

I. COUNTRY REFORM PROGRESS

This project was approved during the January 2025 Steering Committee meeting. To date, one capacity development (CD) activity has been delivered, focusing specifically on tax treaties.

CD under this project has helped build foundational knowledge in tax treaty negotiations, facilitated internal collaboration and dialogue (e.g., between Ministry of Foreign Affairs and Ministry of Economy), and resulted in the development of a draft model tax treaty for Gabon. These developments are expected to greatly assist Gabon in its future tax treaty negotiations.

II. PROJECT DELIVERY HIGHLIGHTS

Revenue Module I – Tax Policy
Key Progress in FY25: CD delivery under this project was initiated only recently with a first mission delivered in March 2025. There appears to be good traction with country authorities, which should facilitate enactment of reforms in the coming years Previous Progress: N/A Next Steps: A mission is planned for May 2025 to assist authorities with micro-simulation modeling to support income tax reforms. Another activity is also planned for FY26, with the subject to be determined at a later date (tentatively modeling of mining fiscal regime).

III. LOGICAL FRAMEWORK

Country – Gabon		
Objective – Improve Tax Policy Design - TPD		Rating - 1
Outcome	Rating	Narrative
Increased/decreased revenue quantity	1 Not Achieved	CD was initiated in March 2025, such that it is too early within the program to expect achievement of this outcome.
Increased economic efficiency by minimizing economic distortions or addressing externalities or market failures	1 Not Achieved	CD was initiated in March 2025, such that it is too early within the program to expect achievement of this outcome.
Improved distributional fairness across taxpayers due to amended tax rates or base	1 Not Achieved	CD was initiated in March 2025, such that it is too early within the program to expect achievement of this outcome.

Objective – Strengthen Policy Monitoring, Evaluation, and Institutions - TPM		Rating - 1
Outcome	Rating	Narrative
Improved structures (e.g., tax policy units) or capacity (e.g., models and tools) related to tax policy advice and analysis.	1 Not Achieved	CD was initiated in March 2025, such that it is too early within the program to expect achievement of this outcome.

IV. RISK ASSESSMENT

Description	Rating	Mitigation Measures
External Climate/Conditions		
World economy, regional and national security, etc.	Medium	Factor authorities' priorities into our work program and remain flexible in delivering the workplan.
Political Support		
Obtain needed leadership from Ministry of Economy and sufficient buy-in from the whole government to enact meaningful reforms in the National Assembly.	Very High	Engage constructively with high-level officials to ensure that they appropriate themselves of proposed reform options and that their views or concerns are considered and reflected into our analysis and recommendations. Work closely with country team.
Management and Technical Staff Support and Commitment		
Buy-in and commitment by our direct counterparts at the Ministry of Economy.	High	Engage constructively with counterparts to ensure that they appropriate themselves of reform options and that their views are considered in the analysis and recommendations. Remain agile and build the CD program based on their needs and preferences.
Resource Adequacy <i>[risk]</i>		
Resource adequacy in Ministry of Economy, including in terms of number of staff and skillset required to effectively support CD missions and absorb analysis and recommendations.	Medium	Sequence CD and reform proposals to align with country capacity. Offer complementary CD in the form of follow-up engagements or support in legal drafting. Coordinate closely with the revenue administration division.

V. PROJECT MANAGERS CONTACT INFORMATION

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