G20 COMPACT WITH AFRICA

CwA May 2022 Monitoring Report

Africa Advisory Group Meeting

May 16, 2022

CwA COUNTRIES
»Benin »Burkina Faso »Côte d'Ivoire »Egypt »Ethiopia »Ghana »Guinea» Morocco »Rwanda »Senegal »Togo »Tunisia

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WORLD BANK GROUP
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GLOSSARY

AAG	Africa Advisory Group
ACET	Africa Center for Economic Transformation
AfCFTA	African Continental Free Trade Area
AFD	French Development Agency (from French, Agence Française de Développement)
AfDB	African Development Bank
AIIB	Asian Infrastructure Investment Bank
CBI	Cross Border Investment
CCDR	Country Climate Development Reports
C-JET	Competitiveness for Jobs and Economic Transformation (WB MDTF for Private Sector Dvt)
CPSD	Country Private Sector Diagnostics
CWA	Compact with Africa
DFI	Development Finance Institution
DPO	Development Policy Operation
DRC	Democratic Republic of the Congo
EBRD	European Bank for Reconstruction and Development
ECF	Extended Credit Facility
EIB	European Investment Bank
EMDE	Emerging Market and Developing Economies
F4D	Finance for Development (WB MDTF for Financial Sector Dvt)
FDI	Foreign Direct Investment
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GIZ	German Corporation for International Cooperation
IFC	International Finance Corporation
IFC	International Finance Corporation
IMF	International Monetary Fund
IsDB	Islamic Development Bank
KfW	German Development Bank
LDC	Least-Developed Countries
MNE	Multinational Enterprise
MSME	Micro, Small and Medium Enterprise
NPL	Non-Performing Loans
OECD	Organization for Economic Co-operation and Development
P4R	Program for Results
PPA	Performance and Policy Actions
PPP	Public-Private Partnership
RCF	Rapid Credit Facility
RFI	Rapid Financing Instrument
SDG	Sustainable Development Goals
SDR	Special Drawing Rights
SME	Small and Medium-Sized Enterprises
SOE	State-Owned Enterprise
TA	Technical Assistance
UAE	United Arab Emirates
UNCTAD	United Nations Conference on Trade and Development
WB	World Bank
WBG	World Bank Group

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EXECUTIVE SUMMARY

The G20 Compact with Africa (CwA) was launched in 2017 under the German G20 Presidency to promote private investment in Africa through improvements of the macro, business, and financing frameworks. It brings together reform-minded African countries and their partners. The Africa Advisory Group (AAG) reports bi-annually on progress and ambition. The conclusions of this CwA May 2022 Monitoring Report are:

I. CwA countries faring up better than peers in facing up to the formidable global challenges (pandemic, Ukraine war, looming stagflation, threats on global trade)

- Growth in CwA countries has rebounded (4.6% in 2021 vs 1.7% in 2020) and is expected to reach 4.9% in 2022 (3.3% for the rest of Africa). Sound macroeconomics limited debt increase to 80% of GDP in 2021 from 71% in 2019, with inflation expected to be lower than the rest of Africa (11% vs 17% in 2022).
- FDI rebounded by 23% in CwA countries to reach $11.1bn in 2021, still far from the pre-pandemic levels ($37.4 bn in 2019). FDI, which tends to lag recovery, is expected to continue their rebound.
- CwA countries continued to outpace peers in goods export which increased by 32% in 2021, 27% above pre-pandemic levels mostly resulting from price increases. Net importers of food and oil have been challenged by the impact of the war in Ukraine. Tourism is showing signs of recovery.

II. How the G20 CwA can help Africa reap the benefits of the AfCFTA

- A new World Bank report shows deep integration through the AfCFTA could increase income by 9% by 2035 (mostly fueled by an increase in FDI) and reduce extreme poverty by 50 million. The AfCFTA should help diversify sources of growth and help strengthen Africa's hand in a globally challenged world.
- CwA countries should lead the way by deeply integrating with each other, especially in West Africa, home of 7 of the 12 CwA countries. Having Democratic Republic of the Congo (a candidate) and Nigeria join the CwA would help integrate West Africa to Central and East Africa.

III. Continued progress on 2018 reform commitments and new reform initiatives to weather the crises, leverage the digital economy and respond to the climate imperative

- <u>Macro framework:</u> fiscal consolidation (e.g., tax reforms to increase compliance and reduction of subsidies), public procurement and investment program reforms - including SOE and PPP reforms.
- <u>Business framework:</u> commercial justice reform, digitalization of business regulations, reform of industrial zones, support to entrepreneurship, quality, innovation and linkages with foreign firms.
- <u>Financing framework:</u> fintech, green bonds, SME investment funds and agriculture de-risking facilities
- <u>Institutional set up for reforms:</u> CwA is catalyzing the deployment/reinforcement of Country Platforms and Reform Delivery Units driving the identification/implementation of key reforms.

IV. Development partner support has increased but more is needed during this critical time

- The CwA Toolbox has been updated and now contains 130 programs supporting CwA countries (up from 80 in 2018) from the multilateral Compact partners (AfDB, AIIB, EBRD, EIB, IMF, IsDB and WBG).
- The most popular tools have been IMF financing (11 CwA countries in 2021), WB loans related to the jobs and economic transformation (JET) agenda (9 CwA countries in 2021), advisory services and long-term financing to private sector (e.g., $7.5bn from IFC since 2017 in all 12 CwA countries).
- CwA countries are seeking support on PPPs (increasingly needed but challenging), on leveraging the de-risking instruments, on reaching out to potential investors and on strengthening their institutional set up to identify and implement key reforms leveraging policy/sector deep dives and the new Country Climate Development Reports (CCDR). CwA technical workshops are being prepared by ACET on these topics.

1. MACROECONOMIC, FDI AND TRADE OVERVIEW

Macroeconomic outlook

Diverging but resilient recovery

Recent developments. Compact with Africa (CwA) countries as a group displayed resilience during the pandemic, growing by 1.7% on average in 2020. The magnitude of the pandemic's impact varied: Morocco, Rwanda, and Tunisia experienced very sharp economic contractions, while Benin, Egypt, Ethiopia, and Guinea managed to grow; Burkina Faso, Côte d'Ivoire, Ghana, Senegal, and Togo had only small contractions. As a group, CwA economies rebounded in 2021 albeit also at different paces with (weighted) real GDP growth surprising on the upside at 4.6%, from the expected 3.6% projected in the October 2021 World Economic Outlook. Some CwA countries were able to leverage the sound macroeconomic policies developed in the years prior to the pandemic, while Northern Africa countries saw benefits from advances in vaccination. As a group, however, vaccination sharply lags advanced economies, with an average vaccination rate of 27% as of mid-April 2022. CwA countries are calling for vaccine access and assistance to produce vaccines in African soil. Morocco started domestic production of vaccines in January 2022. Ghana, Rwanda, and Senegal are in the pipeline of setting up vaccine production facilities.

Global context. After a strong rebound in the second half of 2021, the global economy enters 2022 in a weaker position than previously expected, in the context of several adverse shocks. As a result, global growth is expected to moderate from 6.1 in 2021 to 3.6% in 2022 and 2023. The ramifications of the Russian invasion of Ukraine and the lingering pandemic are exacerbating the divergence in recovery prospects, particularly for commodity importers, with higher and more volatile commodity prices, and rising inflationary pressures, which in turn is leading to faster than-expected monetary policy normalization in advanced economies. Emerging markets and developing economies with limited policy space and lower access to vaccinations, are consequently facing greater difficulties to maintain sustainable growth levels.

Outlook. The outlook for CwA countries, however, is relatively better than global and regional projections. As a group, CwA countries are expected to continue growing despite headwinds coming from the war in Ukraine, potential scarring from the ongoing pandemic, and the intensification of the food and fuel shock that was already underway. Efforts to strengthen macroeconomic fundamentals prior to the crisis and supportive policies since the start of the pandemic are expected to build on the growth momentum in 2021, with real GDP growth for the group in 2022 projected to accelerate to 4.9% and averaging 5.6% during 2023–27, above global and African averages.[1] That said, the speed of the recovery remains divergent among CwA countries, with several countries expected to be severely hit by the fuel and food price shock. Like in other emerging markets and developing economies, the war in Ukraine is expected to increase food insecurity and strain household budgets. Some CwA countries that depend heavily on Russia and Ukraine for key food staples (Egypt, Ethiopia, and Tunisia) may see strained external and fiscal positions, while others (Senegal) may experience windfalls from higher commodity prices to the extent they can contain an additional energy and food-related spending. The sources of the growth divergence will also be driven by

[1] Excluding Tunisia from 2023.

different levels and quality of policy support including vaccination deployment, tourism dependency, as well as the share of jobs in activities heavily exposed to the virus transmission. Inflation, already high prior to the pandemic, is expected to accelerate in CwA countries to 10.6% in 2022, lower than the expected African average of 16.7%.

International Trade. Exports of goods and services in CwA plummeted by 9.3% in 2020, and increased modestly in 2021 by 1.4%, after strong performance in the preceding period of 2017–19 (average of 7.6%).[2] The reasons for this sharp contraction were lower growth in trading partners and the partial closure of borders due to the pandemic, including travel restrictions. Export growth in 2022 in CwA countries is projected to rebound by 10.8%. The prorated loss of tourism receipts and remittances in some countries as well as the subsequent rise in food and fuel prices (notably in non-oil exporting countries) are projected to widen marginally the (weighted) average current account deficit to 5.2% in 2022 (compared to 4.3% in 2021). As the recovery takes hold in 2023, export demand is expected to recover and CwA countries' current account deficit to narrow to 4.7%.

Debt vulnerabilities. CwA countries used available fiscal policies for pandemic policy response, thereby increasing debt vulnerabilities. The hard-earned declines in debt ratios from 79 to 71% of GDP between 2017 and 2019, have been reversed by the pandemic and public debt is now expected to reach 80% of GDP on average by end-2022 and to stay above the African average (68%) over the medium-term. The fiscal adjustments implemented through expenditure compression prior to the pandemic are now harder to reinstate as countries grapple with the scarring effects of the pandemics as well as the impact of the war in Ukraine. As result, some CwA countries may have their debt tipping into high risk of debt distress (Egypt, Ethiopia, Ghana, and Tunisia).

International Monetary Fund

The IMF continues to support CwA countries strengthen their macroeconomic and financial frameworks and to provide financial support – including emergency financing during the pandemic crisis.

IMF financial support. Coordinated and sustained multilateral action is critical to support continued efforts to mitigate the pandemic crisis and quickly restore growth in CwA countries. CwA countries received significant IMF support during the pandemic. In 2020, ten out of twelve CwA countries benefited from an IMF-supported program. As of end-March 2022, the IMF had approved financing requests for eleven CwA countries, totaling US$13 billion, to support the policy response to the health, social and economic crisis. In addition, six of the poorest CwA countries are receiving US$284 million in immediate debt relief under the Catastrophic Containment Relief Trust (CCRT). Six countries also elected to participate in the Debt Service Suspension Initiative (DSSI). Finally, in August 2021, CwA countries received a total of US$8.5 billion from the Special Drawing Rights (SDR) allocation.

Capacity Development. Support for CwA countries accounted for 12.3% of the IMF's capacity development (CD) direct country spending in FY 2021, including 311 technical assistance missions, and training which reached around 1350 country officials. All CwA countries are assisted by the African Training Institute (ATI) and are members of a regional technical assistance center in Africa or the Middle East. The CwA serves as a framework for Europe's contribution to all AFRITACs and ATI.

[2] April 2022 World Economic Outlook.

Direct Engagement between authorities and CwA countries teams. IMF CwA country teams engage actively with CwA country authorities and eleven of the twelve CwA countries have Resident Representatives. Fund staff also engage directly in the monitoring and coordination of the CwA and maintains the CwA website, which provides relevant and transparent information to policymakers.

Recent FDI trends

A modest recovery of FDI

Globally, Foreign Direct Investment (FDI) flows rebounded strongly in 2021. According to the latest UNCTAD Investment Trends Monitor,[3], FDI flows showed a strong rebound in 2021, up 77% to an estimated US$1.65 trillion (from US$929 billion in 2020), surpassing their pre-COVID-19 level (Figure 1).[4] Of the total increase in global FDI flows in 2021 (US$718 billion), almost three quarters (US$500 billion) was recorded in developed economies – which captured an estimated US$777 billion in inflows in 2021, three times the 2020 figure. Emerging economies saw a much more modest recovery, with FDI inflows increasing by 30% to nearly US$870 billion – with the increase in value largely due to a handful of high-value investments in the renewables sector. The discrepancy in FDI recovery across regions is as such:

- **Inflows in the United States** more than doubled, with the increase entirely accounted for by a surge in cross-border mergers and acquisitions (M&As) - almost tripling in value at US$285bn. Overall US inflows saw an increase of 114% to US$323 billion.
- **In Europe**, 80% of inflows were accounted for by conduit economies (economies with tax incentives), with EU inflows up by 8%. However, there is still a way to go until a full recovery can be declared, with the largest economies remaining below pre-Covid levels.
- **China** also saw record-breaking FDI inflows in 2021 at US$179bn (a 20% increase), driven by a strong services sector
- **South-East Asia** saw a growth acceleration of 20%, while Latin America and the Caribbean witnessed a recovery to near pre-pandemic levels.
- Inflows in **Africa** more than doubled in 2021 compared with 2020, but a large proportion of this was attributed to a single intra-firm financial transaction in South Africa in the second half of 2021.[5] Hence FDI flows to South Africa jumped to US41 billion (from US$3 billion in 2020), while most other African recipients saw only a moderate rise in FDI.

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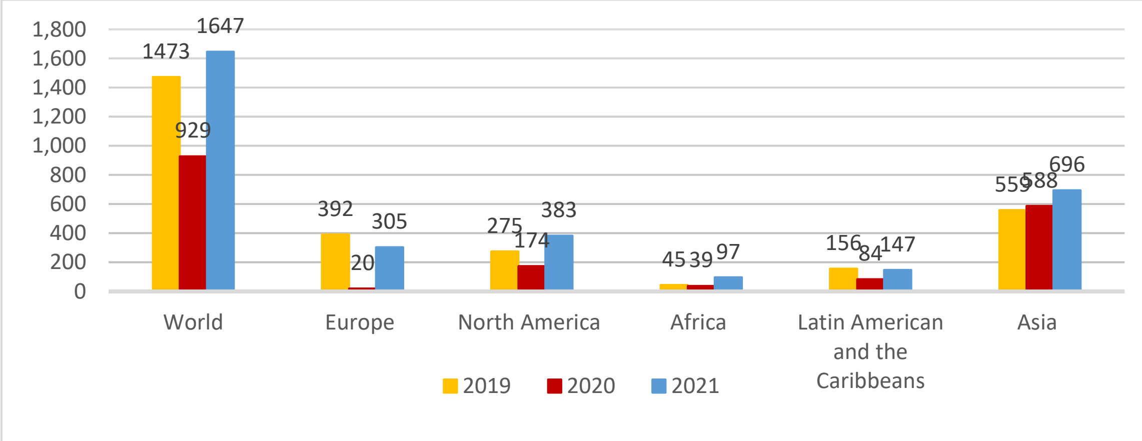
[3] UNCTAD (2022), Global Investment Trends Monitor, No. 40. Available : https://unctad.org/system/files/official-document/diaeiainf2021d3_en.pdf

[4] United Nations Conference on Trade and Development (UNCTAD) (2022), Global Investment Trends Monitor, No. 40. Available: https://unctad.org/system/files/official-document/diaeiainf2021d3_en.pdf

[5] A US$46 billion share swap between the South African multinational Naspers and its Dutch-listed investment unit Prosus. Prosus is one of the world's largest technology investors, with stakes in educational software companies, meal delivery firms and online marketplaces around the globe. Under the deal, concluded in August 2021, Prosus bought 45% of Naspers shares, bringing its ownership in Naspers to 49% in all – while Naspers owns 56.92% of Prosus ordinary shares. The logic underlying the swap was that moving part of the companies' assets out of South Africa might improve their valuations.

Figure 1. FDI inflows, 2019-2021 (US$ million)



Despite economic conditions improving in the wake of the COVID-19 pandemic, foreign investors continue to face new challenges that are impeding a complete recovery. As discussed in the previous section, the post-COVID-19 growth outlook is broadly positive – particularly so in CwA countries. Output and demand are estimated to be reaching pre-pandemic levels on average – with 5.0% real GDP growth forecasted over the coming period (2022-2014) in CwA countries, above the average for the continent (4.0%) (Figure 2, Figure 3). Yet results from the latest round of World Bank Group's quarterly pulse survey of Multinational Enterprise (MNE)[6] affiliates suggests that firms are still facing adverse effects from the current uncertain times. The share of firms reporting at least one adverse impact of the pandemic continued to fall in Q2 to 73% compared to 93% in Q1 2021. Within the ten business dimensions measured, employment and investment saw the largest improvement from Q1, but new challenges are emerging as areas of concern for a complete recovery. These areas include worker productivity and liquidity, input cost pressures and supply chain reliability. Specifically, inflation pressures – compounded by the conflict in Ukraine, are impacting MNE affiliates through rising input costs. MNEs' future investment plans have nonetheless become slightly more optimistic, providing early signs of an improvement in the investment outlook. The share of surveyed MNEs expecting to increase investment over the next three years has reached a pandemic high (21%) – driven by changes or expected changes in regulations and policies for foreign investors as well as insourcing of production. At the same time, uncertainty remains the primary factor limiting the appetite of firms to invest. Results also show over half of surveyed firms were forced to lay off workers during the pandemic, but recruitment plans over the next three years indicate an expected net increase in workforce. MNEs are increasingly looking for highly educated workers with strong managerial, analytical, and problem-solving skills.[7]

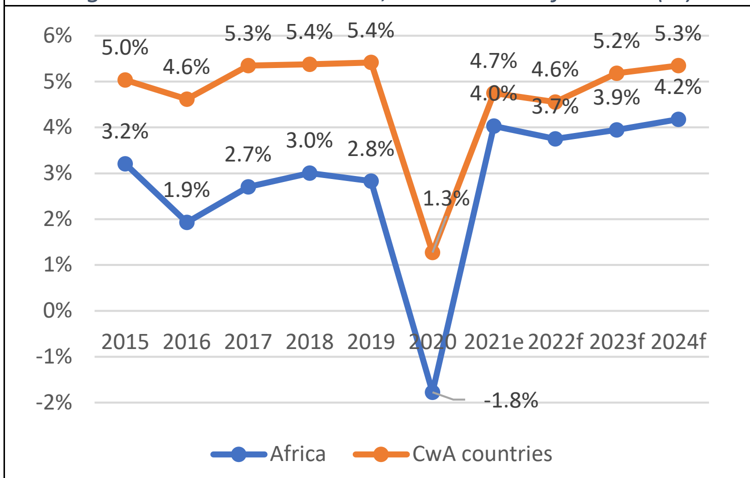
Compact with Africa: announced greenfield investments on the rise

In CwA countries, following a major drop in 2020, cross-border investments grew only modestly in 2021 – in line with the general trend on the African continent.[8] After witnessing sharply weaker inflows over 2020, CwA countries experienced some tepid increase in FDI activity in 2021 – yet still far below pre-pandemic levels. Despite a reduction in number of projects, from 229 projects recorded in 2020 to 211 in 2021, Cross Border Investment (CBI) flows to CwA countries rose by 23% year-on-year in 2021 to reach US$ 11.1 billion, from around US$9 billion in 2020 (Figure

[6] World Bank (2021), Investor Confidence Survey: Global Multinational Enterprises Pulse Survey
[7] While these survey results may not be generalizable to all developing countries, they are directionally indicative of MNEs' experiences in developing countries.
[8] Financial Times' fDi Markets Database (www.fDimarkets.com)

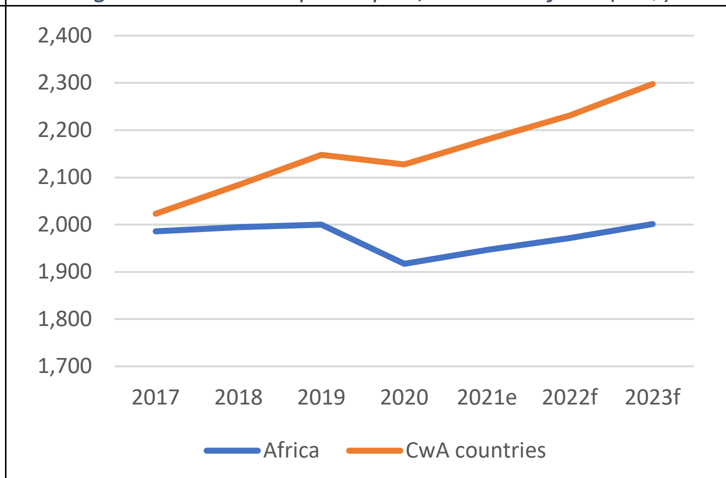
4, Figure 5). This is still far below the record numbers reached in 2017 (US$58 billion), or even in 2019 (US$37 billion) – reflecting a slower-than-anticipated recovery. As a share of total CBI flows to Africa, CwA countries stabilized at around 28% of total announced greenfield investments in 2021 – roughly the same share as in 2020, but still considerably lower than their share in 2018 (41% of total CBI inflows to Africa) and 2019 (54%). The average performance of CwA countries in 2021 can be attributed to several factors, such as (i) continued uncertainties in advanced economies such as the European Union, the United States and Gulf Cooperation Council (GCC) countries, traditional FDI source markets, subject to further waves of COVID-19 variants and induced macroeconomic risks such as inflation; (ii) the time lag between economic recovery and the recovery of new investment in value chains – particularly manufacturing, for CwA countries generally exposed to global trade headwinds; (iii) the escalation of geopolitical tensions and political volatility in CwA countries such as Ethiopia, Guinea and Tunisia. The outlook for FDI in CwA countries remains nonetheless positive with GDP growth prospects on average well above the average for the African continent.

Figure 2. Real GDP Growth, 2015-21 and forecast (%)



2022-2024 forecasts are derived from the World Bank Global Economic Prospects (January 2022) and Africa's Pulse (April 2022).

Figure 3. Real GDP per capita, CwA vs. Africa (US$)



2022-2023 forecasts are derived from the World Bank Global Economic Prospects (January 2022) and Africa's Pulse (April 2022).

Figure 4. Greenfield FDI Inflows, FY17-21 (USD billion)

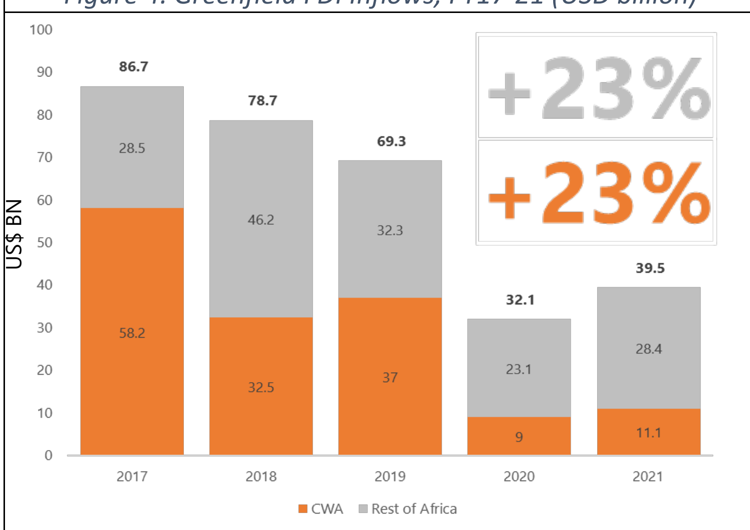


Figure 5. Greenfield FDI Inflows, FY17-21 (project count)

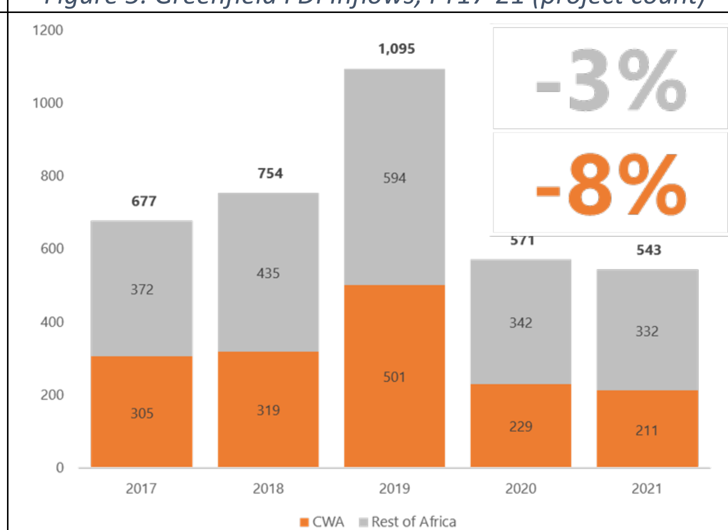
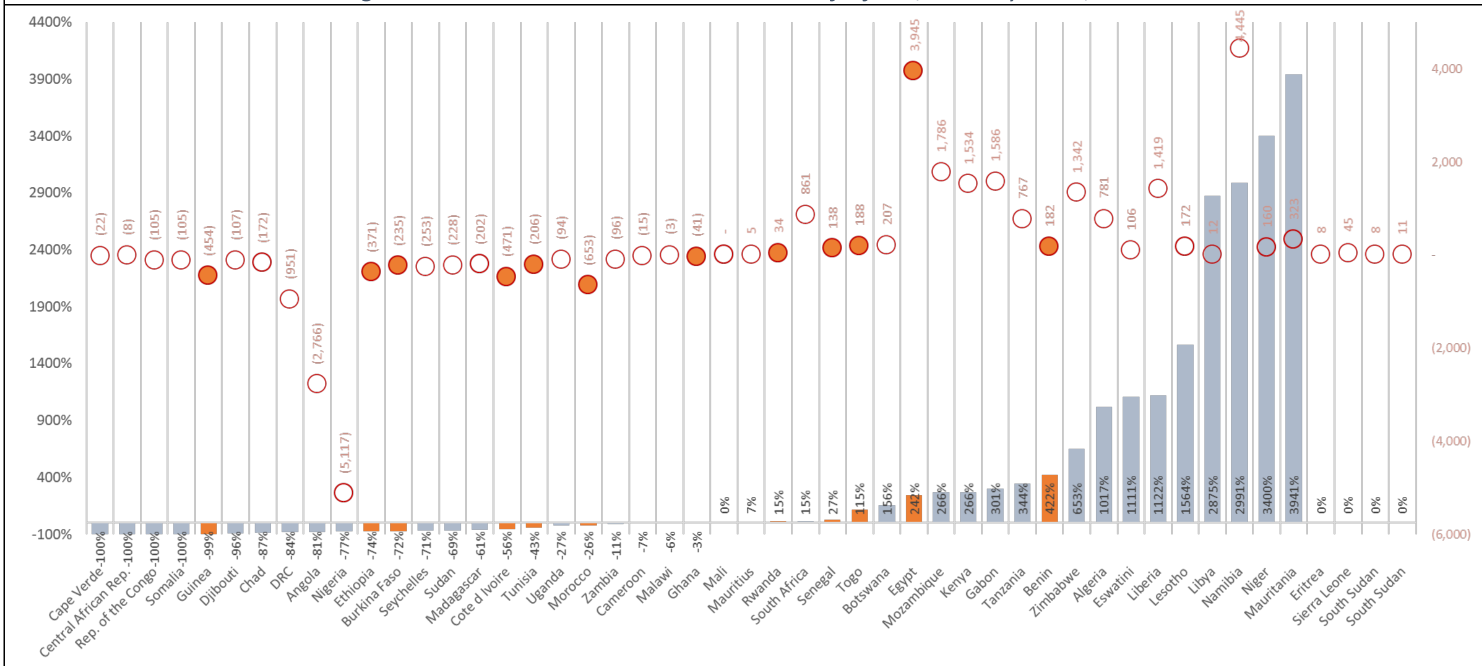


Figure 6. Variations in FDI: CwA vs. Rest of Africa, country-level, FY21



Source: FT's fDi Markets, a service from the Financial Times Ltd.; IMF International Financial Statistics and Balance of Payments database; IFC staff calculations. Note: Bars show y/y change in %; and round markers show absolute changes in US$. Orange are CwA countries.

In terms of country allocation, Egypt clearly stands out as the number one investment destination among CwA countries, followed by Morocco and Ghana. Egypt recovered its position as leading FDI destination among CwA countries, attracting US$ 5.57 billion worth of CBI, or 50% of total CBI inflows to CwA countries (from record low US$ 1.63 billion worth of CBI in 2020, or 18% of total CBI flows to CwA countries). Of all 12 CwA countries, only five economies have witnessed an increase in CBI volumes over the past year: Rwanda (+15%), Senegal (+27%), Togo (+115%), Egypt (+242%) and Benin (+422%) (Figure 6). Morocco, with US$ 1.82 billion of CBI attracted in 2021 (compared with US$ 2.47 billion in 2020), saw its position decline to represent only 16% of CwA "market shares". CBI flows to Ghana have remained broadly stable throughout the pandemic – representing 12% of total CBI flows (Figure 7, Figure 8).

The surge of CBI flows to Egypt can be attributed to a handful of high-value deals in the real estate and business services sector (Figure 9). Of noteworthy importance are the following three large deals concluded in 2021:

- *Reportage Properties*, a leading UAE real estate developer, launched its first investment operation outside the UAE in Egypt with the Montenapoleone luxury residential project (US$ 1.1 billion), located within Mostakbal City in New Cairo, next to the New Administrative Capital. Built on a 465,000 square meters area, the Montenapoleone real estate project will feature a total of 5,500 luxury townhouses and apartments. Housing units are expected to be delivered by Q4-2025.
- Czech industrial developer and logistics firm *CTP Invest* channeled US$ 600 million of investments for the establishment of two business parks in Cairo on an area of 2 million square meters each, providing 14,000 direct job opportunities. The project includes the main logistical center of the city, research centers and test centers, areas for entrepreneurship, an area for small businesses and light industries, and huge warehouses for logistical activities and delivery.

- *Metito*, a UAE-based provider of water, wastewater, and alternative energy management services, benefitted from IFC financing (US$20 million) to improve access to clean water and wastewater solutions across Egypt. This facility will help the company extend the accessibility of drinking water, improve wastewater treatment infrastructure, reduce waste costs, and decrease health risks in key water-stressed markets where it operates – including the Kigali bulk water supply project (Rwanda).

Figure 7. CBI Inflows by Country, 2020-21

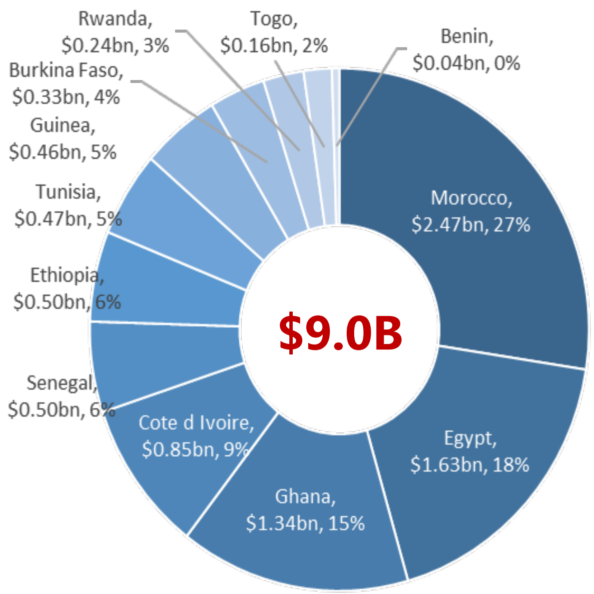


Figure 8. CBI Inflows by Country, 2021

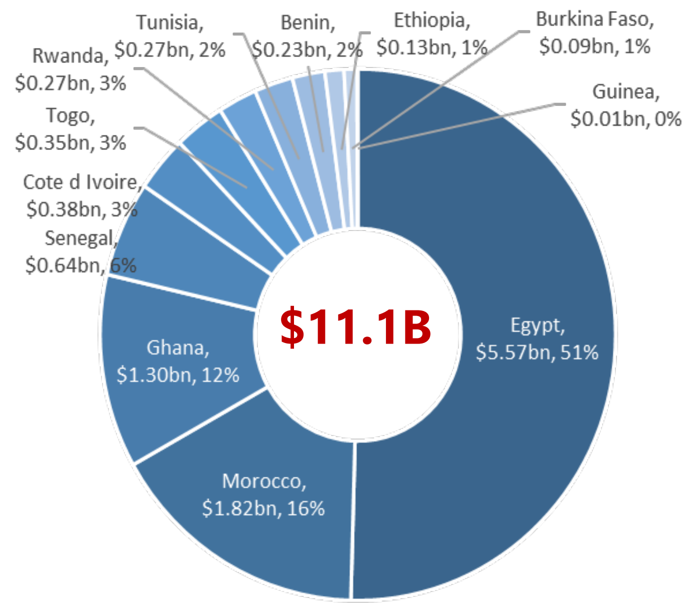


Figure 9. CBI Inflows by Country, by Volume, 2017-21

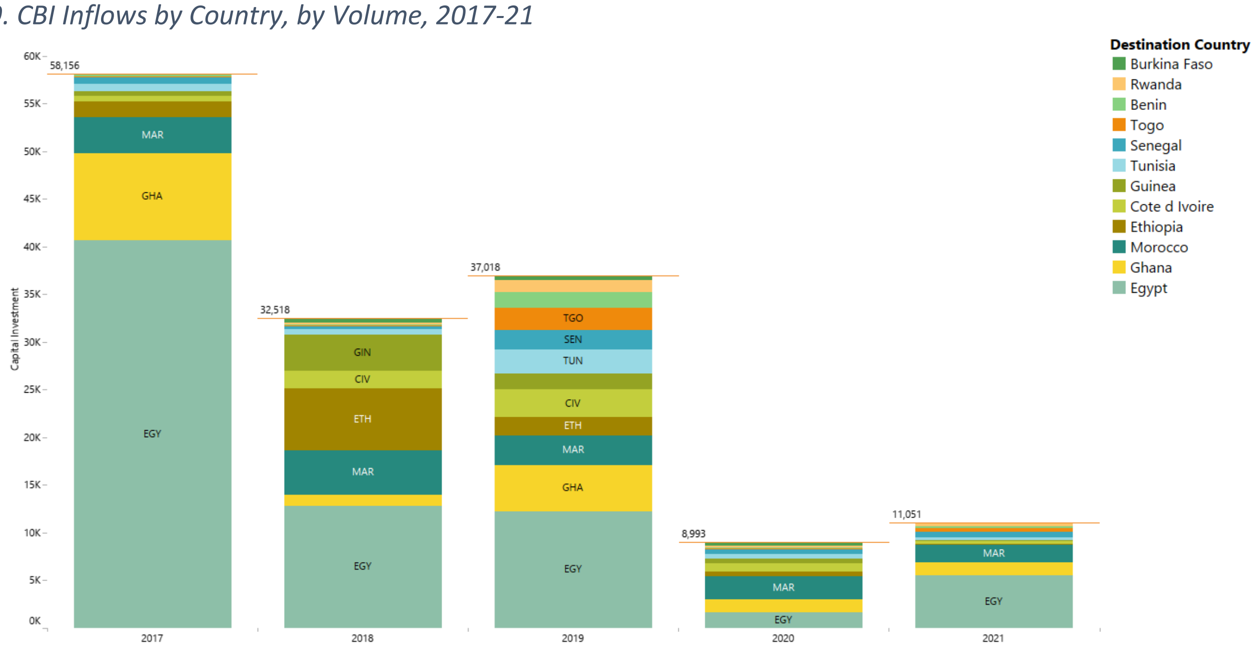
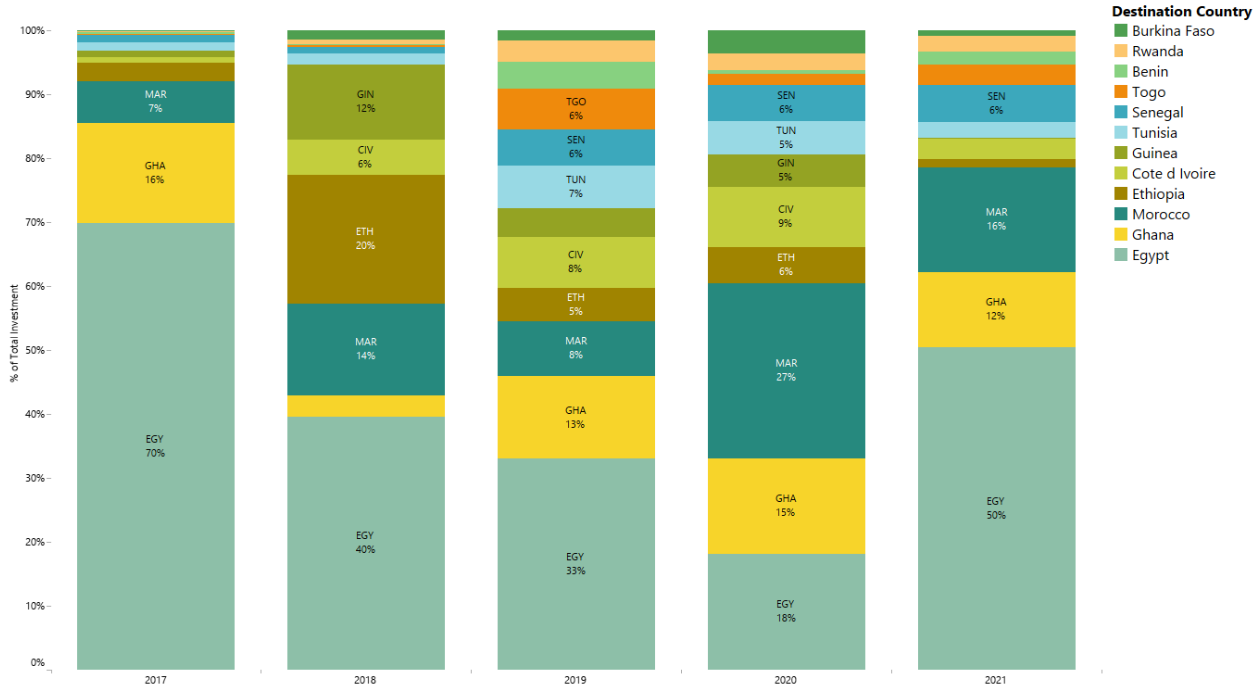


Figure 10. Share of CBI among CwA Countries, by Volume, 2017-21

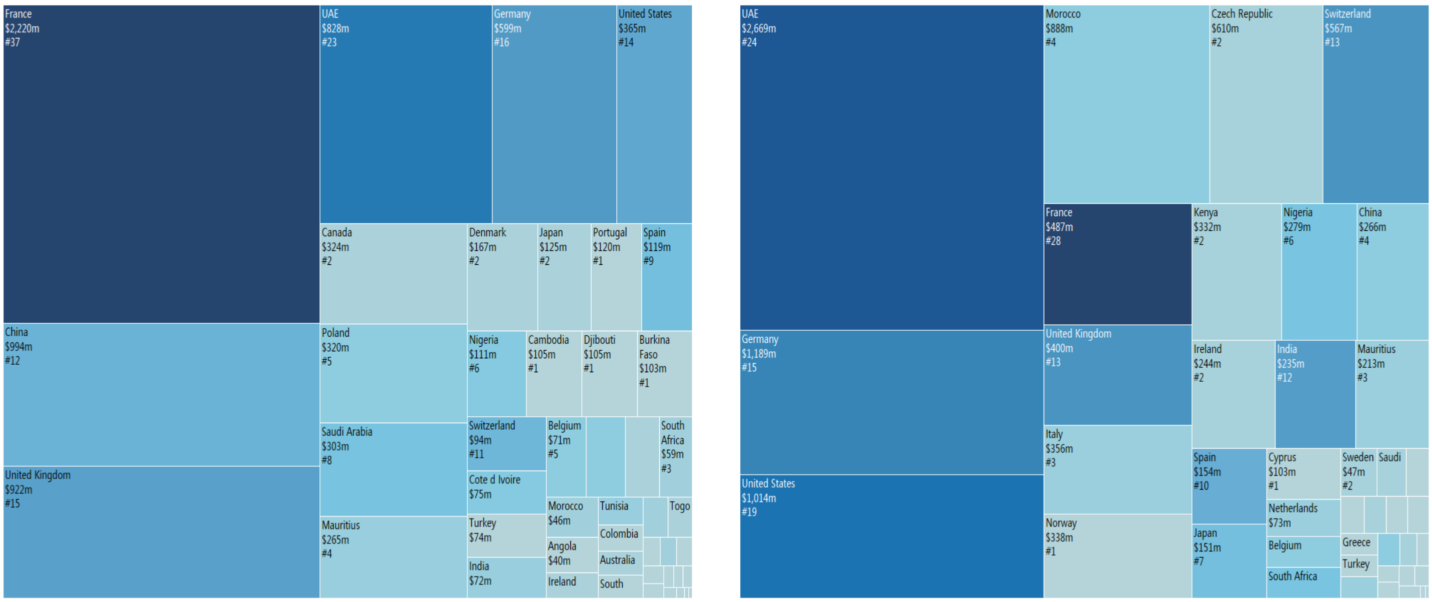


The analysis of FDI source countries also reveals a shift in composition, with foreign investors increasingly proceeding from other emerging economies (Figure 11). In 2021, the increase in CBI flows largely originated from other emerging and developing markets, whose firms' investments to CwA countries rose by 27% between 2020 and 2021 – compared with a mere 9% increase in CBI originating from advanced economies. In terms of source countries, the UAE and Morocco both rose to represent respectively the first and fourth investor nationalities in CwA countries in 2021 (with 24 projects worth US$ 2.7 billion and 4 projects worth US$ 888 million) – while France and China and France saw their position as source countries decline sharply to seventh (from first, with 37 projects worth US$ 2.2 billion in 2020) and thirteenth (from second, with 12 projects worth US$ 994 million in 2020), respectively.

