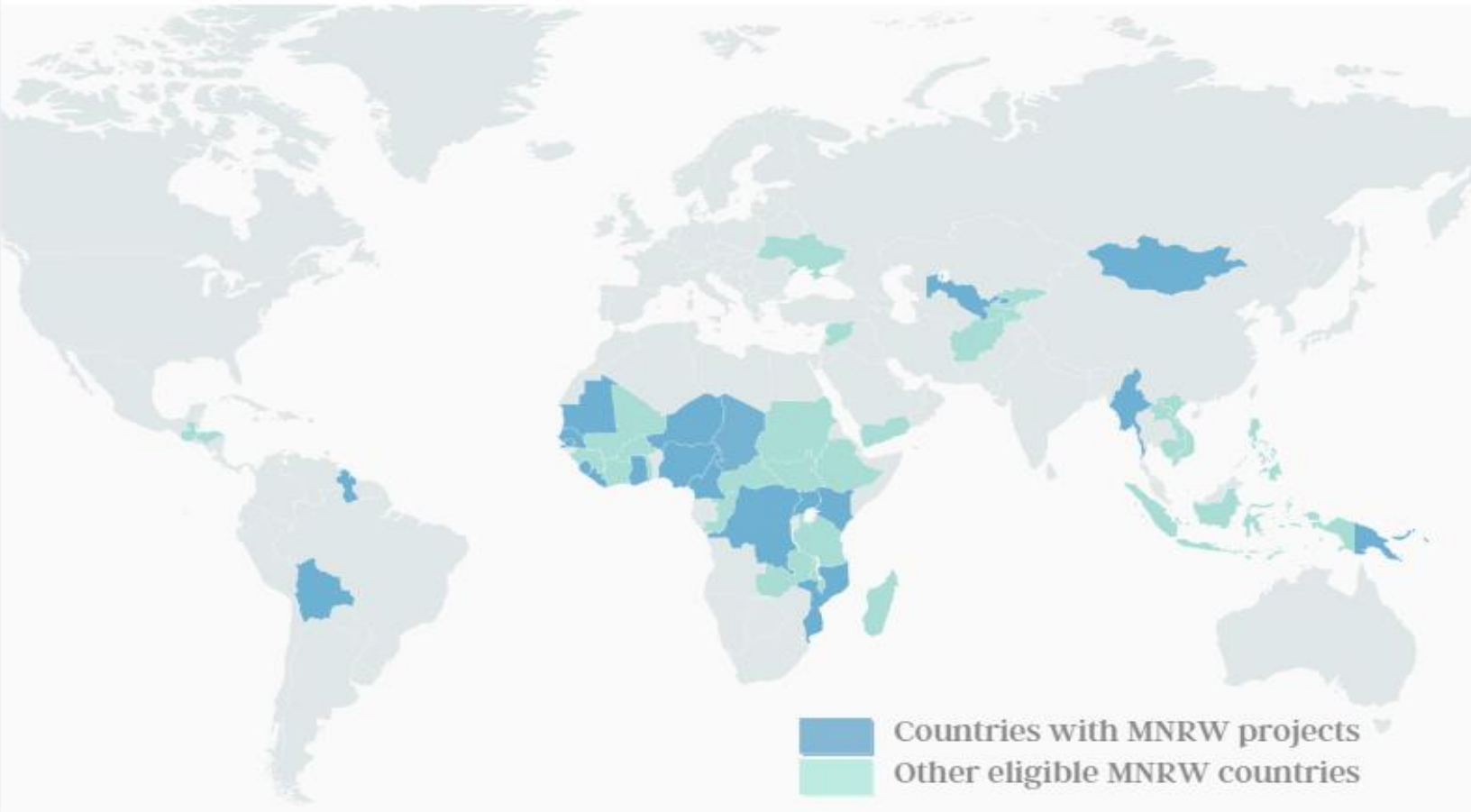
MNRW

Mid-Year Report FY2026



MANAGING NATURAL RESOURCE WEALTH

An IMF Initiative implemented in partnership with:

Australian Government
Department of Foreign Affairs and Trade
Australia

Norad
Norway

EUROPEAN UNION
Switzerland

Netherlands

UKaid
United Kingdom

MANAGING NATURAL RESOURCE WEALTH THEMATIC FUND

FY2026 MID-YEAR REPORT

JANUARY 2026

MNRW

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ACRONYMS

AFR	African Department
AFRITAC	Africa Regional Technical Assistance Center
CCAMTAC	Caucasus, Central Asia and Mongolia Technical Assistance Centre
CD	Capacity Development
CEMAC	Central African Economic and Monetary Community
EIFRA	Extractives Industry Fiscal Regime Act
EI	Extractive Industries
FAD	Fiscal Affairs Department
FARI	Fiscal Analysis of Resource Industries
FY	Fiscal Year
GPFP	Global Public Finance Partnership
HQ	Headquarters
ICD	IMF Institute of Capacity Development
IMF	International Monetary Fund
K	Thousand
LTX	Long-term Expert
MFT	Macro-Foundations Tool
MNRW	Managing Natural Resource Wealth
MoF	Ministry of Finance
MRC	Macroeconomic Management in Resource-Rich Countries
NRA	National Revenue Authority
PFM	Public Financial Management
SOEs	State-Owned Enterprises
SOP	Standard Operating Procedures
STX	Short-Term Expert
TA	Technical Assistance
TSA	Treasury Single Account
WHD	Western Hemisphere Department

EXECUTIVE SUMMARY

The Managing Natural Resource Wealth Thematic Fund (MNRW) has been the main external funding vehicle in the IMF for capacity development (CD) on economic policy management in natural resource rich developing countries. After eight years, the program has now been completed. This report provides an overview of the final MNRW program activities in the first half of Fiscal Year 2026 (FY26 H1) from May 2025 – October 2025 and report on the overall program implementation.

Reflecting the active management of resource allocation, the final approved budgets have been fully executed with an aggregate execution rate of 99 percent. Total cumulative spending through October 2025 amounted to $29.8 million.

As of end-October 2025, there is a small residual cashflow balance of $210,000 which includes remaining cumulative interest earnings. However, there are some outstanding expense items including for short-term expert participation in recent missions that are still being processed. It is therefore expected that the final unused funds ultimately will be lower. It is proposed that after processing all expenses, the confirmed remaining balance in the MNRW account will be reallocated to the GPFP program account. Recognizing that donor partners have different requirements, ICD will contact each donor individually to confirm their preference: either to transfer any remaining funds to the GPFP or to have them returned.

Compared to the indicative expenditure allocation in the 2016 MNRW program document, the actual spending has been higher on country-level direct technical assistance, and within that category with more spending on tax policy, revenue administration and public financial management. This has been offset by relatively lower spending on cross-country training and workshops, albeit still significantly higher than in the first phase of the MNRW. Encouragingly, the direct overhead costs have been significantly below the initially expected costs generating savings of about $1.1 million that were redeployed for capacity development during the program implementation period from following a lean CD management model in the MNRW program.

I. INTRODUCTION

1. The Managing Natural Resource Wealth Thematic Fund (MNRW) has been the main external funding vehicle for IMF capacity development (CD) on natural resource economic management in low and lower-middle income countries with natural resources since 2011. The program has been implemented in collaboration between the Fiscal Affairs Department, Monetary and Capital Markets Department, and the Institute for Capacity Development. The current Phase II started in FY18 and was completed by end October FY26.[1]

2. The MNRW is organized by topical areas covering fiscal policy and initially also monetary policy and economic statistics. Multi-country training is provided on macro-economic management of natural resources by a combination of online, virtual, and in-person courses. Economic policy issues related to climate change and the energy transition have become increasingly central to the MNRW-supported work. All activities under Modules 4 (monetary and exchange rate frameworks) and 5 (economic statistics) were completed in FY22 leaving three remaining active CD modules in the fiscal area:

- Module 1: Design and Implementation of extractive industries tax policy including fiscal modeling and revenue forecasting.
- Module 2: Revenue administration of extractive industries.
- Module 3: Macro-fiscal and public financial management.

3. The remainder of the FY26 Mid-year Report on the MNRW is organized as follows: Section II provides an overview of the MNRW program developments focusing on the first half of FY26 and a review of the overall spending portfolio. Section III provides preliminary information on the performance against the high-level programmatic log-frame. Section IV reports on the MNRW program finances and cashflow position at the end of operations. One-page summaries of project implementation are included in Annex A and project completion reports in Annex B.

[1] The MNRW Steering Committee endorsed in December 2020 a two-year extension of the second program phase, in January 2024 a further one-year extension, and in January 2025 a final six-month extension.

II. MNRW Program Developments

A. Program Portfolio

4. With the completion of the MNRW program, a total of $29.8 million has been spent during Phase II of the program (Table 1). This is aligned with the total approved budget envelope of $29.9 million and only marginally below the initially targeted program size of $30 million. The dynamic resource reallocation and the extension of the program period ensured that all available resources were utilized in contrast to the first phase of the MNRW, which had ended in April 2017 with a residual balance of unspent funds of $1.1 million.

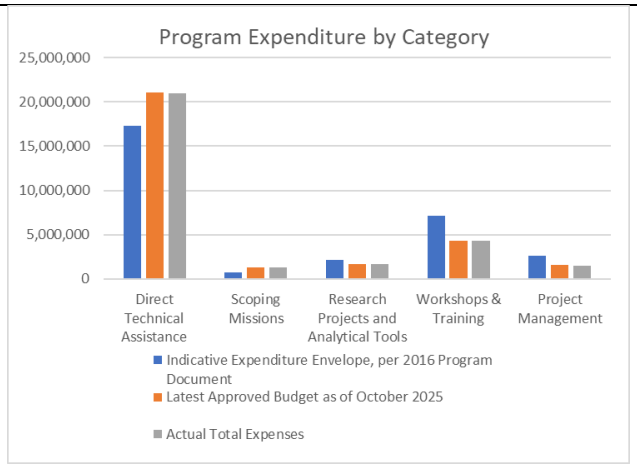
Table 1. MNRW Phase II: Project Portfolio Summary

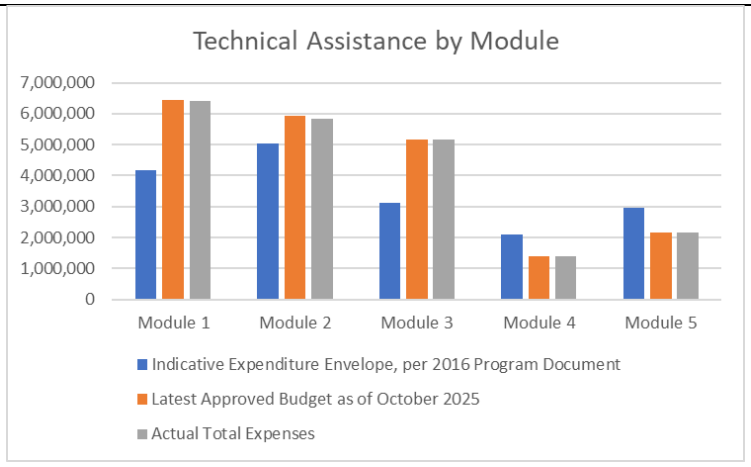
(As of end-October 2025, in thousands of U.S. dollars)

	Indicative Expenditure Envelope, per 2016 Program Document	Latest Approved Budget as of October 2025	FY18 Actual Expenses	FY19 Actual Expenses	FY20 Actual Expenses	FY21 Actual Expenses	FY22 Actual Expenses	FY23 Actual Expenses	FY24 Actual Expenses	FY25 Actual Expenses	FY26 Actual Expenses	Actual Total Expenses	Remaining Balance
Direct Technical Assistance	**17,351**	**21,067**	**2,724**	**3,951**	**3,649**	**2,212**	**1,834**	**2,432**	**2,328**	**1,485**	**328**	**20,944**	**122**
Of which:													
Module 1: Fiscal Regimes	4,164	6,435	1,049	977	767	576	589	870	906	450	228	6,411	24
Module 2: Revenue Administration	5,032	5,919	487	1,092	1,042	633	487	542	800	681	57	5,821	98
Module 3: Macro-Fiscal	3,123	5,152	505	740	758	524	599	1,007	622	355	43	5,152	0
Module 4: Exchange Rate and Macroprudei	2,082	1,399	103	273	606	294	110	13	0	0	0	1,399	0
Module 5: Statistics	2,950	2,162	581	869	476	186	50	0	0	0	0	2,162	0
Scoping Missions	**728**	**1,341**	**294**	**191**	**238**	**39**	**245**	**0**	**46**	**279**	**9**	**1,341**	**0**
Research Projects and Analytical Tools	**2,177**	**1,712**	**57**	**106**	**318**	**308**	**160**	**279**	**439**	**45**	**0**	**1,712**	**0**
Workshops & Training	**7,120**	**4,267**	**1,350**	**596**	**655**	**297**	**265**	**315**	**303**	**465**	**20**	**4,267**	**0**
Project Management	**2,627**	**1,540**	**200**	**139**	**179**	**181**	**241**	**319**	**130**	**76**	**33**	**1,498**	**43**
Total	**30,000**	**29,927**	**4,625**	**4,982**	**5,040**	**3,038**	**2,745**	**3,346**	**3,247**	**2,350**	**390**	**29,762**	**165**
of which Trust Fund Management Fee	**1,963**	**1,958**	**303**	**326**	**330**	**199**	**180**	**219**	**212**	**154**	**26**	**1,947**	**11**

5. Responding to country demands and priorities, the expenditure composition has been somewhat different from the indicative resource allocation in the 2016 program document. Given the strong demand for country-level CD, the spending on country-level CD was much higher than originally envisaged, which was offset by lower spending on multi-country training and workshops (Figure 1). Reflecting the lean program management structure, the direct cost of project management was significantly lower than programmed (saving more than $1.1 million that was reallocated to direct technical assistance during program implementation).

Figure 1. MNRW Phase II: Expenditure Composition





6. Turning to the composition of the technical assistance expenditure category, the spending on the three fiscal modules exceeded the indicative envelopes in the 2016 program document (Figure 1). This reflected generally higher country-level demand and traction on CD delivery in those modules.

7. Module 1 provided CD on natural resource fiscal regime design and implementation including on revenue modeling using the FARI tool. This was the largest module under the program with total cumulative spending of $6.4 million. Reflecting strong demand for tax policy CD, the execution of CD activities significantly exceeding the indicative expenditure envelope in the 2016 program document. Module 1 remained the most active program through the last six months of the MNRW with half-year spending of $228 thousand (K). There is a small remaining balance of $24K, with some expert expenses still being processed.

8. Module 2 supported CD in natural resource revenue administration. This was the second largest module in the thematic fund with cumulative spending of $5.8 million, which also exceeded the indicative program envelope. As some activities initially planned for the last six months of the program were delayed, spending slowed down to $57K resulting in a remaining balance of unused funds of $98K.

9. Module 3 focused on macro-fiscal and public financial management (PFM) in natural resource-rich countries. With cumulative spending of $5.1 million this also significantly exceeded the indicative expenditure allocation in the original program document. The remaining $43K in this module was fully utilized for project activities in the last six months of the program.

10. Modules 4 and 5 respectively covered exchange rate and monetary policy frameworks and economic statistics. Both modules were completed in FY22 and there has been no further expenditure since then. Cumulative spending on both modules was below the indicative expenditure envelopes in the program document.

11. Other MNRW activities were dominated by multi-country training. The training and technical assistance on macroeconomic frameworks delivered by ICD were significantly scaled up compared to the first phase of the MNRW, although cumulative spending of $4.3 million was below the substantial allocation envisaged in the program document.

12. An innovation in the second phase of the MNRW program was the inclusion of a budget for scoping missions. Cumulative spending on these missions of $1.3 million exceeded the indicative envelope of $0.7 million. In practice, most of the scoping missions integrated policy reform advice into diagnostic assessments and therefore were in many instances close in nature to technical assistance missions. The scoping missions predominantly supported the design of Module 1 and Module 2 projects.

13. Table 2 provides a more detailed look at the project portfolio in the MNRW. The table shows the spending through end-October 2025 against the latest approved budget. Details of project implementation in the projects that remained open in the last six months are discussed in the following paragraphs.

14. Module 1 (fiscal regime): This module provides CD on tax policy related to natural resources.

- *Ghana (M1):* FAD supported the authorities in preparing the 2026 petroleum Benchmark Revenue calculation, updating the revenue projection model, and building capacity of staff. FAD facilitated discussion on the potential for government to collect a profits-based tax (Additional Oil Entitlement) on existing petroleum projects. FAD also facilitated discussions among stakeholders to progress towards finalization of the Extractive Industry Fiscal Regime Act (EIFRA). The EIFRA is now close to finalization. On petroleum, a firm consensus was established on policy parameters to establish the EIFRA fiscal regime; on mining, a close consensus was also established on regime structure and parameters. It is expected that the EIFRA will be tabled in in Parliament in 2026.
- *Nigeria (M1):* The last activity in the project was a follow-up workshop on petroleum fiscal regime analysis and modeling using a FARI-based model developed for Nigeria. The model includes the new fiscal regime in the Petroleum Industry Act as well as the previous fiscal regimes to capture the ongoing transition of projects. The expert conducted a three-day workshop with the Federal Ministry of Finance followed by a two-day workshop with the full inter-agency modeling team. The analytical work was extended to analyze the expected economic and fiscal impact of recent amendments made to the petroleum fiscal regime including overly generous investment incentives.
- *Uganda (M1)*: FAD provided assistance through an in-person mission to review the fiscal regime for mining activities. The main finding was that rebalancing the government take while adding progressivity would increase the regime's attractiveness to investors and ensure that the government receives a higher share of economic rents from successful projects. The main avenues for reform should be focused on guaranteeing a minimum level of government

revenues, adding progressivity to the regime, providing clarity on state participation for future mining projects, and closing potential loopholes for income taxation. FAD also analyzed the proposed economic terms for a project to build a refinery to process domestically produced oil. FAD suggested an open-book approach to determine the processing fee, where the refinery return on capital is negotiated with a clear and transparent methodology, rather than a fixed fee on throughput. Any tax incentives should be carefully assessed, as these do not appear to be needed for the project to go forward.

15. Module 2 (revenue administration): This module provides CD to revenue authorities focused on administering revenue collections from extractive industries (EI).

- *Guyana (M2):* The Guyana Revenue Authority (GRA) benefited from practical, hands-on audit training, including continued upskilling of staff in computer-assisted audit techniques to enhance audit effectiveness and efficiency. An innovative training and internship program was launched in partnership with the University of Guyana, designed to address GRA's staffing challenges amid the rapid expansion of the petroleum sector and a limited pool of experienced professionals. The program offers specialized courses in petroleum accounting and taxation, complemented by internships at GRA, thereby establishing a sustainable talent pipeline for the Petroleum Revenue Department. This proactive approach enables Guyana to develop homegrown expertise to meet the demands of its burgeoning oil industry.
- *Mozambique (M2):* The authorities finalized a compliance improvement plan (CIP) in the extractive industries and are implementing it, including through transfer pricing audits of major oil and gas taxpayers. The program financed the participation of an extractive industry expert in a HQ mission covering all segments to support better integration of extractive compliance improvement plans into the overall tax administration compliance improvement strategy. Support on EI will continue with GPFP financing, focusing on evaluating the CIP implementation and updating the plan based on findings.
- *Nigeria (M2):* While progress was somewhat slower than anticipated, with certain activities deferred to the second half of the financial year, ongoing support continued to strengthen audit capacity and skills. CD efforts focused on enhancing audit expertise and technical skills within the Nigerian Federal Inland Revenue Service's (FIRS) Oil and Gas Department. Building on previous foundational training, the CD addressed topical issues such as non-resident taxation, transfer pricing, financing structures, treaty shopping, and oil and gas pricing.

Table 2. MNRW Phase II: Project Overview

(As of end-October 2025, in thousands of U.S. dollars)

Country	Latest Approved Budget as of October 2025	FY18 Total Expenses	FY19 Total Expenses	FY20 Total Expenses	FY21 Total Expenses	FY22 Total Expenses	FY23 Total Expenses	FY24 Total Expenses	FY25 Total Expenses	FY26 Total Expenses	Total Expenses	Remaining Budget[1/]	Execution (%)[2/]
Direct Technical Assistance (A)	**21,067**	**2,724**	**3,951**	**3,649**	**2,212**	**1,834**	**2,432**	**2,328**	**1,485**	**328**	**20,944**	**122**	**99%**
Bolivia (M3)	823	40	173	122	4	138	170	61	115	0	823	0	100%
Burkina Faso (M1)	20	0	0	0	0	0	0	20	0	0	20	0	100%
Cameroon (M1)	-	-	-	-	-	0			-	0	0	0	-
Chad (M1)	25	-	-	-	22	2	2		0	0	25	0	100%
Congo, Democratic Republic Of (M3)	187	187	0	-	0	0			0	0	187	0	100%
Congo, Democratic Republic Of (M3)	1,053	-	-	40	302	225	222	211	53	0	1,053	0	100%
Ghana (M1)	1,253	190	140	201	92	138	185	111	131	17	1,204	48	96%
Ghana (M2)	153	-	123	22	8	0			0	0	153	0	100%
Guyana (M1)	433	125	111	140	53	4			0	0	433	0	100%
Guyana (M2)	1,263	-	82	356	205	97	149	188	108	14	1,198	64	95%
Kenya (M2)	727	130	221	147	163	24	39	2	0	0	727	0	100%
Liberia (M1)	267	54	79	79	44	6	3	1	0	0	267	0	100%
Liberia (M2)	292	1	134	101	38	18			0	0	292	0	100%
Mauritania (M3)	303	-	-	-	35	135	67	66	0	0	303	0	100%
Mongolia (M3)	786	278	265	244	0	0			0	0	786	0	100%
Mozambique, Republic Of (M1)	890	137	175	86	53	27	205	163	43	0	890	0	100%
Mozambique, Republic Of (M2)	791	193	187	82	17	92	58	116	15	31	791	0	100%
Myanmar, Union Of (M1)	442	135	228	61	18	0			0	0	442	0	100%
Niger (M3)	694	-	143	119	3	4	290	135	0	0	694	0	100%
Nigeria (M1)	372	152	103	76	39	2			0	0	372	0	100%
Nigeria (M2)	599	-	-	-	39	109	138	215	60	9	569	30	95%
Nigeria (M1)	110								64	70	134	-24	122%
Senegal (M3)	750	-	-	66	172	22	234	31	182	43	750	0	100%
Sierra Leone (M1)	297	110	136	43	8	0			0	0	297	0	100%
Sierra Leone (M2)	846	130	173	150	88	35	106	68	88	7	846	0	100%
Sierra Leone (M1)	179	-	-	-	15	55	42	58	8	0	179	0	100%
Solomon Islands (M1)	21				13	8			0	0	21	0	100%
Tanzania (M1)	164							164	0	0	164	0	100%
The Gambia (M1)	454	-	-	8	70	79	43	120	134	0	454	0	100%
Uganda (M1)	523	146	4	72	63	47	2	46	19	123	523	0	100%
Uganda (M2)	891	32	171	184	75	112	52	138	126	-4	887	4	100%
Uganda (M3)	555	-	159	166	8	74	25	118	5	0	555	0	100%
Uzbekistan (M1)	766	-	-	2	84	221	283	162	15	0	766	0	100%
Zambia (M1)	1						1		0	0	1	0	100%
Zimbabwe (M1)	217						104	61	35	17	217	0	100%
Exchange Rate Regimes and Macroprudential Policies (M4)	1,188	103	185	483	294	110	13		0	0	1,188	0	100%
Monetary Policy Framework in the Bank of Uganda (M4)	211	-	88	123	0	0			0	0	211	0	100%
Developing Capacity for Compiling Statistics for MNRW - GO	824	203	399	102	97	23			0	0	824	0	100%
Developing Capacity for Compiling Statistics for MNRW - RE	1,338	377	470	374	90	27			0	0	1,338	0	100%
Extractive Industries LTX	357	0	0	0	0	0	0	72	284	0	357	0	100%
Scoping Missions (B)	**1,341**	**294**	**191**	**238**	**39**	**245**	**0**	**46**	**279**	**9**	**1,341**	**0**	**100%**
Burkina Faso	0	-	-	-	-	-		0	0	0	0	0	-
CEMAC	133	-	-	5	-4	133		0	0	0	133	0	100%
Chad	28	-	-	28	0	0		0	0	0	28	0	100%
Congo, Democratic Republic Of	47	-	-	47	0	0		0	0	0	47	0	100%
Ghana	22	17	5	-	0	0		0	0	0	22	0	100%
Guinea Bissau (M1)	46	0	0	-	0	0	0	46	0	0	46	0	100%
Guyana	89	89	-	-	0	0		0	0	0	89	0	100%
Guyana	68	-	68	-	0	0		0	0	0	68	0	100%
Madagascar	60	-	-	7	43	10		0	0	0	60	0	100%
Malawi	0							0	0	0	0	0	-
Malawi	86								86	0	86	0	100%
Mongolia	71	-	42	30	0	0		0	0	0	71	0	100%
Niger	33	33	-	-	0	0		0	0	0	33	0	100%
Nigeria	62	-	-	62	0	0		0	0	0	62	0	100%
Nigeria	129								129	0	129	0	100%
Papua New Guinea	85	85	-	-	0	0		0	0	0	85	0	100%
Solomon Islands	59	-	-	59	0	0		0	0	0	59	0	100%
South Sudan	-	-	-	-	0	0		0	0	0	0	0	-
Tanzania	73								65	9	73	0	100%
The Gambia	73	-	73	-	0	0		0	0	0	73	0	100%
Uganda	74	71	3	-	0	0		0	0	0	74	0	100%
Zimbabwe	103	-	-	-		103		0	0	0	103	0	100%
Research Projects (C)	**1,712**	**57**	**106**	**318**	**308**	**160**	**279**	**439**	**45**	**0**	**1,712**	**0**	**100%**
How-to Note Customs Administration	29						8	33	-13	0	29	0	100%
Development of New Fiscal Transparency Guide	48	14	2	10	23			0	0	0	48	0	100%
FARI Methodology and Fiscal Regime Library	1,635	44	104	308	285	160	271	406	57	0	1,635	0	100%
Workshops (D)	**288**	**230**	**42**	**16**	**-**	**-**	**-**	**-**	**-**	**-**	**288**	**0**	**100%**
Mozambique: Conference on Managing Natural Resource Wea	51	-	35	16	-	0		0	-	0	51	0	100%
West Africa Conference	237	230	7	-	-	0		0	-	0	237	0	100%
Other Training (E)	**3,979**	**1,119**	**554**	**639**	**297**	**265**	**315**	**303**	**465**	**20**	**3,979**	**0**	**100%**
CEMAC	569	89	36	64	45	102	96	74	60	3	569	0	100%
Online Course on Energy Subsidy Reform	75	22	24	27	3	0		0	0	0	75	0	100%
Training in Macroeconomic Management in Resource-Rich Countries	2,052	1,009	495	548	0	0		0	0	0	2,052	0	100%
Training in Macroeconomic Management in Resource-Rich Co	1,266	-	-	-	247	149	219	229	405	17	1,266	0	100%
Guyana: Macroframework for Management of Natural Resource Wealth	16	-	-	-	3	14		0	0	0	16	0	100%
Administrative/Governance Cost (F)	**1,540**	**200**	**139**	**179**	**181**	**241**	**319**	**130**	**76**	**33**	**1,498**	**43**	**97%**
General Program Management	1,540	200	139	179	181	241	319	130	76	33	1,498	43	97%
Total (A+B+C+D+E+F)	**29,927**	**4,625**	**4,982**	**5,040**	**3,038**	**2,745**	**3,346**	**3,247**	**2,350**	**390**	**29,762**	**165**	**99%**
of which Trust Fund Management Fee	**1,958**	**303**	**326**	**330**	**199**	**180**	**219**	**212**	**154**	**26**	**1,947**	**11**	

- *Uganda (M2):* Uganda achieved notable strides in strengthening customs administration and oversight within the extractive industries sector. A comprehensive set of Standard Operating Procedures (SOPs) for customs operations in mining and petroleum was developed, tailored to Uganda's context and aligned with international best practice. Once implemented, the SOP will provide clarity on roles and responsibilities of each stakeholder at each step of mineral or petroleum export/import, thereby improving compliance and oversight in the sector. The authorities have initiated a stakeholder consultation process to gather feedback and refine the SOPs prior to implementation. On the tax administration front, the Uganda Revenue Authority's Petroleum and Mining Department auditors benefited from ongoing, hands-on training and mentoring, with a strong focus on international tax matters.

17. Module 3 (macro-fiscal and public financial management):

- *Senegal (M3):* The Ministry of Economy remains very committed to training on oil revenue forecasting and asked for additional activities, which were delivered in the summer of 2025 on remaining funds. However, capacity and sustainability gaps remain important and the request to renew funding for this program will require a new approach to meet these challenges. It was therefore agreed during the 2025 IMF Annual Meetings that the Ministry of Economy, the Ministry of Finance and the African Department of the IMF would adopt a common simpler model to be used in the macroframeworks of the IMF and of the authorities. This should broaden the pool of stakeholders in the model and build in an automatic updating process through the annual surveillance mechanisms of the IMF. Unused medium-term revenue strategy CD program funds will be used to start this work.

B. Project Completions

18. The completion reports for the following projects are presented in alphabetical order in Annex B:

- **Module 1 (fiscal regime)**: Ghana, The Gambia, FARI, Mozambique, Nigeria, Sierra Leone, Tanzania, Uganda, and Zimbabwe
- **Module 2 (revenue administration)**: Extractive Industries LTX, Guyana, Kenya, Mozambique, Nigeria, Sierra Leone, and Uganda
- **Module 3 (macro-fiscal and public financial management)**: Bolivia, Democratic Republic of the Congo, Mauritania, Senegal, and Uganda
- **Other Training**: Macroeconomic Management in Resource Rich Countries, CEMAC Macroeconomic Training and technical assistance

III. MNRW High-Level Strategic Framework

19. The MNRW 2016 program document contained a high-level strategic logical framework.[2] The overarching strategic objective was for the thematic fund to assist low and lower-middle income countries to maximize benefits from natural resources. This was underpinned by four impact outcomes focusing on natural resource revenue collections, revenue management, exchange rate and macroprudential policies, and natural resource statistics.

Table 3. MNRW Strategic Logical Framework: Objectives and Outcomes

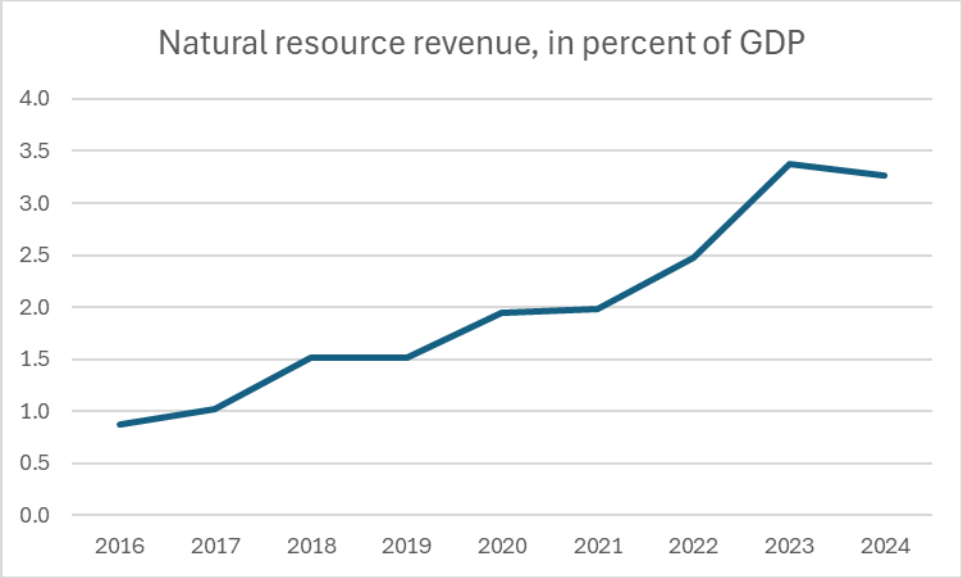
STRATEGIC OBJECTIVE: Assist low and lower-middle income countries to derive maximum benefit from their oil, gas and mineral resources		
Impact Outcome	**Impact Indicators**	**Source**
1. Increased resource revenues for low and low-middle income countries	Average resource revenues as a share of GDP increases in MNRW-TF countries Average potential government take for a standard resource revenue project in MNRW-TF countries	WoRLD 1/ Project managers FARI Model
2. Better management of EI revenues in MNRW-TF countries	A significant majority of participating countries implement reforms to improve management of EI revenues by having the following: • Medium term expenditure estimates; • Coverage and comparability of in-year budget reports: • Budget classification; • Information on revenue collections; • Consolidation of cash balances; • Reporting of contingent liabilities and other fiscal risks.	Project managers
3. Effective exchange rate and macroprudential policies in MNRW-TF countries	A significant majority of participating countries have improved their exchange rate regimes and macroprudential policies by: • Having an exchange rate that responds to changes in supply and demand, and having tools and operational procedures in place to facilitate price discovery while managing financial stability risks; and • Establishing a macroprudential policy body with the mandate to implement macroprudential policy, and having a legal framework in place.	Project managers
4. Improved statistics for natural resources	A significant majority of participating countries have improved their statistics for natural resources by: • Publishing EI revenue data in line with the IMF template; • Publishing resource and non-resource GDP separately, in line with the IMF's Statistics Manual and Compilation Guide.	Project managers

20. Included amongst the strategic objectives as a stand-alone impact indicator is the targeted increase in natural resource revenue in percent of GDP. Since natural resource revenue is well-known to be highly cyclical and impacted by exogenous shocks predominantly but not

[2] This was included in Appendix 2 in the MNRW program document Managing Natural Resource Wealth (MNRW-TF).

uniquely from commodity price volatility, this is potentially a misleading indicator on the impact of CD. Nonetheless, this indicator was prominently included in the program log frame. Available natural resource revenue data do indicate that there has been an increase in the average natural resource revenue ratio across countries participating in the MNRW during the program period 2018-2024 (Figure 2). [3]

Figure 2. Strategic Impact Indicator: Average Resource Revenue



21. The other strategic objectives in the log frame were mapped against concrete outcomes aligned with each of the five MNRW thematic modules, the research and analytical work, and multi-country training (Table 4). The outcomes (expected results) were matched by a number of verifiable indicators. In most cases, the indicators were formulated as the number of countries participating in the MNRW that were judged to have achieved progress captured by each specific indicator. Reflecting the embryonic nature of the RBM monitoring framework at the time the MNRW 2016 strategic log frame was designed, the monitoring was based on the discretionary assessment by project managers. It was intended to be complementary to the project-based results-oriented monitoring framework designed under each of the projects supported by the MNRW and there was no direct integration between the two project-level and the strategic-level RBM frameworks.

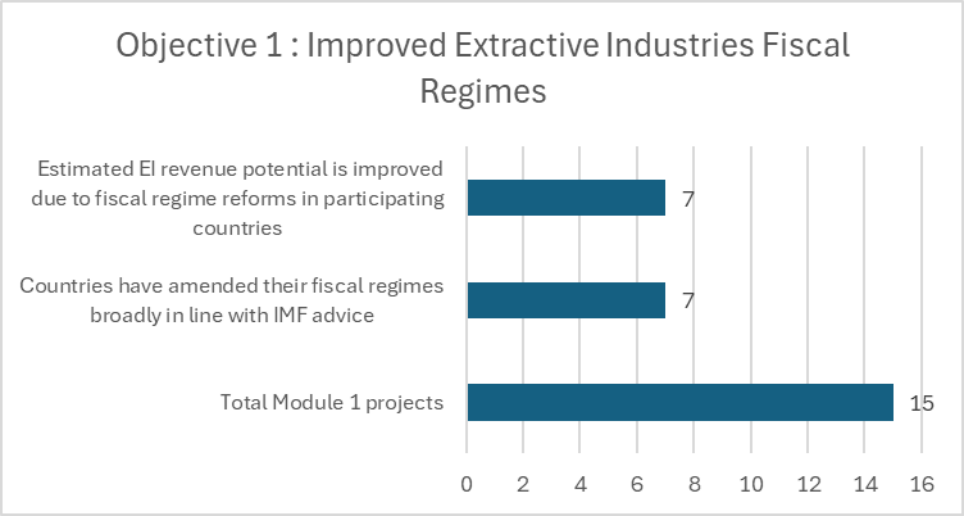
[3] The reported data are for nine MNRW countries with Module 1 and Module 2 projects focusing on revenue policy and administration.

Table 4. MNRW Strategic Logical Framework: Outcomes and Verifiable Indicators

OBJECTIVE 1: IMPROVED EI FISCAL REGIMES **EI fiscal regimes in participating countries improve potential revenue flows to host governments over project life-cycles, while providing predictability and stability to EI companies, and preserving attractive returns to investment and production**		
Outcomes (expected results)	**Verifiable indicators**	**Source**
Result 1.1: Adoption of amended EI fiscal regimes that improve host government revenues, either through changes to laws, contracts, or other means	• 10 participating countries have amended their fiscal regimes broadly in line with IMF advice	Project managers
	• Using the FARI model, estimated EI revenue potential is improved due to fiscal regime reforms in participating countries	Project managers
OBJECTIVE 2: ENHANCED EI REVENUE ADMINISTRATION AND COLLECTION **Better administration of EI fiscal regimes and efficient collection of EI revenues in participating countries**		
Outcomes (expected results)	**Verifiable indicators**	**Source**
Result 2.1: Organizational arrangements enable more effective delivery of strategy and reforms	• 8 participating countries with a clear organizational structure along functional lines and/or taxpayer segments established and operating, for the EI sector	Project managers
Result 2.2: Development of effective risk management for the EI sector	• 8 participating countries that have compliance risks identified, assessed, ranked, and quantified for the EI sector	Project managers
	• 8 participating countries that have compliance improvement program in place to mitigate identified risks for the EI sector	Project managers
OBJECTIVE 3: BETTER MANAGEMENT OF EI REVENUES **Development of effective Public Financial Management (PFM) systems in participating countries for managing EI revenues and the expenditures arising from those revenues**		
Outcomes (expected results)	**Verifiable indicators**	**Source**
Result 3.1: Management of EI revenue and expenditures is accomplished through a credible medium-term fiscal framework integrated with the budget, and strengthened budget execution and control	• 10 participating countries that have revised or introduced a credible medium-term fiscal framework integrated with the budget that includes EI revenues	Project Managers
	• 10 participating countries with better controls over EI revenues and expenditure commitments and payments	Project Managers
Result 3.2: Improved coverage and quality of fiscal reporting of EI revenues and expenditures and related financial assets and liabilities	• 10 participating countries that have budget classifications and charts of accounts incorporating specific EI details in line with international accounting standards	Project Managers Project Managers
Result 3.3: Effective asset and liability management framework for EI revenues, including strengthened fiscal risk management related to EI operations	• The EI revenues and expenditures are progressively conducted through a treasury single account consistent with international best practices in 10 participating countries	Project Managers
	• 10 countries that disclose and manage contingent liabilities and other fiscal risks related to EI operations more comprehensively	Project Managers
OBJECTIVE 4: EFFECTIVE EXCHANGE RATE AND MACROPRUDENTIAL POLICIES **Effective exchange rate and macroprudential policies in participating countries to smooth the macroeconomic and financial impacts of volatile commodity prices**		
Outcomes (expected results)	**Verifiable indicators**	**Source**
Result 4.1: The degree of exchange rate flexibility is consistent with the desired FX and monetary policy regime, and does not give rise to undue financial stability risks.	• 4 participating countries in which: ○ The exchange rate fluctuates—within the bounds of any explicit policy on leaning against short-term volatility—with changes in the demand and supply of FX, and appropriate instruments and operational procedures exist for the conduct of FX intervention. ○ The transition plan to a more flexible exchange rate regime is appropriately sequenced, and prudential regulations are developed to ensure FX risks are adequately monitored and managed in the financial sector.	CD-PORT
Result 4.2: Macroprudential framework is established, and policy tools are implemented to mitigate specific systemic risk.	• 4 participating countries in which: ○ Legislation is enacted to establish an institutional framework granting the mandate and powers over tools to conduct macroprudential policy to a particular body or committee. ○ A systemic risk monitoring framework is established and implemented, and the authorities have established a framework to map the assessment of risk into policy action.	CD-PORT
OBJECTIVE 5: IMPROVED STATISTICS FOR NATURAL RESOURCES **Development and maintenance of improved national statistics on natural resource activities in participating countries, with respect to both government finance and national account statistics**		
Outcomes (expected results)	**Verifiable indicators**	**Source**
Result 5.1: Improved quality of data on government revenues from natural resources	• Participating countries have charts of accounts and budget classifications that provide the detail necessary to complete the EITI summary data template in line with *GFSM 2014* recommendations	Project managers
Result 5.2: Enhanced capacity to compile national accounts for natural resource industries	• Pilot countries have developed capacity for compiling national accounts covering natural resource industries.	Project managers
	• A workshop conducted in collaboration with EITI counterparts to support monitoring of the UN's Sustainable Development Goals, particularly Goal 17 on strengthening domestic resource mobilization	CD-PORT
OBJECTIVE 6: TOPICAL RESEARCH AND ANALYTICAL WORK **Identification of good or best practice approaches, and distillation of lessons learned, on managing natural resource wealth, including development and implementation of TA enhancing tools**		
Outcomes (expected results)	**Verifiable indicators**	**Source**
Result 6.1: Good or best practice approaches are identified and lessons learned from experience are distilled	• 3 publications are produced setting out good or best practices and lessons learned in relation to topics related to managing natural resource wealth	CD-PORT
OBJECTIVE 7: CAPACITY DEVELOPMENT THROUGH LEARNING OPPORTUNITIES **Capacity is developed in participating countries on managing natural resources wealth through the effective use of horizontal and peer learning opportunities**		
Outcomes (expected results)	**Verifiable indicators**	**Source**
Result 7.1: Capacity is developed in MNRW eligible countries on managing natural resource wealth, through IMF training	• Number of participants from MNRW eligible countries in online or face-to-face IMF courses relating to management of natural resource wealth.	ICD Training Statistics
	• Number of women, and percentage of participants who are women, participating in these courses	
Result 7.2: Shared learnings by senior officials from eligible MNRW countries on the fiscal challenges and macroeconomic considerations in relation to natural resources	• At least one regional/international conference or workshop per year for MNRW eligible countries to exchange views and experiences in managing natural resources wealth	Project managers

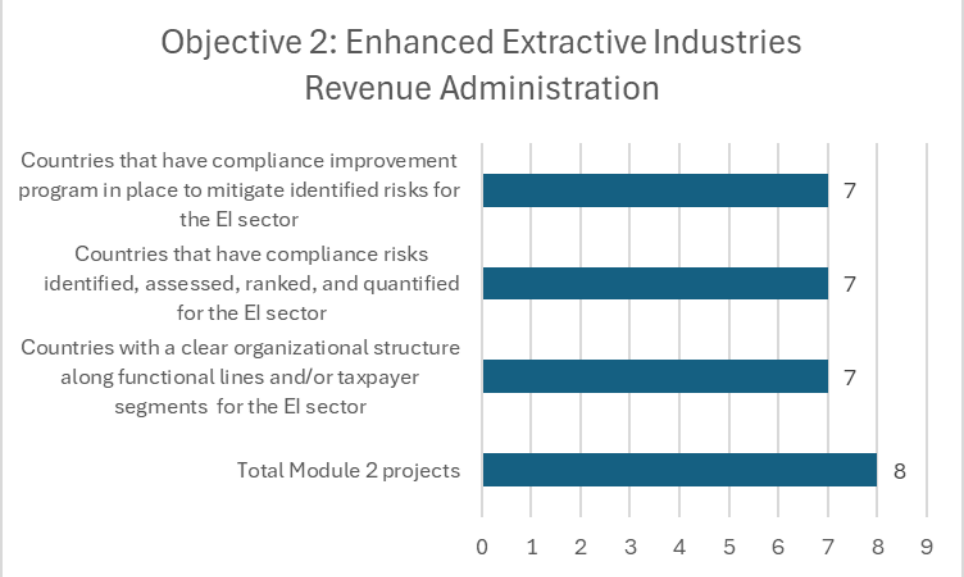
22. Objective 1 focused on improving extractive industries fiscal regimes through tax policy reform. Out of 15 countries with MNRW projects, seven countries are judged to have implemented substantive reforms to the fiscal regime broadly in line with IMF advice while improving revenue potential through use of the FARI model.

Figure 3. Log-frame Objective 1: Number of Countries Achieving Indicator



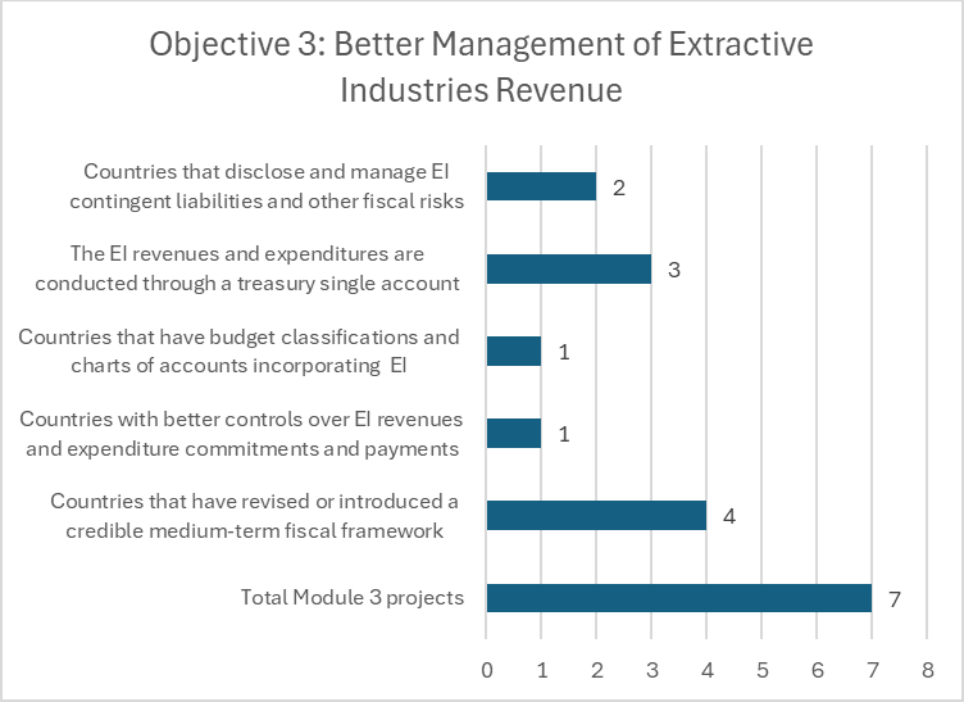
23. Objective 2 aimed at enhancing the revenue administration of extractive industries. Project managers assessed that out of eight countries with Module 2 projects, there was substantial progress in seven countries on identifying compliance risks, implementing compliance improvement programs and having support organizational structures in revenue administrations.

Figure 4. Log-frame Objective 2: Number of Countries Achieving Indicator



24. Objective 3 focused on public financial management of revenue collected from extractive industries. This aligned with the public financial management Module 3 in the MNRW. The log-frame was quite ambitious with indicators focused on medium-term fiscal frameworks, revenue and expenditure controls, budget classification of resource revenues, expansion of a single treasury account and disclosure of contingent liabilities and other fiscal risks. Based on the judgment by project managers, progress towards these objectives was rather limited. To some extent this reflected in practice the less ambitious scope of projects in each country; in other cases, that the focus of some Module 3 projects was broader than resource revenue management.

Figure 5. Log-frame Objective 3: Number of Countries Achieving Indicator



25. Objective 4 related to the effective management of exchange rate and macroprudential policies. The verifiable indicators were very specific related to flexibility in the exchange rate framework and the institutional framework for macroprudential policy and risk monitoring. The reporting challenge is that the focus on the country-level projects was somewhat different related to monetary policy frameworks and associated policy communication practices. One project focused on the transition to inflation targeting combined with improvements to the exchange rate policy framework, albeit not directly replicating the high-level strategic log frame indicators. The completion report in the FY23 mid-year report includes a comprehensive assessment of Module 4 implementation.

