

I. COUNTRY REFORM PROGRESS

Tax policy. Progress continued in FY26 with the implementation, through the 2026 Budget Law, of important changes to the property tax base, following advice from the IMF's Fiscal Affairs Department (FAD) provided in 2024–25. In particular, the tax base is now the market value for both developed and undeveloped properties. Some exceptions remain, however, notably for rented properties for which the rental value continues to apply. More broadly, the tax policy dialogue advanced in FY26, largely through interactions with the IMF program team, including on other tax measures included in the 2026 Budget Law (notably value added tax (VAT) in the financial sector, tourist taxes, and the streamlining of VAT exemptions). These measures are consistent with the 2024 medium-term revenue strategy (MTRS). FAD also coordinated with key development partners active in tax policy in Côte d'Ivoire, within the MTRS framework: the World Bank (on tax expenditure costing and corporate income tax (CIT) reform) and the African Development Bank (on property taxation).

Revenue Administration. Activities related to tax administration have slowed somewhat due to a lack of formal requests from the authorities, who are still too preoccupied with the latest electoral cycle. Consequently, the implementation of the MTRS has not yet been formally evaluated, despite a joint project with the World Bank under the IMF-World Bank Joint Domestic Resource Mobilization Initiative (JDRMI). Regarding customs, Côte d'Ivoire continues to advance its customs modernization agenda, building on earlier progress in digitalization, data governance, and the development of AI tools for risk classification and valuation fraud detection. Although no new CD activities took place during the reporting period, the September 2025 mission by staff of the IMF's Regional Technical Assistance Center for West Africa (AFW) supported the Directorate General of Customs in refining its Data Strategy and evaluating AI-based selectivity models, helping maintain reform momentum. These steps strengthen the foundation for the next phase of work planned for 2026, which will deepen data-governance practices and expand the use of analytics and AI to improve risk management and revenue performance.

Climate policy. Côte d'Ivoire is advancing climate mitigation policies in line with its National Determined Contribution (NDC) and the IMF's Resilience Sustainability Facility (RSF) Program. In FY26, FAD provided capacity development (CD) supported by the EU-IMF Public Financial Management Partnership Programme 2 (PFM-PP2) to advise the authorities in the design and implementation of carbon taxation strategy. The CD was tailored to Côte d'Ivoire's specific circumstances and aligned with the emissions reduction targets in its NDC. The carbon taxation strategy is expected to be completed by the end of calendar year 2025. The mission coordinated closely with the IMF's African Department (AFR) country team, and met with staff of the World Bank, EU and United Nations Development Programme while in Abidjan. Moreover, the EU delegation in Abidjan was briefed before and at the conclusion of the mission, and the CD report was shared with them.

Public Finance Management (PFM): Côte d'Ivoire, through the RSF, is integrating climate and environmental considerations into public finance and investment management. A ministerial decree in October 2024 established climate-tagging of investment expenditure, followed by a May 2025 decree on transition taxonomy and climate disclosure. Supported by GPFP-funded FAD missions in FY25 and FY26, the country released its first climate budget document, and the 2026 fiscal risk statement integrates quantitative analysis of climate-related risks. These efforts coordinated with the World Bank and United Nations Office for Disaster Risk Reduction (UNDRR), which supports climate finance and disaster risk management in the country.

II. PROJECT DELIVERY HIGHLIGHTS

RM I: Revenue Module I – Tax Policy

Key Progress in FY26: In 2025, the market value was adopted as the tax base for the property tax on both built and unbuilt property, in line with FAD recommendations made in FY24-25, with the important exception of property rented out, for which the tax base remains the 'valeur locative' (rental value). Work funded by the Global Public Finance Partnership (GPFP) began during this reporting period, with follow-up assistance provided on a phased introduction of the reform. In addition, the authorities confirmed their interest in follow-up assistance to implement FY24 FAD recommendations on the CIT.