The year 2021 witnessed a sharp increase in cross-border investments within CwA countries, pioneering a growing trend in South-South trade and investment linkages. Intra-Compact CBI flows rose from US$297 million to US$ 895 million between 2020 and 2021, mostly on account of two large deals by Moroccan firms in Ghana and Senegal.

- In May 2021, *Ciments de l'Afrique* (CIMAF), owned by Morocco-based *Omnium des Industries et de la Promotion* (OIP), concluded a EUR165m financing package (including a EUR82.5m A-loan from IFC) to invest in a greenfield integrated cement plant in Pout, Senegal, and expand cement grinding capacity at the existing stations in Dio Gare, Mali, and Tema, Ghana. The three capex projects, implemented through CIMAF subsidiaries in Senegal, Ghana, and Mali, are designed to meet the growing cement demand in West Africa and improve CIMAF's competitiveness. The Senegalese project will provide CIMAF with a regional source of clinker and reduce reliance on imports. It is also a bet on the future markets of Senegal and landlocked Mali that relies almost entirely on expensively imported clinker from distant coastal markets. CIMAF already controls 13 cement grinding plants in Burkina Faso, Cameroon, Chad, Côte d'Ivoire, Gabon, Ghana, Guinea, Guinea-Bissau, Mali, Mauritania, Republic of the Congo and Togo – with total cement capacity estimated at 8.95Mta.

Figure 11. CBI Volumes, by Source Country – 2020 and 2021



Source: fDi Markets (www.fDimarkets.com), a service from the Financial Times Ltd.; IMF International Financial Statistics and Balance of Payments database; IFC staff calculations.

Sector Shifts in FDI: Less Extractives, More Renewables

In terms of sector composition, foreign investor appetite continued to slowly move away from traditional sectors such as extractive industries (coal, oil, and gas) towards sustainable infrastructure (Figure 12). Infrastructure finance has been globally up due to recovery stimulus packages and favorable long-term financing conditions – and project finance deals in infrastructure now exceed pre-pandemic levels with a heavy emphasis on renewable energy and industrial real estate. In contrast, investor confidence in industry and global value chains (such as electronics) remains weak – and greenfield investment activity remains muted across industrial sectors. In other sectoral trends, greenfield investment activity remains 30% below pre-pandemic levels on average across industrial sectors. The number of SDG-relevant investment projects in developing economies rose by only 11% -reflecting structural weaknesses and how several sectors have been hit hard by the pandemic.[9] Only the information and communication (digital) sector has fully recovered. Other sectors benefitting from renewed investment impetus include real estate (construction and housing), agribusiness (food and beverages) as well as the business services sector.

[9] UNCTAD (2022), Global Investment Trends Monitor, No. 40. Available : https://unctad.org/system/files/official-document/diaeiainf2021d3_en.pdf

Figure 12. Trends in Sector Composition of CBI, 2017-2021

Figure 13. Top CBI Projects in 2021

#	Parent Company	Source Country	Dest. Country	Sector	Investment, $m
1	Reportage Properties	ARE	EGY	Real estate	1,510
2	Metito	ARE	EGY	Business services	739
3	CTP Invest	CZE	EGY	Real estate	600
4	Omnium des Industries et de la Promotion (OIP)	MAR	GHA	Building materials	436
5	Omnium des Industries et de la Promotion (OIP)	MAR	SEN	Building materials	436
6	Eni SpA	ITA	MAR	Renewable energy	338
7	Siemens Energy	DEU	EGY	Renewable energy	338
8	Scatec AS	NOR	EGY	Renewable energy	338
9	LafargeHolcim	CHE	MAR	Building materials	330
10	H.B. Fuller	USA	EGY	Chemicals	326
11	Hellmann Worldwide Logistics	DEU	EGY	Transportation & Warehousing	321
12	Hellmann Worldwide Logistics	DEU	EGY	Transportation & Warehousing	321
13	Ryanair	IRL	MAR	Transportation & Warehousing	200
14	CrossBoundary	KEN	SEN	Renewable energy	168
15	Astral Aviation	KEN	TGO	Transportation & Warehousing	165
16	China National Petroleum (CNPC)	CHN	BEN	Transportation & Warehousing	165
17	United Parcel Service (UPS)	USA	GHA	Transportation & Warehousing	165
18	First Klass Shipping Specialist	GBR	GHA	Transportation & Warehousing	165
19	Uflex	IND	EGY	Plastics	144
20	MainOne	NGA	GHA	Communications	141
21	Hyatt International	USA	MAR	Hotels & tourism	120
22	Americana Group (Kuwait Food Company)	ARE	EGY	Food & Beverages	109
23	MainOne	NGA	CIV	Communications	105
24	CloudFlare	USA	TUN	Communications	105
25	Econet Global	MUS	TUN	Communications	105
26	Raxio Group	USA	CIV	Communications	105
27	Econet Global	MUS	TGO	Communications	105
28	YNV Holdings	CYP	RWA	Software & IT services	103
29	TIME Hotels Management	ARE	EGY	Hotels & tourism	100
30	BioNTech	DEU	RWA	Biotechnology	79

IFC and the CwA: Committing for Inclusive Growth

Since the launch of the Compact with Africa in 2017, IFC has spared no effort to scale up its investments and mobilization efforts in compact countries[10]. Figure 14 below shows IFC's long-term financing commitments (including mobilization of private investments) in CwA countries, before and since the creation of the Compact. Overall, the trend is on the rise – with LTF commitments averaging US$ 1.5 billion since FY18, compared with US$ 1.1 billion on average over FY15-FY17.

Figure 14. IFC total long-term financing including own account and mobilization (unaudited)[11]

	Before Compact with Africa			Since Compact with Africa				
	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22 (YTD)
Benin	0.0	0.0	10.0	2.9	0.0	0.0	0.0	0.0
Burkina Faso	27.7	52.1	116.2	135.2	76.0	51.1	48.4	2.2
Côte d'Ivoire	13.9	42.4	5.6	130.8	21.9	745.5	5.9	0.0
Egypt*	117.4	351.8	146.2	1189.2	169.1	269.9	203.8	59.7
Ethiopia	124.5	100.0	100.0	0.0	43.1	361.0	860.0	3.0
Ghana	66.0	724.5	400.2	82.4	41.0	97.7	3.0	0.3
Guinea	22.0	0.0	200.0	1.2	775.0	0.0	0.0	0.0
Morocco	1.7	0.0	151.1	0.4	22.8	144.4	80.4	34.5
Rwanda**	5.5	43.5	2.5	71.5	6.7	1.4	10.0	0.0
Senegal	218.9	104.8	104.4	18.9	18.5	75.6	117.8	202.9
Togo	7.5	11.0	0.0	10.8	0.0	0.0	0.0	0.0
Tunisia	16.0	18.0	27.9	0.0	46.3	32.4	32.9	0.5
CwA countries	**621.1**	**1448.1**	**1264.1**	**1643.3**	**1220.4**	**1779.0**	**1362.1**	**302.8**

** Doesn't include US$15.0 M committed in CAT Region in FY21*
*** Doesn't include US$1.1 M committed in CEA Region in FY20*
Source: IFC Project Information & Data Portal. Available at: https://disclosures.ifc.org/

There are several reasons for the volatility in commitments in each of the CwA countries: apart from country-specific political or macroeconomic circumstances, regulatory and business environments, global commodity price fluctuations (be it for natural resources or cash crops such as cocoa, coffee, cotton, etc. as seen in 2018) can also drive companies' capital expansion decisions and thus investment opportunities for development finance institutions like IFC. Although the reform agenda of CwA countries is ambitious, the impact of policy changes and ancillary measures to support private sector expansion and thus investment opportunities may only be felt after a considerable time lag.

Investment policy trends

African emerging economies have been leading the reform drive for the past decade, with 77% of the least-developed countries (LDCs) in the continent adopting reforms in the area of investment, compared to 63% of LDCs in Asia and 25% of Island LDCs.[12] Over the last decade, 10 African LDCs (half of which are CwA countries) introduced or amended investment-specific legislation (Angola, Benin, Burkina Faso, Burundi, Ethiopia, Guinea, Mauritania, Rwanda, Sudan, and Uganda). Angola was the most active country in this respect, introducing 6 investment-related

[10] IFC Project Information & Data Portal. Available at: https://disclosures.ifc.org/
[11] 2021 CwA Monitoring Report
[12] UNCTAD (2022), Investment Policy Monitor, Special Issue 7, March 2022.

instruments during the review period. About 85% of the new or revised laws dealt with investment promotion and facilitation, indicating the willingness of African LDCs to encourage private investment. More than half were adopted between 2018 and 2021, reflecting a recent momentum to enhance their investment climate. Half of the revisions to the investment legislation addressed FDI entry and establishment conditions, and typically opened new sectors or activities to FDI or streamlined the entry process. Seven dealt with treatment standards and operations of foreign investors, generally removing instances of discrimination in the conduct of business operations.[13]

More recently, with multiple headwinds caused by the COVID-19 pandemic, and the current Russia Ukraine war that have squeezed governments' fiscal space, the need to attract foreign investments is becoming more and more crucial. Investment facilitation is becoming increasingly important for countries to attract international and local financing for sustainable development, large infrastructure financing needs and address climate change. Progress around the world, has focused on information provision, regulatory transparency, and streamlining of administrative procedures for investors through digital information portals and single windows. These tools, which have increased in both coverage and quality over the past 5 years, represent the most impactful elements among the gamut of investment facilitation measures. Since 2016, the number of countries with digital information portals increased from 130 to 169 and those with digital single windows from 29 to 75. Developing countries are catching up. Their use of digital information portals and single windows has jumped. While on average their ratings are lower, several achieve top marks, often with technical assistance. UNCTAD's data shows that most countries recognize the importance of investment facilitation to revive stagnant cross-border investment in industry, absorb an expected global push for investment in sustainability and infrastructure, and remain competitive as international tax reforms reduce the scope of fiscal incentives[14].

In 2020 and 2021, CwA countries have continued their investment promotion and investment facilitation efforts[15]. In 2021, Rwanda enacted a new Investment Code (Law no. 006/2021 of 5 February 2021), which introduces new priority sectors and activities, including mineral exploration, the construction or operations of specialized innovation or industrial parks, transport, logistics and electric mobility, horticulture and cultivation of other high-value plants, creative arts, and skills development. The Code also introduces various new tax incentives, including several which are aimed at establishing Kigali as a regional financial hub and tax incentives for philanthropic investors, angel investors or strategic investment projects, among others. In 2020, Ethiopia adopted new investment liberalization measures. The Investment Regulation No. 474/2020, which was adopted on 7 September 2020, opens the transport services sector. Previously, the provision of transport services, including air, railway, ground, and marine transport was closed to foreign investment. The Regulation lifted this restriction to allow foreign investment in the following transport services areas: railway transport, cable car transport, cold-chain transport, and freight transport. Also, more transport services are partially liberalized for joint investment with domestic investors. Article 5 of the New Regulation introduces a new category of sectors, where foreign investment is permissible if it is carried out as a joint venture with domestic investors. Further, through the Negative List, the New Regulation reverses prohibitions that were introduced in 2012 under the "old" Regulation. For example, foreign investment in health services, which was previously limited to foreigners willing to construct hospitals is now open at all levels, except in small and medium health services. Further, restrictions in cement manufacturing, education, management consultancy and other services have been removed under the new Regulation. In 2020, Benin adopted a new investment code. The Investment Code (Act No. 2020-02), which was adopted on 20 March 2020, replacing the Investment

[13] UNCTAD Investment Policy Monitor, March 2022
[14] UNCTAD Investment Policy Monitor (Investment Facilitation: Progress on the Ground), January 2022.
[15] UNCTAD, Investment Policy Hub. Available at: https://investmentpolicy.unctad.org/investment-policy-monitor

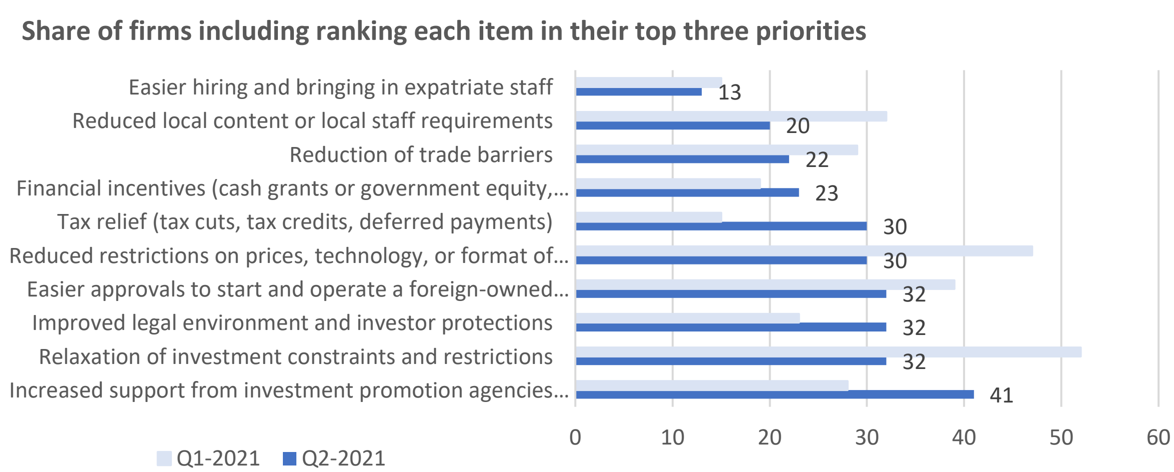
Code of 1990 and its amendments, offers clear and precise tax incentives, including advantages. and benefits. It also offers new guarantees to investors, including protection of intellectual property rights such as patents, trademarks, and trade names. Without imposing performance requirements, the state facilitates investor's access to developed industrial zones, agricultural land, industrial zones, and areas of interest by investors. Also, it urges international investors to train local personnel through continuing education, development of skills and transfer of technology, while conditioning access to privileged regimes on increasing the qualification of local employees. It reinforces transparency requirements on investments. Unlike, the previous Code, which the mandate for approval process mainly to the Minister for Planning and Development, the 2020 Code, provides for three main state institutions for dealing with investment.[16]

Outlook: Building Back Better FDI

The FDI outlook for 2022 is positive overall, with substantial downside risks resulting from global economic uncertainties. CwA countries feature some above-average growth prospects and greater resilience to shocks resulting from past fiscal consolidation efforts. Downside risks include: the uncertain pace of vaccinations, as well as the speed of implementation of infrastructure investment stimulus, further labor and supply chain bottlenecks, energy prices and inflationary pressures.

The World Bank Investor Confidence Survey (2Q 2021) shows that MNEs' future investment plans have become slightly more optimistic, providing early signs of an improvement in the investment outlook – although the specter of uncertainty remains. The share of surveyed MNEs expecting to increase investment over the next three years has reached a pandemic high (21%) – driven by changes or expected changes in regulations and policies for foreign investors as well as insourcing of production. At the same time, uncertainty remains the primary factor limiting the appetite of firms to invest. 86% of surveyed MNE affiliates planning to leave investment plans unchanged state uncertainty as the main reason– a level comparable with Q1 2021. Uncertainty has been further compounded since the Russia Ukraine war (Figure 15).

Figure 15. Policy initiatives mentioned by respondents as encouraging investment in their host country in Q1 and Q2 2021 (n=300)



[16] UNCTAD Country Investment Policy Monitor

Source: World Bank (2022), Investor Confidence Survey: Evidence from the Quarterly Global Multinational Enterprises Pulse Survey for the Second Quarter of 2021

During economic recovery, to rein in uncertainty and remain competitive in the global FDI market, policymakers should act now. In the near term, policymakers should strengthen policies to foster investment, including improving the legal environment and easier approvals for foreign-owned businesses. In the longer term, shifts in global production may require policymakers to boost their countries' investment competitiveness. Therefore, governments should restore investor confidence by maintaining a stable and predictable investment policy environment and resisting protectionist policies.

The importance of exhibiting sound macroeconomic policies. Although the outlook is positive for FDI in Africa in 2022, risk factors and uncertainty remain large mainly due to the impact of the Russia Ukraine crisis on Africa, slow vaccination rollout and the emergence of new covid strains. The current crisis is presenting a new set of macroeconomic challenges, from widening twin deficits, currency pressures, soaring inflation, and squeezed liquidity. Even before the Russia Ukraine crisis, inflation pressures were impacting MNE affiliates through rising input costs. Price pressures witnessed in the first quarter (Q1) of 2021 have continued, with 56% of World Bank Investor Confidence Survey respondents in Sub-Saharan Africa experiencing rising input costs compared to before the pandemic. Additionally, liquidity seems to be slightly deteriorating, adversely affecting 56% of respondents in the second quarter (Q2) in Sub-Saharan Africa.[17] As countries compete to attract FDI to meet increasing financing needs amid tight fiscal space, those that exhibit sound macroeconomic policies that increase resilience will prove as attractive investment destinations.

The need to diversify sources of investment. FDI sources to the continent include Europe with China, India and the US increasing their outward investments in Africa in 2021. Current pressures in Europe could possibly lead to lower investment outflows to Africa. In addition, Russian investments in Africa will come under financial stress because of the impact of sanctions on Russia—whether this comes through barriers to international payments, reduced availability of project finance or increased risk aversion among host countries and investment partners.[18] Russian projects face an uncertain future, although Russia will be loath to relinquish its rights to strategic assets in Africa and could increasingly resort to unconventional methods to secure its investments. Equally, the door may open for other non-Russian commercial interests to expand their foothold in Africa.[19] The current context will lead to attracting new sources of FDI.

Expect liberalization and facilitation policies in specific sectors. Investment inflows in Africa in 2021 were mainly directed in natural resources sector but also growing trend in logistics, financial services, consumer services, chemicals, and renewables. The opportunity of new investments in 2022 remain in infrastructure due to favorable long-term financing and large stimulus packages. New opportunities could emerge from new global value chain restructuring. Given the current situation, governments will likely liberalize more sectors and leverage PPPs to support infrastructure projects.

Looking ahead, the key skills sought by MNE affiliates across sectors and regions relate to problem solving and task management. More than two-thirds of firms expect this requirement to

[17] World Bank Investor Confidence Survey: Evidence from the Quarterly Global Multinational Enterprises Pulse Survey for the Second Quarter of 2021.

[18] According to fDi Intelligence, Russia provided less than 1% of Africa's total stock of FDI in 2019, and most Russian investment was focused on natural resource ventures, particularly hydrocarbons projects and the mining of industrial and precious metals, rare earth elements and diamonds. African countries with Russian participation in hydrocarbons projects include Cameroon, Congo-Brazzaville, Ghana, Mozambique and Nigeria; Russian mining interests are found in Angola (diamonds), Guinea (aluminum and bauxite), Nigeria (Rusal, an aluminum producer), Sudan (gold) and Zimbabwe (platinum).

[19] Economist Intelligence Unit.

increase. Social skills are the second most sought after, cited by 45% of firms. This trend is observed across all sectors, size, and business models. It is slightly more pronounced among firms headquartered in Europe. Three-quarters of firms plan on increasing the proportion of their workforce with a tertiary education over the next three years. These findings suggest that firms may be looking for more qualified workers in order to improve overall skill levels.

Recent trade dynamics

Main messages

- In 2021, global trade in goods and services returned to pre-pandemic levels, despite multiple headwinds.
- In 2022, the resilience of global trade is being tested again by the economic consequences of the war in Ukraine.
- Boosted by strong global demand and rising commodity prices, Compact countries' goods exports in current U.S. dollars grew robustly in 2021 relative to pre-pandemic levels. Goods exports grew 33% from 2019 levels for Sub-Saharan Africa Compact countries compared to 16% for the whole of Sub-Saharan Africa, and goods exports grew 23% in Middle East and North African Compact countries compared to 10% for the whole of Middle East and North Africa. Compact countries' goods imports caught up to pre-pandemic levels, but their recovery rates were relatively modest compared to exports and other regions' imports.
- Services trade remained significantly depressed - in line with global trends - due to the slow recovery in travel services.
- Several CWA countries are directly exposed to the implications of the war in Ukraine due to their strong linkages with Russia and Ukraine via imports of goods and exports of services.

Global trends in international goods and services trade

In 2021, global trade in goods and services recovered from the drop in 2020, showing resilience not only to the COVID-19 crisis but also to the logistics constraints and value-chain bottlenecks that accompanied it. After plummeting by 7.9% in 2020, trade volumes (expressed in constant U.S. dollars and capturing traded quantities) grew by 10.1% in 2021 and fully caught up to the pre-pandemic level in 2019, according to the April 2022 IMF World Economic Outlook estimates. Trade in goods rebounded faster than trade in services, which was held back by the slow recovery in international travel. Moreover, goods trade values (expressed in current U.S. dollars) rose significantly faster than trade volumes, reflecting the surge in prices, particularly of commodities, to levels not seen in decades.

In 2022, trade's resilience is being tested again, this time by the conflict in Ukraine. Trade growth projections for 2022 have been recently slashed by 1% on expectations of economic damage from the war that broke out in February 2022 (IMF World Economic Outlook, April 2022).[20] Shipping logistics have already been severely impacted in the Black Sea area. Prices of wheat, oil, natural gas, fertilizers, and other products, for which Ukraine and Russia are important global suppliers, surged to record levels amid mounting fears of severe disruptions to global value chains from the war itself and from the imposition of measures to isolate Russia[21]. The impact on trade is expected

[20] They were slashed even more for the Emerging Markets and Developing Economies the projections (by 1.7%).
[21] As stated in the World Bank's Trade Watch (forthcoming), the price of crude oil has risen to over 100 dollars per barrel, and gasoline prices have reached new highs during the first weeks of conflict. Wheat prices rose about 20% in March from

to vary for net importers and exporters of agricultural and energy products. Net importers will likely face higher global prices, not only in products exported by Russia and Ukraine but also in those products' substitutes. By contrast, net exporters may benefit from higher prices. In addition, countries with significant direct imports of goods and services from the two belligerents are likely to be affected directly and immediately by the supply shocks in the exposed markets.

Trends in the international goods trade of Compact countries

Goods trade of Compact countries rebounded in 2021 from the 2020 downturn caused by the COVID-19 pandemic, with exports relatively more dynamic than imports. The group's export values (in current U.S. dollars) declined by 4.1% in 2020 and surged by 32% in 2021, exceeding pre-pandemic levels by 26.9% (Figure 16a). Imports in current U.S. dollars dropped by 12% in 2020 and increased by 17.6% in 2021, to a level higher by 3.5% than before the pandemic in 2019. The asymmetric impact of the crisis on the export and import values contributed to the shrinking of trade deficit by 30% compared to 2019. Relative to the export downturns in 2014-2015 and 2009, export values during the COVID-19 crisis saw relatively milder declines and faster recoveries.

The specialization in exporting commodities of many Compact members helped them reap benefits from the rise in global commodity prices. The large gap between growth in the group's export values and volumes in 2021 relative to 2020 (32% versus 7.6%) speaks of the significant contribution of price increases to the export dynamic in the Compact countries (Figure 16a and 16b). By contrast, the decline rates of values and volumes were more comparable in 2020 (4 and 3%), suggesting a mild price impact. Export values proved more resilient in the COVID-19 crisis compared to the export downturns in 2014-2015 and 2009, while the% declines in export volumes were relatively larger in the COVID-19 crisis.

As for imports, they were more severely affected by price changes in 2020 relative to 2019, with the gap between the 12% drop in import values and the 1.2% drop in import volumes suggesting a price decline. Import recovery in 2021 was faster in value terms than in volume terms (17.6% versus 3.8% increase), with a smaller gap than in the case of exports. Imports caught up to pre-pandemic levels in value terms but are yet to do so in volume terms.

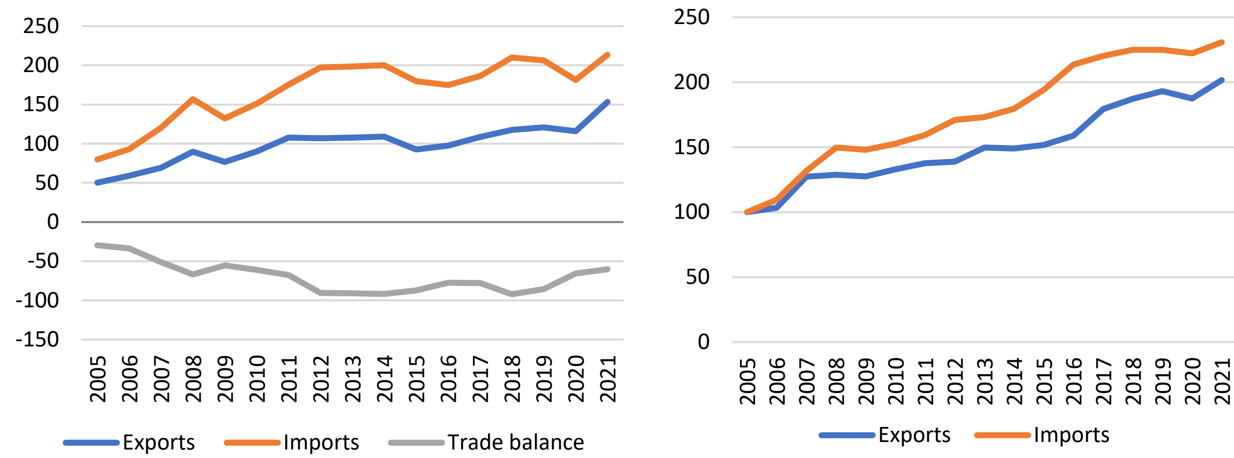
Relative to other regions, total receipts from goods exports of Compact countries in Middle East and North Africa and Sub-Saharan Africa were relatively resilient in 2020 and recovered faster in 2021. Goods export values of Compact countries in Sub-Saharan Africa increased collectively by 1% in 2020, while other regions experienced declines (Figure 17). In 2021, the exports of Compact countries in both Sub-Saharan Africa and Middle East and North Africa surged relative to pre-pandemic levels by 33 and 23%, respectively, faster than all other regions. Imports of Compact countries experienced different patterns. The three Compact countries in Middle East and North Africa saw their collective imports drop faster than the average country in the world in 2020, and barely catch up to pre-pandemic levels in 2021. The Compact countries in Sub-Saharan Africa saw milder declines of imports in 2020, and a slower recovery than many regions in 2021.

February, and corn prices rose 19%. Barley and sorghum also registered record increases (FAO, 2022). Russia and Ukraine together account for about a quarter of global wheat exports and for most of potash (a type of fertilizer). Ukraine accounts for half of the world sunflower oil. Russia accounts for 13% of crude oil exports and 9% of natural gas exports.

Figure 16. Trends in the aggregate exports and imports of the CWA countries

a. Trade values: exports, imports and balance (current U.S. dollars, million)

b. Trade volumes (constant U.S. dollars), index: 2005=100

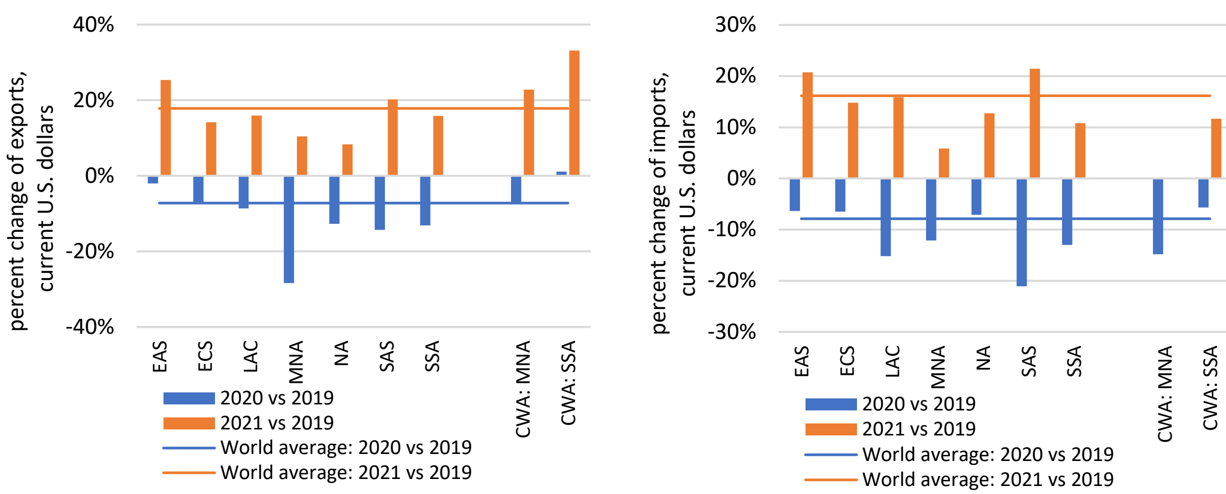


Sources: staff calculation using data from WTO statistics and IMF World Economic Outlook (April 2022). Note: Trade volume indexes are obtained by aggregating the% changes of the 12 CWA countries using trade values in current U.S. dollars from WTO.

Figure 17. CWA countries versus other regions:% change in merchandise export values (current U.S. dollars), 2020 and 2021 vs 2019

a. Exports

b. Imports



Sources: World Bank estimates based on World Bank Global Economic Monitor (Egypt, Morocco, Tunisia, and exports of Ghana), IMF Direction of Trade (the other countries), World Bank World Development Indicators. Notes: Trade values in current U.S. dollars.

The aggregate trade of Compact countries hides variation at country level. In 2020, goods export values declined by 24% in Benin and by 8% in Egypt but grew by over 10% in Burkina Faso, Ethiopia, Guinea, and Rwanda (Table 1). In 2021, Burkina Faso, Egypt, Morocco, and Guinea had the largest and Rwanda the smallest positive contributions to the group's export recovery while growth of Ghana's exports remained in negative territory.[22] In 2021, imports declined relatively faster in Benin, Egypt, Tunisia, and Morocco, but increased in Togo and Cote d'Ivoire. Imports increased

[22] Rwanda's mild growth rate was due to the decline in exports of niobium, tantalum or vanadium, which offset the positive contribution of exports of flowers and tea, which grew robustly. The drop in Ghana's exports reflects the halving of shipments of manganese ores to China and the EU as well as reduced shipments of crude petroleum oils to China and the EU (by 40 and 70%, respectively, in value terms), which offset the doubling of shipments to the US.

in 2021 relative to pre-pandemic levels in most CWA countries but declined in Egypt and Ethiopia by about 10% each.

Rising prices helped boost CWA countries' export values in 2021. Growth in export values (current U.S. dollars) exceeded growth in export volumes (constant U.S. dollars) for most CWA countries, often by a significant margin. This dynamic points to increases in prices per unit of exported products and is consistent with evidence of a rise in global prices of commodities.

Table 1. CWA exports and imports of goods by country,% change in 2020 and 2021 versus 2019

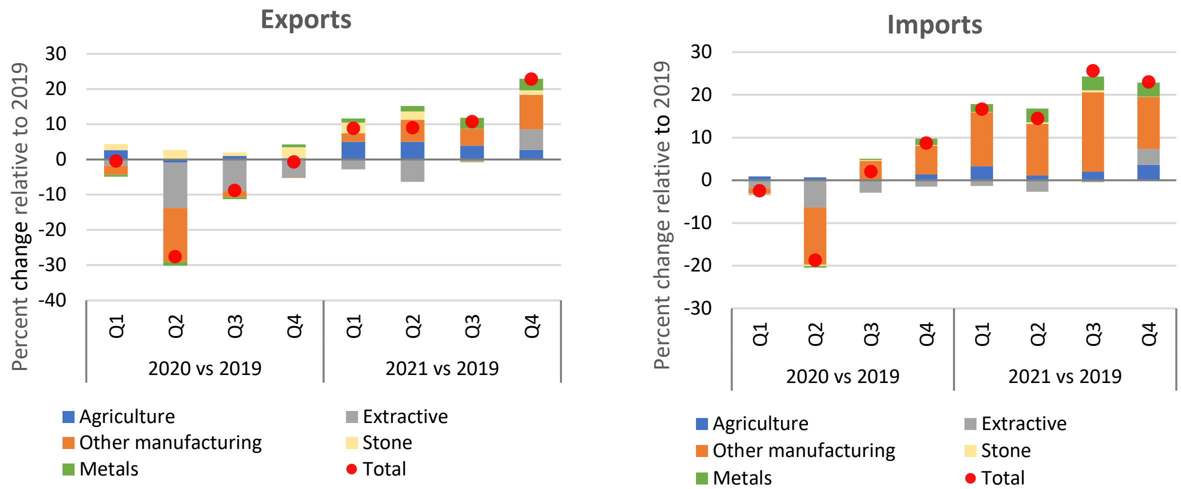
	Goods exports						Goods imports					
	Share of 2019 CWA exports	Share of exports in GDP	Current U.S. dollars (% change)		Constant U.S. dollars (% change)		Share of 2019 CWA imports	Share of imports in GDP	Current U.S. dollars (% change)		Constant U.S. dollars (% change)	
			2020 vs 2019	2021 vs 2019	2020 vs 2019	2021 vs 2019			2020 vs 2019	2021 vs 2019	2020 vs 2019	2021 vs 2019
CWA countries	100		**-4.1**	**26.9**	**-3.0**	**4.4**	100		**-12.0**	**3.5**	**-1.2**	**2.6**
Egypt	24	10	-8.2	29.5	4.2	9.1	34	26	-15.6	-11.1	-1.6	-3.6
Morocco	24	25	-6.8	21.7	-6.1	11.4	25	43	-13.6	13.3	-4.7	4.7
Tunisia	12	38	-7.5	12.0	-11.0	0.1	10	55	-14.9	4.5	-15.0	-6.5
Benin	3	6	-24.1	8.7	5.4	16.8	2	20	-17.0	-1.0	-1.5	7.0
Burkina Faso	3	20	35.0	297.8	-4.6	-0.1	2	22	-3.9	29.1	3.9	24.9
Cote d'Ivoire	10	22	-5.6	16.8	-3.3	2.7	5	18	1.6	34.1	10.5	14.6
Ethiopia	2	3	18.8	14.7	2.2	15.1	7	19	-9.9	-9.2	-3.4	-4.0
Ghana	13	23	-7.6	-6.0	-7.3	-18.5	7	15	-7.3	18.1	0.3	8.6
Guinea	3	21	41.8	92.5	4.9	13.0	2	26	-2.8	2.7	80.1	28.1
Rwanda	1	11	13.4	4.2	-15.3	5.3	1	31	-4.4	13.6	2.8	4.7
Senegal	3	19	-6.0	10.6	0.7	2.9	4	35	-4.1	12.8	7.2	11.8
Togo	1	14	-4.4	17.3	-2.0	5.8	1	25	3.6	-0.3	7.3	12.3

Sources: World Trade Organization, IMF World Economic Outlook (April 2022), World Bank World Development Indicators, World Bank Global Economic Monitor, and IMF Direction of Trade. Notes: Some of the data are estimates and subject to revisions. Trade volume indexes for the 12 CwA countries are obtained by aggregating the% changes of 12 the CWA countries using trade values in current U.S. dollars from WTO.

By the end of 2021, trade in major product groups to selected destinations had caught up to pre-pandemic levels.[23] Commodity exports (of crops and foodstuffs in Benin, Cote d'Ivoire, Rwanda, and Senegal and of metals in Morocco and Tunisia) continued to increase throughout 2021 relative to 2019, driven by the rise in prices and strong demand. Stone exports of Sub-Saharan African countries rebounded in the fourth quarter of 2021 after sliding below pre-pandemic levels in the third quarter. Both exports and imports of fuel and other extractives exceeded pre-pandemic levels in the second half of 2021. Exports of manufacturing grew further, reflecting robust performance in Moroccan and Tunisian sectors of machinery and transportation equipment. Overall, commodity exports contributed substantially to the recovery in the collective goods exports of the CWA countries (Figure 18).

[23] The trade by product analysis is based on bilateral trade reported by China, the E.U., Japan, Switzerland and the United States. These five economies are important trading partners for most CWA countries. All CWA countries, except for Benin, Rwanda and Togo, sent at least 35% of their exports to the five destinations. The 12 CWA countries are sourcing each at least 35% of their imports from China, the E.U. Japan, Switzerland, and the United States. For ten out of the 12 CWA countries, the share exceeds 45%.

Figure 18. CWA members' aggregate merchandise trade with five economies (China, EU, Japan, Switzerland, US), contributions to the 2020 and 2021 YoY% change versus 2019



Source: World Bank staff estimates based on official data from China, Eurostat, Japan, and the United States and on UN Comtrade data for Switzerland. Notes: Trade in current U.S. dollars, not seasonally adjusted.

Trends in the services trade of CWA countries

In 2020 and 2021, services exports and imports of most CWA countries remained below pre-pandemic levels, due mainly to slow recovering travel services (Table 2). Services exports of all CWA members declined sharply in 2020, while services imports declined for all but three of the 12 CWA countries (Burkina Faso, Guinea, and Senegal), with all broad services sub-sectors affected by the downturn (Table 2). In 2021, services exports and imports continued to experience widespread declines relative to pre-pandemic levels (2019), albeit at milder rates relative to 2020 for many CWA countries. Ethiopia was a bright spot in 2021, with both export and import services higher than in 2019.

Exports of travel services, which account for important shares of the overall services exports in most CWA members, have seen large and persistent declines, and contributed significantly to keeping services exports growth in negative territory. In Ghana and Guinea, however, where travel services have smaller shares in both exports and imports, the decline in the overall services trade was driven by other commercial services. During the recovery period, transport and travel services imports were negative contributors to the decline in the overall services imports of Morocco, Rwanda, and Tunisia, while other commercials services were the main negative contributors to the decline in services imports of Egypt, Ethiopia, Ghana, and Guinea.