26. Objective 5 targeted the development and maintenance of improved national statistics on natural resource activities. While there were four country-level projects under the module, the bulk of the activities supported were delivered through a series of regional training workshops. This

makes it less compatible to report against the high-level log frame. The completion report in the FY22 mid-year report includes a comprehensive assessment of Module 5 implementation.

27. Under Objective 6, a number of publications were produced providing good practices and lessons learnt for managing natural resources. These included:

- Development of Pillar IV under the Fiscal Transparency Code focused on natural resources (Fiscal Transparency Initiative: Integration of Natural Resource Management Issues).
- Working Paper on progressivity in the design of the natural resource fiscal regime (Progressive Taxation of Extractive Resources as Second-Best Optimal Policy).
- Working Paper on Discounted Cashflow Analysis using the FARI framework (Cash Flow Analysis of Fiscal Regimes for Extractive Industries).

28. Attention was given in the delivery of multi-country training to ensure a high proportion of participants from MNRW-eligible countries and by women. Summary details on the share of participants in the training are provided in Table 5.

Table 5. Share of training participants by gender and MNRW country eligibility

	FY21	FY22	FY23	FY24	FY25
	(Percentage share of total participants)				
From MNRW countries:					
Face-to-fac	73%	53%	70%	63%	64%
Online	29%	32%	39%	39%	26%
Female participants		33%	52%	31%	30%

IV. FINANCIAL UPDATE

29. The finances of the MNRW Phase II are sound. The subaccount achieved its target of US$30 million consisting of US$27.5 million from donor partners, US$1.4 million in interest, and US$1.1 million from Phase I (Tables 6 and 7).

Table 6. MNRW Phase II: Status of Partner Contributions

(As of October 31, 2025, in thousands of U.S. dollars)

Agreement/Amendment Information					Contribution Received		Contribution Expected (U.S. Dollars)	
Partners	Signed Date [1/]	Currency	Amount	U.S.Dollars	Agreement Currency	U.S.Dollars	Requested	Future Contributions [2/]
Partners								
Australia	6/6/2018	AUD	3,750,000	2,823	3,750	2,775	-	-
European Commission	7/26/2022	EUR	7,000,000	8,282	7,000	8,164	-	-
Netherlands	4/21/2017	USD	4,400,000	4,400	4,400	4,400	-	-
Norway	10/7/2016	NOK	40,000,000	4,974	40,000	4,729	-	-
Switzerland	9/13/2016	CHF	7,000,000	7,196	7,000	7,177	-	-
United Kingdom	10/25/2018	GBP	230,000	296	230	291	-	-
Partners Total				27,971		27,537	-	-
Internal Transfers [3/]								
Netherlands				308	-	308	-	-
Switzerland				769	-	769	-	-
Internal Transfers Total				1,077		1,077	-	-
Grand Total				29,048		28,614	-	-
Program Document Budget				30,000				
				-952				

1/ May also refer to agreements that are under negotiation and approval date for Capacity Development Partnership agreements (e.g., flexible/umbrella agreements).
2/ The future contributions amount is set to zero for completed installments.
3/ Refers to transfers from one program phase to another (e.g., phase rollovers).

30. The estimated final cashflow position in the MNRW Phase II is satisfactory (Table 6). The cash balance, along with the projected interest, through October 2025 has a small remaining unspent balance. Cumulative spending amounted to US$29.8 million, against an approved budget of US$29.9 million, reflecting an execution rate of 99 percent. Factoring in the remaining accumulated interest earnings, there is by end-October a remaining cashflow balance in the MNRW account of $210,000. However, as some expenses are still being processed related to short-term expert contracts and other CD activities, it is expected that the final residual balance will be smaller. After the final expenses have been processed, it is proposed to seek MNRW steering committee endorsement on a lapse of time basis that any remaining MNRW funding balance will be shifted to the GPFP. This is appropriate since many MNRW projects have already transitioned into the GPFP. However, recognizing that donor partners have different requirements, ICD will contact each donor individually to confirm their preference: either to transfer the funds to the GPFP or to have them returned.

Table 7. MNRW Phase II: Cash Flow Statement

(As of October 31, 2025, in thousands of U.S. dollars)

	Cumulative FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
Contributions[1/]	**4,129**	**11,329**	**8,085**	**1,649**	**3,022**	**400**	**0**	**0**	**0**	**0**	**28,614**
Australia	-	1,748	1,028	-	-	-	-	-	-	-	2,775
European Commission	-	6,522	-	-	1,642	-	-	-	-	-	8,164
Netherlands	-	1,500	1,808	500	500	400	-	-	-	-	4,708
Norway	545	-	2,155	1,149	881	-	-	-	-	-	4,729
Switzerland	3,585	1,559	2,804	-	-	-	-	-	-	-	7,947
United Kingdom	-	-	291	-	-	-	-	-	-	-	291
Interest Earned[2/]	12	131	307	252	1	8	240	278	115	13	1,358
Total Cash Available	4,142	11,460	8,392	1,900	3,023	408	240	278	115	13	29,972
Expenses Paid[3/]	-	4,625	4,982	5,040	3,038	2,745	3,346	3,247	2,350	390	29,762
Cash Balance	4,142	10,977	14,387	11,247	11,233	8,895	5,789	2,821	587	210	210

1/Contributions are net of transfers and return of funds.
2/ FY25, April 25 to be confirmed.
3/Expenses paid include the 7% TFM.

31. A number of budget adjustments were made during the last six months of program execution. In aggregate, the project adjustments were budget neutral (Table 8).

Table 8. MNRW Revisions to Current Endorsed Projects

Completed Budget Adjustments (For Information)
(As of October 31, 2025, in thousands of U.S. dollars)

Country (Program)	Description	Endorsed Budget in April 30, 2025	Budget Changes	Current Working Budget
Congo, Democratic Republic Of (M3)	Administrative budget decrease	1,055	-2	1,053
Ghana (M1)	Administrative budget increase	1,225	26	1,251
Guyana (M2)	Administrative budget increase	1,190	68	1,258
Mozambique, Republic Of (M1)	Administrative budget decrease	922	-30	892
Mozambique, Republic Of (M2)	Administrative budget decrease	808	-16	792
Nigeria (M2)	Administrative budget increase	587	11	598
Nigeria (M1)	Administrative budget increase	87	21	108
Sierra Leone (M2)	Administrative budget decrease	865	-17	847
Sierra Leone (M1)	Administrative budget decrease	190	-11	180
Tanzania (M1)	Administrative budget decrease	166	-2	164
Uganda (M1)	Administrative budget decrease	541	-16	524
Uganda (M2)	Administrative budget decrease	928	-34	894
Zimbabwe (M1)	Administrative budget increase	207	10	217
Extractive Industries LTX (M2)	Administrative budget decrease	408	-47	360
Tanzania Scoping	Administrative budget decrease	79	-5	74
How-to Note Customs Administration	Administrative budget decrease	35	-6	29
CEMAC Training	Administrative budget decrease	583	-12	570
Training in Macroeconomic Management in Resource-Rich Countries II (MNRW	Administrative budget increase	1,252	14	1,265
General Program Management	Administrative budget increase	1,487	50	1,537
Total			(0)	

ANNEX A. PROGRESS REPORTS

GHANA (AFR)	
Ghana (MNRW II, M1)	Module: M1
Camero Godinez, Eduardo	List of activities in first half of FY26: One STX mission
5/1/2017 – 10/31/2025	List of activities planned for second half of FY26: None

KEY RESULTS AND ONGOING WORK

Key Progress in first half of FY26:
FAD delivered one in-person mission. Participation of the STX expert was financed by the MNRW project, while the GPFP project for extractives tax policy in Ghana financed the participation of the staff member.

The project supported the Ghana authorities in preparing the 2026 petroleum Benchmark Revenue calculation, updating the revenue projection model and built capacity of staff. FAD worked with Ministry of Finance (MOF) and petroleum-sector institutions to update the 2026 petroleum benchmark revenue calculations. MOF staff now do most of the hands-on work in the revenue forecasting model, with the FAD expert providing support. FAD also facilitated discussion on the potential for government to collect a profits-based tax (Additional Oil Entitlement) on existing petroleum projects, which is under a protracted dispute with contractors.

FAD also supported the MOF to progress towards finalization of the Extractive Industry Fiscal Regime Act (EIFRA) and built capacity of government staff in designing and implementing extractives tax policy. The EIFRA is now close to finalization. On petroleum, a firm consensus was established on final regime parameters to establish the EIFRA fiscal regime; on mining, a close consensus was also established on regime structure and parameters, with divergent views remaining between MOF and Ghana Revenue Authority on the rates of profits taxes. The minister of finance agreed with FAD's assessment and recommendations on both mining and petroleum and directed staff to resolve outstanding issues as soon as possible.

Next six months (second half of FY26):
None. TA on extractives tax policy will continue to be delivered with financing by the GPFP project.

RISK ASSESSMENT

Category	Rating	Update
Political Support	Low	With government holding a comfortable majority in Parliament, it plans to table the EIFRA in Parliament soon and expects it to be approved. There is a risk that discussion in Parliament leads to undesirable modifications to the draft EIFRA.
Management Support and Technical Staff Commitment	Medium	
Resource Adequacy	Medium	
External Climate/Conditions	Low	
Other Risks	Medium	

GUYANA (WHD)	
Guyana (MNRW II, M2)	Module: M2
Sanya, Bernard	List of activities in first half of FY26: 1 STX
11/1/2018 - 10/31/2025	List of activities planned for second half of FY26: 1 STX

KEY RESULTS AND ONGOING WORK

Key Progress in first half of FY26:

The Guyana Revenue Authority (GRA) continued to receive practical audit training to strengthen audit capacity and technical skills, complemented by specialized training in Computer-Assisted Audit Techniques (CAATs) to enhance audit effectiveness and efficiency. In addition, a collaborative training and internship program has been launched in partnership with the University of Guyana. The initiative aims to address GRA's medium- and long-term staffing needs by preparing new cohorts of auditors specialized in petroleum sector taxation. It represents a proactive strategy to keep pace with Guyana's fast-expanding oil industry by "growing" talent domestically.

Next six months (second half of FY26):

CD efforts will focus on reinforcing and expanding audit capabilities, particularly through the full integration of CAATs into GRA's audit processes for Large taxpayers. Support will also be provided for the rollout of the GRA–University of Guyana training program to ensure its objectives are met and the program becomes self-sustaining.

RISK ASSESSMENT

Category	Rating	Update
Political Support		
Management Support and Technical Staff Commitment		
Resource Adequacy		
External Climate/Conditions		
Other Risks		

MOZAMBIQUE, REPUBLIC OF (AFR)	
Mozambique (MNRW II, M2)	Module: M2
Kerjean, Pierre	List of activities in first half of FY26: 2 STX
5/1/2017 – 10/31/2025	List of activities planned for second half of FY26: None

KEY RESULTS AND ONGOING WORK

Key Progress in first half of FY26:
The authorities finalized a compliance improvement plan in the extractive industries and are implementing it, including through transfer pricing audits of major oil & gas taxpayers. The program financed the participation of an extractive industry expert in a HQ-led mission covering all segments to support better integration of extractive compliance improvement plans into the overall tax administration compliance improvement strategy.

Next six months (second half of FY26): No activity planned under the MNRW. Activities will continue under the GPFP.

RISK ASSESSMENT

Category	Rating	Update
Political Support	Low	No change
Management Support and Technical Staff Commitment	Medium	
Resource Adequacy	Medium	
External Climate/Conditions	High	
Other Risks	High	

NIGERIA (AFR)	
Nigeria (MNRW II, M2)	Module: M2
Sanya, Bernard	List of activities in first half of FY26: 1 STX
7/1/2020 - 10/31/2025	List of activities planned for second half of FY26: 2STX

KEY RESULTS AND ONGOING WORK

Key Progress in first half of FY26:

CD efforts continued focusing on enhancing audit capabilities and technical skills within the Nigerian Federal Inland Revenue Service's (FIRS) Large Taxpayers Oil and Gas Department. Building on the foundational training provided last year, CD activities addressed key areas such as non-resident taxation, transfer pricing, financing structures, treaty shopping, and oil and gas pricing. However, progress was slower than anticipated, as some activities were deferred to the second half of the year.

Next six months (second half of FY26):

The priority will be to finalize and operationalize the Oil and Gas Compliance Improvement Plan currently under development. Targeted training will continue to deepen specialized industry knowledge and audit capacity.

RISK ASSESSMENT

Category	Rating	Update
Political Support		
Management Support and Technical Staff Commitment		
Resource Adequacy		
External Climate/Conditions		
Other Risks		

NIGERIA (AFR)	
Nigeria (MNRW II, M1)	Module: M1
Baunsgaard, Thomas	List of activities in first half of FY26: STX visit
12/11/2024 - 10/31/2025	List of activities planned for second half of FY26:

KEY RESULTS AND ONGOING WORK

Key Progress in first half of FY26:

The small project was completed by conducting the second planned workshop on petroleum fiscal regime analysis and modeling using a FARI-based model developed for Nigeria. The model includes the new fiscal regime in the Petroleum Industry Act as well as the previous fiscal regimes to capture the ongoing transition of projects. The expert conducted a three-day workshop with the Federal Ministry of Finance followed by a two-day workshop with the inter-agency modeling team. The analytical work was extended to analyze the expected economic and fiscal impact of recent amendments made to the petroleum fiscal regime including overly generous investment incentives.

Next six months (second half of FY26): The project is coming to an end. The authorities have indicated that the World Bank will provide additional support on petroleum fiscal matters.

RISK ASSESSMENT

Category	Rating	Update
Political Support		
Management Support and Technical Staff Commitment		
Resource Adequacy		
External Climate/Conditions		
Other Risks		

SENEGAL (AFR)	
Senegal (MNRW II, M3)	Module: M3
Helis, Jean Luc and Petit, Patrick	List of Activities in first half of FY26: 1 STX
7/1/2019 - 10/31/2025	List of Activities planned for second half of FY26: To be determined

KEY RESULTS AND ONGOING WORK

Key Progress in first half of FY26:

All planned training has been provided, plus one extra activity on remaining funds in the summer of 2025. The local group has improved significantly, but there remain significant gaps and institutional sustainability needs to improve (access to documents, training material, peer-to-peer training among the members of the local group, etc.).

Next six months (second half of FY26):

The authorities have expressed the need for more training, and regular follow up, but FAD is now proposing a new paradigm for this CD, around a single model shared in the Ministry of Economy, Ministry of Finance, and AFR, around a single document library. Authorities and AFR have agreed to this. Unused medium-term revenue strategy CD program funds will be used to start this work.

RISK ASSESSMENT

Category	Rating	Update
Political Support	Medium	While significant progress was accomplished, there remains significant capacity and sustainability gaps, and continuing this program will demand a more integrated approach between the Ministry of Economy, the Ministry of Finance (MoF) and AFR around a common model. However, misreporting issues have completely monopolized the attention of the MoF and it has been difficult to set the stage for this next phase. Recent discussions at the 2025 Annual Meeting have helped in this respect, and funding discussions are now on-going.
Management Support and Technical Staff Commitment	High	
Resource Adequacy	Medium	
External Climate/Conditions	Low	
Other Risks	Low	

UGANDA (AFR)	
Uganda (MNRW II, M1)	Module: M1
Camero Godinez, Eduardo	List of activities in first half of FY26: 1 HQ mission
5/1/2017 – 10/31/2025	List of activities planned for second half of FY26: None

KEY RESULTS AND ONGOING WORK

Key Progress in first half of FY26:
FAD offered assistance through an in-person mission to review the fiscal regime for mining activities and an economic analysis of the proposed economic terms for a project to build a refinery in Uganda to process domestically produced oil.

On the mining fiscal regime, the main finding was that rebalancing the government take while adding progressivity would increase the regime's attractiveness to investors while ensuring that the government receives a higher share of economic rents from successful projects. The main avenues for reform should be focused on guaranteeing a minimum level of government revenues (ideally through a moderate royalty), adding progressivity to the regime, providing clarity on the level and the characteristics of state participation for future mining projects, and closing potential loopholes for income taxation.

A new potential investor for a refinery project to process domestic oil production has proposed a tolling mechanism, rather than the previous merchant approach, aiming to de-risk the project. For the design of the tolling fee, FAD suggested an open-book approach where the refinery return on capital is negotiated with a clear and transparent methodology, rather than a fixed USD/bl fee. Any tax incentives should be carefully assessed, as these do not appear to be needed for the project to go forward and would simply reduce the tariff paid by UNOC (and increase their margin) or benefit the refinery investor.

Next six months (second half of FY26):
None. TA on extractives tax policy will continue to be delivered with financing by the GPFP project.

RISK ASSESSMENT

Category	Rating	Update
Political Support	Low	There is a risk that the authorities offer tax concessions on the current fiscal regime to attract mining investment, which has been lacking, instead of focusing on adding progressivity to the fiscal regime which would protect government from losing out on revenues from successful projects. Negotiations around the tolling fee for the refinery are likely to be complex, and authorities should only offer tax concessions if they are fully warranted after careful analysis.
Management Support and Technical Staff Commitment	Medium	
Resource Adequacy	Low	
External Climate/Conditions	Low	
Other Risks	Medium	

UGANDA (AFR)	
Uganda: (MNRW II, M2)	Module: M2
Sanya, Bernard	List of activities in first half of FY26:
11/1/2017 - 10/31/2025	List of activities planned for second half of FY26:

KEY RESULTS AND ONGOING WORK

Key Progress in first half of FY26:

Significant progress has been made in enhancing Customs administration and oversight within the extractive industries (EI) sector. Customs Standard Operating Procedures (SOPs) have been tailored to address the unique risks associated with mining and petroleum operations. The authorities now have a comprehensive suite of SOPs for EI customs administration, tailored to Uganda's context and aligned with international best practices. Once implemented, the SOP will provide clarity on roles and responsibilities of each stakeholder (Customs, other URA departments, sector regulators, and taxpayers) at each step of mineral or petroleum export/import, thereby improving compliance and oversight in the sector. The authorities have initiated a stakeholder consultation process to gather feedback and refine the SOPs prior to implementation.

On the tax administration front, CD efforts have continued to focus on strengthening audit capabilities, with a particular emphasis on international tax issues. Training initiatives adopted a practical, hands-on approach, utilizing real case studies from recent URA audits and incorporating interactive exercises. This approach enables auditors to work through actual audit scenarios, thereby deepening their technical skills and expertise.

Next six months (second half of FY26):

With Customs SOPs completed, focus will shift to supporting the operationalization of the SOPs. The project will support URA in finalizing procedural details while continuing to strengthen tax audit capacity.

RISK ASSESSMENT

Category	Rating	Update
Political Support		
Management Support and Technical Staff Commitment		
Resource Adequacy		
External Climate/Conditions		
Other Risks		



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2025 November

Funding Program Assessment Extractive Industries LTX MNRW

COUNTRY (S): Kenya; Mozambique, Republic of; Nigeria; Tanzania, United Republic of; Uganda

DATES: 11/1/2023 - 4/30/2025

PROGRAM ID: FAD_AFR_2024_02

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Sanya, Bernard

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 11/1/2023 - 4/30/2025

BUDGET: $333,558

I. Program Purpose

1. The purpose of the project is to assist low and lower-middle-income resource-rich countries to improve revenue administration capabilities in the extractive industries (EI). The EI resident advisor (EI LTX) serves as a regional catalyst for capacity development (CD) in EI revenue administration, complementing IMF headquarters-led interventions across Africa and western hemisphere. The project focuses on assisting countries in developing risk-based compliance strategies for the EI and building the necessary capacity within revenue authorities to implement and maintain these strategies effectively. The project has two strategic goals:

- Strengthen the revenue authorities' Compliance Risk Management (CRM) strategies and risk assessment processes for the EI**.** The project focuses on assisting the authorities in developing and implementing EI compliance improvement plans (CIP) and coordinating with the respective country CD delivery leads at HQ to align and integrate EI compliance strategies in the overall compliance strategies for all economic sectors to enable the effective implementation of the EI CIP.
- Address the skills and specialization required to administer the EI sector**.** To ensure the sustainability of the project's broader goals, it is essential to train and address critical skills gaps in tax and Customs administration and engage with the authorities to develop and implement innovative strategies to attract, train and retain industry knowledge and expertise.

II. Program Implementation and Achievements

2. The deployment of the EI LTX in Africa (AFR) has resulted in increased CD engagement in some countries and rising demand for EI revenue administration CD in the region. Notably, Uganda has demonstrated significant progress in implementing reforms to improve EI customs administration and oversight, while new requests for EI revenue administration CD have emerged from Tanzania, Eritrea and Namibia. Currently, the project coordinates and delivers CD activities in Uganda, Nigeria, Mozambique, and Guyana. These efforts have centered on strengthening tax audit capabilities and improving customs administration and oversight within the EI sector. CD has been delivered through a mix of in-country missions, virtual sessions, and short-term expert visits. Country-specific highlights are summarized below, with more information available in each respective country's progress report.

Uganda

- Delivered two multi-agency training workshops focused on improving customs administration and oversight in the EI sector. The workshops addressed the foundational EI knowledge for customs officers and began adapting customs standard operating procedures (SOPs) to mitigate the unique risks posed by the EI sector.
- Continued hands-on training and mentoring for URA's Petroleum and Mining Department auditors, focusing on international tax issues in the EI sector.

Nigeria

- Provided ongoing support to the Nigerian Federal Inland Revenue Service (FIRS) to strengthen audit capacity and skills.
- Delivered a training for the Nigerian Federal Inland Revenue Service's (FIRS) focused on addressing capacity to identify, analyze, and mitigate international tax risks posed by the EI sector. The workshop addressed the foundational international tax principles and concepts, tailored to Nigeria's EI fiscal regime. Practical guides were also developed to assist authorities in identifying issues, conducting analyses, and locating relevant information sources. The CD was well received and generated momentum for continued engagement to further strengthen the authorities' capability to tackle international tax risks in the EI sector.

Guyana

- Delivered practical hands-on Audit training, including upskilling staff in Computer Assisted Audit Techniques (CAATs).
- Initiated an innovative training and internship program in partnership with the University of Guyana (UG), designed to address staffing challenges faced by the Guyana Revenue Authority (GRA) in light of the rapid expansion of the petroleum sector and the limited pool of experienced professionals. The program offers specialized courses in petroleum accounting and taxation, complemented by internships at GRA, thereby establishing a sustainable talent pipeline.

Tanzania (Scoping)

- A scoping mission evaluated EI Revenue administration capacity and identified key reforms necessary to strengthen EI revenue administration. The mission outlined areas where additional support is required to assist the authorities in implementing the reforms. A proposed Capacity Development Plan was discussed and formally endorsed by the authorities for implementation, subject to funding availability.
- Consistent with the mission recommendations, a proposal will be submitted for GPFP endorsement to broaden the Tanzania GPFP project scope to incorporate CD support EI revenue administration.

III. Challenges Encountered and Lessons Learned

3. Meeting the demand for CD in the AFR region remains challenging, especially as LTX funding is currently restricted to MNRW and, by extension, GPFP-approved countries. This limitation hampers LTX's ability to respond swiftly to emerging CD needs. Increasing program flexibility would enable a more agile response to new CD requests while maintaining a balanced portfolio of supported countries.

IV. Partner Outreach and Coordination

4. The project coordinated closely with IMF country teams in Uganda, Guyana, and Nigeria to deliver CD aligned with each country's priorities. Additionally, the project collaborated with other donor partners, including the UK's HMRC, FCDO, OECD Tax Inspectors Without Borders, and the World Bank, to provide complementary CD support. Internally, the project also worked with Regional Capacity Development Centers (RCDCs) such as IMF AFRITAC EAST (AFE) to deliver CD, including organizing joint CD missions.

V. Next Steps

5. Continued support is essential to assist low-income, resource-rich countries in AFR. Effective May 2025, the project transitioned to the Global Public Finance Partnership (GPFP) funding and refocused on supporting African countries in EI revenue administration, based in AFE. The project will seek GPFP endorsement to gain greater flexibility in responding to new CD requests on EI revenue administration in the AFR region, including Tanzania, Eritrea, and Namibia. Funding proposals for EI revenue administration CD will be prepared for GPFP endorsement.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Nigeria-FAD-Revenue Administration-Natural Resources- FY21
PROJECT ID:	NGA21TAF1
PROJECT MANAGER:	Sanya, Bernard
REPORT DATE:	10/29/2025
PROJECT START:	5/25/2020
PROJECT END:	4/30/2027
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	7/1/2020 - 4/30/2025

Project Progress and Results Summary
Since its launch in July 2020, the MNRW Module 2 project has made significant strides in enhancing the revenue administration capacity for Nigeria's Federal Inland Revenue Service (FIRS). Starting with a skills gap assessment, the project developed specialized training and tailored development plans aimed at improving Extractive Industries (EI) knowledge, audit capacity, and technical skills. Targeted training sessions addressed critical topics including International Financial Reporting Standards, risk assessment, audit reporting, international tax risks, the global oil and gas market, and crude oil pricing mechanisms. Complementing this, case-based workshops have focused on practical audit skills, fostering more effective audit reporting and clearer presentation of findings. Practical guides and hands-on training have further improved FIRS's capability to identify and address complex international tax risks inherent to the oil and gas sector. The Large Tax Oil and Gas Department, with the project's support, has made notable progress in identifying and prioritizing sector-specific risks, which now guide audit selection and file-based risk assessments. Risk matrices for the upstream and midstream petroleum sectors are complete, while those for the downstream and oilfield services segments are pending final

validation and approval. Once finalized, these matrices will be integrated into a comprehensive oil and gas risk register, forming the basis for a sector-specific compliance improvement plan. The integration of targeted training with practical case studies has substantially improved industry knowledge and continues developing EI expertise within FIRS. However, continued support remains essential to sustain and build upon these gains.

LOG FRAME DETAILS:

Country – Nigeria			
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM		**Objective Rating - 4**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Corporate priorities are better managed through effective risk management	3 Largely Achieved	11/6/2023	Risk matrices for the upstream and midstream petroleum sectors are complete, while those for the downstream and oilfield services segments are pending final validation and approval. Once finalized, these matrices will be integrated into a comprehensive oil and gas risk register, forming the basis for a sector-specific compliance improvement plan.

Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Improved identification, assessment, ranking and	Baseline: January 2020 TA report. Risk	Compliance improvement		4/11/2023	Development of the oil and gas risk matrix, the most complex and critical

quantification of compliance risks (TADAT POA2-3)	identification and knowledge of the industry require enhancement. Risk based compliance management strategies for EI have not been developed. Lines of communication and cooperation with other functional areas and agencies need to be established or enhanced. FIRS needs to formalize coordination with NAPIMS, DPR, and Customs.	program in place to mitigate identified risks for the EI sector.			step in the development of the compliance strategy is completed. Development of the compliance improvement plan utilizing the risk matrix has commenced.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Risk factors and evaluation matrix have been developed for the Oil and Gas Sector.	4/30/2022	4 Fully Achieved	10/29/2025	Risk matrices for the upstream and midstream petroleum sectors are complete, while those for the downstream and oilfield services segments are pending final validation and approval.
Risk assessment activities and results feed into the	1/31/2023	3 Largely Achieved	11/6/2023	Development of the compliance improvement plan has commenced.

development of operational plans.				
Compliance risk mitigation activities are driven by a compliance management strategy involving a coordinated plan across all functional areas.	1/31/2023	3 Largely Achieved	10/29/2025	The risk matrices are used for audit case selection and audit file-based risk identification assist to improve the quality of the audits
Coordinated operational plans to deal with compliance risks for the oil and gas sector are implemented.	1/31/2023	3 Largely Achieved	10/29/2025	Development of the CIP has commenced
Compliance risk mitigation activities related to major resource projects and the artisanal sectors are monitored, evaluated and updated.	3/31/2023	2 Partially Achieved	10/29/2025	The risk matrices are used for audit case selection and audit file-based risk identification assist to improve the quality of the audits
Customs diagnostic mission to assess and assist in strengthening Customs administration of the EI, including crude oil export controls, metering, oil lifting, and EI imports.	12/31/2022	1 Not Achieved	10/29/2025	This is no longer a priority for the authorities
Develop a database of relevant internal and external information for risk assessment purposes.	9/30/2022	2 Partially Achieved	10/29/2025	In progress

Coordinated plans between the Napims, DPR, and Customs are developed to share data, information, and expertise and coordinate activities.	9/30/2022	2 Partially Achieved	10/29/2025	The Petroleum Industry Act created new sector regulatory agencies. The authorities are actively engaged at an executive level to formalize cooperation and electronic data exchange with other sector regulatory agencies.

Country – Nigeria			
Objective - Strengthened core tax administration functions (SDG 17.1) - TAD		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Audit and other verification programs more effectively ensure accuracy of reporting	3 Largely Achieved	4/11/2023	Risk matrices for the upstream and midstream petroleum sectors are complete, while those for the downstream and oilfield services segments are pending final validation and approval. Once finalized, these matrices will be integrated into a comprehensive oil and gas risk register, forming the basis for a sector-specific compliance improvement plan. Training, mentoring, and coaching focusing on audit capacity and skills is ongoing.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Appropriate range of tax audits and other initiatives used to detect and deter inaccurate reporting and fraud (TADAT 2015 POA6-16/TADAT 2019 POA6-19)	Baseline: assessment of the January 2020 TA report. A range of compliance mitigation tools should be employed to address root causes of noncompliance.	Risk based audits are conducted in the oil and gas sector		4/11/2023	Training, mentoring and coaching focusing on enhancing audit capacity and skills is on-going.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Effective use of a range of tax audits and other initiatives are used to detect and deter inaccurate reporting	12/31/2022	3 Largely Achieved	10/27/2025	FIRS has improved its audit capabilities and conducts a variety of audits covering range of issues in the sector

Country – Nigeria			
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM		**Objective Rating - 4**	
Outcome	**Rating**	**Rating Date**	**Narrative**

Support functions enable more effective delivery of strategy and reforms	4 Fully Achieved	10/29/2025	EI skills gap assessment was conducted, and a skills development plan developed. CD is ongoing to develop oil and gas expertise.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved human resources strategies and practices to support the tax administration (TADAT 2019 POA2-7)	Baseline: assessment of the January 2020 TA report. Specialized skills including risk assessment, industry knowledge, and baseline revenue administration skills, need to be developed and maintained.	EI skills gap assessment is conducted and a skills development plan is in place		4/11/2023	Completed. EI skills development plan is in place.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Areas of technical specialization relating to the EI sector have been addressed through the development of appropriate staffing, training plans and strategies.	3/31/2023	4 Fully Achieved	10/29/2025	EI skills gap assessment was conducted and a skills development plan is in place.

Training materials are developed, and training delivered on identified skills gaps	4/30/2023	4 Fully Achieved	10/29/2025	CD to develop EI specialization is on going

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
Political Support			
Security and/or political instability could slow down and even stop implementation of reforms.	Medium	10/15/2021	Focus on strategic advice and hands-on capacity building to have a more permanent impact.
Management and Technical Staff Support and Commitment			
Continual rotation of managers and staff lowers morale, impacts operational continuity, service standards, and consistency of approach, which could disrupt implementation of reforms.	Medium	10/15/2021	Encourage authorities to implement administrative reforms that contribute to retaining and engaging staff. Continual/regular high-level engagement and monitoring.
Management and Technical Staff Support and Commitment			
Resistance to reforms in tax compliance management activities by major stakeholders in the Extractive Industry	Medium	10/15/2021	Strong stakeholder engagement with the industry including key players such as the Nigerian National Petroleum Corporation (NNPC), the Federal Inland Revenue Service (FIRS), and the Department of Petroleum (DPR) NNPC plays a dual role as both a market regulator and an owner-operator in the O&G industry. The

			NNPC dominates commercial operations in the O&G industry and is either responsible for or asserts significant influence over all regulatory processes in the upstream and downstream O&G sectors.
Resource Adequacy			
Deterioration of fiscal situation may impact the availability of resources to finance reforms.	Medium	10/15/2021	Careful alignment of reforms with the priorities of government. Reforms are underpinned by comprehensive strategic plans and the project results from the government to reduce non-compliance.
External climate/conditions			
Resources are misused, not properly accounted for, and **d do** not achieve value for money. Project fails and negatively affects image of donor/provider.	Low	10/15/2021	Project resources will be employed in accordance with the Fund's policies and procedures, including its travel policy. The project is implemented with strong counterparts at the revenue authority and other regulatory agencies.
Other Risks			
Travel restrictions, social distancing and other COVID 19 containment measures disrupt work arrangements and communication infrastructure lowering staff accessibility and disrupting project activities.	Low	10/15/2021	Proactively engage with the authorities to explore appropriate capacity development modalities and communication platforms for remote CD delivery.

Changes to Project

CD Project Assessment Report

Project Name:	Uganda-FAD-Revenue Administration- Natural Resources - FY18
Project ID:	UGA21SRA2
Project Manager:	Sanya, Bernard
Report Date:	10/28/2025
Project Start:	11/1/2017
Project End:	4/30/2027
Assessment Type:	Final
Assessment Period:	11/1/2017 - 4/30/2025

Project Progress and Results Summary
The project has significantly enhanced the Uganda Revenue Authority's (URA) capacity to administer taxation in the extractive industries (EI) sector, which includes large-scale mining and upstream petroleum operations. Key achievements include addressing EI-specific knowledge gaps across URA's tax and customs administration, improving compliance risk management and EI risk assessment processes, and bolstering audit capabilities and technical expertise within the URA's Petroleum and Mining Division. Capacity development was delivered using a blend of foundational theoretical training and practical, on-the-job learning, utilizing real case studies to clarify complex concepts and technical issues such as transfer pricing and cross-border transactions, thereby improving industry knowledge, audit capacity, and skills. On the customs side, the project addressed industry knowledge and supported authorities in strengthening customs administration and oversight within the EI sector. It repositioned customs to play its vital strategic role in the sector focused on monitoring physical flows, verifying export/import declarations, and enforcing sector-specific controls, critical as Uganda prepares for its first oil production, anticipated in the second half of 2026. The project has also fostered collaboration among EI regulatory agencies. However, further work is needed to integrate electronic data systems to enable seamless inter-agency data sharing

and coordination. Ongoing support remains essential to institutionalize reforms and maintain robust oversight and revenue administration as Uganda transitions into its petroleum era. Future priorities include assisting with the refinement, deployment of updated customs procedures, bolstering audit capacity within tax administration, and advancing the integration of interagency systems.

LOG FRAME DETAILS:

Country – Uganda			
Objective - Strengthened core tax administration functions		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Audit and other verification programs more effectively ensure accuracy of reporting	3 Largely Achieved	4/11/2023	Capacity development has been provided to enhance industry knowledge, staff upskilled in Computer Assisted Audit Techniques (CAATs), and training, mentoring and coaching is ongoing. The URA has significantly improved its audit capabilities and skills

Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Appropriate range of tax audits and other initiatives used to detect and deter inaccurate reporting and fraud (TADAT	Assessment of the August 2017 TA report. A range of compliance mitigation tools should be			10/27/2025	URA has significantly advanced its audit capabilities within the EI sector, as demonstrated by the successful completion of several audits

2015 POA6-16/TADAT 2019 POA6-19)	employed to address root causes of noncompliance.				addressing a wide range of complexities and issues in the sector.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Capacity to audit expenses, in coordination with other regulatory agencies, is developed.	1/1/2019	3 Largely Achieved	11/4/2024	CD has been provided to enhance industry knowledge, including international tax risks posed by the EI. Staff have been upskilled in Computer Assisted Audit Techniques (CAATs), and coaching and mentoring is on-going to enhance audit capacity in the EI with a focus on international tax risks. An integrated cost verification and audit framework consisting of a robust budget approval process with auditing is being considered to strengthen the audits.
A framework for joint audit initiatives, including capacity building in this area, is developed for the URA and other regulatory bodies.	12/31/2022	3 Largely Achieved	10/28/2025	An integrated cost verification and audit framework consisting of a robust budget approval process with auditing is being considered by the agencies to enhance cooperation and strengthen cost recovery and tax audits
Effective use of a range of tax audits and other initiatives are	5/1/2019	3 Largely Achieved	10/28/2025	URA uses a risk-based approach to select and conduct audits. Training,

used to detect and deter inaccurate reporting.				coaching and mentoring are continuing to address audit capacity and skills.

Country – Uganda			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 4**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Corporate priorities are better managed through effective risk management	3 Largely Achieved	11/6/2023	Risk matrices and a risk register for Large-scale mining and petroleum operations are in place. The risk register and matrices are utilized for audit case selection, audit file risk identification and development compliance improvement plan (CIP) for the sector. However, the CIP could be broadened to include other risk mitigation measures other than audits.

Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Improved identification, assessment, ranking and	August 2017 TA report. Risk identification and			10/27/2025	Risk matrices for mining and oil and gas are in place.

quantification of compliance risks (TADAT POA2-3)	knowledge of the industry require enhancement. Risk based compliance management strategies for EI have not been developed. Lines of communication and cooperation with other functional areas and agencies ne				
Better mitigation of risks through a compliance improvement program (TADAT POA2-4)				10/27/2025	CIP is in place but could be improved to include other mitigation measures other than audits
Improved monitoring and evaluation of compliance risk mitigation activities (TADAT POA2-5)				10/27/2025	CIP is in place but could be improved to include other mitigation measures other than audits

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Compliance risk mitigation activities are driven by a compliance management strategy involving a coordinated plan across all functional areas.	5/1/2019	3 Largely Achieved	10/28/2025	Risk matrices for large-scale mining, oil, and gas completed.

Coordinated plans between the MEMD, OAG, UNOC and URA are developed to share data, information and expertise and coordinate activities	1/1/2019	3 Largely Achieved	10/28/2025	MOU for corporation and information sharing with the Petroleum Authority of Uganda (PAU) is in place. MOU with DGSM is a work in progress. Both DGSM and URA are contemplating establishing an electronic data sharing and document verification platform.
Risk factors and evaluation matrix for the industry have been developed.	1/1/2019	4 Fully Achieved	10/28/2025	Risk Matrices for Large scale mining, oil and gas are in place.
Risk assessment activities and results feed into the development of operational plans.	6/30/2022	3 Largely Achieved	10/28/2025	EI risk register is in place and utilized for audit case selection and risk identification on audit files
Compliance risk mitigation activities related to major resource projects and the artisanal sectors are monitored, evaluated and updated.	12/31/2022	3 Largely Achieved	10/28/2025	Audits of EI operators and major subcontractors are ongoing
Coordinated operational plans to deal with compliance risks for the EI sector are implemented.	12/31/2022	3 Largely Achieved	10/28/2025	EI risk register is in place and utilized for audit case selection and risk identification on audit files
Proper information reporting, including the design of forms has been finalized	5/1/2018	3 Largely Achieved	5/24/2024	Annual Petroleum Reporting forms completed pending URA's consultations with the industry prior to implementation.

Country – Uganda			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 4**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Support functions enable more effective delivery of strategy and reforms	4 Fully Achieved	10/28/2025	EI skills development plan is in place. On-going training, mentoring and coaching are continuing to address industry knowledge gaps and technical skills.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved human resources strategies and practices to support the tax administration	Assessment of the August2017 TA report. Specialized skills including risk assessment, fiscal modelling, industry knowledge and base line revenue administration skills need to be developed and maintained.			10/28/2025	A skills development plan is in place and capacity development is on-going to address the identified skills gaps.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Areas of technical specialization relating to the EI sector have been addressed through the development of appropriate staffing, training plans and strategies.	5/1/2021	4 Fully Achieved	5/24/2024	EI skills development plan is in place.
Training materials are developed and training delivered on identified skills gaps.	5/1/2021	4 Fully Achieved	10/28/2025	CD to address the identified skills gap is on-going

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
Resources are misused, not properly accounted for, do not achieve value for money. Project fails and negatively affects image of donor/provider.	Medium	7/12/2021	Project resources will be employed in accordance with the funds policies and procedures, including its travel policy. The project is implemented with strong counterparts at the revenue authority and other regulatory agencies.
Management and Technical Staff Support and Commitment			
High EI staff attrition to newly established EI regulatory agencies and the private sector undermine	Medium	7/12/2021	Encourage the authorities to develop and implement comprehensive staff retention

absorptive capacity and impede traction of the project.			policies and programs to ensure that critical EI skills being built are not lost
Political Support			
Security and/or political instability can slow down and even stop implementation of reforms.	Low	7/12/2021	Focus on strategic advice and hands on capacity building to have a more permanent impact.
Resource Adequacy			
Deterioration of fiscal situation may impact the availability of resources to finance reforms.	Low	7/12/2021	Careful alignment of reforms with the priorities of government. Reforms are underpinned by comprehensive strategic plans and the project results from the government's decision to reduce non-compliance.
Other Risks			
COVID 19 – disruption of work arrangements and communication infrastructure lower staff accessibility which disrupts delivery.	Low	7/12/2021	Proactively engage with the authorities to explore appropriate capacity development delivery modalities.
Management and Technical Staff Support and Commitment			
Lack of coordination among capacity building partners duplicate efforts and deliver contradictory advice.	Low	10/15/2021	Effective coordination and collaboration with all donor partners involved in the EI.

Changes to Project

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Mozambique-FAD- Revenue Administration- Natural Resources- FY18
PROJECT ID:	MOZ21SRA1
PROJECT MANAGER:	Kerjean, Pierre
REPORT DATE:	10/31/2025
PROJECT START:	11/16/2018
PROJECT END:	8/18/2031
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	5/1/2024 - 4/30/2025

Project Progress and Results Summary
The program successfully delivered a suite of Capacity Development (CD) activities in Mozambique. Utilizing a combination of in-field and remote CD delivery methods, the FAD team ensured the continuous provision of technical assistance. The first phase of this program, which ended in April 2020, achieved some milestones including the completion of risk models for all the major mining projects, and completion of the mining risk matrix for large scale mining and related services sector. A Memorandum of Understanding for cooperation and information sharing between the AT and the EI regulators has been developed but is not yet been ratified. The Key Achievements of the second phase of this program include: 1) The completion of the risk matrix for oil and gas and related services sector,2) enhanced knowledge of the mining and oil and gas sector 3) a compliance improvement plan in the extractive industries has been developed and is being implemented, including through targeted audits of large oil and gas taxpayers.

LOG FRAME DETAILS:

Country – Mozambique, Republic of			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Organizational arrangements enable more effective delivery of strategy and reforms	3 Largely Achieved	7/8/2021	Production tax and cost recovery forms have been developed. Development of the corporate income tax form and EI reporting achieved. Although the memorandum of understanding developed with the support of this program is not ratified yet, the tax administration and agencies of the ministry of natural resources and energy already exchange information and expertise routinely, and work in a joint team to address issues in the sector. In 2023, the Govt started issuing reference prices to address mis reporting of minerals for tax production purposes. A tax education conducted in 2022 at Manica province was successful to change the precious gems and metals productors tax behavior, improving the tax revenue. The authorities maintained

			a stable staff within the extractive industry unit.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Clear separation of roles and responsibilities between HQ (definition of standard operation procedures, planning and monitoring) and local branches (execution) adopted	Baseline: assessment of the December 2016 technical assistance report. Mandate of the UTIE and its activities need to be clarified within the AT and with other regulatory agencies. Lines of communication and cooperation with other functional areas and agencies		3	5/24/2024	Responsibilities with audit department clarified. Tax returns specific to the EI have been developed and are integrated in tax procedures. No clear formalized planning and supervision strategy at the corporate level

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Action plan to develop a compliance improvement plan for the extractive industries has been established.	7/1/2017	4 Fully Achieved	10/31/2024	

Reporting procedures and tax and information returns developed	10/1/2017	4 Fully Achieved	5/24/2024	Returns and forms for the EI developed and used
Formalized information exchange and cooperation between regulatory stakeholders have been developed	1/1/2018	3 Largely Achieved	5/24/2024	
Client assistance program of education and rulings developed	5/1/2018	3 Largely Achieved	5/24/2024	100 tax rulings are issued per FY
Coordinated operational plans to deal with compliance risks for the EI sector are implemented	5/1/2019	2 Partially Achieved	5/24/2024	

Country – Mozambique, Republic of			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Corporate priorities are better managed through effective risk management	3 Largely Achieved	10/23/2023	The risk matrices for mining, oil, and gas have been completed. a compliance improvement plan has been developed and is implemented but EI compliance strategies to address the risks identified has must be updated and improved, based on the

			lessons learned from CIP implementation.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved identification, assessment, ranking and quantification of compliance risks (TADAT POA2-3)	Baseline: assessment of the December 2016 technical assistance report. Skills base for fiscal modelling, risk identification and knowledge of the industry are weak. Risk based compliance management strategies have not been developed		3	5/24/2024	Risk matrix in the mining and oil and gas sectors developed and used in the course of audits and case selection, but processes remain manual and ranking should be improved
Better mitigation of risks through a compliance improvement program (TADAT POA2-4)	Baseline: assessment of the December 2016 technical assistance report. Skills base for fiscal modelling, risk identification and knowledge of the industry are weak. Risk based compliance management		3	10/31/2025	A formalized compliance improvement plan (CIP) has been developed and is being implemented. The CIP needs to be updated and improved based on lessons learned during the first year of implementation.

	strategies have not been developed				
Improved monitoring and evaluation of compliance risk mitigation activities (TADAT POA2-5)	Baseline: assessment of the December 2016 technical assistance report. Skills base for fiscal modelling, risk identification and knowledge of the industry are weak. Risk based compliance management strategies have not been developed		3	10/31/2024	Risk matrix in the mining and oil and gas sectors developed and used to develop compliance improvement plan and in the course of audits and case selection, but processes remain manual

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Project fiscal models for major resource projects developed	5/1/2018	4 Fully Achieved	10/31/2025	
Risk factors and evaluation matrix for the industry have been developed	1/1/2019	4 Fully Achieved	10/31/2025	
Risk assessment activities and results feed into the development of operational plans	5/1/2019	3 Largely Achieved	10/31/2025	
Compliance risk mitigation activities are driven by a	5/1/2019	3 Largely Achieved	10/31/2025	

compliance management strategy involving a coordinated plan across all functional areas				
Compliance risk mitigation activities related to major resource projects and the artisanal sectors are monitored, evaluated and updated.	5/1/2020	3 Largely Achieved	10/31/2025	

Country – Mozambique, Republic of			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Support functions enable more effective delivery of strategy and reforms	3 Largely Achieved	10/23/2023	Specialized skills have improved and staffing is stable but no formalized strategic plan to extend and maintain these skills is developed yet. The unit has started addressing the most complex tax issues, including commodity transfer pricing, but still needs hand-on support to implement mitigation strategy with reassurance.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved human resources strategies and practices to support the tax administration	Baseline: assessment of the December 2016 technical assistance report. Specialized skills including Risk assessment, fiscal modelling, industry knowledge and base line revenue administration skills need to be developed and maintained.		3	10/31/2025	Specialized skills have improved but no strategic plan to extend and maintain these skills is developed yet

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Areas of technical specialization relating to the EI sector have been addressed through the development of appropriate staffing and training plans and strategies.	5/1/2018	3 Largely Achieved	10/31/2025	Specialized skills are improving but training activities remain necessary to reinforce skills and for junior staff
An EI staffing and development plan has been developed	5/1/2018	2 Partially Achieved	5/24/2024	Staffing has been increased and stabilized but no plan has been formally developed

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
	High	7/12/2021	
Management and Technical Staff Support and Commitment			
	Medium	7/12/2021	
Political Support			
	Low	7/12/2021	
Resource Adequacy			
	Medium	7/12/2021	
Other Risks			
	High	7/12/2021	

Changes to Project

CD Project Assessment Report

Project Name:	GPFP-Tanzania, United Republic of-Revenue Administration
Project ID:	TZA25RAM1
Project Manager:	Letjama, Thabo Michael
Report Date:	4/29/2025
Project Start:	2/26/2024
Project End:	6/30/2028
Assessment Type:	Interim
Assessment Period:	11/1/2024 - 4/30/2025

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Project Progress and Results Summary
Key progress in FY25: Authorities have submitted the MTRS to the Inter-ministerial technical committee to clear for Cabinet approval. The approval missed the revised date of March 31,2025. MTRS spelled out governance arrangements and provided detailed terms of reference for the Steering Committee, Technical Committee, and MTRS Secretariat. It also includes a costed implementation plan- the implementation budget is yet to be approved. An FAD April 2025 mission guided authorities on better preparing for implementation. **Extractive Industries (EI**) – A recent scoping mission evaluated EI Revenue administration capacity and identified key reforms necessary to strengthen EI revenue administration. The mission outlined areas where additional support is required to assist the authorities in implementing the reforms. The proposed Capacity Development Plan was reviewed and formally endorsed by the authorities for implementation, subject to funding availability.

