returns cross-check methodology. Previous Progress: Since the start of the current project, changes have been made in revenue administration processes. Support focused on fostering the digitalization process (introduction of e-procedures, electronic cash registers and IT module for effective data management) and improving staff management capacities. Next Steps: Planned initiatives will address current challenges and support the achievement of revenue objectives, with an emphasis on (1) executing comprehensive cross-checks of tax returns, and (2) actively pursuing the collection of outstanding tax arrears.

III. LOGICAL FRAMEWORK

Country – Central African Republic		
Objective – Strengthened core tax administration functions (SDG 17.1) - TAD		Rating - 2
Outcome	Rating	Narrative
The integrity of the taxpayer base and ledger is strengthened	2 Partially Achieved	According to unconfirmed reports, taxpayer register monitoring has improved. Outcome assessment reporting should be delayed until the KPI review in April 2026, when results can be compared with objectives and the current assessment adjusted if necessary.

A larger proportion of taxpayers meet their filing obligations as required by law	2 Partially Achieved	Unverified reports indicate that filing compliance has been satisfactory. Outcome assessment reporting will be postponed until the KPI review in April 2026, at which time results will be compared with objectives and the current assessment may be adjusted if needed
A larger proportion of taxpayers meet their payment obligations as required by law	2 Partially Achieved	Reports indicate that payment compliance has been satisfactory. Outcome assessment reporting is recommended to be postponed until the KPI review in April 2026, allowing for comparison with objectives and adjustment of the current assessment if required.
Audit and other verification programs more effectively ensure accuracy of reporting	2 Partially Achieved	Authorities have indicated advancements in audit and verification initiatives. At present, the existing reports lack supporting documentation. It is advised to postpone the subsequent outcome assessment until the designated key performance indicator date in April 2026, allowing results to be measured against defined objectives and enabling appropriate review of the current assessment
Objective – Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM		Rating - 2
Outcome	Rating	Narrative
Digital technologies are better aligned with strategic objectives	2 Partially Achieved	Although notable progress has been made, challenges remain in fully realizing the objectives of revenue administration reforms. The necessary investments in IT infrastructure and human resources are ongoing and have yet to be finalized.

IV. RISK ASSESSMENT

Description	Rating	Mitigation Measures
External Climate/Conditions		
Resurgence of pandemic hinders CD delivery and changes CD priorities.	Very High	Build on progress achieved with remote delivery of CD.
Political Support		
Political instability may slow down and even stop implementation of reforms.	Very High	Focus on strategic advice and hands-on capacity building to have a more permanent impact. Close consultation with the IMF's African Department country team and the authorities.
Management and Technical Staff Support and Commitment		
Continuous rotation of managers and staff undermine the absorptive capacity and provoke permanent discontinuity.	Very High	Encourage authorities to implement administrative reforms and closely monitor projects.

Description	Rating	Mitigation Measures
Resource Adequacy		
Resources are misused, nor properly accounted for, do not achieve value for money.	Low	Project resources will be employed in accordance with IMF policies and procedures.
Other Risks		
The reform momentum is highly based on the availability of a modern IT system that is able to support reform management and implementation	Very High	Maintain close coordination and collaboration with other technical assistance providers, especially the World Bank to deliver a modern IT system.

V. PROJECT MANAGER: CONTACT INFORMATION

Project Manager	E-mail
René Ossa	LOssa@imf.org