Table 2. CWA exports and imports of services by country,% change in 2020 and 2021 versus 2019

	Share of overall services in GDP (%)	% of overall services, 2019			% change: 2020 vs. 2019				% change: 2021 vs. 2019			
		Transport	Travel	Other commercial	Overall	Transport	Travel	Other commercial	Overall	Transport	Travel	Other commercial
EXPORTS												
Egypt	8.3	34	52	11	-39.9	-16.1	-66.3	4.7	-21.3	-3.3	-40.7	23.9
Morocco*	16.1	19	42	26	-28.4	-33.5	-53.0	10.3	-21.7	-21.2	-55.6	26.3
Tunisia*	10.7	27	51	19	-45.5	-42.6	-60.4	-16.5	-26.4	-25.3	-53.2	41.9
Benin	3.7	32	45	18	-19.7	n.a.	-46.8	n.a.	n.a.	n.a.	n.a.	n.a.
Burkina Faso	3.4	14	22	55	-16.0	n.a.	-31.0	n.a.	n.a.	n.a.	n.a.	n.a.
Cote d'Ivoire	2.0	34	39	20	-9.3	n.a.	-23.0	n.a.	n.a.	n.a.	n.a.	n.a.
Ethiopia	5.2	73	16	7	-7.9	-15.6	31.4	-9.4	10.9	4.7	34.8	31.0
Ghana	14.5	5	14	75	-18.4	n.a.	n.a.	n.a.	-24.0	2.9	-85.7	-17.4
Guinea	0.7	1	10	71	-57.8	n.a.	n.a.	n.a.	-81.6	-92.7	41.9	-94.2
Rwanda*	9.8	21	45	7	-44.8	-41.7	-73.2	-36.7	-43.0	-31.4	-67.3	-32.3
Senegal	6.0	13	37	35	-37.0	n.a.	-56.4	n.a.	n.a.	n.a.	n.a.	n.a.
Togo	8.4	35	24	35	-21.8	n.a.	-22.2	n.a.	n.a.	n.a.	n.a.	n.a.
IMPORTS												
Egypt	7.0	40	17	39	-14.1	-6.1	-28.7	-21.1	5.3	17.9	-9.6	-8.6
Morocco*	8.0	40	23	26	-26.4	-26.4	-48.9	-16.0	-12.5	-5.6	-49.1	3.7
Tunisia*	7.8	47	26	21	-22.3	-9.1	-56.6	-16.0	-5.0	-0.6	-40.7	26.2
Benin	5.6	58	12	29	-28.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Burkina Faso	9.1	47	8	39	8.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Cote d'Ivoire	5.8	52	12	33	-6.3	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Ethiopia	6.7	65	11	22	-12.4	-13.0	-51.3	11.6	2.2	11.6	-0.7	-17.8
Ghana	19.7	17	2	59	-7.2	n.a.	n.a.	n.a.	-13.3	-11.3	-58.0	-5.6
Guinea	6.3	49	0	46	19.0	n.a.	n.a.	n.a.	-18.3	7.0	-71.4	-42.0
Rwanda*	10.0	44	33	8	-42.2	-28.5	-67.6	8.8	-35.5	-26.2	-43.7	-4.3
Senegal	7.0	35	21	35	28.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Togo	7.3	48	18	28	-9.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

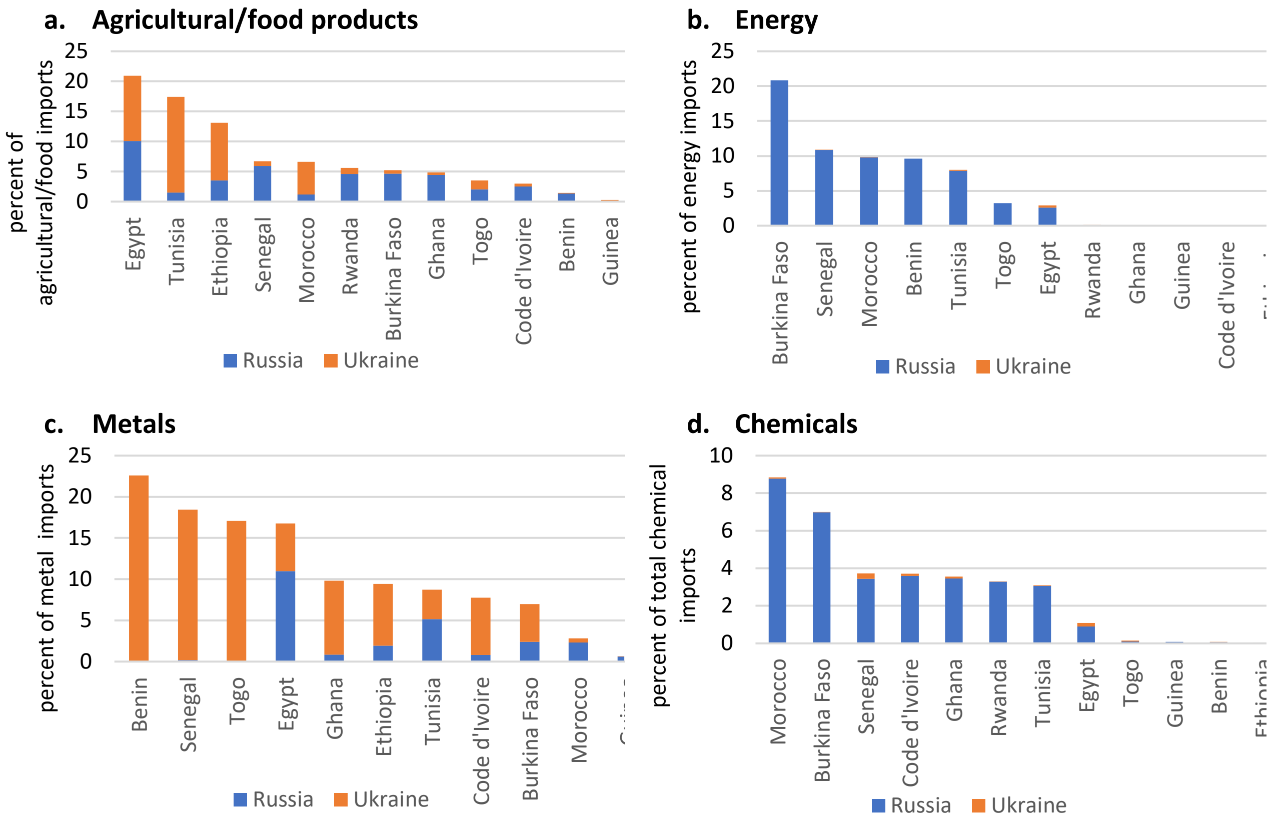
Source: World Trade Organization services statistics. Notes: Trade values in current U.S. dollars. Asterisks (*) indicated countries for which 2021 data are available for all four quarters in 2021. For the other countries only three 2021 quarters are available, and they are related to the corresponding quarters in 2019. n.a. stands for not available.

CWA countries' exposure to Russia and Ukraine via direct trade linkages

The resilience of the Compact with Africa members to the COVID-19 shock is being tested in 2022 by the war in Ukraine. Many CWA members are exposed directly to Russia and Ukraine through import linkages in agricultural/ food products, energy, metals, and chemicals and through exports linkages in travel services (Figure 19). The two belligerents together accounted in 2019 for over 20% of Egypt's imports of agricultural and food products, while Tunisia imported more than 15% and Ethiopia over 10% of such products from Ukraine. Over 20% of Burkina Faso's imports of energy products were from Russia, and over 20% of Benin's imports of metals were from Ukraine. Also, Morocco imported 9% of its chemicals from Russia. Last but not least, travel services of Egypt and Tunisia are highly dependent on tourist arrivals from Russia and Ukraine.

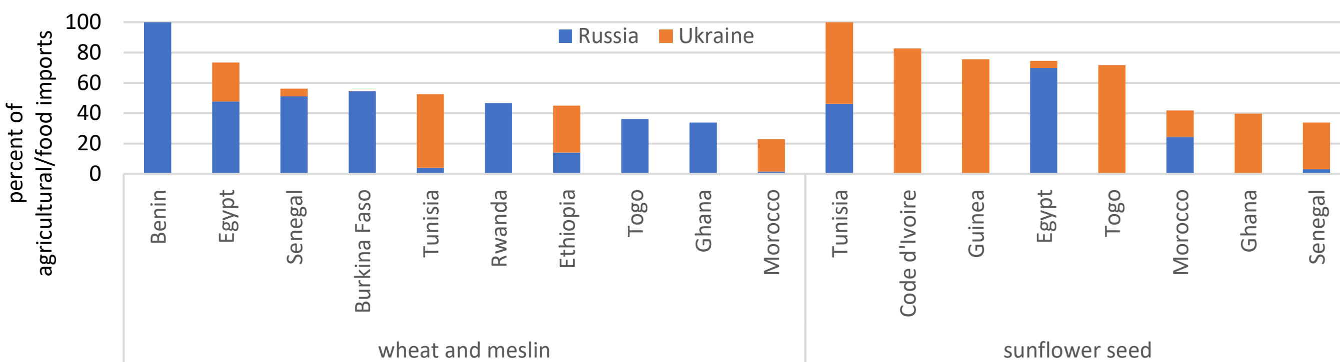
The exposure to Russia and Ukraine in specific products is even more sobering. In 2019 Benin sourced almost all its imported wheat and meslin from Russia (Figure 20). Egypt sourced close to 50% of the same from Russia and 25% from Ukraine, with the two trading partners covering 46% of Egypt's wheat consumption (domestic and imported). Over 50% of the wheat and meslin imported by Senegal, Burkina Faso, and Tunisia and almost 100% of the sunflower seed imported by Tunisia came from Russia or Ukraine. Cote d'Ivoire, Guinea, Egypt, and Togo purchased over 70% of their imported sunflower seeds from Ukraine or Russia. Such high exposure rates apply also to selected products in the energy, metal, and chemical sectors.

Figure 19. Exposure of CWA countries to imports from Russia and Ukraine, 2019



Source: UN Comtrade

Figure 20. Share of Russia and Ukraine in CWA countries' wheat and sunflower seed imports, 2019



Source: UN Comtrade

2. HOW THE G20 CWA CAN HELP AFRICA REAP THE BENEFITS OF THE AFCFTA

This section consists in the following two parts:

- The potential contribution of the AfCFTA to Africa's development
- Leveraging the G20 CwA to accelerate and deepen the AfCFTA

The potential contribution of AfCFTA to Africa's development

The creation of the African Continental Free Trade Area (AfCFTA) provides a unique opportunity to boost growth, cut poverty, and reduce Africa's dependence on the boom-and-bust commodity cycle. It should also help diversify sources of growth and help strengthen Africa's hand in a globally challenged world.

The AfCFTA establishes a free trade area among 54 countries -of which 43 have already ratified the agreement-- with a combined population of 1.3 billion people and a combined GDP of USD 3.4 trillion. The AfCFTA entails negotiations going beyond trade in tangible goods, comprising in addition, trade in services, investment, competition policy, digital trade, and intellectual property rights.

A World Bank report[24] estimates that the AfCFTA has the potential to raise income in the continent by 7% by 2035 and lift 40 million people out of extreme poverty, mainly by spurring intraregional trade. A forthcoming World Bank Report to be launched in May 2022, expands the analysis accounting for the impact of the AfCFTA on FDI and for the effects of deeper integration, considering the impact of normative commitments on investment, competition, e-commerce, and intellectual property rights. Deeper integration in these policy areas would build fair and efficient markets, improve competitiveness, and attract further FDI flows by reducing political and regulatory risk and raising investor confidence. Such scenario would increase income gains at the continental level by up to 9% by 2035, partly resulting from significant increases of FDI within and into Africa. While intra-Africa FDI may increase between 54 and 68% (depending on the depth of commitments undertaken in different areas) FDI from the rest of the world into Africa would increase between 86 and 122%. Europe is expected to account for the lion's share (60%) of increased FDI in Africa, followed by Asia, North America, and South America. Africa's least integrated economies stand to gain the most in relative terms.

Dynamism may affect a wide spectrum of sectors. Liberalization of trade in goods (coupled with trade facilitation measures) contributes to integration of firms into regional value chains. Exports of textiles and apparel; chemical, rubber, and plastic products; and processed foods increase the most under this AfCFTA trade scenario. When commitments on investment, competition, e-commerce, and intellectual property are considered (AfCFTA FDI deep scenario), exports of selected sectors get an additional boost. For transport services; processed foods; wood and paper products; chemicals, rubber, and plastic products, the additional increase in exports is related to the drop in trade costs. For energy-intensive manufactures, fossil fuels, and communication services, the additional increase in exports is related to the increase of FDI in those capital-intensive sectors.

[24] World Bank. 2020. The African Continental Free Trade Area: Economic and Distributional Effects. Washington, DC: World Bank. doi:10.1596/978-1-4648-1559-1

Further, under the AfCFTA FDI deep scenario, output of capital-intensive sectors and of those sectors benefiting from the increase in domestic demand expands the most. The increase in FDI leads to greater expansion of output of construction, energy-intensive manufactures, communication services, and insurance services. Declining trade costs also trigger an expansion of transport services and petroleum and coal products. Overall, several services sectors expand under this scenario as well, including air transport and hospitality, supporting the recovery of these sectors badly hit by COVID-19 (coronavirus).

Women and skilled workers are likely to see the biggest wage gains from the trade agreement. Wages of female workers are expected to be 11.2% higher in 2035, and male workers' wages could grow by 9.8%. Both the broad and deep scenarios are expected to result in even larger increases in wages, but with regional differences. Women's wages in Central Africa would grow faster than men's amid an expansion in energy-intensive manufacturing, which employs a relatively high percentage of female workers.

AfCFTA is also expected to contribute to decrease poverty levels in Africa. The trade pact alone, not counting increased FDI flows, is expected to reduce the number of people in Africa living in extreme poverty (on less than US$1.90 a day in purchasing power parity terms) by 40 million in 2035, to 277 million, after accounting for the increase in poverty caused by the COVID-19 pandemic. Extreme poverty could fall by an additional 10 million under the AfCFTA FDI deep scenario In such circumstances, the AfCFTA could create 17.9 million new jobs, with 2.45% of the continent's workers shifting to expanding sectors by 2035.

Unlocking these significant potential gains in trade, investment, and jobs will entail various steps. First, the AfCFTA negotiations should be concluded as planned, making it a deep trade agreement that goes beyond trade in goods to cover trade in services, investment, competition policy, trade-related intellectual property rights, and e-commerce. Increasing the role of the African private sector and generating greater grassroots support for the AfCFTA, going beyond government leadership, are also crucial.

The AfCFTA has the potential to catapult Africa's development. However, realizing that potential will require implementation of a set of parallel actions (Box 1). Governments must promote favorable national trade and investment policies to maximize potential benefits. Potential distributional and social effects must be a priority alongside maximizing the benefits of trade. Pairing the AfCFTA with a "complementary agenda" can ensure the proper administration and implementation of the agreement and provide ways to maximize opportunities and minimize risks during the transition toward an open market across Africa.

Box.1 Actions to maximize the potential benefits of the AfCFTA

The conclusion of negotiations with ambitious commitments is critical. The content, structure, and depth of commitments in each topic area will be vital to turning the aspirations of the African Continental Free Trade Area (AfCFTA) into reality.

Engage a critical mass of the private sector more deeply in the AfCFTA process.

Private sector buy-in to and effective use of the AfCFTA will be crucial for its potential to generate jobs to be realized. Thus, various segments of the African private sector must be deeply engaged in the negotiation and implementation processes. These processes must be inclusive (by sector and firm size), be consultative at each stage of discussions, and go beyond top-down institutions. Specific steps could include the following:

- Design focused, complementary, country-specific policies that can help with export market access for small and medium enterprises that are unsure about their ability to benefit from the agreement.
- Encourage the secretariat, regional economic communities, or international partners to provide additional assistance to low-income countries.
- Use stakeholder consultations as an opportunity to explain how the AfCFTA will operate in practice, and how exporters, importers, and investors can leverage the provisions of the agreement.

Promote a favorable trade and investment policy ecosystem to attract export-oriented foreign direct investment (FDI) in new manufacturing and services sectors that can connect firms with regional and global value chains and gradually move people to higher-value-added jobs. The AfCFTA could help Africa diversify the type of FDI it attracts, moving away from the predominant natural resource–seeking FDI it has historically attracted, toward export-oriented FDI in manufacturing and services, thereby reducing its vulnerability to a commodities-driven boom and bust. Measures to facilitate this include the following:

- Conduct a comprehensive analysis of investment incentives and use policy dialogue to rationalize them.
- Simplify regulations and red tape on trade procedures and investment approval to attract export-oriented investors.
- Provide certainty and predictability for new firms to expand operations.
- Explore the use of non-litigious mechanisms to address investor-state grievances.

Pair the AfCFTA with a strong complementary agenda, agreeing on concrete actions and policies with domestic stakeholders. A strong AfCFTA Permanent Secretariat, with a select number of high-quality technical staff, free from political pressure, is crucial to support effective implementation; help governments build strong domestic institutions to administer, monitor, and enforce the AfCFTA; and engage in multistakeholder consultations. Such an agenda needs to perform the following function:

- Properly administer the agreement by building the capacity of trade ministries.
- Ensure adequate implementation across border agencies and regulatory bodies for services sectors.
- Identify specific sectors for export expansion and those that may be vulnerable and set up mechanisms to ensure a smooth transition toward an open continental market.

Leveraging CwA to Accelerate and Deepen AfCFTA Integration

Context and challenge: the case for bottom-up integration to achieve regional scale

The 12 existing CwA countries have all provided detailed plans for investment based on national priorities.[25] In theory, as capacity expands in each of the CwA countries, greater opportunities for GDP and income growth, value-added and industrialization, and job creation should emerge. This, in turn, should create a more auspicious landscape for intra-African trade and investment. For example, enhancements to roads and port facilities in coastal West African countries can serve as a basis for increased and faster shipments of goods to and from Burkina Faso.

[25] These projects represent a mix of investment opportunities that typically target infrastructure as well as key sectors in domestic economies—often agriculture, light manufacturing and tourism.

In West Africa in particular, where a relative degree of geographic critical mass has been achieved[26], CwA investments offer the potential to help expand regional capacity and markets. This is due to the number of countries (seven), geographic contiguity (e.g., Burkina Faso-Côte d'Ivoire-Ghana-Togo-Benin), and convergent benefits of coordinating expanded infrastructure, logistics and enterprise links across the economic spectrum (agriculture, industry, and services). This kind of critical mass offers the largest number of geographically connected countries (i.e., Burkina Faso, Côte d'Ivoire, Ghana, Togo, Benin) with a combined population of about 100 million[27] to think of themselves as a kind of sub-market for the region, with vast potential across a range of economic sub-sectors to build scale and capacity.

While 100 million is comparatively large for Africa and would equate with the population of Egypt (3rd largest in Africa)[28], a greater opportunity would emerge with a larger population base. Adding Nigeria to the current CwA West African mix would represent about a quarter of the total population of Africa and bring the total to about 330-340 million, roughly comparable to the population of the United States.

Notwithstanding a multitude of differences historically and culturally, the US is probably the most successful single national domestic model of economic growth in history.[29] Therefore, based on the concept of a unified common market which serves as the basis of the African Continental Free Trade Area (AfCFTA), steady movement to expand and integrate markets in Africa is essential for a kind of bottom-up approach to effective and successful AfCFTA implementation on the condition that such bottom-up efforts do not conflict with prevailing agreements under AfCFTA.

Brief summary of potential benefits of integration and expansion under CwA

Drawing in Nigeria, Africa's largest economy, to the existing critical mass under way in West Africa would likely have positive knock-on effects due to enhanced scale and market opportunities. This would add incentives for other countries to join which would create needed linkages across countries and regions that could potentially add momentum for deepened market linkages.[30] This, in effect, would help to promote and accelerate integration, optimizing returns from AfCFTA.

A further benefit would be the signaling effect to other regions where CwA take-up has been limited or non-existent. For example, there are no CwA countries in Central or Southern Africa. Expansion of the West Africa market to include Nigeria would make it more feasible for Central African countries like Cameroon, DRC, and Gabon to link up with West African markets. This, in turn, would help to create contiguous geographic links with Southern African states and the broader COMESA market. Likewise, the addition of Nigeria in West Africa would signal to economies like Kenya, Uganda, and Tanzania that benefits await them with closer integration in East African markets. Again, such expansion would then make it more feasible for countries like South Africa and others in SADC and COMESA to forge closer regional links by leveraging CwA investments.

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[26] Seven of the 12 CwA countries are in West Africa.

[27] The populations of Ghana (31 million), Côte d'Ivoire (26 million), Burkina Faso (21 million), Benin (12 million) and Togo (8 million) approximate 100 million (2020 figures). This would be about the size of Egypt (102 million), the 3rd largest country by population in Africa, respectively. If Guinea (13 million) and Senegal (17 million) are added, which are also connected via land border, the total increases to 130 million. This is larger than Ethiopia (115 million), Africa's second most populated country.

[28] See https://www.worldometers.info/population/countries-in-africa-by-population/

[29] Much of this has to do with implementation of the Uniform Commercial Code which essentially helped to establish a single market without individual states imposing stifling barriers to trade and investment. Such a model has since served as a starting point for other unified and common market models such as the European Union and the AfCFTA.

[30] Such efforts could be coordinated through Regional Economic Communities, helping to further align regional integration strategies with AfCFTA synchronization.

Next steps to achieve objectives

To achieve CwA objectives in support of AfCFTA, accelerated progress in the expansion of infrastructure capacity is needed. This begins with electricity and power, as only 43% of sub-Saharan African households have access.[31] The positive news is that there is considerable innovation in energy and clean technologies, and funds exist to target both adaptation and risk mitigation related to climate change. Moreover, as North African countries have mastered the challenge, their capacity to build solar plants and export south represents an opportunity, particularly for CwA countries (Morocco, Tunisia, Egypt) in the region. Therefore, CwA can play a galvanizing role through active and coordinated efforts to identify how off-grid and other non-traditional technologies (e.g., solar, wind, other renewable sources) can serve as a basis for elevating the level of access to electricity for households and small business in sub-Saharan Africa. Meanwhile, such innovation can help North African countries with their long-term transition away from fossil fuels.

Likewise, movement towards the circular economy and progress in waste management technologies can help create energy that, if not fully renewable or without a carbon footprint, help to reduce the level of waste and emissions through co-generation and other processes. Africa has a long legacy of using second-hand materials for other purposes, including scrap metal, wood, and other discarded byproducts. Expansion of these practices and approaches to other activities can help close the gap.

Finally, more specific to trade and industrialization, CwA can help link capacity enhancements in agriculture and manufacturing with regional value chain development. In these sectors, Africa presents significant potential for wealth creation, product diversification, and enhancement of value-added. This, in turn, will help with needed employment and income creation, as well as with rising intra-African trade levels predicated more on higher value-added products[32]. In the long term, such a trend would help to diversify Africa's economy and fiscal base, helping to boost resilience and development of local currency financial markets. It would also reduce economic dependence on external debt and help to mitigate the risk of exogenous shocks derived from global markets.

Summary

To achieve effective market integration requires more than a patchwork of initiatives in local communities or decentralized projects. Success in these fields also needs scale. Hence, the dual importance of adding larger countries like Nigeria with industrial capacity to the CwA mix and creating closer integration across regional countries. This will make large-scale capital projects for energy, recycling, waste management, and sustainable agriculture and industrialization more feasible.

Once established, such capacity likewise sets in motion additional innovation and entrepreneurship due to the added opportunities made possible for commercial ventures.[33] Many of these ventures, financed by venture capital and private equity funds, generate high returns due to the need for

[31] This contrasts with North Africa, where the rates approach 100% in all but Libya, a status expected to be rectified in the future when stability returns. By contrast, in sub-Saharan Africa, fewer than half of households have access to electricity. Such limitations on access constrain many small businesses as well, as they have unreliable sources of power or have to rely on diesel fuel-powered generators that are costly and highly polluting. Such constraints make it difficult for businesses to grow.

[32] Intra-African trade is only 17% of total. Intra-African trade has a greater composition of higher value-added goods (i.e., manufactures) than the 83% of trade with non-African markets which are typically raw materials and unprocessed food commodities.

[33] The scope is vast, yet the opportunity offers Africa a way out of its energy and power needs. The opportunity also feeds into 21st century trends that focus on the green and circular economy, leverage digital technologies for impact and efficiency, and in the process provide opportunities for innovators and entrepreneurs to identify local solutions that can then be adapted across countries and regions.

problem solving in the provision of public goods (e.g., solid waste, landfill, e-government that streamlines bureaucratic processes in healthcare systems).

All of the above illustrate the importance of thinking regionally and continentally, with the AfCFTA as a platform and opportunity to have significant impact. CwA can serve as a vehicle to enable investments and institutional capacity aligned with domestic priorities in individual member states while simultaneously supporting movement towards greater regional integration in support of African Union 2063 objectives.

3. PROGRESS ON 2018 REFORM COMMITMENTS AND ADDITIONAL REFORM INITIATIVES

For this year's monitoring report, the World Bank Group reached out to CwA government counterparts not only so that they can provide an update on their progress along the 2018 reform commitments but also so that they can share with us their reform initiatives which go beyond their 2018 commitments, and which are relevant to the objective of the CwA which is to promote private investments.

These inputs have been captured in the twelve country CwA Reform Matrices listed in alphabetical order in the first Annex to this report. These matrices are structured around the three main CwA reform areas (macroeconomic, business and financing frameworks). Some of these initiatives have been "motivated" by the COVID crisis which is compelling countries to put in place the foundations to "rebuild better" and provides a "reform window opportunity" as most difficult reforms tend to be carried out in time of crisis and/or by a new governments. These reform initiatives have also been informed by the WBG Country Private Sector Diagnostics (CPSDs)[34] which emphasize SOE reforms/PPPs[35] and sector specific policy reforms to promote competition and competitiveness, linkages between FDI and SMEs, the digital and green economies as well as secured access to serviced land. The CPSDs are also informing WBG operations supporting these new initiatives – e.g., the Cote d'Ivoire Competitive Value Chains for Jobs and Economic Transformation Project, the Senegal Jobs, Economic Transformation and Recovery Program and the technical assistance to strengthen Morocco's Competition Council.

Some of the 2021/2022 reform highlights are listed below:

Macroeconomic framework:

- New General Tax Code (Benin)
- Tax reductions aimed at improving compliance (Togo)
- e-Tax (Benin, Egypt, Senegal)
- Reform of Public Investment Management/PPPs (Benin, Cote d'Ivoire, Rwanda)
- Debt transparency, especially for SOEs (Ethiopia)
- Fiscal consolidation to limit the budget deficit to 5% of GDP by 2024 (Ghana)
- Clearance of domestic arrears and reform of public procurements (Guinea)
- Reform of public procurements (Burkina Faso, Ghana, Egypt)
- Reform of energy subsidies (Tunisia)

Business framework:

- Service modernization, access to justice and accountability (Benin)
- SME tax reform (Cote d'Ivoire)
- Reform of construction permits (Ghana)

[34] The WBG CPSD program launched in 2017, now covers all 12 Compact countries. CPSDs have been completed and published in 9 Compact countries (Burkina Faso, Cote d'Ivoire, Egypt, Ethiopia, Ghana, Guinea, Morocco, Rwanda and Senegal) and are being completed in the other 3 Compact countries (Benin, Togo and Tunisia).
[35] An upcoming Technical Workshop will focus on this topic.

- Reform of industrial zones (Morocco, Senegal, Tunisia)
- Accelerate the use of online processes to facilitate administrative procedures (Burkina Faso)
- SME support funds (Cote d'Ivoire)
- Fund for feasibility studies (Rwanda)
- Regional Investment Centers (Morocco)
- Linkages program between foreign and local firms (Rwanda)
- High Authority for Quality and Environment (Togo)

Financing framework:

- Fintech (Burkina Faso, Egypt)
- Investment funds for SME (Tunisia)
- Green Bonds (Cote d'Ivoire, Egypt)
- New Microfinance Law (Morocco)
- Agriculture De-Risking and Financing Facility (Rwanda)
- Financing facility for Innovation-Digitalization-Green and Circular Economy (Senegal, Tunisia)

Strengthening of the institutional set up for reforms:

CwA is catalyzing the deployment/reinforcement of the institutional set up to identify/implement key reforms:

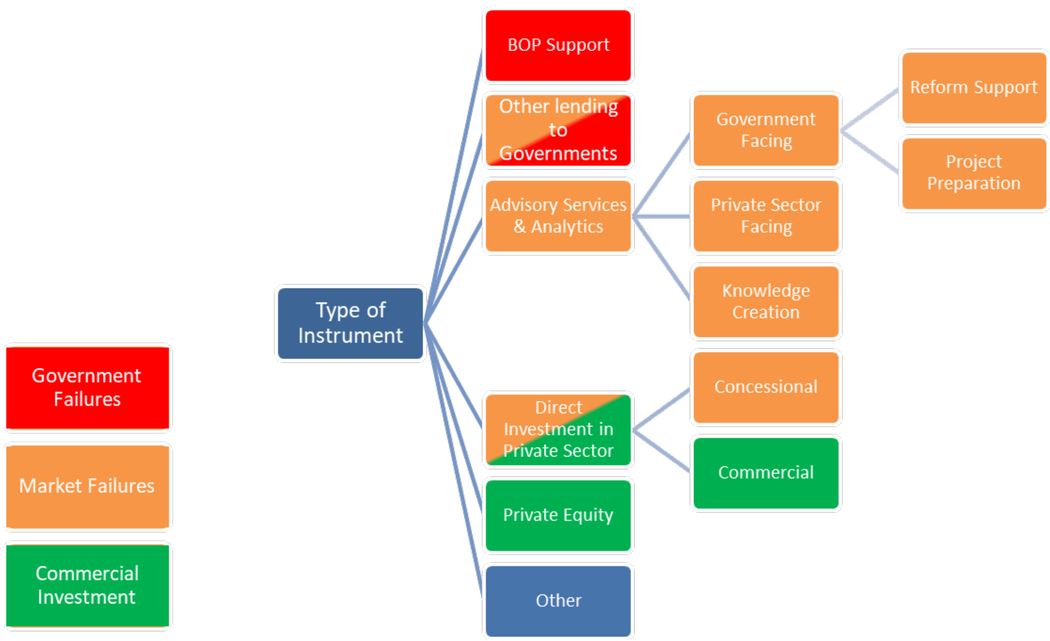
- Country Platform and Reform Delivery Units (Tunisia)
- The “Secretariat Permanent des Réformes” (Togo)
- Technical Support Unit to reform the business environment (Benin)
- Development Partner Forum to receive feedback on the updated Compact Reform Matrix (Morocco)

Bilateral discussions between Tunisia, Egypt, Rwanda and Togo have been organized to share lessons on these institutional set ups for reforms and will be followed by a CwA technical workshop focused on this topic. The updated Compact Toolbox which lists all the programs from multilateral organizations in support of Compact countries (see next section) should help these Reform Delivery Units mobilize and coordinate the support from development partners as part of the Country Platforms.

4. SUPPORT FROM DEVELOPMENT PARTNERS – INCREASING BUT MORE IS NEEDED

As part of this year's three CwA deliverables, the World Bank Group, in cooperation with the other six multilateral partners supporting the CwA (AfDB, AIIB, EBRD, EIB, IMF and IsDB) has updated the CwA Toolbox which provide a complete inventory of their programs in support of CwA countries.

- The first version (2017) of this repository included 80 programs by 7 institutions and their subsidiaries.
- The updated CWA Toolbox now features 130 programs from the same 7 institutions. The toolkit can be found on the public CwA website where a spreadsheet version is also available for sorting purposes.
- Additionally, the toolkit has undergone a restructuring to improve its usability. The new structure classifies programs according to their orientation from purely public facing to purely private facing as illustrated below.



- ➢ Budget support to promote key reforms - e.g., IMF Programs and Emergency Financing and budget support operations from the World Bank, often with other partners
- ➢ Investment lending to provide public goods – e.g. World Bank loans in support of the Jobs and Economic Transformation (JET) agenda and AfDB loans in support to SMEs
- ➢ New diagnostics helping countries to identify key reforms – e.g. Country Private Sector Diagnostics (CPSDs) have been completed in nine CwA countries and are being finalized in the other three (Benin, Togo and Tunisia) and Country Climate Development Reports (CCDRs) have been launched/programmed in ten CwA countries (Burkina Faso, Cote d'Ivoire, Ethiopia Ghana, Egypt, Morocco, Rwanda, Senegal, Togo and Tunisia)

    - Long-term financing to the private sector (e.g., $7.5bn from IFC since 2017 in all CwA countries).
- Although the support from development partners has increased, additional support is needed during this critical and challenging time. CwA countries have expressed interest in receiving additional support with respect to:
    - Public Private Partnerships (PPPs) which are increasingly needed given the lack of fiscal space but have proven challenging to implement. PPPs have often been the results of unsolicited proposals, subjected to expensive renegotiations with poorly understood contingent liabilities. Countries need to develop the technical capacity to identify PPP priorities as part of the Public Investment Management process (leveraging the new country/sector diagnostics), understand the reform prerequisites and fiscal implications (through feasibility studies), organize international competition leveraging standardized bidding documents (following the successful example of IFC's Scaling Solar initiative). PPPs should be considered together with other, possibly simpler, alternatives such as SOE reforms (ensuring they do not distort the markets) or privatizations (ensuring they do not lead to unregulated private monopolies).
    - Other de-risking instruments (e.g. IFC's Private Sector Window) to help crowd-in reluctant private investors. It is increasingly clear that reforms (or the promise of reforms) may not be sufficient to attract private investors which are often faced with the risks and cost of being first movers, only made worse by the challenges and transformation faced by the global economy. There is an opportunity/need for countries to assess and leverage the growing set of "de-risking" instruments being offered by development partners (see the "concessional support to the private sector" section of the Toolbox).
    - SMEs, entrepreneurship and innovation. Domestic private firms, especially the smaller ones which did not receive much support, have been badly hit during the pandemic. The challenge in this area is to provide support in the form of public goods benefiting the largest number of firms at the smallest cost to the strained public finances – as opposed to providing indiscriminate and expensive financial support.
    - Identifying and implementing key reforms. This should start with in-depth analysis of key policies/sectors identified in the country diagnostics such as the CPSD and Country Economic Memorandum (CEM). Once identified, key reforms should be implemented through dedicated and empowered teams such as Reform Delivery Units leveraging Country Platforms and the CwA Toolbox.
    - Outreach to potential private investors. Cross-cutting policy reforms and broad investor outreach activities, while necessary, have often proven insufficient to generate investments. Countries need to tailor their investor outreach activities around specific sectors/opportunities and investor types after having carried out the necessary reforms.

- CwA peer to peer technical workshops are being planned by ACET (Africa Center for Economic Transformation) on these priority topics. The first two will be on PPPs and good practice institutional set ups to implement key reforms and reach out to private investors. This will build on the very successful bilateral exchanges between Tunisia, Egypt, Rwanda, and Togo which took place over the last few months. Countries were particularly interested by the case of Tunisia which mobilized a $6 million CwA Multi-donor Trust Fund (MDTF) to implement its Country Platform and Reform Delivery Unit as well as conduct PPP feasibility studies and support outreach activities to strategic private investors. Going forward, given these very promising and important developments at a critical and challenging time, the World Bank has decided to support the Compact with Africa through C-JET and F4D - its new umbrella MDTFs in support of private and financial sector development respectively.

ANNEX 1 – UPDATED REFORM MATRICES FOR EACH COMPACT COUNTRY

Like for last year's April 2021 Monitoring Report, the World Bank Group reached out to CwA government counterparts not only so that they can provide an update on their progress along the 2018 reform commitments but also so that they can share their reform initiatives which go beyond their 2018 commitments, and which are relevant to the objective of the CwA.

These inputs have been captured in the twelve country reform matrices listed in alphabetical order thereafter in this Annex. These matrices are structured around the three main CwA reform areas (macroeconomic, business and financing frameworks) and have three columns as follows:

- The first column "Country's X reform commitments/initiatives" lists the following two types of reforms:
  1. The reforms the country committed to in 2018 at the start of the CwA initiative to promote private investments as well as new reform commitments/initiatives. The 2018 reforms listed can be found under "government actions" in the 2018 CwA Reform Matrix which can be found on the CwA website (https://www.compactwithafrica.org) – they are listed under the banner row "2018" for each of the reform sub-categories in the updated 2022 CwA Reform Matrix.
  2. The new reform commitments/initiatives are listed under the banner row "New Reform Commitments/Initiatives" for the reform sub-categories in which they took place.
- The second column "Progress in meeting commitments/initiatives" takes stock of the progress made on the 2018 reform commitments as well as progress along the new reform commitments/initiatives. This column combines the information from the April 2019, May 2020 & April 2021 CwA Monitoring Reports with the latest reform updates received from all CwA countries as of April 2022.
- The third column "Partner Support" lists the name(s) of the development partner(s) supporting each of these reforms.