Previous Progress: The Authorities have developed a first draft of the MTRS with FAD support. Stakeholders including developing partners are being consulted on the MTRS for inputs and authorities plan to submit the final draft to Cabinet for approval in December 2024. Support will focus on supporting the authorities' readiness to implement the MTRS including setting up needed governance arrangements, implementation plans and guiding authorities on ongoing stakeholder engagement (October 2024)

Next Steps: Future support will focus on implementing MTRS revenue administration measures. Consistent with the EI scoping mission recommendations, a proposal will be submitted for GPFP endorsement to broaden the project's scope to incorporate CD support for EI revenue administration.

LOG FRAME DETAILS:

Country – Tanzania, United Republic of			
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized	3 Largely Achieved	4/28/2025	MTRS at stakeholder consultation level before submission to Cabinet for approval (missed the SB deadline for June 2024). A staff visit in July guided the authorities on advancing progress (October 2024). MTRS is now submitted to the Inter-ministerial Technical Committee to clear for Cabinet Approval. MTRS proposes a steering Committee, a Technical Committee, and an MTRS Secretariat and clarifies their terms of reference. It also includes a costed implementation

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			plan. Budget for MTRS implementation not yet approved (April 2025).

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Multi-year reform implementation plan, with supporting resource plan, adopted and well communicated	No coherent clear coherent plan linked to development objectives goals	Medium Term Strategy approved and being implemented	Largely Achieved	4/28/2025	MTRS draft is at stakeholder consultation stage. As of April 2025, the MTRS was submitted to the Interministerial Technical Committee to clear for Cabinet approval.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
MTRS and implementation plan approved	4/30/2025	3 Largely Achieved	4/28/2025	MTRS plan developed and costed-pends MTRS approval (10/30/2024). MTRS plan developed and costed-pending cabinet approval (4/28/2025).
High-level Steering Committee including all key stakeholders established and monitoring implementation on MTRS.	7/31/2025	3 Largely Achieved	4/28/2025	Steering committee composition proposed but not approved (10/30/2025). Governance arrangements are not yet established-authorities waiting for approval of MTRS (04/28/2025).
Adequate resources provided by government	12/31/2024	2 Partially Achieved	4/28/2025	MTRS resource plan not adequately resourced (10/30/2025). MTRS costed

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				but no budget approved yet for its implementation (April 2025).

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
Management and Technical Staff Support and Commitment			
Government commitment to MTRS implementation.	Very High	9/18/2024	Guide authorities on MTRS strong governance and leadership of the MTRS process. Also guide authorities on strong stakeholder engagement process to garner support
Political Support			
Government strong oversight of the MTRS reforms and monitoring of results.	High	9/18/2024	Strong engagement of Government on MTRS implementation in liaison with the Country Team.
Resource Adequacy			
MTRS reforms not costed, and necessary resources not provided for MTRS implementation.	High	9/18/2024	Authorities strongly encouraged to make a cost/benefit analysis of the MTRS and provide resources to implement high priority measures

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Changes to Project

INTERNATIONAL MONETARY FUND

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2025
October

Funding Program Assessment
Bolivia (MNRW II, M3)

COUNTRY (S): Bolivia

DATES: 3/1/2018 - 4/30/2025

PROGRAM ID: FAD_BOL_2018_02

LEAD DEPARTMENT: FAD

REGION (S): WHD

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Gros, Jean Baptiste

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 3/1/2018 - 4/30/2025

BUDGET: $768,979

I. Program Purpose

This TA project focused on strengthening budget execution and control, cash flow forecasting and the coordination of cash and debt management operations. More specifically, the program had two objectives: better control and execution of the budget and better management of assets and liabilities.

It aimed to strengthen budget execution and control by improving processes, reports, and information systems that generate information related to central government revenue and expenditure commitments and payments. This included conducting a review of the Treasury Single Account (TSA). Additionally, the program sought to enhance the capabilities of the Financial Management Information System (FMIS, known as SIGEP) to capture, register, consolidate, and report revenue and expenditure information in accordance with the requirements of the Treasury.

The program also attempted to improve coordination of cash and debt management operations by developing the Treasury's active cash management capacities. This includes defining the appropriate range of cash buffer and developing an operational guide. The program also aimed at better coordination with the Debt Management Directorate and the Central Bank in relation to the Treasury's active cash management activities.

The activities planned under the project were designed to strengthen institutional capacity across the board.

II. Program Implementation and Achievements

The program was partly implemented. Main CD activities were related to improving Treasury management and medium-term fiscal forecasting.

Notable achievements include the implementation of a detailed and periodic cash flow format, which enhances financial programming, execution control, management of floating debt, and liquidity indicators. Among deliverables in development, the implementation of the revenue collection module in the SIGEP reached 80% completion, and the automatic Treasury Payment System implementation is underway. The establishment of commitment quotas and internal asset-liability committees is progressing, with completion expected in the medium term.

However, several actions remain unimplemented or require redefinition, such as budget classifiers, improvements in external debt service payments, control of execution differences in SIGEP, and the development of a conceptual treasury manual. Other pending items include reconciliation of foreign currency transfers, integrated asset-liability management strategies, and IT tools for cash flow management.

III. Challenges Encountered and Lessons Learned

Throughout the implementation of the program, one of the principal challenges was maintaining consistent engagement and support from the authorities. While the quality of the technical advice provided was recognized on several occasions, sustaining momentum and commitment from leadership proved to be difficult. This issue significantly impeded progress and affected the timely realization of project objectives.

Another significant challenge arose from the need to collaborate simultaneously with multiple departments. Coordinating efforts across various units made the implementation process more complex and required additional time and resources to ensure alignment and effective communication among stakeholders.

Furthermore, the full implementation of the program's recommendations was hindered by the absence of a comprehensive national public financial management reform plan. The lack of clear, defined objectives and timelines at the national level meant that some recommendations could not be carried out in their entirety. Establishing such a plan would have provided a more structured framework and facilitated the systematic adoption of the proposed reforms.

IV. Partner Outreach and Coordination

Proactive coordination efforts were undertaken with other development partners. These efforts helped in planning and preparing for upcoming missions and ensuring that activities were complementary rather than redundant. By maintaining ongoing communication with partner organizations, the team worked to avoid duplication of efforts and to enhance the overall effectiveness of donor support. However, the authorities specifically requested that the reports generated not be shared externally. Respecting this request, the team ensured that sensitive information remained confidential and was not disseminated beyond the agreed channels.

V. Next Steps

Looking ahead, the change in authorities may present an opportunity to establish a Public Financial Management (PFM) reform plan. The creation of such a plan could serve as a valuable tool in defining new areas of work and coordinating efforts among donors. Improved collaboration and alignment would help maximize the impact of future activities.

Importantly, this prospective PFM reform plan would benefit from the integration of the recommendations that have already been provided to the government through the MNRW funded program. Including these recommendations would ensure continuity and reinforce the foundation for further reforms.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Bolivia-FAD - Treasury, Fiscal management and PIM FY22-25
PROJECT ID:	BOL21IAL1
PROJECT MANAGER:	Gros, Jean-Baptiste
REPORT DATE:	10/23/2025
PROJECT START:	5/4/2020
PROJECT END:	3/2/2026
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	8/4/2020 - 10/23/2025

Project Progress and Results Summary
Bolivia made progress in Treasury management mostly in terms of cash planning. The Treasury Office received advice on a large number of topics including the modernization of its structure. However, the authorities stopped requesting support from the project and have not implemented only part of the recommendations provided during the CD missions.

LOG FRAME DETAILS:

Country – Bolivia			
Objective - Improved Asset and Liability Management		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Cash and debt management are strengthened and better integrated	3 Largely Achieved	2/9/2023	The TGN has made progress and is now able to elaborate a robust cash flow forecast. However no medium-term debt strategy was prepared and there is no active management of cash given the Country's lack of liquidities.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Effectiveness and timeliness of cash flow forecasting and cash balance management (DEMPA DPI 11)	The cash flow forecasting weaknesses prevent the TGN from having more active cash management and investing temporary excess cash.	TBD	Largely achieved	10/21/2025	The TGN has made progress and is now able to elaborate a robust cash flow forecast. However no medium-term debt strategy was prepared and there is no active management of cash given the Country's lack of liquidities.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Coordination mechanism between the TGN, the Central Bank and the Debt Management Directorate related to cash and debt management practices is enhanced.	6/30/2022	2 Partially Achieved	10/20/2025	TGN received advice from the project to improve the coordination between Central Bank and the Ministry of Finance on cash management.
TGN's active cash management capacities are enhanced, including the definition of the appropriate range of cash buffer and the elaboration of operational guidelines.	6/30/2022	2 Partially Achieved	10/20/2025	TGN received support to initiate the elaboration of operational guidelines but stopped requiring support from the Fund.

Country – Bolivia			
Objective - Improved Asset and Liability Management		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Cash flow forecasts for central government is more accurate and timely	3 Largely Achieved	5/17/2023	The implementation of a Cash Flow format in the detail and periodicity appropriate to the needs of financial programming stands out as a very important output of the CD.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Timeliness and accuracy of cash forecasting and monitoring (PEFA PI-21.2)	Part of the revenue forecasting information is collected manually, as the TGN and Central Bank's systems are not fully interoperable	TBD		5/24/2024	

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Proposals to introduce modifications to the Chart of Accounts to align it with international standards to generate more accurate and timely information for cash forecasting are developed	11/1/2018	2 Partially Achieved	10/21/2025	The project was discontinued because it involved automatic reconciliation of all the information.
TGN routinely prepares cash forecasts and cash plans that improve the predictability of the availability of funds for line ministries	6/30/2022	4 Fully Achieved	10/21/2025	A Cash Flow forecast in the detail and periodicity appropriate to the needs of financial programming was implemented.

Country – Bolivia			
Objective - Improved budget execution and control - BEX		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Budget execution monitoring and controls are strengthened	2 Partially Achieved	10/20/2021	Some progress was achieved through the implementation of an agenda of payment and a better control of administrative debt. The coverage of the Treasury Single Account is fairly extensive.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Stock of expenditure arrears as share of expenditure and frequency of monitoring (Record Score: PEFA PI-22)	TBD	TBD	Partially Achieved	10/20/2025	Recommendations were developed to improve the capabilities of SIGEP to capture, record, consolidate and produce income and expenditure information in accordance with the requirements of the Treasury, and for the elaboration of a Treasury Policies and Management handbook

Milestones	Target Completion Date	Rating	Rating Date	Narrative

Proposals to introduce modifications to the process, reports, and information systems to generate more accurate and timely information for improving the predictability of in-year resource allocations are developed and/or ready to implement	6/30/2022	2 Partially Achieved	10/20/2025	Recommendations were developed to improve the capabilities of SIGEP to capture, record, consolidate and produce income and expenditure information in accordance with the requirements of the Treasury.
Treasury Policy and Management Manual is elaborated	6/30/2022	2 Partially Achieved	10/20/2025	Recommendations for the elaboration of a Treasury Policies and Management handbook were shared with the Treasury office

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
	Low	11/15/2022	
Management and Technical Staff Support and Commitment			
	Low	7/12/2021	
Political Support			
	Medium	7/12/2021	
Resource Adequacy			
	Medium	7/12/2021	

Other Risks			
	Low	11/15/2022	

Changes to Project



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2025
November

Funding Program Assessment
Dem. Rep. of Congo MNRW II M3

COUNTRY (S): Congo, Democratic Republic of the

DATES: 10/1/2019 - 4/30/2025

PROGRAM ID: FAD_COD_2020_02

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGERS: Gores, Laura; Helis, Jean-Luc

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 10/1/2019 - 4/30/2025

BUDGET: $983,972

I. Program Purpose

1. This capacity development (CD) program was aimed at supporting the Democratic Republic of the Congo (DRC) in building capacity to manage its natural resource wealth effectively. The main aim was to assist with public financial management (PFM) reforms, including strengthening the capacity of the Ministry of Budget (MoB), Ministry of Finance (MoF), and Ministry of Planning (MoP) to manage public expenditure efficiently, as public spending strongly relies on mining resources.

2. The primary PFM areas covered by this project were budget credibility and cash management. With a large share of revenues stemming from natural resource revenues, it is important to enhance institutional capacity to ensure (i) an effective allocation of resources during budget preparation and (ii) appropriate cash management, particularly by pooling central government revenues (table 1). The project was a partial continuation of a three-year project under Module 3 (PFM) of the previous phase of the Managing Natural Resource Wealth Thematic Fund (MNRW-TF) which covered budget credibility.

Table 1: Program Objectives and Expected Outcomes

Objectives	Outcomes
Comprehensive, credible, and policy-based budget preparation	• A more comprehensive and unified annual budget is published • A more credible medium-term macro-fiscal framework that supports budget preparation
Improved asset and liability management	• Cash flow forecasts for central government are more accurate and timelier • More central government revenues and expenditures are deposited to and disbursed through a Treasury Single Account

II. Program Implementation and Achievements

3. Since 2019, the project has delivered capacity development (CD) support to enhance budget and cash management, while also addressing related PFM issues. The support has successively been widened beyond budget preparation processes and cash management, to the PFM reform strategy, public investment management (PIM), and fiscal risks management. These additional topics were all closely related to the management of natural resources. Key achievements in 2019 to 2025 include the following:

- *PFM Reform Strategy and Action Plan*: In 2021, following extensive technical assistance provided under the project, the Government adopted a new PFM Reform Strategy. The accompanying medium-term Priority Action Plan (PAP), finalized in 2022 with continued CD support, established a structured three-year roadmap for reform implementation and enhanced institutional coordination across PFM institutions. The PAP has served as a guiding framework for subsequent CD activities under the project and has informed support from

other development partners, including the World Bank, as well as Belgian, French, and German cooperation agencies.

- *Budget Preparation*: Significant progress has been achieved in strengthening budget preparation, execution, and fiscal forecasting. A 2020 headquarters-led (HQ) CD mission supported the preparation of the annual Finance Law, while two short-term expert (STX) visits contributed to updating the Medium-Term Budget Framework (MTBF), notably with additional tools for the macroeconomic framework and natural resources revenue projections. An HQ-led mission on natural resource revenue management in March 2024 further improved the integration of resource-related revenues into the budget process and strengthened management of fiscal risks associated with commodity price volatility. Complementary CD activities, including a 2023 training for parliamentarians on budget credibility, reinforced institutional capacity and accountability throughout the budget cycle.

- *Cash management*: Based on two STX missions in 2021, a comprehensive strategy for the implementation of a Treasury Single Account (TSA) was developed to consolidate government cash balances and strengthen control over public funds. This work provided the foundation for support by a regional long-term expert in 2023-2024 financed through a complementary funding arrangement, and ongoing support by the IMF's Regional Technical Assistance Center for Central Africa (AFRITAC-C), to ensure continuity in reform implementation. The TSA reform is progressing well, also with the support of another donor-funded project. To date, the government has adopted the decree and the convention, completed the census of commercial bank accounts, conducted the stress test, and developed a strategy for closing accounts. The next step is to carry out a diagnostic assessment of the central bank system before beginning implementation.

- *Fiscal Risks Management*: In the context of the COVID-19 crisis, a 2020 HQ mission and a subsequent STX visit supported the authorities in identifying key fiscal risks and developing the first Fiscal Risk Statement (FRS) in 2022. The initiative was further institutionalized with the formal attachment of the FRS to the 2023 Finance Law—representing a significant step toward greater fiscal transparency and the systematic identification, assessment, and disclosure of fiscal vulnerabilities.

- *Public Investment Management (PIM)*: Two HQ missions contributed to substantial progress in strengthening public investment management. A Public Investment Management Assessment (PIMA) with a climate module (C-PIMA) was conducted in March 2022 from a complementary funding source, followed by a technical assistance mission in September 2022 under this project, which supported authorities in strengthening investment practices and integrating climate-related risks into the public investment cycle. In 2024, the Government adopted a new PIM decree to strengthen investment planning and ensure closer alignment between the capital budget and national development priorities. The decree establishes core principles for project appraisal, selection, and monitoring, and explicitly incorporates climate considerations. Complementary expert support also

strengthened the Public-Private Partnership Coordination Unit (UC-PPP) within the Ministry of Planning, enhancing its capacity to assess and manage fiscal risks from PPPs, including those linked to climate change.

III. Challenges Encountered and Lessons Learned

4. Despite these advances, DRC continues to face high implementation risks due to capacity constraints and institutional fragility. Limited staffing and technical expertise within key ministries have slowed reform uptake, while budget credibility issues and weak inter-departmental coordination create challenges for the implementation of reforms and fiscal data comprehensiveness. Political and economic instability pose additional challenges to sustain reform momentum. Persistent effort and continued technical assistance are required to consolidate gains and ensure effective execution of the PFM reform strategy.

IV. Partner Outreach and Coordination

5. CD activities were systematically coordinated with the area department (AFR) and various development partners. Coordination with IMF's area departments frequently included joint work on design and implementation of the country work program, including the Fund-supported programs, and close collaboration with resident advisors on the ground. FAD staff collaborated closely with the AFR area department, particularly on the new ECF and RSF programs to inform the choice of structural benchmarks. The CD support was closely coordinated with AFRITAC-C to provide complementary and consistent support to the authorities. Regular meetings with other development partners – including the World Bank, and the French, German and Belgian cooperation – ensured information-sharing and coordination.

V. Next Steps

6. There is no plan to transition this funding program to a GPFP program. However, should a need arise FAD will continue its CD related to natural resources as part of the existing GPFP program for DRC focusing on domestic resource mobilization.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Congo, Democratic Republic of the - FAD - Macroeconomic Framework, MTBF, PIM and Cash Management
PROJECT ID:	COD21PBP1
PROJECT MANAGER:	Helis, Jean-Luc
REPORT DATE:	3/28/2025
PROJECT START:	8/4/2020
PROJECT END:	3/2/2026
ASSESSMENT TYPE:	Interim
ASSESSMENT PERIOD:	1/1/2024 - 12/31/2024

Project Progress and Results Summary
n/a

LOG FRAME DETAILS:

Country – Congo, Democratic Republic of the	
Objective - Comprehensive, credible, and policy based budget preparation	**Objective Rating - 2**

Outcome	Rating	Rating Date	Narrative
A more credible medium-term macro-fiscal framework that supports budget preparation	2 Partially Achieved	4/24/2024	n/a

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Percentage variation between revenue outturn and approved budget (PEFA PI-3)	Budget credibility is still weak due to revenue overestimations, though parliamentary upward revisions have decreased in recent years. The Macroeconomic Permanent Committee now regularly updates the macroeconomic projections.		Largely achieved.	5/24/2024	HQ and AFC helped the authorities to improve the macroeconomic model and fiscal projections. They gave advice to reinforce the institutional framework of producing macro fiscal projections for the elaboration of the budget to improve the credibility of the budget.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Meetings on revenue forecast are held on a quarterly basis	10/31/2019	2 Partially Achieved	5/24/2024	Meetings between the revenue administrations (DGI, DGDA, DGRAD)

and issue a revenue forecast to include in the initial budget law based on consensus				and the Directorate of Budget, embedded in the budget calendar, produce two key documents: revenue forecasts for the draft budget law and the Explanatory Annex on Revenue Projections (Document No. 4). Following government adoption, Parliament typically revises these forecasts upward during the budget approval process.
Revenue forecast from natural resources calculated with the FARI model are integrated into the budget estimates	7/1/2020	2 Partially Achieved	5/24/2024	The FARI model is not yet being used for budget formulation. An upcoming STX visit will develop a simplified version of the FARI model, aiming to forecast at least 80% of mining revenue collected nationally (from 11 projects). The new FARI model is expected to be used by the macroframework committee (CPCM) in preparing the 2027 budget proposal.
The regulations to base the revenue forecasts from the natural resources on the FARI model are adopted	5/1/2020	4 Fully Achieved	5/24/2024	A September 2025 interministerial decree updated the institutional framework for macroeconomic coordination, replacing the 2006 Ministerial decree that created the CPCM. It established two specialized units within the Committee's Secretariat, including one dedicated

				to forecasting revenues from the extractive sector. This unit is jointly managed by COREF and CTR under the supervision of the Director of Macroeconomic Studies (DEME) at the Ministry of Planning.
An updated strategy and related medium-term action plan are adopted by the Government to improve PFM, including planning, budgeting, PIM and cash management	4/30/2022	4 Fully Achieved	4/19/2022	Adopted in 2022.

Country – Congo, Democratic Republic of the			
Objective - Comprehensive, credible, and policy based budget preparation		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
A more comprehensive and unified annual budget is published	2 Partially Achieved	4/24/2024	n/a

Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**

Comprehensiveness of budget documentation (PEFA PI-5)	The budget scope is narrow and limited to the central government. There are currently no plans to consolidate the FFG as a special account (with revenues from mining resources and earmarked expenditures) of the general budget.		Largely achieved.	1/3/2025	The project helped improve budget documentation via additional annexes (fiscal risk statement). Some follow-up TA took place via AFRITAC-C.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
The Mining fund for Future generations (FFG) is consolidated into the budget in the form of a special account	1/1/2021	4 Fully Achieved	5/24/2024	All earmarked revenues are progressively integrated into the budget.
The circular related to budget preparation makes it mandatory to prepare a cash flow plan and an expenditure commitment plan as appendix to the Budget law	1/1/2020	4 Fully Achieved	5/24/2024	The revised Finance Organic law (LOFIP) integrated the cash plan and the commitment plan as budget documents.
A PIMA is performed, and related action plan developed, to assess and address main	5/15/2022	4 Fully Achieved	11/10/2023	Two HQ missions to carry out a PIMA/C-PIMA to follow up on the

weaknesses on public investment management.				implementation of recommendations took place.
Parliamentarians are involved to fight against non-credibility of the budget.	12/30/2022	4 Fully Achieved	1/3/2025	A high-level seminar for Parliamentarians (members of the Finance Commission) was organized on budget credibility and how to improve budget documentation.
Producing an annual fiscal risk statement as an annex of the budget bill.	12/30/2022	3 Largely Achieved	11/24/2024	The authorities have published the annual fiscal risks statement since 2023. The description of risks is until now mostly qualitative.
Producing a report on public agencies and SOEs as annex of the budget bill	9/30/2024	2 Partially Achieved	11/24/2024	A HQ mission supported the authorities to improve the oversight of SOEs. The authorities produced the report on SOEs in line with the FAD mission recommendations.
The quality review of budgetary documents is realized before moving to program-based budgeting.	12/29/2023	2 Partially Achieved	11/24/2024	Some bases were laid down by the project. AFRITAC-C will provide follow-up support and notably do a quality review of budgetary programs as soon as submitted by the authorities.
A credible roadmap is adopted to frame the process of moving to the program-based budgeting.	12/29/2023	3 Largely Achieved	11/24/2024	Some bases were laid down by the project. AFRITAC-C will provide follow-up support to improve the process of moving to program-based budgeting.

A practical guide on the preparation of the program-based budgeting is elaborated	12/31/2024	4 Fully Achieved	11/24/2024	In August 2024, the authorities adopted the manual of the elaboration of the program-based budget.
A practical guideline on public investment budgeting in CA-PA is adopted	12/31/2024	4 Fully Achieved	11/24/2024	In August 2024, the authorities adopted the manual of public investment budgeting in CA-PA.

Country – Congo, Democratic Republic of the			
Objective - Improved asset and liability management - ALM		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Cash flow forecasts for central government is more accurate and timely	2 Partially Achieved	4/24/2024	n/a

Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Timeliness and accuracy of cash forecasting and monitoring (Record Score: PEFA PI-21.2)	Cash management plans are prepared weekly and allow to pay priority expenditures	January 2023	Partially achieved	4/21/2022	Cash flow plans are updated weekly but their accuracy is limited

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Timeliness and accuracy of cash forecasting and monitoring	12/31/2025	2 Partially Achieved	2/10/2025	Cash flow plans are updated weekly but accuracy is still limited. A monthly cash flow plan is not prepared.
The regulations instituting the cash management committee to update forward looking cash flow forecasts on a quarterly basis are modified	12/31/2024	2 Partially Achieved	2/10/2025	A draft regulation of the committee is available.
Revenue agencies send their forecast until year-end on a weekly basis to the cash management committee	12/31/2025	1 Not Achieved	2/10/2025	Support continues via AFRITAC-C.
The budget control department sends an updated commitment plan until year-end on a weekly basis to the cash management committee	12/31/2025	1 Not Achieved	2/10/2025	Support continues via AFRITAC-C.
The debt department sends updated forecasts on disbursements until year-end to the cash management committee	12/31/2025	1 Not Achieved	2/10/2025	Support continues via AFRITAC-C.
The meeting minutes of the cash management committee now include suggestions to	12/31/2025	1 Not Achieved	2/10/2025	Support continues via AFRITAC-C.

regulate spending at the commitment level				

Country – Congo, Democratic Republic of the			
Objective - Improve Fiscal Transparency and Reporting - FTR		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Comprehensive, timely, and high quality fiscal reports	2 Partially Achieved	2/10/2025	n/a

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Strengthened completeness, timeliness and consistency of annual financial statements (Record Score: PEFA PI-29) FTC1.2.2	Annual financial reports are not produced	Annual financial reports are reliable and produce on time	2 Partially achieved	2/10/2025	A draft is available.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
The DRC public accounting standard is aligned with the international standard.	12/31/2025	2 Partially Achieved	2/10/2025	A draft is available.
The spending accounting manual procedure is completed	12/31/2023	4 Fully Achieved	2/10/2025	The document has been adopted.

The treasury accounting manual procedure is completed	12/31/2025	2 Partially Achieved	2/10/2025	A draft is available.
The public accountant network is implemented in Pilot ministries	12/31/2025	2 Partially Achieved	2/10/2025	The decision has been taken.
The General balance of accounts is produced for the general budget	12/31/2025	2 Partially Achieved	2/10/2025	The accounting software is in production.

Country – Congo, Democratic Republic of the			
Objective - Strengthened Budget Management - PBM		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Strengthened asset and liability management processes	2 Partially Achieved	2/10/2025	n/a

Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Improved extent of consolidation of cash balances by the Treasury including for capital spending (Record Score: PEFA PI-20.2, PIMA 12.c)	weekly consolidation of cash balance in TSA	Daily consolidation of cash balance in TSA	Partially Achieved	2/10/2025	The frequency of the consolidation needs to be enhanced.

Milestones	**Target Completion Date**	**Rating**	**Rating Date**	**Narrative**

The ministry of Finance sends some correspondence to the Central Bank Governor to initiate a census of public bank accounts	12/31/2023	3 Largely Achieved	2/10/2025	Largely achieved
The census of public bank accounts is initiated through some correspondence with commercial banks	12/31/2023	3 Largely Achieved	2/10/2025	Largely achieved
The actualization of the convention on the bank account management between the Ministry of Finance and the central Bank is adopted	12/31/2025	2 Partially Achieved	2/10/2025	A draft is available.
The technical structure of the TSA is implemented at the Central Bank level	12/31/2025	2 Partially Achieved	2/10/2025	A draft is available.
50 percent of public bank accounts opened in commercial banks are closed and balances of at least 50 percent of the funds are swept in the TSA	12/31/2025	2 Partially Achieved	2/10/2025	Partially achieved.

Risk Assessment and Mitigation

Risks are assessed based on probability and impact. Risk ratings are low, medium, high and very high.

Risk Description	Risk Rating	Mitigation Measures
Political Support	**High**	
Political support for the project and implementation of the recommendations is limited by the overall fragile political environment.		*The authorities have explicitly endorsed the roadmap during the scoping mission on the three main work threads developed under this project*
Management Support and Technical Staff Commitment	**Medium**	
The government's initial high-level interest and strong commitment to the project fades away after a few months.		*The Comité d'Orientation des Réformes (COREF) was a valuable counterpart and FAD is a trusted advisor for the Government.*
Resource Adequacy	**Medium**	
The project's scale does not allow for sustainable capacity building.		*The project included capacity building through hands-on expertise delivery and experience sharing. It coordinated its activities with other WB and EU-funded projects, which are of a larger scale.*
External Climate/Conditions	**High**	
Political tensions, security concerns and the current Ebola outbreak put the implementation of the project on hold.		*The political outlook, security and sanitary situation remained uncertain but the project used alternative ways to deliver TA (review from HQ, off-site missions) as deemed necessary.*

INTERNATIONAL MONETARY FUND

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2025
December

Funding Program Assessment
FARI (MNRW II)

FARI (MNRW II)

COUNTRY (S): All

DATES: 7/1/2017 - 4/30/2025

PROGRAM ID: FAD_IMF_2018_03

LEAD DEPARTMENT: FAD

REGION (S): IMF

FUNDING SOURCE: MNRW02

PROJECT MANAGER: BENNINGER, THOMAS

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 7/1/2017 - 4/30/2025

BUDGET: $1,528,147

FARI (MNRW II)

I. Program Purpose

The main objective of the project was to support the next development phase of FARI, which has proven to be a powerful tool in supporting extractive industries fiscal policy reform over the last 10 years. Key expected results were: (1) A refined and updated FARI methodology/tool, (2) A public library with summarized fiscal regimes for mining and petroleum sectors, (3) A guidance note on the appropriate institutional setup underpinning natural resource revenue modeling and forecasting, and (4) Delivery of regional workshops disseminating the FARI methodology.

II. Program Implementation and Achievements

The Fiscal Analysis of Resource Industries (FARI) research project supported the IMF's technical assistance and capacity development in designing extractive industry fiscal regimes. At its inception, a strategic plan outlining objectives and activities was presented to the MNRW steering committee to build support. A central focus of the project was the modernization of FARI's methodology and modeling tools, which were subsequently actively used in numerous technical assistance missions.

To enhance FARI's public good character, the updated methodology was shared with industry and civil society stakeholders, and a simplified multilingual version was published on the IMF website alongside a working paper detailing its application.

Regional workshops were conducted to build capacity among public officials in African countries and CCAMTAC member states. The project also maintained the fiscal regime library, enabling comparative analysis across countries.

III. Challenges Encountered and Lessons Learned

The project did not publish a public library of summarized fiscal regimes for mining and petroleum sectors as IT and maintenance costs would have been prohibitive. Fiscal regimes are subject to frequent changes which would require regular screening and update of such a public library.

IV. Partner Outreach and Coordination

The update FARI modelling tool was presented to the MNRW steering committee and consulted with industry groups (oil and gas and mining) as well as non-state stakeholders (NGOs).

V. Next Steps

N/A

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	FARI Training and Outreach
PROJECT ID:	IMF22TXP1
PROJECT MANAGER:	Benninger, Thomas
REPORT DATE:	12/16/2025
PROJECT START:	5/1/2018
PROJECT END:	1/10/2025
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	-

Project Progress and Results Summary
The Fiscal Analysis of Resource Industries (FARI) research project supported the IMF's technical assistance and capacity development in designing extractive industry fiscal regimes. At its inception, a strategic plan outlining objectives and activities was presented to the MNRW steering committee to build support. A central focus of the project was the modernization of FARI's methodology and modeling tools, which were subsequently actively used in numerous technical assistance missions. To enhance FARI's public good character, the updated methodology was shared with industry and civil society stakeholders, and a simplified multilingual version was published on the IMF website alongside a working paper detailing its application. Regional workshops were conducted to build capacity among public

officials in African countries and CCAMTAC member states. The project also maintained the fiscal regime library, enabling comparative analysis across countries.

LOG FRAME DETAILS

Country – Standard IMF					
Objective - Improved tax and non-tax revenue policy (SDG 17.1) - TXP			**Objective Rating - 4**		
Outcome	**Rating**		**Rating Date**		**Narrative**
Improved structures and capacity related to tax policy advice and analysis, including organization of tax policy units and building tax models or other tools for analysis and revenue forecasting	4 Fully Achieved		10/21/2025		The FARI research project strengthened the analytical underpinning of the technical advice and training delivered on extractive industries fiscal regime design and analysis.
Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Models or tools developed or improved	FARI models pre-modernization	Modernized FARI models	Fully achieved	10/21/2025	Simplified models modernized and translated, mission models modernized. Working paper published. Capacity development for new models delivered

					through regional workshops.
Milestones	**Target Completion Date**		**Rating**	**Rating Date**	**Narrative**
Regional workshop/seminars to disseminate FARI in anglophone and lusophone African countries	6/30/2021		4 Fully Achieved	10/21/2025	4 workshops delivered
Publication of How-to-Note note and simplified public FARI, including translated version in French and Spanish	4/30/2023		4 Fully Achieved	10/21/2025	Working paper was published in 2024
Regional workshop/seminars to disseminate FARI in francophone African countries	4/30/2023		4 Fully Achieved	3/18/2024	6 of 6 workshops delivered,
Strategy developed for FARI tool development.	12/31/2018		4 Fully Achieved	10/21/2025	Strategy developed and implemented
Revised FARI prototype tool completed.	4/30/2019		4 Fully Achieved	10/21/2025	Completed. New FARI model rolled out
Workshop with MNRW Steering Committee for FARI strategy dissemination.	6/30/2019		4 Fully Achieved	10/21/2025	Strategy presented to Steering Committee including Demo of new FARI model
Regional workshop to disseminate FARI in CCAMTAC countries	3/18/2024		4 Fully Achieved	10/21/2025	1 workshop delivered

Risk Assessment and Mitigation

Category and Description	Probability	Impact	Assessment	Assessment Date	Mitigation Measures
External climate/conditions					
n/a	Low	Medium	Low	4/10/2023	

Changes to Project



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2025
October

Funding Program Assessment
The Gambia (MNRW II, M1)

COUNTRY (S): Gambia, The

DATES: 7/1/2019 - 4/30/2025

PROGRAM ID: FAD_GMB_2021_01

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Devlin, Dan

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 7/1/2019 - 4/30/2025

BUDGET: $424,519

I. Program Purpose

The Gambia remains hopeful it can develop an upstream petroleum sector, given successful commercialization in neighboring Senegal. The program aimed to assist The Gambia to strengthen its prospects of generating revenue if an upstream petroleum sector was to emerge, and to take early action so that the fiscal regime was settled and investors could make investment decisions with greater certainty.

This involved examining the existing fiscal regime(s) that had been negotiated with petroleum license holders to consider the effects on investment decisions, the legal foundations of the fiscal regime, and to highlight potential risks to tax revenue (e.g., from international profit shifting) that warranted stronger protections in the tax law.

Complementary skills training in fiscal regime analysis and cash flow modeling of petroleum projects was also included, to strengthen the capacity of key agencies to evaluate tax proposals from investors and understand the relative strengths of different fiscal instruments and their potential trade-offs.

II. Program Implementation and Achievements

Commencing with a scoping mission and TA report in 2018, the project initially identified strengths and weaknesses in the existing fiscal regimes that had been afforded to petroleum license holders. This initial report also identified several shortcomings in the tax law, including the foundation of the fiscal regime and risks of profit shifting that could put potential revenue at risk.

The project then undertook a more comprehensive legal analysis of the foundation of the petroleum fiscal regime and profit shifting protections. A further technical assistance report proposed the development of a dedicated fiscal regime tax law, that would bring together all fiscal instruments into a minimum fiscal regime 'package' for prospective investors. Project by project negotiation of fiscal terms would be narrowed to focus on increments above the minimum prescribed in the law, and the roles of key agencies would be reconfigured such that The Gambia Revenue Authority would take primary carriage of administering and collecting petroleum revenues. Support also included an examination of how the value added tax (VAT) should be applied to the upstream petroleum sector.

With strong local buy-in including the support of the Minister of Finance and Petroleum Commissioner, the project then developed a draft standalone fiscal regime law. This draft law was used as the basis of a comprehensive workshop for key officials to apply the law to hypothetical scenarios to strengthen appreciation of the operation and intent of key provisions of the law and foster inter-agency policy deliberations. The draft law also provided the opportunity to settle key parameters (e.g., petroleum royalty rates) and examine the overall impact of the fiscal regime on investors relative to existing contracts. By the end of October 2025, a comprehensive draft law had

been developed that is ready for Ministerial consideration and introduction to Parliament, along with a comprehensive fiscal model of the new regime.

Missions also included associated training and workshops on fiscal regime modeling, to strengthen the skills of key officials in fiscal regime analysis and to evaluate any tax proposals from potential investors. These activities were also supported by ad hoc remote support as key counterparts navigated the issues and had follow-up questions and requests.

III. Challenges Encountered and Lessons Learned

The Covid-19 pandemic and associated restrictions on mission travel in FY21-FY22 was a significant challenge that required a transition to online and remote support. This stalled the initial momentum of the project, but some progress was still possible. In particular, the project was able to examine specific issues more closely, such as the VAT treatment of the upstream petroleum sector.

The project was a notable example of CD support that can take time to show impact. It demonstrates the importance of persistence both from the authorities and from development cooperation partners, but also the importance of sustained local demand and the buy-in of key officials across government that can keep the project moving forward. The stability of key officials in their roles also greatly assisted with maintaining momentum.

Another lesson learned was that project activities such as technical fiscal modeling training will have a greater prospect of getting traction when they are timed to country circumstances. Initial training efforts (including online training during the pandemic) had only minimal impact, as the skills required were not immediately needed by officials. As the prospects for new petroleum investment improved, key officials drove requests for training to ensure they were better prepared for discussions with investors.

IV. Partner Outreach and Coordination

No other development coordination partner was involved in the development of the upstream petroleum law, but the initial development of the proposal for a new upstream law involved consultation with the World Bank country office and was informed by prior analysis from the African Development Bank.

V. Next Steps

The final implementation of the upstream petroleum law will be supported using an alternative funding source. After the law is implemented, it will need to be reinforced by the development of administrative and interpretive material. Key officials will also require training in applying the tax law to this new sector and the specific tax risks that may be encountered. Further assistance will need to

be evaluated against other tax policy capacity development needs. Support could conceptually be deferred until a commercial petroleum discovery is made in The Gambia.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Gambia, The-Petroleum Fiscal Regime MNRW
PROJECT ID:	GMB21TRP1
PROJECT MANAGER:	Devlin, Dan
REPORT DATE:	10/22/2025
PROJECT START:	8/4/2020
PROJECT END:	11/14/2025
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	5/1/2025 - 10/31/2025

Project Progress and Results Summary
The project has a well-advanced draft law for the upstream petroleum fiscal regime. A legislative committee of key agencies is strongly engaged. FY25 and FY26 were used to fine tune policy settings, and the committee has been supported with advice and fiscal regime analysis. The final draft law could be reviewed by Ministers.

LOG FRAME DETAILS:

Country – Gambia, The			
Objective - Improved tax and non-tax revenue policy		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Fiscal regime flexibility is improved to ensure an increasing government take of higher profitability projects, while not distorting marginal investment	3 Largely Achieved	4/25/2024	Policy issues now resolved at technical level and reflected in the draft upstream petroleum law.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Change in the slope of the progressivity curve for extractive industry projects				5/1/2025	Fiscal regime policy is settled in the draft upstream petroleum law and is considered competitive with regional producers.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Government makes policy statement or public clarification on areas of uncertainty	5/1/2022	4 Fully Achieved	5/1/2025	The authorities are able to explain petroleum fiscal regime legislation to potential investors.

government clarifies its position on how it will be paid royalties (i.e., as cash)	5/1/2022	4 Fully Achieved	5/24/2024	No longer relevant.
Government introduces amendment to tax act or administrative guidance to taxpayers to resolve areas of uncertainty	5/1/2022	3 Largely Achieved	10/22/2025	Fiscal regime law is now largely settled and ready for Ministerial consideration.

Country – Gambia, The			
Objective - Improved tax and non-tax revenue policy		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Improved structures and capacity related to tax policy advice and analysis, including organization of tax policy units and building tax models or other tools for analysis and revenue forecasting	4 Fully Achieved	11/5/2024	Fiscal model for the upstream petroleum regime is complete and being used for policy advice.

Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Cooperation and information sharing between agencies increased			Fully achieved	10/22/2025	Strong working relationships across agencies including a legislative

					committee for the upstream petroleum law.
Models or tools developed or improved			Fully achieved	10/22/2025	Model is now being used to inform policy discussions on the upstream fiscal regime and evaluate proposals from investors.
Improved tax policy making capacity for extractive industries, including use of economic models to design and evaluate fiscal regimes and forecasting revenue			Partially achieved	10/22/2025	Good engagement and policy debate across agencies, but local expertise remains concentrated in a limited number of key officers.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
FARI model is fine-tuned as needed and handed over to inter-agency team	5/1/2021	4 Fully Achieved	5/24/2024	Model has been prepared.
Inter-agency team meets on routine basis or otherwise evidence of better coordination	10/1/2021	4 Fully Achieved	5/24/2024	Evidence of improved coordination across agencies, including cross-agency meetings.
Key officials receive targeted training on fiscal modelling	5/1/2021	3 Largely Achieved	10/22/2025	Training has been provided at multiple points, but key officials still require assistance on fiscal modeling.

Country – Gambia, The			
Objective - Improved tax and non-tax revenue policy		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Increased economic efficiency by minimizing the economic distortions imposed by taxes or by using taxes to address externalities or market failures	4 Fully Achieved	10/18/2023	No further assessment

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Differential in tax policy parameters between countries			fiscal regime will be competitive with neighboring petroleum producers but also should ensure revenue is generated.	10/22/2025	
Improved tax neutrality for extractive industry projects (e.g., reduction in the marginal			fiscal regime settled, strong	10/22/2025	

effective tax rate or breakeven price)			understandin g of relative merits of different fiscal instruments		
New fiscal regime legislation or model PSA approved			draft legislation now largely finalized and ready for Ministerial sign off.	10/22/2025	

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Model Agreement published	1/1/2022	4 Fully Achieved	5/24/2024	
Model Petroleum Agreement approved by Ministers	1/1/2022	4 Fully Achieved	5/24/2024	

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
Covid pandemic resurgence could unexpectedly disrupt CD delivery	Low	5/1/2025	Remote support.
Management and Technical Staff Support and Commitment			
Staff may lose interest in the project and/or prioritize other tasks.	Low	5/1/2025	Ongoing contact with key stakeholders to ensure support.
Political Support			
Ministerial support is lost, hindering progress.	Medium	5/1/2025	Keeping Minister informed of progress and seeking support.
Resource Adequacy			
Limited local capacity means key staff are drawn away to other tasks.	Low	5/1/2025	activities scheduled around peak times.
Other Risks			
	Low	5/1/2025	No other risks.

Changes to Project

INTERNATIONAL MONETARY FUND

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2025
December

Funding Program Assessment

Ghana (MNRW II, M1)

COUNTRY (S): Ghana

DATES: 5/1/2017 - 10/31/2025

PROGRAM ID: FAD_GHA_2018_01

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Camero Godinez, Eduardo

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 5/1/2017 - 10/31/2025

BUDGET: $1,170,669

I. Program Purpose

Ghana has been producing petroleum since the discovery of the Jubilee field in 2007 and has been significantly "de-risked" through proven production and with additional exploration opportunities. It has also been a long-established gold producer and more recently, there is exploration of critical minerals for the energy transition (e.g., lithium). There was a recognized need for IMF TA to assess mining and petroleum tax policy to ensure that Ghana remained an attractive destination for extractives investment, while ensuring the government received an adequate share of profits from extractive projects. In addition, there was a need for assistance to build capacity of government to forecast petroleum revenues, in line with the petroleum revenue management framework. The was also cross-cutting demand to build capacity of key staff from relevant stakeholders (Ministry of Finance, Ghana Revenue Authority, Ghana National Petroleum Company, Ministry of Mineral Resources, among others) in analyzing extractives tax policy.

II. Program Implementation and Achievements

FAD successfully delivered comprehensive TA on extractives tax policy, enjoying very good traction with authorities and with technical staff.

- Current extractives fiscal legislation was thoroughly reviewed in a succession of missions and reported in technical reports, most recently in 2019. The report found that while the broad framework of the minerals and petroleum fiscal regimes was sound, it lacked cohesion, careful integration, consistency and comprehensiveness, and would benefit from stronger safeguards against strategic tax behavior by international companies.
- This diagnosis has guided the work to draft a new Extractives Industries Fiscal Regime Act (EIFRA), which will centralize and modernize all fiscal elements for mining and petroleum activities. A draft EIFRA was provided to authorities in 2022, and updates of drafts have been provided reflecting progress since. The government expects to submit the EIFRA to Parliament in 2026.
- Various notes have been provided to authorities on the application of the fiscal regime for petroleum, including on the additional oil entitlement (a profits-based tax for petroleum activities), which has been subject to protracted disputes with petroleum companies, and an assessment of the fiscal regime for a lithium project.
- FAD has also delivered assistance on petroleum revenue forecasting, developing a FARI-based revenue forecasting model, and building capacity to update and use the model and to reconcile tax outturns for the sector.
    - Yearly calculations of the Benchmark Petroleum revenue have been submitted by authorities (with assistance from FAD) in a timely manner for the annual budgets, most recently in November 2025.
    - A user manual for the revenue forecasting model was provided in 2022 and has been updated.

- Staff from the Ministry of Finance are now able to use and update the model with minimal guidance from FAD. There is an established framework for sharing data, and the Ministry of Finance has clear ownership of the FARI model. Updated models have been handed over by missions, most recently in September 2025.
- FAD missions regularly met with the modelling team for the mining sector, which consists of a core group of staff from the Ministry of Finance and other stakeholders. Lack of granular data on mining projects prevented the production of a FARI-based mining sectoral model.

III. Challenges Encountered and Lessons Learned

The main challenge was sustaining authorities' interest and attention in extractives CD, because of competing policy demands and due to relatively high staff turnover. In the period TA was delivered, Ghana experienced significant economic volatility and entered into a financing agreement with the IMF. With authorities under pressure to meet structural benchmarks and commitments on fiscal topics, it was sometimes hard to focus attention to extractives TA, which was expected to have mostly medium-term impacts. This was overcome by developing close working relationships with key staff from MOF, and constant visits from the STX. To address constant staff turnover, junior staff members were identified and included in capacity building sessions early.

IV. Partner Outreach and Coordination

There were semi regular calls with staff from the government of Switzerland to discuss progress and next steps.

V. Next Steps

FAD will continue to provide CD on extractives tax policy through a GPFP project, along four main dimensions. First, sustainably build capacity in the Ministry of Finance-led inter-agency team to update, maintain and operate the petroleum revenue forecasting model. Second, providing legislative drafting support to finalize the EIFRA, related regulations and other official documents to facilitate implementation of the EIFRA. Third, provide advice on emerging issues of extractives tax policy including related to the mining sector. Fourth, develop a FARI-based mining sectoral revenue model.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Ghana-Tax Policy
PROJECT ID:	GHA21DTX1
PROJECT MANAGER:	Camero Godinez, Eduardo
REPORT DATE:	12/16/2025
PROJECT START:	7/13/2020
PROJECT END:	8/21/2026
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	-

Project Progress and Results Summary
FAD successfully delivered comprehensive TA on extractives tax policy, enjoying excellent traction with authorities and good engagement from technical staff and support from high-level staff. Current legislation was thoroughly reviewed in a succession of missions and reported in technical reports, most recently in 2019. Various notes have been provided to authorities on the application of the fiscal regime for petroleum. A draft Extractives Industries Fiscal Regime Act (EIFRA) was provided in 2022, and updates of drafts have been provided. The new EIFRA is very close to completion, with only a few parameters to be decided by the Ministry of Finance. The EIFRA will

centralize and modernize all fiscal elements for mining and petroleum activities. Government is expected to submit the EIFRA to Parliament in 2026. On petroleum revenue forecasting, calculations of the Benchmark Petroleum revenue have been submitted by authorities (with assistance from FAD) in a timely manner for the annual budgets, most recently in November 2025. A user manual for the revenue forecasting model was provided in 2022 and has been updated. Staff from the Ministry of Finance are able to use and update the model with minimal guidance from FAD. FAD missions have regularly met with the modelling team for the mining sector, which consists of a core group of staff from MOF and other stakeholders. There is an established framework for sharing data, and the Ministry of Finance has clear ownership of the FARI model. Updated models have been handed over by missions, most recently in September 2025. FAD will continue to drive towards the creation of the mining sectoral model. Going forward, FAD will continue to provide assistance through a GPFP project.