Previous Progress: The MTRS was adopted in May 2024, outlining key tax policy reforms on the property tax and the CIT, as well as setting goals in improving tax expenditure costing and reporting. This GPFP-funded project in CIV started in FY25. In March 2025, fine-tuning of the property tax reform was supported by FAD, including on a mechanism to cap yearly adjustments to tax liabilities following the introduction of the new tax base (the market value).

Next Steps: CD in FY26 will focus on executing the MTRS, with particular emphasis on implementing the CIT reform. The CIT CD has been delayed mainly because of the October 2025 presidential election and is now planned for early 2026.

RM II: Revenue Module II – Revenue Administration

Key Progress in FY26: *Tax.* No CD activities were carried out under this project during the reporting period, at the authorities' request, to allow time to assess ongoing support from other partners and confirm new commitments. *Customs.* No CD activities were carried out under this project during the reporting period, as implementation has not yet begun. A related mission conducted by AFW in September 2025 supported the Directorate General of Customs in implementing its data strategy and evaluating AI-based selectivity models.

Previous Progress: *Tax.* Project activities were scheduled to begin in July 2025. *Customs.* Project activities were scheduled to begin in August 2025 but were postponed at the authorities' request to allow time to assess ongoing support from other partners and confirm new commitments.

Next Steps: *Tax.* Support is expected to resume in April 2026, focusing on assessing the implementation of the Tax administration reform plan and the MTRS. *Customs.* Support is expected to begin in 2026, focusing on establishing a data-governance framework, designing comprehensive data architecture, and launching strategic AI initiatives, including risk-analysis tools, interactive dashboards, and invoice-data extraction using generative AI. Subsequent missions will operationalize these reforms by deploying scalable infrastructure and advancing the implementation of the priority AI projects.

SM II: Spending Module II – Managing Public Finance

Key Progress in FY26: During this period, this project supported the Ministry of Finance and Budget (MFB) in strengthening their 2026 annual budget documentation. FAD provided training to staff from the MFB and various other ministries and institutions on methodologies for assessing fiscal risks related to natural disasters and reviewed the relevant section of the annual fiscal risk statement. The mission's findings informed the development of FAD tools used to assess and quantify government exposure to natural disaster risk. Under the project, FAD also performed quality control for the green budget document. Both

documents are scheduled to be published as annexes to the 2026 annual budget law and contribute to progress on the IMF's Resilience and Sustainability Facility (RSF)'s reform measures (RM) focused on climate-related fiscal risks and the integration of climate considerations into public financial management.

Previous Progress: The development of a robust quantitative model aimed at assessing fiscal risks associated with climate change-related natural disasters have been initiated to support the authorities in achieving the RSF RM on climate related fiscal risks. Activities are benefiting from coordination with the World Bank on disaster risk management and financing and with the United Nations Office for Disaster Risk Reduction on disaster risk profile.

Next Steps: The CD activities under this project will continue to strengthen staff ownership of fiscal risk management and green budget tagging methodologies, while also enhancing relevant budget documentation. To meet the international standards for green budgeting, a gradual expansion of the scope of green tagging is planned, with an extension each year until 2028. The expansion schedule set by the Ivorian authorities aims to include tagging of all investment expenditures for all ministries (Green Budget 2027), current expenditures (Green Budget 2028), and tax expenditures (Green Budget 2029). This will require support over the period for developing tagging methodologies and related guides for each type of expenditure mentioned above, with assistance from FAD.