Benin

Benin's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Macroeconomic framework		
Macroeconomic stability		
	2018	
Maintaining macroeconomic stability	On May 15, 2020, the IMF Executive Board completed the sixth and final access review of the Extended Credit Facility (ECF). The arrangement was approved on April 7, 2017, for a total amount of SDR 111.42 million (90% of quota) to support the country's economic and financial reform program, which was strengthened by an increase in access to IMF resources during the last program review (equivalent to 61.4% of quota, bringing total access to 151.4% of program assessment). The **results achieved under the program have remained very satisfactory**, with a **solid track record** over the three years of the program. The authorities expressed interest in continuing their medium-term collaboration with the IMF after the program expires. On December 21, 2020, the IMF approved a disbursement under the Rapid Credit Facility (RCF) equivalent to SDR 41.30 million (33.33% of quota) and a purchase under the Rapid Financing Instrument (RFI) equivalent to SDR 82.54 million (66.67% of quota) to address urgent public finance and balance of payments needs arising from efforts to address the persistent impact. of the COVID-19 pandemic. The combined amount of this envelope amounted to 100% of Benin's quota. On November 20, 2021, the IMF concluded an IMF staff visit to Benin. This mission took place in the context of an official request for a new program supported by the Fund by the Beninese authorities. Benin received debt service relief to the IMF (5 tranches) as part of the IMF's response to the crisis under the Disaster Assistance and Response Trust Fund (ARC Trust Fund). In December 2019, USD 100 million in IDA financing was approved to foster high and sustainable growth and strengthen fiscal management. This funding has been dedicated to removing critical bottlenecks to help support high and inclusive growth, create more and better jobs, and encourage entrepreneurship, especially among women and youth. On 26 June 2020, Benin received USD 50 million in funding to strengthen fiscal and debt management, improve the financial sustainability of the energy sector, and foster the development of the digital economy. The transaction was consolidated with a second financing of USD 100 million on December 16, 2020, to specifically improve the financial viability and competitiveness of the BeninEse Electric Power Company (SBEE), develop renewable energy technologies and promote a competitive, reliable, and accessible digital sector.	The IMF supported macroeconomic stability through the ECF, the RCF/RFI financing tranche, and the SDR allocation that took place in August 2021.The WB has complemented these efforts with policy reforms supported by Development Policy Operations (DPOs) in the areas described
	New Reform Commitments/Initiatives	
Strengthening the macroeconomic framework and ensure its stability	To strengthen the macroeconomic framework and ensure its stability, Benin has integrated three main actions into the government's 2021-2026 action plan: (i) strengthen the macroeconomic framework and regional integration, (ii) continue to improve public financial management, and (iii) continue to improve the business climate. Details of the reforms and projects related to each of these pillars are available in the presentation of the 2021-26 PAG.	IMF & WB
Domestic revenue mobilization		
	2018	
Dematerialization of fiscal and non-fiscal receipts' procedures and payments to Tax and Customs authorities	Implementation through the Benin Domestic Revenue Growth Support Project (PAARIB). In order to strengthen compliance with tax procedures and reduce tax evasion, the MEF piloted an electronic system to improve the exchange of information between the central tax authority (the Directorate General	WB-DPO Series (2018-2020) & Global Affairs

Benin's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	of Taxes, DGI) and the customs authority (the Directorate General of Customs and Indirect Duties, DGDDI). This pilot project has now been made permanent. An electronic services portal has been set up, allowing taxpayers to make their payments online. The Government of Benin has set up an electronic platform interconnected with the SIGTAS system for online tax declaration and payment for large companies since 1 February 2018 and medium-sized enterprises since 1 February 2019. Since 1 February 2019, medium-sized enterprises under the Tax Centers for Medium Enterprises (CIME) in several cities, including the city of Cotonou, can declare and pay their tax and social obligations electronically. This includes medium-sized enterprises located in the departments of Littoral, Atlantique, Borgou - Alibori (where about 90% of companies are located). In 2019, the government took additional measures, including the use of VAT invoicing devices, which transfer data relating to a VAT transaction to tax authorities in real time. Since 2015, Benin has set up an online platform based on ASYCUDA WORLD (ASYCUDA World) for the Single Window for Foreign Trade (GUCE). A number of procedures related to foreign trade such as the declaration of foreign trade transactions, the hiring of a customs broker and the verification of documents by customs officers can now be completed online through this platform.[36] As reported by the Government in 2022, digital platforms are being improved and already allow individual taxpayers to meet their obligations through mobile money transfers and bank e-cards. Through this action, the coverage of electronic platforms for taxpayers will reach a wider population, as individual taxpayers will have access to a digital platform to pay various taxes, fines, and fees. From January 2020, the platform will cover the payment of fees and fines related to vehicles	Canada (through PAARIB)
Broadening the tax base	The budget law (LoF 2020) approved in December 2019 included the following reforms: To broaden the tax base, the authorities eliminated tax expenditures related to the temporary exemption from registration duties of 1% on all contracts for the supply of goods, services or labor (RoF 2020); to improve tax revenues, the government increased the rates of excise duty on alcoholic beverages, tobacco and energy drinks and adjusted the number of excise duties, in accordance with WAEMU regulations; it has also simplified the structure of income tax, including by aligning the minimum tax rates on the profits of corporations, micro-enterprises and individuals engaged in industrial or commercial activities. The transfer pricing framework has been strengthened by the adoption of the legislation in the Budget Act and its related regulatory instruments (in 2020), aligned with OECD best practices. In 2018, the government created a new Tax Policy Unit ('TPU') at ITB to strengthen evidence-based tax policy development. The tax policy unit is now operational. The first nine officers joined the TPU in March 2018, and a head of unit was appointed in April. The TPU publishes regular reports on tax policy issues to the DGI and the MEF. The newly created unit is currently developing a tax benchmark (TRS) to better quantify tax expenditures.	WB through the 2019-2020 DPO series, IMF through Afritac West TA, and FEC & OECD-BM TA on Transfer Pricing
New Reform Commitments/Initiatives		
Strengthening the mobilization of tax revenues	The Government Action Plan 2021-2026 (PAG) provides for the implementation of the "Intelligent Administration" or SMART GOUV project (phase 2), promoting the digitization of public procurement and land certificate. In general, the reform of public finances should make it possible to strengthen the mobilization of tax revenues through the strengthening of the capacities of the actors and the	WB-DPO Series (2018-2020) & Global Affairs Canada

[36] Please see: https://guce.gouv.bj/assets/downloads/foreignTrade.pdf

Benin's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	operationalization of the statistical information system of the ministries. The PAG aims to reach 14.2% of GDP in tax revenue by 2026.	(through PAARIB)
Adoption of 2022 General Tax Code	Benin has adopted a new 2022 General Tax Code in accordance with Law No. 2021-15 of 23 December 2021. The CGI 2022 incorporates a book of tax procedures (LPF), which now establishes a clear separation between the base rules and the tax procedures. The new rules of procedure advocated ensure transparency, speed but also the protection of the taxpayer. With this new document, the government aims to establish a development tax system at the service of citizens. The new CGI is a fundamental instrument to guarantee state revenues while respecting the rights of taxpayers in accordance with the requirements of the rule of law. A number of other improvements are planned for the online tax payment system, including a module to automatically correct returns, the integration of VAT refunds into the online system, the payment of taxes at national and local level using mobile money and the digital provision of tax certificates. Training is also planned for practitioners to familiarize them with the new features.	WB-DPO Series (2018-2020) & Global Affairs Canada (through PAARIB)
Digitalization of asset registration and transfers	The digitization of asset registration and transfers through the introduction of an electronic tax stamp will also help improve domestic revenue mobilization. A further generalization of VAT invoicing arrangements is foreseen.	WB-DPO Series (2018-2020) & Global Affairs Canada (through PAARIB)
Migration of foreign trade procedures and customs units to digital platforms	In the coming years, all foreign trade procedures must be migrated to the GUCE platform. All customs units must be migrated to ASYCUDA World. It is also envisaged that customs procedures will be improved by setting up a system of pre-risk analysis based on data from sea and air freight manifest data for goods to and from Benin.	WB-DPO Series (2018-2020) & Global Affairs Canada (through PAARIB)
Implementation of COVID-19 tax measures	The COVID19 tax measures were designed to preserve the structural revenue gains achieved. They include the exemption from motor vehicle tax (TVM) for public transport operators in 2020, the postponement of tax returns from April to June 2020, and the acceleration of VAT refunds. VAT refunds, although accelerated, are made considering the risk-based framework approved in the 2020 Budget Law (see below).	WB through the 2019-2020 DPO series, IMF through Afritac West TA, and FEC & OECD-BM TA on Transfer Pricing
Management of public investments (public procurement, PPPs, state-owned enterprises, public services)		
2018		
Strengthening the legal framework for public finances	Benin has adopted, as part of Law No. 2020-26 of 29 September 2020, a new Public Procurement Code. The law establishes the rules for the award, control, execution, regulation, and regulation of public procurement in the Republic of Benin. Benin has implemented Law No. 2018-38 of 17 October 2018 establishing the Caisse des dépôts et consignations in the Republic of Benin. The CDCB was created to support the State's public policies in terms of economic and social development through its innovative solutions and the financing of investments in Benin Strengthening budgetary transparency and developing a mechanism for citizen control of public action Benin has adopted Law No. 2020-20 of 2 September 2020 on the creation,	

Benin's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	organization, and operation of public enterprises. The Law establishes a new single regulatory framework that applies to public entities and aims to promote and foster the practical organization and management of public enterprises by strengthening the role and prerogatives of boards of directors. Benin has implemented Law No. 2020-25 of 2 September 2020, amending Law No. 2018-17 of 25 July 2018, on the fight against money laundering and the financing of terrorism. The new law provides, inter alia, for the establishment of a National Financial Intelligence Unit to enhance the effectiveness of the State in the fight against money laundering and the financing of terrorism.	
Operationalization of the institutional framework for the sustainable programming of public investments	Benin has effectively adopted its new PPP framework (the PPP law was adopted in 2017). To improve the financial viability of the electricity sector, the government has started the implementation of the sector's financial recovery plan for the period 2019-2022, including policies to reduce technical and non-technical losses. The plan was developed from a financial model that integrates all key sector parameters that reflect the financial balance of the electricity sector. The adoption of the plan was essential as the government embarked on the installation of new domestic generation capacity. Since its adoption, it has enabled the Ministry of Energy and the SBEE to identify and implement medium-term measures for the financial equilibrium of the electricity sector encompassing a healthy energy mix and a program to reduce technical and non-technical losses. Management companies for road projects and the electricity sector. In the electricity sector, a private administrator, under a management service contract, was hired to manage the SBEE with the aim of improving efficiency. On November 4, 2019, a Management Service Contract (SMB) was awarded to a Canadian company for the management of SBEE following a call for tenders. This reform is crucial to improve the financial viability of the company and improve its efficiency. It transforms the SOE into a more competitive public company. At the end of 2020, key performance indicators for SBEE were adopted through the signing of a performance-based contract (PBC). The PBC between the government and the SBEE is a political tool to define the commitments to implement an agreed business plan, and the associated key performance indicators (KPIs) that aim to reduce technical and business losses, create accountability and compliance mechanisms. In January 2020, Parliament adopted a new Electricity Code, which is an important step towards the financial sustainability of the energy sector and the promotion of electricity from renewable energy sources. The government is also updating a multi-year master plan for generation, transmission, and distribution.	MCC (compact énergétique) & World Bank (IPFs and DPOs)
New Reform Commitments/Initiatives		
Institutionalization of the Court of Auditors	Benin has institutionalized the Court of Auditors within the framework of Organic Law No. 2020-38, to strengthen the control and transparency of public management. Adoption of the revised General Tax Code Benin adopted a program-based budget for the first time in 2022. This innovation aims to strengthen the harmonization of the public financial management framework, its transparency, as well as the efficiency of the resources used by the various public institutions. Another innovation is the adoption of a new Integrated Public Financial Management System (IMSIS).	
Aligning the criteria for the selection of public investment project with international standards and practices	Benin intends to align all criteria for the selection of public investment projects with international standards and practices in the coming years. This will be done through the implementation of the mission's recommendations on the evaluation of investment management using the PIMA methodology. The deployment and structuring of public investment expenditure are done in terms of commitment authorizations (AE) and payment appropriations (CP) in sectoral ministries. A methodological guide should	

Benin’s reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	be prepared for EI/CP and for the transition from PAs to EAs, with mechanisms to ensure quality of execution. Principles and rules should be established for the management of deferred funds and their implementation by sectoral ministries. Commercial debts arising from the execution of capital expenditure on closed or ongoing projects should be systematically included. The aim is to develop the skills of public officials in monitoring the budgetary and financial aspects of the execution of public investment expenditure. The model of Annexes AE/CP of the Annex to the Draft Finance Law for the National Assembly needs to be improved.	
Implementation of the General Framework for the Management of Public Investment Projects (PIP)	In the context of COVID-19, the authorities have put in place a moratorium on the suspension of electricity for those who could not pay the electricity bill for 3 months (May-June). Benin approved Decree 2019 - 193 of 17 July 2019, setting the general framework for the management of public investment projects. The General Framework for the Management of Public Investment Projects (PIP) aims to optimize the implementation of the Government's Action Program (PAG), and the effectiveness of public investments	
Setting the general framework for the management of public investments	Benin adopted Decree No. 2021 - 586 of 10 November 2021, setting the general framework for the management of public investments. The decree determines the legal framework for the selection, implementation and monitoring of projects in collaboration with the institutions in charge of the projects of the government's action program. Benin plans to continue the revision of the decree. 2019 - 193 of 17 July 2019, setting the general framework for the management of public investment projects, to strengthen it and bring the legal framework into line with methodological and organizational developments in budgetary and accounting management in program mode.	
Restructuring of SBEE networks	As part of the 2021-2026 PAG projects, Benin aims to restructure the distribution and extension system of SBEE networks in major urban centers.	
Performance monitoring for certain SOEs	Performance contracts must be implemented for major state-owned enterprises to improve their performance.	
Business Framework		
Regulations and institutions		
	2018	
Strengthening the monitoring of Doing Business indicators	Interministerial Committee for investment promotion (The Minister of Economy and Finance is the spearhead). The appointment of the Minister of Economy and Finance as direct supervisor of reforms related to improving the business climate, in particular those related to the Bank's Doing Business Index, has accelerated the pace of implementation of reforms. Similarly, the BAI/APIex technical teams have been strengthened with the support of MEF staff.	IFC/BM
Streamlining and simplifying procedures	Benin has implemented Law No. 2020-03 of 20 March 2020 on the promotion and development of micro, small and medium-sized enterprises in the Republic of Benin. The new law aims to create a legal, institutional, and financial framework conducive to the development of entrepreneurship in Benin. The law includes measures to identify SMEs to facilitate the allocation of public aid, the creation of public agencies for SMEs, assistance measures and access to finance, tax incentives for the purchase of professional equipment, the promotion of financing access to land, and support measures for companies in difficulty. In 2020, the implementation of the online business register was finalized. The business creation process has been streamlined and digitized with online procedures and payments (www.monentreprise.bj) and electronic creation certificates obtained within 3 hours.	

Benin's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	The issuance of building permits has been simplified and digitized, as have applications for new water connections. The land register has been digitized and the property registration process has been simplified (www.enotaire.andf.bj). Free electricity connections have been introduced for medium-sized companies with needs of 140 to 160 kVA, and the procedures for requesting a new connection have been simplified and digitized. An electronic collateral register (www.suretés.tccotonou.bj) has been established for movable collateral to facilitate access to credit. Since 2015, the payment of taxes and the submission of documents related to international trade have been gradually digitized via the ASYCUDA World platform, which significantly reduces import and export times. A private credit bureau has been established by Credit Info Volo to collect and disseminate credit information to facilitate access to credit. Government reported in 2021 that streamlining procedures must be implemented for all types of companies requesting electricity connection (all capacities combined). Automated systems (SCADA) must be implemented for the monitoring of power failures (SAIFI/SAIDI). There are plans to continue expanding the credit bureau to increase its coverage.	
Investment Code Authorizations	Benin approved Law No. 2020-02 of 2 March 2020 adopting a new investment code. The 2020 Code provides for a common law regime for the authorization of investments and preferential regimes comprising three basic privileged regimes and two special regimes. In particular, the Code incorporates tax advantages and guarantees for investments, local content requirements and transparency in the making of investments, the renovation of the institutional framework and the reorganization of investment dispute settlement methods.	
Establishment of Special Economic Zones (SEZs)	Plan under development	
New Reform Commitments/Initiatives		
Establishment of the Technical Support Unit for the improvement of the Business Climate and Investment Promotion	In 2021, Benin established an independent body (Technical Support Unit for The Improvement of the Business Climate and Investment Promotion) to lead wide-ranging reforms related to the business environment, governance, and private sector development, following the abandonment of the World Bank's Doing Business Index. The cell has already started working on planning reforms for the coming year. The modalities for carrying out periodic investor perception surveys will be defined with a view to producing new data on the transfer of ownership, access to electricity and the resolution of commercial disputes. With regard to the promotion of ICTs: (i) adopt legislation to promote the mandatory sharing of infrastructure by existing operators through; (ii) clarify the Digital Law 2017-20, art. 188-189 involvement for towercos; (iii) detail the conditions under which mobile sites can be deployed and transferred; (iv) clarify digital law 2017-20, art. 72 involvement for towercos: clarify mandatory sharing provisions in priority areas and (v) study the reduction of administrative formalities for the authorization of deployment of the site at the municipal level	
The rationalization and strengthening of entrepreneurship programs and the promotion of innovation	The rationalization and strengthening of entrepreneurship programs and the promotion of innovation	
Operationalization of the Interministerial Committee for the Support and Financing of Growth Entrepreneurship	Operationalization of the Inter-ministerial Committee for the Support and Financing of Growth Entrepreneurship	

Benin's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Development of regional free trade area	The 2021-2026 PAG plans to develop a free trade area with Nigeria and other countries in the region. Construction of a 143 MW thermal power plant in the Glo-Djigbé Special Economic Zone	
Implementation of the national strategy for technical and vocational education and training	Implementation of the national strategy for technical and vocational education and training through - Construction of thirty (30) modern agricultural technical high schools with new vocations that will lead them to contribute effectively to the development of the national economy, - Construction of seven (7) reference schools in the fields of energy, digital, building and public works, automotive and industrial equipment, water and sanitation, wood and aluminum industries, tourism-hotels and restaurants, - Construction of seventeen (17) rehabilitated technical high schools in the energy, digital, living environment-infrastructure-transport and tourism-hotel-catering sectors.	
Implementation of the e-forex module of the single window for foreign trade	Implementation of the e-forex module of the single window for foreign trade (digitize the process of processing foreign exchange authorization applications related to international trade).	
Investor Protection and Dispute Resolution		
2018		
Operationalization of new commercial jurisdictions	Commercial courts being strengthened: The commercial courts of Cotonou, Parakou and Abomey have been fully operational since July 2017. In addition, a simplified procedure for small claims not exceeding a value of XOF 5000 was introduced at the Cotonou Commercial Court in February 2020, with a second Small Claims Chamber also created in January 2021. A Small Claims Chamber was also established at the Cotonou Court of First Instance in January 2021. Several other innovations have been introduced at the Cotonou Commercial Court to improve its efficiency, including capping the maximum number of adjournments, introducing a pre-trial conference, and introducing incentives for alternative dispute resolution. The court has also been digitized and now allows users to file complaints, pay court fees and receive service online. An electronic case management system has also been introduced for judges and lawyers. Judgments as well as statistics on the court's performance are published on the court's website, which contributes to transparency.	
New Reform Commitments/Initiatives		
Adoption of the Law on the Modernization of Justice	The Law on the Modernization of Justice of April 2020 introduced changes in the rules of procedure allowing plaintiffs to obtain from defendants and witnesses any document related to the subject matter of the request at trial and facilitating the plaintiff's request for documents from the defendant.	
Service modernization, access to justice and accountability	The 2021-2026 MAP integrates judicial service modernization, access to justice and accountability (Phase 2). A Court of Appeal is created at the Cotonou Commercial Court. In the coming years, the focus will be on continuing the training of lawyers and bailiffs on the electronic case management system at the Cotonou Commercial Court, the digitization of old judgments, the maintenance and improvement of the digital system and its databases.	
Financial Framework:		
Investment Risk Mitigation:		
2018		
Implement a zoning system and electronic registration of land titles	Thanks to the modernization and digitization of the ANDF, all existing title deeds in Cotonou are now stored in a digital format, and all new property titles are obtained in a digital format. All plots of land in Cotonou and 9 other communes in Benin have also been mapped, and mapping of other communes is underway. Information on digitized title deeds and mapped plots is available in online databases. The digitization of land administration has enabled the ANDF to provide many of its services electronically, via the E-Notaire	

Benin's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	platform, and has also contributed to the increased efficiency of service delivery. It is therefore now possible to request a descriptive statement, to request the transfer of a title deed, and to file complaints about the services provided by the ANDF via the E-Notaire platform. Progress has also been made in the property registration process with improving the reliability and transparency of the land administration system by publishing official statistics on land transactions and disputes for the previous calendar year and has started to issue a legally binding document within a specific time frame. The recent completion of the cadastre for Cotonou, Porto-Novo and LokoSub-Saharan Africa should contribute to the enforcement of property rights. The corresponding data are available online. (h ttps://cadastre.bj/). Benin has also improved access to credit information with the recent launch of a new credit bureau (2019) and has improved its labor market regulation through the amendment of regulations on fixed-term contracts (2019). The 2021-2026 PAG intends to continue the dematerialization of the issuance of land titles. The efficiency of the real property registration process needs to be further improved in the coming years through the streamlining and digitization of procedures, and the reduction of costs for users. A unique parcel number must be set up for this purpose. Awareness and training programs on the new digitized procedures need to be put in place for municipalities. Title deeds must be established for all private plots of land in the capital and, eventually, throughout Benin. The mapping of all private plots in Benin must be completed. All cadastral registers must be made available online. In order to simplify the settlement of property disputes, a national database for verifying identity documents should be created. A judicial procedure allowing for a faster resolution of property disputes must be put in place. Statistics on land disputes for the past five years must be published online and updated regularly.	
Strengthening and diversifying financing instruments for SMEs and agricultural enterprises	The 2021-2026 PAG incorporates numerous reforms in terms of SME financing: Mise in place of an investment and venture capital mechanism in relation to the CCIB; Establishment of a one-stop promotion window and a public guaranteed mechanism for SMEs (in particular those impacted by Covid-19); Establishment of a mechanism to promote private investment in the field of processing and handicrafts; Development of the Chamber of Trades of Benin. In addition to the above-mentioned reforms, the project to strengthen the competitiveness and upgrade of MSMEs will be operationalized. In addition, the Government has approved and transmitted to the National Assembly, for study and vote, the WAEMU Community Directive on leasing. With regard to the facilities granted to SMEs: Some measures are being implemented in the context of the promotion of small and medium-sized enterprises. These are: Incentive measures for the creation of companies: (i) the free formality of registration registered in the General Tax Code for several acts whose company acts are still in force. (Introduced by LF corrigendum 2016); (ii) For companies covered by the Synthetic Business Tax (GST) regime: exemption from the GST for new companies, regularly created, on their first twelve months of activity; and reduction of the minimum tax from 150,000 to 10,000 CFA francs; (iii) for new companies covered by the corporate tax (IS) or business income tax (IBA) regime: exemption from the license for the first twelve months of activity; and reduction by bracket of income tax on the first three years of activity; (iv) For start-ups: exemption from corporation tax and employer payment on salaries during the first two (2) years of activity; and a 50% reduction in the same taxes for the third year. Measures to promote SMEs: (i) establishment of a system of declaration and imputation of the AIB and abolition of the obligation of prior request for validation; (ii) introduction of the possibility of obtaining a modulation of instalments of income tax when the company considers that the tax it will pay in respect of a year will be lower than the instalments of the same year; (iii) reinstatement of	Several donors in the context of COVID-19 WORLD BANK

Benin's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	deemed deferred depreciation (ARD) which is now considered to be deductible deficits over five years; (iv) establishment of the possibility of split payment of the supplementary license to relieve the cash flow of companies awarded works contracts; (v) establishment of the possibility of deferred payment of registration fees when the State is a party to the act; (vi) free registration of deeds of transfer of immovable property, the amount of which is less than or equal to 50,000,000 francs, in the name of commercial and industrial companies; (vii) reimbursement by tax credit of the costs of acquiring and configuring Certified Electronic Invoicing Machines (MECeF); (viii) abolition of the withholding tax of 40% of the amount of VAT invoiced, for certain companies in a justified creditor situation; (ix) reduction of the income tax rate from 30% to 25%, for private schools of school, university, technical and vocational education; (x) benefit from a tax credit for companies justifying a year of activity, following the conclusion of an employment contract of indefinite duration with people accessing their first job; (xi) exemption from the VPS for new companies duly created in respect of their first year of activity; (xii) abolition of the fee required of companies for the issuance of tax documents; (xiii) exemption from VAT on request, of new materials and equipment imported by small and medium-sized enterprises not benefiting from a derogatory tax regime, intended for the installation of craft and industrial units. The modalities for the implementation of this provision are fixed by decision of the Interministerial Committee for the Promotion of Investments provided for by the Investment Code in the Republic of Benin (Article 12 LF 22.) **Measures aimed at the formalization of the informal sector**: (i) reduction of 40% of corporate tax, business profits tax or synthetic business tax, for any company not known to the tax services and carrying out a commercial, industrial, craft or agricultural activity, which joins an approved management center (CGA), from the first to the fourth year from its date of membership of the CGA; (ii) exemption from tax audits during the first two financial years following that of joining a CGA; (iii) remission of penalties, fines and tax increases to any taxpayer in the informal sector who spontaneously subscribes for the first time to his declaration of cases carried out in previous financial years and who makes full payment of the duties due; and (iv) exemption from payment of duties due in respect of previous years, by companies formerly created and having declared on their honor not to have carried out activities since their creation. The 2021-2026 PAG incorporates many reforms to enhance agriculture: (i) measures to facilitate access to seeds, inputs, and markets; (ii) fiscal and non-tax incentives for the import of agricultural inputs and the export of agricultural products; (iii) establishment of the agency for the management of large plantations and an office for the management of livestock holdings. Through the recapitalization project of the National Agricultural Guarantee Fund (FONAGA), the World Bank is providing $10 million and technical assistance to strengthen FONAGA's capacity. It also supports the establishment of the following frameworks: (i) business environment promoting access to information on investment opportunities in agribusiness, public-private dialogue on the removal of specific constraints and interactions with local and international investors; (ii) an incentive framework to enable the private sector to provide training services related to commercial agriculture; (iii) institutional frameworks for the organization of priority agricultural sectors promoting the development of governance structures that respond to Benin's agricultural and commercial realities; (iv) legal and regulatory framework for warehouse receipts to allow the use of agricultural production as a guarantee for the financial sector and facilitate the marketing of products; (v) regulatory framework (seeds) and incentive mechanism (fertilizers) promoting the establishment and sustainability of private seed companies and a supply of specific fertilizers for non-cotton sectors.	
New Reform Commitments/Initiatives		

Benin's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Establishment of the COVID-19 socio-economic response plan	A socio-economic response plan to mitigate the impact on businesses, the self-employed and households has also been put in place. It supports companies in the formal sector (82 billion CFA francs, or 0.9% of GDP) and vulnerable households (16 billion CFA francs, or 0.2% of GDP). A public guarantee plan and credit lines and refinancing measures have been put in place to promote access to finance for micro, small and medium-sized enterprises. To contain fiscal pressures, spending on these stimulus packages is expected to span the entire period 2020-2022 and will be adjusted as needed. Benin has launched projects to support the development of the cashew sector and agricultural entrepreneurship (PADEFA-ENA), as well as the competitiveness of agricultural value chains and export diversification (PACOFIDE).	
Mobilization of private and institutional investments		
	2018	
Improve Benin's credit rating through debt restructuring and the support of internationally renowned credit rating agencies.	The policy-based guarantee operation, supported by the WB, had a number of impacts beyond debt reprofiling. First of all, Benin obtained its first international sovereign credit rating (July 2018), which has also since allowed it to access financing by Eurobonds (March 2019, January 2020) at rates more advantageous than those of the regional market. The transaction supported by PBG (Policy-based guarantee) introduced a new class of investors in Benin. Secondly, on the latter point, it has helped to increase confidence in Benin's borrowing, which has led to lower interest costs for regional borrowing. Third, and contributing to Benin's growth and productivity agenda, the loan has freed up domestic resources and increased liquidity in the domestic financial sector, thereby helping to reduce the crowding-out effect on the domestic banking sector. Credit growth to the private sector has increased significantly. Finally, it also improved the Debt Management Unit's ability to analyze the debt portfolio and refine its negotiating skills with international banking markets. Interviews with representatives of the Ministry of Finance and the Debt Management Unit highlighted the following points: On 12 January, Benin raised €1 billion (5.7% of GDP) in Eurobonds, during the first issue of African debt on international markets of the year. Benin issued its Eurobond in two tranches: the first tranche with an 11-year maturity and a yield of 4.875% for a total of 700 million euros (459 billion FCFA) with a 3-year repayment plan over the period 2030-2032; the second tranche with a maturity of 31 years and a yield of 6.875% for a total of 300 million euros (197 billion FCFA). Both tranches were oversubscribed, reflecting strong investor confidence in Benin and the search for higher returns in emerging markets and developing economies (EMDEs). Since the COVID-19 epidemic, Benin is the second West African country to issue on international markets after Côte d'Ivoire issued a €1 billion Eurobond with a maturity of 12 years in November 2020 for an average return of 5%. The issuance of Eurobonds has three objectives: (i) to reprofile the existing external debt, (ii) to finance the 2021 budget and (iii) to contribute to the PAG's flagship projects. On 15 July, Benin successfully issued an inaugural €500 million bond on the Sustainable Development Goals (maturity of 12.5 years with a coupon of 4.95%) to cover relevant environmental and social objectives, such as access to clean water and energy, education, health, decent housing, connectivity, and biodiversity conservation, inter alia. This is an important transaction as it is the first ESG issue by a sovereign of sub-Saharan Africa. On 29 November, Benin concluded a proactive early debt repayment operation, initiated in July 2021, targeting domestic debt instruments for a total amount of 217.9 billion CFA francs. These instruments had initially financed projects that were now eligible for the newly issued SDG bond and had less favorable financial conditions (resulting in a saving of XOF 36 billion on debt servicing). This historic transaction, the first of its kind in the regional capital market, reflects the Republic's agile public debt management strategy and the	WB

Benin’s reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	achievement of the SDG commitments of the Presidential Development Agenda. In March 2021, Moody's upgraded the rating of the long-term issuer and the Government of Benin's senior unsecured debt from B2 to B1. The outlook has shifted from positive to stable, reflecting a strong balance sheet of fiscal consolidation and improved debt structure, as well as growing economic resilience, with robust growth prospects supported by ongoing structural reforms. In October 2021, Fitch upgraded Benin's rating from B to B+, reflecting the economy's resilience to the pandemic shock and the Nigerian border closure, combined with Fitch's view that the likelihood of downside scenarios associated with these shocks has decreased. Bloomfield raised Benin's long-term rating from A- to A due to the good management of the COVID-19 crisis and the country's strong economic resilience. The agency highlights the strong mobilization of budgetary resources, the negotiations for the establishment of a free trade area with Nigeria, a sustainable public debt, and the new development plan. In January 2022, the regional rating agency WARA (West African Rating Agency) published its inaugural rating of the Republic of Benin (A-/Stable/w-3; and international iB+/Stable/iw-5). This rating is supported by Benin's proactive structural economic policy, improved governance indicators, public debt control and position as a hub for sub-regional trade. On the other hand, international competitiveness, the banking sector, and the high elasticity of macroeconomic performance compared to that of Nigeria remain constraints.	
Strengthen access to opportunities offered by multilateral and bilateral institutions to reduce non-commercial risks for private and institutional investors	In July 2020, Benin received €6.28 million from the AfDB as part of the financing of the Multi-Country Covid-19 Pandemic Response Support Program (PARCovid-19). On September 8, 2020, the AfDB granted €1.78 million for the Project to Support the Decentralization of Drinking Water, Hygiene and Sanitation Services in Atacora-Donga (LEauCal Project), in northwestern Benin, which was designed to increase people's access to water and sanitation. On November 24, 2020, Benin received USD 67.19 million from the AfDB through the African Development Fund and the Global Environment Facility for the sustainable increase of productivity and crop production through the promotion of promising sectors (Project to Support Agricultural Infrastructure in the Ouémé Valley (PAIA-VO). On 20 May 2021, the EIB provided €140 million to accelerate investments in the health sector and address the impact of climate change on Benin's health and economy. On June 29, 2021, Benin received $30 million from the World Bank Group through IDA to ensure the immunization of its population. On December 14, 2021, the World Bank approved $300 million in financing to help Benin promote employment and economic opportunities for youth and women through access to quality technical and vocational education, training, and entrepreneurship for 46,000 students.	

Burkina Faso

Burkina Faso's reform commitments/initiatives	Progress in meeting reform commitments/initiatives	Partner Support
Macroeconomic framework:		
Macroeconomic stability:		
	2018	
Adopt a new debt strategy with emphasis on concessional loans	The content of the medium-term debt strategy has been improved. But more need to be done (especially regarding risk assessment, interest rate hypothesis, and timely macroeconomic framework). The WB and the IMF are pursuing the dialogue with the DDP on the matter in the next couple of months. As reported by the Government in 2022, additional initiatives include improving coverage of contingent liabilities, especially SOEs debt; establishing a transmission mechanism between SOEs and the DGTCP/DDP for a timely usage (for DSAs) and publication (on the front of debt transparency) of aggregate financial and debt data. For the 2022-2024 period, the option will be the reprofiling of the domestic debt with a view to extending the maturities of said debt.	State IMF WBG
Implement IMF-supported ECF program 2018-2020	Done. Performance under the ECF program (concluded in November 2020) was satisfactory. A new program is currently under preparation. Board approval is expected in June. The amount of the program is yet to be confirmed, though the cumulative quota outstanding for Burkina Faso is SDR 222 million. Negotiations on the new program resumed in 2021 and were submitted to the IMF Executive Board for adoption.	IMF
	New Reform Commitments/Initiatives	
Create fiscal space for priority public investments through increased domestic revenue mobilization and containment of current expenditures	Thus, tax revenue increased from 1,349 billion FCFA in 2018 to 1,370 billion FCFA in 2020, an increase of 1.5%. The increase in tax revenue resulted in an increase in investment expenditure carried out with own resources. Thus, they went from 419 billion FCFA in 2019 to 433 billion FCFA in 2020. With regard to the control of the State's current expenditure, the actions undertaken in recent years continued in 2020. These include: the reduction of recruitment staff in the public service, the implementation of strategies for state equipment, real estate and optimization of the management of the state vehicle fleet. Extension of the standardized invoice at the level of the Real Simplified Taxation (RSI); Implementation of the reform of the remuneration system for public officials; Ongoing implementation of the Tax Cadastre; Implementation of the eDouane platform.	EU Switzerland Luxembourg Denmark IMF
Domestic Revenue Mobilization:		
	2018	
Introduction of on-line declaration and payment of taxes	Electronic declaration is effective and is mandatory for large and medium-sized enterprises and optional for other segments of taxpayers. The electronic declaration platform has been updated to integrate the electronic payment module, which has been in effect since July 2018, as well as the operationalization of the electronic declaration of annual results (eLIASSE). As reported by the Government in 2022, additional initiatives include the implementation at the customs level of an electronic declaration system and the development of an eCME application for the management of the contribution of micro enterprises.	WBG Switzerland Luxembourg Denmark EU

Burkina Faso's reform commitments/initiatives	Progress in meeting reform commitments/initiatives	Partner Support
Computerize fiscal controls and use risk-based selection methods	The verification procedure (verification program, verification notice, adjustment notice and recovery of the results of the checks) is implemented in the Computerized Taxation System (SINTAX, Système Informatisé de Taxation); The deployment of the "infocentre" application for the electronic management of control is effective. Its objective is to exchange information held by the various administrations to improve the decision-making system of the DGI (Direction Générale des Impôts). The infocentre already contains data from SINTAX, SYDONIA, CNSS, CID, SIGU, NERE file and RCCM. As reported by the Government in 2022, additional initiatives include interfacing between SINTAX and ASYCUDA and the implementation of the eDOUANE platform.	WBG Switzerland Luxembourg Denmark EU
Adoption of a new tax code Improve management of tax exemptions and VAT reimbursement	Since 2017, the annual budget includes a report on tax exemptions. This is a first step to rationalize these exemptions. A VAT special account was established to foster VAT reimbursement. As reported by the Government in 2022, concrete steps are yet to be taken to effectively reduce the number and amount of tax exemption.	
New Reform Commitments/Initiatives		
Develop GPS tracking for goods in transit and connect Burkina Faso's customs information system with those of Côte d'Ivoire and Togo.	Satellite tracking of goods is effective. The interconnection of the customs information systems of Burkina Faso with those of the Ivory Coast, Togo and Niger is effective. As reported by the Government in 2022, additional initiatives include the finalization of the interconnection of systems with Benin, with other West African Economic and Monetary Union (WAEMU) countries and the interconnection of Burkina Faso's customs information systems with those of Côte-d'Ivoire (rail component).	WBG Luxembourg Denmark EU
Extend the use of a standard form for all taxpayers to reduce fraud and protect VAT collection	The use of the standardized invoice has been effective for large and medium-sized enterprises since 2018. Signing of a concession and management agreement for the standardized invoice in 2020 with the Chamber of Commerce and Industry of Burkina Faso. As reported by the Government in 2022, additional initiatives include the implementation of the standardized invoice at the level of the Real Simplified Taxation (RSI, Réel Simplifié d'Imposition) and the CME (Contribution des Micro-entreprises).	WBG Switzerland Luxembourg Denmark EU
Public Investment Management (procurement, PPPs, SOEs, utilities)		
2018		
Cost-benefit analysis and risk assessment of large projects including PPPs	A Public Investment Management framework was adopted in 2017 and being enforced. All large projects are subject to screening process. This analysis is appended to the finance law. Regulatory text prohibits pre-financing within the framework of PPPs. Adoption of Order No. 2019-113/MINEFID/SG/DGCOOP of March 21, 2019 setting budget limits for the contracting of PPPs Accounting for PPPs in the State Budget. Efforts in terms of tax administration reforms have made it possible to broaden the tax base, secure revenue and modernize the tax collection system. These include the operationalization of teleprocedures for large and medium-sized enterprises (electronic declaration and electronic payment), the implementation of the standardized invoice and the establishment of tax census services in the tax center departments (DCI, Directions du Centre des Impôts (DCI)). As reported by the Government in 2022, discussions are ongoing to enhance the prioritization criteria to include impact on job, climate, lagging regions and growth.	The IFC PPP team is supporting with the development of a web-based PPP Toolkit to help the GoBF streamlining its approach to PPPs. It comprises a PPP Guide, document templates and project screening and analysis tools. WG FMI

Burkina Faso's reform commitments/initiatives	Progress in meeting reform commitments/initiatives	Partner Support
Revision of legal and institutional framework for PPPs	As of January 2021, the following actions have been carried out by the PPP Directorate (DPPP/DGCOOP) of the Ministry of Finance in close coordination with the inter-ministerial Committee on PPPs:1) Diagnostic of the existing PPP framework and recommendations for improvement: completed in June 2018 2) Approval of a new PPP strategy: completed in June 20203) Submission of the first draft of the new PPP law and implementing decree to the Committee in charge of the approval of the law texts (COTEVAL): completed August 2020 The new law on the legal and institutional framework of the PPP in Burkina Faso was adopted by the National Assembly on June 25, 2021. It includes, among other things, the following innovations: - The fairly clear and prudential definition of public-private partnership to differentiate it from pre-financing and supplier credits; - the establishment of a budgetary and financial sustainability analysis considering all the unconditional and conditional financial commitments resulting from the PPP contract and other contracts; - defining and clarifying the roles and functions of key public actors involved in the PPP process; - the supervision of unsolicited offers underpinned by the principle of competitive bidding; - the definition of a tax and customs regime reserved for projects implemented in the form of PPP The strategy for the supervision and development of PPP in Burkina Faso was reviewed and adopted in July 2020. As reported by the Government in 2022, additional initiatives include promulgate the law on the legal and institutional framework of the PPP in Burkina Faso and continue drafting implementing texts for the PPP law.	The IFC PPP team has been supporting the GoBF in the revision of the legal and institutional framework for PPPs and note the strong commitment to achieve this reform. Approval of the draft new PPP law and implementing decree is expected during the next parliamentary session of March 2021. WB BAD IMF
Increase in the domestic funds for preparation of new projects and programs from CFAF2 billion. to CFAF6 billion.		
Open energy generation to private investment and improve legal framework	Energy generation is open to private players with the law 014-2017 of 20 April 2017 regulating the energy sector	
ECONOMIC GOVERNANCE		
New Reform Commitments/Initiatives		
Reform the legal and institutional framework for public procurement	Done. In order to strengthen the legal and institutional framework for public procurement management, several legislative and regulatory texts have been adopted. These include: - Law 039 regulating public procurement; - Decree No. 2019-0358/PRES/PM/MINEFID of April 30, 2019 amending Decree 2017-0049/PRES/PM/MINEFID of February 1, 2017 on procedures for the award, execution and settlement of public contracts and public service delegations authorize the publication of offers in the country's newspapers; - Decree No. 2019-0549/PRES/PM/MINEFID amending Decree No. 2017-0049/PRES/PM/MINEFID on the procedure for the award, execution and payment of public contracts and public service delegations; - Decree No. 2019-0574/PRES/PM/MINEFID determining the nature and procedures for the acquisition of goods and services within the framework of the implementation of Article 6 of Law No. 039-2016/ year of December 2, 2016 on the general regulations for public procurement;	WBG

Burkina Faso's reform commitments/initiatives	Progress in meeting reform commitments/initiatives	Partner Support
	- Order No. 2020-0587 adopting standard technical specifications for computer equipment; - Order No. 2020-517/MINEFID/SG/DGAIE of 10/19/2020 adopting standard technical specifications for office equipment subject to public procurement in Burkina Faso; - Order No. 2020-517/MINEFID/SG/DGAIE of 10/19/2020 adopting standard technical specifications for office equipment subject to public procurement in Burkina Faso/annex.	
Adopt the implementing texts of the law for the fight against corruption	Done. Within the framework of the operationalization of laws N°004-2015/CNT of March 2015 on the prevention and repression of corruption in Burkina Faso and N°082-2015/CNT on the powers, composition, organization and functioning of the Superior Authority for State Control and the Fight against Corruption (ASCE-LC, Autorité Supérieure de Contrôle d'Etat et de Lutte contre la Corruption), two decrees were adopted in May 2021. These are the decree on the organization, allocation and operation of the ASCE-LC and the one on the procedure for recruitment of the General State Comptroller. As reported by the Government in 2022, additional initiatives include the development of the National Strategy for the Prevention of the Fight against Corruption and Similar Offenses in Burkina Faso.	Sweden Denmark
Dematerialize the documentation required for public expenditure	The dematerialization process initiated in 2018 has not yet been completed.	WBG
Create a general inspection unit for the civil service responsible for managing the salary costs	The creation of a general inspection unit responsible for managing the total payroll is not effective. The payroll management function is provided by the Ministries in charge of the public service and finance. However, several actions have been carried out with a view to controlling the increase in the wage bill: - The description of the workstation sheets of the ministries; - The adoption of 10 decrees on the special status of trades in the public administration; - The organization of an operation on the exhaustive inventory of state agents. As reported by the Government in 2022, additional initiatives include the development of a strategy for the management of staff and jobs in the public administration; the development of forecast tables of staff and jobs, and the conduction of a study on the description of workloads.	State
Adopt a new decentralization and deconcentrating policy	The "Administrative and Local Governance" sector policy was adopted on March 7, 2018; The forward-looking vision of decentralization by 2040, the national decentralization policy and the ten-year decentralization strategy 2017-2026 together with a first five-year action plan were adopted in 2018; The decree reforming the Permanent Fund for the Development of Local Authorities adopted in 2020 enshrines the transformation of the Fund into a National Agency for the Development of Local Authorities; A national capacity building strategy for decentralization actors was adopted in 2019 with its action plan; A draft national strategy for decentralized cooperation and its action plan are drawn up and available; Adoption of law 003-2017/AN of January 13, 2017 on the status of the territorial public service. Since 2017, actions have been taken to improve deconcentrating. These are: - setting up regional deconcentrating councils in the thirteen (13) regions which hold their sessions regularly; - establishment of ministerial units for administrative deconcentrating. The development of ministerial plans for administrative deconcentrating is underway.	WBG UE France