LOG FRAME DETAILS

Country – Ghana			
Objective - Design taxes to maximize transparency (including in the policy process), maximize potential for enforcement, and minimize administration and compliance costs		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Amendments are made to simplify the calculation of the tax base in relation to [consumption/income/property and wealth/other/sector specific taxes (EI, telecommunications, fisheries, e	3 Largely Achieved	5/6/2025	In an upcoming mission (May 2022), guidance will be provided in the implementation of the petroleum fiscal regime. A new Model Contract will only be published after the EIFRA is approved by Parliament. Current legislation has been

			reviewed in various missions and reported in technical reports, most recently in the 2019 technical report. Various notes have been provided to authorities on the application of the fiscal regime for petroleum activities, including on the calculation of the additional oil entitlement. A draft EIFRA was provided to authorities in September 2022, and updates of drafts have been provided, most recently in September 2024. The draft EIFRA includes consequential amendments to other fiscal and sectoral laws to ensure the legal apparatus is coherent.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Laws implementing amendments are passed	The 2015 FAD assessment identified a number of issues of interpretation and implementation		Largely achieved	12/9/2025	Current legislation has been reviewed in various missions and reported in technical reports, most recently in the 2019 technical report. Various notes have been provided

	of the current system warranting clarification through practice notes particularly in relation to the calculation of the Additional Oil Entitlement, as well as the r				to authorities on the application of the fiscal regime for petroleum activities, including on the calculation of the additional oil entitlement. A draft EIFRA was provided to authorities in September 2022, and updates of drafts have been provided, most recently in September 2024. The draft EIFRA includes consequential amendments to other fiscal and sectoral laws to ensure the legal apparatus is coherent.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Review of current petroleum and mining sector legislation	7/1/2019	4 Fully Achieved	5/24/2024	Review of current legislation has been undertaken in various missions and

				reported in technical reports
Guidance notes published to clarify operation of current petroleum fiscal regime	7/1/2018	3 Largely Achieved	12/9/2025	Various notes have been provided to authorities on the application of the fiscal regime for petroleum activities
Development of new Model Petroleum Agreement and amendments to current legislation	7/1/2020	3 Largely Achieved	12/9/2025	The draft EIFRA includes consequential amendments to other fiscal and sectoral laws to ensure the legal apparatus is coherent. New model PSAs should be written after the EIFRA is adopted
Provide an initial draft of a new Extractives Industry Fiscal Regime Act	9/24/2021	4 Fully Achieved	12/9/2025	A draft EIFRA was provided to authorities in September 2022, and updates drafts have been provided, most recently in September 2024

Country – Ghana			
Objective - Improved tax and non-tax revenue policy (SDG 17.1) - TXP		**Objective Rating - 4**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Authorities have a baseline understanding of the current state of the government's tax and non-tax revenue policy and opportunities for improvement	4 Fully Achieved	4/21/2022	Progress on the outcome has been satisfactory, with new milestones added for the yearly update to the BR for the 2023 budget and the development of a mining sectoral model. Calculations of the Benchmark Petroleum revenue have been submitted by authorities in a timely manner for the annual budgets, with assistance from FAD. A user manual for the FARI-based revenue forecasting model was provided in 2022 and has been updated since. Staff from the Ministry of Finance are able to use and update the model with minimal guidance from FAD.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Diagnostic or scoping have produced baseline and opportunities for improvement	10	50	50	12/9/2025	Calculations of the Benchmark Petroleum revenue have been submitted by authorities in a timely manner for the annual budgets, with assistance from FAD. A user manual for the FARI-based revenue forecasting model was provided in 2022 and has been updated since. Staff from the Ministry of Finance are able to use and update the model with minimal guidance from FAD.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
MOFEP submission of 2021 Benchmark Revenue calculation	9/30/2020	4 Fully Achieved	4/19/2022	The MOFEP submitted the calculations of the BR as part of its budget proposal

Completion of Petroleum Revenue Forecasting Manual	8/30/2020	4 Fully Achieved	4/19/2022	A complete version of the manual has been submitted to authorities. It is foreseen that it will need to be updated regularly, mostly by authorities
MOFEP submission of 2022 Benchmark Revenue calculation	9/30/2021	4 Fully Achieved	4/19/2022	The MOFEP submitted the calculations of the BR as part of its budget proposal
MOFEP submission of 2023 Benchmark Revenue calculation	9/30/2022	4 Fully Achieved	11/9/2022	The MOFEP submitted the calculations of the BR as part of its budget proposal
MOFEP submission of 2019 Benchmark Revenue calculation	7/13/2020	4 Fully Achieved	4/19/2022	The MOFEP submitted the calculations of the BR as part of its budget proposal
MOFEP submission of 2020 Benchmark Revenue calculation	7/13/2020	4 Fully Achieved	4/19/2022	The MOFEP submitted the calculations of the BR as part of its budget proposal

MOFEP submission of 2018 Benchmark Revenue calculation	7/13/2020	4 Fully Achieved	4/19/2022	The MOFEP submitted the calculations of the BR as part of its budget proposal
Develop a mining sectoral model	9/29/2023	2 Partially Achieved	4/25/2024	A fiscal model for the Ewoyaa was developed by FAD
MOFEP submission of 2024 Petroleum Benchmark Revenue calculation	9/29/2023	4 Fully Achieved	4/25/2024	The MOFEP submitted the calculations of the BR as part of its budget proposal
MOFEP submission of 2025 Petroleum Benchmark Revenue calculation	2/28/2025	4 Fully Achieved	12/9/2025	Because of Presidential election to be held in December 2024, the BR calculation will be done in early 2025, to be submitted by the new government

Country – Ghana			
Objective - Improved tax and non-tax revenue policy (SDG 17.1) - TXP		**Objective Rating - 4**	
Outcome	**Rating**	**Rating Date**	**Narrative**

Quality and intensity of fiscal policy debate improved due to intensified outreach.	4 Fully Achieved		5/6/2025		In upcoming missions (May 2022 and August 2022), procedures for data sharing and fiscal model implementation will be discussed with authorities. FAD missions have regularly met with the modelling team for the mining sector, which consists of a core group of staff from MOF and other relevant stakeholders. There is an established framework for sharing data for extractives projects, and the Ministry of Finance has clear ownership of the FARI models for both mining and petroleum. Updated models have been handed over by missions, most recently in September 2025.
Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Authorities are responsive to feedback received on policy design	50	100	90	12/9/2025	In upcoming missions (May 2022 and August 2022), procedures for data sharing and fiscal model implementation will

					be discussed with authorities. FAD missions have regularly met with the modelling team for the mining sector, which consists of a core group of staff from MOF and other relevant stakeholders. There is an established framework for sharing data for extractives projects, and the Ministry of Finance has clear ownership of the FARI models for both mining and petroleum. Updated models have been handed over by missions, most recently in September 2025.
Milestones	**Target Completion Date**		**Rating**	**Rating Date**	**Narrative**

Interagency modeling team established for the mining sector	7/14/2020	4 Fully Achieved	12/9/2025	FAD missions have regularly met with the modelling team for the mining sector.
Data collection and model management procedures established and tested	7/13/2020	4 Fully Achieved	12/9/2025	There is an established framework for sharing data for extractives projects, and Ministry of Finance has clear ownership of the FARI models for both mining and petroleum
FARI models for mining (fiscal analysis and revenue forecasting) handed over to interagency team	7/13/2020	4 Fully Achieved	12/9/2025	Updated models have been handed over by missions, most recently in September 2025

RISK ASSESSMENT AND MITIGATION

Category and Description	Probability	Impact	Assessment	Assessment Date	Mitigation Measures
External climate/conditions					
N/A	Low	Low	Low	7/12/2021	N/A

Management and Technical Staff Support and Commitment					
N/A	Low	Low	Low	7/12/2021	N/A
Political Support					
Not enough support from high-level authorities for the mission's outcomes	Low	Low	Low	7/12/2021	Ensure that meeting with high-level authorities is included in the mission
Resource Adequacy					
N/A	Medium	Medium	Medium	7/12/2021	N/A
Other Risks					
N/A	Medium	Medium	Medium	7/12/2021	N/A

Changes to Project

CD Project Assessment Report

Project Name:	GPFP Ghana-FADT2-Tax Policy-TPD-FY26-1
Project ID:	GHA26TPD1
Project Manager:	Camero Godinez, Eduardo
Report Date:	10/20/2025
Project Start:	11/13/2024
Project End:	12/29/2028
Assessment Type:	Interim
Assessment Period:	5/1/2025 - 10/31/2025

Project Progress and Results Summary
FAD TA on extractives continues to enjoy good traction with authorities, with good engagement from technical staff and support from high-level staff, including the Ministry of Finance. On petroleum revenue forecasting, TA to assist in the calculation of the 2026 petroleum Benchmark Revenue calculations was delivered and the calculation was sent for inclusion as part of the budget, which will be tabled in Parliament in November 2025. FAD will continue to assist in updating the petroleum revenue forecasting and in building capacity of key staff in using and updating it. On mining sector support, FAD and authorities have discussed the next steps for developing a mining sectoral model, but the main roadblock continues to be the lack of data available from the Minerals Commission. This model would support authorities in mining revenue forecasting, in identifying risk in mining tax administration and compliance, and in analysis and design of mining tax policy. FAD will continue to drive towards the creation of the mining sectoral model. The new Extractives Industries Fiscal Regime Act (EIFRA) is very close to completion, with only a few parameters to be decided by Ministry of Finance. The EIFRA will centralize and modernize all fiscal elements for mining and petroleum activities. The new Minister has voiced his full support

for the EIFRA, and with government enjoying a comfortable majority in Parliament, it is expected to be passed in 2026. Going forward, FAD will continue to provide assistance in finalizing the EIFRA, drafting supporting documents, and producing implementing regulations and practice notes.

LOG FRAME DETAILS:

Country – Ghana	
Objective - Improve Tax Policy Design - TPD	**Objective Rating - 3**

Outcome	Rating	Rating Date	Narrative
Increased economic efficiency by minimizing economic distortions or addressing externalities or market failures	3 Largely Achieved	10/20/2025	Ghanaian authorities continue to benefit from FAD assistance. The new Minister (appointed in December 2024) has been supportive of the work to overhaul the mining and petroleum fiscal regimes.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
More efficient extractive industry fiscal regime legislation or model PSA approved	0	100	75	10/20/2025	The EIFRA is close to completion, with only a few parameters to be decided by the Ministry of Finance. The new Minister has voiced his full support for the EIFRA, and with government enjoying a comfortable majority in Parliament, it is expected to be passed in 2026.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
A draft Extractives Industries Fiscal Regime Act (EIFRA) is submitted to Parliament	12/31/2025	3 Largely Achieved	10/20/2025	The new Extractives Industries Fiscal Regime Act (EIFRA) is almost finished, with a few parameters to be decided by MOF. The Ministry has shown support for the EIFRA and has asked MOF staff to step up work to ensure the EIFRA is finished in the coming months. With government holding a comfortable majority in Parliament, it is highly likely that the EIFRA will be submitted to Parliament in the near future, in late 2025 or early 2026.
Accompanying regulations and guidance notes on the approved EIFRA are published and adopted	9/30/2026	1 Not Achieved	10/20/2025	Once the EIFRA is approved by Parliament, FAD will continue to assist in drafting implementing regulations, guidance notes and other supporting documents

Country – Ghana	
Objective - Strengthen Policy Monitoring, Evaluation, and Institutions - TPM	**Objective Rating - 3**

Outcome	Rating	Rating Date	Narrative
Improved structures (e.g., tax policy units) or capacity (e.g., models and tools) related to tax policy advice and analysis.	3 Largely Achieved	10/20/2025	FAD delivery has continued to be well received by authorities from Ghana. FAD has continued to assist in improving petroleum revenue forecasting, in particular in updating the Benchmark

			Revenue calculations. Encouragingly, most of the update work is done by the Ministry of Finance staff, and work has also focused on building capacity of key staff. Work on developing a mining sectoral model is expected to become more important once the Extractives Industries Fiscal Regime Act (EIFRA) is passed.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved models to design and evaluate fiscal regimes and forecast revenue in the extractive industry adopted	50	100	75	10/20/2025	The 2026 petroleum Benchmark Revenue calculations were carried out and were sent for inclusion as part of the budget, which will be tabled in Parliament in November 2025. FAD and authorities have discussed the next steps for developing a mining sectoral model, but the main roadblock continues to be the lack of data available from the Minerals Commission.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
MOFEP submission of 2026 Benchmark Revenue calculations	9/30/2025	4 Fully Achieved	10/20/2025	Authorities have finished the 2026 Benchmark Revenue calculations and submitted them for inclusion in the budget
MOFEP submission of 2027 Benchmark Revenue Calculations	9/30/2026	1 Not Achieved	10/20/2025	This will be done with FAD assistance in FY27

Mid-year update of 2026 Petroleum Benchmark Revenue Calculations	6/30/2026	1 Not Achieved	10/20/2025	This will be done with FAD assistance in FY27
Mid-year update of 2027 Petroleum Benchmark Revenue Calculations	6/30/2027	1 Not Achieved	10/20/2025	This will be done with FAD assistance in FY27
Roadmap to build a sectoral mining model is discussed and agreed to by all government stakeholders	9/30/2025	3 Largely Achieved	10/20/2025	There is agreement by government stakeholders on the need, importance, and steps to follow to develop a sectoral mining model, which would be helpful to: i) forecast mining revenues, ii) identify compliance risks for mining revenues; iii) inform mining tax policy. However, the main roadblock continues to be the lack of data availability
Sectoral mining model is developed	9/30/2027	1 Not Achieved	10/20/2025	This work will be carried out through FY26 and FY27

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
Risk that external events create a more challenging environment to implement reforms	Low	11/13/2024	Ensure sufficient flexibility in program execution across countries and allow for ability to adjust activities in the case of adverse events.
Management and Technical Staff Support and Commitment			
Potential staff turnover and lack of specific capacities hinder adoption of policy recommendations	Low	11/13/2024	Ensure junior staff are included in CD activities early on
Political Support			
Not enough support from high-level authorities for the mission's outcomes	Medium	11/13/2024	Ensure that meeting with high-level authorities is included in the mission

Resource Adequacy			
Insufficient technical capacity and human resources necessary to implement reforms are limited.	Medium	11/13/2024	Ensure CD plans include sufficient capacity building and training elements
Other Risks			
No new risks expected (as of November 2025)	Low	11/13/2024	N/A

Changes to Project



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2025
October

Funding Program Assessment
Guyana (MNRW II, M2)

COUNTRY (S): Guyana

DATES: 11/1/2018 - 10/31/2025

PROGRAM ID: FAD_GUY_2019_02

LEAD DEPARTMENT: FAD

REGION (S): WHD

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Sanya, Bernard

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 11/1/2018 - 10/31/2025

BUDGET: $1,179,930

I. Program Purpose

1. The purpose of the capacity development (CD) project is to assist the Guyana Revenue Authority (GRA) and other sector regulatory agencies in developing capacity to administer revenue from the oil and gas sector. The project was structured around two key objectives:

a) Strengthening revenue administration management and governance arrangements for the oil and gas sector. This included assisting the GRA in setting up appropriate administrative structure and processes for petroleum revenue administration, including assistance in setting up specialized petroleum revenue units in tax and customs administrations and providing CD to address the capacity of the Units.
b) Addressing skills and specialization required for the effective revenue administration of the sector. This involved conducting a skills gap assessment and developing a staff training and skills development plan to address the identified skills gaps. Training focused on improving oil and gas industry knowledge including the value chain, project life cycles, and industry accounting standards and practices, risk assessment, computer-assisted audit techniques (CAATs), statutory interpretation and international tax risks posed by the industry.

II. Program Implementation and Achievements

2. The CD was delivered primarily through a peripatetic short-term expert (STX) who provided practical training, coaching and mentoring focused on improving industry knowledge and audit capacity. The STX assisted in coordinating the implementation of the IMF headquarters and working closely with the authorities to develop capacity and coordinate with other development partners (DPs). The STX was complemented with other targeted STX assignments to address specialized areas such as Custom, international tax risks and visits by IMF headquarters staff. The peripatetic advisor modality was well received and is still a preferred CD delivery channel by the authorities.

3. Guyana has made significant progress in reforming its revenue administration for the extractive industries. Since 2019, the Guyana Revenue Authority (GRA), supported by the project, has substantially enhanced its capacity to administer oil revenues. Dedicated petroleum revenue units have been established within both tax and customs administration, staffed by specialists trained in extractive industry operations and equipped with advanced tools and processes to ensure sector compliance.

4. The MNRW II module 2 project delivered extensive training covering key areas such as oil and gas industry knowledge, risk assessment, oil and gas accounting standards and practices, improving customs administration and oversight in the petroleum industry, statutory interpretation, and international tax risks. Practical, on-the-job training further strengthened GRA's understanding of sector-specific tax risks. The project also assisted in developing specialized petroleum reporting forms and schedules and in completing a compliance improvement plan for the

sector although its development and implementation remain challenged by limited access to reliable taxpayers' data.

5. Audit capabilities have been enhanced through mentoring, coaching, and practical audit training. Auditors received advanced training in computer-assisted audit techniques (CAATs), now fully integrated into GRA's audit procedures for large taxpayers, enabling more rigorous, data-driven tax and cost recovery audits. Continued support especially on audits will be critical to sustaining and expanding these achievements so that Guyana can keep pace keep pace with its rapidly expanding oil economy.

III. Challenges Encountered and Lessons Learned

6. Implementing reforms amidst the rapid expansion of Guyana's oil sector presented a unique and demanding set of obstacles. Persistent staffing and capacity constraints within the GRA emerged as perhaps the most critical challenge. The sector's unprecedented growth consistently outpaced the government's administrative capacity. Since achieving first oil in late 2019, both production and revenues have soared, placing significant pressure on the GRA and other regulatory agencies to quickly scale up their operations amidst a steep learning curve. From the outset, it was clear that the GRA lacked sufficient qualified personnel to meet the technical demands of petroleum revenue administration. By 2023, the specialized Petroleum Revenue Department was operating at 30 percent of staff capacity with only 37staff out of 124 needed to manage the growing workload effectively. Key barriers to recruitment and retention included: (1) a limited domestic talent pool with expertise in oil and gas, (2) competitive pressures from the private sector—particularly the oil industry—offering higher salaries, and (3) internal training programs that initially fell short of developing junior staff to the expert level required. These shortages created a significant risk to reform success, with a small group of overextended officials managing an increasingly complex portfolio.

7. In response, the project developed an innovative training and partnership program with University of Guyana to build a sustainable talent pipeline in oil-sector accounting and taxation. The partnership program was launched in early FY26 and if successfully implemented will help ease staffing pressures and strengthen the GRA's technical expertise sustainably.

8. External shocks further complicated implementation. The COVID-19 pandemic forced an abrupt shift to remote work and virtual CD delivery modality between 2020–2021, demanding significant adaptability from all stakeholders. A key lesson learned was the critical importance of flexibility in project execution. The team successfully adapted by implementing remote tools and scheduling staggered missions to maintain momentum despite travel restrictions. Sustaining regular virtual engagement helped mitigate disruptions and preserve reform progress.

IV. PARTNER OUTREACH AND COORDINATION

9. CD activities were coordinated with the area department (WHD) and DPs, including World Bank, UK's Foreign and Commonwealth Development Office (FCDO) and the US Treasury's Office Technical Assistance (OTA) to provide complimentary CD.

V. NEXT STEPS

10. With the MNRW funding ending, the project will transition to GPFP funding in October 2025 to continue assisting the authorities to sustain the gains made. CD efforts will focus on reinforcing and expanding audit capabilities and supporting the rollout of the GRA–University of Guyana training program to ensure its objectives are met and the program becomes self-sustaining.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Guyana-FAD-Revenue Administration-Natural Resources-FY19
PROJECT ID:	GUY21SRA2
PROJECT MANAGER:	Sanya, Bernard
REPORT DATE:	10/28/2025
PROJECT START:	11/1/2018
PROJECT END:	11/27/2026
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	7/1/2019 - 4/30/2025

Project Progress and Results Summary
Guyana has made significant progress in reforming its revenue administration for the extractive industries. Since 2019, the Guyana Revenue Authority (GRA), supported by the project, has substantially enhanced its capacity to manage oil revenues. Dedicated petroleum revenue units have been established within both tax and customs administration, staffed by specialists trained in extractive industry operations and equipped with advanced tools and processes to ensure sector compliance. The MNRW II module 2 project delivered extensive training covering key areas such as oil and gas industry knowledge, risk assessment, oil and gas accounting standards and practices, improving customs administration and oversight in the petroleum industry, statutory interpretation, and international tax risks. Practical, on-the-job training further strengthened GRA's understanding of sector-specific tax risks. The project also assisted in developing specialized petroleum reporting forms and schedules and in completing a compliance improvement plan for the sector although its development and implementation remain challenged by limited access to reliable taxpayers' data. Audit capabilities have been enhanced through mentoring, coaching, and practical audit training. Auditors received advanced training in computer-assisted

audit techniques (CAATs), now fully integrated into GRA's audit procedures for large taxpayers, enabling more rigorous, data-driven tax and cost recovery audits. Continued support especially on audits will be critical to sustaining and expanding these achievements so that Guyana can keep pace keep pace with its rapidly expanding oil economy.

LOG FRAME DETAILS:

Country – Guyana			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Organizational arrangements enable more effective delivery of strategy and reforms	3 Largely Achieved	7/8/2021	Specialized petroleum Unit are in place in tax and customs equipped with staff training the petroleum industry knowledge and technical skills. A skills gap assessment was conducted and a training and skills development plan developed. Training is continuing to address the identified skills gap.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Appropriate institutional settings in place			Largely Completed	5/24/2024	

Milestones	Target Completion Date	Rating	Rating Date	Narrative
1. Appointment by the PRAU with the initial 16 staff.	4/1/2019	4 Fully Achieved	10/28/2025	The initial 16 staff were appointed, and training delivered to address industry knowledge and capacity
2. Setting up a Customs Petroleum Unit (CPU).	4/1/2019	4 Fully Achieved	5/24/2024	A Customs Petroleum Unit is in place. CD was also provided to develop standard operating procedures for Customs
3. Responsibility for cost recovery audits is assumed by the GRA.	3/31/2019	4 Fully Achieved	10/27/2025	GRA has responsibility for cost audits
4. PRAU is fully established with a full complement of staff.	1/1/2020	4 Fully Achieved	10/27/2025	PRD is in place
5. Capacity development plans are delivered according to the project plan.	1/1/2021	4 Fully Achieved	5/24/2024	A capacity development plan is in place.

Country – Guyana			
Objective - Strengthened core tax administration functions		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Audit and other verification programs more effectively ensure accuracy of reporting	3 Largely Achieved	10/23/2022	There is significant improvement in audit capacity in the Petroleum Revenue Department (PRD). The team has advanced from basic PAYE/WHT audits to complex transfer pricing audits. Training, mentoring and

			Coaching is on-going to develop audit capacity.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Appropriate range of tax audits and other initiatives used to detect and deter inaccurate reporting and fraud (TADAT 2015 POA6-16/TADAT 2019 POA6-19)				5/24/2024	

Milestones	Target Completion Date	Rating	Rating Date	Narrative
1. Develop O&G training profile for PRAU.	5/1/2019	4 Fully Achieved	5/24/2024	
2. Develop a training plan.	8/1/2019	4 Fully Achieved	5/24/2024	
3. Implement skills and knowledge training plan.	1/1/2020	4 Fully Achieved	5/24/2024	
4. Recruit specialized skills externally (CAATTs).	1/1/2020	3 Largely Achieved	5/24/2024	CAATs Training delivered for PRD staff. Further Training and CAATs implementation support is predicated upon the GRA's acquisition of the CAATs software license.

5. Effective use of a range of tax audits and other initiatives are used to detect and deter inaccurate reporting.	1/1/2021	3 Largely Achieved	10/28/2025	GRA now has capacity to conduct a variety of audits with varying complexity although additional assistance is needed to sustain the gains so far made

Country – Guyana			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Corporate priorities are better managed through effective risk management	3 Largely Achieved	10/23/2022	Oil and gas risk matrix was completed, and a compliance improvement plan is in place.

Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Improved identification, assessment, ranking and quantification of compliance risks (TADAT POA2-3)				5/24/2024	
Better mitigation of risks through a compliance improvement program (TADAT POA2-4)				5/24/2024	

Improved monitoring and evaluation of compliance risk mitigation activities (TADAT POA2-5)				5/24/2024	

Milestones	Target Completion Date	Rating	Rating Date	Narrative
1. Risk factors and evaluation matrix have been developed for the: O&G Sector.	10/31/2021	4 Fully Achieved	5/24/2024	Oil and gas risk matrix completed.
2. Develop a database of relevant internal and external information for risk assessment purposes.	10/31/2022	3 Largely Achieved	5/24/2024	
3. Coordinated plans between the GRA, DoE, and other relevant MDAs are developed to share data, information and expertise and coordinate activities.	12/31/2021	3 Largely Achieved	5/24/2024	
4. Risk assessment activities and results feed into the development of operational plans.	10/31/2022	4 Fully Achieved	5/24/2024	Development of oil and gas compliance improvement plan commenced
5. Compliance risk mitigation activities related to major resource projects are monitored, evaluated and updated.	10/31/2022	4 Fully Achieved	5/24/2024	Oil and gas risk matrix completed. Development of compliance improvement plan is on course

Country – Guyana			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
More independent, accessible, effective and timely dispute resolution mechanisms adopted	3 Largely Achieved	10/23/2022	EI skills development plan is in place. CD is being provided to address the identified capacity gaps.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Existence of an independent, workable, and graduated dispute resolution process (TADAT POA7-19)				5/24/2024	

Milestones	Target Completion Date	Rating	Rating Date	Narrative
1. Evaluate appropriate staffing and capacity needs including supporting the O&G sector.	7/1/2019	4 Fully Achieved	5/24/2024	Oil and gas skills development plan is in place
2. Implement recommendation of the staffing and capacity assessment.	10/31/2023	3 Largely Achieved	5/24/2024	Capacity development to address identified capacity gaps is on-going

3. Establish a ruling function.	10/31/2022	1 Not Achieved	5/24/2024	This milestone is no longer a priority for the authorities.
4. Objections and Appeals inventory are current.	6/30/2022	3 Largely Achieved	5/24/2024	

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
Resources are misused, not properly accounted for, and do not achieve value for money. Project fails and negatively affects image of donor/provider.	Medium	7/12/2021	Project resources will be employed in accordance with the Fund's policies and procedures, including its travel policy. The project is implemented with strong counterparts at the revenue authority and other regulatory agencies
Management and Technical Staff Support and Commitment			
Resistance to reforms in tax compliance management activities by major stakeholders in the Extractive Industry Lack of coordination among capacity building partners duplicate efforts and deliver contradictory advice	Low	7/12/2021	Strong stakeholder engagement with the industry including key players such as the OAG, Ministry of Natural Resources Effective coordination and collaboration with the World Bank. OTA, CETA, as well as any future donors, will be reviewed regularly with adjustments to reflect progress achieved.
Political Support			
Security and/or political instability can slow down and even stop	Low	7/12/2021	Focus on strategic advice and hands-on capacity building to have a more permanent

implementation of reforms Change of Government leads to changes in management and staff unfamiliar with the project			impact. Proactively engage with the management and other key stakeholders to justify and re-establish the project.
Resource Adequacy			
Deterioration of fiscal situation may impact the availability of resources to finance reforms. Insufficient resources (human and infrastructure) in GRA may limit the scope and therefore the potential outcomes and benefits that this project could offer	Medium	7/12/2021	Careful alignment of reforms with the priorities of government. Reforms are underpinned by comprehensive strategic plans and the project results from the government's decision to reduce non-compliance. Engagement with GRA management team to establish the project requirements and a develop a credible implementation plan
Other Risks			
The team fails to achieve the milestones and deliver the expected outcomes on time and project fails.	Low	7/12/2021	The project will be delivered and monitored by IMF staff and experienced revenue administration experts with strong skills in the specific area of risk management and compliance improvement with a focus on the EI sector.
Other Risks			
COVID 19 – disruption of work arrangements and communication infrastructure lower staff accessibility which disrupts delivery.	Low	10/15/2021	Continuous engagement with the authorities to explore appropriate capacity development delivery modalities

Changes to Project

CD Project Assessment Report

Project Name:	GPFP-Guyana - Revenue Administration
Project ID:	GUY26TAD1
Project Manager:	Kerjean, Pierre
Report Date:	10/17/2025
Project Start:	11/14/2024
Project End:	2/12/2027
Assessment Type:	Interim
Assessment Period:	5/1/2025 - 10/31/2025

Project Progress and Results Summary
Key progress in H1FY26 Revenue Administration- Extractive Industries. The authorities have continued to receive practical audit training to strengthen audit capacity and technical skills, complemented by specialized training in Computer-Assisted Audit Techniques (CAATs) to enhance audit effectiveness and efficiency. The Guyana Revenue Authority (GRA) is progressively improving its capabilities to conduct tax and cost recovery audits in the oil and gas sector. Additionally, the training and internship program developed in partnership with the University of Guyana has commenced. This initiative was designed to assist the GRA in addressing its staffing requirements and developing a sustainable workforce to keep pace with Guyana's rapidly expanding petroleum industry. Previous progress: Data analytics and audit integration- The Guyana Revenue Authority procured software and received training in Computer Assisted Audit Techniques (CAATs) to enhance audit effectiveness in the oil and gas sector, alongside plans for a training and internship program with the University of Guyana. Next Steps: Capacity development (CD) efforts will continue to focus on strengthening audit capabilities in tax and cost recovery, while supporting the integration of Computer-Assisted Audit Techniques (CAATs) into the

authorities' audit processes. Additional CD may be required during the initial implementation phase of the training and internship program with the University of Guyana to ensure effective rollout and sustainability.

LOG FRAME DETAILS:

Country – Guyana			
Objective - Strengthened core tax administration functions (SDG 17.1) - TAD		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Audit and other verification programs more effectively ensure accuracy of reporting	3 Largely Achieved	10/17/2025	The Guyana Revenue Authority (GRA) is progressively improving its capabilities to conduct tax and cost recovery audits in the oil and gas sector. The authorities have continued to receive practical audit training to strengthen audit capacity and technical skills, complemented by specialized training in Computer-Assisted Audit Techniques (CAATs) to enhance audit effectiveness and efficiency. Additionally, the training and internship program developed in partnership with the University of Guyana has commenced. This initiative was designed to assist the GRA in addressing its staffing requirements and developing a sustainable

			workforce to keep pace with the rapidly expanding petroleum industry in Guyana.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Appropriate range of tax audits and other initiatives used to detect and deter inaccurate reporting and fraud (TADAT 2015 POA6-16/TADAT 2019 POA6-19)	Tax administration is building capacities to conduct tax and cost-oil audits in the oil and gas sector	Tax administration performs tax and cost-oil audits of major oil and gas projects focusing on major risks		10/17/2025	Several audits are ongoing in the petroleum sector. The authorities have continued to receive practical audit training to strengthen audit capacity and technical skills, complemented by specialized training in Computer-Assisted Audit Techniques (CAATs) to enhance audit effectiveness and efficiency.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
N/A				

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			

Risk that external events create a more challenging environment to implement reforms.	Low	10/17/2025	Ensure sufficient flexibility in program execution across countries and allow for ability to adjust activities in the case of adverse events
Political Support			
Lack of political support for reforms inhibits required actions or resources being allocated that are needed to enhancements to fiscal risk management institutions and practices.	Low	10/17/2025	Ensure fiscal risk CD is focused on priority areas and engage regularly with ministers and senior management to ensure government ownership of reforms.
Management and Technical Staff Support and Commitment			
Low commitment of management and staff in finance and other ministries to adopt and implement fiscal risk management practices.	Medium	11/15/2024	Engage with senior management and technical staff proactively and explain the importance of strengthening fiscal risk management.
Resource Adequacy			
Deterioration of fiscal situation may impact the availability of resources to finance reforms. Insufficient resources (human and infrastructure) in GRA may limit the scope and therefore the potential outcomes and benefits that this project could offer	Low	10/17/2025	Careful alignment of reforms with the priorities of government. Reforms are underpinned by comprehensive strategic plans and the project results from the government's decision to reduce non-compliance. Engagement with GRA management team to establish the project requirements and a develop a credible implementation plan
Other Risks			
The team fails to achieve the milestones and deliver the expected outcomes on time and project fails.	Low	11/15/2024	The project will be delivered and monitored by IMF staff and experienced revenue administration experts with strong skills in the

			specific area of risk management and compliance improvement with a focus on the EI sector.

Changes to Project

INTERNATIONAL MONETARY FUND

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2025
November

Funding Program Assessment
Kenya (MNRW II, M2)

COUNTRY (S): Kenya

DATES: 12/1/2016 - 4/30/2025

PROGRAM ID: FAD_KEN_2017_01

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Sanya, Bernard

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 12/1/2016 - 4/30/2025

BUDGET: $679,396

I. PROGRAM PURPOSE

1. The purpose of this project was to assist the Kenya Revenue Authority (KRA) in developing capacity to administer revenue from the extractive industries (EI). The project focused on assisting the Kenyan Revenue Authority (KRA) in developing a compliance strategy for administering revenue from the EI and addressing the capacity within the KRA to implement the strategy. The project had three main goals.

- Strengthening the organization's compliance management strategy and risk assessment process for the extractive industries
- Strengthening the effectiveness of Structure, policy, and procedures along segmented and functional lines to allow for the effective delivery of EI strategy
- Addressing skills and specialization required to administer the sector and develop a skills development program to address gaps.

II. PROGRAM IMPLEMENTATION AND ACHIEVEMENTS

2. The project successfully delivered CD to address capacity in revenue administration of the extractive industries sector using a combination of in-country visits, interactive learning workshops and virtual CD delivery modality. The MNRW Module 2 project has laid a strong foundation for effective EI revenue administration in Kenya. Key progress include:

- Development of a Compliance Improvement Plan (CIP): Comprehensive risk matrices and risk register for large scale mining and petroleum sector were completed, and the sector's compliance improvement plan finalized. These strategic tools enabled the Kenya Revenue Authority (KRA) to better target and prioritize compliance monitoring and audit activities within the sector.

- Technical Skills and Capacity Building: Extensive capacity development initiatives were implemented to address industry knowledge and skills gaps identified across KRA Units involved in EI compliance. A 2021 skills gap assessment highlighted limited EI expertise and technical skills within the Audit, International Tax, and EI Compliance units. In response, a targeted training and development plan was established and delivered, enhancing technical proficiency in areas such as EI industry fundamentals, including accounting standards and practices, risk assessment, and international tax risks posed by industry.

- Strengthening EI Customs Administration and oversight: A diagnostic mission evaluated customs administration and provided actionable recommendations for reforms to strengthen customs administration and oversight over the extractive industries sector.

III. Challenges Encountered and Lessons Learned

3. Implementation of project activities faced multiple challenges, including security threats, COVID-19-related disruptions, political unrest, and a sharp decline in sector activity, which ultimately led to early project closure. EI activities in Kenya were stalled by delays in securing land and water rights, tax disputes, pandemic-related disruptions, and the 2020 global oil price crash that made the project financially unviable. The Government of Kenya approved a revamped field development plan that expanded the project's scale, enhanced financial robustness, and improved carbon efficiency, paving the way for negotiations with a strategic financial partner to advance the project. However, the negotiations stalled, causing a standstill in sector activities. With EI activity significantly reduced, demand for CD declined sharply, leading to early project closure in FY25. The key lesson learned is that EI-focused projects must align closely with sector investment cycles, as prolonged inactivity jeopardizes project sustainability.

IV. Partner Outreach and Coordination

4. CD activities were coordinated with the area department (AFR) and other DPs such as the world Bank and the EU and who had interest in EI revenue administration CD in Kenya. FAD staff collaborated closely with the IMF AFRITAC EAST (AFE) in delivering CD, including arranging joint CD missions.

V. Next Steps

5. The MNRW Module 2 project for Kenya closed in FY25, with residual reporting completed in FY26. Remaining funds were reallocated to scoping missions for Tanzania and other Module 2 projects that had good traction. The project will not transition to GPFP funding. However, FAD remains ready to resume assistance when the EI project regains momentum.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Kenya-FAD-Revenue Administration-Natural Resources- FY17
PROJECT ID:	KEN21SRA2
PROJECT MANAGER:	Sanya, Bernard
REPORT DATE:	10/29/2025
PROJECT START:	12/1/2016
PROJECT END:	4/30/2025
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	12/1/2016 - 4/30/2025

Project Progress and Results Summary

The MNRW Module 2 project has laid a strong foundation for effective EI revenue administration in Kenya. Key progress includes:

- Development of a Compliance Improvement Plan (CIP): Comprehensive risk matrices and risk register for large scale mining and petroleum sector were completed and the sector's compliance improvement plan finalized. These strategic tools enabled the Kenya Revenue Authority (KRA) to better target and prioritize compliance monitoring and audit activities within the sector Skills and Capacity Building:
- Extensive capacity development initiatives were implemented to address industry knowledge and skills gaps identified across KRA Units involved in EI compliance. A 2021 skills gap assessment highlighted limited EI expertise and technical skills within the Audit, International Tax, and EI Compliance units. In response, a targeted training and development plan was established and delivered, enhancing technical proficiency in areas such as EI industry fundamentals, including accounting standards and practices, risk assessment, and international tax risks posed by industry. Customs Administration:

- A diagnostic mission evaluated customs administration and provided actionable recommendations for reforms to strengthen customs administration and oversight over the extractive industries sector.

LOG FRAME DETAILS:

Country – Kenya			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Organizational arrangements enable more effective delivery of strategy and reforms	3 Largely Achieved	7/8/2021	EI risk matrices and compliance improvement plan are in place. Interagency cooperation and information sharing are still a work in progress.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Clear organizational structure along functional lines and/or taxpayer segments established and operating or strengthened	Baseline: Specialized EI audit unit has been set up but a coordinated compliance strategy has not been developed			5/24/2024	

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Action plan to develop a compliance improvement plan for the extractive industries has been established.	10/1/2017	4 Fully Achieved	5/24/2024	EI compliance improvement plan is completed.
Formalized information exchange and cooperation between regulatory stakeholders have been developed	5/1/2018	3 Largely Achieved	5/24/2024	Interagency cooperation and sharing of information and expertise is still a work in progress.
Coordinated operational plans to deal with compliance risks for the EI sector are implemented	2/1/2019	3 Largely Achieved	5/24/2024	Implementation of the EI compliance plan to commence.

Country – Kenya			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Corporate priorities are better managed through effective risk management	3 Largely Achieved	7/8/2021	EI Compliance improvement plan, articulating priority risks and mitigation measures is in place

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Better mitigation of risks through a compliance improvement program (TADAT POA2-4)	Baseline: Generic pilot for risk assessment has been established which does not address EI specific risks. Coordinated compliance plan across all functional areas for EI not established.			5/24/2024	
Improved monitoring and evaluation of compliance risk mitigation activities (TADAT POA2-5)	Baseline: Generic pilot for risk assessment has been established which does not address EI specific risks. Coordinated compliance plan across all functional areas for EI not established.			5/24/2024	

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Risk factors and evaluation matrix for the industry have been developed	2/1/2018	4 Fully Achieved	10/29/2025	Risk matrices for large scale mining and petroleum operations and related risk registers are in place
Risk assessment unit activities and results feed into the development of operational plans	2/1/2018	4 Fully Achieved	10/29/2025	Risk matrices and register completed
Risk based audit operational plan developed	2/1/2018	3 Largely Achieved	10/29/2025	CIP completed
Compliance risk mitigation activities are driven by a compliance management strategy involving a coordinated plan across all functional areas	2/1/2019	3 Largely Achieved	10/29/2025	EI CIP is in place
Compliance risk mitigation activities related to major resource projects and the artisanal sectors are monitored, evaluated and updated.	12/1/2019	3 Largely Achieved	10/29/2025	EI CIP completed for implementation

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
	Low	7/12/2021	
Management and Technical Staff Support and Commitment			
Continuous rotation of managers and staff undermine the absorptive capacity and provoke permanent discontinuity.	High	7/12/2021	Engage with the authorities to develop and implement a staff rotation program to accelerate the development of EI specialization.
Political Support			
Security and/or political instability can slow down and even stop implementation of reforms Uncertainty due to the upcoming presidential elections in 2022 disrupt CD delivery, slowing project progress.	Medium	7/12/2021	Encourage authorities to implement administrative reforms that contribute to retaining and engaging staff. Continual/regular high-level engagement and monitoring. Proactively engage new management and staff to justify the project and regain commitment
Resource Adequacy			
Deterioration of fiscal situation may impact the availability of resources to finance reforms	Low	7/12/2021	Careful alignment of reforms with the priorities of government. Reforms at KRA are underpinned by comprehensive strategic plans and the project results from the government's decision to reduce noncompliance
Other Risks			

COVID 19 – disruption of work arrangements and communication infrastructure lower staff accessibility which disrupts delivery.	Low	7/12/2021	Continuously engage with the authorities to identify appropriate capacity development delivery modalities.
Management and Technical Staff Support and Commitment			
Presidential elections in 2022 result in changes in management and staff at the KRA disrupting project activities.	High	10/15/2021	Proactively engage new management and staff to justify the project and regain commitment

Changes to Project

INTERNATIONAL MONETARY FUND

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2025
December

Funding Program Assessment
Mozambique (MNRW II, M1)

Mozambique (MNRW II, M1)

COUNTRY (S): Mozambique, Republic of

DATES: 5/1/2017 - 10/31/2025

PROGRAM ID: FAD_MOZ_2018_01

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Camero Godinez, Eduardo

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 5/1/2017 - 10/31/2025

BUDGET: $831,995

Mozambique (MNRW II, M1)

I. Program Purpose

Mozambique's mining and petroleum resources are substantial, and prospects are very favorable. So far, extractive industry activities have comprised mining and some natural gas production, but the country is on the verge of a major natural gas boom. Substantial natural gas reserves were found in the early 2010s in northern Mozambique and large investments are taking place, likely in excess of US$55 billion. In the medium term, this will have positive benefits given the energy transition role of natural gas. Building capacity of government staff in extractives resource management on tax policy was therefore a key priority for government to realize fiscal benefits of resource extraction. As liquified natural gas (LNG) projects moved into development (and one, Coral South, began production), there was a need to build capacity of government staff to forecast petroleum revenues, through the use and update of a FARI-based LNG model. While LNG revenues will dominate in the medium term, there was also a need to develop a FARI-based Mining model, which included the most important mining projects in production in the country.

II. Program Implementation and Achievements

FAD has provided technical assistance on taxation of extractive industries since 2012. In an initial phase (FY2012-FY2016), the advice focused on improving the petroleum fiscal regime (and resulted in adoption of new legislation—Petroleum Tax Act and Mining Tax Act—which entered into force since 2015). In a second phase (FY2017-FY2025), with MNRW financing, technical assistance focused on capacity building in revenue modeling and forecasting, using the FARI framework.

FARI models were developed both for mining and LNG projects, which need to be periodically updated to ensure they remain relevant for authorities.

- A complete revenue forecasting LNG model was built, which includes all LNG projects under development (Area 1, Coral North, Coral South and Rovuma). The model has been updated with historical data from the single LNG project that has moved to production, Coral South, and from the recently approved field development plan for Coral North. For Area 1 and Rovuma, the model uses data from approved field development programs.

- The LNG model includes modelling the flows of the national oil company (ENH), which enjoys carried participation in all projects. These flows have been incorporated into the debt sustainability analysis of the IMF Mozambique mission.

- The sectoral mining model is substantially complete and includes the five biggest mining projects in operation in the country, including mines for gold, heavy sands, graphite, rubies and coal.

- An interface between the LNG and Mining models and the authorities' macro-fiscal framework was developed, to more easily incorporate revenue projections for use by authorities.

- Workshops to build capacity of key government staff in extractives tax policy and in the use and updating of the LNG and Mining models were delivered.

III. Challenges Encountered and Lessons Learned

The main challenges for CD delivery have been external. The deteriorating security situation in the north of the country where LNG facilities will be built, peaking in November 2020, causing companies to declare force majeure, significantly delaying construction and increasing costs. Only recently have companies started lifting force majeure for LNG projects, but the risk of new insurgency flare ups continues to be present. Coral North and South are mostly unaffected as they are operated via offshore facilities. In addition, political and social unrest centered around presidential elections in late 2024, and a significant reorganization of government by the new administration, halted TA delivery until late 2025. Having a dedicated Technical Assistance Coordinator in the local office (Esther Palacios) greatly facilitated coordination with new authorities to restart FAD delivery.

IV. Partner Outreach and Coordination

FAD met regularly with consultants managing Norway's support for revenue forecasting (through the Norwegian Agency for Development Cooperation) and with representatives of the TEDI Project (financed by the governments of the UK and Sweeden), to coordinate on the natural resource CD objectives and workplans.

V. Next Steps

FAD will continue to deliver CD on extractives tax policy through a GPFP-financed project. CD will continue to focus on developing capacity of government staff to analyze and design extractives tax policy, along two main workstreams. First, through additional hands-on workshops on updating, maintaining and operating the LNG and Mining models. Second, by holding discussions on emerging tax policy issues with authorities. CD will continue building capacity of key government staff in using, updating and operating both the LNG and the Mining models, including incorporating them into the authorities' macroeconomic and budget frameworks. As the LNG projects move closer to first production, it is expected that additional tax policy issues will emerge that will necessitate additional FAD TA.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Mozambique - FAD - Natural Resources Taxation (MNRW Module 1)
PROJECT ID:	MOZ21TRP1
PROJECT MANAGER:	Swistak, Artur
REPORT DATE:	12/16/2025
PROJECT START:	2/3/2020
PROJECT END:	10/31/2025
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	-

Project Progress and Results Summary
FARI models have been developed both for mining and natural gas projects, which will need to be periodically updated to ensure they remain relevant for authorities. More capacity building needs to be delivered to ensure that key staff remain well trained in the models used. Ministries and agencies started exchanging some information; it is however not systematic yet, as formal procedures were not adopted. The FARI LNG model was built and includes the LNG projects under development (Area 1, Coral North and Rovuma). The model also includes the single LNG project that has moved to production, Coral South. The model now includes data for the approved field development plan for Coral North. The sectoral mining model is substantially complete and includes the five biggest mining projects in

operation in the country, including mines for gold, heavy sands, graphite, rubies and coal. Various TA activities reviewed the contractual framework for LNG projects, and its tax implications. TA on extractives tax policy will be continued to be delivered via a GPFP program.