III. LOGICAL FRAMEWORK

Country – Cote d'Ivoire		
RM I: Objective – Improve Tax Policy Design - TPD		Rating - 3
Outcome	Rating	Narrative
Increased economic efficiency by minimizing economic distortions or addressing externalities or market failures	3 Largely Achieved	Following FAD CD on MTRS and authorities' commitments under the ongoing IMF lending program, the MTRS was adopted in May 2024. On property tax, market value was adopted in the tax base in 2025, as was recommended by FAD in FY24; however, for those properties which are rented out, the tax base remains the 'valeur locative'.
RM II: Objective – Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM		Rating - 1
Outcome	Rating	Narrative
Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized	2 Partially Achieved	Implementation of the MTRS is continuing, but for the moment, no evaluation has yet been carried out as planned with the authorities. Meanwhile, the tax administration continues to implement its Reform

		Strategy Plan. The next planned activity of the GPFP project, jointly with the World Bank under the JDRMI concept, will be to assess the two-year MTRS implementation.
Digital technologies are better aligned with strategic objectives	1 Not Achieved	Project activities have not yet commenced.
RM II: Objective – Improved customs administration functions (SDG 17.1) - CAD		Rating - 0
Outcome	Rating	Narrative
Audit and anti-smuggling programs more effectively ensure enforcement of customs laws	1 Not Achieved	Project activities have not yet commenced
Customs control during the clearance process more effectively ensures accuracy of declarations	1 Not Achieved	Project activities have not yet commenced
Foreign trade operators better comply with their reporting and payment obligations	1 Not Achieved	Project activities have not yet commenced
SM II: Objective – Build Sustainable Fiscal Institutions - SFI		Rating - 3
Outcome	Rating	Narrative
Strengthened capacity to plan, implement and sustain priority area reforms including climate, gender, and SDGs	3 Largely Achieved	The FY26 planned activities on fiscal risk related to natural disasters (following FY25 activities) were organized in July/August 2025. In August 2025, another mission was organized to support the authorities on green budget tagging methodologies and green budget document. These missions help meet RM2 and RM3 of the RSF, whose deadline is November 2025.

IV. RISK ASSESSMENT

Description	Rating	Mitigation Measures
External Climate/Conditions		
RM II: Weak coordination between the minister cabinet and the tax and customs administrations may slow down the implementation of the MTRS	Medium	Remind the political authorities to appoint a steering committee and strengthen the coordination with the tax and customs administrations.
Political Support		
RM I: Political instability may slow down and even stop implementation of reforms.	Low	Focus on strategic advice and hands-on capacity building to have a more permanent impact. Close consultation with AFR team and the authorities.

Description	Rating	Mitigation Measures
RM I: Reform proposals to reduce TE under the MTRS may trigger opposition from beneficiaries.	Low	Consultation with relevant internal and external stakeholders to help ensure reflect broad consensus across government.
RM I: This is in support of a large lending program, under a MTRS. Political support is expected.	Low	Work with MoF on analytics and preparation of reforms.
RM II: Coordination between the ministerial cabinet and the tax administration	Medium	Strong coordination is needed and governance structure should be strengthened.
RM II: Change in political priorities or leadership could deprioritize customs digitalization or shift focus to other reforms.	Medium	Engage key stakeholders early; align project with national development and digital transformation strategies; ensure visible results in the short term to maintain interest.
Management and Technical Staff Support and Commitment		
RM I: Lack of coordination across senior level staff in relevant counterpart agencies (ministries of finance, economy; tax administration; investment promotion), which is critical for delivery	Low	Using the MTRS process to organize consultations across government agencies to ensure close coordination.
RM II: Commitment to tax administration reforms has remained solid since the TADAT assessment, December 2021.	Low	N/A
SM II: Due to lack of designated focal point, early confirmation of the request and of the best slots for the missions, activities planned are being postponed, or organized with short notice	Medium	- Organization of remote meetings with authorities in charge of receiving missions. - Organization of remote discussion with the help of the AFW long-term resident advisor
Resource Adequacy		
None	Low	N/A
Other Risks		
RM II: Multiple donors are providing technical assistance on same topics and gaps, or overlaps may arise as a result.	Low	Take an active role in engaging with other donors to ensure support is well coordinated.

V. PROJECT MANAGERS: CONTACT INFORMATION

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