Burkina Faso's reform commitments/initiatives	Progress in meeting reform commitments/initiatives	Partner Support
	As reported by the Government in 2022, additional initiatives include the continuation of the establishment of ministerial deconcentrating units and the development of ministerial deconcentrating plans and the development of a law on financial programming for the benefit of local authorities.	
Business Framework:		
Regulations and Institutions:		
	2018	
Create Centers for Business Formalities	A new additional office for company registration was opened to Law professionals in the capital city to ease and speed up the registration process	
Create center for facilitating construction permits	The Single window was created in 2008 and was operational in Ouagadougou and Bobo. Recently the Government open offices in all the 13 regions of the country The center, Centre de facilitation des actes de construire (CEFAC), was created in May 2019. Further, in June 2020, the minister of Housing introduced new reforms that will enable to receive a construction permit in less than 15 days (from about 30 days now). Obtaining the building permit - Adoption of new texts on building acts which have considerably reduced the time and introduced the principle of "silent consent". (Interministerial Order No. 2020-012/MUH/MATDC/MINEFID of April 10, 2020 establishing, assigning, composing and operating the technical committee for consultation and instruction of building permit application files; Interministerial Order No. 2020 -004/MUH/MATDC/MICA and No. 2020-005/MUH/MATDC/MICA; No. 2020-0014/MUH/MATDC/MICA of April 10, 2020 establishing CFAC offices etc.); - Putting all the texts relative to construction online. - Implementation of the agreement between the cadastre, the approved expert surveyors and the MEBF in order to facilitate the procedures for obtaining the demarcation plan. - Issuance of a circular reducing the deadlines for issuing fire safety notices. This period goes from 10 to 07 days **Transfer of ownership:** - Posting on the DGI website of all the procedures (steps, composition of files and costs) related to the transfer of ownership; - Establishment of the One-Stop Land Shop, a window dedicated to land professionals - Deconcentrating of the services of the Center for the Facilitation of Building Acts (CEFAC, Centre de Facilitation des Actes de Construire) in 9 regional capitals and reduction of the costs of completing formalities to obtain building deeds	IFC African Development Bank World Bank European Union
Create a single window for trade and investment	The electronic single window for preclearance document collection was operationalized in 2016.	ICF/ Investment Climate Facility for Africa IFC Burkina Faso Chamber of Commerce
Put in place an integrated system for single windows (SIGU), accelerate procedures in the single window for land, and operationalize the land module in SIGU	Reforms on access to land titles for agribusiness purposes are being implemented Single window performances are improving and reforms to reduce time and costs were undertaken	WB IFC

Burkina Faso's reform commitments/initiatives	Progress in meeting reform commitments/initiatives	Partner Support
Reduce profit tax to from 35% to 27.5%	Profit tax rate is now 27.5%	
Liberalize the labor code	The draft law on the labor code was submitted to the Technical Committee for the Verification of Draft Laws (COTEVAL, Comité technique de vérification des avant-projet de Lois) held on June 29, 2020. In total, out of 444 articles in the draft law, 407 were the subject of consensus. 27 draft code application texts developed (out of 75 in total) have been updated with regard to the amendments made by the actors after the validation workshop held in October 2017. Develop six other application texts during 2021 Validate and adopt all the texts	BIT
Implement the new mining code	Done. 29 implementing texts (decrees and orders) have been adopted in application of Law No. 036-2015/CNT of June 26, 2015 on the mining code. Adoption of the mining and quarrying strategy for the period 2017-2026 in 2018 and its action plan. Adoption of the law organizing the marketing of gold and other precious substances in Burkina Faso.	WB
Adopt a new law for land management.	Adoption of law 034-2009 of June 16, 2009 on rural land tenure provided through its articles 88 and 89, the creation of the National Agency for Rural Lands (ANTR, Agence Nationale des Terres Rurales) for the constitution and management of the rural land domain of the State and local authorities. The documents produced were validated by the Cabinet Council of the Ministry of Agriculture and Hydro-agricultural Developments (MAAHM, Ministère de l'Agriculture et des Aménagements Hydro-agricoles) and by the interministerial committee In view of the revision of Law 034-2009/AN on rural land tenure, an assessment of its application was carried out. The assessment report was validated in June 2021. In addition, the following actions were carried out: - Continuation of the issuance of rural land possession certificates (APFR, attestations de possession foncière rurale) in the municipalities. More than 7,860 APFR have already been issued. - Establishment of 322 Rural Land Services (SFR, Services Foncier Ruraux) in the municipalities, - Development of a new land security program in rural areas (PSFMR 2020-2024). - Development of a new roadmap in 2020 to generalize the application of texts on land in all municipalities. As reported by the Government in 2022, additional initiatives include the review of the Land Act Continue the establishment of SFRs and the issuance of APFRs in the Communes.	Agence Française de Développement (AFD) WBG UE
Reduce the time and cost involved in setting up a business	Done. **Business creation In terms of reducing the time (24 hours) and costs of business creation**, several actions have been implemented: - Signing of a Memorandum of Understanding between the MEBF and the Professional Association of Banks and Financial Institutions in Burkina (APBEFB, Association Professionnelle des Banques et Établissements Financiers du Burkina) for the opening of a social capital deposit window at CEFORE; - Launch of the online business creation platform called "e-creation" on March 23, 2020 (https://www.creerentreprise.me.bf); - Implementation of a one-stop shop for legal professionals. - Implementation of the virtual portal "Entryway to Burkina": the first phase concerns the dematerialization of three (03) acts of commerce including the Authorization to Exercise Commerce (AEC) by foreigners which will now be accessible on the portal at the address www.peb.bf. - Minimum capital required to create a business was reduced from CFA 100,000 to CFA 5,000 in 2016.	WBG SFI

Burkina Faso's reform commitments/initiatives	Progress in meeting reform commitments/initiatives	Partner Support
	In total, the time to create a business has gone from 2 days in 2018 to 24 hours in 2021. As reported by the Government in 2022, additional initiatives include the implementation of the actions identified in the Third Party Application Maintenance agreement for online authoring; periodically update the information on the DGI website; train notaries in the use of the business creation platform, and open two cyber rooms for online business creation in Tenkodogo and Koupéla in the central-east region.	
New Reform Commitments/Initiative		
Revise the legal framework for the enforcement of contracts, protection of investors' rights and connection to electricity;	**Execution of contracts** Ongoing review of the civil procedure code with a view to improving the quality of the judicial procedure and reducing delays. In 2020, all the provisions of the Code of Civil Procedure have been revisited and a draft bill is available. There remains to this day the validation workshop before its introduction into the ordinary circuit for the adoption of legal texts **Investor protection** Signature of investment protection and promotion agreements with certain States **Connection to electricity** Investment efforts have made it possible to increase the available power from 440 in 2018 to 800 MW in 2021 Implementation of the agreement between the Maison de l'Entreprise du Burkina Faso (MEBF) and Société Nationale d'électricité du Burkina Faso (SONABEL) to reduce electricity connection times for the benefit of building permit applicants. The MEBF continues to inform and raise awareness among Promoters. The establishment of a system for calculating the average system interruption duration index (SAIDI) and the average system interruption frequency index (SAIFI) in order to improve the quality of electricity distribution. The SAIDI went from 99 in 2019 to 58 hours on June 30, 2021 and the SAIFI went from 153 to 79 breakdowns on the same date. As reported by the Government in 2022, additional initiatives include the validation of the draft law with a view to its introduction into the adoption circuit. Increase production capacity from 325 MW in 2015 to 2,500 MW in 2022 with a proportion of renewable energies of 12.53% in 2017 to 55% in 2022. Increase the national electricity coverage rate from 35.58% in 2017 to 90% in 2022, and the national electrification rate from 20.62% in 2017 to 60% in 2022. Bring the SAIFI below 100, while working to ensure that the SAIDI remains below the 100 mark.	WBG UE BID
Create an online guide to all administrative procedures for investors;	The one-stop shop is not in place. However, there is an information platform on investment procedures (Burkina Faso e-regulation). In addition, the Bagré business facilitation center in the "Bagré Growth Pole" project area is operational. 08 ministerial decrees relating to the simplification of obtaining business licenses in the fields of animal health, technical and professional training have been adopted. Authorizations for the establishment of industrial units (AIUI, Autorisations d'Implantation d'Unités Industrielles) have been issued. A virtual Portal "Entryway to Burkina" (PEB, Porte d'entrée au Burkina) has been created.	WBG

Burkina Faso's reform commitments/initiatives	Progress in meeting reform commitments/initiatives	Partner Support
Accelerate the use of online processes to facilitate other administrative procedures;	The redesign of the virtual counter to facilitate access to the information necessary to obtain an administrative document; Putting new services online, including: - Application for a nationality certificate; - The request for a criminal record; - The application for technical approval in IT; - The use of an integrated one-stop-shop system (SIGU) by CEFAC, CEFORE and GUF for the processing of administrative formalities (business creation, building permit, transfer of property); - The use of the virtual liaison system for import and export operations (SYLVIE) at the customs level. - The operationalization of the mobile payment of the residence tax and the tax on motor vehicles. - The operationalization of the online request module for VAT credit reimbursement. - The operation of online services line (ASF, certification of CAs, Certificates of retention) - The operationalization of the "open service" - The online version of the Nominative Form for salaried workers (BNTS) by the National Social Security Fund (CNSS) in order to facilitate the calculation of social security contributions due by companies.	WBG
Investor protection and dispute resolution:		
	2018	
Implement Emergency Program for the Sahel region and engage in G5 Sahel Alliance to improve security	Done. With the view to identifying the urgent priorities in terms of prevention and peacebuilding in the PUS-BF area of intervention, a Matrix of Priority Actions for the program was adopted in 2020 at the end of the Prevention and Peacebuilding Assessment (EPCP, Evaluation de la Prévention et de la Consolidation de la Paix) with an estimated cost of 226.9 billion FCFA. The PUS-BF MAP was presented on March 05, 2020 at the United Nations headquarters in New York, during the meeting of the special session of the Peacebuilding Commission (CCP, Commission de la Consolidation de la Paix) devoted to Burkina Faso. In terms of support from technical and financial partners, the PUS-BF has benefited from budget support and project support. These include (i) budgetary support from the European Union from 2018 to 2020 and covering the sectors of security, health, drinking water and local governance, (ii) GIZ for the strengthening of administrative and local governance, bilateral technical support, drinking water and sanitation, (iii) general budget support from the French Treasury in 2019 to strengthen the presence of the State in vulnerable areas, (iv) budget support loan granted by France in 2019, (v) funding from the United Nations System through the Peacebuilding Fund (PBF), (vi) funding from the World Bank as part of the eligibility from Burkina Faso to the Prevention and Resilience Allowance (PRA). We also note the funding from BADEA and UEMOA. In addition, the Government of Japan through the United Nations Office for Project Services (UNOPS) implemented from 2018 to 2020, the project to strengthen border security for stability in Burkina Faso. The PNDES II (2021-2025) also integrated the security issue through its axis 1: "consolidate resilience, security, social cohesion and peace". As reported by the Government in 2022, additional initiatives include to continue mobilizing resources for the implementation of phase II of the PUS-BF and stabilization plans.	WBG UE SNU BAD
	New Reform Commitments/Initiatives	
Fight against terrorism by improving the socio-economic conditions of the population living in the Sahel region, the most exposed to attacks and radicalization	As part of the fight against insecurity and improving the resilience of populations, the Government has implemented two vast development programs, namely the Emergency Program for the Sahel in Burkina Faso (PUS-BF, Program d'Urgence pour le Sahel au Burkina Faso) and the Support Program for the Development of Local Economies (PADEL, Program d'appui au développement des économies locales).	WBG BOAD Japan AFD

Burkina Faso's reform commitments/initiatives	Progress in meeting reform commitments/initiatives	Partner Support
	The PUS has been extended to other regions (PUS 2) now covering the regions of Sahel, North, Boucle du Mouhoun, East, Center-North, Center-East and Southwest). PADEL covers all thirteen (13) regions of the country. As reported by the Government in 2022, additional initiatives include the continuous implementation of development programs.	
Operationalize a counter-terrorism unit	Done. Several counter-terrorism units have been created and are operational (Police multi-purpose intervention unit, Gendarmerie multi-purpose intervention unit, Specialized Anti-Terrorist Investigation and Organized Crime Brigade and the Central Cyber Crime Brigade). We also note the creation of two (02) Rapid Action Surveillance and Intervention Groups (GARSI) and the "Special Force" unit. As reported by the Government in 2022, additional initiatives include the operationalization of the Internal Security Forces Integrated Communication System project, the SMART Burkina project; the finalization of strategic plans of the structures of the Ministry of Security, and the set up other GARSI units.	UE
Financing Framework:		
Investment risk mitigation:		
Mobilization of private and institutional investments:		
	2018	
Creation of an agriculture bank	The Agricultural Bank of Faso (BADF, Banque Agricole du Faso) has been operational since February 26, 2019. A window called "Agricultural Development Fund" has been created within the BADF to finance the agricultural sector. Signing of an insurance agreement on risks related to the farming profession with a Moroccan agricultural mutual insurance company (MAMDA, mutuelle agricole marocaine d'assurance). Signing of a framework agreement between MAMDA, MAAH and SONAR for the management of risks related to the farming profession. Design of indices for calculating thresholds for the compensation of agricultural claims. Implementation of a pilot phase (on maize) during the agricultural campaign in 2019/2020 in the regions of Boucle du Mouhoun, Hauts-Bassins, Cascades and Sud-Ouest. As reported by the Government in 2022, additional initiatives include the mobilization of technical and financial partners to contribute to the vitality of the Agricultural Development Fund; gradual extension to other regions of the national territory of agricultural insurance products with a view to securing investments and mitigating the risks linked to the farming profession, extension of insurance products to three new crops (white sorghum, red sorghum and rice storm water), and coupling of insurance subscription to the provision of inputs.	
Creation of a bank for SMEs	In July 2021, the Government adopted a decree approving the specific statutes of the Burkinabè Fund for Economic and Social Development (FBDES, Fonds burkinabè pour le développement économique et social). This decree aims to expand the interventions of the FBDES, in order to enable it to play its role as a direct and indirect investor in companies being created or under development on behalf of the State alongside the private sector.	
Creation of a deposit and consignments fund	Done A depositor guarantee fund, FGD-UMOA - was created in 2014 and fully established in 2018 to protect the savings of small depositors in case of bank failure: all banks and MFIs must adhere to the fund.	

Burkina Faso's reform commitments/initiatives	Progress in meeting reform commitments/initiatives	Partner Support
Introduce partial credit guarantees, medium-term lines of credit, and insurance for agricultural investments	The Agricultural Bank of Faso has been operational since February 26, 2019. Signing of an agreement between BADF and SONAPOST to bring the institution closer to end users. Opening of BADF counters in Bobo, Dédougou and Houndé. Creation of a window called "Agricultural Development Fund" was created within the BADF to finance the agricultural sector. Continue to extend agricultural bank coverage across the country (Banfora, Diébougou, Koudougou, Bagré) in 2021	WBG BAD Fd Koweitien AFD Denmark Switzerland
New Reform Commitments/Initiatives		
Promote digital finance, including certification through electronic signatures;	A national inclusive finance strategy and its 2019-2023 action plan were adopted on March 23, 2019. Adoption of a decree digitizing payments in Burkina Faso. The adoption of the decree aims to promote financial inclusion, secure payments, fight against fraud, reduce payment times and modernize payment currencies. Texts have been adopted with a view to regulating operators of electronic payment services (mobile banking). The implementation of the project to support financial inclusion and access to financing for small and medium-sized enterprises (PAIF-PME) with the support of the World Bank was launched in September 2020. The operationalization of the National Fund for Inclusive Finance (FONAFI) since September 2020. As reported by the Government in 2022, additional initiatives include the implementation of the national inclusive finance strategy.	WBG UE BOAD Luxembourg
Convert diaspora savings into productive investments.	Organization of economic promotion activities for the attention of the diaspora entitled e-B50 in adaptation to the health situation, as well as e-focus for the attention of foreign businessmen which consists of exchanges between the Ministry in responsible for trade and potential investors abroad on investment opportunities and the business climate. Operationalization of the Burkina Faso Diaspora Entrepreneurship Support Project (PAED-BF, Projet d'Appui à l'Entreprenariat de la Diaspora du Burkina Faso) with the creation of an information and assistance platform for the diaspora with a network of facilitators from all the structures of support for the private sectors that can be reached 24 hours a day The development of the national strategy for the management of the Diaspora (SNGD, stratégie nationale de gestion de la Diaspora). As reported by the Government in 2022, additional initiatives include periodically hold e-focus and e-B50 for a permanent promotion of investment opportunities in Burkina Faso; adopt the National Diaspora Management Strategy (SNGD) and organize the biennial week of the diaspora in Burkina Faso.	

Côte d'Ivoire

Cote d'Ivoire's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Macroeconomic framework		
Macroeconomic stability		
2018		
Organize two reviews (March and September 2018) of IMF-supported program over the period 2016-2019	Macro reforms addressed fiscal deficit, reserves coverage, stock of public debt, inflation. IMF program was successfully completed in December 2020. Fiscal deficit was reduced in 2019. In 2022, the Government is committed to maintaining the macro stability and fostering resilience by gradually consolidating the fiscal deficit, from 5% of GDP in 2021 to 3% by 2025, ensuring a strong economic growth (7.7% on average over the period 2021-2025), and increasing reserves coverage.	IMF - Article IV consultations -TA (World Bank: -Public Expenditure review -Tax incidence analysis -DPO reforms -Por - Economic update Analysis
Adopt National Law on Government's indebtedness policy by December 2018	National law on Government's Indebtedness was drafted in 2020 and is being reviewed by all stakeholders before submitting to the government	
Update and implement Medium-Term Debt Management Strategy (2018-2021)	MTDS was adopted and updated several times, last time in July 2020 to reflect COVID impact. Annual Borrowing Plans is regularly published by the authorities since in June 2020. In 2022, the Government has announced its commitment to start publishing information on the cost of syndicated bond issuances and that MTDs is being implemented to maintain a moderate risk of public debt distress.	IMF and World Bank
Increase export revenues repatriation through repatriation Committee for Export Revenues' activities	According to MEF reports export revenues repatriation increased from 61.1% in 2018 to 76% in 2019. Despite COVID-19 crisis, effort was made to keep export revenues above 71%.	

Cote d'Ivoire's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Maintain inflation rate under the regional target of 3% in 2018	Inflation rate over 2018-2020 was well below the regional target. In 2021, inflation rate stood at 4.2% due to COVID-19 pandemic and other external shocks. In 2022, the Government is committed to reducing inflation rate despite the price spike due to the global economy situation. Implement consumer price caps and expand the list of products eligible for the cap for three months. Continue with the activities of the Committee to Fight the High Cost of Living.	
New Reform Commitments/Initiatives		
Implement the National Development Plan 2021-2023		-
Continue with the activities of the Committee to Fight the High Cost of Living		-
Develop and pass a law on public debt policy		-
<u>Domestic Revenue Mobilization</u>		
2018		
Generalize online tax payment to all medium and big size enterprises	Online tax payment is fully operational for large enterprises. Enhanced revenue collection and business climate through the ongoing implementation of Single Taxpayer Identification Number. 40% of existing firms registered in the large and medium-sized firm directorates with a STIN at the end of 2019, although progress was slowed down by COVID in 2020. In 2022, the Government has reported its intention to digitalize local tax collection for at least 50% of municipalities by December 2023.	
Create additional tax collection Center for Medium Size Enterprise	4 tax collection centers for Medium Size Enterprise were created.	
Finalize the online tax payment for enterprises by extending the system to large corporates	Online tax payment is fully operational for large enterprises. In 2022, the Government has expressed interest in strengthening the online tax payment.	
Implement the fiscal policy reform agenda	The Fiscal Annex of the Budget Law 2021 includes a range of measures that came into force in January 2021. However, tax revenue as of GDP is projected to rise to only from 11.9% (2020) to 12.6 % in 2021, indicating the need to keep promoting domestic revenue mobilization.	
Pursue the Tax Administration's reform	Authorities have continued to roll out IT tools to support digitization since 2018, tax codes were published online in 2019, and the country's ranking on "Doing Business, Paying taxes" improved since 2018. In 2022, the Government has expressed its intention to continue the digitalization of the tax administration.	
Implement the electronic system to dematerialize the management of financial statements	The e-Liasse platform was launched, enabling firms to submit their statements online. The platform is operational (In late June 2020, 3,826 tax returns had been filed for FY 2018 and 631 for FY 2019)	
New Reform Commitments/Initiatives		
Strengthen governance at the tax administration level		

Cote d’Ivoire’s reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Continue the re-registration of companies with the Unique Identifier (IDU)		
Set up a tax system for entrepreneurs in accordance with OHADA		
Dematerialize tax audit		
Introduce the declaration and payment of synthetic tax		
Continue digitizing the cadastre		
Strengthen the e-bundle system		
Implement the SME tax reform strategy		
Continue to popularize the dematerialized tax payment system for decentralized communities, called """"NetCollet""""		
Public Investment Management (procurement, PPPs, SOEs, utilities)		
	2018	
Improve the coherence between public procurement plan and treasury plan	Authorities finalized debt restructuring of national oil refinery SIR and completed restructuring of CI Energy. Authorities accelerated investment into healthcare facilities (including rural hospitals) and water sanitation as part of its COVID-19 response.	
Improve the coherence between public procurement plan and treasury plan	Increasing tax revenues and creating fiscal space for public investment and pro-poor spending. Pro-poor and social spending increased from 2,361 billion FCFA in 2018 to 2,505.5 in 2019 and 2,754 billion FCFA in 2020. The government’s COVID-19 response package included cash transfers for the most vulnerable households. It also developed a package to support important agricultural value chains.	
Operationalize the Universal Health Coverage (CMU) system introduced in 2018	Progress achieved: 555,729 people eligible for the CMU were enrolled in the first half of 2020, bringing the total enrollment to 2,421,338. As of February 2021, 2,964,962 eligible people were enrolled. In 2022, the Government has announced their intention to continue enrollment in CMU.	
Improve the coherence between public procurement plan and treasury plan	Increasing budget for project preparation	
Update the public procurement code to consider the dematerialization of public procurement procedures	The new public procurement code adopted in July,24, 2019 (ordonnance n° 2019-679 du 24 July 2019) to consider the dematerialization of public procurement procedures. In 2022, the Government has announced the deployment of an E-procurement system to all line ministries for electronic review of bidding documents and award of public procurement contract, by December 2023.	
Pursue the activities of Public Procurement Regulatory Agency to ensure compliance of Public procurement management with the law	The new Public Procurement Regulatory Agency is in place since august, 8,2018. In 2022, the Government has reported the ongoing professionalization of the function of public procurement.	

Cote d'Ivoire's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Realize 14 major projects through PPP mechanism	Four new PPP projects were signed between September and December 2019, bringing the total number of contracts and amendments in the database of PPP projects to 50. In 2022, the Government has reported their intention to update the PPP portfolio.	
Reinforce the steering committee for Public Private Partnership, through implementation of IMF TA recommendations.	Decree No. 2018-359 of March 29, 2018 supported revisions of the institutional framework, including management of the National Steering Committee for Public-Private Partnerships (CNP-PPP).	
Develop national database of PPP projects in 2018	National database PPP projects was put in place by the steering Committee for PPPP. In 2022, the Government has reported the need to carry out studies necessary for the preparation of data.	
Finance feasibility studies of major and priority projects through a Special Funds set up by the Government	The special funds set up by the government will be operationalized by December 2021	
Establish a list of 2018 PPP projects in transaction	List of PPP project in transaction was established and published online	
Prepare feasibility studies of PPP projects	A Steering Committee coordinating PPP projects to support technically sectorial departments in charge of managing PPP projects.	
Reinforce capacity building for PPP projects management by PPP agency	Capacity building activities for PPP projects management scheduled in 2020 were postponed due to COVID-19	
Identify viable PPPs and their regular efficiency assessment	List of viable PPP projects was established and published online	
New Reform Commitments/Initiatives		
Implement the Government's Social Program 2022-2024	-	-
Continue the implementation of the Electricity for All program (PEPT)	-	-
Update and implement the national social protection strategy	-	-
Establish a Platform for Monitoring Public Investments	-	-
Adopt a regulatory text setting the framework for the management of public investments	-	-
Condition the selection of projects on an ex-ante evaluation procedure subject to effective quality control and increased transparency	-	-
Update and implement the Public Investment Program (PIP)	-	-

Cote d'Ivoire's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Implement the recommendations resulting from the PIMA assessment carried out by the IMF at the end of 2021	-	-
Continue the activities of the study fund, to improve the preparation of investment projects	-	-
Business Framework		
Regulations and Institutions		
2018		
Update the Investment Code	The investment code was last updated in 2018, but some parts (like the granting of incentives) would benefit from revisions to streamline incentives and procedures., including a cost benefit analysis of the fiscal incentives to assess its impact	
Finalize the online enterprise creation by December 2018	According to CEPICI, the online enterprise creation will be fully operational by end-December 2021	
Finalize the setup of a single portal for investors services by the end 2018	A single portal for investors services (www.225invest.ci) was finalized	
Improve Doing business ranking and Distance to Frontier in the Doing Business through implementation of reforms	Reforms to improve Doing Business indicators recognized by DB 2020: (i) reforms regarding paying taxes (paying taxes made easier by implementing electronic filing and payment system, and by introducing online case management system to process value added tax cash refunds); (ii) reforms on enforcing contract (made enforcing contracts easier by publishing reports on commercial court performance and progress of cases; DB ranking increased to 110th place worldwide (up by 12 places).	
	In 2020 Doing Business ranking, progress was made for several specific business climate indicators such as: Starting a business (29th), Getting credit (48th), Resolving insolvency (85th), and Enforcing contracts (94th).	
Operationalize the one-stop-shop for cross-border and foreign trade	Improve efficiency of Single Window for trade.	
	The one stop shop is operational	
	Some modules like e-Phyto were added. WBG is helping to improve e-manifest module	
Put in place a Guarantee Funds for SME by December 2018	The public credit guarantee fund (Fonds de Garantie de Credits aux PME – FGPME) was legally revived in January 2020. Its governance has been strengthened with the adoption of the July 8 decree a part of government's COVID Emergency Response. A World Bank IPF project (PIDUCAS) will support amongst others the creation of Partial Portfolio Credit Guarantee (PPCG) window. At date, the FGPME is working on offering individual guarantees with participating financial institutions. In 2022, the Government has reported their intention to strengthen the SME Guarantee Fund.	FGPE Manager /Ministry of PME
New Reform Commitments/Initiatives		
Pursue support operations for the private sector, through the Support Fund for Large Enterprises and the Support Fund for SMEs		-
Promoting entrepreneurship in the banking sector		-

Cote d'Ivoire's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Pursue players in the nursing sector		-
Continue the re-registration of online companies with generalization of Unique Identifier		-
Strengthen the efficiency of the Guichet unique		-
Reduce the time for issuing the Certificate of Conformity from 73 days to 10 days		-
Reduce the completion time of the geotechnical study from 25 to 10 days and the delivery time of the fire safety notice from 10 to 2 days		-
Set up a non-jurisdictional and independent online land complaint system		-
Set up online declaration and payment of social security contributions		-
Set up a Single Portal for issuing licenses, certificates, and business permits		-
Finalize the reform relating to the Single Window for Business Development (GUDE)		-
Operationalize the GUPC Integrated Management Platform carrying the implementation of the GUPC software and the Virtual Single Window of the PC		-
Investor protection, dispute resolution and fight against corruption		
2018		
Publish Abidjan Commercial Court's decisions online	Business reforms related to Commercial Court, E-procurement system. Abidjan Commercial Court's decisions are published online. In 2022, the Government has reported the intention to carry out the registration of legal acts and decisions online	
Appoint new board member of Public procurement regulatory agency	Completed	
Ensure wealth declaration by all Senior Public servants, under the supervision of national Agency in charge of Fighting corruption	As of September 2020, 79% of Senior public servants have proceeded to their asset declaration to the National Agency in charge of fighting corruption (HABG- Haute Autorite pour la Bonne Gouvernance). In 2022, the Government has reported the need to continue the declaration of assets by senior officials and public figures	

Cote d'Ivoire's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Pursue activities of the national agencies in charge of fighting corruption (Haute Autorité pour la Bonne Gouvernance, CENTIF, Brigade de Lutte contre la Corruption)	Côte d'Ivoire's national assessment of Anti-money laundering and Combating the financing of terrorism (AML/CFT) was adopted by the government on May 6, 2020. A draft national AML/CFT strategy was elaborated and is in the process of validation by all stakeholders. In 2022, the Government reported that the development and implementation of the National Anti-Corruption Strategy is ongoing.	AfDB
Operationalize the commercial court of appeals	Commercial court of appeals was operationalized since 2018	
New Reform Commitments/Initiatives		
Pursue the audit of state companies		-
Continue the work of the Commercial Court of Abidjan and the Court of Appeal of the Commercial Court of Abidjan		-
Financing Framework		
Investment risk mitigation		
2018		
Adopt decrees necessary to implement Credit leasing Law voted by the parliament in 2017	Improving access to finance for SMEs and micro-enterprises, including digital and Fintech solutions. WAEMU "Loi Uniforme" on Leasing was transposed in Cote d'Ivoire in 2017 and disseminated to all stakeholders	
Launch a communications campaign to raise awareness on credit leasing finance	-Regional Leasing Investment forum organized in Abidjan in March 2016 which gathered more than 250 participants from the region -Leasing awareness campaign launched in 2017 in Abidjan, Bouaké, Khorogo and Yamoussoukro with more than 750 SMEs trained.	
Create a Guarantee Fund for SMEs	The public credit guarantee fund (Fonds de Garantie de Credits aux PME – FGPME) was legally revived in January 2020. Its governance has been strengthened with the adoption of the July 8 decree a part of government's COVID Emergency Response. A World Bank IPF project (PIDUCAS) will support amongst others the creation of Partial Portfolio Credit Guarantee window. At date, the FGPME is working on offering individual guarantees with participating financial institutions.	FGPE Manager /Ministry of PME
Reinforce the Credit Bureau by integrating in the system additional individual and corporate clients	A regional private credit bureau has been up and running (Credit Info-Volo) since 2015, Operations in Cote d'Ivoire started in 2016, and Creditinfo Volo has since signed service delivery agreements with all 45 banks and large 14 MFIs (art. 44), all entities regulated by the BCEAO (but not all IFIs are reporting). The regional Credit Bureau accounted for 3.1 million individuals (50% of the regional number) and 11 700 businesses (10% of WAEMU) declaring data in 2019. Credit scoring based on prepaid telecom data is the next stage for the Credit Bureau to be able to play its role in boosting lending, however the legal framework prevents such data collection. Financial reforms related to Credit Bureau, credit leasing, partial guarantee instrument, increasing local financing as % of GDP.	Credit Info Volo/BCEAO
Domestic debt market development		
2018		
Finalize the restructuring strategy of public portfolio including public banks	2 banks were resolved and the restructuring of 2 remaining banks is ongoing. The pandemic may delay the restructuring.	IMF

Cote d'Ivoire's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Establish Primary dealers (SVT) in government securities	Was done in 2016 and renewed regularly since then.	
Consolidate activities of the compartment dedicated to SMEs at the regional stock exchange	BRVM launched in 2019 a SME window to encourage small and medium-sized enterprises to be listed on the third compartment dedicated to them (the window has an optional capacity building program: the ELITE BRVM Lounge, a regional version of the ELITE program developed by the London Stock Exchange Group, acting as a support system and aims to strengthen the capacities of SMEs).	BRVM
Promote Islamic finance to ensure diversity in government financial instruments	The government has not issued any further Islamic finance government debt instruments since 2016. Government debt has been issued across a range of source and instruments (various maturities, domestic and external) in line with the country's Debt strategy.	
	The legal framework was reviewed in October 2019 (Loi portant modification de l'ordonnance No. 2011-367 of November 3, 2011 portant règlement de systems financiers décentralisés) with a view to authorizing the decentralized financial systems to undertake Islamic finance activities	
New Reform Commitments/Initiatives		
Mobilize financing on the regional market at reduced cost		-
Issue green bonds and sustainability bonds		-
Mobilization of private and institutional investments		
2018		
Improve Cote d'Ivoire rating by notation Agencies (Fitch, Moody's)	Cote d'Ivoire's ratings have remained stable at B+ (Fitch) and Ba3 (Moody's). The country was the first Sub-Saharan African country to return successfully to international capital markets after the pandemic with a Eurobond issuance in November 2020.	
Annual assessment of Government securities in local currency by Bloomfield Investment Corporation	Bloomfield Investment Corporation Assessment of Government Securities in local currency regularly held.	
Realize promotion campaign of Côte d'Ivoire's economy to attract more private institutional investors	Ministry in charge promoting private investment has held several activities aiming at promoting business opportunities in Côte d'Ivoire	
Pursue the implementation of Financial Sector Development Program to reinforce the overall financial sector	The authorities adopted the National Financial Inclusion Strategy, 2019-2024 launched in May 2019. The strategy has five strategy axes, namely: (i) access to financial services for vulnerable populations; (ii) promoting digital finance; (iii) consumer protection and financial education; (iv) regulation and supervision; (v) favorable fiscal and policy framework for financial inclusion. In addition, the Financial Inclusion Promotion Agency (FIPA) was established in May 2018 to oversee and coordinate the implementation of the strategy. A Financial Education Program (2019-2024) was also launched in 2019. National Observatory of Financial services quality was put in place in 2017	APIF

Egypt

Egypt's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Macroeconomic framework		
Macroeconomic stability		
	2018	
Manage fiscal risks through the newly established fiscal risk committee.	Fuel subsidy reform advanced in 2019. A regular indexation mechanism committee has been formed and is mandated to monitor global energy prices, with decision on fuel prices domestically taken every quarter with a cap of 10%. Committee changed prices 8 times out of 12 meetings since its formulation. The government enhanced publication and communication of fiscal risks by adding a section on fiscal risks in its annual budget documentation that is shared with parliament and being published to citizens. In 2022, the Government reported: A hedging unit has been established at the Ministry of Finance to look at commodity price developments and monitor and manage potential risks to the budget. The unit has been partially staffed and is working with all banks and traders. A section on fiscal risks has been added also to the published mid-year budget review report. The government is considering publishing a stand-alone fiscal risks report clarifying risks associated with the fiscal and macroeconomic forecasts, financial sector stability, climate, contingent liabilities (potential claims on budgetary resources due to guarantees granted by the government) and debt risks (liquidity and refinancing, interest rate and foreign exchange risks), among others.	The WB is not clear how this stand-alone report would extend the existing published report on fiscal risks, or whether this report is forward- or backwards-looking.
Green Budgeting and Climate policies	Egypt MoF was first MIDDLE EAST AND NORTH AFRICA sovereign to issue a green bond in 2020 and we issued first green bond impact report with WBG support in 2021 in line with international best practices. Egypt MoF also was first MIDDLE EAST AND NORTH AFRICA sovereign to conclude a syndicated green loan with regional and international banks in 2021. In 2022, the Government reported that MoF allocated EGP2.3 billion in FY 2021/2022 budget to support a program to replace old vehicles (passenger cars, taxis, and micro buses) with new natural gas vehicles with MoF providing green incentive to households worth 15-25% of price of new car. MoF introduced a green fee on fuel products in 2021.	
Announce an IPO action plan to divest stake in public entities	The IPO program has been subject to delays since it was first announced during 2018; with only the secondary offering of 4.5% of Eastern Tobacco stakes in March 2019 taking place. Sale proceeds were EGP 1.7 bln ($98.6 mln). It is important to mention that foreigners bought around 94% of the shares issued. In October 2021, a 26 % stake in the state-owned payment company e-finance was listed on the Egyptian Stock Exchange. IPO proceeds were EGP 5.5 bln ($384.6 mln). It is important to note that foreigners bought around 72% of shares issued. In December 2021, a 10% secondary offering in Abu Qir Fertilizers was listed in the Egyptian Stock Exchange. Sale proceeds were of EGP 2.25 bln ($95 mln). Foreigners bought 67% of shares issued. GoE is making the following legal changes to provide additional incentives for IPOs 50% of the realized capital gains will be added to the acquisition cost when determining the taxable base. This percentage will apply for a period of two years from the date of issuance of the law and will be reduced to 25% No capital taxes will be due at the time of sale of shares by founding shareholders followed by capital increase.	

Egypt's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	Also, there is a plan for IPOs of two subsidiaries of the military's National Service Projects Organization (NSPO), namely the National Company for Producing and Bottling Natural Water (Safi) and the National Petroleum Company (NPC), also known as Wataniya Petroleum Company. There is also firm announcement by the government to list up to 7-10 state owned companies on the EGX in 2022. Ghazl El Mahalla FC is set to offer a 67.5% stake in its IPO, it is expected to raise a total of EGP 135 mn after attracting EGP 37 mn from institutional investors during the private placement. List of potential issuance in next month include Heliopolis Housing and Development, fertilizer producer Mopco , Misr Ins. Holding subsidiary Misr Life Ins and Banque du Caire.	
Continue the transition of the monetary policy framework towards inflation targeting.	The CBE has revised its inflation target to be 7% (±2percentage points) on average during the fourth quarter of 2022, down from 9% (±3percentage points) on average.	The CBE continues to state its intention to put in place a formal inflation targeting framework to anchor monetary policy once the fundamental prerequisites are met.
New Reform Commitments/Initiatives		
New incentive program for Electrical vehicles	MoF along with MoE is finalizing a new incentive program for Electrical vehicles that will be announced before March 2022. The program will include inclusive framework with both financial and non-financial incentives to speed and facilitate transition towards EV manufacturing and usage in the Egyptian market.	
Domestic Revenue Mobilization		
	2018	
Implementation of a simplified SME tax regime	A new MSMEs Development Law No. 152 of 2020 was enacted in July 2020. The Law gives both tax and non-tax incentives to MSMEs. The executive regulations of the Law were issued in April 2021, by Prime Ministerial Decree 654.	
Implementation of the international standards on exchange of information for tax purposes	The exchange of information for tax purposes is included in 58 bilateral tax agreements signed with Egypt. In 2022, the Government reported that Egypt is continuing its efforts to expand its international exchange of information instruments to be able to exchange information. Moreover, Egypt is planning to become a party of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters.	The OECD continues to provide Egypt with technical assistance to implement the exchange of information under the transparency framework.
Implementation of Medium-Term Revenue Strategy (MTRS) starting FY 2020/2021	A Medium-Term Revenue Strategy has been formulated and approved by Cabinet in December 2020, targeting a 2% increase in tax-to-GDP levels over the course of 4 years up to FY 2024. Tax to GDP ratio have been increasing in FY 21 and during first half of FY 22 despite COVID implications and challenges. In 2022, the Government reported that The MTRS is a live document that is being updated according to current fiscal policies and trends. Measures taken and projected would include reforms on the tax policy and administration sides as well as on international taxation. Reform measures implemented so far includes Changing VAT law (was ratified in FEB 2022) with support provided by OECD to tax e-commerce activities. Introducing a green fee on fuel products in 2021. Increasing taxes on tobacco and cigarettes as well as putting in place a new tax regime to capture new tobacco products. Streamlining and reducing exemptions granted to domestic entities related to their investments in government securities.	IMF, World Bank and OECD have been main partners in developing this strategy, with several technical assistance missions and meetings held with Ministry of Finance to help guide the process.
Improving Public Finance Management (PFM)	A new modern PFM Law has been approved by Parliament in 2022.	IMF Support

Egypt's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	The law aims at covering the following: A fiscal responsibility provision that will guide macro-fiscal policy; Mandating medium-term budget framework to all budget entities; Highlighting main elements for the budget calendar; Mentioning the minimum content to be covered by budget documents; Provide robust provisions on reallocation of resources, managing contingency reserve and asking for supplementary appropriations; Setting accounting rules for all public entities including economic authorities. Executive regulation of the law that brings all key reforms into action is pending.	
New Reform Commitments/Initiatives		
Dematerialization of tax systems	By end of FY 2022/23 the full automation of tax system would be in place including the roll out of e-payment and e-receipts. By end of 2022 we would have full automation of custom procedures and payments.	
Public Investment Management (procurement, PPPs, SOEs, utilities)		
2018		
Improve public procurement practices and transparency.	New Public Procurement Law approved in 2018 and Executive Regulations were issued in November 2019. The new law includes provisions to facilitate SME access to and participation in Egypt's public procurement market. Initial findings from an assessment indicate that since implementation of the law, the number of SMEs awarded contracts has increased ~12%. Capacity Building Strategy drafted. Communication Strategy drafted. The Concept Note for an e-GP system according to KOICA model was developed and submitted to the MOF. This concept note was used by the GoE to request KOICA to finance E-GP system and according to the last update from MOF, discussions are ongoing with KOICA to sign the project.) Training on contract management to improve the management of contract under Banks financing projects. In 2022, the Government reported that additional reforms under discussion include (i) disseminating the findings from the study on the SME/public procurement nexus, developing policy briefs to facilitate SME participation in Egypt's public procurement market, and (ii) rapid quantitative assessment of SMEs in Egypt's public procurement market.	MOF/GAGS are currently engaged with KOICA in implementing a comprehensive e-procurement system development and implementation project that includes institutional and organizational structure component. Ministry of Public Business Sector is the primary owner of SOE's reform and MOF is a member in the committee that was formed by a PM decree working on SOE's modernization efforts including procurement. MOF welcomes initiatives that support SOE's procurement reform objectives to be presented to Ministry of Public Business Sector. MOF/GAGS are engaged with WB on SMEs participation support in public procurement market as well as SME's public procurement awareness & communication initiatives. GAGS restructure is undergoing

Egypt's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Reform the process for appraisal, selection and monitoring of public investments: to improve quality of public investment portfolio consistent with macro-economic framework	In September 2020, Law No. 185 was issued amending the Public Business Sector Law No. 203 of 1991, which covers a subset of SOEs in Egypt. The amendments mainly aimed to enhance corporate governance and to bring this law closer to the General Companies Law, which covers private sector corporations. For example, the amendments require: (i) separating the positions of the chairman of the board and the CEO; (ii) limiting the labor representative seats on the board of directors of subsidiary companies to two members only, down from 50%; and (iii) requiring SOEs that are not listed on the Egyptian stock exchanges to publish semi-annual performance reports. Infrastructure sector governance reform and openness to private sector participation. The government reduced the price of natural gas and decreased electricity tariffs to all industries whilst fixing these tariffs for at least the next three years, in order to improve their cost structures and price-predictability. In 2022, the Government reported that a new draft planning law is currently being discussed at the Parliament. The new law will cover in more detail a revised framework for public investment management	
Amend the Law no 67 for the year 2010	The PPP Central Unit at the Ministry of Finance suggested some amendments in the provisions of Law no 67 for the year 2010 which have been issued (on 18th Dec. 2021) by Law No. 153 for the year 2021. These amendments include the following: Acceleration of tendering and contracting procedures. Apply new forms of contracting methods (direct order – unsolicited proposal – limited tender to meet the needs of the tendering authorities and expanding the investment of PPP projects. Creation of a new committee between MOF & MOP to select the relevant PPP Projects in the Pipeline. The Executive Regulation of the new Law is being prepared. In 2022, the Government reported that 4 projects under the new law have been tendered including: 10th of Ramadan Dry Port and Logistics Center (with an estimated investment cost of $200 million) Phase 2 of the PPP new schools project (estimated cost: $65 million) 8 Waste-to-Energy Plants PPP Project (estimated cost: $550 million) 4 Strategic Warehouses for Strategic Commodities ($210 million for the 4 sites). Several projects are in the pipeline for 2022 currently under studying. They include projects from the Ministry of Transportation, Ministry of Higher Education, and the Ministry of Housing.	
New Reform Commitments/Initiatives		
Strengthening the procurement by SOEs	New areas for support include: (i) providing support to the development of the e-GP system; and (ii) strengthening the procurement by SOEs. Strengthening the procurement by SOEs is a very important topic. Specific activities include, e.g., rapid assessment of the actual performance of procurement system, review and provide inputs to SOEs' own procurement procedure to identify gaps and recommend areas of improvements, provide technical support on the development for one of SOE's e-procurement strategy	
Business Framework		
Regulations and Institutions		
	2018	
Trade	New customs law/regulations have been approved by the Parliament in November 2020; Ministry of Finance finalized the executive regulations on the 31st of August 2021 by Decree No. 430 of 2021.	
Implement National Single Window in preparation for Regional Single	Rollout of the National Single Window *Nafeza* is underway in ports and airports since April 2021. This will be finalized throughout Egypt by next June 2022.	