LOG FRAME DETAILS

Country – Mozambique, Republic of			
Objective - Improved tax and non-tax revenue policy		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Improved structures and capacity related to tax policy advice and analysis, including organization of tax policy units and building tax models or other tools for analysis and revenue forecasting	3 Largely Achieved	12/9/2025	Ministries and agencies started exchanging some information; it is however not systematic yet, as formal procedures were not adopted. The FARI LNG model was built and includes the LNG projects under development (Area 1, Coral North and Rovuma). The model also includes the single LNG project that has moved to production, Coral South. The model now includes data for the approved field development plan for Coral North. The sectoral mining model is substantially complete and includes the five biggest mining projects in operation in the country, including

			mines for gold, heavy sands, graphite, rubies and coal.		
Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Cooperation and information sharing between agencies increased	0	4	2	5/24/2024	Ministries and agencies started exchanging some information; it is however not systematic yet. Formal procedures not adopted.
Models or tools developed or improved	0	4	4	12/9/2025	Significant progress made in developing revenue forecasting models - both for mining and petroleum; the models have been updated to include all relevant large-scale projects in mining and NLG.
Milestones	**Target Completion Date**		**Rating**	**Rating Date**	**Narrative**
Modeling team identified and the first FARI fiscal modelling workshop undertaken	4/30/2018		4 Fully Achieved	12/9/2025	A modelling team from relevant stakeholders was identified and a FARI fiscal modelling

				workshop was delivered
Scope of data required and potential sources identified	12/31/2018	4 Fully Achieved	12/9/2025	Data for the large-scale LNG projects was sourced from field development projects, as well as a review of petroleum agreements and relevant fiscal legislation.
Procedures for inter-agency data sharing adopted	12/31/2020	3 Largely Achieved	12/9/2025	There is a clear understanding by relevant stakeholders of their role in data sharing, but progress was hampered by staff turnover
FARI revenue forecasting model for major mining projects built	12/31/2018	4 Fully Achieved	12/9/2025	The sectoral mining model comprises the five biggest mining projects in operation in the country
Key staff trained to operate the FARI revenue forecasting model for mining projects	12/31/2019	4 Fully Achieved	12/9/2025	Key government staff has been trained in the use of the sectoral mining model. The most recent training workshop was

				delivered in December 2024
FARI revenue forecasting model for gas megaprojects built	4/30/2020	4 Fully Achieved	12/9/2025	The FARI model was built and includes the LNG projects under development (Area 1, Coral North and Rovuma). The model also includes the single LNG project that has moved to production, Coral South. The model now includes data for the approved field development plan for Coral North.
Key staff trained to operate the FARI revenue forecasting model for gas megaprojects	4/30/2024	4 Fully Achieved	12/9/2025	Key government staff has been trained in the use of the LNG model. The most recent training workshop was delivered in December 2024
FARI revenue forecasting models/results integrated in annual revenue forecasting projections	4/30/2024	2 Partially Achieved	12/9/2025	Staff from MOF use the FARI model to inform their annual revenue projections, but there no formal

				procedures have been adopted
Interface between SMM and LNG Model and MEF's macro-fiscal framework developed; models integrated with the macro-fiscal framework	9/30/2023	4 Fully Achieved	12/9/2025	An interface between the two FARI revenue projection models was handed over to authorities in December 2024. This is intended for authorities to be able to seamlessly integrate the revenue forecasts from the FARI models into the authorities' macro framework
Macro-fiscal framework upgraded to distinguish between natural resource and non-resource revenue and forecasting routines implemented	4/30/2024	2 Partially Achieved	12/9/2025	Staff from MOF use the FARI model to inform their annual revenue projections, but there no formal procedures have been adopted

Country – Mozambique, Republic of			
Objective - Improved tax and non-tax revenue policy		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**

Increased economic efficiency by minimizing the economic distortions imposed by taxes or by using taxes to address externalities or market failures	3 Largely Achieved	12/9/2025	Authorities continue implementing and adjusting the fiscal regime. The recent adoption of regulations for minerals valuation (reference price) exemplifies their efforts to improve the overall regime.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
New fiscal regime legislation or model PSA approved	1	4	3	5/24/2024	Authorities continue implementing and adjusting the fiscal regime. The recent adoption of regulations for minerals valuation (reference price) exemplifies their efforts to improve the overall regime.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
By-laws necessary for proper implementation of the 2014 petroleum and mining legislation are passed	9/30/2018	3 Largely Achieved	12/9/2025	All necessary bylaws and regulations are in place for both the mining and LNG sectors
Contractual framework for the LNG project approved and its	6/30/2021	4 Fully Achieved	12/9/2025	LNG agreements are in place and all projects are either in

implications for taxation of the midstream segment assessed				operation, under development or in final stages of achieving final investment decision
Tax regime for the petroleum and mining sector, including the newly introduced resource rent tax, reviewed	4/30/2024	3 Largely Achieved	12/9/2025	The tax regime for the petroleum sector has been reviewed and implications have been discussed comprehensively with authorities at the revenue forecasting workshops delivered. There are no mining projects that currently apply the resource rent tax
By-laws on minerals valuation adopted	12/31/2023	4 Fully Achieved	5/24/2024	The authorities adopted new regulations on minerals valuation and price benchmarking. TEDI will finance a license for Bloomberg database (for a year) to ensure the authorities have access to benchmark

				prices and are able to publish monthly bulletins
Laws setting the overall tax framework for the petroleum and mining sectors are amended	4/30/2022	3 Largely Achieved	12/9/2025	All laws setting the overall tax framework, as well as regulations, have been approved and implemented
VAT design and operation in the extractive industries assessed and recommendations for improvement made	12/31/2023	2 Partially Achieved	12/9/2025	The declaration of force majeure from 2021 to 2025 slowed the analysis of VAT regime for extractives, as most companies have not had significant experience with VAT yet
Amendments to the VAT Act (as necessary) passed	4/30/2024	1 Not Achieved	12/9/2025	No amendments have been recommended
International tax framework for EI assessed and improvements implemented	4/30/2022	2 Partially Achieved	12/9/2025	No amendments have been recommended

RISK ASSESSMENT AND MITIGATION

Category and Description	Probability	Impact	Assessment	Assessment Date	Mitigation Measures
External climate/conditions					
	Medium	Medium	Medium	7/12/2021	
Management and Technical Staff Support and Commitment					
	Medium	Medium	Medium	10/24/2023	
Political Support					
	High	Medium	High	10/25/2024	
Resource Adequacy					
	Low	High	Medium	10/24/2023	
Other Risks					
	Low	Medium	Low	4/22/2022	

Changes to Project

INTERNATIONAL MONETARY FUND

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2025
October

Funding Program Assessment
Mozambique (MNRW II, M2)

COUNTRY (S): Mozambique

DATES: 5/1/2017 - 10/31/2025

PROGRAM ID: FAD_MOZ_2018_02

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Kerjean, Pierre

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 5/1/2017 - 10/31/2025

BUDGET: $739,478

I. Program Purpose

1. This capacity development (CD) program was aimed at supporting the Mozambique Revenue Authority (AT) in developing capacity to administer revenue from the extractive industries (EI). The AT has been in receipt of extensive technical assistance under phase one of the MNRW in respect of tax policy and EI revenue administration. Based on FAD advice, in 2016 the AT set up a specialized extractive industry team named the Unit for Taxation of Extractive Industries (UTIE). Capacity and skills on this team were weak, requiring sustained technical assistance to build the team and develop its capacity to administer the EI.

2. The primary areas of revenue administration policy covered by this program were: (i) supporting organizational arrangements (ii) Reinforce effective risk management and (iii) Reinforce support functions to enable more effective delivery of strategy and reforms. Under this program, FAD revenue administration teams undertook diagnostic assessments, conducted industry and tax-specific trainings and recommended reforms aimed at increasing resource revenues, generally anchored in a medium-term programmatic approach to CD.

Table 1: Program Objectives and Expected Outcomes

Objectives	Outcomes
• Strengthened revenue administration management and governance arrangements	• Organizational arrangements enable more effective delivery of strategy and reforms • Corporate priorities are better managed through effective risk management • Support functions enable more effective delivery of strategy and reforms

II. Program Implementation and Achievements

3. The program successfully delivered a suite of Capacity Development (CD) activities in Mozambique. Utilizing a combination of in-field and remote CD delivery methods, the FAD team ensured the continuous provision of technical assistance. The first phase of this program, which ended in April 2020, achieved some milestones including the completion of risk models for all the major mining projects, completion of the mining risk matrix for large scale mining and related services sector. A Memorandum of Understanding for cooperation and information sharing between the AT and the EI regulators has been developed but is not yet been ratified.

4. The Key Achievements of the second phase of this program include: 1) The completion of the risk matrix for oil and gas and related services sector,2) enhanced knowledge of the mining and oil and gas sector 3) a compliance improvement plan in the extractive industries has been developed and is being implemented, including through targeted audits of large oil and gas taxpayers.

III. Challenges Encountered and Lessons Learned

5. The program activities faced a diverse range of challenges that influenced the execution of the CD program. The Covid-19 outbreak, political uncertainty, changing policy priorities, limited absorption capacity of implementing agencies, and the intricate nature of reform initiatives all affected the timely delivery of CD activities.

6. Absorption capacity has been a challenge. In 2018, a revised project timeline with new milestones and target dates was developed by FAD in conjunction with the AT to bring the project back on track. To assist the AT and help achieve the milestones, FAD established a limited on-demand remote CD facility. Although the remote environment creates its own challenges, this modality, combined with in-country missions, offered some flexibility allowing AT to better combine CD with other priorities.

7. The AT maintained a stable team throughout the program implementation. Establishing a team of capable professionals that can deal with the industry on an equal footing is a fundamental, and requires a certain level of staff stability, an intensive staff development process, with targeted internal recruitment and comprehensive training plans.

8. Among the lessons learned during the assessment period, a key finding was that: 1) data availability remains a major issue and constraint for any modeling work, 2) timely delivery of activities is highly contingent on economic and political development, with readiness to receive CD missions dwindling where there is a degree of uncertainty about future direction, and 3) combining in-person and remote methods of engagement with authorities ensures the continuity and timeliness of FAD advice.

IV. Partner Outreach and Coordination

9. With the support of the IMF TA coordinator, CD activities were routinely coordinated with the area department (AFR) and various IFI's, notably the Foreign, Commonwealth & Development office. Coordination with technical partners frequently included joint work on design and implementation of country work programs, and collaboration with advisors on the ground.

V. Next Steps

This funding program is transitioning to a GPFP program. CD related to natural resources will continue under this new program, which also covers technical assistance across all segments of the AT. A first GPFP tax administration scoping mission conducted in May 2025 included an extractive industry expert financed by the MNRW program to help better integrate extractive industry compliance improvement activities within the overall organization of the AT. CD on the extractive industry segment will focus on supporting and updating the compliance improvement plan.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Mozambique-FAD- Revenue Administration- Natural Resources- FY18
PROJECT ID:	MOZ21SRA1
PROJECT MANAGER:	Kerjean, Pierre
REPORT DATE:	10/31/2025
PROJECT START:	11/16/2018
PROJECT END:	4/30/2025
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	5/1/2024 - 4/30/2025

Project Progress and Results Summary
The program successfully delivered a suite of Capacity Development (CD) activities in Mozambique. Utilizing a combination of in-field and remote CD delivery methods, the FAD team ensured the continuous provision of technical assistance. The first phase of this program, which ended in April 2020, achieved some milestones including the completion of risk models for all the major mining projects, completion of the mining risk matrix for large scale mining and related services sector. A Memorandum of Understanding for cooperation and information sharing between the AT and the EI regulators has been developed but is not yet been ratified. The Key Achievements of the second phase of this program include: 1) The completion of the risk matrix for oil and gas and related services sector,2) enhanced knowledge of the mining and oil and gas sector 3) a compliance improvement plan in the extractive industries has been developed and is being implemented, including through targeted audits of large oil and gas taxpayers.

LOG FRAME DETAILS:

Country – Mozambique, Republic of			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Organizational arrangements enable more effective delivery of strategy and reforms	3 Largely Achieved	7/8/2021	Production tax and cost recovery forms have been developed. Development of the corporate income tax form and EI reporting achieved. Although the memorandum of understanding developed with the support of this program is not ratified yet, the tax administration and agencies of the ministry of natural resources and energy already exchange information and expertise routinely, and work in a joint team to address issues in the sector. In 2023, the Govt started issuing reference prices to address mis reporting of minerals for tax production purposes. A tax education conducted in 2022 at Manica province was successful to change the precious gems and metals productors tax behavior, improving the tax revenue. The authorities maintained a stable staff within the extractive industry unit.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Clear separation of roles and responsibilities between HQ (definition of standard operation procedures, planning and monitoring) and local branches (execution) adopted	Baseline: assessment of the December 2016 technical assistance report. Mandate of the UTIE and its activities need to be clarified within the AT and with other regulatory agencies. Lines of communication and cooperation with other functional areas and agencies		3	5/24/2024	Responsibilities with audit department clarified. Tax returns specific to the EI have been developed and are integrated in tax procedures. No clear formalized planning and supervision strategy at the corporate level

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Action plan to develop a compliance improvement plan for the extractive industries has been established.	7/1/2017	4 Fully Achieved	10/31/2024	CIP developed
Reporting procedures and tax and information returns developed	10/1/2017	4 Fully Achieved	5/24/2024	Returns and forms for the EI developed and used
Formalized information exchange and cooperation between regulatory stakeholders have been developed	1/1/2018	3 Largely Achieved	5/24/2024	

Client assistance program of education and rulings developed	5/1/2018	3 Largely Achieved	5/24/2024	100 tax rulings are issued per FY
Coordinated operational plans to deal with compliance risks for the EI sector are implemented	5/1/2019	2 Partially Achieved	5/24/2024	

Country – Mozambique, Republic of			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Corporate priorities are better managed through effective risk management	3 Largely Achieved	10/23/2023	The risk matrices for mining, oil, and gas have been completed. a compliance improvement plan has been developed and is implemented but EI compliance strategies to address the risks identified has must be updated and improved, based on the lessons learned from CIP implementation.

Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Improved identification, assessment, ranking and quantification of compliance risks (TADAT POA2-3)	Baseline: assessment of the December 2016 technical assistance report. Skills base for fiscal modelling, risk identification and		3	5/24/2024	Risk matrix in the mining and oil and gas sectors developed and used in the course of audits and case selection, but processes remain manual and ranking should be improved

	knowledge of the industry are weak. Risk based compliance management strategies have not been developed				
Better mitigation of risks through a compliance improvement program (TADAT POA2-4)	Baseline: assessment of the December 2016 technical assistance report. Skills base for fiscal modelling, risk identification and knowledge of the industry are weak. Risk based compliance management strategies have not been developed		3	10/31/2025	A formalized compliance improvement plan (CIP) has been developed and is being implemented. The CIP needs to be updated and improved based on lessons learned during the first year of implementation.
Improved monitoring and evaluation of compliance risk mitigation activities (TADAT POA2-5)	Baseline: assessment of the December 2016 technical assistance report. Skills base for fiscal modelling, risk identification and knowledge of the industry are weak. Risk based compliance management strategies have not been developed		3	10/31/2024	Risk matrix in the mining and oil and gas sectors developed and used to develop compliance improvement plan and in the course of audits and case selection, but processes remain manual

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Project fiscal models for major resource projects developed	5/1/2018	4 Fully Achieved	10/31/2025	
Risk factors and evaluation matrix for the industry have been developed	1/1/2019	4 Fully Achieved	10/31/2025	
Risk assessment activities and results feed into the development of operational plans	5/1/2019	3 Largely Achieved	10/31/2025	
Compliance risk mitigation activities are driven by a compliance management strategy involving a coordinated plan across all functional areas	5/1/2019	3 Largely Achieved	10/31/2025	
Compliance risk mitigation activities related to major resource projects and the artisanal sectors are monitored, evaluated and updated.	5/1/2020	3 Largely Achieved	10/31/2025	

Country – Mozambique, Republic of			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Support functions enable more effective delivery of strategy and reforms	3 Largely Achieved	10/23/2023	Specialized skills have improved and staffing is stable but no formalized strategic plan to extend and maintain these skills is developed yet. The unit has started addressing the most complex tax

			issues, including commodity transfer pricing, but still needs hand-on support to implement mitigation strategy with reassurance.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved human resources strategies and practices to support the tax administration	Baseline: assessment of the December 2016 technical assistance report. Specialized skills including Risk assessment, fiscal modelling, industry knowledge and base line revenue administration skills need to be developed and maintained.		3	10/31/2025	Specialized skills have improved but no strategic plan to extend and maintain these skills is developed yet

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Areas of technical specialization relating to the EI sector have been addressed through the development of appropriate staffing and training plans and strategies.	5/1/2018	3 Largely Achieved	10/31/2025	Specialized skills are improving but training activities remain necessary to reinforce skills and for junior staff

An EI staffing and development plan has been developed	5/1/2018	2 Partially Achieved	5/24/2024	Staffing has been increased and stabilized but no plan has been formally developed

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
	High	7/12/2021	
Management and Technical Staff Support and Commitment			
	Medium	7/12/2021	
Political Support			
	Low	7/12/2021	
Resource Adequacy			
	Medium	7/12/2021	
Other Risks			
	High	7/12/2021	

Changes to Project

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	GPFP-Mozambique, Republic of-Revenue Administration
PROJECT ID:	MOZ25RAM1
PROJECT MANAGER:	Paz, Paulo
REPORT DATE:	10/17/2025
PROJECT START:	2/16/2024
PROJECT END:	5/21/2027
ASSESSMENT TYPE:	Interim
ASSESSMENT PERIOD:	5/1/2025 - 10/17/2025

Project Progress and Results Summary
A HQ scoping mission in May 2025 took stock of the progress of ongoing reforms and paved the way for a middle term engagement at the whole of organization level. On the extractive industry segment, a compliance improvement plan (CIP) has been developed with the support of this project. In FY26, The extractive industry unit started implementing the CIP, by initiating a risk-based tax audit program, including transfer pricing-oriented audits of large oil and gas projects. The project continues to support the update of the CIP, liaising with other technical partners.

LOG FRAME DETAILS:

Country – Mozambique, Republic of			
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Corporate priorities are better managed through effective risk management	3 Largely Achieved	10/16/2025	A compliance improvement plan (CIP) for the extractive industries has been developed. The extractive industry unit has started implementing the CIP, by initiating a risk-based tax audit program, including transfer pricing-oriented audits of large oil and gas projects.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved identification, assessment, ranking and quantification of compliance risks (TADAT POA2-3)	No CRM plan implemented	CRM plan implemented and updated		12/17/2024	

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Better mitigation of risks through a compliance	4/30/2027		12/17/2024	

improvement program TADAT POA2-4)				
Better identification, assessment and mitigation of institutional risks (TADAT POA2-6)	4/30/2027		12/17/2024	

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
External shocks (social. political, economic, etc.) impact on government revenue.	High	3/29/2024	Work with the IMF country teams and other IMF departments to analyze emerging fiscal risks and propose potential fiscal policies to minimize fiscal risks.
Management and Technical Staff Support and Commitment			
Senior management used with status quo and not committed to the reforms, which spreads to all institution	Very High	3/29/2024	Work with very senior people to ensure engagement and alignment.
Political Support			
Lack of political support to implement reforms	High	3/29/2024	Close consultation with the country team to assist authorities in recognizing the relevance of reforms.
Resource Adequacy			
Deficient transparency and accountability in the tax administration.	Very High	3/29/2024	Development of reform projects approved by higher-level authorities, with clear objectives, outcomes, and milestones monitored by these authorities.

Other Risks			
Slow implementation of reforms	Medium	3/29/2024	Aligning reforms timeline with conditions in the field - low capacity and lack of resources. Close monitoring and readiness to adopt necessary changes.
External climate/conditions			
Government revenue measures adversely impact the tax ratio.	Medium	3/29/2024	Work with country team and authorities to monitor revenue measures and their impact on the tax ratio and propose reforms to boost the tax ratio.
Other Risks			
Overlap of reforms with other development partners	Low	3/29/2024	Coordinate reforms with major development partners
Resource Adequacy			
Limited resources to implement reforms.	Very High	3/29/2024	Improve governmental awareness of the need to ensure resources to achieve the expected results., including in IT, where there are limited resources impacting results.

Changes to Project

INTERNATIONAL MONETARY FUND

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2025
October

Funding Program Assessment
Mauritania (MNRW II, M3)

COUNTRY (S): Mauritania, Islamic Republic of

DATES: 7/1/2020 - 4/30/2025

PROGRAM ID: FAD_MRT_2021_01

LEAD DEPARTMENT: FAD

REGION (S): MCD

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Sawadogo, Fayçal and Salazar Ferro, Natalia

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 7/1/2020 - 4/30/2025

BUDGET: $283,527

I. Program Purpose

1. This capacity development (CD) program was aimed at supporting Mauritania in building capacity to manage its natural resource wealth effectively. The main objectives were (i) to build capacity in extractive industries revenue modeling and forecasting and (ii) to support domestic revenue mobilization and extractive revenue management through improved tax policy design for existing and future projects related to natural resources—including mining, gas, and green hydrogen—exploitation.

2. The primary areas of tax policy covered by this program were: (i) building tax models for analysis and revenue forecasting; (ii) building capacity to conduct fiscal analysis for resource industries; and iii) providing tax policy advice. Under this program, FADT1—previously FADTP—provided technical support to improve the capacity to build tax models for analysis and revenue forecasting in the extractive sector, considering individual capacities of the country and data availability. FADT1 also undertook a diagnostic assessment of the green hydrogen sector taxation in Africa and recommended policy reforms aimed at preparing a package of tax policy provisions, including tax incentives for investors, for Mauritania's green hydrogen sector code.

Table 1: Program Objective and Expected Outcome

Objective	Outcome
Improved tax and non-tax revenue policy (SDG 17.1)	• Improved structures and capacity related to tax policy advice and analysis, including organization of tax policy units and building tax models or other tools for analysis and revenue forecasting

II. Program Implementation and Achievements

3. The program successfully delivered a suite of Capacity Development (CD) activities in Mauritania. Two workshops on petroleum revenue forecasting were delivered. In this context, the authorities set up an inter-ministerial working group with participation of the Ministry of Finance (MoF), Ministry of Energy, Petroleum and Mining (MoEPM), Ministry of Economic Affairs (MoEA), and the national company for hydrocarbons (SMH) representing the government participation in the petroleum sector. The working group proved to be a strong instrument to facilitate data sharing and overcome fragmentation in the petroleum sector. The first workshop built basic understanding for the technical design, the economics and the applicable fiscal regimes of the GTA project. Participants were also familiarized with financial modeling and the fiscal analysis of resource industries (FARI) methodology. During the second workshop, the authorities were taught to use and update a simplified model for forecasting revenues of the GTA project, which was able to closely reproduce the results of the development plan. The authorities were advised to update the model with latest actual historic and forecast data and to run multiple scenarios to account for significant uncertainty. The simplified model was also used in the calibration of a fiscal rule based on the non-extractive primary balance, a quantitative performance criterion (QPC) in the context of the IMF supported ECF/EFF program. Finally, in the context of the RSF program request, the FARI framework

was used by an FAD team to evaluate fiscal regime options for green hydrogen. The green hydrogen code was adopted in October 2024. In 2023, FAD conducted a mission to assist the authorities in strengthening the fiscal framework and related institutions responding to the relevance of the extractive sector in the economy and its impact on government revenue. The mission recommended adopting a debt-based fiscal rule, operationalized through a ceiling on the non-extractive primary deficit, as a mechanism to mitigate the impact of commodity price volatility on public finances. The FCL program with the Fund was aligned with the operational indicator limit proposed by the technical assistance. Mauritania is currently preparing a reform of the Organic Budget Law to incorporate this fiscal anchor.

4. The Key Achievements of this program in Mauritania include: 1) better understanding of key tax policy issues for the green hydrogen sector, and 2) increased capacity of the inter-ministerial Modeling Group in extractive industries revenue modeling and forecasting; a simplified version of the FARI model for the GTA project was developed and shared with the authorities.

III. Challenges Encountered and Lessons Learned

5. The implementation of the program encountered several operational and institutional challenges that affected the pace and effectiveness of CD activities. While the inter-ministerial working group functioned as a useful coordination platform, its structure and composition limited its ability to fully engage with the technical aspects of the reform agenda. The group lacked sufficient technical staff, and many participants had limited proficiency in essential tools such as Microsoft Excel. These capacity gaps hindered the group's ability to quickly absorb technical content and contribute meaningfully to the modeling and forecasting work. Additionally, concerns around the sensitivity of certain data—particularly recent cost data—posed constraints on data sharing, which in turn could affect the quality of revenue forecasting. Finally, frequent staff turnover and changes in the composition of the working group have further constrained continuity and institutional memory, complicating reform implementation efforts. Coordination among the different areas of the ministry has been a challenge.

6. Among the lessons learned during the assessment period, key findings are that: 1) data availability remains a major issue and constraint for any modeling work, 2) targeted capacity building in Microsoft Excel is critical ahead of any modeling exercises, 3) setting up and maintaining a well-established and stable technical working group is essential for preserving institutional memory and ensuring continuity in reform implementation, 4) timely delivery of activities is highly contingent on economic and political development, with readiness to receive CD missions dwindling where there is a degree of uncertainty about future direction and 5) improve coordination among the different areas of the ministry responsible for macro fiscal functions is essential.

IV. Partner Outreach and Coordination

7. CD activities were routinely coordinated with the area department (MCD) and various IFIs, including the World Bank, GIZ, and EITI. Coordination with MCD frequently included joint

work on design and implementation of the country work program, including IMF-supported programs. FAD staff collaborated closely with MCD, particularly on the ongoing ECF/EFF and RSF programs for Mauritania to inform the choice of quantitative performance criteria and structural benchmarks.

V. Next Steps

8. There is a plan to transition this program on extractive industries taxation to the Mauritania GPFP program. CD related to natural resources will continue under the new framework, which also provides technical assistance across all FAD workstreams. A tax policy unit (TPU) was set up in 2024 and is staffed by new members who were not part of the previous working group. The authorities have requested continued FAD assistance to support and strengthen the TPU's capacity building in extractive sector taxation.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Mauritania - FADT1 - Petroleum revenue forecasting
PROJECT ID:	MRT22TXP1
PROJECT MANAGER:	Sawadogo, Fayçal
REPORT DATE:	10/31/2025
PROJECT START:	10/26/2021
PROJECT END:	3/26/2024
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	7/1/2020 - 4/30/2025

Project Progress and Results Summary
Three activities were delivered, including two technical assistance (TA) missions and two workshops. One TA provided as part of a climate policy diagnostic mission, helped the authorities (i) understand taxation of the green hydrogen sector in several African countries, (ii) develop their own green hydrogen tax regime and (ii) finalize its sectoral code. The second TA enabled the authorities to (i) better understand the impact of commodity price volatility on fiscal outcomes and (ii) recognize the importance of establishing a fiscal rule that would allow the government to reduce debt levels in the context of commodity price volatility. The workshops enabled the authorities to (i) gain a foundational understanding of the GTA project and its fiscal regimes, (ii) develop financial modeling skills, (iii) understand the FARI methodology, and (iv) build capacity to operate and update the simplified FARI model. Following the recent establishment of the Tax Policy Unit and changes in the administration, the authorities have requested additional support to strengthen financial modeling capacity within the Unit. This assistance will be transitioned to the GPFP.

LOG FRAME DETAILS:

Country – Mauritania, Islamic Republic of			
Objective - Improved tax and non-tax revenue policy (SDG 17.1) - TXP		**Objective Rating - 4**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Improved structures and capacity related to tax policy advice and analysis, including organization of tax policy units and building tax models or other tools for analysis and revenue forecasting	4 Fully Achieved	4/11/2023	Authorities able to independently forecast revenues from the GTA project using the purpose-built FARI revenue forecasting model.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Models or tools developed or improved	No petroleum revenue forecasting model available	Authorities able to operate and update the new petroleum revenue forecasting FARI model	Fully achieved. First workshop held in February 2022. Second workshop held in May 2022.	5/22/2022	Basic understanding of GTA project and its fiscal regimes, financial modeling skills and FARI methodology created. Simplified FARI revenue forecasting model for GTA project shared and capacity built to operate update the model.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Authorities set up inter-ministerial working group for petroleum revenue forecasting	12/31/2021	4 Fully Achieved	2/17/2022	Inter-ministerial working group set up (MOF, MPEM, SHT, BCM)
Authorities share necessary information to build/update petroleum revenue forecasting FARI model	6/30/2022	4 Fully Achieved	4/19/2022	Necessary data (JV partner model, development plan) received. Information on actual taxes paid so far outstanding
Authorities can operate petroleum revenue forecasting FARI model	12/31/2022	4 Fully Achieved	5/22/2022	Inter-ministerial working group trained in financial modeling techniques and FARI using the ultra-simplified training model
Simplified GTA model built	9/30/2022	4 Fully Achieved	5/22/2022	Simplified model with pre-tax cashflows built

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
n/a	Low	4/10/2023	NA
Management and Technical Staff Support and Commitment			
Low coordination and difficulties accessing data. Capacity is built but not used in Budget Directorate and/or Macroeconomic Committee.	High	4/10/2023	Inter-ministerial approach with representatives of all relevant institutions.
Political Support			

NA	Low	11/11/2021	NA
Resource Adequacy			
NA	Low	11/11/2021	NA
Other Risks			
NA	Low	11/11/2021	NA

Changes to Project

INTERNATIONAL MONETARY FUND

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2025
OCTOBER

Funding Program Assessment
Nigeria (MNRW II, M2)

COUNTRY (S): Nigeria

DATES: 7/1/2020 - 10/31/2025

PROGRAM ID: FAD_NGA_2021_01

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Sanya, Bernard

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 7/1/2020 - 10/31/2025

BUDGET: $559,612

I. Program Purpose

1. The purpose of the project was to assist the Nigerian Federal Inland Revenue Service (FIRS) and other regulatory agencies in developing the capacity to administer revenue from Extractive Industries (EI). The oil and gas revenue administration capacity development project for Nigeria focuses on assisting the authorities to develop and operationalize a compliance strategy for the oil and gas sector. Funded by the Managing Natural Resource Wealth Thematic Fund II (MNRW-TF II), the project has three strategic objectives:

- Strengthening the organization's CRM strategy and risk assessment process for the EI
- Strengthening the effectiveness of structure, policy, and procedures along segmented and functional lines, to facilitate the effective delivery of an EI compliance strategy.
- Addressing skills and specialization required to administer the sector and develop a skills development program to address gaps.

II. Program Implementation and Achievements

2. Since its launch in July 2020, the MNRW Module 2 project has made significant strides in enhancing the revenue administration capacity for FIRS. Starting with a skills gap assessment, the project developed specialized training and tailored development plans aimed at improving Extractive Industries (EI) knowledge, audit capacity, and technical skills. Targeted training sessions addressed critical topics including International Financial Reporting Standards, risk assessment, audit reporting, international tax risks, the global oil and gas market, and crude oil pricing mechanisms. Complementing this, case-based workshops have focused on practical audit skills, fostering more effective audit reporting, and clearer presentation of findings. Practical guides and hands-on training have further improved FIRS's capability to identify and address complex international tax risks inherent to the oil and gas sector.

3. The authorities have made notable progress in identifying and prioritizing sector-specific risks, which now guide audit selection and file-based risk assessments. Risk matrices for the upstream and midstream petroleum sectors are complete, while those for the downstream and oilfield services segments are pending final validation and approval. Once finalized, these matrices will be integrated into a comprehensive oil and gas risk register, forming the basis for a sector-specific compliance improvement plan. The integration of targeted training with practical case studies has substantially improved industry knowledge and continues to develop EI expertise within FIRS.

III. Challenges Encountered and Lessons Learned

4. External shocks delayed project commencement by one year. Travel restrictions and other COVID-19 related disruptions delayed the project start as authorities shifted priorities to pandemic-related CD. Project activities began twelve months after project approval, albeit remotely

as travel restrictions eased. The team successfully adapted by leveraging remote tools and scheduling staggered missions to maintain momentum despite ongoing constraints. Maintaining regular virtual engagement helped mitigate disruptions once project activities commenced.

5. Maintaining a core team to participate in EI CD activities was initially challenging. The FIRS' Large Tax Oil and Gas Department experiences an average annual turnover of fourteen percent due to retirements, promotions, and internal redeployment. This has led to erosion of institutional memory and impacted the project's sustainability. To address this, the project proactively engaged authorities to designate a core team of staff drawn from various functional units within the department to serve as focal points for FAD capacity building. This strategy has helped ensure a consistent group of staff participate in EI CD activities, supporting the sustained development of industry knowledge and skills.

IV. Partner Outreach and Coordination

6. CD activities were coordinated with the area department (AFR) and DPs, including World Bank, UK's HMRC and the OECD's Tax Inspectors Without Borders (TIWB) to provide complimentary CD for the authorities**.**

V. Next Steps

7. Continued support is essential to sustain and build on the gains made. With MNRW funding concluding, the project will transition to GPFP funding in October 2025 to continue supporting the authorities in maintaining these gains. CD efforts will focus on strengthening and expanding audit capabilities and assisting the authorities in finalizing and operationalizing the ongoing EI compliance improvement plan.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Nigeria-FAD-Revenue Administration-Natural Resources- FY21
PROJECT ID:	NGA21TAF1
PROJECT MANAGER:	Sanya, Bernard
REPORT DATE:	10/29/2025
PROJECT START:	5/25/2020
PROJECT END:	4/30/2027
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	7/1/2020 - 4/30/2025

Project Progress and Results Summary
Since its launch in July 2020, the MNRW Module 2 project has made significant strides in enhancing the revenue administration capacity for Nigeria's Federal Inland Revenue Service (FIRS). Starting with a skills gap assessment, the project developed specialized training and tailored development plans aimed at improving Extractive Industries (EI) knowledge, audit capacity, and technical skills. Targeted training sessions addressed critical topics including International Financial Reporting Standards, risk assessment, audit reporting, international tax risks, the global oil and gas market, and crude oil pricing mechanisms. Complementing this, case-based workshops have focused on practical audit skills, fostering more effective audit reporting and clearer presentation of findings. Practical guides and hands-on training have further improved FIRS's capability to identify and address complex international tax risks inherent to the oil and gas sector. The Large Tax Oil and Gas Department, with the project's support, has made notable progress in identifying and prioritizing sector-specific risks, which now guide audit selection and file-based risk assessments. Risk matrices for the upstream and midstream petroleum sectors are complete, while those for the downstream and oilfield services segments are pending final

validation and approval. Once finalized, these matrices will be integrated into a comprehensive oil and gas risk register, forming the basis for a sector-specific compliance improvement plan. The integration of targeted training with practical case studies has substantially improved industry knowledge and continues developing EI expertise within FIRS. However, continued support remains essential to sustain and build upon these gains.

LOG FRAME DETAILS:

Country – Nigeria	
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM	**Objective Rating - 4**

Outcome	Rating	Rating Date	Narrative
Corporate priorities are better managed through effective risk management	3 Largely Achieved	11/6/2023	Risk matrices for the upstream and midstream petroleum sectors are complete, while those for the downstream and oilfield services segments are pending final validation and approval. Once finalized, these matrices will be integrated into a comprehensive oil and gas risk register, forming the basis for a sector-specific compliance improvement plan.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative

Improved identification, assessment, ranking and quantification of compliance risks (TADAT POA2-3)	Baseline: January 2020 TA report. Risk identification and knowledge of the industry require enhancement. Risk based compliance management strategies for EI have not been developed. Lines of communication and cooperation with other functional areas and agencies need to be established or enhanced. FIRS needs to formalize coordination with NAPIMS, DPR, and Customs.	Compliance improvement program in place to mitigate identified risks for the EI sector.		4/11/2023	Development of the oil and gas risk matrix, the most complex and critical step in the development of the compliance strategy is completed. Development of the compliance improvement plan utilizing the risk matrix has commenced.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Risk factors and evaluation matrix have been developed for the Oil and Gas Sector.	4/30/2022	4 Fully Achieved	10/29/2025	Risk matrices for the upstream and midstream petroleum sectors are complete, while those for the downstream and oilfield services

				segments are pending final validation and approval.
Risk assessment activities and results feed into the development of operational plans.	1/31/2023	3 Largely Achieved	11/6/2023	Development of the compliance improvement plan has commenced.
Compliance risk mitigation activities are driven by a compliance management strategy involving a coordinated plan across all functional areas.	1/31/2023	3 Largely Achieved	10/29/2025	The risk matrices are used for audit case selection and audit file-based risk identification assist to improve the quality of the audits
Coordinated operational plans to deal with compliance risks for the oil and gas sector are implemented.	1/31/2023	3 Largely Achieved	10/29/2025	Development of the CIP has commenced
Compliance risk mitigation activities related to major resource projects and the artisanal sectors are monitored, evaluated and updated.	3/31/2023	2 Partially Achieved	10/29/2025	The risk matrices are used for audit case selection and audit file-based risk identification assist to improve the quality of the audits
Customs diagnostic mission to assess and assist in strengthening Customs administration of the EI, including crude oil export controls, metering, oil lifting, and EI imports.	12/31/2022	1 Not Achieved	10/29/2025	This is no longer a priority for the authorities

Develop a database of relevant internal and external information for risk assessment purposes.	9/30/2022	2 Partially Achieved	10/29/2025	In progress
Coordinated plans between the Napims, DPR, and Customs are developed to share data, information, and expertise and coordinate activities.	9/30/2022	2 Partially Achieved	10/29/2025	The Petroleum Industry Act created new sector regulatory agencies. The authorities are actively engaged at an executive level to formalize cooperation and electronic data exchange with other sector regulatory agencies.

Country – Nigeria	
Objective - Strengthened core tax administration functions (SDG 17.1) - TAD	**Objective Rating - 3**

Outcome	Rating	Rating Date	Narrative
Audit and other verification programs more effectively ensure accuracy of reporting	3 Largely Achieved	4/11/2023	Risk matrices for the upstream and midstream petroleum sectors are complete, while those for the downstream and oilfield services segments are pending final validation and approval. Once finalized, these matrices will be integrated into a comprehensive oil and gas risk register, forming the basis for a

			sector-specific compliance improvement plan. Training, mentoring, and coaching focusing on audit capacity and skills is ongoing.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Appropriate range of tax audits and other initiatives used to detect and deter inaccurate reporting and fraud (TADAT 2015 POA6-16/TADAT 2019 POA6-19)	Baseline: assessment of the January 2020 TA report. A range of compliance mitigation tools should be employed to address root causes of noncompliance.	Risk based audits are conducted in the oil and gas sector		4/11/2023	Training, mentoring and coaching focusing on enhancing audit capacity and skills is on-going.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Effective use of a range of tax audits and other initiatives are used to detect and deter inaccurate reporting	12/31/2022	3 Largely Achieved	10/27/2025	FIRS has improved its audit capabilities and conducts a variety of audits covering range of issues in the sector

Country – Nigeria

Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM	Objective Rating - 4

Outcome	Rating	Rating Date	Narrative
Support functions enable more effective delivery of strategy and reforms	4 Fully Achieved	10/29/2025	EI skills gap assessment was conducted, and a skills development plan developed. CD is ongoing to develop oil and gas expertise.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved human resources strategies and practices to support the tax administration (TADAT 2019 POA2-7)	Baseline: assessment of the January 2020 TA report. Specialized skills including risk assessment, industry knowledge, and baseline revenue administration skills, need to be developed and maintained.	EI skills gap assessment is conducted and a skills development plan is in place		4/11/2023	Completed. EI skills development plan is in place.

Milestones	Target Completion Date	Rating	Rating Date	Narrative

Areas of technical specialization relating to the EI sector have been addressed through the development of appropriate staffing, training plans and strategies.	3/31/2023	4 Fully Achieved	10/29/2025	EI skills gap assessment was conducted and a skills development plan is in place.
Training materials are developed, and training delivered on identified skills gaps	4/30/2023	4 Fully Achieved	10/29/2025	CD to develop EI specialization is on going

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
Political Support			
Security and/or political instability could slow down and even stop implementation of reforms.	Medium	10/15/2021	Focus on strategic advice and hands-on capacity building to have a more permanent impact.
Management and Technical Staff Support and Commitment			
Continual rotation of managers and staff lowers morale, impacts operational continuity, service standards, and consistency of approach, which could disrupt implementation of reforms.	Medium	10/15/2021	Encourage authorities to implement administrative reforms that contribute to retaining and engaging staff. Continual/regular high-level engagement and monitoring.
Management and Technical Staff Support and Commitment			
Resistance to reforms in tax compliance management activities	Medium	10/15/2021	Strong stakeholder engagement with the industry including key players such as the

by major stakeholders in the Extractive Industry			Nigerian National Petroleum Corporation (NNPC), the Federal Inland Revenue Service (FIRS), and the Department of Petroleum (DPR) NNPC plays a dual role as both a market regulator and an owner-operator in the O&G industry. The NNPC dominates commercial operations in the O&G industry and is either responsible for or asserts significant influence over all regulatory processes in the upstream and downstream O&G sectors.
Resource Adequacy			
Deterioration of fiscal situation may impact the availability of resources to finance reforms.	Medium	10/15/2021	Careful alignment of reforms with the priorities of government. Reforms are underpinned by comprehensive strategic plans and the project results from the government to reduce non-compliance.
External climate/conditions			
Resources are misused, not properly accounted for, an**d do** not achieve value for money. Project fails and negatively affects image of donor/provider.	Low	10/15/2021	Project resources will be employed in accordance with the Fund's policies and procedures, including its travel policy. The project is implemented with strong counterparts at the revenue authority and other regulatory agencies.
Other Risks			

Travel restrictions, social distancing and other COVID 19 containment measures disrupt work arrangements and communication infrastructure lowering staff accessibility and disrupting project activities.	Low	10/15/2021	Proactively engage with the authorities to explore appropriate capacity development modalities and communication platforms for remote CD delivery.

Changes to Project

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	GPFP-Nigeria-Revenue Administration
PROJECT ID:	NGA24RAM1
PROJECT MANAGER:	Paz, Paulo
REPORT DATE:	10/28/2025
PROJECT START:	2/1/2024
PROJECT END:	4/28/2028
ASSESSMENT TYPE:	Interim
ASSESSMENT PERIOD:	5/1/2025 - 10/31/2025

Project Progress and Results Summary

Key progress in H1FY26

- Tax administration: HQ-mission to follow up with reforms implementation and align enforcement activities with compliance risk management. GPFP also supported tax arrears management and VAT gap analysis CDs.
- Extractive Industries: Ongoing capacity development initiatives have continued to strengthen audit capabilities and technical expertise, with a particular emphasis on improving the capacity to manage and mitigate international tax risks.
- Customs: No CD activities were conducted in-country during the reporting period. The authorities continued work initiated under the April 2025 FAD mission, which supported the implementation of a comprehensive Single Window (SW) system aligned with international best practices.

Previous Progress:

- Tax administration: CD helped develop a medium-term reform plan. GPFP also supports a Tax Resident Advisor. A subnational TADAT was delivered to Lagos state.
- Extractive Industries: CD activities have enhanced the FIRS' ability to recognize and address international tax risks in the extractive industries, aided by the provision of practical guides on the primary international tax risk categories.
- Customs: Progress was achieved in redesigning import and export processes and aligning procedures, data flows, and system architecture with international best practices, establishing a foundation for the ongoing SW project.

Next Steps:

- Tax administration: CD will focus on priorities coming from the July 2025 tax law package of four laws, including the establishment of the Nigeria Revenue Service (NRS) and aligning NRS' core functions with CRM strategy.
- Extractive Industries: Efforts will remain centered on further reinforcing audit capacity and technical skills, with a priority on finalizing the oil and gas compliance improvement plan.
- Customs: Support is expected to resume in 2026, focusing on operationalizing the Single Window pilot.

LOG FRAME DETAILS:

Country – Nigeria			
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Capacity for reform increased due to clear reform strategy and a strategic management framework adopted and institutionalized	2 Partially Achieved	10/16/2025	AFW2 is supporting the review of the strategic management framework and CD was provided in FY25 (November 2024). Authorities are discussing the strategic planning framework (April 2025). The FIRS approved the

			Medium-Term Strategic Plan in July 2025. However, still in July, a full package of four laws impacted the medium-term scenario of the tax administration. These laws include (i) the Nigeria Tax Act (NTA), which consolidates various tax rules into a single, unified code and eliminates several taxes, (ii) the Tax Administration Act (TAA), which sets common rules for how taxes are collected across federal, state, and local governments, (iii) the Nigeria Revenue Service Act (NRSA), which replaces the FIRS with a new agency - the NRS), and (iv) the Joint Revenue Board Act (JRBA), which enhances intergovernmental coordination and establishes both a Tax Ombud and a Tax Appeal Tribunal. Box 4 summarizes some of the key measures introduced under these Acts. (October 2025).

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Reform management capacity strengthened or in place for reform implementation, including dedicated resources	Reforms management capacity not adequate	80 percent of staff responsible for Reform and Modernization formally trained in managing projects	Partially achieved.	10/17/2025	Not started yet (November 2024 and April 2025). A portfolio management of projects mission was delivered to help structuring the prioritization process.
Multi-year reform implementation plan, with supporting resource plan, adopted and well communicated	Lack of a multi-year reform plan	A multi-year reform plan is institutionalized as a basis for internal and external support	Largely achieved.	10/16/2025	It was agreed that AFW would follow up with the recommendations for the HQ mission, and an STX visit Nigeria in the first half of FY25 to support this indicator (November 2024). Authorities are discussing the strategic planning framework (April 2025). The Medium Term Strategic Plan (MTSP) was approved in July 2025. However, a new reform agenda program might affect the full implementation as the government approved four tax laws, including the establishment of a new tax administration - the Nigeria Revenue Service. It will require a revisit of the MTSP.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Staff trained use project management skills	4/30/2025	2 Partially Achieved	10/16/2025	To be implemented (April 2025). A CD to support portfolio management was delivered (October 2025)
FIRS prepare and approves a multi-year reform plan	12/31/2024	4 Fully Achieved	10/16/2025	Still under discussions (April 2025). Approved in July 2025. However, it will need to be rediscussed following the establishment of the new NRS. (October 2025).

Country – Nigeria	
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM	**Objective Rating - 2**

Outcome	Rating	Rating Date	Narrative
Corporate priorities are better managed through effective risk management	2 Partially Achieved	4/21/2025	A HQ mission and a follow-up STX visit have been supporting the strengthening of risk management at FIRS. Due to the relevance of VAT, a pilot of a compliance improvement plan (CIP) for VAT has been designed and supported by GPFP (November 2024). An STX activity was delivered

			on the pilot, and the work is in progress. A VAT gap analysis is underway to help identify sectors of low compliance. (April 2025). FIRS made very good progress towards completing the agreed actions from previous CD and a draft multi-year Compliance Strategy and a draft CRM Governance Framework were prepared and are pending review and approval. A VAT gap analysis will support enhanced CRM (October 2025).

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Better mitigation of risks through a compliance improvement program TADAT POA2-4)	Underdeveloped compliance improvement plan in place	CRM strategy in place to clearly guide, develop, implement and evaluate resourced CIPs	Draft CRM strategy and draft CRM Governance framework progressing toward completion	10/17/2025	The templates were reviewed by an HQ mission supported by GPFP (November 2024). To be followed up after the pilot (April 2025). The Compliance Risk Register was redesigned to facilitate better compliance risk and treatment information, although the quality of entries still requires significant improvement (October 2025).

Improved monitoring and evaluation of compliance risk mitigation activities (TADAT POA2-5)	The effectiveness of risk mitigation actions is not monitored or reviewed	A monitoring and evaluation procedure manual developed and implemented	M&E framework designed for pilot CIP. M&E procedure manual begun	10/17/2025	A follow-up STX visit supported the design and implementation of a pilot of a CIP for VAT, considering the critical role VAT plays in the revenue mobilization agenda (November 2024). A pilot is ongoing (April 2025). A redesigned Compliance Risk Register will facilitate better compliance risk and treatment information, although the quality of entries still requires significant improvement (October 2025).

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Designed CIP template and a compliance risk register template developed and in use.	12/31/2025	3 Largely Achieved	10/17/2025	Risk register design at advanced draft. Design of CIP templates in progress (November 2024 and April 2025). The redesigned Compliance Risk Register will facilitate better compliance risk and treatment information, although the quality of entries still requires significant improvement (October 2025).
Impact analysis framework used to monitor the effectiveness of compliance risk mitigation actions	9/30/2025	3 Largely Achieved	10/17/2025	M&E framework design In progress (November 2024 and April 2025). A draft multi-year Compliance Strategy and a draft CRM Governance

				Framework were prepared and are pending review and approval (October 2025).