Egypt's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Window (RSW) and International Single Window (ISW)	Several constraints to the full and effective implementation of Nafeza need to be removed for its desired potential and full utilization to be achieved. These constraints are mostly related to legislation and business processes, which need to be streamlined to take full advantage of the new electronic environment. The institutional basis for the governance and operation of Nafeza also needs to be strengthened by introducing formal lines of control between the governing body and the operating entity. The accountability of the operator to the users and Government also needs to be strengthened in order to offer clients and government the necessary guarantees of quality of service.	
Introduce systems integration	Egypt recently ratified the WTO Trade Facilitation Agreement (TFA).	
Implement the Single Administrative Document (SAD) for custom clearance and realize full integration between the entities of International trade.	Four reforms implemented that will facilitate the business environment: Starting a Business, Protecting Minority Investors, Getting Credit and Paying Taxes.	
Industrial development	The industrial licensing law introduced in 2017 has streamlined processes.	
Facilitating industrial land provision through the General Authority for Industrial Development and the Industrial Licensing Law through a transparent process.	Reform of industrial land allocation process to include open, transparent, and competitive bidding process.	
Pass amended competition law	Revised draft competition law approved by the Government and submitted to the Parliament. The new law promotes the independence of Competition Authority and introduces provisions for merger and acquisition control.	Submission of the revised Competition and merger control laws to the Parliament are part of two subsequent IMF programs
Adopt amended competition law to strengthen Competition Authority.	Adopt amended competition law to strengthen Competition Authority.	
	New Reform Commitments/Initiatives	
Introduction of Advanced Cargo Information (ACI)	Customs Authority recently introduced the Advanced Cargo Information (ACI) system in October 2021.	
Investor protection and dispute resolution		
	2018	
Effective implementation of the Bankruptcy law	Amendments to the newly introduced insolvency law have been approved by the Government and submitted to the Parliament. The amendments aim to encourage restructuring and improve the balance between creditor and debtor rights.	WB is providing TA to the MoJ on a range of justice issues including on the insolvency law.
	New Reform Commitments/Initiatives	
Revision of the Bankruptcy law	Revised bankruptcy law enacted by the President and published in the National Gazette	WB is providing TA to the MoJ on a range of justice issues including on the insolvency law.
Financing Framework		
Investment risk mitigation		

Egypt's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
2018		
Promotion of a cashless society	Law No. 18 of 2019 mandating the use of cashless payment by public and private entities was signed by President Abdel Fatah El-Sisi on April 19th, 2019. The Law puts an obligation on all public authorities and entities as well as state-owned companies to pay certain payments that include taxes, customs, duties, and related fines (if they exceed the limit identified by the executive regulations) through cashless means of payment. If entities and companies do not stick to the above requirement, a fine will be imposed. Online tax payment is already implemented. The suspension of all cash transactions was made through the imposition of administrative fees in case of cash payment.	IBRD and IFC providing TA on financial inclusion and financial infrastructure. IBM and EY in the implementation of the tax automation projects.
New Reform Commitments/Initiatives		
Dematerialization of tax and commercial transactions	Egypt has also launched several projects like the tax automation, e-invoice, and e-receipt (currently being rolled out) in order to ensure that all commercial transactions can be monitored by the Egyptian Tax Authority via a real-time electronic system.	IBRD and IFC providing TA on financial inclusion and financial infrastructure. IBM and EY in the implementation of the tax automation projects.
Establishment of entity in charge of licensing and regulation of fintech companies	In addition to the above, the Parliament passed a Law on January 5th, 2022 (pending ratification) stating that the FRA would be the only entity in charge of licensing and regulating fintech companies. It would also set transparency and governance standards and be charged with protecting consumer rights.	IBRD and IFC providing TA on financial inclusion and financial infrastructure. IBM and EY in the implementation of the tax automation projects.
Mobilization of private and institutional investments		
2018		
Domestic debt market		
Establish Clearing, Settlement and Depositary for Government Securities system	After the publication of a medium-term debt strategy (MTDS) for FY2018/19-FY2020/21 in May 2019, an update of the MTDS was published in December 2020 to cover FY2020/21-FY2024, supported by a MTDS mission delivered by the World Bank in November. The Government designed and launched a new issuance policy and of a robust Central Securities Depository company with sophisticated clearing and settlement functionalities, as well as anew trading system for government bonds.	
Safeguard sound debt management		WB team is providing TA to strengthen debt reporting and transparency.
Diversification of debt portfolio, improving domestic market liquidity to extend debt maturity beyond 5 years by 2025.	Re-inclusion into JP Morgan Index: In April 2021, JP Morgan announced that Egypt has fulfilled all the needed requirements and therefore Egypt was put on the Watch List for the following indices: 1- JP Morgan Government Bond Index for Emerging Markets Global Diversified (GBI-EM) with an estimated weight of 1.78% representing 14 bonds (issuance) with a total value of USD 26 billion, which amounts to approximately 30% of the total debt under review for the eligibility. 2- JP Morgan Environmental, Social and Governance Index (JESG) On the back of the green bond's issuance in October 2020, Egypt is eligible for the inclusion in the JESG Index with an estimated weight of 1.14%. The inclusion in the GBI-EM Global Diversified will pave the way for Egypt to be added to the GBI- AGG Diversified, which tracks liquid local currency government bonds across developed and emerging markets. With the inclusion, Egypt will join South Africa as the only other country from the Middle East and Africa region. 3- FTSE Russel's Government Bond Index for Frontier and Emerging Markets with a weight of 10% which is the highest weight per country in that index.	JP Morgan team

Egypt’s reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	Egypt has been re-included in the JP Morgan Index end of January 2022.	
New Reform Commitments/Initiatives		
Publication of new debt report covering central government debt	A new debt report that covers central government debt performance up to June 2021 is being prepared and will be published by FEB 2022	
Utilizing new debt instruments such as the Green Bonds. Egypt successfully established a green bonds framework in September 2020 with an issuance of $750 million. Egypt also successfully obtained the first Green Loan from the region in 2021 worth $1.5 billion.	Egypt is currently establishing a Sukuk issuance framework (should be issued soon) as well as for a potential Samurai bond issuance. The Government is also looking into issuing SDG related bonds.	

Ethiopia

Ethiopia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Macroeconomic framework		
Macroeconomic stability		
	2018	
Pursue prudent monetary policy to keep inflation in single digits	Exchange rate policies implemented, with real depreciation of the official exchange rate in progress. Monetary policy loosened in response to COVID, including liquidity support to the financial system and lending to the government by the National Bank of Ethiopia. YoY inflation remains high at around 20% as of January 2021, spurred by growing food prices. In 2022, the Government reported that: The NBE adopted a Roadmap to Modernize the Monetary Policy Framework, which also facilitates among other things the prioritization of price stabilization among multiple objectives. Consistent with the roadmap, a directive has been issues to establish standing facilities and open market operations (OMOs).	
Stabilize and improve external debt distress rating and government budget deficit	Public debt remained stable in FY20, while DSSI led to some reprofiling of debt repayment. Debt levels still at high distress, due to high debt- and debt service-to-exports levels. Budget deficit slightly increased in FY20 to 2.7% of GDP, with further increase to 3% forecasted in FY21 due to COVID-related impact on revenues and expenditures. In 2022, the Government reported that: Budget deficit maintained at 2.8% in fiscal year 2021, despite the expansionary policies due to COVID-19. Limits on non-concessional debts are maintained, and debt to GDP ratio has decreased to 51.1% in 2021. Close to USD 2.5bn in principal and interest payment has been restructured by commercial creditors under the 1st external debt restructuring scheme in 2019/20. Ethiopia requested for the treatment of its public debt under the G20 Common Framework has commenced with technical discussion progressing.	
Domestic Revenue Mobilization		
	2018	
Introduce improved tax collection and other tax transformation reforms for increased share of domestic tax revenue.	Domestic revenue mobilization reforms seek to ease tax compliance, rationalize tax exemptions, expand the tax base, and reduce distortionary effects of trade taxes. In 2021, the Government reported that: A new excise tax law introduced which broadened the excisable goods to 378 and applied rates of 5 to 500 on luxurious, socially & environmentally hazardous goods, and demand inelastic goods. A directive to ban new tax incentives has been passed in EFY 2020, which forces the government to maintain a zero-net increase in tax incentives i.e., any new tax incentive passed should be accompanied by the repealing of an equivalent amount of tax incentive to maintain a no increase in tax incentives A new tax incentive law under preparation to simplify the targeting, monitoring, and governance of investment tax incentives, which is currently estimated at close to 7% of GDP. Preparations underway to introduce property taxes. Improve tax administration capacity through operational improvements, better use of data and IT, and enhanced human resource management). The VAT proclamation was amended (Proclamation No.1157-2019) to ease the cost of filing VAT and to simplify tax governance. The Proclamation amended the VAT filing period from one calendar month to three calendar months based on the annual turnover of a taxpayer (for those with less than 70 million ETB annual turnover) and reduced the VAT refunds processing time from 49 weeks to 4 weeks, among other measures. Tax administration reform underway including the digitalization of tax payment for large taxpayers operational and aims to digitalize tax payments for medium taxpayers.	

Ethiopia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Strengthening public investment management (procurement, SOE, PPPs, utilities)		
	2018	
Reforms in SOEs governance, budget deficit, and domestic resource mobilization	Reforms in SOEs governance, budget deficit, and domestic resource mobilization (focusing on tax administration capacity through operational improvements, better use of data and IT, and enhanced human resource management). In 2022, the Government reported that: The Ethiopia investment holding established and operationalized to better commercialize and improve the corporate governance of SOEs. A new Public Enterprises Privatization proclamation (No 1206/2020) is enacted to enhance the transparency and efficiency of the public enterprises' privatization process. The law also sets out a framework to improve public enterprises' efficiency, competitiveness, access to capital, and quality and accessibility of their services. The new law replaced the Privatization of Public Enterprises Proclamation No. 146/1998. More than 10bn USD of SOE debt restructured via a new established vehicle - The Liability and Assessment Management Corporation. Work underway for the partial privatization of Ethio-telecom and privatization of select Sugar corporation estates.	
Introduce a comprehensive legal regime (Proclamation) that governs Public Private Partnerships (PPPs). Ensure PPP contracts largely use standard clauses.	PPP regulatory framework and implementation guidelines. Ratification of the SOE privatization proclamation. In 2022, the Government reported that all PPP legal frameworks have been ratified. The key legal frameworks included: PPP proclamation 7610/2018 issued 22nd February 2018, PPP directive issued August 2018, General and sector specific PPP guidelines completed October 2019, Guidelines for preparation of unsolicited projects completed November ,2021	
Expand productive infrastructure for business competitiveness.	Decision to open in the telecom and energy sectors to private and foreign participation. In 2022, the Government reported that the telecom sector has been liberalized, and one international telecom company has received a license to operate in Ethiopia. JV transmission and distribution of electrical energy allowed. Reforms underway in the energy and railway sector including SOEs to address inefficiencies and boost service delivery.	
Business Framework		
Regulations and Institutions		
	2018	
Enhance the ease of doing business in Ethiopia through trade logistics and business regulation reforms.	Improving ease of doing business by revising commercial code, investment law, and modernizing business service delivery. Implementation of electronic Single Window (for import/export business). The Ethiopian Commercial Code (No. 1243) is revised and enacted in 2021. The new Investment Proclamation (No. 1180) and Investment Regulation (No. 474) are enacted in 2020. Online investor tracking system including EIC's FDI tracking tool is implemented. Many government services are provided through online electronic system (such as company registration, work permit, VISA). Besides, Electronic Single Window System-ESW implemented for investment incentives service provision and for overall import/export. In 2022, the Government reported that improved investor information system/EIC's interactive website enhancement is underway, and that industrial parks one stop shop service manual is being redeveloped.	IFC, GIZ, UK
Ratification of the African Continental Free Trade Area; conclude negotiations for accession to the World Trade Organization.	Ethiopia has ratified the African Continental Free Trade Area protocol. Accession to WTO under negotiation	
Investor protection and dispute resolution		
	2018	

Ethiopia’s reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Targeted investor recruitment in priority sectors of manufacturing, industrial park development, energy generation and logistics services.	New investment law (more open to private sector and foreign investors than before). In 2022, the Government has reported that: The Investment Regulation No. 474 enacted with basic shift from the previous positive listing to negative listing. The new law avoided restriction of foreign investor participation in several key sectors of the economy with exception of few sectors. Industrial parks designation criteria directive is issued creating more transparent provisions. Investment incentives regulation is under assessment.	
Implement a structured approach of addressing investor’s concerns coupled with sound legal framework for grievance management	Ratification of New York Convention. In 2022, the Government has reported that the New York Convention has been ratifies and that investor grievance management practice is developed.	
Financing Framework		
Investment risk mitigation		
Mobilization of private and institutional investments		
	2018	
Removal of 27% rule and issuance of Government T-bills through auctions with market determined prices.	Further improvements in the government securities market. Discussions commenced on capital markets development	

Ghana

Ghana's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Macroeconomic framework		
Macroeconomic stability		
2018		
Constrain expenditures within budgetary limits to reduce expenditure overruns.	Fiscal deficits below 5% in 2018 and 2019, in line with fiscal rule. Higher fiscal deficit (excluding Energy and Financial sector related costs) of 11.5% of GDP in 2020 reflects the revenue shortfall due to severe economic impact of Covid-19 and the increase spending to protect lives and livelihoods as a result of the COVID-19 pandemic. The 2021 end year fiscal deficit (excluding Energy and Financial sector related costs) was 9.2% of GDP compared with the target of 9.4% of GDP. This representing fiscal consolidation of 2.3percentage points in just one year. In 2022, the Government reports: The fiscal consolidation achieved is in line with the fiscal path that will ensure a return to the Fiscal Responsibility threshold of a deficit of 5% of GDP by 2024.	Ongoing: IMF support for: i. Article IV consultations ii. Establishment of the Fiscal Risk Unit in MoF iii. Preparation of Fiscal Risk Statement and iv. Technical assistance on Government Finance Statistics
Pursue a primary surplus in order to reduce the rate of debt accumulation.	Primary surpluses of 1.9 and 0.9 % of GDP in 2018 and 2019, respectively. However, primary deficit of 5.2% recorded in 2020 reflects the fiscal impact of the COVID-19 pandemic. The 2021 end year primary deficit (excluding energy was 1.9 % of GDP, below the year target of 2.0% of GDP). In 2022, the Government reports that to ensure debt sustainability in the medium-term, the fiscal consolidation path is aimed at achieving a primary surplus in the year 2022.	
Pursue domestic debt re-profiling to lengthen the maturity profile, reduce rollover risks and cost of credit.	Debt was 59% and 63.2% of GDP in 2018 and 2019, respectively. 1. As at end Q2, Debt-to-GDP ratio was 67.0%. 2. Domestic short-term debt is 25.54% of total domestic debt. As a percentage of total debt, it is 6.04%	Ongoing: World Bank DPO Series and GEMS-TA to improve debt management and transparency
New Reform Commitments/Initiatives		
Improve debt transparency and, particularly, SOE debt.	Under the World Bank SDFP, some performance and policy actions (PPAs) have been agreed upon to improve debt transparency and particularly of SOE debt.	
Domestic Revenue Mobilization		
2018		
Develop and publish simplified versions of the five major tax laws (Customs Duty Act, VAT Act, Income Tax Act, Excise Duty Act, Revenue Administration Act).	Simplified (abridged) versions of the Excise Tax Stamp Act, 2014 (Act 873), Excise Duty Act, 2014 (Act 878), Customs Act, 2015 (Act 981), Income Tax Act, 2015 (Act 896) and Value-Added Tac Act, 2013 (Act 870) published on GRA website. The abridged version of the Excise Tax Stamp Act replaced the Revenue Administration Act.	Ongoing: i. DFID - Ghana Revenue Reform Program and Business Enabling Environment Program ii. Germany - Governance for Inclusive Growth, development of abridged versions of tax laws, upgrade of customs laboratory, Construction of IT training institute iii. USAID - Governance Program
Improve domestic revenue mobilization	Under the World Bank SDFP, performance and policy actions (PPAs) have been agreed upon to improve domestic revenue mobilization, including reforms to strengthen voluntary disclosure and promote self-declarations to expand the tax base and enhance confidence in the tax system and thus improve compliance and collection; improve the oversight and monitoring of tax exemptions; and amend	

Ghana's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	the "benchmark policy" which was reducing collection of import duties on various goods.	iv. World Bank - GEMS-TA for improved taxpayer database and data warehouse and PFM PforR operation in preparation
Provide simplified record-keeping systems for the determination and payment of taxes and filing of returns.	The record keeping has been combined with the calculation and submission of returns in the 'iTAPS' application. It has been launched for computation of taxes and the filing of returns.	
Provide software to taxpayers for tax calculation	Provide software to taxpayers for tax calculation	
Improve access to systems for filing of returns and payment of taxes by introducing one-stop shop stand-alone customer service facilities.	See above (The development and use of the iTAPS replaced this)	
Provide additional specialized cargo examination bay	This was suspended due to unavailability of partner support.	
New Reform Commitments/Initiatives		
Reforms to establish a data warehouse to enhance revenue administration, including business intelligence.	Reforms to establish a data warehouse to enhance revenue administration, including business intelligence.	
Public Investment Management (procurement, PPPs, SOEs, utilities)		
2018		
Implement and maintain a Public Investment Management (PIM) framework.	Passage of State Interest and Governance Authority (SIGA) bill into law (June 2019) ensuring SOEs adhere to good corporate practices to promote growth of industry and commerce.	Ongoing World Bank under the GEMS Project and PFM PforR operation in preparation World Bank support for drafting of PPP Bill
Enact the Public Private Partnership (PPP) Law and develop Regulations for the operationalization of the PPP Act after its passage.	The PPP Bill was passed into Law in December 2020. The PPP ACT 1039 now regulates all activities within the PPP domain in Ghana.	
Diversify the power generation sources to include renewables to ensure security, reliability, and affordability in a sustainable manner.	Total renewable energy generation (excluding Hydro) has almost doubled from 22.6MW at the beginning of 2018 to 42.6MW in 2020. However, its share of total generation has only increased from 0.5% to 0.8% over the same period.	Ongoing: i. AfDB - Electricity Distribution System Reinforcement and Scaling-Up Renewable Energy Program (SREP) Investment Plan ii. Germany - Reform and Investment Partnership, Pilot Photovoltaic Project, Renewable Energy and Energy Efficiency for the Public Sector (REEEPublic), Market Entry Into RE and EE for the Productive Sector, iii. World Bank - DPO support and Technical Assistance Future: i. Germany - Government Goes Solar, Green Credit Line

Ghana's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
		ii. World Bank - DPO support and Program for Results (P4R)
Implement the Cash Waterfall Mechanism (CWFM) for energy	Ongoing: World Bank - Ghana Energy Sector Transformation Initiative Project	Ongoing: World Bank - Ghana Energy Sector Transformation Initiative Project
Implement procurement auctions for future generation plants.	Given the oversupply of generation and capacity charges to be paid, there is still a moratorium on new IPPs. Procurement auctions would be implemented once the moratorium is lifted.	
Business Framework		
Regulations and Institutions		
2018		
Update Ghana's business legal and regulatory framework to reflect new trends in business practices.	Passage of Companies Act of 2019 (Act 992) streamlining business registration and operations as well as establish an autonomous Office of Registrar of Companies (ORC). Bill passed by Parliament. Corporate Restructuring and Insolvency Act, 2020 (Act 1015) assented by President on April 30, 2020. Trading Across Borders Technical Working Group recommendation report is yet to be enforced by GRA Customs, GPHA and others. A Committee has been setup by GRA Customs to conduct Cargo Time Release Study which will provide recommendation for areas to be streamline along the chain.	Ongoing: i. IFC - TA support ii. DFID - Business Enabling Environment Program (Support to Better Business Regulations Strategy)
Create the Ghana Business e-Registry that will serve as a complete repository of business and investment laws.	Ghana Business Regulatory Reforms Portal launched on August 26 2020 to improve transparency and inclusiveness as well as promote dialogue and feedback to enhance quality service delivery. The portal also has an e-Registry component which provides free access to business laws, regulations, administrative notices, directives, procedures as well as fees, forms, and charges. The URL is www.brr.gov.gh or www.bcp.gov.gh	Ongoing: i. IFC - TA support ii. DFID - Business Enabling Environment Program (Support to Better Business Regulations Strategy)
Review and reduce the number of steps in the acquisition of the various business operating permits.	Development of an online system for the acquisition of Fire Permit and Certificates to reduce the time and cost burden on businesses Review of the EPA Act 1994 (Act 490) and the Regulations Upscaling of the Construction Permit Processing system in all MMDAs in Greater Accra. In 2022, the Government reported full automation of the fire permit acquisition processes	
Investor protection and dispute resolution		
2018		
Adoption of a new Investment Code	Adoption of a new Investment Code	
Development of the Regulations for the Corporate Insolvency and Restructuring Act 2020 (Act 1015) Conduct Cargo Time Release Study which will provide recommendation for areas to be streamline along the chain.	Approval of the Regulations for the Corporate Insolvency and Restructuring Act 2020 (Act 1015) and the Companies Act 2019 (Act 992)	
Financing Framework		
Investment risk mitigation		
2018		

Ghana's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Develop de-risking instrument to leverage private investment including renewable energy (RE), energy efficiency, and agricultural lending (GIRSAL - Ghana Incentive-Based Risk-Sharing System for Agricultural Lending)	The minimum capital requirement for banks was increased to GH¢400 million from GH¢120 million (end 2018); The Corporate Insolvency Bill was passed by the Parliament in 2020; Ghana joined the Asian Infrastructure Investment Bank (AIIB) and the Africa Trade Insurance (ATI) as a way to leverage private capital for infrastructure development.	Ongoing: i. AfDB - Support to GIRSAL ii. Germany - Reform and Investment Partnership (Accompanying Measure) iii. AfDB - Support for GIRSAL iv. Germany - Reform and Investment Partnership (ATI subscription payment) Future: Germany - Reform and Investment Partnership (Green Credit Line)
Mobilization of private and institutional investments		
2018		
Normalize and extend the yield curve	The spread as at end September 2020 was positive. The yield curve had some inversions	
Enhance secondary market activities	As at end December 2020, volume of trades reported by CSD was 108.4 billion compared with 55.6 billion recorded in 2019 and 37.9 billion in 2018. The volume reported by Bloomberg was 5.56billion (as at end December 2020), which is lower than the 5.58billion recorded in 2019. In 2018 the volume was 3.60 billion.	
Introduce a wider spectrum of instruments	Concept Note and paper developed on green and SDG bonds. In 2020, 3, 5,6,7-, 10-, 15- and 20-year government bonds were issued.	
Build the capacity of all domestic debt market players in the pricing of bonds.	On-going	Ongoing: DFID support for development of Capital Market Master Plan The World Bank is providing support to market development under the programmatic multi-year GDRM program

Guinea

Guinea's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Macroeconomic framework		
Macroeconomic stability		
	2018	
Finalize the decree implementing the law on the management of public enterprises.	The National Assembly amended the legal framework for state-owned enterprises in December 2017 and adopted its implementing decree in September 2018. With regard to tax risk management, the law clarifies the conditions and limits of the debts that public companies can contract under the control of the Ministry of the Economy and the Economy. Finance. The law also strengthens the budgetary transparency of public enterprises by specifying the reporting obligations to the MEF, as well as the publication of financial statements on the Internet. In 2022, the Government has reported the following: General Estates of Public Companies; State of play of the EPA; Updating and strengthening the monitoring of the financial management of Public Bodies (SA, SM, Fonds and EPA) and Heritage	World Bank, French Development Agency (AFD)
Finalize the implementation of the Treasury Single Account (CUT)	In May 2020, the authorities finalized the agreement governing relations within the CUT and extended the coverage to 89% of all public accounts other than those relating to regional government, local authorities and development projects financed from external resources. In 2022, the Government reported: The operationalization of the Treasury Single Account; the development of a general regulation on budget management and community accounting; The computerization of state accounting; The implementation of the State's chart of accounts; The timely placing of orders for securities and securities to reduce or even avoid stock-outs. Compliance with the limits imposed on the BCRG's statutory advances; The development of the treasury bill issuance plan considering the availability of cash and the objectives as well as their return at maturity; The adjustment of treasury bills on a monthly basis according to projected needs.	IMF
Clearance of domestic debt arrears	Clearance of domestic debt arrears continues (2022)	France Development Agency (AFD) / UNCTAD / World Bank
Domestic revenue mobilization		
	2018	
Establish and implement an action plan for targeted tax policy and administration reforms – including a unique tax identifier, a core VAT, and a customs code	New Tax and Investment Code. The authorities introduced the online tax declaration and payment (E-tax) system in September 2020.	IMF, African Development Bank, World Bank, AFD
Management of public investments (procurement, PPPs, public enterprises, public services)		
	2018	
Review and implement the Public Procurement Code and all decrees issued under it.	The new revised Public Procurement Code, with all implementing texts, as well as most of the public procurement management tools have been validated and have entered into force since 1 September 2020.	

Guinea's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Reform of public procurement.	Proportion of non-tendered contracts reduced to 40% in 2020. In 2022, the Government has reported: A system for monitoring files submitted to the DNCMP has been developed and shared with the MEFP cabinet on a regular basis; The design and development of a transversal electronic platform for the management of the public procurement system that was presented to the MEFP. Currently being finalized, the solution will allow a reduction in procedural delays and greater transparency in the process of awarding and managing public contracts; Negotiations with the World Bank to support the drafting of texts for the finalization of the reform of public procurement; Proportion of contracts without a call for tenders was 23% in Q1 2022	
Operationalize the PPP Cell.	The decrees implementing the Public Private Partnership (PPP) law were signed in early 2021. The PPP law was approved by the National Assembly in 2017. These decrees specify: (i) the institutional framework governing PPPs; and (ii) the process and procedures required when identifying, evaluating and contractually arranging PPP investments. In 2022, the Government has reported that as part of the operationalization of the PPP framework, several actions have been carried out, including: The Organization of major meetings with sectoral ministries (Contracting Authorities) in order to present the missions and attributions of the PPP Unit and to request the situation of projects likely to be financed in PPP mode; The Visit of the structures involved in the implementation of PPPs (ARMP, ACGP and DNCMP) to make contact and define the principles of collaboration in order to make the PPP framework effective;	
Business Framework		
Regulations and institutions		
	2018	
Promote SMEs and women's entrepreneurship,	Industrial policy strategy (including SMEs). As of 2022, the Ministry has contacted the UNIDO partner for the organization of three workshops scheduled for April to train relevant staff and policy makers. This will make it possible to start drafting the industrial policy letter.	World Bank
Promote and dematerialize business creation at the One-Stop Shop	Business creation is done at the One-Stop Shop of the Private Investment Promotion Agency. It was created to simplify and facilitate the procedures in the business creation. It is now possible to set up a business in less than 72 hours.	IFC/World Bank
Investor protection, dispute resolution and anti-corruption		
	2018	
Establishing an effective anti-corruption framework	The implementing decree on the organization and functioning of the National Agency for the Fight against Corruption (ANFC) was adopted in October 2018. In March 2020, the authorities adopted the decrees implementing the asset declaration regime; finalized the declaration form, which was published on the Court of Auditors' website. In 2022, the Government reported the creation, organization, and operation of the Court for the Suppression of Economic and Financial Crimes (CRIEF)	IMF /World Bank
Financial Framework		
Investment Risk Mitigation		
	2018	

Guinea's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Sign the Memorandum of Understanding between the BCRG and the Ministry of Economy, Finance and Planning on the conditions and timetable for the recapitalization of the BCRG.	A Memorandum of Understanding between the BCRG and the Ministry of Economy, Finance and Planning on the conditions and timing of the recapitalization of the BCRG is signed.	IMF / World Bank
Develop a weekly forecast of foreign currency liquidity to improve the predictability of market supply and demand conditions	The authorities finalized a weekly forecast of foreign currency liquidity in December 2018 to improve the predictability of market supply and demand conditions.	IMF / World Bank
Financial Inclusion Strategy	Credit company Partial credit guarantee	World Bank
Establish a framework for the resolution of bank defaults		

Morocco

Morocco's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Macroeconomic framework		
Macroeconomic stability		
	2018	
Continued implementation of tax reforms seeking to improve the efficiency and equity of the tax system and make it more investment-friendly, along with the strengthening of the tax administration.	**Fiscal consolidation and decentralization:** The main tax reforms are Adoption in July 2021 of a Tax framework law aiming at revising the foundations of the tax system and resolving its dysfunctions which draws up a medium-term reform plan on the basis of the national tax meeting recommendations held in 2019. Gradual reduction of industrial corporate tax rate since 2020 and abolition in 2022 of the rates progressivity scale of corporate tax. Introduction of a 70% tax allowance in 2022, applicable on the net capital gain earned from fixed assets disposal, excluding lands and constructions. Reform of Tax administration proceeding with digitalization of tax declarations and payments, local tax simplification, collection improvement interoperability of administrative systems, development of internal control & audit functions. Introduction in 2021 of "la contribution professionnelle unique (CPU)", for businesses/proprietorships, which have limited revenues, and its adaption and improvement in 2022 Finance Act. In 2022, the Government reports ongoing process of implementation of these reforms within the tax framework law.	WB, EU
Implementation of the transition to a more flexible exchange rate regime.	**Exchange rate flexibility Exchange** rate band widened from ±0,3% to ±2,5% in January 2018 and ±5% in March 2020. In 2022, the Government reports ongoing process of implementation of this reform	IMF
Public investment management (including SOEs, PPPs and utilities):		
	2018	
Modernize tax and customs administrations	Reform of tax administration proceeding with local tax simplification, CPU, and interoperability of administrative systems of tax and customs directorates.	-
Improving state-owned Enterprises (SOEs) governance and performance.	Improvement of payment delays Operationalization of the Observatory of Payment delays; Adoption of a new regulatory framework fixing the compensation rate due for delays and the modalities for its settlement; Monitoring of supplier complaints through a new platform (AJAL) set up to facilitate exchanges and communication between suppliers and SOEs and improve the system; Generalization of digitalized pay offices of SOEs, subject to prior control; Publication of the first report on payment delays. **SOEs sector SOE oversight and refocus on core public mandates:** Adoption in August 2021 of the Framework Law related to the reform of SOEs aiming at gathering SOEs with similar activities; the merger of SOEs or subsidiaries; transformation of SOEs which are carrying out commercial activities into Public limited companies; termination and liquidation of some entities whose missions are outdated, or those which have structural deficits. Adoption in July 2021 of the law creating the National Agency for Strategic Management of State Holdings and Monitoring the Performance of SOEs which will play a key role in the implementation of restructuring operations as soon as its governance and management bodies become operational. **SOE and public investment management reforms to optimize finance for infra entities** Creation, in January 2021, of the Mohammed VI Fund for Investment, which will be structured into sectoral and thematic Funds in areas of high priority mainly industrial restructuring, innovation and activities with high growth potential, promotion of SMEs, infrastructure, agriculture and tourism. The infrastructure sub-fund will target using an MFD/PCM approach. **Regulatory authorities** (**electricity, postal, telecoms**) **established or endowed with greater powers** Completion, in 2021, of the structuring and the establishment the Electricity sector regulatory authority (ANRE). Draft law on the reform of the postal sector has been validated by stakeholders and submitted to the approval process. **Code of Good Governance Practices for SOEs** Since the launching in 2012 of the Moroccan Code of Good Governance Practices (CMBPG) for SOEs, significant progress has been made at several levels in terms of the functioning of the SOEs' Deliberative Bodies (DBs), including a sustained dynamic in terms of the establishment of specialized committees emanating from the DBs, the adoption by the DBs of more than 40 SOEs of plans to improve governance and charters and other instruments of governance.	WB, WB, EBRD, IFC, WB, AfDB, EBRD, EU

Morocco's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	In 2022, the Government reports: Finalization and approval of the draft amendment to the Commercial Code aimed at instituting pecuniary sanctions against companies that exceed the legal payment delays. The Diligences are underway for the reform implementation and the operationalization of the Agency. The vision for financing commitments of this Fund, which is currently being structured, emphasizes a public-private financing mix that is balanced according to the characteristics of the targeted sectors. Further diligence is underway for efficient deployment of the regulatory authorities. Work is underway to update this Code in line with the OECD guidelines, and also, essentially, with the new guidelines contained in the Framework law relating to the reform of SOEs, as well as the law on the creation of the National Agency, in consultation with the national corporate governance commission.	
Development of Public-Private Partnerships	**PPP Framework brought in line with EU practices, and Investment Charter** (**for FDI**) **being revamped.** Amended PPP law, adopted in March 2020; Edition of the implementing decrees relating to the State and the SOEs in September 2021 (Decree relating to the new National Commission for PPPs and Decree amending and supplementing Decree issued for the application of the law relating to PPP contracts). Two draft decrees relating to local authority PPP contracts (standing committee and procedural decree) are in the process of being adopted. In 2022, the Government reports that further diligence is underway for PPP deployment, notably: setting of an investment threshold under which the preliminary evaluation will be optional; training workshops for all stakeholders working on PPPs; activation of the national Commission at national level; creation of a permanent Commission at local level.	IFC, EBRD
Business Framework		
Business environment and regulation		
	2018	
Simplifying business related administrative procedures and strengthening dematerialization and creating one-stop shop	**Reform of the legal framework governing public limited companies:** Enactment in June 2019 of the law 20-19 modifying and completing the law 17-95 aiming at promoting gender equality in governance bodies; Enactment in July 2021 of the law 19-20 amending the law 17-95 relating to joint stock companies and the law 5-96 related to limited partnership, public limited companies, general partnership, joint venture companies and limited liability companies, aiming at promoting gender equality in governance bodies, enabling virtual meetings and electronic voting. Revision of law 78-12 on public limited liability companies), the proposed amendments aim to improve the regulatory aspects of corporate governance by increasing corporate transparency, strengthening management accountability, and enhancing minority shareholders protection. The revision will also be introducing a quota on gender diversity on boards for certain types of companies (publicly listed, etc.) of 30% in 2024, and 40% in 2027, Pending validation from technical committee and adoption in parliament. **Secured transactions framework:** Enactment on April 2019 of the Law 21-18 on secured transactions, including the creation of a National Movable Collateral Registry (Registre National électronique des suretés mobilières [RNESM]), and the adoption in November 2019 of the Decree regarding the operating modalities and management of the RNESM. Organization of a campaign of sensitization on this reform and training workshops for stakeholders (banks, financing companies, lawyers, notaries, chartered accountants, judges...) **Creation and assistance of businesses by electronic means** Enactment on January 2019 of the law 89-17 modifying and completing the law 15-95 aiming at the creation of an electronic trade register grouping all local trade registers managed by the Secretariat of the competent courts, as well as the central electronic trade register. Entry into force, in March 2019, of the Law 88-17 relating to the creation and assistance of businesses by electronic means, aiming at dematerializing legal formalities and digitalizing administrations services related to businesses (creation of companies, registration in the Electronic trade register, delivering business certificates, tax matters…). **Reform of the Regional Investment Centers** Enactment in February 2019 of the law 47-18 reforming regional investment centers (CRIs) and creating the Unified regional investment commissions, as well as its implementation Decree (April 2019). This reform is based on 1. Restructuring of CRIs, 2. Creating of a unified regional commission of investment and simplification of procedures and 3. Simplification of the procedures for processing investment files. **Simplification of**	EBRD, IFC, AFDB

Morocco's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	administrative procedures and formalities Enactment in September 2020 of the Law 55.19 related to the Simplification of administrative procedures and formalities; Launching, in April 2021, of the National Administration Portal "idarati.ma". **Simplification of public procurement procedures** Entry into force, on April 2020, of circulars aimed at simplifying public procurement procedures through i) facilitating electronic submission on the public procurement portal and ii) removing the ceiling for the use of the purchase order procedure by SOE. **In 2022, the Government reports:** **Continued reforms for digitalization and simplification of business-related administrative procedures. Continue enhancing the competitiveness of regions by (i) supporting the Regional Investment Centers to bolster local investment promotion and aftercare activities, and (ii) improving the regional business environment via the reduction of payment delays and operationalizing Regional Centers for Investment Climate (CREA).**	
Modernization of the legal, institutional, and regulatory framework for business	Enactment in May 2021 of Law 46.19 relating to the National Integrity, Prevention and Anti-Corruption Agency (INPPLC) Anti-corruption national strategy being implemented. Competition council operationalized with the appointment of the President of the Council and their members in March 2021. In 2022, the Government reports: Effective entry into force of the Law 46.19 through the appointment of the Agency Secretary-General and the 20 members of its Board of Directors. The resumption of work on the strategy and the review of its governance and a restructuring of its mechanisms based on a participatory approach. Strengthening the Competition Council's antitrust capabilities: (i) Establishing procedures governing investigations (ii) developing guidelines for merger review. Developing an institutional ecosystem to support effective implementation of competition policy (e.g., private sector, judiciary, media)	IFC, EU
	New Reform Commitments/Initiatives	
Promoting industrial and digital activities	**Promoting industrial zones:** Set-up of a new Law on industrial zones with the objective to improve their commercial success and encourage the development of implanted activities. It aims at improving their management conditions by providing their developers and users with legal tools allowing a sustainable and long-lasting management. **Promoting digital activities:** Launching of the "Morocco Tech" initiative which aims to promote the country's digital sector and improve its attractiveness of FDIs by strengthening its competitiveness as well as releasing the investment potential of national operators and start-ups. **Strengthening decarbonation and access of industrial zones to renewable energy**	
Aligning the new Investment Charter with the ambition of the new Moroccan Development Model regarding the enhancement of the role of private sector	**Overhaul of the Investment Charter:** This project aims to increase the share of private investment to two-thirds of total investment by 2035, by encouraging investment, particularly in less developed regions, and granting incentives to boost promising sectors, as well as a specific support for very small, small, and medium enterprises, in addition to the development of Moroccan investments abroad.	
Financing Framework		
Reduce risks investments (Efficient risk mitigation instruments)		
	2018	
Strengthening and diversifying the financing instruments for SMEs and	**National Financial Inclusion Strategy (SNIF) being implemented** The objective of the SNIF is to make financial inclusion a real vector for socio-economic development, particularly among young people, women, populations in rural areas, and SMEs. The SNIF deployment approach was validated, in June 2019, by the National Committee, whose mission is to steer and implement the strategy, at its first	WB, EIB, EU, KfW, KFW,

Morocco's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
promoting financing for start-ups and innovative companies	meeting held. Seven roadmaps covering all strategic levers have been turned to 150 actions to pace and secure their implementation, a large part of which has been completed. Similarly, the creation of Sovereign investment fund (Mohammed VI fund for Investment) will target, among other things, start-ups, and innovative companies by co-investing jointly with private equity managers. **Reform of the national guarantee system Morocco** has adopted a strategic vision for the new National guarantee system as part of the Central Guarantee Fund's development plan (2017-2021): Restructuring the range of existing guarantee products (12 products) and grouping them into 3 main products, according to three priority targets, namely, start-ups (Damane Venture Capital), VSEs (Damane Express) and SMEs (Damane Atassyir and Damane Istitmar). Guarantee of financing provided by Microcredit Associations targeting VSEs. Setting up a guarantee mechanism dedicated to financing by participative banks, especially to VSEs. Transformation in July 2021 of the CCG into a public limited company "National enterprise guarantee and financing company" **Crowdfunding** Enactment in 2021 of the law on Crowdfunding aiming at financing entrepreneurship and innovation and supporting the emergence of social, cultural, and creative projects. **Business Angels** Launching in 2018 of a support and training program for Business Angels networks as well as the establishment of partnership between the "Fund Innov Invest" Fund (FII) and networks of Business Angels selected on the basis of specifications. In this regard, the network "EBAN" (European Business Angels Network) has been selected to support Moroccan businesses reinforcing their capacity building. **Souk At Tanmia" project** Implementation in 2019 of the "Souk At Tanmia" project to set up a platform for the national coordination of the entrepreneurial ecosystem, with the support (financial and technical) of entrepreneurs. A project management unit was set up for the implementation and coordination of the program. **Integrated Program for Entrepreneurship Support and Financing** Launching on 2020 of "The Integrated Program for Entrepreneurship Support and Financing", focusing on three main areas: the financing of entrepreneurship, the coordination of support actions for entrepreneurship at the regional level and the financial inclusion of rural populations. A special Fund of DH8 billion was created under the 2020 Finance Act, spanning over 3 years, was financed by the State, the banking sector and the Hassan II Development Fund. Credits, under this instrument, are granted at historically lowest rates, 2% in urban areas, 1.75% in rural areas and 0% for start-ups and MSME (very small enterprises). These credits are guaranteed up to 80% by the State. **Development of a financing offer relating to the green economy.** **In 2022, the Government reports:** **Ongoing process of the strategy deployment. Various actions in the working groups roadmap have been implemented in particular structuring reforms such as the publication, in 2021, of law n° 50-20 on microfinance and the law n° 15-18 on crowdfunding. Work is underway to update the roadmap taking into consideration the recovery measures following the covid-19 crisis.** **The CCG has been transformed into the National enterprise guarantee and financing company. Work is underway to operationalize the reform by finalization and approval of implementation texts.** **Finalization and approval of the draft decree and its implementation texts, to be issued pursuant to Law 15-18.** **Continued support to Moroccan businesses to reinforce their capacity building** **Work is underway to launch non-financial "support actions" component.** **Study on the development of a financing offer relating to the green economy in Morocco with main objectives:** **1. Gap analysis of the offer and needs for green finance instruments across sectoral value chains targeting SMEs;** **2. A design of the initial contours of a new instrument that could partially meet the unmet demand of SMEs in the green space in Morocco, based on the conclusions drawn in the gap analysis.**	EBRD, GIZ, WB, EU, AFDB
Implementation of the law on derivatives market and the OTC operations	**Revision of the law governing derivatives market** The objective of the revision of the law governing a regulated derivatives market is (i) to extend the scope of the law governing the futures market to OTC derivatives transactions which are currently only regulated by circulars of Bank Al-Maghrib, (ii) to guarantee the legal certainty of these transactions and (iii) to harmonize the provisions of the aforementioned law with the new principles and standards in the field of derivatives regulation, namely those enacted by European regulations. In 2022, the Government reports the finalization, approval and implementation of the law on derivatives market and OTC operations.	EBRD

Morocco's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Domestic debt market development		
	2018	
Consolidation of the legal framework for financial instruments: Sukuk certificates, assets securitization, secured bonds, etc.	**Implementation on-going, especially. securitization framework as applied to distressed asset recovery** Enactment in 2018 of the Law 69.17 amending Law 33.06 on asset securitization. This amendment introduces new provisions regarding the definition of Sukuks in order to allow the issuance of different categories as well as clarifying the relationship with the Higher Council of Oulemas (CSO). The first issuance of sovereign Sukuks was carried out in October 2018. Enactment in 2018 of two decrees of implementation of the Law 70-14 relating to OPCIs. Establishment of the Commission in charge of approving real estate asset appraisers of OPCIs by a decision of the Ministry of Finance. Publication in 2019 of circulars relating to the approval of OPCI management companies and the authorization of OPCI funds. Adoption of 3 decrees authorizing territorial collectivity to finance their investment projects through local banks, international financial institutions, or by issuing debt securities or securitization transaction. **Secondary market for non-performing loans (NPLs):** Support the reform to kick-off a secondary market for NPLs in Morocco through the swift resolution of key impediments that are preventing the creation of the market from a private sector perspective. Guidance on a fiscal reform package for better tax treatment of NPL sales has been delivered. In 2022, the Government reports: Preparation of a draft law on covered bonds. Its objective is to encourage long-term savings and allow credit institutions to finance long-term projects by improving their refinancing conditions. (This draft law is adopted by the Government Council in February 2022). Ongoing preparation of a draft decree within the framework of the law on securitization for the establishment of debt funds. Ongoing support to alleviate fiscal, legal and institutional barriers facing the creation of a secondary market for non-performing loans. An additional reform package on debt transferability to support the development of a secondary market for NPLs is under work.	IFC, WB, KFW
Operationalization of the legal framework governing collective investment in real estate or in capital	**Good market take-up of Real Estate Investment Trust (REITs)** Legal framework being streamlined to support the operationalization of the "Fonds Mohammed VI pour l'Investissement" sub-funds investing in innovative companies. Adoption in 2019 of several prescriptions to complete the regulatory framework of the Collective investment undertaking Act to extend its scope to all private equity activities (venture capital, development capital …). In 2022, the Government reports the ongoing amendment of the law relating to undertakings for collective investment schemes.	WB, KfW
Improving access to financing for individuals and very small and medium-sized enterprises		
	New Reform Commitments/Initiatives	
Revision of the legal framework relating to microfinance	**Preparation of regulatory implementing texts of the law no. 50-20 relating to microfinance** As part of strengthening the role of the microfinance sector in the development of financial inclusion and its support following the level of maturity reached, it was decided to overhaul the legal and regulatory framework that governs it by adopting in July 2021 of law 50-20 relating to microfinance. In 2022, the Government reports the finalization and approval of regulatory text relating to the operationalization of the law relating to microfinance	WB, KfW
Develop the framework of the Credit Bureau to extend it to other companies providing non-financial data as part of the national financial inclusion strategy.	Establishment of a legal framework governing Credit Bureau by extending the scope to non-financial data relating to natural and legal persons, originating from non-financial entities, following international best practices. In 2022, the Government reports the finalization and approval of the draft law governing Credit Bureau by extending the scope to non-financial data.	IFC, KfW
Improving financial stability		
	New Reform Commitments/Initiatives	

Morocco's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Implementation of the reform on banking resolution	In the aim of preventing banking crises and allowing an orderly resolution of the failures of banking institutions by preserving the real economy and public finances as far as possible, a draft amendment to law 103.12 relating to credit institutions and assimilated bodies has been prepared and submitted for adoption. In 2022, the Government reports the finalization and approval of this draft law.	WB, KfW

Rwanda

Rwanda's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Macroeconomic framework		
Macroeconomic stability		
2018		
Forex availability Establish a financial swap that would lower private sector investment finance costs	National Bank of Rwanda (NBR) has established a swap with commercial banks to ensure availability of forex when necessary.	IFC, & IMF to work with the Central Bank of Rwanda on new benchmark for local currency swap arrangement. KfW to explore forex hedging possibilities through the TCX fund it cosponsors
New Reform Commitments/Initiatives		
Government will take the necessary measures to ensure continued macroeconomic stability	Continue implementation of the Recovery program (some of the new reforms under the program are detailed below) Fiscal consolidation – with improvement in projects prioritization and execution Subsidize prices/ costs of some products Close monitoring and supervision by central bank and possible monetary policy tightening depending on market conditions Prudent Debt management	IMF and WB are advising on analysis and design of sound economic policies/ program in current context More (additional and concessional) resources are needed: RST, PRGF, IDA, etc. Debt Service Suspension Initiative and Consolidated Debt framework
Domestic Revenue Mobilization		
2018		
To conduct an analysis of the cost/benefits of the current tax incentive regime by January 2018	Rwanda has published a comprehensive tax expenditure report with updated methodology, and a description of broad categories of beneficiaries by end - June 2019 and 2020 under the technical assistance of IMF.	IMF will provide Technical Assistance (TA) to conduct the tax incentive regime analysis. IGC supported the analysis of tax incentives performance. Subsequently the Investment code has been revised to better target incentives. IMF TA supports the preparation of the MTRS.
Upgrade Tax IT infrastructure to broaden tax base and improve compliance	Rwanda has improved the system of electronic invoicing for collecting taxes[37].	TradeMark East Africa (TMEA) is supporting RRA on Electronic single window for customs. DFID, USG and KfW to explore scope for supporting Tax IT infrastructure as part of new phases of support to RRA.
New Reform Commitments/Initiatives		

[37] Improvement was made in usage of the Electronic Billing Machines. As of end June 2020, taxpayers having EBMs registered an annual growth of 14.1% over 12 months. In addition, the number of taxpayers having EBM V.2 (electronic invoicing software) accounted for 40.8% of total number of taxpayers having EBMs. Other efforts made in improving service delivery and enhance tax compliance include intensification of tax education and information programs, monitoring of non-filers and non-payers, enhancement of e-tax system and local government tax management system and further progress towards enhancement of Electronic Single Window System.

Rwanda's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Adoption of the Medium-Term Revenue Strategy (MTRS)	A Medium-Term Revenue Strategy (MTRS)[38] spanning three fiscal years has been adopted with the objective to increase revenue-to-GDP ratios by 1percentage point of GDP while supporting economic recovery. The MTRS is being implemented and will continue to be updated to take advantage of new revenue streams.	IMF, Tax Dev, WB, ATAF and other development partners to support in conducting studies to inform tax reforms under the MTRS.
Public Investment Management		
New Reform Commitments/Initiatives		
Conduct various assessments (including but not limited to PIMA) and adopt action plans to improve public investment management		IMF, WB
Business Framework		
Regulations and Institutions		
2018		
Conduct feasibility study that will inform GoR policy on industrial parks development[39]	Pre-feasibility studies on Industrial parks development were conducted for Bugesera and Rwamagana. Demand market study was also completed. A detailed study of Bugesera industrial park was delayed due to funding issues. An option is being explored on how the study (Bugesera business model) could be undertaken under a project being finance by GIZ.	DFID funded Invest Africa to support and facilitate investments attraction.
Supporting industry and export growth		
New Reform Commitments/Initiatives		
Establish a Fund for Feasibility Studies	This will require increasing standardization and uniformity across feasibility studies (leveraging international good practices), developing guidelines to improve quality of feasibility studies, as well as implementing adequate policy reforms. A Blended Finance Facility model will be explored to determine if we should limit it to PPPs and JVs projects.	Private consulting firms or development partners to support in conducting feasibility studies Development partners to strengthen the capacity of key line Ministries (embedded experts in feasibility studies) Development partners to support in determining necessary policy reforms and guidelines to improve quality of feasibility studies
Management of the Manufacturing and Build to Recover Program (MBRP)	The MAC is operational. Cabinet gave it mandate to manage the Manufacturing and Build to Recover Program (MBRP) offering specific incentives to grow private investment in construction and manufacturing over two years (up to end-2022).	

[38] The MTRS presents, among others, a set of tax policy and tax administration measures to be implemented through a sustained process of tax reforms over 3 years with the objective to boost tax revenue collection to support Rwanda's medium-term development priorities and fiscal consolidation.

Rwanda's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	Assessment of the MBRP and recommendation for a follow-up program (extension of existing or other) to ensure continuous growth of private investment in industry and other sectors Establish a local firms upgrading program (goal: promote linkages among large exporters and local firms by Improving operating efficiency of participating SMEs, widening their product range and introducing new processes. Eventually to undertake joint product or process development with large exporters) Establish a market development assistance program (goal: encourage, support, and train local firms to enter export markets/multinationalism by providing financial assistance to firms which desire to prospect new markets or to identify niches in such markets) Establish market knowledge and competence upgrading program (goal: support local firms in obtaining competitive advantage by adopting/creating systems and processes that generate and integrate market knowledge - which provide real-time and granular market data – and accurately identify trends. This would allow local firms to spot and exploit changes in markets before competitors.) Establish management skills/Capacity-Building program (goal: widen talent pool of local managers by offering operational and organizational training programs, on-site training on productivity development, and providing training on business model design emphasizing value-chain development and value creation)	
Investor protection and dispute resolution		
2018		
Institute a quarterly investment roundtable to resolve investor issues	Quarterly investment roundtable established. RDB established an investment committee comprising of core Ministries to review ongoing deals and address escalated issues. RDB also established an investor open day every Friday from 9:00 to 12:30. In addition, quarterly CEO forums are held in which RDB leadership engages with business leaders in thematic sector groups. The Aftercare team has also been elevated to a department and doubled staff number to ensure effective follow up of investor issues and encourage re-investments.	DFID to provide TA to secretariat through Invest Africa.
Implement the systemic investment response mechanism (SIRM)	Reinvestment and Investor Aftercare: Following the establishment of Systemic Investment Response Mechanism for groundwork at Rwanda's Development Board (RDB), Development of Customer Relationship Management System (CRM) is at advanced stage, which will track and handle RDB's service delivery to both potential and existing investors at all stages of the investment process.	DFID is funding SIRM through Invest Africa, implemented by IFC. The SIRM platform is completed at about 80%. currently under development.

Rwanda's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	Improve system for identifying investor issues, managing investor grievances, and minimizing dispute escalation.	
Strengthen advocacy capacity of Private Sector Federation (PSF) to influence investment policy	Feasibility study for establishing the blended finance facility has been conducted.	
Develop a pipeline of projects to attract private investors (incl PPP)	The Government further established under the leadership of the Prime Minister and coordination of Rwanda Development Board an inter-ministerial Manufacturing Acceleration Committee that is in charge of facilitating and giving support to firms in the industry sector (particularly in construction and manufacturing).	Boston Consulting Group (BCG) worked with RDB to create the country's first Investment Accelerator: a central hub to propel FDI in a landlocked country with a relatively small population. The Investment Accelerator manages the investment process from end to end, identifying where to focus, developing value propositions, designing deals, and building long-term government capacity.
Financing Framework:		
Mobilization of private and institutional investments		
2018		
Support capital market development *1. Build capacity of companies to list on the Rwanda stock exchange* *2. Build capacity of banks to undergo credit rating by international credit rating agencies*	Capital Market Development by improving framework for money markets and government securities market development and developing the institutional investor base, assessing the potential to use instruments to mobilize long term financing	
De-risking investment in specific sectors (housing, exports, and agriculture)		
2018		
Establish Affordable Housing Fund	The Affordable housing scheme has started with funds available at Rwanda Development Bank.	WBG is implementing a $150m operation with the objective to expand access to housing finance to households and to support capital market development in Rwanda. IFC stands ready to develop PPP housing bankable projects for 6 Secondary Cities.
Operationalization and scale up of the Export Growth Facility (EGF)	EGF is operational. Criteria for accessing the EGF has been reviewed to ensure larger uptake. EGF had received and disbursed 93% of its available resources by 2020 to 74 export projects. These projects and allocated amount had combined export revenues of 5 times the investment made by 2020	KFW is supporting EGF & DFID have plans to support.
Establish agriculture risk sharing facility (ARSF)	A Rwanda Agriculture De-Risking and Financing Facility (RWADEFF) has been developed and is expected to become operational in 2021.	Netherlands is developing a new program in horticulture value-chain development which includes 5m euros to support private sector investments in horticulture. WBG, Netherlands, USAID, AFDB to support in design and capitalization of an ARSF. The WBG, under the Commercialization and De-risking for Agricultural

Rwanda's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
		Transformation Project, will play an essential role in de-risking the agriculture sector by strengthening the linkage between credit and agriculture insurance to encourage financial institutions to expand more credit to the sector.
New Reform Commitments/Initiatives		
A Rwanda Agriculture De-Risking and Financing Facility (RWADEFF) has been developed and will be operational in 2022		WB CDAT project
A second version of the Economic Recovery Fund (ERF2) will be operational in 2022 with the aim of supporting financing of private enterprises to foster growth through provision of low-cost financing and offering even lower interest rates if acquired equipment would achieve either a. Significant increase in production output per worker b. Introduce more sophisticated manufacturing technique		WB, AIB

Senegal

Senegal's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner support
Macro Framework		
Macro stability		
2018		
Reduce fiscal deficit	COVID-19 has derailed fiscal consolidation efforts and the 2020 headline deficit was 6.5% of GDP. WAEMU Finance Ministers agreed to converge to the 3% target by 2023. · VAT refund for firms faster and more efficient. Fiscal space will be key for recovery and fiscal sustainability: · Implementation of the Medium-Term Revenue Strategy (MTRS) · VAT exemptions rationalization In 2022, the Government has reported that he implementation of the Medium-Term Revenue Strategy (MTRS) will contribute to improved domestic resource mobilization and reduce the use of debt. Streamlining VAT exemptions	World Bank (DPO, PER) IMF PCI
Ensure debt sustainability	Public Debt remains sustainable. New monitoring framework for annual evaluation of progress on MTDS. In 2022, the Government has reported: Advances: The framework for the development and monitoring and evaluation of the medium-term debt strategy and the annual financing plan was established by decree. Perspectives : 1-publication of quarterly debt bulletins, including information on the debt of state-owned enterprises and PPPs 2- quarterly evaluations of the implementation of the medium-term debt management strategy (MTDS) and the annual financing plan. 3- development and validation (by decree) of the legal framework governing the process of granting public guarantees and loans retroceded to public companies and the monitoring of the credit risk of public companies	World Bank (DPO and SDFP PPAs) IMF PCI
Reduce current account deficit	COVID shock increased CAD. However, imports were largely induced by investment related to oil/gas development. Fiscal management of oil/gas revenues that will come onstream by 2023	World Bank IMF
New Reform Commitments/Initiatives		
Improve tax system efficiency	Reduction of the processing time for taxpayers' tax requests to 15 days as soon as the file is complete (improvement of the quality of the service provided to taxpayers under the SRMT) Set up detailed monitoring instruments on a daily basis of the activities and performance of revenue administrations by regularly informed statements (monitoring implemented SRMT) Abolish tax rolls and generalize the enforceability of tax returns, regardless of the type of tax, to bring the payment closer to the operative event (simplification and security of the revenue procedure under the SRMT)	
Dematerialization of the procedures of the National Committee of Public Debt (CNDP)	Dematerialization of the procedures of the National Committee of Public Debt (CNDP): submission of files, verification of their completeness, acceptance/rejection; programming and transmission of the files on the agenda accompanied by their analysis notes, for examination; reporting of information on cndp activities (texts; publications: bulletins, reports; acts: opinions/decisions	
Domestic Resources mobilization:		

Senegal's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner support
2018		
Modernize revenue administrations and increase tax returns under the SRMT	The tax administration has undertaken a series of reforms that have led to the adoption of an electronic tax return system for large and some medium-sized enterprises. These businesses can now download and submit tax return forms electronically and pay online for some of them. In addition, the risk assessment process has improved slightly. Enhance the digitalization of tax administration and improve the tax compliance	World Bank
Law on Special Economic Zones and incentive schemes granted in 2017	Taking decrees of applications 4 erected zones and six -connectivity issues for Diass, Sandiara and Sendou Bargny to be addressed in order to: Increase the rate of development and occupancy of SEZs to facilitate plug & play installations; Improve the rate of realization of private investment intentions in SEZs. Mobilization of financing for connectivity works and reference investors	
Streamlining tax expenditures	Under the Mid-Term Revenue Strategy (MTRS) program agreed to with IMF and WB, the MinFin committed to an indepth review of tax incentives. Rationalize VAT tax exemptions that lack progressivity. In 2022, the Government reported the adoption of the new Investment Code and its implementing decrees. Income Tax Review to Correct Unintended Effects of the 2013 Reform on High Incomes Reform the Evaluation Committee and the Tax Expenditure Submission Template to align with the objectives of the SRMT and shorten the time it takes to gather information and report on tax expenditures Ensure the control of the effective implementation of investment commitments and apply sanctions in case of non-compliance (Reform of the Joint Tax-Customs Brigade) Remove derogation provisions identified as counterproductive (SRMT diligence)	World Bank (DPO), IMF
Harmonize Senegal's transfer pricing regime and anti-abuse rules with international best practices	A legislative framework for the transfer pricing regime in accordance with the best standards (Actions 8, 9, 10 and 13 of the BEPS Project) was adopted with the adoption of Law No. 2018-10 of 30 March 2018. Limitation of the deductibility of interest between related parties (See Action 4 of the BEPS Project) Perspective : Implementation of the regulatory framework for transfer pricing (details on the main and local files, country-by-country reporting). In 2022, the Government has reported the introduction of the concept of beneficial ownership with a view to enhancing tax transparency in the fight against tax evasion and fraud. The adoption of rules for the automatic exchange of tax information on financial accounts Ratification of the Multilateral Convention for the Implementation of Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI)	WB/OECD
Strengthening the powers of local tax administration and reforming local taxation	Local tax commissions established in some local administrations. Since March 2018, the "patent" has been replaced by the "local economic contribution", which remains a rather complex tax treatment, however, the main improvement is that, unlike the "patent", it is more investment-friendly because it does not tax productive assets such as machinery, etc. PACASEN project supports the expansion of local tax commission	World Bank
New Reform Commitments/Initiatives		

Senegal's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner support
Dematerialization of taxes, duties, levies and charges	Adopt an electronic payment system for taxes, duties, levies and charges for the administrations of the Ministry of Finance: Generalize the use of the unique identifier to allow personalized follow-up of the taxpayer, in particular within the framework of a unified and integrated ministerial portal (Axis II SRMT: digital maturity) Establishment, at the MFB level, of a unified and integrated portal for tele-declaration, telepayment and tele-application (for all public levies) allowing taxpayers to be able to address all revenue administrations thanks to secure online access, through the use of the civil or professional identifier (Axis II SRMT: digital maturity) Implementation of a managerial tool, integrated into the digital tool at the MFB level, for monitoring the processing of taxpayers' requests and control actions (Axis III SRMT: reform of human capital management) Interconnect the tax, customs, treasury and budget administrations (DGID, DGD, DGCPT and DGB) by a system backed by the unified and integrated portal allowing the collection, processing and exploitation of data for control purposes to better fight against fraud and the expansion of the informal sector (Axis II SRMT: digital maturity) Ensure the coherence and security of initiatives by adopting regulations on the management of MFB information systems	
New reform of the legal and institutional framework of SEZs	A new reform of the legal and institutional framework of SEZs is planned (adoption of a new law on SEZs in June 2023) Development and adoption of standard specifications for developers Update the national SEZ development strategy and carry out its technical and policy validation	
Public investment management		
	2018	
Introduce a precautionary reserve	In 2022, the Government reported that the precautionary reserve is a definitive option of the government and was instituted in the BIA 2022 for an amount of 66 billion FCFA.	
Set up a bank of integrated projects describing their life cycle	In 2022, the Government reported that there has been a significant increase in the number of projects evaluated ex ante since 2015. The number of projects/programs evaluated ex ante annually increased from eleven (11) in 2019, to fifty (50) in 2020 and to eighty-six (86) in 2021. From 2015 to 2021, the Planning Directorate (DP) studied and analyzed two hundred and twenty-nine (229) projects/programs proposed to be included in the Finance Act. In 2017, a computerized platform for monitoring the life cycle of projects/programs, the objective of which was to coordinate actions related to ex-ante evaluation, was set up at the RFP. However, it has not been operational.	
Establish a public investment selection Committee	First phase of reform program Plan d'Actions Prioritaires (PAP) allowed both public and private investment to increase and boost key sectors, including agriculture, energy, construction, and infrastructure; continuation under PAP2 In 2022, the Government has reported the establishment of the Public Investment Committee was established by Ministerial Order No. 008618 of 20 April 2018 in order to prioritize and decide on the budgetary sustainability of new projects evaluated ex ante. However, it should be noted that this committee has not been operational so far.	
Grant a facility to finance preparatory studies for the PPP necessary for the technical, financial and legal set-up, etc.	The new PPP law adopted in January 2021 enshrined the creation of: - a PPP Project Preparation Fund whose objective is to support public authorities in the preparation, procurement and execution of PPP projects. A pipeline of 76 PPP projects is being validated. - a National PPP Support Unit (UNAPPP) whose mission is to accompany the contracting authorities throughout the project cycle.	WB support proposed through forthcoming operation

Senegal's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner support
Finalize and harmonize the institutional and legal framework for PPPs	The PPP Law was adopted on 22 January 2021; The implementing decrees were adopted on 4 March 2021.	World Bank (DPO and P4R, TA) IMF ICP
Performance of public services		
	2018	
Improve access to economic and financial information for citizens and stakeholders	In 2022, the Government reported the economic information for the Directorate of Economic Studies and Forecasts (MEPC) and the financial information for the Directorate-General for the Budget (MFB) is regularly published in the form of reports, studies and dashboards on the following websites: dpee.sn budget.sec.gouv.sn	
Modernizing public administration: implementing an integrated approach to modernizing public administration; Professionalize human resources management, etc. (MFPRSP)	In 2022, the Government reported that the Programme d'Appui à la Modernisation de l'Administration (PAMA) has been finalized and launched. As part of the optimization of the organizational framework of the Administration, Decree No. 2017-313 of 15 February 2017 establishing a General Secretariat in ministries is adopted. Adoption of Decree No. 2020-1784 on the Charter of Deconcentration. Simplification and dematerialization of 10 procedures.	
Business Framework:		
Investor protection and disputes resolution		
	2018	
Systematize and professionalize the amicable settlement of disputes	The legal framework for (a) arbitration was modernized in 2017 through a revision of OHADA Uniform Act, and (b) mediation and conciliation through a 2014 Decree. In 2022, the Government has reported that the Commercial Court Act makes an attempt at conciliation mandatory before the litigation phase. The National Chamber of Conciliation and Mediation is established but not functional. Additional reforms include Strengthening the National Chamber of Conciliation and Mediation Project to set up a framework for Mediation and conciliation within the Commercial Court Follow at the level of the commercial court the files that are dealt with by an amicable settlement Publish statistics on mediation and conciliation by the dedicated national chamber	IFC/WB on OHADA reforms.
Operationalize the commercial court (electronic referral, training of legal assistants, mediation)	Reforms were implemented to improve ease of doing business (Commercial Court, electronic operations, G2B services, registering property and competition in key markets). In 2022, the Government reported the amendment of the Law on the Establishment, Organization and Functioning of Commercial Courts Issue of a decree implementing the Law on Commercial Courts and Chambers) relating to communication by electronic means before the commercial courts holding training sessions for actors (lawyers, magistrates) on the improved version of the commercial court's electronic platform. Full use of online procedures at TCHCD Adoption of a text making the use of electronic procedures mandatory in a progressive manner (follow the rate of referral to the court electronically)	
Operationalize an electronic register of securities and guarantees	In 2022, the Government has reported the establishment of the electronic register of securities security is formalized by Decree No. 2021-420 of 2 April 2021 on the operating procedures of the Trade and Movable Credit Register. Perspective : Making of an Order Establishing the Electronic Safety Directory Existence of a database on safety accessible via the SENINFOGREFFE platform.	

Senegal's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner support
	Operationalization of the electronic register of sureties (security/guarantees) Adoption of an order that makes SENINFOGREFFE the site for access to the database on security (August 2022) Establishment of the interconnection with the electronic land register (2023)	
Operationalize the electronic Company and Moveable Credit Registry (eRCCM)	In 2022, the Government has reported that Senegal has a functional electronic register accessible online for public operators, notaries and banks. Users cannot do the procedure online and pay the fees online via orbus-entreprise.sn Perspectives : Application of Articles 8 and 9 of the Decree on the Operating Procedures of the RCCM Finalization and Entry into Force of the Unified Telepayment System (SUT) (June 2022). Take the joint order MFB and Min justice to set the fixed rights of way on orbus-entreprise - Signature of memoranda of understanding between TRESOR, banks and mobile payment operators	
Improve the investment climate beyond the Dakar metropolitan area, by creating one-stop-shops in at least three economic centers outside Dakar	Under the PDTE, at least one One-Stop-Shop was operationalized in Saint-Louis, with plans to develop another one in the Saly/Mbour area, and a third one in the Ziginchor area. In 2022, the Government reported the finalization of the renovation and construction of the Premises of the Platforms in Ziguinchor, Saly and St Louis Start the implementation of the Centre (in Kaolack) and Est platforms in Kédougou to ensure coverage of the Eco-geographical Zones	World Bank
Reforms / actions to strengthen governance and investment climate:		
2018		
Simplify land registration procedures and transfer of ownership	Reforms were implemented to improve ease of doing business (Commercial Court, electronic operations, G2B services, registering property and competition in key markets). In 2022, the Government reported the need to make the e-land register effective.	
Simplify and harmonize taxes and charges levied by local authorities	In 2022, the Government reported the replacement of the patent by the CEL in 2018 Studies on the reform of local taxation with the objectives of: departmental taxation and simplification (ongoing) Studies on internal tax governance (ongoing) Study on Local Tax Expenditures. Carry out an audit of the taxes and fees collected by local authorities and propose a harmonization of the nomenclature	WB Urban Project
Electronic payment of fees for the administrative acts and taxes	Under DPO3, the GoS (i) operationalized digital consultation of taxes (through the Ministry of Finance's personalized taxpayer webpage, "my personal space"), which covers at least 10% of eligible taxpayers. The GoS is also working on developing mTax it will be aimed at enabling mobile payment of small taxes and fees	World Bank DPO3, AfDB

Senegal's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner support
Strengthen competition policy and practices in key sectors (telecoms, agribusiness, etc.)	Reforms were implemented to improve ease of doing business (Commercial Court, electronic operations, G2B services, registering property and competition in key markets) On Telecoms: a new sector law (and some of its key decrees) was adopted and facilitates the entry of new players; 3 ISPs entered the telecom market under the authorization regime; 4G frequencies were attributed to Tigo/Free introducing competition on 4g; dominant players ARTP regulation was strengthened, and an international call for tenders for the concessioning of the ADIE public fiber optic network was launched in November 2019. In 2020 the GoS requested the WB support for a digital operation that would continue supporting pro-competition reforms in telecoms. The full achievement of the reform regarding the concessioning of the ADIE public fiber optic network is facing implementation delays despite repeated government commitments. The WB is supporting the continuation of this process through DPO dialogue.	World Bank (DPO, TA) Note: Criticality of the ADIE reform for digital inclusion and digital transformation (especially at the public administration level).
Develop the Dakar-Mbour-Thies Triangle of Prosperity in anticipation of the future economic and demographic growth around the capital city of Dakar	Two new ports are being developed: Sendou (30km south of Dakar for bulk/mineral Development of the transport hub around the AIBD airport, and the development of the Diamniadio area (both as an administrative center, industrial parks/SEZ, and as a new city/residential developments) and Ndayane (50km south of Dakar for containers).	
Support to the regional pilot project for market development (in CFAF) for long-term bonds		
Create a risk mitigation fund by issuing bonds		
Solving structural problems that hinder the provision of loans to SMEs	In the 2022, the Government reported that on the topic of credit Bureaus: On December 31, 2019, Senegal published Decree No. 2019-2280 authorizing the implementation of automated processing of personal data for the integration of large billers into the electronic platform for sharing credit information. This operation allowed the regional credit bureau to collect data from utility companies in order to increase the percentage of the Senegalese population registered at the credit bureau. - Institutional strengthening of FONGIP: Audit and risk committees chaired by independent directors have been established by the new organizational chart of FONGIP. At the operational level, audit and risk departments will be set up. Increase the availability of long-term resources for banks, such as La Banque Agricole, active in financing shrub crops.	KfW, CDP, World Bank
Supporting access to finance in the agriculture sector using warehouse receipt financing	Following the adoption of the warehouse receipt system (WRS) law in 2017, WRS regulations have been enacted in 2019 and in 2021 the WRS regulatory agency has been setup in Feb 2021 (ORSRE, *Organe de régulation du système de récépissé d'entrepôt*). A WRS demonstration pilot Institutional strengthening of ORSRE and development of an incentive framework to promote investments in warehousing services and infrastructures. was organized in 2020 in the cashew sector by the Ministry of Commerce and SME, 4 financial financed $1.5M on 2.100 metric tons of raw cashew nuts. In 2022, the Government reported the institutional strengthening of ORSRE and development of an incentive framework to promote investment in warehousing services and infrastructure.	IFC, World Bank
New Reform Commitments/Initiatives		

Senegal's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner support
Reform of the legal and tax framework for private equity Operationalization of the SME Fund (OYASS Capital)	Reform of the legal and tax framework for private equity Operationalization of the SME Fund (OYASS Capital)	

Togo

Togo's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Macroeconomic framework		
Macroeconomic stability		
2018		
Reduce debt and budget deficit to ensure debt sustainability and external stability	Togo maintained a highly disciplinary fiscal stance since 2016. The fiscal deficit decreased to 0.9% of GDP in 2019 (below the WAEMU norm), compared to a peak of 7.1% in 2016. Meanwhile, public debt declined to 52.4% of GDP (against 60.1% in 2016). But the deficit and debt widened to 6.9 and 58.61% of GDP, respectively in 2020 because of the COVID-19 pandemic.	WB, IMF, AfDB, EU
Reorganize debt management services in line with international good practice to improve the management of debt and its sustainability	In 2017, the Directorate of Public Debt and Financing (*Direction de la Dette Publique et du Financement*, DDPF) at the Ministry of Economy and Finance was reorganized in front-office (loan contracting), middle office (debt analysis) and back office (loan administration) functions to centralize the cashflow forecasting and debt management functions, as recommended by the World Bank and IMF. This reform helped strengthen the implementation of the Medium-Term Debt Strategy, which now emphasizes the use of concessional loans as a preferential source of financing. The SDPF will play a key role in the assessment of fiscal risks including those related to PPPs. In 2020, the Government (with support from WB emergency budget support) enhanced debt management and transparency through: (i) publication of key economic, financial and budgetary information on the Government's website, including a fiscal risk statement; and (ii) publication on the Government's web- site of an Annual Report on Public Debt, which includes an assessment of the implementation of the Medium-Term Debt Management Strategy (MTDS). In 2021, the Government (support from WB budget support) published a (i) Annual Borrowing Plan consistent with the MTDS; and (ii) fiscal risk statement [the 2019-2020 version being published]. In 2021, the Government online published a fiscal risk statement (www.togoreforme.com)	WB, IMF
Clearance of arrears and improvement of public financial management to avoid accumulation of new arrears, aiming to support the proper functioning of the private sector activities.	Efforts to synchronize commitment, procurement, and cash plans helped to clear all arrears by the of end of 2019. Despite the COVID-19 shock, Togo had not accumulation any new arrears as of end-December 2021.	WB, IMF
Domestic Revenue Mobilization		
2018		
Strengthen the control entities of the Togolese Revenue Office		WB, IMF
Implement specific controls on businesses operating in the	Since 2017, 100% of businesses operating in the phosphates, clinker and cement sectors are subjected to tax controls.	

Togo's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
phosphates, clinker, and cement sectors		
Expand the tax base by adopting and implementing a new tax policy and by opting for electronic/paperless tax collection	A new tax code entered into force in January 2019, and it reduced the number of taxes and provided incentives to investors. A system of online tax declaration and payment for large enterprises has been implemented. The coverage of such system was extended to medium and small businesses. Online payment of taxes by large and medium-sized enterprises is mandatory since 2019. The system of online tax declaration and payments was enhanced to provide legal protection for personal data. The OTR broadened the tax base with regard to legal or natural persons exercising a liberal profession as well as holders of offices and positions. The Tax Policy Unit, which was created in March 2020, was operationalized with the appointment of the heads of the different cells in July 2021. Quarterly publication of an updated taxpayer register including economic agents that are considered by the tax authority as inactive.	WB, IMF
Strengthen imports valuation and control of customs exonerations through better risk assessment	Quarterly publication of an updated taxpayer register including economic agents that are considered by the tax authority as inactive.	
Fight against corruption and fraud: Effective functioning of the High Authority for the Fight against Corruption, strengthening of the inspection units	Adoption by the national assembly of the organic Law 2020-003 24/01/2020 fixing the conditions for reporting property and assets of senior officials, senior officials, and other public officials. Togo finalized a national risk assessment on AML/CFT risks in 2019. Organized workshop in end-March 2022 to discuss a draft anti-corruption strategy and a five-year action plan.	WB
New Reform Commitments/Initiatives		
Tax reductions aimed at increasing compliance	Specific tax reductions aimed at increasing compliance, including a 50% reduction in the TPU for selected recipience and a 25%% reduction in patent fees in specific sectors.	WB, IMF
Public Investment Management (procurement, PPPs, SOEs, utilities)		
2018		
Effective use and enforcement of manual of procedures for Public Projects 1	The use of the manual is enforced. And, in 2020, 100% of new public investment projects funded in the annual budget were consistent with the prioritized Public Investment Plan (PIP) based on new manual	WB: The implemented of this measure was supported by the 2017-2018 budget support series.
Agriculture sector - Increase productivity and strengthen the competitiveness of the sector	Tor the 2020-2021 agricultural campaign, the Government (i) enrolled additional households in the YOLIM transfer system and (ii) established a digital platform for the provisioning of inputs and advisory services. The YOLIM system improve access to agricultural inputs.	WB: This reform was supported by an Emergency DPO in 2020, AfDB, GIZ

Togo's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Energy sector Improve the sustainability of the energy sector by reviewing the performance of the Togolese utilities company, CEET	Energy sector: performance contract between government and utility company revised to improve financial viability of the sector. Cost reduction in obtaining electricity connection. GoT has taken important steps demonstrating its commitment to improve the energy sector's financial situation. Indeed, since 2019 the WB has engaged in a programmatic series of two DPF alongside the Government aiming notably at strengthening the sector's financial viability, including CEET's financial situation.	WB
ICT sector - Transform the two telecommunication companies (Togocell & TogoTelecom) into one group with three entities: Infrastructure, Maintenance and Services - Implement an independent regulatory body (ARCEP)	Increased private sector participation. Togocell and TogoTelecom were merged into one entity TOGOCOM. TOGOCOM was subsequently privatized, with a 51% stake sold to private investors.	WB
Water sector – Enhance management and access to water through the sector's SOE	The Ministry of Water established and published an action plan adopted by an inter-ministerial decree mandating the carrying out and financing of an energy audit to identify costs related to pumping as well as opportunities for optimization and reduction of energy consumption. The government has also revised the taxation of ground and surface water abstraction by large commercial and industrial consumers to reflect the environmental and social cost of such consumption. Payment of connection fees may now be spread over three years with a down payment of 25,000 FCFA	
Financial sector Program to address the issues facing public financial institutions	Increasing private sector participation in the banking sector.	
PPP: Draft the manual of procedures on project selection and prioritization		WB: DPO currently in progress is supporting the adoption of a new PPP law by the parliament
PPP: Mobilize financing for carrying out studies relevant to projects		IFC is supporting GoT to develop and tender up to 80 MW of solar power structured as IPPs
PPP: Order implementing the act on PPPs voted in 2014	In 2021, the National Assembly adopted a new PPP law that is harmonized with WAEMU directives. The new PPP Law would improve the efficiency and transparency of public investment procedures by guiding the development and implementation of PPP projects.	
Enhance the legal basis for public procurement oversight	To improve the efficiency and transparency of public investment procedures, the government has: (i) adopted a decree on a code of professional ethics for the public procurement process; and (ii) adopted a decree on strengthening the supervision of large infrastructure projects and the implementation of public projects delegated to third parties.	
New Reform Commitments/Initiatives		

Togo's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Operationalization of the High Authority for Quality and Environment (HAUQE)	The operationalization of the High Authority for Quality and Environment (HAUQE) will help improve the competitiveness of Togolese companies. The HAUQE is expected to become operational in 2022, relying on a system for the certification, traceability, and quality. The HAUQUE will implement a certification system for products in the sector of organic agriculture with the support of the GIZ.	
Implementation of a "Least Cost Electricity Development Plan" (LCEDP)	A "Least Cost Electricity Development Plan" (LCEDP) has been developed through a participatory process and establish procurement procedures	
Operationalization of revenue protection program	The government has implemented a department within CEET in charge of the revenue protection Program for its large/large consumers and has adopted general principles for the operationalization of the RPP.	
Installation of meters	The government has adopted a new policy of installing smart meters for central public entities and prepaid meters for non-core local entities.	
Adoption of a plan for the development of renewable energy	The CEET has adopted a plan for the development of renewable energy with targets to be achieved by 2025.	
Adoption of Medium-Term Budgetary Framework (MTBF)	The CEET has adopted a Medium-Term Budgetary Framework (MTBF) to support its debt sustainability.	
Business Framework		
Regulations and Institutions		
	2018	
Draft and adopt the new land code and its implementation orders	New law on land and state property improving land ownership security.	
Digitize the land registry	Several reforms were implemented to ease the process, including adoption of a new land code, and digitization of the land registry. Another reform was the establishment of a "fiscal cadaster" that lists all properties (built and unbuilt) and their owners. The fiscal cadaster also provides essential information for the establishment and collection of property taxes. This includes measures to feed and improve the existing database on a daily basis and the digitization of the cadaster.	WB
Modernize the building permit issuing system	Togo made dealing with construction permits easier by reducing fees and by adopting an online portal for the submission of applications. Togo made dealing with construction permits more transparent by making the required documents, pre-approval, and fees available online. Togo also improved its building quality control by regulating inspections during construction.	
Improve Trade Facilitation		
	2018	
Improve Trade Facilitation	Togo has made advancements towards complete digitalization of customs clearance procedures of the port logistics chain through the implementation of "Sydonia World," including an interface to other platforms in the logistics chain for data exchange and electronic payment of fees and regular updates of information. As part of this, the platform has automated the risk-based inspection mechanism and the request process for authorization and clearance.	