Country – Nigeria	
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM	**Objective Rating - 2**

Outcome	Rating	Rating Date	Narrative
Organizational arrangements enable more effective delivery of strategy and reforms	1 Not Achieved	10/17/2025	It was planned for April / May 2025 (November 2024). The main CD activity was postponed for July. However, a visit was organized to the FIRS and CED officials to visit Zambia and discuss the business model for administering excise taxes (April 2025). With the approval of a new tax administration in July 2025, the organizational arrangements will need to be rediscussed (October 2025)

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative

Clear separation of roles and responsibilities between HQ (definition of standard operation procedures, planning and monitoring) and local branches (execution) adopted	Lack of clarity in the realignment of headquarters function (defined by the Fund) to international good standards	Strong headquarters function implemented	To be achieved	10/17/2025	This will require an HQ mission to discuss (expected to be delivered in April May 2025) (November 2024). The CD activity was postponed for July (April 2025). In July 2025, the Parliament created a new tax administration - Nigeria Revenue Service. It is still to be discussed whether FAD will support the new institution design (October 2025).

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Headquarters function reviewed with Fund help and implemented	6/30/2025	1 Not Achieved	10/17/2025	Yet to be delivered (April 2025). The CD was postponed due to a new institution being created by the Parliament (October 2025).

Country – Nigeria	
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM	**Objective Rating - 2**

Outcome	Rating	Rating Date	Narrative

Support functions enable more effective delivery of strategy and reforms	2 Partially Achieved	4/21/2025	This is in the pipeline for the upcoming fiscal year (November 2024). CD was provided to modernize the performance monitoring and evaluation (April 2025). FIRS is implementing the recommendations from a recent GPFP activity (October 2025).

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved human resources strategies and practices to support the tax administration (TADAT 2019 POA2-7)	Lack of a process of reviewing the efficacy of human capital risks mitigation interventions	A monitoring procedure manual developed and implemented	In progress	4/21/2025	CD was provided to modernize the performance monitoring and evaluation (April 2025).

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Impact analysis framework used to monitor the effectiveness of human risk mitigation interventions	9/30/2025	2 Partially Achieved	10/17/2025	CD was provided to modernize the performance monitoring and evaluation (April 2025). FIRS is implementing the recommendations from a recent GPFP activity (October 2025).

Country – Nigeria	
Objective - Strengthened core tax administration functions (SDG 17.1) - TAD	**Objective Rating - 1**

Outcome	Rating	Rating Date	Narrative
A larger proportion of taxpayers meet their payment obligations as required by law	1 Not Achieved	4/21/2025	The modernization of both services and enforcement activities will require strong CD support, which are in the pipeline (November 2024). Not implemented up to April 2025. It was agreed that a mission to modernize tax arrears collection, to be delivered in November 2025 (October 2025).

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Management of tax arrears improved (TADAT 2015 POA5-15/TADAT 2019 POA5-18)	Stock of arrears more than 12 months	The ratio of value of core tax arrears more than 12 months old as a percentage of the value of all core tax arrears	To be achieved.	10/17/2025	Actions to enforce tax arrears didn't start due to limited funding (November 2024). Yet to be launched (April 2025). A CD was agreed for November 2025 to modernize tax arrears collection (October 2025).

		to be below 25 percent			
Management of refunds improved (TADAT 2015 POA8-24/TADAT 2019 POA8-28)	Outdated procedures for VAT refunds administration	Risk-based process to screen VAT refund claims with preferential treatment for low-risk taxpayers	To be achieved.	10/17/2025	The authorities are still discussing risk management on refunds (November 2024). Yet to be reviewed (April 2025). No progress as the authorities are not convinced yet to modernize refund processes (October 2025).

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Review strategies for enforcement of arrears and document revised procedures for use by staff	6/30/2025	1 Not Achieved	10/17/2025	Not started up to October 2025.
Staff use risk-based verification to screen or audit refund claims	12/31/2024	1 Not Achieved	10/17/2025	Not started up to October 2025.

Country – Nigeria			
Objective - Strengthened core tax administration functions (SDG 17.1) - TAD		**Objective Rating - 1**	
Outcome	**Rating**	**Rating Date**	**Narrative**
A larger proportion of taxpayers meet their filing obligations as required by law	2 Partially Achieved	4/21/2025	The new IT system is the backbone of reforms in the tax administration and has been expanded to enhance filing from taxpayers (November 2024). Notifications are being sent but there is no reporting on the results. (April 2025). The new version of the IT system is still to be rolled out. The new tax law package approved in July 2025 delayed its deployment (October 2025).

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Management of filing compliance improved (TADAT 2019 POA4-13)	On-time filing rates below the TADAT standards for VAT and the standard to be assessed for CIT	90 percent on-time filing ratio for all CIT and VAT taxpayers, and 100 percent for large taxpayers	In progress	10/17/2025	Authorities are expanding the IT system to increase monitoring and reactions to promote accurate filing (November 2024). Regular notification have been issued but no reporting yet (April 2025). No

		for both tax types			additional information (October 2025).

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Taxpayers use the new tax system to file returns	12/31/2024	1 Not Achieved	10/17/2025	Yet to be implemented (October 2025).

Country – Nigeria			
Objective - Strengthened core tax administration functions (SDG 17.1) - TAD		**Objective Rating - 1**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Audit and other verification programs more effectively ensure accuracy of reporting	1 Not Achieved	4/21/2025	This was agreed to be a priority but it didn't start because there is limited resources in the first semester of FY25 (November 2024). Yet to be started (April 2025). A VAT gap analysis delivered by FAD will be instrumental to enhance accurate reporting. The authorities were discussing further modernization but the approval of the new tax law package delayed the discussions (October 2025).

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Appropriate range of tax audits and other initiatives used to detect and deter inaccurate reporting and fraud (TADAT 2015 POA6-16/TADAT 2019 POA6-19)	Lack of periodic evaluation of the impact of the audits on taxpayers' compliance levels	Routine evaluation of the impact of audits on levels of taxpayer compliance	To be achieved	10/17/2025	It didn't start (November 2024). Not started up to October 2025.
Automated cross-checking used to verify return information (TADAT 2015 POA6-16/TADAT 2019 POA6-20)	Untapped potential through automated cross-checking to verify return information	Expand automated cross-checking of data capability to include institutions such as Social Security Institution and online vendors	To be achieved	10/17/2025	It didn't start (November 2024). Not started up to October 2025.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Staff prepare documented reports of the impact of audits on taxpayer compliance	12/31/2024	1 Not Achieved	10/17/2025	Yet to be started (October 2025).

Staff use the variant of tools developed or to be developed to carry out data matching	6/30/2025	1 Not Achieved	10/17/2025	Yet to be started (October 2025).

Country – Nigeria			
Objective - Strengthened core tax administration functions (SDG 17.1) - TAD		**Objective Rating - 1**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Taxpayer services initiatives to support voluntary compliance are strengthened	1 Not Achieved	4/21/2025	Authorities are structuring the framework to strengthen initiatives focused on increased support for voluntary compliance (November 2024). No further information (April 2025). With the establishment of the Nigeria Revenue Service (NRS), ongoing discussions were postponed to after transitioning to NRS (October 2025).

Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Scope, currency and accessibility of information for taxpayers	Limited field dedicated technical staff resources assigned to	Procedures are in place, and dedicated	In implementation	10/17/2025	This was discussed in the TADAT assessment, and the authorities understood that it was not

improved (TADAT 2015 POA3-7/TADAT 2019 POA3-8)	keep publicly available information up to date	technical staff are assigned in field stations across the country, to ensure information is current and taxpayers are made aware			something requiring CD (November 2024). Same status as the previous evaluation (April and October 2025).

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Technical staff use documented procedures to disseminate information to taxpayers	6/30/2025	1 Not Achieved	10/17/2025	Not started yet. Postponed due to the transition to the Nigeria Revenue Service (October 2025).

Country – Nigeria			
Objective - Strengthened core tax administration functions (SDG 17.1) - TAD		**Objective Rating - 1**	
Outcome	**Rating**	**Rating Date**	**Narrative**
The integrity of the taxpayer base and ledger is strengthened	1 Not Achieved	4/21/2025	The authorities are still discussing how to implement the solution without risking the registration database. (November 2024). No progress up to April 2025.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
More accurate and reliable taxpayer information held in centralized database (TADAT POA1-1)	Limited updated taxpayer information in registration database	The IT system to provide secure online access to businesses and individuals to update details held in the database	To be achieved	4/21/2025	The authorities were made aware in the TADAT assessment. The IT system needs to be updated (November 2024). No progress up to April 2025.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Draw up specifications for change and enhancements to address design weakness of IT system	12/31/2024	1 Not Achieved	4/21/2025	Not started yet (April 2025)

Country – Nigeria			
Objective - Improved customs administration functions (SDG 17.1) - CAD		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Customs control during the clearance process more effectively ensures accuracy of declarations	2 Partially Achieved	10/19/2025	Customs has assumed responsibility for managing and controlling origin under the AfCFTA, as recommended by previous FAD missions. The November 2023 mission provided guidance on reengineering import and export processes, which has not yet been adopted. The April 2025 mission advised the National Single Window project team on integrating the new import and export processes and aligning procedures, data flows, and system architecture with international best practices.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Risk-based control selectivity applied more consistently	Almost all imports are physically verified or, at least, scanned.	Selection for risk-based verification is implemented	Not achieved.	4/26/2025	An FAD mission in November 2023 advised on the re-engineering of the import process. Awaiting implementation. With the

		and at least 70% of imports and exports are released without verification (green channel.)			implementation of the National Single Window (NSW), currently under construction, this will be implemented.
Effective application of procedures based on international standards for valuation, origin and the tariff classification of goods improved	There is still no specialized unit for managing and controlling the origin of imported and exported goods. Origin of imported goods is not verified after clearance.	The qualification of originating products and authorized exporters within the scope of the African Continental Free Trade Area (AfCFTA) is entirely carried out by a unit specialized in origin at customs. Origin verification under the AfCFTA and other agreements is included in the	Partially achieved.	10/20/2025	Following guidance provided by two FAD missions in 2023, the customs administration assumed responsibility for managing and controlling origin under the AfCFTA. The first exports with customs-issued certificates of origin have already taken place. However, a specialized unit and audit plan are yet to be established. An FAD mission in April 2025 provided advice on technology and cargo clearance processes to align the national single window project with international best practices.

		annual audit plan.			

Milestones	Target Completion Date	Rating	Rating Date	Narrative
An action plan to improve the quality and security of customs data is implemented.	11/30/2025	1 Not Achieved	4/26/2025	N/A
A team of customs officials is trained in monitoring operations benefiting from tariff preference.	11/30/2025	3 Largely Achieved	10/20/2025	Following guidance provided by two FAD missions in 2023, the customs administration assumed responsibility for managing and controlling origin under the AfCFTA. A follow-up mission initially planned for 2025 was postponed due to a change in the authorities' priorities.

Country – Nigeria			
Objective - Improved customs administration functions (SDG 17.1) - CAD		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Foreign trade operators better comply with their reporting and payment obligations	2 Partially Achieved	10/19/2025	An FAD mission in November 2023 provided guidance on reengineering import and export processes. A new system (B'Odogwu) is being piloted to replace the current customs

			operations platform (NICIS-II). While it represents progress in automation, it largely maintains existing practices without introducing significant process improvements. In response to a request from the Ministry of Finance, a follow-up FAD mission in April 2025 supported the implementation of a comprehensive Single Window system, which remains on schedule, with a pilot launch expected in the first quarter of 2026. Capacity-building activities were not resumed during FY 2026 due to a shift in Customs priorities but are expected to resume in 2026.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Alignment of customs procedures (including transit) with international standards and regional integration objective improved	Customs clearance for imports and exports is bureaucratic, complex, and heavily paper-based.	New import and export processes are designed and implemented, in line with best international practices.	Not implemented.	4/26/2025	An FAD mission in November 2023 provided guidance on the re-engineering of import and export processes. April 2025 FAD mission recommended incorporating new import and export processes into the developing National Single Window

					(NSW) and aligning procedures with international best practices.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
The requirement for the Combined Certificate of Value and Origin (CCVO) for import clearance is discontinued.	10/31/2025	1 Not Achieved	4/26/2025	FAD mission of April 2025 recommended the elimination of this certificate.
Adopt strategies to combat the use of printed documents, considering issues of lack of familiarity with technology, limited access to systems in inspection locations and resistance to change.	10/31/2025	2 Partially Achieved	4/26/2025	A new system (B'Odogwu) is currently being piloted to replace the current Customs Operations Control System (NICIS-II). While it demonstrates progress in terms of automation, it preserves existing practices without introducing substantial process improvements.
Collaborate and coordinate actions with the Nigeria Ports Authority (NPA) to hold terminal operators more accountable under existing contracts or service level agreements (SLAs).	10/31/2025	1 Not Achieved	4/26/2025	FAD mission of April 2025 recommended the implementation.

Country – Nigeria			
Objective - Improved customs administration functions (SDG 17.1) - CAD		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Trade facilitation and service initiatives better support voluntary compliance	2 Partially Achieved	10/19/2025	The lack of commitment from local authorities and internal disputes over the management of the one-stop shop delayed the start of the project. The project was launched in April 2024 by order of the President to the Minister of Finance. The project is underway and on schedule, with a pilot start scheduled for the first quarter of 2026. April 2025 FAD mission recommended incorporating new import and export processes into the developing National Single Window (NSW) and aligning procedures, data flows, and system architecture with international best practices. Capacity-building activities were not resumed during FY 2026 due to a shift in Customs priorities, but are expected to resume in 2026.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Active engagement with the trade community supports voluntary compliance	The currently operating trusted operator program (Fast Track) attracts few operators.	At least 30 percent of import operations are cleared under the trusted operator scheme.	Not achieved.	10/20/2025	The program was under review in April 2025, and no updated information is currently available.
Customs laws, regulations, and guidelines simplified and easily accessible	An updated description of the import, export and transit procedures is not available, nor of the provisions on sanctions for violation of the formalities relating to these procedures.	The customs website publishes (1) all procedures relating to the import, export and transit of goods, (2) provisions on sanctions for violations of legislation relating to these procedures, and (3) appeal procedures	Partially achieved.	10/31/2024	Partial explanations of import and export procedures are available on the foreign trade portal.

		against these sanctions.			
Implementation of new initiatives, such as Single Window, coordinated border management, and Authorized Economic Operator	The single window system currently in operation does not include the majority of control bodies and agencies and still relies on many paper-based operations.	A full-fledged single window, which integrates at least 80 per cent of the control bodies and agencies, which control at least 90 per cent of import and export operations, and which allows all controls to be carried out electronically, is implemented.	Partially achieved.	4/26/2025	The SW implementation project was launched in April 2024 by order of the President to the Minister of Finance. The project is ongoing and on schedule, with the pilot project scheduled to begin in the first quarter of 2026. April 2025 FAD mission recommended incorporating new import and export processes into the developing NSW and aligning procedures, data flows, and system architecture with international best practices.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
The trusted operator program is redesigned and relaunched.	9/30/2024	1 Not Achieved	10/20/2025	The program was under review in April 2025, and no updated information is currently available.

A roadmap for redesigning the current single window system is prepared.	4/30/2025	4 Fully Achieved	4/19/2025	The SW implementation project was launched in April 2024 and is ongoing and on schedule, with the pilot scheduled to go into production in Q1 2026.
The customs website publishes (1) all procedures relating to the import, export and transit of goods, (2) provisions on sanctions for violations of legislation relating to these procedures, and (3) appeal procedures against these sanctions.	9/30/2025	2 Partially Achieved	4/26/2025	Partial explanations of import and export procedures are available on the foreign trade portal.

Country – Nigeria	
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM	**Objective Rating - 2**

Outcome	Rating	Rating Date	Narrative
Digital technologies are better aligned with strategic objectives	2 Partially Achieved	4/21/2025	Not started yet (November 2024). A CD on portfolio of projects' management was delivered to help with the prioritization of new projects adopting IT tools aligning those with the institutional strategy (April 2025).

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Electronic services are established or further developed	New IT system is in place in early stage without interaction with taxpayers	Taxpayers interacting with FIRS	CD to organize and prioritize new projects (April 2025). New priorities are being established due to the new four tax laws (October 2025).	10/17/2025	In implementation

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Taxpayers can update registration information online	12/30/2025	2 Partially Achieved	10/17/2025	CD to align and prioritize new demands with the overall FIRS strategy (April 2025). With the new tax laws, new prioritization is under discussion (October 2025).

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
External shocks (social. political, economic, etc.) impact government revenue and expenditures.	Very High	11/17/2023	Work with the IMF country teams and other IMF departments to analyze emerging fiscal risks and propose potential fiscal policies to minimize fiscal risks.
External climate/conditions			
Government revenue measures adversely impact the tax ratio.	High	11/17/2023	Work with country team and authorities to monitor revenue measures and their impact on the tax ratio and propose reforms to boost the tax ratio.
Political Support			
Political instability and/or lack of political support may slow down and even stop reforms.	Very High	11/17/2023	Close consultation with the country team to assist authorities in recognizing the relevance of reforms. Strategic advice and hands-on capacity building to have a more permanent impact.
Management and Technical Staff Support and Commitment			
Patronage and cronyism in senior staff appointments.	High	11/17/2023	Develop and implement a robust succession plan.
Management and Technical Staff Support and Commitment			
Tax administration executive management changes affecting reform implementation	Medium	11/17/2023	Regular engagement, encouragement, and monitoring. Close collaboration and communication with FAD team and other partners.

Resource Adequacy			
Deficient transparency and accountability in tax and customs administrations.	Medium	11/17/2023	Maintain an effective alignment between organizational structure, people and business/internal processes. Implement a comprehensive framework for performance management to cover all functional areas of FIRS and NCS
Resource Adequacy			
Cronyism and nepotism in hiring low-capacity and unskilled staff.	High	11/17/2023	Provide staff with the necessary tools, technology, and skills towards high performance. Reposition FIRS Training School to ensure development of required skills.
Other Risks			
Slow implementation of reforms	Medium	11/17/2023	Aligning reforms timeline with conditions in the field - low capacity and lack of resources. Close monitoring and readiness to adopt necessary changes.
Other Risks			
Overlap of reforms with other development partners	Low	11/17/2023	Coordinate reforms with major development partners

Changes to Project

INTERNATIONAL MONETARY FUND

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2025
November

Funding Program Assessment
Nigeria TP MNRW M1

COUNTRY (S): Nigeria

DATES: 12/11/2024 - 10/31/2025

PROGRAM ID: FAD_NGA_2025_02

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Baunsgaard, Thomas

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 12/11/2024 - 10/31/2025

BUDGET: $102,421

I. Program Purpose

The program was intended to provide targeted capacity development (CD) for the Federal Government of Nigeria to support the implementation of petroleum fiscal regime reforms and build in-house capacity in government on petroleum fiscal analysis and modeling.

The project was a follow-up to a technical assistance scoping mission in September 2024 that conducted an evaluation of progress being made toward the implementation of the new fiscal regime legislated in the Petroleum Industry Act of 2021 and provided petroleum fiscal modeling training to an inter-agency team.

The CD project would provide targeted technical support for the remaining period of the MNRW program to institutionalize the inter-agency collaboration on petroleum fiscal matters. This would involve working with institutions with a role in overseeing Nigeria's petroleum sector. Establishing an inter-agency modeling group would provide a formal framework for petroleum fiscal analysis and revenue forecasting led by the Ministry of Finance**.**

The CD support was to be provided by two in-person STX visits incorporating targeted training on FARI model applications customized to the Nigerian fiscal regime and project circumstances. Additional remote support would be provided to facilitate participants working through on-line training materials and other resources.

II. Program Implementation and Achievements

The project was implemented though two short-term expert visits providing capacity development with a counterpart team from the Ministry of Finance and other ministries and agencies in the petroleum sector. This involved working with simplified, pedagogical Excel models to strengthen petroleum fiscal regime analytical capacity but also more complete models to analyze the complex fiscal regime in Nigeria.

The latter focused on modeling and evaluating the impact of several recent government initiative emanating from the President's office that had provided various incentives aimed at attracting new offshore petroleum and non-associated natural gas investments. The modeling exercise was instructive for the participating government officials in helping them further assess whether the incentives were needed or too costly in terms of foregone potential revenue.

III. Challenges Encountered and Lessons Learned

Regulatory changes under consideration that would shift quasi-fiscal functions away from the national oil company imply an even more urgent need to build capacity in the ministry of finance, the revenue authority and the upstream regulatory authority. Especially the finance ministry currently has extremely limited capacity on petroleum sector issues and without a significant

upgrade will not be able to participate in discussing sector issues, let alone taking a more direct role in overseeing and administering work de facto done by the national oil company.

The capacity constraints could be ameliorated by establishing an inter-agency modeling forum as the technical foundation for sector collaboration. There was a strong consensus among agencies attending the project workshops of the need for and benefit arising from such an approach. Political support for the interagency approach will be critical as will be the need for the technical services department in the ministry of finance to step up and invest in developing staff capacity.

IV. Partner Outreach and Coordination

No direct engagement with other development partners.

IV. Next Steps

The authorities indicated that there was no need for further support from IMF as the World Bank was embarking on an institutional capacity project in the petroleum sector.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Nigeria-FADT2-Tax Policy-TPM-FY25-1
PROJECT ID:	NGA25TPM1
PROJECT MANAGER:	Baunsgaard, Thomas
REPORT DATE:	11/18/2025
PROJECT START:	5/1/2024
PROJECT END:	9/16/2025
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	9/1/2024 - 10/1/2025

Project Progress and Results Summary
The small project was completed by conducting two planned workshops on petroleum fiscal regime analysis and modeling using a FARI-based model developed for Nigeria. The model includes the new fiscal regime in the Petroleum Industry Act as well as the previous fiscal regimes to capture the ongoing transition of projects. This capacity development and training work followed a preceding mission in 2024 that had provided guidance on the transition of the petroleum fiscal regime to the recently approved Petroleum Industry Act. Workshops were conducted with the Federal Ministry of Finance and a larger inter-agency modeling team. The analytical work was extended to analyze the expected economic and fiscal impact of recent amendments made to the petroleum fiscal regime including overly generous investment incentives.

LOG FRAME DETAILS:

Country – Nigeria			
Objective - Strengthen Policy Monitoring, Evaluation, and Institutions - TPM		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Improved structures (e.g., tax policy units) or capacity (e.g., models and tools) related to tax policy advice and analysis.	2 Partially Achieved	11/18/2025	Customized petroleum fiscal regime models have been developed incorporating the petroleum industry act fiscal regime, the predecessor fiscal regimes, and recently amended fiscal provisions. Training have been provided on fiscal analysis using the FARI models to an intergovernmental team lead by the federal ministry of finance. Capacity remains very fragmented with the ministry of finance officials having capacity gaps compared to sector ministries and regulators.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved models to design and evaluate fiscal regimes and	0	1	0.5	10/31/2025	Updated petroleum FARI models have been developed incorporating the new fiscal regime in the

forecast revenue in the extractive industry adopted					Petroleum Industry Act and subsequent legislative amendments. Training was provided to a multi-agency team.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
N/A				

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
The country-level risk and energy transition may lead to reduced petroleum investment and production in Nigeria	High	7/10/2024	Explore and prepare for the fiscal impact of alternative scenarios
Management and Technical Staff Support and Commitment			
Fragmentation within government may limit the role of the Ministry of Finance in fiscal management of the petroleum sector	Medium	7/10/2024	Support technical level interagency collaboration
Political Support			
Political pressures may influence policy making	Medium	7/10/2024	Strengthen engagement with petroleum sector ministry
Resource Adequacy			

CD demand may exceed available CD funding	Medium	7/10/2024	Explore the possibility of securing GPFP funding for subsequent CD work if traction is sustained
Other Risks			
n/a	Low	7/10/2024	n/a

Changes to Project



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2025
October

Funding Program Assessment
Senegal (MNRW II, M3)

COUNTRY (S): Senegal

DATES: 7/1/2019 - 10/31/2025

PROGRAM ID: FAD_SEN_2020_02

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGERS: Helis, Jean Luc; Petit, Patrick

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 7/1/2019 - 10/31/2025

BUDGET: $701,087

I. Program Purpose

The goal of this Capacity Development (CD) program is to support macro-budgeting processes through improved revenue forecasting of upstream oil revenues. It relies on financial models of the two hydrocarbon projects currently going into production: Grand Tortue Ahmeyin (GTA — 15 to 20 trillion cubic feet of natural gas) and SNE (630 million barrels of crude). These models will also incidentally support forecasting of other key macroeconomic variables, such as investments and financial flows from the oil sector.

The CD program aims to build financial models and to train staff from the Ministry of Economy (MoE), which is in charge of the authorities' macro-framework; staff should be able to use the models and to adapt them to evolving needs. The program also aims to provide some training to staff of the Ministry of Finance (MoF), the main user of forecasts, to raise their capacity for critical engagement with the MoE. As for any CD program, building institutions and mechanisms to ensure sustainability is a major concern.

II. Program Implementation and Achievements

Both models are built, delivered and functional, and simplified models were also prepared, for pedagogical purposes. The CD program delivered two sets of training missions. The first set (2 missions: March 2022 and March 2023) introduced the models and provided initial training, and the second set (3 missions: October 2024, January and June 2025) pursued training with a second group. Currently, trained staff are mainly from the MoE (a stable core). Additional staff are notably from the MoF, Tax Department, Customs Department and Central Bank, albeit with a much less regular presence — pulling in staff from the MoF has been difficult, as misreporting issues with the IMF program monopolized their attention in the last year. At this stage, local staff are becoming increasingly capable of using the models with supervision, but they are not yet autonomous and have not reached a point where they can adapt the model to new situations (except for a few individuals).

III. Challenges Encountered and Lessons Learned

While significant progress was accomplished, there remains significant capacity and sustainability gaps. Pulling together operational and technical aspects of the project, their tax treatment (notably from the tax conventions), basic financial concepts and Excel skills, has been a significant challenge for most staff and it was therefore decided to use simplified models. Staff turnover is also a concern. First, the same group was expected all along, which was not the case. Second, some staff left after training, among which two well-trained individuals from the first set of mission (one left the government and the other one changed post). The second group though has been very stable so far.

Coordination among ministries could also be improved. For example, it remains difficult to obtain updated technical information from the Ministry of Energy, Mines and Petroleum and other entities involved on the operational side of the projects, and the participation of the Tax Department (*Direction Générale des Impôts et Domaines*), despite its evident interest on tax issues (as well as its potential contribution to better understanding of the tax regime), has been inconsistent. Relatedly, sustainability remains a key concern. Document sharing (e.g., online library of documents), institutionalized processes, sharing of training material, peer-to-peer training among the members of the local group etc. are lacking. Interest though remains very strong. All planned training has been provided, plus one extra activity in the summer of 2025 at the request of the authorities, for which FAD sought and used any remaining funds.

IV. Partner Outreach and Coordination

Partner outreach has been limited as this is a training activity, which in itself does not involve much coordination. However, the African Department of the IMF has been in close touch, as this has a direct impact on its surveillance activity.

V. Next Steps

The funding for this program has come to an end, but the authorities have expressed the need for more training, and regular follow-up. However, given the challenges above, FAD is now proposing a new approach for this CD, to tackle the challenges above. Indeed, regardless of the engagement with the MoE, AFR has its own FARI model, and it interacts with the MoF based on this model on surveillance issues — this might explain the difficulties bringing in the MoF.

The new approach would be around a single simpler model shared by the MoE, MoF, and AFR. Including the model into AFR's macro-framework, would result in regular updates, as the model would be revised upon each Article IV review and each review mission. There could also be a single online document library shared by the IMF and the authorities, and institutional sustainability in both institutions would support each other. Following some discussions preceding the 2025 Annual Meetings, both AFR and the authorities have agreed to this during the Annual Meetings, and funding would come from unused funds from the Medium-term revenue strategy CD program, for which the authorities appear to have at this stage little interest. Additional funding could be requested, based on the results of this approach.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Senegal - FADT1 - Petroleum Revenue Forecasting
PROJECT ID:	SEN22TXP1
PROJECT MANAGER:	Petit, Patrick
REPORT DATE:	10/25/2025
PROJECT START:	5/1/2021
PROJECT END:	1/29/2027
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	5/1/2025 - 10/31/2025

Project Progress and Results Summary
Sectoral model built by FAD and presented to the authorities. All planned training has been provided, plus an extra activity on remaining funds. The local group has improved significantly, but there remain significant gaps and institutional sustainability needs to improve (access to documents, training material, peer-to-peer training among the members of the local group, etc.). The authorities have expressed the need for more training, and regular follow up, but FAD is now proposing a new paradigm for this CD, around a single model shared in the Ministry of Economy, Ministry of Finance, and AFR, around a single document library. Authorities and AFR have agreed to this. Unused medium-term revenue strategy CD program funds will be used to start this work.

LOG FRAME DETAILS:

Country – Senegal	
Objective - Improved tax and non-tax revenue policy (SDG 17.1) - TXP	**Objective Rating - 4**

Outcome	Rating	Rating Date	Narrative
Improved structures and capacity related to tax policy advice and analysis, including organization of tax policy units and building tax models or other tools for analysis and revenue forecasting	4 Fully Achieved	4/25/2025	-) October 2025. All training activities are completed plus an extra one on remaining funds. There remains important concern on the sustainability of the efforts and demands by the authorities to extend the training program will be discussed within a new paradigm of a shared Authorities/IMF simpler model to be included in both macroframeworks, with a joint online library. -) April 2025. All planned activities are completed. There remain clear gaps in the local group's capacity and the authorities have asked for more training. -) September 2024. Sectoral model built by FAD and presented to the authorities. Ministry of Energy and Oil

			expressed no need for additional training. Ministry of Economy training planned for 7-11 Oct. 2024 MoF training planned for early 2025. -) November 2023. Sectoral model built by FAD and presented to the authorities. Training activities were delayed due to inability to travel in person and absence of modeling group that could be trained.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Models or tools developed or improved	Revenue forecasting not based on an up-to-date sectoral model	Revenue forecasting based on up-to-date sectoral model and maintained by authorities	3	10/25/2025	Training was provided to Ministry of Economy and Ministry of Finance, but there remain important gaps, despite significant progress. Authorities have asked for additional training, but FAD recommended stronger integration of efforts between Ministry of Economy and Ministry of Finance and AFR to achieve a common model for the authorities' and IMF's macro-frameworks. Unused medium-term revenue strategy CD program funds will be used to start this work.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
New FARI model prepared and handed over to authorities	5/31/2021	4 Fully Achieved	2/15/2022	Sectoral model built and handed over.
Authorities able to maintain and operate FARI model	12/31/2022	4 Fully Achieved	10/25/2025	All initially planned training has been provided, in addition to an extra activity in the summer of 2025. There remain significant gaps however, and institutional steps should be taken to ensure long-term sustainability of new capacity (document management, training material, peer-to-peer training among local staff, etc.)

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
NA	Low	4/10/2023	NA
Management and Technical Staff Support and Commitment			
Adoption and ownership of the model by the authorities and existence of local technical capacity	High	10/23/2024	Staff turnover has decreased, but local capacity and sustainability remain important issues. Efforts need to be more integrated between the Ministry of Economy and Ministry of Finance, as well as AFR, around a simpler model, in order

			to increase the number of stakeholders around a single model.
Political Support			
Considering the macro-criticality of gas revenue, it is unlikely that political support dwindles over time. However, other issues such as the misreporting could divert the attention of the authorities and hence create delays and slower communication.	Medium	10/25/2025	FAD is now proposing a new paradigm of a shared simpler model between the Authorities (Min. of Economy and Min. of Finance) and AFR, which would sit in both macroframeworks. It is expected that the IMF will need to update that model at least once a year (through the Art. IV consultations), and this would help sustainability and work around a single model.
Resource Adequacy			
Staff has inadequate skills and capacity to manage the FARI model.	Medium	10/23/2024	Additional training was requested for more staff at Ministry of Economy, but capacity gaps appear to be wider than initially expected. Broadening the training to the Ministry of Finance around a single model shared with AFR should help achieve a critical mass of people around a common model and thus help with resource adequacy and sustainability.
Other Risks			
NA	Low	5/19/2021	None.

Changes to Project



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2025
October

Funding Program Assessment
Sierra Leone (MNRW II, M1) - F

COUNTRY (S): Sierra Leone

DATES: 7/1/2020 - 4/30/2025

PROGRAM ID: FAD_SLE_2021_01

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Devlin, Dan

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 7/1/2020 - 4/30/2025

BUDGET: $167,288

I. Program Purpose

The project was aimed at supporting Sierra Leone to strengthen its capacity to manage its natural resource wealth effectively and to support domestic revenue mobilization. The focus was to build capacity in extractive industries revenue modeling and forecasting amongst key agencies that would enable better understanding of the mining sector and the revenue risks that may be present.

At the start of the project, Sierra Leone had recently implemented a new fiscal regime law for extractive industries, the Extractive Industries Revenue Act (EIRA) with prior Fund assistance, and the project also aimed to assist the authorities in understanding the new law and ensuring taxpayer compliance.

II. Program Implementation and Achievements

The project enabled the training of key officials, particularly in the National Revenue Authority (NRA), enabling a stronger understanding of mining sector characteristics and tax risks. The modeling training was also made available to other agencies, which fostered stronger collaboration between NRA, the Ministry of Finance, and the National Minerals Agency.

The project also enabled a detailed explanatory policy statement to be developed on the EIRA. This explanatory statement outlined the policy intent of each key provision in the EIRA, and the linkages between the EIRA and other key laws such as the Income Tax Act.

The project did not, however, meet its target of constructing detailed fiscal models for each mining project in Sierra Leone. However, the detailed iron ore models that were constructed using real world project and tax data highlighted tax risks to NRA and spurred the development of a pricing methodology for iron ore shipments. This 'safe harbor' methodology was developed collaboratively between the Module I and Module II projects and was published by NRA in September 2025.

III. Challenges Encountered and Lessons Learned

The project experienced ongoing challenges to momentum. Sierra Leone's central agencies face acute capacity constraints, and key officials found it challenging to be able to devote time to fiscal regime modeling training when they were facing more immediate work pressures. The Covid-19 pandemic of FY21-22 also necessitated a switch to remote support, but this was less effective and less suited to the training required (for example, it proved challenging to discuss complex spreadsheets over web-based meetings).

A key learning was the importance of scheduling training on a clear, routine schedule to maintain momentum. Shorter workshops held more frequently increased the likelihood that key officials could keep up with the model development, by reducing the gaps in time between training sessions.

IV. Partner Outreach and Coordination

The fiscal regime support was provided with routine coordination with the World Bank country team, and with other stakeholders such as the African Tax Administrators Forum on an ad hoc basis.

V. Next Steps

No further CD support is currently planned for the near term.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Sierra Leone - TP - MNRW mining fiscal regime support - FY22-24
PROJECT ID:	SLE21TRP2
PROJECT MANAGER:	Devlin, Dan
REPORT DATE:	10/22/2025
PROJECT START:	8/21/2020
PROJECT END:	3/14/2025
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	5/1/2025 - 10/31/2025

Project Progress and Results Summary
Some progress was made in developing iron ore fiscal models, which subsequently led to the identification of revenue risks and the development of an iron ore pricing methodology under Module 2. The project lost traction with the authorities, however.

LOG FRAME DETAILS:

Country – Sierra Leone	
Objective - Improved tax and non-tax revenue policy	**Objective Rating - 2**

Outcome	Rating	Rating Date	Narrative
Improved structures and capacity related to tax policy advice and analysis, including organization of tax policy units and building tax models or other tools for analysis and revenue forecasting	2 Partially Achieved	5/1/2025	Project did not complete all milestones. Competing resourcing pressures on key officials saw the project lose traction. Modeling work that was completed enabled development of a mineral pricing methodology (see separate Module 2 project).

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved tax policy making capacity for extractive industries, including use of economic models to design and evaluate fiscal regimes and forecasting revenue			80	10/22/2025	Slow progress on modeling due to stretched local capacity. However, the modeling work that was done enabled the development and implementation of an iron ore safe harbor pricing methodology.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
10 officials able to pass general test of MS Excel and Modeling capabilities	5/1/2022	4 Fully Achieved	5/24/2024	Officials have established good basic understanding of modeling approaches in Excel
Mining project models completed	1/1/2022	2 Partially Achieved	10/22/2025	Only one model was completed.
Aggregated sectoral model completed	5/1/2022	2 Partially Achieved	10/22/2025	Remains incomplete.
Technical amendments/corrections made to EIRA and related legislation	7/1/2021	4 Fully Achieved	5/24/2024	Amendments Bill completed October 2022 for submission to Parliament
2 or more worked examples of EIRA provisions completed	1/1/2022	4 Fully Achieved	5/24/2024	Guidance material developed on EIRA explains the legislation in considerable detail. Has been gazetted, for eventual publication

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
Political Support			
Key ministers lose interest or stop supporting the project	Medium	5/1/2025	
External climate/conditions			
Remote support ineffective for technical skills transfer.	Low	5/1/2025	
Management and Technical Staff Support and Commitment			

Key contacts in MOF/NRA withdraw support	Low	5/1/2025	
Other Risks			
Loss of key contacts remains a risk	Medium	5/1/2025	
Resource Adequacy			
Key contacts unable to focus on the project due to resource limitations.	Very High	5/1/2025	

Changes to Project



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Funding Program Assessment
Sierra Leone (MNRW II, M2) - F

COUNTRY (S): Sierra Leone

DATES: 7/1/2020 - 4/30/2025

PROGRAM ID: FAD_SLE_2018_02

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Kerjean, Pierre

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 7/1/2020 - 4/30/2025

BUDGET: $790,843

I. Program Purpose

The purpose of this project was to assist the National Revenue Authority (NRA) in developing capacity to administer revenue from the extractive industries. Under this program, FAD undertook diagnostic assessments, conducted industry and tax-specific trainings and recommended reforms aimed at increasing resource revenues, generally anchored in a medium-term programmatic approach to CD.

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The primary areas of tax policy covered by this program were: (i) supporting organizational arrangements (ii) Reinforce effective risk management and (iii) Reinforce support functions to enable more effective delivery of strategy and reforms. Under this program, FAD revenue administration teams undertook diagnostic assessments, conducted industry and tax-specific trainings and recommended reforms aimed at increasing resource revenues, generally anchored in a medium-term programmatic approach to CD.

Table 1: Program Objectives and Expected Outcomes

Objectives	Outcomes
Strengthened revenue administration management and governance arrangements	• Organizational arrangements enable more effective delivery of strategy and reforms • Corporate priorities are better managed through effective risk management • Support functions enable more effective delivery of strategy and reforms

At the start of the project, Sierra Leone had recently implemented a new fiscal regime law for extractive industries, the Extractive Industries Revenue Act (EIRA). the project also aimed to assist the authorities in implementing the new law and ensuring taxpayer compliance. Recognizing the long-term importance of the mining sector, the NRA established the Extractive Industry Revenue Unit (EIRU) with a broad mandate to administer and monitor the extractive industries. The EIRU, the staffing of which increased from four to 18 over the years, conducts compliance, audit, policy and analytical functions.

II. Program Implementation and Achievements

The program successfully delivered a suite of Capacity Development (CD) activities in Sierra Leone. Utilizing a combination of in-field and remote CD delivery methods, the FAD team ensured the continuous provision of technical assistance. The first phase of this program, which ended in April 2020, achieved some milestones including the completion of risk models for all the major mining projects, completion of the mining risk matrix for large scale mining and related services sector.

The Key Achievements of the second phase of this program include: 1) The consolidation and effective implementation of the milestones mentioned above, 2) staff skills consolidation through trainings in niche areas including the iron ore industry and transfer pricing, and 3) the EIRU access to relevant data for risk assessment purposes. In particular, the program supported the development of a pricing methodology for iron ore shipments. This 'safe harbor' methodology was developed collaboratively between the Module I and Module II projects and was published by NRA in September 2025.

III. Challenges Encountered and Lessons Learned

The project experienced ongoing challenges to momentum. Sierra Leone's central agencies face acute capacity constraints, and key officials found it challenging to be able to devote time to CD when they were facing more immediate work pressures. The Covid-19 pandemic of FY21-22 also necessitated a switch to remote support, but this was less effective and less suited to the training required.

Matching the timing of missions with EIRU priorities has also been a challenge. To mitigate this, FAD established a limited on-demand remote CD facility. Although the remote environment creates its own challenges, this modality, combined with in-country missions, offered some flexibility allowing a greater flexibility and allows to better combine CD with other priorities. Finally, IMF policy regarding the recruitment of external experts can limit access to specialized industry expertise.

Among the lessons learned during the assessment period, a key finding was that 1) data availability remains a major issue and constraint for any modeling work, 2) timely delivery of activities is highly contingent on economic and political development, with readiness to receive CD missions dwindling where there is a degree of uncertainty about future direction, and 3) combining in-person and remote methods of engagement with authorities ensures the continuity and timeliness of FAD advice.

IV. Partner Outreach and Coordination

The program benefitted from close CD-surveillance coordination, as well as coordination with the MNRW module I. This is particularly the case for the proposed safe harbor regime and the clarification of EIRU mandate.

V. Next Steps

This funding program is transitioning to a GPFP program. CD related to mining will continue under this new program, which also covers technical assistance across all segments of the NRA.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Sierra Leone-FAD- Revenue Administration - Natural Resources- FY18
PROJECT ID:	SLE21SRA4
PROJECT MANAGER:	Kerjean, Pierre
REPORT DATE:	10/31/2025
PROJECT START:	5/1/2017
PROJECT END:	2/12/2027
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	5/1/2024 - 5/30/2025

Project Progress and Results Summary
Key Achievements of the second phase of this program include: 1) The consolidation and effective implementation of the milestones mentioned above, 2) staff skills consolidation through trainings in niche areas including the iron ore industry and transfer pricing, and 3) the EIRU access to relevant data for risk assessment purposes. In particular, the program supported the development of a pricing methodology for iron ore shipments. This 'safe harbor' methodology was developed collaboratively between the Module I and Module II projects and was published by NRA in September 2025.

LOG FRAME DETAILS:

Country – Sierra Leone			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Corporate priorities are better managed through effective risk management	3 Largely Achieved	4/17/2025	Risk management has improved through the use of risk matrix and access to more relevant data on the EI operations. More effective mitigating activities are conducted, including on the most complex issues such as export transfer pricing, but no compliance improvement plan has been formalized. The extractive industry unit is ahead of the rest of the tax administration and serves as a model for effective risk management within the organization, but no coordinated compliance improvement plan covering all segments has been adopted yet at the NRA level.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative

Improved identification, assessment, ranking and quantification of compliance risks (TADAT POA2-3)	Assessment of the January 2017 Technical assistance report. Skills base for fiscal modelling, risk identification and knowledge of the industry are weak. Risk based compliance management strategies have not been developed		3	5/24/2024	risk matrix developed and used for risk assessment and in the course of audits but need to be adapted to each project's fiscal environment and better integrated into tax administration's CRM strategy
Better mitigation of risks through a compliance improvement program (TADAT POA2-4)	Assessment of the January 2017 Technical assistance report. Skills base for fiscal modelling, risk identification and knowledge of the industry is weak. Risk based compliance management strategies have not been developed		3	5/24/2024	CIP in the extractive industry drafted but governance body and CIP lacking at the level of the whole agency
Improved monitoring and evaluation of compliance risk mitigation activities (TADAT POA2-5)	Assessment of the January 2017 Technical assistance report. Skills base for fiscal modelling, risk		2	5/24/2024	governance body and CIP lacking at the level of the whole agency

	identification and knowledge of the industry is weak. Risk based compliance management strategies have not been developed				

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Project fiscal models for major resource projects developed	5/1/2018	2 Partially Achieved	5/24/2024	
Risk factors and evaluation matrix for the industry have been developed	1/1/2019	4 Fully Achieved	5/24/2024	
Risk assessment activities and results feed into the development of operational plans	5/1/2019	3 Largely Achieved	5/24/2024	
Compliance risk mitigation activities are driven by a compliance management strategy involving a coordinated plan across all functional areas	5/1/2019	3 Largely Achieved	5/24/2024	
Compliance risk mitigation activities related to major resource projects and the	5/1/2020	2 Partially Achieved	5/24/2024	

artisanal sectors are monitored, evaluated and updated.				

Country – Sierra Leone	
Objective - Strengthened revenue administration management and governance arrangements	**Objective Rating - 3**

Outcome	Rating	Rating Date	Narrative
Organizational arrangements enable more effective delivery of strategy and reforms	3 Largely Achieved	7/8/2021	The role and mandate of the extractive industry unit has been clarified. Tax returns specific to the EI have been developed and are now fully integrated into the tax information system. The exchange of information with the mining agency is operational, although not formalized by an inter-agency agreement. The EI unit is ahead of the rest of the tax administration on risk analysis and serves as a model for effective risk management within the organization, but no coordinated compliance improvement plan covering all segments has been adopted yet at the NRA level.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Clear organizational structure along functional lines and/or taxpayer segments established and operating or strengthened	Assessment of the January 2017 Technical assistance report. Mandate of the EIRU and its activities need to be clarified within the NRA and with other regulatory agencies. Lines of communication and cooperation with other functional areas and agencies need		3	5/24/2024	A compliance management strategy shared with other agencies involved in the supervision of EI remains to be implemented

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Action plan to develop a compliance improvement plan for the extractive industries has been established.	8/1/2017	4 Fully Achieved	5/24/2024	CIP drafted but lacks integration in overall NRA strategy
Reporting procedures and tax and information returns developed	1/1/2020	4 Fully Achieved	5/24/2024	Forms for royalties and EI specific returns for CIT developed and used

Formalized information exchange and cooperation between regulatory stakeholders (MOFED, the Ministry of Mines and Mineral Resources (MMR), the National Mining Agency (NMA), the PD) have been developed	1/1/2018	4 Fully Achieved	5/24/2024	Memorandum of understanding signed and effective
Coordinated operational plans to deal with compliance risks for the EI sector are implemented	5/1/2019	2 Partially Achieved	5/24/2024	risk management is effective in the EI but no coordinated operational plan across all taxpayers' segment has been developed yet.

Country – Sierra Leone			
Objective - Strengthened revenue administration management and governance arrangements		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Support functions enable more effective delivery of strategy and reforms	3 Largely Achieved	7/8/2021	Staff capacity has improved both in numbers and skills, in the field of audit, EI accounting, international tax and risk analysis. NRA has maintained stable staff within the unit, allowing specialization and skills improvement. Staff has started addressing the most complex issues, including commodity mispricing. More hands-on support

			remains necessary to support the extractive industry unit (EIRU) in the initial phase.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved human resources strategies and practices to support the tax administration	Assessment of the January 2017 Technical assistance report. Specialized skills including Risk assessment, fiscal modelling, industry knowledge and base line revenue administration skills need to be developed and maintained.		3	11/1/2024	Technical skills have improved but a strategy aiming at maintaining the level of expertise remains to be implemented

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Areas of technical specialization relating to the EI sector have been addressed through the development of appropriate	5/1/2018	3 Largely Achieved	11/1/2024	Staff capacity has improved both in numbers and skills, in the field of audit, EI accounting, international tax and risk-analysis but trainings remains

staffing, training plans and strategies.				necessary for new staff and to reinforce specialized skills
An EI staffing and development plan is established	5/1/2018	3 Largely Achieved	5/24/2024	Training Plan for EI has been partially developed

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
	High	7/12/2021	
Management and Technical Staff Support and Commitment			
	Medium	7/12/2021	
Political Support			
	Low	7/12/2021	
Resource Adequacy			
	Medium	7/12/2021	
Other Risks			
	High	7/12/2021	

Changes to Project

INTERNATIONAL MONETARY FUND

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2025
November

Funding Program Assessment
Tanzania MNRW Module 1

COUNTRY (S): Tanzania, United Republic of

DATES: 6/1/2023 - 4/30/2025

PROGRAM ID: FAD_TZA_2023_01

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Baunsgaard, Thomas

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 6/1/2023 - 4/30/2025

BUDGET: $153,043

I. PROGRAM PURPOSE

The purpose of the MNRW project was to provide advice to the Tanzanian authorities on the design and implementation of the petroleum fiscal regime applicable to large-scale LNG projects and develop capacity for the modeling and analysis of the fiscal regime.

The project included three components:

- Fiscal regime design and implementation: Providing technical advice on how to integrate the contractual natural gas fiscal regime into the legislative tax framework. This was intended to address interactions between the production sharing contracts and respective tax legislation. It would also focus on the tariff setting mechanism between the upstream and mid-stream components of the LNG project, which has key fiscal implications. It was also expected that there may be scope to provide policy guidance to the authorities if there are remaining fiscal issues that have not yet been agreed to through project negotiations.
- Natural gas revenue modeling and forecasting: Developing a FARI revenue model of the LNG project that includes the three upstream fields and a mid-stream LNG facility modeling application of the fiscal regime to each project segment. The model was to include options for varying the fiscal regime parameters and the tariff set determining the value of gas between the upstream and the mid-stream. The model was intended to be used for tax policy analysis and revenue forecasting under varying natural gas price, production, and project cost assumptions. Training would be provided to an inter-ministerial/inter-agency counterpart team to ultimately operate and further maintain the model framework.
- Macro-fiscal framework: The outputs from the FARI model in turn could provide the basis for considering macro-fiscal options for managing the natural gas revenue. This would include determining an appropriate allocation of revenue for savings and investment over the medium term being cognizant about the need to ensure fiscal stability and sustainability.

The planned activities included an initial diagnostic mission to take stock of preparations for the fiscal management of natural gas resources and provide policy guidance in the three policy areas covered by the project. This was to be followed by smaller mission providing further reform implementation guidance and an STX visit on modeling.

II. PROGRAM IMPLEMENTATION AND ACHIEVEMENTS

The only activity completed under the project was the initial diagnostic mission. Planned follow-up missions including supporting legislative reforms to provide more certainty on the application of the petroleum fiscal regime and on modeling did not materialize as the authorities did not request further support.

The mission took place in September 2023 and found that Tanzania was at a pivotal moment where recent progress resuming previously stalled negotiations had increased the possibility of very

substantial offshore natural gas resources discovered more than a decade ago eventually being developed. The project could ultimately lead to a large increase in government revenues, initially commencing from 2031 and extending over three decades or more.

The report prepared by the mission contained a comprehensive policy and legislative analysis of the petroleum fiscal regime focusing on the interface between the production sharing agreement and the income tax act. It included a number of recommendations to be resolved for the clear and effective design and implementation of the petroleum fiscal regime. The key issues highlighted were the following:

- Recent changes to the income tax legislation aligning the corporate income tax base for petroleum operations with the production sharing agreement profit petroleum calculation were intended to simplify, but in practice had introduced new complexities and potential inconsistencies to the income tax assessment.
- The policy intention to tax capital gains from direct and indirect transfers of mining and petroleum rights is marred by legislative inconsistencies and lack of clarity.
- The tax treatment of withholding taxes on service payments in some instances may give rise to double taxation and taxpayer disputes; the tax rates should be aligned for residents and nonresidents at 10 percent, and payment of the withholding tax should be deductible to the Contractor.
- Imposing royalties from the top of petroleum production may need to be offset by moderation to the profit petroleum sharing.
- Special attention is needed in determining the transfer price (through a tariff) for natural gas between the upstream and the midstream (the LNG plant) as the government take is higher in the upstream. The midstream tariff design will impact overall government share and investor outcomes.
- The proportion of gas production allocated for domestic supply, and its price, will need to balance the fiscal revenue objective versus the desire to scale up the domestic use of gas.
- The benefits from having direct state participation in the project should be weighed against the financing cost of having to contribute to the large upfront project development costs.
- With a capital intensive and predominantly export-oriented project, it is critical that a credible mechanism is put in place to ensure the timely refund of excess VAT credits to the investors.

The mission advised government to strengthen its capacity to model the financial and fiscal impact of the large-scale gas project. The mission developed an illustrative modeling framework providing the foundation for a revenue forecasting model of a potential LNG investment. It was recommended

to further develop the model in collaboration with an inter-governmental modeling team combining key ministries and agencies.

Government had prudently not yet included the fiscal and economic impact of any large-scale natural gas project into the macroeconomic baseline. This is appropriate until investors reach the Final Investment Decision, and a Field Development Plan is approved by the regulator. Should the investment proceed, the macro-fiscal framework should balance the need to preserve fiscal stability given revenue volatility, sustainability given the temporary nature of the revenue flow, and some gradual front-loading of public investment given the developmental needs.

III. Challenges Encountered and Lessons Learned

While the engagement with the authorities – including with the Ministry of Energy, Revenue Authority, Ministry of Energy and se tor regulatory authorities – during the initial mission was excellent, it proved very difficult to gain traction for the envisaged follow-up activities. It is likely that part of the challenges in gaining traction on the technical assistance were paralleled by difficulties government experienced in progressing with investor negotiations to complete the complex project for the deep offshore gas developments. Ultimately the MNRW technical assistance project was cancelled and the remaining budget resources reallocated to other MNRW projects.

IV. Partner Outreach and Coordination

During the initial mission under the project there was outreach with representatives from the potential petroleum investors as well as with development partners active in the natural resources sector (especially with the World Bank, African Development Bank, and the Norwegian embassy).

V. Next Steps

There are currently no further activities planned.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Tanzania, United Republic of-FADT2-Tax Policy-TXP-FY24-1
PROJECT ID:	TZA24TXP1
PROJECT MANAGER:	Baunsgaard, Thomas
REPORT DATE:	11/4/2025
PROJECT START:	2/21/2023
PROJECT END:	7/11/2025
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	8/1/2023 - 4/30/2025

Project Progress and Results Summary
The MNRW project included one diagnostic mission on the petroleum fiscal regime. This contained a comprehensive review of the petroleum tax policy and legislative framework to provide certainty and clarity for new investment projects while closing potential revenue loopholes. The government ultimately did not request the planned follow-up capacity development activities on petroleum fiscal regime analysis, modeling and revenue forecasting and support for legislative tax drafting.

LOG FRAME DETAILS:

Country – Tanzania, United Republic of			
Objective - Improved tax and non-tax revenue policy (SDG 17.1) - TXP		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Improved structures and capacity related to tax policy advice and analysis, including organization of tax policy units and building tax models or other tools for analysis and revenue forecasting	2 Partially Achieved	11/4/2025	The MNRW project included one diagnostic mission on the petroleum fiscal regime. This contained a comprehensive review of the petroleum tax policy and legislative framework to provide certainty and clarity for new investment projects while closing potential revenue loopholes. The government ultimately did not request the planned follow-up capacity development activities on petroleum fiscal regime analysis, modeling and revenue forecasting and support for legislative tax drafting.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved tax policy making capacity for extractive industries, including use of economic models to design and evaluate	n/a	n/a	0.5	11/4/2025	The mission in September 2023 completed an assessment of the petroleum fiscal regime and developed FARI models for fiscal

fiscal regimes and forecast revenue					regime analysis and revenue forecasting. There has been more limited progress in terms of government counterparts incorporating the analysis and tools into their own policy-making activities.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Develop FARI model for petroleum fiscal regime analysis and revenue forecasting	10/31/2023	4 Fully Achieved	10/24/2023	FARI models have been developed the Tanzania LNG project (petroleum fiscal regime analysis and revenue forecasting).
Establishment of inter-agency petroleum revenue modeling team	7/31/2024	1 Not Achieved	10/29/2025	The government has not established an inter-agency modeling team

RISK ASSESSMENT AND MITIGATION

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
Energy sector development may make it more challenging for investors to move forward with the LNG projects	Medium	3/24/2023	Interact with key investors to understand their project assessment

Management and Technical Staff Support and Commitment			
Engagement with the Ministry of Energy and TPDC may be difficult to sustain.	Medium	3/24/2023	Work collaboratively with cross-departmental government team
Political Support			
Progress on the LNG development and relations with the IMF may deteriorate politically	Low	3/24/2023	Engage with IMF country team and key policy makers
Resource Adequacy			
CD resources may be inadequate to make sustained progress in developing capacity	Medium	3/24/2023	Secure external financing
Other Risks			
n/a	Low	3/24/2023	n/a

Changes to Project



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2025
December

Funding Program Assessment
Uganda (MNRW II, M1)

Uganda (MNRW II, M1)

COUNTRY (S): Uganda

DATES: 5/1/2017 - 10/31/2025

PROGRAM ID: FAD_UGA_2018_01

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Camero Godinez, Eduardo

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 5/1/2017 - 10/31/2025

BUDGET: $488,997

Uganda (MNRW II, M1)

I. Program Purpose

The MNRW II project built on the petroleum fiscal regime work done under the first phase of the MNRW-TF. In particular, the project's purpose was to support the Ugandan authorities in developing petroleum and mining fiscal regime analysis and revenue forecasting models for the Ministry of Finance, Planning and Economic Development (MFPED).

The mining sector is playing an increasingly significant role in the economy of Uganda, historically contributing around 2.2 percent to GDP but dominated by artisanal and small-scale mining. Oil production is expected to start from the Uganda Oil Project in 2026., and the government is considering a minority investment in a refinery to process domestically produced oil. Given the revenue generating potential of the mining and oil sectors, the Ugandan government has focused on attracting investment and improving the regulatory and fiscal framework to encourage sustainable investment. With the start of oil production looming, there was also a need for government to build capacity to forecast petroleum revenues, and to analyze extractives tax policy.

II. Program Implementation and Achievements

FAD has delivered TA on extractives tax policy since 2015 under MNRW-funded projects. Support focused on providing recommendations to improve the petroleum and mining fiscal regimes, on developing a petroleum revenue forecasting model, and on building capacity of staff to analyze and design extractives tax policy.

- A TA report on mining tax policy and the economic analysis of a refinery project, part of the Uganda Oil Project, was handed over to authorities in June 2025. This complements previous TA reports on petroleum and mining tax policy to give a comprehensive and updated analysis of extractives tax policy and options for reform.
- A complete petroleum revenue forecasting model has handed over to authorities and regularly updated, most recently in June 2025. Authorities received TA to update the petroleum revenue forecasting model, as well as slides outlining the steps – the most recent update to the revenue forecasting model was conducted in March 2024.
- Several FARI workshops, both in person and remote, were delivered to staff from Ministry of Finance, Uganda Revenue Authority, Uganda Petroleum Authority, and Uganda National Oil Company, most recently in June 2025.
- All relevant legislation regulating the fiscal treatment of petroleum activities has been passed and is in place.

III. Challenges Encountered and Lessons Learned

The fragmentation of responsibility for petroleum taxation between the Ministry of Finance, the Petroleum Authority and the Uganda Revenue Authority difficulted the implementation of a

coherent and stable fiscal framework for the petroleum sector. A second challenge was sustaining authorities' interest and attention in extractives CD, because of competing policy demands.

IV. Partner Outreach and Coordination

Meetings were regularly held with staff from the Norwegian Government, which supported the MNRW and provided complementary TA in petroleum revenue forecasting. Meetings were also held with representatives from the Natural Resource Governance Institute to exchange views on sector developments.

V. Next Steps

FAD will continue to provide CD on extractives tax policy through a GPFP project. CD will continue to focus on building capacity of staff to forecast petroleum revenues, which will become even more important once production starts. New tax policy issues are likely to emerge once production starts and taxpayers move to a tax paying position, which will necessitate additional assistance from FAD. Additional assistance can also be provided to analyze policy options for the refinery project. Finally, follow up CD to deepen and implement the policy recommendations in the 2025 technical report can be delivered.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Uganda - FADT2 - Petroleum fiscal regime
PROJECT ID:	UGA21TRP1
PROJECT MANAGER:	Camero Godinez, Eduardo
REPORT DATE:	12/16/2025
PROJECT START:	8/4/2020
PROJECT END:	7/2/2026
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	-

Project Progress and Results Summary
A TA report on mining tax policy and the economic analysis of a refinery project, part of the Uganda Oil Project, was handed over to authorities in June 2025. This complements previous TA reports on petroleum and mining tax policy to give a comprehensive and updated analysis of extractives tax policy and options for reform. A complete petroleum revenue forecasting model has handed over to authorities and regularly updated, most recently in June 2025. Authorities received TA to update the petroleum revenue forecasting model, as well as slides outlining the steps – the most recent update to the revenue forecasting model was conducted in March 2024. Several workshops were delivered to staff from Ministry of Finance, Uganda Revenue Authority, Uganda Petroleum Authority, and

Uganda National Oil Company, most recently in June 2025. All relevant legislation regulating the fiscal treatment of petroleum activities has been passed: EACOP bill passed in 2021 which implements fiscal regime for pipeline. Final terms for the PSAs were signed in April 2022. Pipeline: Following the signing of the Intergovernmental Agreement with Tanzania, the authorities have agreed on a tariff with the sponsors. The tariff and the apportionment of revenues and costs have been included in the Host Government Agreements (HGAs) and the EACOP bill. Refinery: Advice has been provided on the taxation of refined products once they are domestically produced. The authorities evaluate the options for a price or revenue neutral reform that would extend the VAT to refined products. The refinery project is still under analysis by authorities.

LOG FRAME DETAILS

Country – Uganda			
Objective - Improved tax and non-tax revenue policy		**Objective Rating - 4**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Improved structures and capacity related to tax policy advice and analysis, including organization of tax policy units and building tax models or other tools for analysis and revenue forecasting	3 Largely Achieved	7/8/2021	A TA report on mining tax policy and the economic analysis of a refinery project, part of the Uganda Oil Project, was handed over to authorities in June 2025. This complements previous TA reports on petroleum and mining tax policy to give a comprehensive and updated analysis of extractives tax policy and options for reform. A complete petroleum revenue forecasting model has handed over to authorities and regularly

				updated, most recently in June 2025. Authorities received TA to update the petroleum revenue forecasting model, as well as slides outlining the steps – the most recent update to the revenue forecasting model was conducted in March 2024. Several workshops were delivered to staff from Ministry of Finance, Uganda Revenue Authority, Uganda Petroleum Authority, and Uganda National Oil Company, most recently in June 2025.	
Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
Models or tools developed or improved	No revenue forecasting model for the petroleum sector in place.		Revenue forecasting model built and handed over to the authorities. Further training might be necessary to update and maintain the model independently.	12/9/2025	Authorities received an initial petroleum revenue forecasting model, which was regularly updated, most recently in March 2024. Several capacity building sessions to train staff in using and updating the model were conducted.
Milestones	**Target Completion Date**		**Rating**	**Rating Date**	**Narrative**

Updated petroleum sector revenue forecasting model developed and handed over to authorities	10/31/2020	4 Fully Achieved	12/9/2025	A complete petroleum revenue forecasting model was handed over to authorities and regularly updated, most recently in June 2025.
New or improved petroleum fiscal regime analysis and revenue forecasting models developed.	6/30/2018	4 Fully Achieved	12/9/2025	TA on petroleum tax policy was delivered periodically, most recently in March 2024
Capacity to operate petroleum sector revenue forecasting model built.	3/29/2024	4 Fully Achieved	12/9/2025	Several workshops were delivered to staff from Ministry of Finance, Uganda Revenue Authority, Uganda Petroleum Authority, and Uganda National Oil Company, most recently in June 2025
Guidelines are developed with assistance from FAD for authorities to update the forecasting model	2/14/2025	3 Largely Achieved	12/9/2025	Authorities received TA to update the petroleum revenue forecasting model, as well as slides outlining the steps

A diagnostic of the current fiscal regime for extractives and options for reform is handed to authorities	2/14/2025	4 Fully Achieved	12/9/2025	A TA report on mining tax policy and the economic analysis of a refinery project, part of the Uganda Oil Project, was handed over to authorities. This complements previous TA reports on petroleum and mining tax policy to give a comprehensive and updated analysis of extractives tax policy and options for reform

Country – Uganda			
Objective - Improved tax and non-tax revenue policy		**Objective Rating - 4**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Increased economic efficiency by minimizing the economic distortions imposed by taxes or by using taxes to address	4 Fully Achieved	12/9/2025	Authorities passed all relevant legislation regulating the fiscal treatment of petroleum activities. EACOP bill passed in 2021 which implements fiscal regime for pipeline. Final terms for the PSAs

externalities or market failures				were signed in April 2022 and modified in 2024.	
Verifiable Indicators	**Baseline**	**Target**	**Current Assessment Value**	**Assessment Date**	**Narrative**
New fiscal regime legislation or model PSA approved	Legislation not reformed		EACOP bill and ITA amendment passed in 2021, VAT bill drafted	12/9/2025	Authorities passed all relevant legislation regulating the fiscal treatment of petroleum activities.
Milestones	**Target Completion Date**		**Rating**	**Rating Date**	**Narrative**
New or amended fiscal regimes for midstream and downstream petroleum operations are enacted into law.	1/1/2019		4 Fully Achieved	5/24/2024	EACOP bill passed in 2021 which implements fiscal regime for pipeline. Final terms for the PSAs were signed in April 2022
New or amended pricing regimes for midstream and downstream petroleum operations and products are put in place.	1/1/2019		4 Fully Achieved	12/9/2025	Pipeline: Following the signing of the Intergovernmental Agreement with Tanzania, the authorities have agreed on a tariff with the sponsors. The tariff and the apportionment of revenues and costs have been included in the Host

				Government Agreements (HGAs) and the EACOP bill. Refinery: Advice has been provided on the taxation of refined products once they are domestically produced. The authorities evaluate the options for a price or revenue neutral reform that would extend the VAT to refined products. The refinery project is still under analysis by authorities.

RISK ASSESSMENT AND MITIGATION

Category and Description	Probability	Impact	Assessment	Assessment Date	Mitigation Measures
External climate/conditions					
	Low	Low	Low	4/28/2022	
Management and Technical Staff Support and Commitment					
	Medium	Medium	Medium	7/12/2021	

Political Support					
	Low	Low	Low	7/12/2021	
Resource Adequacy					
	Low	Low	Low	7/12/2021	
Other Risks					
	Medium	Medium	Medium	4/19/2022	

Changes to Project



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2025
October

Funding Program Assessment Uganda: (MNRW II, M2)

COUNTRY (S): Uganda

DATES: 11/1/2017 - 10/31/2025

PROGRAM ID: FAD_UGA_2018_03

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Sanya, Bernard

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 11/1/2017 - 10/31/2025

BUDGET: $832,835

I. PROGRAM PURPOSE

1. The purpose of the project was to assist the Uganda Revenue Authority (URA) and other regulatory agencies in developing capacity to administer revenue from the extractive industries (EI). The focus of the project was to assist the URA in developing a compliance strategy for administering revenue from the EI and address capacity within the authority to implement the strategy.

2. The project had three strategic goals leading to effective risk identification and assessment processes, an EI compliance management strategy, development of specialized skills and effective audit policy and procedures:

- Strengthen the organization's compliance management strategy and risk assessment process for the extractive industries.
- Strengthen the audit function to allow for the effective delivery of EI compliance strategy.
- Address skills and specialization required to administer the sector and develop a skills development program to address gaps.

II. PROGRAM IMPLEMENTATION AND ACHIEVEMENTS

3. Capacity Development (CD) was delivered through a combination of in-country visits and virtual modalities. The project maintained flexibility and adaptability throughout its duration, adjusting to the evolving pandemic landscape to ensure continuity of CD despite COVID-19 travel restrictions. In 2021, a dedicated short-term expert (STX) was assigned to URA's Petroleum and Mining Division (PMD) to provide practical audit training, mentoring, and coaching focused on enhancing audit capacity and technical skills. The STX's assistance is delivered through biannual in-country visits complemented by virtual CD modality, ensuring progression of tasks and sustained engagement between visits. The project also benefited from the presence of a regional EI revenue administration advisor based in Uganda, which helped accelerate the pace of reform implementation.

4. The project has significantly enhanced URA capacity to administer revenue in the EI sector, which includes large-scale mining and upstream petroleum operations. Key achievements include addressing EI-specific knowledge gaps across URA's tax and customs administration, improving compliance risk management and EI risk assessment processes, and bolstering audit capabilities and technical expertise within the URA's PMD. CD was delivered using a blend of foundational theoretical training and practical, on-the-job learning, utilizing real case studies to clarify complex concepts and technical issues such as transfer pricing and cross-border transactions, thereby improving industry knowledge, audit capacity, and skills.

5. On the customs side, the project addressed industry knowledge and supported authorities in strengthening customs administration and oversight within the EI sector. It has repositioned customs to play its vital strategic role in the sector focused on monitoring physical

flows, verifying export/import declarations, and enforcing sector-specific controls, critical as Uganda prepares for its first oil production, anticipated in the second half of 2026.

6. The project has also fostered collaboration among EI regulatory agencies. However, further work is needed to integrate electronic data systems to enable seamless inter-agency data sharing and coordination. Ongoing support remains essential to institutionalize reforms and maintain robust oversight and revenue administration as Uganda transitions into its petroleum era. Future priorities include assisting the authorities in refining and deploying updated customs procedures, bolstering audit capacity within tax administration, and advancing the integration of interagency systems.

III. Challenges Encountered and Lessons Learned

7. Implementing revenue administration reforms in Uganda's emerging oil sector faced several challenges, including disruptions in CD delivery caused by COVID-19 and related travel restrictions that delayed reform implementation. Other challenges involved fragmented roles and responsibilities, coordination difficulties, incomplete data sets, and blurred mandates, which led to institutional silos and general confusion, further slowing reform implementation.

8. Persistent knowledge gaps require sustained onsite assistance. Initial assessments revealed that URA staff had limited exposure to industry-specific tax issues, and occasional workshops alone were insufficient to embed new practices. The deployment of a dedicated STX in 2021 and a regional long-term advisor (LTX) based in Uganda in 2024 significantly strengthened audit capacity and accelerated reform momentum. URA's adoption of recommended reforms, particularly in customs administration, markedly improved following the LTX's arrival—demonstrating that CD efforts and implementation of reforms benefit greatly from embedded expertise.

IV. Partner Outreach and Coordination

9. As no other donor partners (DP) were involved in EI revenue administration, CD activities were primarily coordinated with the area department (AFR) and a few other DPs, such as the Norwegian Oil for Development (NORAD), who had interest in EI revenue administration CD in Uganda. FAD staff worked closely with the IMF country team to support program negotiations and reviews and collaborated with IMF AFRITAC EAST (AFE) to deliver CD, including organizing joint CD missions.

V. Next Steps

10. Continued assistance is needed to sustain the gains made and support the authorities in testing and refining new processes and procedures as Uganda moves into oil production anticipated in the second half of 2026. With the MNRW concluding in October 2025, a smooth

transition to future support is critical to sustain and enhance progress so far made. The project will transition to the Global Public Finance Partnership (GPFP), effectively extending the Uganda EI project beyond October 2025. The outlook is that Uganda will enter its oil era with a much stronger administrative foundation.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Uganda-FAD-Revenue Administration- Natural Resources - FY18
PROJECT ID:	UGA21SRA2
PROJECT MANAGER:	Sanya, Bernard
REPORT DATE:	10/28/2025
PROJECT START:	11/1/2017
PROJECT END:	4/30/2027
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	11/1/2017 - 4/30/2025

Project Progress and Results Summary
The project has significantly enhanced the Uganda Revenue Authority's (URA) capacity to administer taxation in the extractive industries (EI) sector, which includes large-scale mining and upstream petroleum operations. Key achievements include addressing EI-specific knowledge gaps across URA's tax and customs administration, improving compliance risk management and EI risk assessment processes, and bolstering audit capabilities and technical expertise within the URA's Petroleum and Mining Division. Capacity development was delivered using a blend of foundational theoretical training and practical, on-the-job learning, utilizing real case studies to clarify complex concepts and technical issues such as transfer pricing and cross-border transactions, thereby improving industry knowledge, audit capacity, and skills. On the customs side, the project addressed industry knowledge and supported authorities in strengthening customs administration and oversight within the EI sector. It repositioned customs to play its vital strategic role in the sector focused on monitoring physical flows, verifying export/import declarations, and enforcing sector-specific controls, critical as Uganda prepares for its first oil production, anticipated in the second half of 2026. The project has also fostered collaboration

among EI regulatory agencies. However further work is needed to integrate electronic data systems to enable seamless inter-agency data sharing and coordination. Ongoing support remains essential to institutionalize reforms and maintain robust oversight and revenue administration as Uganda transitions into its petroleum era. Future priorities include assisting with the refinement, and deployment of updated customs procedures, bolstering audit capacity within tax administration, and advancing the integration of interagency systems.

LOG FRAME DETAILS:

Country – Uganda	
Objective - Strengthened core tax administration functions	**Objective Rating - 3**

Outcome	Rating	Rating Date	Narrative
Audit and other verification programs more effectively ensure accuracy of reporting	3 Largely Achieved	4/11/2023	Capacity development has been provided to enhance industry knowledge, staff upskilled in Computer Assisted Audit Techniques (CAATs), and training, mentoring and coaching is ongoing. The URA has significantly improved its audit capabilities and skills

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Appropriate range of tax audits and other initiatives used to detect and deter inaccurate	Assessment of the August 2017 TA report. A range of			10/27/2025	URA has significantly advanced its audit capabilities within the EI sector, as demonstrated by the successful

reporting and fraud (TADAT 2015 POA6-16/TADAT 2019 POA6-19)	compliance mitigation tools should be employed to address root causes of noncompliance.				completion of several audits addressing a wide range of complexities and issues in the sector.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Capacity to audit expenses, in coordination with other regulatory agencies, is developed.	1/1/2019	3 Largely Achieved	11/4/2024	CD has been provided to enhance industry knowledge, including international tax risks posed by the EI. Staff have been upskilled in Computer Assisted Audit Techniques (CAATs), and coaching and mentoring is on-going to enhance audit capacity in the EI with a focus on international tax risks. An integrated cost verification and audit framework consisting of a robust budget approval process with auditing is being considered to strengthen the audits.
A framework for joint audit initiatives, including capacity building in this area, is developed for the URA and other regulatory bodies.	12/31/2022	3 Largely Achieved	10/28/2025	An integrated cost verification and audit framework consisting of a robust budget approval process with auditing is being considered by the agencies to enhance cooperation and strengthen cost recovery and tax audits

Effective use of a range of tax audits and other initiatives are used to detect and deter inaccurate reporting.	5/1/2019	3 Largely Achieved	10/28/2025	URA uses a risk-based approach to select and conduct audits. Training, coaching and mentoring continuing to address audit capacity and skills.

Country – Uganda	
Objective - Strengthened revenue administration management and governance arrangements	**Objective Rating - 4**

Outcome	Rating	Rating Date	Narrative
Corporate priorities are better managed through effective risk management	3 Largely Achieved	11/6/2023	Risk matrices and a risk register for Large-scale mining and petroleum operations are in place. The risk register and matrices are utilized for audit case selection, audit file risk identification and development compliance improvement plan (CIP) for the sector. However, the CIP could be broadened to include other risk mitigation measures other than audits.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative

Improved identification, assessment, ranking and quantification of compliance risks (TADAT POA2-3)	August 2017 TA report. Risk identification and knowledge of the industry require enhancement. Risk based compliance management strategies for EI have not been developed. Lines of communication and cooperation with other functional areas and agencies ne			10/27/2025	Risk matrices for mining and oil and gas are in place.
Better mitigation of risks through a compliance improvement program (TADAT POA2-4)				10/27/2025	CIP is in place but could be improved to include other mitigation measures other than audits
Improved monitoring and evaluation of compliance risk mitigation activities (TADAT POA2-5)				10/27/2025	CIP is in place but could be improved to include other mitigation measures other than audits

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Compliance risk mitigation activities are driven by a	5/1/2019	3 Largely Achieved	10/28/2025	Risk matrices for large-scale mining, oil, and gas completed.

compliance management strategy involving a coordinated plan across all functional areas.				
Coordinated plans between the MEMD, OAG, UNOC and URA are developed to share data, information and expertise and coordinate activities	1/1/2019	3 Largely Achieved	10/28/2025	MOU for corporation and information sharing with the Petroleum Authority of Uganda (PAU) is in place. MOU with DGSM is a work in progress. Both DGSM and URA are contemplating establishing an electronic data sharing and document verification platform.
Risk factors and evaluation matrix for the industry have been developed.	1/1/2019	4 Fully Achieved	10/28/2025	Risk Matrices for Large scale mining, oil and gas are in place.
Risk assessment activities and results feed into the development of operational plans.	6/30/2022	3 Largely Achieved	10/28/2025	EI risk register is in place and utilized for audit case selection and risk identification on audit files
Compliance risk mitigation activities related to major resource projects and the artisanal sectors are monitored, evaluated and updated.	12/31/2022	3 Largely Achieved	10/28/2025	Audits of EI operators and major subcontractors are ongoing
Coordinated operational plans to deal with compliance risks for the EI sector are implemented.	12/31/2022	3 Largely Achieved	10/28/2025	EI risk register is in place and utilized for audit case selection and risk identification on audit files
Proper information reporting, including the design of forms has been finalized	5/1/2018	3 Largely Achieved	5/24/2024	Annual Petroleum Reporting forms completed pending URA's

				consultations with the industry prior to implementation.

Country – Uganda	
Objective - Strengthened revenue administration management and governance arrangements	**Objective Rating - 4**

Outcome	Rating	Rating Date	Narrative
Support functions enable more effective delivery of strategy and reforms	4 Fully Achieved	10/28/2025	EI skills development plan is in place. On-going training, mentoring and coaching continue to address industry knowledge gaps and technical skills.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved human resources strategies and practices to support the tax administration	Assessment of the August2017 TA report. Specialized skills including risk assessment, fiscal modelling, industry knowledge and base line revenue administration skills			10/28/2025	A skills development plan is in place and capacity development is on-going to address the identified skills gaps.

	need to be developed and maintained.				

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Areas of technical specialization relating to the EI sector have been addressed through the development of appropriate staffing, training plans and strategies.	5/1/2021	4 Fully Achieved	5/24/2024	EI skills development plan is in place.
Training materials are developed and training delivered on identified skills gaps.	5/1/2021	4 Fully Achieved	10/28/2025	CD to address the identified skills gap is on-going

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
Resources are misused, not properly accounted for, do not achieve value for money. Project fails and negatively affects image of donor/provider.	Medium	7/12/2021	Project resources will be employed in accordance with the funds policies and procedures, including its travel policy. The project is implemented with strong counterparts at the revenue authority and other regulatory agencies.
Management and Technical Staff Support and Commitment			

High EI staff attrition to newly established EI regulatory agencies and the private sector undermine absorptive capacity and impede traction of the project.	Medium	7/12/2021	Encourage the authorities to develop and implement comprehensive staff retention policies and programs to ensure that critical EI skills being built are not lost
Political Support			
Security and/or political instability can slow down and even stop implementation of reforms.	Low	7/12/2021	Focus on strategic advice and hands on capacity building to have a more permanent impact.
Resource Adequacy			
Deterioration of fiscal situation may impact the availability of resources to finance reforms.	Low	7/12/2021	Careful alignment of reforms with the priorities of government. Reforms are underpinned by comprehensive strategic plans and the project results from the government's decision to reduce non-compliance.
Other Risks			
COVID 19 – disruption of work arrangements and communication infrastructure lower staff accessibility which disrupts delivery.	Low	7/12/2021	Proactively engage with the authorities to explore appropriate capacity development delivery modalities.
Management and Technical Staff Support and Commitment			
Lack of coordination among capacity building partners duplicate efforts and deliver contradictory advice.	Low	10/15/2021	Effective coordination and collaboration with all donor partners involved in the EI.

Changes to Project

CD Project Assessment Report

Project Name:	GPFP-Uganda-Revenue Administration
Project ID:	UGA25TAD1
Project Manager:	Masilela, Dumisani
Report Date:	10/20/2025
Project Start:	3/29/2024
Project End:	4/30/2027
Assessment Type:	Interim
Assessment Period:	5/1/2025 - 10/31/2025

Project Progress and Results Summary
Following a restructuring of URA and the creation of the Enterprise Risk Management Division, a quality assurance of their policy and operational framework was undertaken and recommendations were made. This was coupled with a review of the CRM framework, which was found to be largely sound, and only lacking in consolidation of domestic taxes and customs. A draft DRMS 2 is in place, which is largely a review and extension of DRMS 1 owing to poor implementation. Extractive industries. Significant progress has been made in strengthening Customs administration and oversight within the extractive industries sector. Standard Operating Procedures (SOPs) for Customs have been tailored to address the specific risks associated with the mining and petroleum sectors. The SOPs were completed and submitted to the authorities for review, stakeholder consultations, and final revisions prior to implementation. Additionally, ongoing training is being provided to further strengthen tax audit capacity and technical skills. Previous progress: A multi-agency workshop improved customs officers' knowledge of upstream petroleum activities and initiated the adaptation of customs standard operating procedures to address the unique risks associated with the upstream petroleum sector. CD also continued

addressing tax audit capacity and skills. Next Steps: Capacity development efforts will remain focused on strengthening audit capacity and technical skills, with an increased emphasis on building expertise to effectively manage and mitigate international tax risks.

LOG FRAME DETAILS:

Country – Uganda	
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM	**Objective Rating - 2**

Outcome	Rating	Rating Date	Narrative
Corporate priorities are better managed through effective risk management	2 Partially Achieved	11/1/2024	An action plan was developed with T.A from the Fund (AFE). Some CIPs have been produced

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved identification, assessment, ranking and quantification of compliance risks (TADAT POA2-3)	Absence of overarching Compliance Risk Management Strategy	Overarching Compliance risk Management Strategy developed	largely achieved	10/20/2025	An action plan was developed. A CIP for multinational entities has been produced. Following a restructuring, a review of the URA's risk management environment was carried out.

Milestones	Target Completion Date	Rating	Rating Date	Narrative

Overarching Compliance Risk Management Strategy developed	7/31/2024	2 Partially Achieved	10/20/2025	The authorities were busy restructuring and did not respond to requests for confirmation of mission dates. Following the restructuring, TA was given to quality assure the Enterprise risk management framework and assess the state of CRM. Recommendations were made.
LTO Compliance Improvement Plans developed.	9/27/2024	3 Largely Achieved	10/20/2025	Following an action plan developed earlier, draft CIPs have been developed. While there is still room for improvement, CIPs are in place.

Country – Uganda	
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM	**Objective Rating - 2**

Outcome	Rating	Rating Date	Narrative
Support functions enable more effective delivery of strategy and reforms	1 Not Achieved	11/1/2024	Slow implementation of digitalization strategy delaying progress.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative

Support functions and policies strengthened or in place, including infrastructure, finance, legal, research, and communications	Poor data management strategy	Data management Strategy developed	achieved	4/29/2025	Data management Strategy is in place and is being implemented.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
N/A				

Country – Uganda	
Objective - Strengthened revenue administration management and governance arrangements (SDG 17.1) - RAM	**Objective Rating - 2**

Outcome	Rating	Rating Date	Narrative
Authorities have a baseline understanding of the current state of the government's revenue administration, management, and governance arrangements and core revenue administration operations	1 Not Achieved	11/1/2024	Authorities still conducting internal reviews and yet to clearly define required interventions

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Procedures for internal and/or external review of revenue administration management, governance, and operations are established to produce baselines and identify opportunities for improvement	DRMS Implementation behind schedule	DRMS Refreshed	Largely achieved	10/20/2025	The review of DRMS 1 is currently on-going and it seems a decision has been taken to formally extend it and add a few items to convert it to DRMS 2. No indication of assistance is required at this stage. DRMS 2 substantially in place. The Authorities have indicated a desire to look more into revenue administration but are yet to specify the nature of support required.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Revenue administration measures reviewed and updated	5/30/2025	2 Partially Achieved	10/20/2025	Authorities are still working internally and yet confirm area in need of TA. DRMS 2 largely in place and no T.A was required. Authorities have indicated a desire to obtain support in sharpening and implementing administration measures but are yet to specify the nature of assistance required.

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
Management and Technical Staff Support and Commitment			
Poor engagement and support by Management	High	3/29/2024	Constant follow-up with Management to ensure support
Resource Adequacy			
Human and financial resources, and infrastructure are not available to support reform plans	High	3/29/2024	Assist them with prioritization of reform budget

Changes to Project

INTERNATIONAL MONETARY FUND

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2025
October

Funding Program Assessment
Uganda (MNRW II, M3)

COUNTRY (S): Uganda

DATES: 7/2/2018 - 4/30/2024

PROGRAM ID: FAD_UGA_2019_01

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Radebe, Nompumelelo

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 7/2/2018 - 4/30/2024

BUDGET: $518,893

I. Program Purpose

To complement earlier work done under the MNRW-TF which supported the design of Uganda's fiscal regime, the purpose of this program was to provide technical assistance (including capacity building) to the authorities on strengthening the oil revenue management framework, focusing on improving the management of the Petroleum Fund and development of sound fiscal policy objectives. The project's main outcomes were to contribute to:

(i) Strengthened fiscal policy objectives that ensure the sustainable and effective use of oil revenue; and
(ii) A robust and transparent framework that guides the operations of the Petroleum Fund.

II. Program Implementation and Achievements

The program was delivered through various modalities, which included field-based HQ and STX missions, and workshops/training. Since 2018, FAD TA has focused on supporting the authorities to strengthen the management of the Petroleum Fund and develop a fiscal framework that incorporates oil revenue management. The main areas of support have included the development of a rule-based fiscal framework, improving revenue forecasting and modelling capacity, and strengthening the framework for the administration and management of the Petroleum Fund. Key achievements include:

- Adoption of a Charter for Fiscal Responsibility (FY2022-2026) that includes fiscal objectives and rules consistent with FAD's advice that support the effective management and utilization of oil revenues, such as the targeted non-oil fiscal deficit and limits on budget transfers from the Petroleum Fund;
- Strengthened institutional arrangements for oil revenue forecasting, with the Ministry of Finance, Planning and Economic Development (MoFPED) taking the lead;
- Establishment and operationalization of key institutional structures for oil revenue management. These include the Petroleum Fund, Petroleum Revenue Investment Reserve (PRIR), the Investment Policy for the PRIR, the Investment Advisory Committee of the PRIR, the Memorandum of Agreement between the Bank of Uganda (BOU) and the MoFPED on the PRIR management, along with the Charter for Fiscal Responsibility;
- Improved modelling and forecasting capacity, with technical staff in the Macroeconomic Policy Department in MoFPED now having the ability to effectively use different forecasting tools and FAD models on fiscal rules, with minimal support from FAD.

In addition to the above, FAD has also provided complementary TA (not financed by the MNRW) in other PFM areas that are critical to support effective oil revenue management. These include strengthening medium-term budgeting, macro-fiscal forecasting, fiscal risk management, and cash management. A Public Investment Management Assessment (PIMA) and Climate-PIMA were also undertaken in 2022 and 2023, respectively.

As the oil project moves closer to implementation, the authorities have made good progress in setting up the required infrastructure to support oil production: oil rigs have been installed, around a fifth of the oil wells necessary for initial production have been drilled, and the first stretch of the oil pipeline has been delivered. By the end of 2025, the consortium of oil companies plans to start exporting about 180,000 barrels of crude oil daily via a pipeline from Northen Uganda to Tanzania's port of Tanga. Discussions are also ongoing for the construction of a refinery to process 60,000 barrels of oil daily into petroleum products for local and regional markets.

III. Challenges Encountered and Lessons Learned

Implementation of the program was stalled in FY2020 and FY2021 due to the shift in the authorities' focus to respond to the COVID-19 pandemic which lasted longer than expected. Lockdowns in Uganda and challenges with remote missions caused by slow network connectivity led to reduced activity during these years. As a result, two program extensions were requested and approved in FY2021 and FY2022 allowing for continued support to the authorities particularly on the calibration of fiscal policy objectives and rules intended for inclusion in the FY2022-2026 Charter for Fiscal Responsibility, the design of the Petroleum Fund, development of a fiscal risk management framework, and improving fiscal reporting capacity for petroleum revenues. A third and final extension was requested in FY2023 to ensure continued support on strengthening the management of the Uganda Petroleum Fund through among other things setting up an Investment Committee and developing investment guidelines.

One of the contributing factors to the key achievements under the MNRW Module III as noted above is the multi workstream programmatic approach adopted for the provision of TA to the authorities. The PFM and revenue workstreams within FAD collaborated in delivering TA to Uganda throughout the program implementation period, leveraging each division's expertise and knowledge about the topic. This demonstrated the complementary nature of PFM and revenue policy and ensured that there was consistency and effective coordination of support and advice provided to the authorities. It also helped to advance the work program after the delays due to COVID-19. Beyond this program's implementation, the programmatic approach will help guide future TA to be provided to the authorities by each division, building on the work undertaken under this program and ensuring that such TA is targeted and channeled to areas where there are still big gaps.

IV. Partner Outreach and Coordination

During each of the missions undertaken under this module, the mission team met with development partners notably Norway and the European Union to brief them about the mission objectives and findings, including progress on the oil project in Uganda. Overall, the partners found these debriefings very useful as a way to strengthen donor coordination and TA support to the authorities.

V. Next Steps

The existing Charter for Fiscal Responsibility comes to an end in June 2026. Accordingly, as part of processes for the development of the next Charter, FAD has recommended that the authorities prepare a policy paper that (i) outlines the lessons thus far from the implementation of the current Charter, (ii) the new macroeconomic environment expected under the next Charter, including the revised oil revenue prospects, the medium to long term scenarios for debt, non-oil balance and the PRIR, and (iii) options for an outflow rule from the PRIR. Sustained capacity building of staff on petroleum revenue forecasting and petroleum fiscal analysis remains an important priority for Uganda. Implementing these next steps may require continued capacity development support from FAD.

Recognizing that fiscal rules do not operate in a vacuum, it is important that the authorities continue to address long-standing PFM issues for their effective implementation. These include strengthening macro-fiscal forecasting, in particular, long-term oil revenue forecasting; strengthening medium-term budgeting, in particular baseline costing, commitment tracking, and expenditure ceilings; better statistics and wider coverage of fiscal operations, including defining more clearly non-oil GDP; and stronger cash and budget management, including the control of arrears.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Uganda-PFM-MNRW Budget Preparation
PROJECT ID:	UGA21PBP1
PROJECT MANAGER:	Radebe, Nompumelelo
REPORT DATE:	10/31/2025
PROJECT START:	8/4/2020
PROJECT END:	5/31/2024
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	7/2/2018 - 4/30/2024

Project Progress and Results Summary
The MNRW PFM component began on 07/02/2018 and FAD has provided capacity development support focusing on strengthening oil revenue management since then. Good progress has been made against the achievement of some outcomes, particularly the development of a more comprehensive and unified budget, and a credible macro-fiscal framework that supports budget preparation. These are critical PFM foundations required for effective oil revenue management.

LOG FRAME DETAILS:

Country – Uganda			
Objective - Comprehensive, credible, and policy based budget preparation		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
A more credible medium-term macro-fiscal framework that supports budget preparation	3 Largely Achieved	10/31/2025	Uganda has set up a legal framework to manage oil revenue. A Petroleum Fund (PF) was put in place to centralize the collection of fiscal revenue, which, upon parliamentary appropriation, allocates resources to the budget through the Consolidated Fund to finance infrastructure and development projects, with any surplus going to the Petroleum Revenue Investment Reserve (PRIR). The PRIR will be managed by the Bank of Uganda, under an Investment Policy set by the Government. The Charter for Fiscal Responsibility 2021/22–2025/26 limits the annual transfer from the PF to the Consolidated Fund to a maximum of 0.8 percent of the previous year's non-oil GDP.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Adoption of, and reporting on clear and measurable fiscal policy objectives (PEFA PI-15, FTC 2.3.1)	Budget documents do not include clear and measurable fiscal objectives. No fiscal rules	Establish numerical fiscal rules and/or targets for key fiscal indicators such as debt, non-oil primary balance and the budget deficit.	Uganda's fiscal objectives and targets are stipulated in the 2021/22 - 2025/26 Charter for Fiscal Responsibility and compliance with the fiscal objectives is reported in the annual Budget Framework Paper	10/31/2025	In practice, there has been non-adherence to the targets set in the Charter, either at the time of the annual budget or during budget execution, and the authorities have attributed this to the sustained impact of the COVID-19 pandemic.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Capacity strengthened within MoFPED to produce analytical	12/1/2019	3 Largely Achieved	10/31/2025	MOFPED has the capacity to produce the analytical work on the fiscal

work needed to design the fiscal framework guiding oil revenue				framework. This has been used to prepare a policy paper which formed the basis of the Charter for Fiscal Responsibility 2022-2026.
Recommendations made on the choice of fiscal indicators and corresponding target levels	6/1/2020	3 Largely Achieved	10/31/2025	The Charter contains the choice of fiscal indicators and targets, which are broadly in line with FAD recommendations.
Fiscal objectives related to oil revenue embedded within the medium-term budget framework	6/1/2021	3 Largely Achieved	10/31/2025	The Charter sets a medium term fiscal framework for 4 years which contains fiscal objectives.

Country – Uganda	
Objective - Comprehensive, credible, and policy based budget preparation	**Objective Rating - 3**

Outcome	Rating	Rating Date	Narrative
A more comprehensive and unified annual budget is published	3 Largely Achieved	10/31/2025	The principle of unity is fully enforced throughout the budget, which provides an enabling condition for a successful MTEF. Revenue and expenditure outside financial reports are minimal. While the number of extrabudgetary entities is significant

			(48 at the central level), the vast majority submit financial and audited reports on time. Earmarking is rare.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Comprehensiveness of budget documentation (PEFA PI-5)	Budget documentation fulfills all 4 basic elements of classification (administrative, economic, program and functional)	Macro-economic assumptions, including at least estimates of GDP growth, inflation, interest rates, and the exchange rate are included in the budget. Tax expenditure is quantified.	The macroeconomic assumptions of nominal GDP, real GDP growth, and inflation are included in the Background to the Budget. However, exchange rate and interest rate projections are not included. A tax	10/31/2025	Five-year macroeconomic and fiscal forecasts, along with their assumptions and any deviations from the Charter of Fiscal Responsibility, are detailed in the annual Budget Framework Paper which is published.

			expenditure report is submitted to Parliament but not published.		
Comprehensiveness of fiscal information available to the public (PEFA PI-9)	The government makes available to the public all 5 of the basic elements of fiscal reporting and 3 of the additional elements	The broad parameters for the executive budget proposal regarding expenditure, planned revenue and debt is made available to the public at least four months before the start of the fiscal year	A comprehensive set of fiscal reports is published semi-annually and annually on the MoFPED website. The Budget Framework Paper is submitted to Parliament by December 31st and approved and published by February, 4 months before the	10/31/2025	Semi-annual reports on economic and fiscal performance are produced containing detailed explanation of deviations from fiscal targets, alongside a string of other reports, including a debt sustainability report, a pre-election economic and fiscal update.

			beginning of the fiscal year.		

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Reporting requirements for petroleum and other resource revenues established, including clear and transparent reporting in budget documents	5/2/2020	2 Partially Achieved	10/31/2025	With oil delayed, the authorities are still working on the Petroleum Regulations which should set these reporting requirements

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
Floods and natural disasters	Medium	11/13/2025	Continue ongoing TA to the authorities on various tools of green PFM
Management and Technical Staff Support and Commitment			
Changes in management arrangements	Medium	11/13/2025	Strengthening the fiscal framework to incorporate oil revenue management should be set as a priority during budget preparation and in key government documents
Political Support			
Political interference	Very High	11/13/2025	Regularly keep them informed of developments and reforms on oil revenue management
Resource Adequacy			

Non-credibility of the budget	High	11/13/2025	Improve reliability and accuracy of fiscal forecasts during budget preparation and strengthen compliance with the fiscal responsibility Charter
Other Risks			
Global events/shocks/unrest	Medium	11/13/2025	Closely monitor and regularly report on other risks that emerge because of changes in the global environment

Changes to Project



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2025
November

Funding Program Assessment
Zimbabwe Mining Tax Policy

COUNTRY (S): Zimbabwe

DATES: 6/30/2022 - 10/31/2025

PROGRAM ID: FAD_ZWE_2022_02

LEAD DEPARTMENT: FAD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Baunsgaard, Thomas

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 6/30/2022 - 10/31/2025

BUDGET: $202,999

I. Program Purpose

The project with Zimbabwe was intended to provide technical support for the design and implementation of mining tax policy reform while providing capacity building on mining fiscal modeling and revenue forecasting.

The project relied on an initial diagnostic tax policy assessment prepared before the project commenced in February 2022 as the basis for engagement with the authorities on reform options in the mining tax sector while focusing on developing capacity in government for tax policy analysis and revenue forecasting in the mining sector. This was intended to involve both policy level and technical discussions.

To build capacity on tax policy analysis and modeling, the project proposed the establishment of an inter-agency mining tax modeling group including technical counterparts from the Ministry of Finance and Economic Development, Zimbabwe Revenue Authority, Ministry of Mines and Mineral Development, and the Minerals Marketing Corporation of Zimbabwe. A key part of the project was to develop and provide training on FARI-based fiscal models for the largest mines which can be used both for the analysis of tax policy as well as scenario-based revenue forecasting. This was to be delivered by four short-term expert visits.

II. Program Implementation and Achievements

The project delivered four multi-day training sessions with an inter-agency team. Participants were from all the key institutions involved in overseeing Zimbabwe's mining and petroleum sectors, including The Ministry of Finance and Economic Development (MOFED); the revenue authority (ZIMRA); Ministry of Mines (MMMD); Minerals Marketing Commission (MMCZ); Energy Regulatory Authority (ZERA); and Ministry of Energy (MOE). There was generally reasonable continuity of participation between workshops, but also a significant number of new participants joining during the project period.

The modeling training included case studies focused on investment projects that were concurrently being negotiated by the government. The two most prominent ones were the Karo Platinum project and the Mukuyu gas project. This strengthened government capacity in the negotiations. One recurrent issue was the expectation from investors that they would benefit from fiscal incentives conferred by special economic zone status, and the modeling highlighted and quantified the fiscal costs from providing such benefits.

During the program period, government also implemented a number of changes to the fiscal regime influenced by support provided under the project. This included a modest increase in the lithium levy, removal of mining and petroleum from the scope of the special economic zone fiscal benefits, reintroduction of deductibility of royalty, and tightening up of the thin-capitalization rules by demining as dividends excess interest deductions to shareholders.

III. Challenges Encountered and Lessons Learned

Progress on training was challenged by some turnover in key staff and also the extended periods of time between the training sessions. In the absence of a formal inter-governmental modeling team, it was also difficult to make progress between workshops on embedding the developed mining and petroleum models within government.

The expert held several high-level briefings with the Minister of Finance and other senior officials. However, reflecting the complex project negotiation dynamics, it was never clear to what extent negotiation strategy was determined outside of the Ministry of Finance.

IV. Partner Outreach and Coordination

The short term expert worked closely with resident experts from GTZ including by providing some joint training activities on tax policy analysis and modeling.

VI. Next Steps

No further activities are planned at this stage.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Zimbabwe-FADT2-Tax Policy-TXP-FY23-1
PROJECT ID:	ZWE23TXP1
PROJECT MANAGER:	Baunsgaard, Thomas
REPORT DATE:	11/18/2025
PROJECT START:	2/22/2022
PROJECT END:	1/30/2026
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	9/1/2022 - 5/1/2025

Project Progress and Results Summary
Following a mining sector tax policy mission in February 2022 a series of STX visits delivered follow-up CD in mining and petroleum fiscal regime evaluation and modeling to an inter-agency group led by the MOF. This involved teaching core principles but also supporting the group in doing actual analysis of Zimbabwe mining and natural gas projects in several current cases where government is being pressed by investors to offer fiscal concessions.

LOG FRAME DETAILS:

Country – Zimbabwe			
Objective - Improved tax and non-tax revenue policy (SDG 17.1) - TXP		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Improved structures and capacity related to tax policy advice and analysis, including organization of tax policy units and building tax models or other tools for analysis and revenue forecasting	3 Largely Achieved	11/18/2025	An intra-governmental modeling team has received training on the use of customized fiscal models analyzing actual mining and petroleum investment projects under consideration. Feedback has also been provided on ongoing negotiations to integrate insights from the economic and fiscal analysis.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Improved tax policy making capacity for extractive industries, including use of economic models to design and evaluate fiscal regimes and forecast revenue	0	1	0.8	10/31/2025	Significant progress has been made through four in-country multi-day training events on natural resource tax policy analysis.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Intra-agency mining modeling team has been constituted	3/31/2023	2 Partially Achieved	4/24/2023	A counterpart team is in place with MOF and ZIMRA being active participants. Less engagement by Ministry of Mines.
FARI fiscal models have been developed for the main mining projects	9/30/2023	3 Largely Achieved	10/31/2025	FARI models have been prepared and presented to the authorities for several new mining investments under consideration. The analytical work was later extended to a potential natural gas project.

Country – Zimbabwe			
Objective - Improved tax and non-tax revenue policy (SDG 17.1) - TXP		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Fiscal regime flexibility is improved to ensure an increasing government take of higher profitability projects, while not distorting marginal investment	2 Partially Achieved	11/18/2025	Government has introduced some changes to the mining fiscal regime, including to the royalty structure, while closing some loopholes related to cross-border transactions

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Change in the slope of the progressivity curve for extractive industry projects	n/a	n/a	0	10/31/2025	There has not been a significant change in mining fiscal regime progressivity.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
N/A				

Country – Zimbabwe			
Objective - Improved tax and non-tax revenue policy (SDG 17.1) - TXP		**Objective Rating - 2**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Increased economic efficiency by minimizing the economic distortions imposed by taxes or by using taxes to address externalities or market failures	1 Not Achieved	11/18/2025	There has been limited progress in terms of tax policy changes improving economic efficiency.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative

Improved tax neutrality for extractive industry projects (e.g., reduction in the marginal effective tax rate or breakeven price)	n/a	n/a	0.4	10/31/2025	Limited progress made in fiscal regime neutrality.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Policy proposal prepared to reform mining tax policy	10/31/2023	2 Partially Achieved	4/24/2023	Government has implemented partial reforms to the mining fiscal regime including an increase in royalty rates.

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
Revenue performance is vulnerable to mineral commodity price volatility.	High	3/1/2022	Strengthen technical capacity for mining revenue forecasting under scenario-based analysis.
Management and Technical Staff Support and Commitment			
Mining revenue management is fragmented with different ministries playing key and sometimes overlapping roles.	Medium	3/1/2022	Foster cross-agency collaboration between relevant ministries and agencies through the FARI modeling.
Political Support			

Political support for reforms may be vulnerable to fragmentation and vested interests.	Very High	3/1/2022	Ensure policymakers are reached by missions including in relevant sector ministries.
Resource Adequacy			
Resources for capacity development may be insufficient for needs.	Medium	3/1/2022	Where feasible, seek collaboration with other CD providers.
Other Risks			
n/a	Low	3/1/2022	n/a

Changes to Project



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2025
October

Funding Program Assessment
CEMAC Training on Developing and Operating Macroeconomic Frameworks in Resource-Rich Countries

COUNTRY (S): All

DATES: 5/1/2017 - 4/30/2025

PROGRAM ID: ICD_CE6_2018_01

LEAD DEPARTMENT: ICD

REGION (S): AFR

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Maino, Rodolfo

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 5/1/2017 - 4/30/2025

BUDGET: $532,108

I. Program Purpose

1. This funding program covered macroeconomic framework technical assistance (TA) in two CEMAC countries, the Central African Republic and Chad. The first project, on a macroeconomic framework for the Central African Republic (CAR) Ministry of Finance and Budget had limited success primarily due to authorities´ constrained capacity to engage in a fragile institutional environment. The second project, for the Chadian Ministry of Finance and Budget (MoF), drew on some of the lessons of the CAR project, and achieved considerable progress due to a flexible and adaptive approach. The second project has continued under a different funding program, while the first has been closed.

Central African Republic

2. The technical assistance project for CAR, supported by the Managing Natural Resources Wealth Topical Trust Fund, was conceived in 2021. The project's aim was to strengthen the capacity of national authorities to develop, operate and integrate into policy process a macroeconomic framework tailored to a resource-rich economy. The project's design, agreed with the authorities, focused on supporting the MoF in enhancing macroeconomic forecasting and policy analysis. Despite a comprehensive workplan, including clear risk mitigation strategies, the project faced significant unforeseen logistical obstacles that prevented TA delivery.

Chad

3. Since 2022, Chad has been receiving TA from ICD, under the umbrella provided by the financial support of the *Managing Natural Resources Wealth Topical Trust Fund*. Given Chad's limited absorption capacity, TA priorities were streamlined to ensure effective delivery. This included improved interdepartmental TA coordination and careful scheduling of missions to avoid overlaps and maximize impact. The overarching objective of the TA program was to strengthen the ability of government officials to develop, implement, and integrate into policy process a macroeconomic framework suited to a resource-rich economy. In addition, the program sought to equip authorities with tools to design appropriate policy responses to address Chad's economic challenges, including fiscal sustainability and volatility in natural resource revenues. The TA project, requested by the authorities in December 2021, is a cornerstone of these efforts.

4. The first version of this action plan was formalized with the authorities in July 2021. The project was conceived to support the MoF in enhancing capacity and technical skills for projecting public debt and improving macroeconomic forecasting and policy analysis. These efforts aimed to strengthen fiscal sustainability assessments and enabled authorities to better anticipate the evolution of public debt under various macroeconomic scenarios. By improving forecasting capacity, the project contributed to more informed policy decisions and greater resilience to shocks. The initiative also aligned with broader objectives of fiscal transparency and medium-term planning, which are critical for resource-dependent economies.

5. Initially, the project was estimated to have three missions and finalize towards March–April 2023. While the timeline reflected an ambitious schedule, the phased approach allowed for gradual capacity building and adaptation to local constraints. Each mission focused on practical training and hands-on exercises, ensuring that knowledge transfer was embedded in day-to-day operations. This structured engagement has laid the foundation for sustained improvements in macroeconomic management and debt analysis, supporting Chad's long-term goal of achieving economic stability and inclusive growth.

II. Program Implementation and Achievements

Central African Republic

6. In 2021, a virtual scoping mission was initiated at the request of the MoF. The mission aimed to assess progress on previous recommendations regarding economic and financial programming and to assess existing capacity and gaps to engage in TA with ICD. The mission objectives included reviewing the MoF' forecasting processes, evaluating macroeconomic modeling tools, and discussing the authorities' goals for capacity building. The mission was marked by a strong initial engagement and support from MoF officials, who expressed a clear commitment to strengthening macroeconomic forecasting and policy analysis and welcomed the opportunity to collaborate on TA.

7. The mission found that macroeconomic forecasts are produced biannually, coordinated by the Directorate General of Economy and Development Planning. However, the committee established to oversee macroeconomic and budgetary coordination had not become operational since its creation in 2019. Although the main modeling tool is designed for financial programming, there were opportunities to enhance its alignment with macroeconomic accounting identities and sectoral coherence. In terms of the forecasting process, coordination challenges persisted, with institutions unable to agree on projections. The committee's limited budget and frequent staff rotations hindered effective use and updates of any modeling tool. Authorities also struggled to fully maintain tools previously developed with IMF support, citing data demands and technical difficulties.

8. The scoping mission signaled the importance of making the macroeconomic and budgetary coordination committee operational. The ICD team proposed formalizing thematic working groups and highlighted the benefits of providing adequate financial resources. The mission also proposed improving the data quality, encouraging unified use of it across stakeholders, and strengthening staff capacity through targeted IMF training. The mission suggested focusing future TA on developing a simplified, Excel-based macroeconomic framework tailored to CAR's needs, enabling scenario analysis and policy evaluation. Addressing coordination, resource, and training gaps were agreed as essential for effective macroeconomic forecasting and policy analysis.

9. Unfortunately, subsequent missions failed to make significant progress on these objectives due to logistical issues, including those related to virtual TA delivery. Attendance at

training sessions was low and the core team participants were unable to complete tasks assigned to them in between missions, including loading their data into the macroframework tool.

Chad

10. The first mission under the project strengthened Chad's macroeconomic capacity through targeted training. In April 2022, a Ministry of Finance's dedicated cohort received hands-on training in the Financial Programing and Policies (FPP), learning how the Macroeconomic Foundations Tool (MFT) integrates behavioral relationships to generate baseline and program scenarios. Using practical examples, participants explored scenario-building techniques and gained initial guidance on constructing a simplified macroeconomic framework tailored to Chad. These efforts aimed to strengthen evidence-based policymaking and improve macroeconomic forecasting, supporting Chad's path toward resilient and sustainable economic management. This MFT framework, customized by country officers, would serve as the foundation for future enhancements in subsequent missions.

11. In July 2022, ICD and the authorities agreed on sequencing TA to maximize impact. The macroeconomic forecasting project was delivered in parallel with a separate TA program aimed at strengthening Chad's public debt projections and analysis. Both initiatives draw on the same internal resources, making sequencing essential for efficiency and effectiveness. Given the authorities' prioritization of the Debt Dynamics Tool (DDT) project, the second mission on the MFT was postponed until completion of the DDT-related work.[4] The action plan (scheduling) for the macroeconomic framework project was updated accordingly, in close coordination with national authorities.

12. In October 2024, after completing the public debt projections' part of the project, work on macroeconomic forecasting and policy analysis resumed. The mission aimed at contributing towards consolidation of analytical efforts by the authorities, who had been using the DDT. Key areas of work during the mission encompassed reviewing the MFT, the revision of input data, and the review of initial parameters calibration. In addition, discussions focused on the pivotal role of a well-structured macroeconomic framework to generate credible baseline forecasts and alternative policy scenarios. This iterative process strengthened analytical rigor and equipped authorities with tools to underpin evidence-based decision-making—critical for navigating Chad's complex macroeconomic environment and advancing resilience in a fragile context.

13. In April 2025, the third mission of this project has continued tailoring the MFT template to the specific requirements of the core team and the unique economic context of Chad. This involved addressing data discrepancies and generating a baseline projection. The mission incorporated advanced components from the FPP course into the TA strategy and ensured a seamless integration of the MFT with the DDT. This approach is aimed at enhancing the analytical

[4] The DDT project was funded by the Japan Sub-Account (JSA).

capabilities and accuracy of economic projections, thereby supporting informed decision-making and policy formulation.[5]

III. Challenges Encountered and Lessons Learned

Central African Republic

14. A key challenge throughout 2021 and 2022 was the lack of engagement and active participation from the CAR authorities. Efforts to launch TA activities were repeatedly hindered by limited institutional response and forming technical teams. Frequent staff turnover and insufficient coordination between the national statistics institute and the MoF further complicated the process, making it difficult to establish a reliable data foundation and an interagency committee for financial programming. These issues ultimately stalled the project's progress and undermined its objectives.

15. In this context, the ICD team played a proactive role in seeking solutions to advance the project. After the COVID-19 pandemic, the team reached out to the Chadian authorities, proposing the formal start of TA and suggesting virtual missions to facilitate knowledge transfer. However, these initiatives did not elicit a response, and the offers for training and coordination remained unanswered. In 2022, the lack of feedback and low level of institutional involvement hindered the implementation of the planned activities.

16. As a result, the project was never formally established nor able to achieve its original goals. The absence of commitment from the authorities, combined with political and social risks such as insecurity and macroeconomic volatility, limited the effectiveness of TA and indefinitely postponed the development of local capacity. This experience highlights the critical importance of a supportive institutional environment and active beneficiary engagement for the success of TA programs, especially in complex and fragile contexts.

Chad

17. The mission faced significant risks and obstacles inherent to operating in a fragile state environment. Political instability, limited institutional capacity, and frequent staff turnover posed challenges to sustain technical reforms. Being a fragile state, Chad often struggles with weak data systems, constrained fiscal space, and competing priorities such as crisis response and social spending, which can divert attention from long-term public debt management. External shocks—such as commodity price volatility and climate-related risks—further complicated the macroeconomic outlook, creating uncertainty around debt sustainability projections. The proper

[5] Close collaboration with the Fiscal Affairs Department (FAD) and the African Department (AFR) ensured alignment and synergy across technical assistance efforts. Through ongoing dialogue and consensus-building, the mission reinforced a shared commitment to strengthening macroeconomic management and laid the groundwork for continued progress in future engagements.

sequencing of the project—first DDT then MFT—has benefited the absorption capacity on the ground.

18. The mission aimed at integrating training and TA support to better serve the authorities' needs. The mission had continued leveraging ICD training content to reinforce foundational skills. Elements from FPP and Macroeconomic Diagnostics courses have been embedded into the MFT-based analysis, including consistency across sectors and the supply-demand equilibrium in GDP.[6] This approach reflected priorities highlighted in the 2024 Article IV Consultation, which underscored the urgency of sustained TA to reinforce macroeconomic management.

19. Despite these constraints, the mission successfully mitigated implementation risks through a flexible and adaptive approach. By combining in-person and virtual engagements, the team ensured continuity of TA despite logistical and security challenges. Intensive hands-on training and close follow-up enabled Ministry of Finance staff to integrate the customized DDT into their management framework and developed work on macroeconomic projections, while fostering strong ownership among the core technical group. To better help to overcome these risks and obstacles, the mission agreed to remain always on standby to provide targeted support, ensuring resilience and sustainability of reforms in a fragile context.

IV. Partner Outreach and Coordination

Chad

20. Project Closure and Coordination. The project has been formally developed in close coordination with the Fund's African Department (AFR). In addition, the Resident Representative Office was constantly briefed on the project's objectives, progress, and outcomes. This proactive liaison and communication strategy proved instrumental in achieving the most critical goals of the initiative, ensuring alignment with broader Fund priorities and reinforcing the authorities' confidence in the process.

21. Coordination Sequencing and Integration. This project was originally delivered in parallel and in sequence with a separate TA initiative aimed at strengthening debt forecasting capacity and policy-decision systems at Chad's Ministry of Finance—an approach agreed upon with the authorities. As explained in Section II, the mission and the authorities had agreed to resume delivery of the macroeconomic framework TA during the last quarter of 2024. Given that both projects share key human resources, this sequencing proved essential to ensure efficiency and maximize impact.

[6] The core team has been encouraged to enroll in additional ICD courses—such as Fiscal Policy Analysis and Nowcasting—as well as relevant offerings from other departments to deepen their analytical toolkit.

V. Next Steps

Central African Republic

22. Next Steps. The project was closed in at end-FY2025 following several years of very limited engagement. No further engagement is planned at the current juncture.

Chad

23. Next Steps and Continued Support. The next mission of this part of the project will take place on February 2026, generously financed by the Japan Sub-Account (JSA). There is no plan to transition this project to the GPFP.

24. Integration with Macroeconomic Framework. The development of the MFT project restarted on schedule, and the authorities are actively working with ICD to integrate both tools—the DDT and MFT—into a unified analytical framework. This integration will enable the production of consistent and reliable debt-to-GDP projections grounded in a comprehensive general equilibrium framework. By aligning debt dynamics with broader macroeconomic forecasts, it is expected that Chad will enhance its capacity to formulate sound fiscal strategies and strengthen resilience against economic shocks.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	Central African Republic - Macroeconomic Frameworks
PROJECT ID:	CAF21SAS1
PROJECT MANAGER:	Maino, Rodolfo
REPORT DATE:	3/13/2025
PROJECT START:	1/19/2021
PROJECT END:	9/15/2025
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	1/1/2021 - 3/13/2025

Project Progress and Results Summary
The TA project was requested by the Ministry of Finance and Budget to strengthen capacity in macro-budgetary forecasting. A total of four virtual missions happened from January 2021 to May 2022 revealing extremely weak capacity in CAR, insufficient ownership, capacity constraints, connectivity, and overall involvement with the CAR. Against this background, the TA project is not expected to make substantial progress before the expected closure of the project at end-FY2025. The ICD TA team proposed to close this TA project by end-FY2025 and stands ready to support it if the new authorities submit a new TA request.

LOG FRAME DETAILS:

Country – Central African Republic			
Objective - Stronger analytical skills and better macroeconomic forecasting and policy analysis at the Ministry / central bank / or other governmental agency(ies) feeds into the economic policymaking process - MFP		**Objective Rating - 1**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Deepening skills of a cohort of country officials for improved skills for macroeconomic policy analysis and forecasting.	2 Partially Achieved	11/7/2023	The TA project was requested by the Ministry of Finance and Budget to strengthen capacity in macro-budgetary forecasting. A total of four virtual missions happened from January 2021 to May 2022 revealing extremely weak capacity in CAR, insufficient ownership, capacity constraints, connectivity, and overall involvement with the CAR. Against this background, the TA project is not expected to make substantial progress before the expected closure of the project at end-FY2025. The ICD TA team proposed to close this TA project by end-FY2025 and stands ready to support it if the new authorities submit a new TA request.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Relevant staff have successfully completed training delivered via various modalities (online, classroom courses, workshops, webinar).	no	yes	Largely achieved	11/7/2023	Relevant staff nominated by the Ministry attended the training - delivered virtually.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Core group of staff get familiarized with the FPP approaches to macroforecasting by attending training and using on-line materials.	5/13/2022	2 Partially Achieved	11/7/2023	the core group demonstrated the increased understanding of the FPP approaches but it was not sufficient to translate into independent analysis

Country – Central African Republic			
Objective - Stronger analytical skills and better macroeconomic forecasting and policy analysis at the Ministry / central bank / or other governmental agency(ies) feeds into the economic policymaking process - MFP		**Objective Rating - 1**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Authorities have a baseline understanding of their existing	3 Largely Achieved	11/7/2023	The TA project was requested by the Ministry of Finance and Budget to

macroeconomic forecasting, policy analysis and analytical capabilities and opportunities for improvement			strengthen capacity in macro-budgetary forecasting. A total of four virtual missions happened from January 2021 to May 2022 revealing extremely weak capacity in CAR, insufficient ownership, capacity constraints, connectivity, and overall involvement with the CAR. Against this background, the TA project is not expected to make substantial progress before the expected closure of the project at end-FY2025. The ICD TA team proposed to close this TA project by end-FY2025 and stands ready to support it if the new authorities submit a new TA request.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Diagnostic or scoping have produced baseline and opportunities for improvement	yes	yes	fully achieved	11/7/2023	IMF team discussed the needs with the authorities and agreed on the engagement plan.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Scoping mission produced capacity assessment	3/31/2021	3 Largely Achieved	11/7/2023	The IMF team produced a capacity assessment and proposed to the

				authorities the next steps in the project

Country – Central African Republic			
Objective - Stronger analytical skills and better macroeconomic forecasting and policy analysis at the Ministry / central bank / or other governmental agency(ies) feeds into the economic policymaking process - MFP		**Objective Rating - 1**	
Outcome	**Rating**	**Rating Date**	**Narrative**
A Macroeconomic Projection Tool(s) / Simulation Tools(s) (MPT) is fully operational	1 Not Achieved	11/7/2023	The TA project was requested by the Ministry of Finance and Budget to strengthen capacity in macro-budgetary forecasting. A total of four virtual missions happened from January 2021 to May 2022 revealing extremely weak capacity in CAR, insufficient ownership, capacity constraints, connectivity, and overall involvement with the CAR. Against this background, the TA project is not expected to make substantial progress before the expected closure of the project at end-FY2025. The ICD TA team proposed to close this TA project by end-FY2025 and stands

			ready to support it if the new authorities submit a new TA request.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Percent of relevant staff is trained to prepare baseline projections and analyses using the MPT.	0%	100%	Partially achieved	11/7/2023	Core staff group received training of the IMF team on financial programming using the basic Excel tool. Participants appreciated the training. However, the deeper engagement was necessary and lacking.
Macroeconomic projections and policy analyses are prepared using an MPT tool	no	yes	not achieved	11/7/2023	no projections or policy analysis produced
An MPT tool has been developed in the form of: A basic (Excel) framework for forecasting and policy analysis, respecting accounting relationships (Pillar 1)	no	yes	not achieved	11/7/2023	The tool was not developed.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
A customized Excel-based macroframework for CAR is	2/1/2023	1 Not Achieved	11/7/2023	In absence of a working tool and due to severe capacity constraints on the

prepared by the authorities with the assistance from the IMF. Core staff understand macroframework and able to produce forecasts.				part of the authorities, this milestone was not achieved

Country – Central African Republic			
Objective - Stronger analytical skills and better macroeconomic forecasting and policy analysis at the Ministry / central bank / or other governmental agency(ies) feeds into the economic policymaking process - MFP		**Objective Rating - 1**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Transparency and policy credibility are improved though better external communication about macroeconomic outlook, analysis and forecasting	1 Not Achieved	10/13/2022	The TA project was requested by the Ministry of Finance and Budget to strengthen capacity in macro-budgetary forecasting. A total of four virtual missions happened from January 2021 to May 2022 revealing extremely weak capacity in CAR, insufficient ownership, capacity constraints, connectivity, and overall involvement with the CAR. Against this background, the TA project is not expected to make substantial progress before the expected closure of the project at end-FY2025. The ICD TA

			team proposed to close this TA project by end-FY2025 and stands ready to support it if the new authorities submit a new TA request.

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Macroeconomic outlook and analysis (e.g., underlying assumptions, policy scenarios and risks) based on the MPT are published in relevant documents (e.g., economic outlook or budget documentation, MTFF, fiscal risk report)	Analysis and assumptions are not published	Analysis and assumptions using MPT are produced and published	not achieved	11/7/2023	Due to authorities' severe capacity limitations, no policy documents are being produced and/or published.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
Macroeconomic forecast report produced by the forecasting unit is published as a background paper for the budget	12/29/2023	1 Not Achieved	11/7/2023	Due to authorities' severe capacity limitations, no policy documents are being produced and/or published.

CD Project Assessment Report

Project Name:	Chad-Technical Assistance on Macroeconomic Frameworks
Project ID:	TCD22MFP1
Project Manager:	Maino, Rodolfo
Report Date:	1/31/2024
Project Start:	3/25/2021
Project End:	12/8/2023
Assessment Type:	Final
Assessment Period:	1/6/2023 - 1/5/2024

Project Progress and Results Summary
Since its launch, the project has significantly advanced Chad's macroeconomic capacity through hands-on training and technical assistance. The first mission (April 2022) built the foundation by training Ministry of Finance staff on the Forecasting and Policy Analysis System (FPAS) and the Macro-Foundations Tool (MFT), establishing a tailored macroeconomic framework for Chad. In July 2022, ICD and the authorities agreed on a coordinated sequencing strategy with the Debt Dynamics Tool (DDT) project to maximize efficiency and coherence. Following completion of the DDT work, the second mission (October 2024) resumed implementation of the MFT, refining data inputs, parameters, and scenario-building capacity. The third mission (April 2025) further customized the MFT to Chad's context, integrated advanced financial programming concepts, and ensured full interoperability with the DDT. These steps strengthened analytical rigor and deepened the authorities' ability to produce credible baseline forecasts and policy scenarios. Despite challenges related to fragility, capacity constraints, and data weaknesses, adaptive delivery—including hybrid training and close coordination with the IMF's African Department—ensured strong ownership and sustainability.

Next Steps: A final mission in February 2026, funded by JSA, will focus on integrating the MFT and DDT into a unified macro-debt framework, enhancing fiscal policy formulation and resilience to economic shocks.

LOG FRAME DETAILS:

Objective: **Stronger analytical skills and better macroeconomic forecasting and policy analysis at the Ministry / central bank / or other governmental agency(ies) feeds into the economic policymaking process - MFP**			
Outcome: **A Macroeconomic Projection Tool(s) / Simulation Tools(s) (MPT) is fully operational**			
Annual Assessment Rating: 3 Largely Achieved			
Annual Assessment Narrative: After the knowledge transfer on financial programming (2022), the project has started to develop the MFT (2024). Progress has largely achieved working virtually and in person (April 2025) on developing the macroeconomic framework at the Ministry of Finance. The authorities and ICD team agreed on the need to a final mission to round up the progress made and finalize the project.			
Outcome Rating Date: 5/20/2025			
Outcome Indicator	**Baseline Value**	**Target Value**	**Current Assessment Value**
Macroeconomic projections and policy analyses are prepared using an MPT tool	No macroeconomic projection tool exists	Macroeconomic projections prepared by the core group	The macroeconomic projection tool is being developed as of March 2025 as of 5/21/2025
Milestone Name	**Target Completion Date**	**Milestone Actual Completion Date**	**Milestone Rating**
Staff from the Ministry of Finance is using the tool in the context of the forecasting operations conducted by the Ministry of Finance	4/28/2023	5/30/2025	3 Largely Achieved as of 5/21/2025
Staff from the Ministry of Finance prepare presentations of macroeconomic projections using the tool	4/30/2025	6/30/2025	4 Fully Achieved as of 5/21/2025
Outcome: **Authorities have a baseline understanding of their existing macroeconomic forecasting, policy analysis and analytical capabilities and opportunities for improvement**			
Annual Assessment Rating: 3 Largely Achieved			
Annual Assessment Narrative: Notes for policy analysis have been prepared while analytical capabilities are being improved.			
Outcome Rating Date: 3/8/2025			
Outcome Indicator	**Baseline Value**	**Target Value**	**Current Assessment Value**

Diagnostic or scoping have produced baseline and opportunities for improvement	No modern macro-framework exists	A plan was agreed with the Ministry of Finance to develop a macroframework	A work program endorsed by the authorities as of 3/19/2021 as of 5/21/2025
Milestone Name	**Target Completion Date**	**Milestone Actual Completion Date**	**Milestone Rating**
Authorities signed off to a plan	7/30/2021	7/30/2021	4 Fully Achieved as of 5/1/2022
Outcome: **Deepening skills of a cohort of country officials for improved skills for macroeconomic policy analysis and forecasting.**			
Annual Assessment Rating: 4 Fully Achieved			
Annual Assessment Narrative: Training on FPP has been delivered during the training component (2022 and in 2024) of this TA project			
Outcome Rating Date: 5/20/2025			
Outcome Indicator	**Baseline Value**	**Target Value**	**Current Assessment Value**
Relevant staff have successfully completed training delivered via various modalities (online, classroom courses, workshops, webinar).	No training has been developed at the moment	Training will be delivered during the first mission	Fully achieved as of 5/21/2025
Milestone Name	**Target Completion Date**	**Milestone Actual Completion Date**	**Milestone Rating**
A core group of staff becomes familiarized with the FPP approaches to macro-forecasting by participating in missions.	3/31/2023	3/2/2023	4 Fully Achieved as of 5/21/2025
Outcome: **Improved skills for macroeconomic policy analysis and forecasting**			
Annual Assessment Rating: 4 Fully Achieved			
Annual Assessment Narrative: The core team has received training on Financial Programs and Policies and is able to liaise critical issues to the technical work on policy analysis and forecasting			
Outcome Rating Date: 5/20/2025			
Outcome Indicator	**Baseline Value**	**Target Value**	**Current Assessment Value**
A stable core group of relevant staff, who are tasked with spearheading the effort of developing capacity in macroeconomic	Implementation of a macroeconomic	Strengthen as needed the capacity of a core	Outcome achieved as of 5/21/2025

policy analysis and forecasting at the institution, and a group coordinator, is functional.	framework, development of a baseline and projections	group of staff from the Ministry of Finance on economic policy analysis and forecasting	
Milestone Name	**Target Completion Date**	**Milestone Actual Completion Date**	**Milestone Rating**
Staff from the Ministry of Finance make presentations to demonstrate the use of the tool for macroeconomic forecasts	6/24/2023	4/29/2025	4 Fully Achieved as of 5/21/2025
Outcome: **The preparation of macroeconomic projections and economic policy analyses is integrated in the economic policy process, supported by better internal cooperation and communication**			
Annual Assessment Rating: 1 Not Achieved			
Annual Assessment Narrative: This outcome depending on the development and full implementation of the tool			
Outcome Rating Date: 10/1/2024			
Outcome Indicator	**Baseline Value**	**Target Value**	**Current Assessment Value**
Medium-term forecasting framework is updated using the MPT and is supporting economic policy decision-making	No macroeconomic projections tool exists	Staff from the Ministry of Finance builds projections based on the tool	The macroeconomic projection tool is being developed as of 5/21/2025
Milestone Name	**Target Completion Date**	**Milestone Actual Completion Date**	**Milestone Rating**
Staff from the Ministry of Finance show how they use the tool to support economic decision making	9/30/2022		1 Not Achieved as of 5/21/2025
Outcome: **Transparency and policy credibility are improved though better external communication about macroeconomic outlook, analysis and forecasting**			
Annual Assessment Rating: 1 Not Achieved			
Annual Assessment Narrative: Outcome depending on the full development and implementation of the tool			
Outcome Rating Date: 10/1/2024			
Outcome Indicator	**Baseline Value**	**Target Value**	**Current Assessment Value**

Macroeconomic outlook and analysis (e.g., underlying assumptions, policy scenarios and risks) based on the MPT are published in relevant documents (e.g., economic outlook or budget documentation, MTFF, fiscal risk report)	No publications exist at the moment	Macroeconomic outlook and analysis is included in relevant documents	No report has yet existed as of 5/21/2025
Milestone Name	**Target Completion Date**	**Milestone Actual Completion Date**	**Milestone Rating**
Macroeconomic forecast report produced by the forecasting unit is published as a background paper for the budget or included into relevant documents	9/30/2022		1 Not Achieved as of 5/21/2025



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October

Funding Program Assessment

Training in Macroeconomic Management for Resource-Rich Countries

COUNTRY (S): All

DATES: 5/1/2020 - 5/1/2025

PROGRAM ID: ICD_IMF_2020_01

LEAD DEPARTMENT: ICD

REGION (S): IMF

FUNDING SOURCE: MNRW02

PROJECT MANAGER: Nguyen, Ha

ASSESSMENT TYPE: Final

ASSESSMENT PERIOD: 5/1/2021 - 4/30/2025

BUDGET: $1,183,132

I. Program Purpose

This capacity development (CD) program "Macroeconomic Management in Resource-rich Countries" (MRC) aimed to train government officials from natural-resource-rich countries (RRCs) on how to formulate and implement economic policies in their countries, and to build institutional capacity for addressing the economic challenges facing RRCs. This was accomplished through an integrated program of face-to-face and online training. The face-to-face training was customized to specific countries and regions and focused on hands-on workshops and in-depth country case studies. These sessions also ensured that officials were better prepared to absorb technical assistance (TA) from the IMF.

The training had four broad objectives. First, to support RRCs in using their resource wealth to promote economic development. Second, to support RRCs in achieving macroeconomic stability and sustainable growth, in the face of volatile commodity prices and exhaustible natural resources. Third, to strengthen the skills of government officials in RRC, and these countries' institutions. Fourth, to enhance the delivery and effectiveness of IMF technical assistance in RRCs.

The project was conducted under the management and technical guidance of Institute for Capacity Development (ICD), in close collaboration with the Fiscal Affairs Department (FAD) and the Statistics Department (STA). ICD staff were primarily responsible for coordinating the overall project and delivering the program outputs.

II. Program Implementation and Achievements

Each year of the program, two two-week face-to-face training sessions were delivered, one at the Africa Training Institute (ATI) and one at the Joint Vienna Institute (JVI), training around 55 officials annually, about two-thirds from MNRW-TF-eligible countries. In some years, an additional session was organized at another Africa-based Regional Capacity Development Center to meet high demand.

Beginning in FY24, the ATI session adopted a blended format combining online and in-person learning. Participants completed selected modules from the Energy Subsidy Reform and MRC online courses before the in-person training, supported by virtual office hours. This approach provided a stronger conceptual foundation and allowed more in-depth discussions during the face-to-face sessions.

In earlier years, the MNRW program also supported the MRC online course year-round in English, French, and Russian on a self-paced basis, providing flexible access to training for additional participants.

The program further supported the development of a new module on climate change and the energy transition in resource-rich countries. The module examines policy challenges and

opportunities for (i) fossil fuel producers and (ii) countries endowed with resources essential for clean energy technologies, such as lithium, nickel, cobalt, manganese, graphite, copper, and aluminum.

III. Challenges Encountered and Lessons Learned

The program faced several challenges during implementation. The COVID-19 pandemic prevented face-to-face training for two years, requiring a temporary switch to virtual delivery. This shift affected training effectiveness, including due to the limited interaction among participants. Additionally, strong demand for the course occasionally required supplementary funding from the MNRW-TF. Flexibility from the MNRW's committee is gratefully acknowledged.

Among the lessons learned, the key findings were (1) In-person deliveries remain significantly more effective than virtual learning. (2) The blended modality - i.e., virtual learning combined with in-person delivery - brings important learning gains. (3) Training programs such as the MRC are highly valuable for IMF member countries seeking to improve management of natural resource wealth and associated macroeconomic challenges.

IV. Partner Outreach and Coordination

Development of training materials was closely coordinated with other IMF departments, including SPR and FAD. Both departments served as reviewers and provided constructive feedback that helped strengthen course content and delivery. Training was closely coordinated with regional training centers.

V. Next Steps

The funding for this training program has now transitioned to the GPFP program. GPFP continues to support MRC training activities and provide valuable resources to help government officials in resource-rich countries manage the volatility and sustainability challenges inherent in natural resource wealth.

ANNEX

CD PROJECT ASSESSMENT REPORT

PROJECT NAME:	IMF - Inclusive Growth and Structural Policies - 22 - MRC
PROJECT ID:	IMF22MRC1
PROJECT MANAGER:	Nguyen, Ha
REPORT DATE:	10/30/2025
PROJECT START:	5/3/2021
PROJECT END:	4/30/2025
ASSESSMENT TYPE:	Final
ASSESSMENT PERIOD:	5/1/2024 - 4/30/2025

Project Progress and Results Summary
The project "IMF - Inclusive Growth and Structural Policies - 22 - MRC" started in FY22 and completed in FY25 to deliver the course "Macroeconomic Management in Resource-Rich Countries" (MRC) to Europe and Central Asia region. Partly funded by Managing Natural Resource Wealth Thematic Fund (MNRW-TF), each year, one MRC course was delivered at the Joint Vienna Institute (JVI). The course enjoyed high demand from the region. It drew applications from many resource-rich countries in Europe and Central Asia. Participants highly valued the course, participated in the discussion very actively, and learned a lot from the course. End-of-course survey satisfaction and learning gains across deliveries were uniformly excellent. Participants stated that the knowledge gained from the course would help them improve their work. Overall, the MRC was highly valuable and contributed to helping resource-rich countries improve their policymaking.

LOG FRAME DETAILS:

Country – Standard IMF			
Objective - Participants effectively acquire knowledge and skills taught in the Macroeconomic Management in Resource-Rich Countries (MRC) course and use them subsequently on the job or in their interaction with the Fund. - MRC		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Participants demonstrate that they have effectively acquired knowledge and skills at the Absolute Learning level as measured by pre- and post-course test	3 Largely Achieved	8/12/2025	Average % of participants scoring above 60% on post-course tests in IMF region in FY25

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
The percent of participants who acquire 60% or above on the post-course test (Absolute Learning value)	0	60%	68.2%	10/30/2025	68.2% of participants scored above 60% on post-course tests in FY25, indicating great learning.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
N/A				

Country – Standard IMF			
Objective - Participants effectively acquire knowledge and skills taught in the Macroeconomic Management in Resource-Rich Countries (MRC) course and use them subsequently on the job or in their interaction with the Fund. - MRC		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Participants demonstrate that they have effectively acquired knowledge and skills at the Learning Gain level as measured by pre- and post-course test	4 Fully Achieved	8/12/2025	Learning Gain average in IMF region in FY25

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Percentage point increase of the average post-test score compared to the average pre-test score (The Learning Gain value)	0	15	20.8	10/27/2025	Learning gain averaged 21 percentage points, far exceeding the target value of 15 percentage points, indicating excellent learning from the course.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
N/A				

Country – Standard IMF			
Objective - Participants effectively acquire knowledge and skills taught in the Macroeconomic Management in Resource-Rich Countries (MRC) course and use them subsequently on the job or in their interaction with the Fund. - MRC		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
The participants value this training.	4 Fully Achieved	8/12/2025	Weighted average across standard categories in IMF region

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Post-course feedback measured by the end-of-course survey [favorable range 4.4+] reflecting the participants' reaction to (a) the knowledge/skills usefulness for their job; (b) the content relevance to their job; and overall satisfaction with the course.	0.0	4.4	4.8	10/27/2025	Average overall end-of-course survey satisfaction is 4.8 in FY25, indicating participants' great satisfaction, far exceeding the target value of 4.4.

Milestones	Target Completion Date	Rating	Rating Date	Narrative

N/A				

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
Unforeseen disruptions in training, such as the Covid pandemic	Low	4/30/2021	Switching temporarily to virtual training
Management and Technical Staff Support and Commitment			
NA	Low	4/30/2021	NA
Political Support			
NA	Low	4/30/2021	NA
Resource Adequacy			
High demand for the course could result in additional funding needs	Low	4/30/2021	Anticipating the demand to prepare for funding application
Other Risks			
NA	Low	4/30/2021	NA

Changes to Project
Adjusting to the standard ICD training evaluation logframe.

CD Project Assessment Report

Project Name:	AFR - Inclusive Growth and Structural Policies - 22 - MRC
Project ID:	AFR23MRC1
Project Manager:	Nguyen, Ha
Report Date:	10/30/2025
Project Start:	6/17/2021
Project End:	11/7/2025
Assessment Type:	Final
Assessment Period:	5/1/2024 - 4/30/2025

Project Progress and Results Summary
The project "AFR - Inclusive Growth and Structural Policies - 22 - MRC" started in FY22 and completed in FY25 to deliver the course "Macroeconomic Management in Resource-Rich Countries" (MRC) to the Africa region. Partly funded by Managing Natural Resource Wealth Thematic Fund (MNRW-TF), each year, one MRC course was delivered at the Africa Training Institute (ATI). In recent years, the deliveries at ATI were blended. In some years, due to high demand, one additional course was delivered in AFR. In FY 2025, an additional delivery was organized by AFRITAC Centre (AFC) and hosted by ATI. The course enjoyed high demand from the region. For each participant accepted, course organizers had to decline several other applicants due to space limitation. Participants highly valued the course, participated in the discussion very actively, and learned a lot from the course. End-of-course survey satisfaction and learning gains across deliveries were excellent. Participants from many African resource-rich countries stated that the knowledge gained from the course would help them improve their work and hence the country policy-making. Overall, courses like the MRC are highly valuable and contributed to helping African resource-rich countries, many facing challenges in managing their resources, improve their policymaking.

LOG FRAME DETAILS:

Country – Standard AFR			
Objective - Participants effectively acquire knowledge and skills taught in the Macroeconomic Management in Resource-Rich Countries (MRC) course and use them subsequently on the job or in their interaction with the Fund. - MRC		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Participants demonstrate that they have effectively acquired knowledge and skills at the Absolute Learning level as measured by pre- and post-course test	2 Partially Achieved	8/12/2025	Average % of participants scoring above 60% on post-course tests across all deliveries in AFR region in FY25

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
The percent of participants who acquire 60% or above on the post-course test (Absolute Learning value)	0%	60%	57.1%	10/31/2025	Participants show solid learning. An average 57.1% of participants scoring above 60% on post-course tests across all deliveries in AFR region in FY25

Milestones	Target Completion Date	Rating	Rating Date	Narrative

N/A				

Country – Standard AFR			
Objective - Participants effectively acquire knowledge and skills taught in the Macroeconomic Management in Resource-Rich Countries (MRC) course and use them subsequently on the job or in their interaction with the Fund. - MRC		**Objective Rating - 3**	
Outcome	**Rating**	**Rating Date**	**Narrative**
Participants demonstrate that they have effectively acquired knowledge and skills at the Learning Gain level as measured by pre- and post-course test	3 Largely Achieved	8/12/2025	Learning Gain average across all deliveries in AFR region in FY25

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Percentage point increase of the average post-test score compared to the average pre-test score (The Learning Gain value)	0	15%	16.9	10/24/2025	Learning gain average across all deliveries in AFR region in FY25 is 16.9 percent, indicating good learning outcomes.

Milestones	Target Completion Date	Rating	Rating Date	Narrative

N/A				

Country – Standard AFR	
Objective - Participants effectively acquire knowledge and skills taught in the Macroeconomic Management in Resource-Rich Countries (MRC) course and use them subsequently on the job or in their interaction with the Fund. - MRC	**Objective Rating - 3**

Outcome	Rating	Rating Date	Narrative
The participants value this training.	3 Largely Achieved	8/12/2025	Weighted average across standard categories for all FY25 deliveries in AFR region

Verifiable Indicators	Baseline	Target	Current Assessment Value	Assessment Date	Narrative
Post-course feedback measured by the end-of-course survey [favorable range 4.4+] reflecting the participants' reaction to (a) the knowledge/skills usefulness for their job; (b) the content relevance to their job; and overall satisfaction with the course.	Zero	Average end-of-course survey satisfaction rating is over 4.4	4.6	10/27/2025	Participants appreciated the course. Average end-of-course survey satisfaction is 4.6/5 for all FY25 deliveries in AFR region, exceeding the target value of 4.4. The overall rating and learning gains of the blended course at ATI are higher than those in the last in-person only at ATI in 2023.

Milestones	Target Completion Date	Rating	Rating Date	Narrative
N/A				

Risk Assessment and Mitigation

Risk Description	Risk Rating	Risk Rating Date	Mitigation Measures
External climate/conditions			
COVID related restrictions	Low	3/5/2021	virtual delivery
Management and Technical Staff Support and Commitment			
NA	Medium	3/5/2021	an
Political Support			
NA	Low	3/5/2021	an
Resource Adequacy			
availability of funding to delivery planned courses; availability of staff	Medium	3/5/2021	resource planning
Other Risks			
NA	Low	3/5/2021	NA

Changes to Project

ANNEX C. LIST OF TA REPORTS, FY2026 H1

Country	Title of TA Report	Authors	Report Type	Language
Guyana	Strengthening Audit Capabilities in the Oil and Gas Sector	Rob Veltri and Joseph Musumba	TA Report	English
Mozambique, Republic of	Building a Data-Driven Tax Authority	Paulo Paz, André Brandão, Jorge Luis Cabral, José Maria Pires and Juliano Neves	TA Report	English
Uganda	Mining and Refinery Fiscal Analysis: Next Steps for a Developing Industry	Eduardo Camero Godinez	TA Report	English

ANNEX D. CD DELIVERY TO BENEFICIARY COUNTRIES, FY2026 H1

Country	CD Project	Project Type	Activity Modality	Activity Name	Project Manager	Start Date	End Date
Guyana	GPFP-Guyana - Revenue Administration	Single Country CD	Field-Based work - FB	T/STX EI/ STX visit-Addressing Audit Capacity and CAATs	Kerjean, Pierre	10/20/25	10/31/25
Mozambique, Republic of	GPFP-Mozambique, Republic of-Revenue Administration	Single Country CD	Field-Based work - FB	EI component	Paz, Paulo	05/19/25	05/30/25
Nigeria	GPFP-Nigeria-Revenue Administration	Single Country CD	Field-Based work - FB	T/EI STX/EI CIP and Audit Capacity	Paz, Paulo	08/18/25	09/03/25
Uganda	GPFP-Uganda-Revenue Administration	Single Country CD	Interactive learning and workshops - IL	C/EI STX/Improving Customs controls in Mining	Masilela, Dumisani	07/14/25	07/18/25
Senegal	Senegal - FADT1 - Petroleum Revenue Forecasting	Single Country CD	Field-Based work - FB	Workshop FY26 (June/July 2025)	Petit, Patrick	06/25/25	07/03/25
Ghana	GPFP Ghana-FADT2-Tax Policy-TPD-FY26-1	Single Country CD	Field-Based work - FB	STX Extractives Tax Policy FY26 for MNRW Funding	Camero Godinez, Eduardo	09/17/25	10/01/25
Nigeria	Nigeria-FADT2-Tax Policy-TPM-FY25-1	Single Country CD	Field-Based work - FB	Petroleum fiscal regime implementation	Baunsgaard, Thomas	09/10/25	09/16/25

Country	CD Project	Project Type	Activity Modality	Activity Name	Project Manager	Start Date	End Date
				and modeling (Follow-up 2)			
Uganda	Uganda - FADT2 - Petroleum fiscal regime	Single Country CD	Field-Based work - FB	FY26 - Mining fiscal regime review	Camero Godinez, Eduardo	05/28/25	06/09/25
Chad	Chad - ICDMF - FY25 - General Macroeconomic Analysis TA - Ministry of Finance	Single Country CD	Field-Based work - FB	Chad FPP - MFT - FY26 - HQ Staff travel	Maino, Rodolfo	05/01/25	05/01/25