Togo's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
	A reduction in the wait times for scanning containers at the Port of Lome has been achieved through the purchase of a new scanner. The 2020 establishment of a Value Control Unit in ASYCUDA allows for a better control of the transactional value of goods in customs through setting the minimum values of goods. In addition, the government has published a list of reliable licensed customs agents based on their fraud history and set up a juxtaposed control post in Cinkassé	
Investor protection, dispute resolution and fight against corruption		
2018		
Modernize the judicial sector Fully implement the commercial chambers automation project	Law authorizing creation of commercial courts adopted to resolve conflicts in interpretation and execution of contracts and streamline insolvency proceedings. Two commercial courts created in Lomé and in Kara (2nd largest city).	
Financing Framework		
Investment risk mitigation		
2018		
Deploy mechanisms, namely the IDA18 Private Sector Window, to reduce investor risk, as well as other multi-lateral mechanisms to secure private investments		
Mobilization of private and institutional investments		
2018		
Coming into effect of the Investment Promotion Agency as one stop shop of investment in Togo	Adoption of a new investment code to boost private investment and job creation. One-stop shop for the d'Adetikope industrial platform, composed of an agency for investments, a free zone, and other essential departments. A digitization program consisting of e-regulation, e-opportunities, and e-administration.	
"Invest in Togo" roadshow to present and promote Togo as investment destination	In March 2022, the Government co-hosted with MIGA a dialogue on foreign direct investment (FDI) in Sub-Saharan Africa, focusing on Cote d'Ivoire, DRC, Gabon, Guinea, Niger, Senegal, and Togo.	MIGA
Systematically include the private sector in the different development projects		

Tunisia

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Macroeconomic framework		
Macroeconomic stability		
2018		
Improve institutional arrangements for tax administration. Establishment of a directorate for large companies to better manage their tax procedures	Comments (May 2021): Ongoing dialogue to adjust indicators (deficit and debt) . Comments March 22 (Reporting period January 21-December 21): The establishment of this structure has contributed to the sustainability, viability, and protection of tax revenues: this is justified by a clear evolution of its tax yield (about 2 billion dinars) - The structure has also ensured a permanent and continuous dialogue with the partners of the tax administration	IMF
Improve institutional arrangements for tax administration. Operationalization of the G20-OECD action plan on Base Erosion and Profit Shifting (BEPS)	Comments (May 2021): Law 2018-47/NoteNC23/2019 . Comments March 22 (Reporting period January 21-December 21): Articles 29, 30 and 32 to 34 of the 2019 Finance Law Article 15 of the Finance Law 2021NC11 and 13 the year 2020Judgment of the Minister of Finance of 16 October 2020 - Establishment of a reflection committee on transfer pricing - implementation of the country-by-country reporting - transfer pricing documentation has improved tax adjustments in this area.	KfW, EU, OECD
Improve institutional arrangements for tax administration. Digitalization of tax procedures (m-filing and m-payments)	Comments (May 2021): System currently used by 74000 taxpayers and allows the recovery of 95% of taxes and duties declared periodically spontaneously . Comments March 22 (Reporting period January 21-December 21): 1. 89506 companies are members of the tele-declaration and tele-payment system, until the end of December 2021, an increase of 14% compared to the total number of members until the end of December 2020. This system allows the recovery of 95% of taxes and duties declared periodically (corporate tax, taxes and monthly taxes, instalments, income tax) spontaneously .2. 89506 companies are members of the tele-declaration and tele-payment system, until the end of December 2021, an increase of 14% compared to the total number of members until the end of December 2020. This system allows the collection of 95% of taxes and duties declared periodically (corporate tax, taxes and monthly taxes, instalments, income tax) spontaneously .3. Implementation of the central platform and connection to the cash registers in the consumption points on site - Cash register project (NACEF): - The contract with the supplier of the tax cash register system management platform (PGSCEF) has been signed and the order for the start of work has been issued on 05 August 2021.- The duration of the work at the expense of the supplier is 12 months. - It is planned to start pilot tests during the 3rd quarter of 2022. - The effective implementation is scheduled for the year 2023.4- Adoption of electronic means for the elaboration of withholding tax certificates (Article 41 of the Finance Law for the year 2022): Development of the platform in progress; the order of the Minister of Finance relating to the scope of this platform, its practical modalities, and the deadlines for its current application.	EU/KfW, USAID
Strengthening of public financial management. Adoption by the Parliament of the organic budget law	Comments (May 2021): Organic Budget Law: LOB 2019-15 . Comments March 22 (Reporting period January 21-December 21):	KfW, EU, EU
Strengthening of public financial management. Improve fiscal	Comments (May 2021): .	JBS, EU, EU

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
transparency (publication of central administration's debt, SOEs financial reports)	Comments March 22 (Reporting period January 21-December 21): Published every year on the website of the MoF together with the publication the budget law	
Strengthening of public financial management. Regulations defining the role of public expenditure controllers (per Ministry) to implement OBB (Objective-based management)	Comments (May 2021): A draft decree to the PG. . Comments March 22 (Reporting period January 21-December 21): Government Decree No. 612 of 1 July 2019	EU
Improve the institutional and operational framework for debt management. Adoption by the Council of Ministers of the legal framework for the creation of the Tunisia Treasury Agency	Comments (May 2021): Stand by! . Comments March 22 (Reporting period January 21-December 21): Stand by	KfW, IMF, WB and AfDB
Adoption of the pension reform. Adoption of the new law on early retirement	Comments (May 2021): Only CNRPS (Law 37/2019) - To indicate financial objective regarding the impact on the wage bill – CNSS (private not to be included) . Comments March 22 (Reporting period January 21-December 21): CNSS not included	IMF
Reforming State-Owned Enterprises. Adoption by the council of Ministers of a strategy of SOEs governance.	Comments (May 2021): Law 89.9 reform still under discussion. . Comments March 22 (Reporting period January 21-December 21): the reform and governance strategy of public enterprises and the action plan were approved by the Council of Ministers in 2018/ the law on the governance of public enterprises was submitted to the ARP in December 2019/ the law on the governance of public companies was withdrawn from the ARP in 2020/ a new law is being prepared	JBS, WB EBRD AfDB AFD
Reforming State-Owned Enterprises. Implementation of the performance contracts with the 5 largest SOEs (STEG, SONEDE, Tunisie Telecom, ONAS, ETAP).	Comments (May 2021): 4 companies out of the /5 have signed except Tunisair . Comments March 22 (Reporting period January 21-December 21): the 4 companies that have signed a performance report are STEG/ STIR/ RNTA/ OFFICE DES CERALES/ No other company has signed a contract since	JBS, FMI
Reforming State-Owned Enterprises. Publication of audited financial balances (in line with law 89-9), annual reports (in line with int'l best practice)	Comments (May 2021): Circular of the Presidency of the Government 18 May 2020. An annual report is published by the MoF with the LF21. . Comments March 22 (Reporting period January 21-December 21): State-owned enterprises are in the process of publishing their financial statements on the JORT and the RNE An annual report is published by the MoF with the LF22.	JBS, EU
Reforming State-Owned Enterprises. Selection of independent administrators (merit/position) for at least 5 companies (pending to be chosen between the 20 SOEs of the pilot phase)	Comments (May 2021): Decree n. 2020-314Extension of deadlines to 31 December 2021 by Decree 2020-105 of 28 December 2020 . Comments March 22 (Reporting period January 21-December 21): no text amending Decree 105 of 28 December 2020 has been published	JBS, EU

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Reforming State-Owned Enterprises. Ten SOEs are place under the article 22 of the law 89-9 to improve the autonomy and management of these SOEs- Approval of the las reforming Law 89-9 Governance of SOEs	Comments (May 2021): Implementation of article 22 of law 89.9. The decree with the selection of the 10 companies was approved in December, 2020. . Comments March 22 (Reporting period January 21-December 21): 11 public undertakings benefited from Article 22 ter of Law 89-9 of 1 February 1989, of which 10 undertakings benefited from derogations relating to public procurement and 1 public undertaking which benefited from derogations relating to public procurement and recruitment.	JBS
Financial Stability		
2018		
Strengthen the capacity of the central bank as regulator and promoter of financial stability. Adoption by the board of directors of the central bank of a three-year strategic plan 2019-2021 in favor of an institutional and operational transformation of the CBT	Comments (May 2021): Adopted by the board - Feb. 2019	GIZ
Strengthen the capacity of the central bank as regulator and promoter of financial stability. Operationalization of the strategic plan	Comments (May 2021): MOU signed in September 2020 and a firm is at the BCT working on the strategic plan.	GIZ
New Reform Commitments/Initiatives		
Reform of energy subsidies. (i) Adoption of the automatic fuel price adjustment mechanism (ii) Adoption of a registration platform for targeted grant recipients	(ii) Platform will be ready in July 2022. It will be used for commodities as well as for LPG.	
Improving the energy transition. (i) Presidential Order extending the period of validity of the initial agreements for renewable energy electricity generation projects under the regime of permits granted before 31 December 2020. (ii) Conclusion of special agreements with a total capacity of 500 MGW.		
Civil service reform.	Decree-law promulgated	

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
(i) Regulation of remote work for state employees, local authorities, institutions, institutions, and public bodies. (ii) Encourage the mobility of state employees, local collectivities, and public institutions of an administrative nature.		
Reform of enterprises and public establishments. Decline the principles of selection, evaluation of the performance of directors, representatives of public shareholders and independents.	Decree-law promulgated	
Commodity subsidy reform		
Tax reform		
Business environment and investment legal framework		
Removing Barriers to Investment, Trade, and Entrepreneurship		
2018		
Limiting restrictions and increasing investor's protection. Adoption by the Parliament of the Investment Act	Comments (May 2021): Law 2016-71 - 30 September 2016 . Comments March 22 (Reporting period January 21-December 21):	IFC, EBRD
Limiting restrictions and increasing investor's protection. Adoption by the Parliament of the law on tax advantages	Comments (May 2021): Law 2017-8, 24 February 2017. . Comments March 22 (Reporting period January 21-December 21):	
Limiting restrictions and increasing investor's protection. Adoption by the council of Ministers of a decree establishing the operating principles of the High Council of Investment and the Tunisian Investment Authority	Comments (May 2021): Decree No. 2017-388 of 9 March 2017 . Comments March 22 (Reporting period January 21-December 21):	
Limiting restrictions and increasing investor's protection. Creation of the Tunisia Investment Fund	Comments (May 2021): Government Decree No. 2018-572 of 20 June 2018, supplementing Government Decree No. 2017-388 of 9 March 2017 . Comments March 22 (Reporting period January 21-December 21):	
Limiting restrictions and increasing investor's protection. Publication of three decrees operationalizing the bankruptcy law.	Comments (May 2021): Government Decree - No. 2017-1356 of 13 December 2017 (Article 418 of the Commercial Code)-No. 2018-463 of 31 May 2018-No. 2019-89 of 11 January . Comments March 22 (Reporting period January 21-December 21):	

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Streamlining investment entry restrictions and improving corporate governance. Adoption of the Transversal law for the improvement of the business climate	Comments (May 2021): Law n.2019-47, May 29 – Improvement of the Business Climate . Comments March 22 (Reporting period January 21-December 21):	
Streamlining investment entry restrictions and improving corporate governance. Publication – Decree which obliges the concerned government deps. /agencies to not request documents already in the possession of the administration	Comments (May 2021): 5 decrees of 25 January 2021 are published in the JORT of 5 February 2021. They concern-Min of Agriculture – Ministry of Social Affairs – Ministry of Local Affairs & Environment – Ministry TCEN – Ministry of Tourism. Others will follow as part of the simplification of administrative measures (ounce-only principle) . Comments March 22 (Reporting period January 21-December 21): 2 additional judgments were published in 2021, one concerning the Ministry of Finance and the second concerning the Ministry of State Domains and Land Affairs	JBS
Streamlining investment entry restrictions and improving corporate governance. Publication of Decree: 1) Typology of business projects; 2) Associated simplified procedures; 3) Description of the preferential margin for the requester of the spontaneous offer during the evaluation of proposals (offers)	Comments (May 2021): Decrees n.2020-310 15 May 2020(in application of the Investment Law) . Comments March 22 (Reporting period January 21-December 21):	JBS
Streamlining investment entry restrictions and improving corporate governance. Review the competition framework to support the autonomy and independence of the Competition Council (CC) and strengthen its financial and human resources to enable it to carry out its missions.	Comments (May 2021): They are not advanced. Some exchanges with the EBRD dating from 2017/2018. . Comments March 22 (Reporting period January 21-December 21): This is one of the recommendations of the OECD competition report. Concretely, there has been no progress.	EBRD EU (OECD) IFC/WB
Streamlining investment entry restrictions. Publication of a decree of a list of economic activities requiring authorizations and the legal basis for the elimination of 27 authorizations (first wave of simplification) –	Comments (May 2021): Decree n°2018-417 . Comments March 22 (Reporting period January 21-December 21):	JBS EU IFC

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Decree 2018-417 of May 2018, 2020		
Streamlining investment entry restrictions. Publication of the specifications required for those activities which are part of the negative list of activities for which 27 authorizations are eliminated) in application of the article 4 of the Decree 2018-417.	Comments (May 2021): Decree No. 2018-417 - 6 activities already released -10 activities have replaced the authorizations by specifications. 11- authorizations that remain are in progress. . Comments March 22 (Reporting period January 21-December 21): Current specifications	JBSEU IFCUSAID -Tunisia jobs
Streamlining investment entry restrictions. Adoption of the decree for the elimination of a list of 26 economic and administrative authorizations (second wave of elimination)	Comments (May 2021): A list of 25 other authorizations was identified. Next step: approval of this list by a CM. . Comments March 22 (Reporting period January 21-December 21): Presidential Decree No. 2018-417 of 11 May 2022.	HAD IFC
Streamlining investment entry restrictions. Revision of the Digital code and drafting of the digital act (secondary legislation)	Comments (May 2021): The objective is to increase investors access to the sector . Comments March 22 (Reporting period January 21-December 21): In progress.	IFC/ WB
Facilitating international investments through a digital one stop shop and a National Investment Communication Strategy. Review and update of investment procedures in order to facilitate investment operations and guarantee investors satisfaction	Comments (May 2021): An amendment to the decree regulating financial incentives is in the process of being approved. A harmonized manual of investment procedures will follow to standardize the processing of investment files at the level of the various stakeholders of the investment ecosystem. . Comments March 22 (Reporting period January 21-December 21): Several meetings were held to amend the financial incentives decree. It will be approved by the Government in the upcoming period. The manual of investment procedures is actually under progress and will be updated after the promulgation of the financial incentives decree.	CHALK
Facilitating international investments through a digital one stop shop and a National Investment Communication Strategy. Reinforcing the strategic council within TIA to enhance private public-private dialogue for efficient investment policies	Comments (May 2021): An evaluation of the strategic council is in the process in order to strengthen its composition of experts and involving new members of the public and private sector. . Comments March 22 (Reporting period January 21-December 21): An assessment has been made by an external consultant. As a first quick win and in order to improve the impact of this public private platform, the council will be chaired by the minister of economy and planning and the composition will be enriched by new members from the public and the private sector. The main recommendations of this strategic council will be submitted to the high investment council agenda	EBRD
Facilitating international investments through a digital one stop shop and a National Investment Communication	Comments (May 2021): Deploying the digital solution of the legal constitution at the APII level has been achieved. Other digital services are being developed: code douane, matricula CNSS, assistance au projet à intérêt national .	HAD GIZ USAID Jobs

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Strategy. Launching of a national digital one-stop shop platform which will be an integrated information system that aims to bring together investment agencies and government departments to reduce inefficiencies and simplify all business-related procedures.	Comments March 22 (Reporting period January 21-December 21): The Tunisian Investment Authority has developed the first version of the digital platform for investor services, by digitizing 9 services provided to the investor, which are the investment authorization process, the legal formation of companies, the study of request , applications for grants and incentives, applications for licenses, the of projects of national priority, Applications for a residence card, obtaining a customs code, and the process of enrolling in the National Social Security Fund. It has also been working since 2021 to involve the administrative structures in order to generalize the platform and ensure the interoperability (in progress)	
Facilitating international investments through a digital one stop shop and a National Investment Communication Strategy. Adoption by the Council of Minister of a national Investment communication strategy involving the main stakeholders (TIA- MDICI- MoF-CBT) and setting out objectives and mechanisms for its operationalization.	Comments (May 2021): GIZ partial support to implement elements of the TIA communication strategy and other promotion (abroad) activities: e.g., lead generation (TIA-FIPA), participation in international events/fairs, sector arguments, success stories, MeetUp Embassies . Comments March 22 (Reporting period January 21-December 21): TIA Success Stories: 6 testimonials (w/ 6 investors) have been filmed and produced with the support of GIZ. More precisely, 6 promotional videos have been produced with these companies: Yazaki, Sumitomo, Sartorius, Desert Joy, Sotuver, SIT Controls. Digital Marketing Campaign: During the lead generation project, TIA has targeted German investors via two platforms Google Ads and LinkedIn. These campaigns have been designed, managed, adjusted, and run with OCO and GIZ. Participation in events: Attending the 24th Arab-German Business Forum hosted by Ghorfa Arab-German Chamber of Commerce and Industry in Berlin Meetup Embassy: Developing a promotional tool to attract businesses and investors and promote both Tunisia and TIA' efforts in facilitating the investor's journey in Tunisia.	CHALK
Reducing Investment Transaction costs. Launching of a digital platform for capital transactions that allows a non-resident investor to self-declare and establish the investment form	Comments (May 2021): GIZ partial support to implement elements of the TIA communication strategy and other promotion (abroad) activities: e.g., lead generation (TIA-FIPA), participation in international events/fairs, sector arguments, success stories, MeetUp Embassies1st step: Done by CBT2nd step: Plan to extend this platform to other services (Emprunts extérieurs). Specifications have been prepared by the BCTs for a platform for these external loans. . Comments March 22 (Reporting period January 21-December 21): The platform is functional	
Reducing Investment Transaction costs. Digitalization of the Business legal registration procedures which aims to introduce a faster, more transparent, and more uniform system for registering a business in the country (operationalization of the new law 52-2018 on business register).	Comments (May 2021): Obtaining extracts is fully digitized. The process continues to integrate other business components/services. . Comments March 22 (Reporting period January 21-December 21): Online Registration Procedure - Online Declaration of Beneficial Owner - Online Filing of Financial Statements - Online name reservation request - Online filing of the registration file with electronic signature - Official online bulletin	TBD
Boosting young firms and entrepreneurs in the knowledge economy. Adoption by the Parliament of the startup act	Comments (May 2021): Law n. 2018-20 17 April 2018.	EU
New Reform Commitments/Initiatives		

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Adopt a decree-law on exceptional measures to accelerate public investment projects and revive private investment. (i) Halve the time taken to complete public projects. (ii) Accelerate the implementation of public projects and bring projects in difficulty to a successful conclusion. (iii) Encouraging Tunisian companies and startups and national preference. (iv) Making public procurement effective and efficient. (v) Boosting private investment in the agricultural sector. (vi) Boosting private investment in the industrial sector. (vii) Boosting investment in the renewable energy sector. (viii) Boosting private investment in PPPs. (ix) Cross-cutting measures to boost private investment		
Adopt the new sectoral competitiveness pacts and operationalize the signed pacts. Ready pacts:	Prior pacts, CM validation and Signature	

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
(i) Automotive, Pharmacy, leather and footwear, poultry. (ii) Current pacts: Aeronautics, pleasure boats, electronics, olive oil. (iii) Pacts to be operationalized: Milk, textile clothing		
Validate and launch the implementation of investment roadmaps in promising sectors. identification of actions and measures with representatives of the private sector in the short, medium, and long term for the promising sectors prioritized until then (automotive, ICT, aeronautics, pharmaceuticals, and renewable energies)		
Ensure a 100% digital journey for the benefit of investors. (i) Digitalization of its priority services (declaration, constitution, authorization, request, incentive, and supplementary services). (ii) Interoperability of the investment platform with the information systems of the various partners in the investment ecosystem and stakeholders (legal constitution).		
Launch all E-Gov projects already identified in the "Digital Tunisia" strategy. (i) Implement interoperability exchanges between the information systems of the sectors involved in the investor/company process. (ii) Put in place the payment tracking platform for public orders		

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Accelerate and expand projects for the production of electricity from renewable energies. (i) Granting of comfort meters (authorization system). (ii) Announcement of a new, more ambitious program of electricity production from renewable energies by regime to give visibility to developers and this, with the objective of reaching 30% of energy mix before 2030. (iii) Creation of the Electricity Authority.	(ii) Decree	
Implement a Ready-to-Use Industrial Space Construction Program. (i) Launch a national program for the creation of 100,000 m² of industrial premises ready for operation. (ii) Create an investment fund for industrial infrastructure of 200 MD.	(i) Administrative decision (ii) CDC- banks-private investors	
Regularize the situation of industrial projects concerned by the lapse provisions and which have not entered the effective production phase within 3 years of the date of signature of the sales contract as stipulated by Law No. 34-2009 establishing the Agricultural Land Agency. Decision of the Council of Ministers		
Seizure and inventory of the Real Assets of the State and their valuation with a view to benefiting public and private projects. (i) Identify and delineate public goods.	Administrative Decision	

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
(ii) Draw up the necessary plans for their valorization (iii) Estimate the value of the assets and provide for the appropriate legal mechanisms (partnership, sale to investors, etc.)		
Promote technological innovation and research, in particular support for the development of technopoles and clusters. (i) Create strategic and scientific orientation councils for technopoles. (ii) Extend the eligibility of the ITP to the animation actions of technopoles and clusters	(i) Decision of the PG, Decree Law (revision of the texts governing the activity of technopoles, in particular Law No. 50-2001, Decree governing the functioning of FODEC, Revision of the legal framework related to the encouragement of technological entrepreneurship among researchers, (ii) Revise the legal framework governing the exploitation of search results and patents produced at the level of public research centers	
Accelerate the creation of industrial zone development projects in inland regions. Revision of Decree 2017-389 of 9 March 2017 on financial incentives for investments made under the Investment Law		
Strengthen programs and mechanisms for women's economic empowerment. Implementation of the National Program for Women's Entrepreneurship and Gender-Sensitive Investment. Program "رائدات"	Decree-law promulgated	
Revise Article 96 of the Criminal Code. Adoption Decree Law		
Decree a foreign exchange amnesty. Adoption Decree Law	Expected with the new exchange code	
Adopt a new exchange code. Adoption Decree Law	planned for 2022	
Adopt a decree-law on the code of private equity investment	Expected for June 2022	

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
undertakings. Adoption Decree Law		
Adopt a decree-law on support for financial inclusion. Adoption Decree Law	Expected for June 2022	
Publish the implementing texts of the law on SSE. Publication of a presidential decree	To the PG	
Publish the implementing texts of the decree-law on the status of the auto entrepreneur. Publication of a presidential decree	To the PG	
Draw up a negative list for the exercise of economic activities. Publication of a presidential decree		
Adopt the Code of Public Goods. Adoption of a Decree Law		
Publish a presidential decree setting the conditions and procedures for leasing non-agricultural land for the benefit of investors according to Article 19 of Law No. 2019-45 of 29 May 2019. Publication of a presidential decree		
Publish a presidential decree setting the conditions and procedures for the sale of the symbolic dinar for the benefit of the Industrial Land Agency according to Article 20 of Law No. 45 of May 29, 2019. Publication of a presidential decree		
Publish a decree-law revising Law No. 2016-53 of 11 July 2016 on expropriation for reasons of public utility. Issue a decree-law		
Provide the recipients of state agricultural lots with title deeds		

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
allowing them to fully dispose of their property		
Regularize the situation of former residential groups built on the private domain of the State. (i) Identification and delimitation of the property and verification of the conditions of the right of access to the regularization and estimation of the value of the property. (ii) Processing of files in a regional commission and then another national. (iii) The work is sanctioned by approval by decree		
Regulate the powers of the IGPP. Publish a decree -law regulating and specifying the powers and prerogatives of the IGPP		
Improve Trade Facilitation		
	2018	
Simplification and digitalization of trade procedures. Trade facilitation through the digitization of export and import procedures related of the Liaisse Transport (transport documents)	Comments (May 2021): GIZ support via Global Alliance for Trade . Comments March 22 (Reporting period January 21-December 21): Includes several measures some are functional: 7 dematerialized formalities at the port of Rades :* Notice of arrival ship (Possibility of consultation on the portal of TTN) *Anticipated manifest*Unloading of the ship*Differential state*Rectification of the manifest within the regulatory deadlines*Decision of embarkation customs*RDV visit Customs 5 generalized formalities with use of paper at the port of Rades :* Voucher to be issued*Delivery note*Docking authorization*Docking voucher* Air manifest import5 formalities in operation :*Rectification of the manifest beyond the regulatory deadlines*Advance notice of arrival goods*Notice of arrival goods* Manifest export*Manifest store cale4 formalities put into operation but not operated :* Pick-up appointment* Goods in deposit having exceeded the regulatory deadlines* Loading plan1 formality under analysis and development:* Communication date and time end of unloading operations by the port authority8 formalities under study and collection of management rules* Passenger manifest* Air transport procedures (In accordance with Decree 1005 of 30/11/2018)* Manifest acquired declaration of goods dispatched in cabotage* Temporary authorization for the circulation of a vehicle for the transport of goods not registered in Tunisia* Authorization to circulate for a motor vehicle* Routing sheet	JBS, UE, WB, GIZ, IFC
Simplification and digitalization of trade procedures. Digitalize all procedures related to the Liaisse Unique: (i) DDM; (ii) Trade	Comments (May 2021): Digitization of the electronic transfer and boarding visa. Other procedures are being digitized (Objective everything must be digitized at the end of 2021) . Comments March 22 (Reporting period January 21-December 21): Included in emergency measures measure 42. Everything must be functional in June 2022 It is recalled that the documents of the Single Bundle which	JBS EU

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
certificate (with/without payment) and (iii) technical control	are fixed by Decree No. 97-2470 of 22 December 1997, are as follows: • The Foreign Trade Title (TCE)• The Accounting Declaration of Goods (DDM)• The Document relating to the Technical Control (DCT). The foreign trade title and the accounting of goods are generalized at the level of the TTN platform. For the 3rd component, which concerns the Technical Inspection Document, its electronic processing is not yet generalized. Its generalization is the responsibility of the Ministry of Trade and Export Development in coordination with the Ministry of Agriculture, Health, Technology, and Industry. Indeed, the Center for Studies and Research and Telecommunications (Ministry of Technologies) and the Directorate of Security under the Ministry of Industry already use the TTN platform in WEB mode. Also, the Directorate of Quality and Consumer Protection (DQPC) which reports to the Ministry of Commerce operates a business application based on EDI exchange developed by the CNI.Il it should be noted that the structures under the Ministries of Health and Agriculture do not use the electronic platform of the single bundle of TTN but always process the file in paper mode.	
Simplification and digitalization of trade procedures. Digitization of the customs taxes and rights	Comments (May 2021): Concerns the payment of duties and taxes via bank cards or QR codes. Customs is advanced in the payments by transfers but via the CB not, yet they are in the final phase which is the testing phase. . Comments March 22 (Reporting period January 21-December 21): Included in emergency measures measure 42. • A technical committee working under the aegis of the APTBEF and bringing together the BCT, the SIBTEL, the Customs, the DGCPR, the APTBEF, the ONP, the TTN and the representatives of the financial institutions namely the BTE, the BT, the UBCI and the UIB was established.• The project specifications were drawn up by the TTN team, in collaboration with the members of the technical committee, and validated on December 11, 2020.• Integration of electronic payment by transfer at the level of the TTN platform. • Development of input interfaces for applications for TTN's client economic operators and banks. • TTN-Bank exchange flows have been tested with the Bank of Tunisia and the Emirates (pilot bank). • TTN-Customs exchange flows have been tested. • The module allowing the transfer of credit notices following collection for cross-checking purposes at customs revenue levels, has been set up within the BCT. BCT, TGT and customs exchange tests were conducted. • Work to automate the processing of the transfer request within the bank is being carried out with the team in charge of the project within the BTE. • The draft decree setting the scope and modalities of application of the provisions of Article 128 of the Customs Code is being validated by the various parties.	
Simplification and digitalization of trade procedures. Digitalization of the clearance process and guarantees	Comments (May 2021): There are actions that are ready and others in progress . Comments March 22 (Reporting period January 21-December 21): Payment by Bank Guarantee General specifications being validated by Customs before its transmission to the APBTEF for discussion and approval by the banks.	
Simplification and digitalization of trade procedures. Support to the Change Management Process for the implementation of the customs IT system and its interoperability with other systems.	Comments (May 2021): Contract signed on February 26, 2021. Acquisition and implementation of a new customs operating system. They are in the start-up phase of the project . Comments March 22 (Reporting period January 21-December 21): 1 amendment was signed on 8 October. The actual launch was made on December 6, 2021 as well as an approval of the project action plan and quality assurance. The project is in its first phase.	MCC

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Simplification and digitalization of trade procedures. Implementation of customs ex-post control	Comments (May 2021): Creation of a control unit in the administration. But the project is not moving forward on the customs side. . Comments March 22 (Reporting period January 21-December 21): Pending a reorganization of customs. A central administration dedicated to post-performance control is planned.	Besoin d'AT d'après la douane
Modernization of the Rades Port. Implementation of Smart Gate and TOS	Comments (May 2021): A meeting took place on 1 April 2021 between the Ministers of Transport and Trade and decided that this will be done in June 2021 (date requested by STAM) . Comments March 22 (Reporting period January 21-December 21): The finalization of the integration of the automated container management system "Terminal Operating System TOS" with the other port systems: Smart Gates, TTN and customs system (June 2022),- Acquisition of computer equipment by STAM for an amount of approximately 1.2 MD (during 2022),- Realization of training modules for staff responsible for the operation of the TOS (scheduled during 2022)	JBS, JICA, WB JICA
Modernization of the Rades Port. Modification of concessions	Comments (May 2021): MOU signed by STAM and OMMP which provides for the modification of the contract of the STAM concession. This is conditioned by the agreement with MCC which will be signed within a month, and which has been validated by a ministerial council (during the first half of 2021). . Comments March 22 (Reporting period January 21-December 21): As part of the revision of the current concession contract between OMMP and STAM to result in two separate concessions (Terminal I + Terminal II), OMMP and STAM signed, on 14 May 2020, an amendment to the concession contract for the reorganization of spaces at the port of radés and the creation of two terminals, it should be noted that STAM is in the process of carrying out a study to determine the institutional framework for the operation of Terminal II, completion phase 3 of the study (development of scenarios of the institutional set-up of the operation of Terminal II) is being completed (end of April 2022)	JBS, EU, WB
Modernization of the Rades Port. Signing contract for the construction of docks 8&9	Comments (May 2021): Action conditioned by the modification of the contract of the STAM concession. 1st terminal: a concession contract will be signed between STAM and OMMP and The 2nd terminal for "containers": contract will be signed between OMMP, and a new structure created between STAM and a private strategic partner. . Comments March 22 (Reporting period January 21-December 21): The extension of the port of Radés will be carried out within the framework of the Compact program with MCC, the TDR terms of reference of the technical, economic, environmental and social studies have been elaborated and the studies will be completed at the end of 2022, and it is planned to begin the construction work of quays 8 and 9 and the development of a surface of 14ha adjoining the quays and the development of the first phase of the logistics activity zone on 20ha, early 2023 after signing and approving the agreement with MCC and identifying the strategic partner and creating the new structure that will operate Terminal II),	JBS, EU, MCC, EBRD MCC (tentative)
Introduction of more flexible exchange rate arrangements and regulations. Adoption of measures to relax the exchange arrangements	Comments (May 2021): Ongoing (request sent to the IMF in March 2021) . Comments March 22 (Reporting period January 21-December 21): In progress.	EU, FMI
Introduction of more flexible exchange rate arrangements and regulations. Adopt and announce the roadmap for the gradual lifting	Comments (May 2021): In progress (Request sent to the IMF in March 2021) . Comments March 22 (Reporting period January 21-December 21): **Adopt and announce the roadmap for the gradual lifting of restrictions on access to foreign currency financing: has already raised the ceilings for external financing in 2020 *Review the BCT Information System: technical assistance mission to GIZ. **Once	EU, FMI

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
of restrictions on access to foreign currency financing Review the BCT Information System and, once the control tools are in place, switch to a transaction control system ex-post rather than ex-ante, using a risk-based approach.	the control tools are in place, switch to a transaction control system ex-post rather than ex-ante, using a risk-based approach: the modernization of the foreign exchange code is also underway. its publication is scheduled for the year 2023	
New Reform Commitments/Initiatives		
To cover by the State, through the export risk guarantee fund, 50% of the export insurance premiums to the sub-Saharan African market. (i) Adoption of Decree-Law. (ii) Management agreement.		
Create the International Land Company of Tunisia (SOFIT) and consider joint action with other public service providers. Adoption of the Decree-Law establishing SOFIT		
Establish a unified label and a slogan "Made in Tunisia" appearing on all Tunisian products. Creation of a label and a slogan "Made in Tunisia" in order to develop a brand image of Tunisian products abroad		
Facilitate and expand the granting of Authorized Economic Operator (AEO) status. Grant a quality label to any company established in Tunisia, carrying out an activity related to foreign trade, having the confidence of customs, and fulfilling the minimum conditions set by Government Decree No. 612 of 17 July 2018 allowing them to benefit from simplified procedures	AEO Certification Decision	
Renovate the "SOS Export" service. Creation of the virtual network on		

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
the foreign trade portal www.pce.tn		
Ensure permanence sessions in all companies and structures concerned by export for weekends and holidays. Decision of the Presidency of the Government and the BCT		
Strengthening Public Private Partnerships		
	2018	
Governance of PPPs. Strengthening of the capacity of the PPPs strategic council and IGPPP	Comments (May 2021): Pending the constitution of the strategic council . Comments March 22 (Reporting period January 21-December 21): The strategic council is replaced by a new governance and control body - draft decree in progress	EU, EBRD, AfDB, EU
Governance of PPPs. Launching of a digital platform to facilitate information, transparency, and efficacy in the identification, submission, and follow up of projects	Comments (May 2021): Request for technical assistance will be launched shortly. (May 2021) . Comments March 22 (Reporting period January 21-December 21): the consultation has been launched and the depouillement carried out MARCH 2022	EU, TBD
Selection and preparation of projects. Publication of a priority list of PPPs open to at least 51% private investment	. Comments March 22 (Reporting period January 21-December 21): implementation in progress, the list of projects is being finalized and the prioritization and selection criteria are being carried out through BM assistance	IFC, EBRD
Selection and preparation of projects. Publication of a decree modifying the conditions and procedures for concessions	Comments (May 2021): Decree n.202-316, 20 May 2020. . Comments March 22 (Reporting period January 21-December 21):	IFC, EBRD
Selection and preparation of projects. PPP program covering energy, sanitation and water initiated.	Comments (May 2021): Acceleration of PPP projects in view of the impact of the sanitary crises on fiscal space pressure . Comments March 22 (Reporting period January 21-December 21): - a PPP international conference was organized with the support of IFC and EBRD in September 2018 (The forum was attended by more than 1,500 participants including 250 international)- IFC is the transaction advisor in a PPP project with ONAS in the wastewater sector. the provisional award of two concessions is being finalized, and project is expected to close in 2022.- IFC is involved alongside other DFIs for the financing of the renewable energy program. IFC was also involved upstream, in coordination with EBRD, to review the bankability of the program before the final award. - IFC in regular contact with IGPPP in order to explore the support of PPP projects in the country.	IFC, EBRD
Financing of PPPs. Establishment of a Project Preparation Facility to improve support and a mechanism to finance feasibility studies to	Comments (May 2021): The IGPPP has submitted a request for support to the CwA Fund for the operationalization of a PPP development fund. The work will be completed by June 2021. . Comments March 22 (Reporting period January 21-December 21): The pipeline of projects eligible for funding from the fund is being implemented via BM assistance. The FUND promulgated according to Article 13 of the 2022 Finance Law.	EU, IFC, EBRD

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
activate the initiation of PPP projects		
Financial Sector Framework		
	2018	
Improving access to finance for MSMEs and young firms. Adoption by the Parliament of the seed and equity investment act	Comments (May 2021): Law 2029-47 Part of the code that concerns the offshore fund and the specialized fund has been inserted in the transversal law articles 16 and 17. . Comments March 22 (Reporting period January 21-December 21): The measure concerning the adoption of a decree-law on the code of private equity investment undertakings has been included in the framework of the 2022 economic emergency measures. (Axis: Facilitate the regulation of cases).	WB
ng of the law on excessive interest rates to credits to SMEs. Adoption by the parliament of the amendments to the law on excessive lending rates	Comments (May 2021): Law 39/2017 modifying the law 15 July 1999. Project was withdrawn from the ARP, as the finance committee did not accept it . Comments March 22 (Reporting period January 21-December 21):	IMF/AfDB
ng of the law on excessive interest rates to credits to SMEs. Publication of regulations (Circular CBT and decree) laying down the methodology for calculation the global effective interest rate (TEG) and the average effective interest rate (TEM)	Comments (May 2021): The decree was prepared and approved by the Council of Ministers but since the law was not approved, the decree has no reason to exist. . Comments March 22 (Reporting period January 21-December 21):	WB/IFC
Improving access to finance for MSMEs and young firms. Launch of the ANAVA fund of funds to support the government program "Startup Tunisia".	Comments (May 2021): A transformative, innovative and multiplier project of the last 10 years! the following impacts are expected: 1000 startups labeled over 5 years; • More than 1 billion dinars of revenue from start-up companies over 5 years; • 10,000 new jobs created by start-ups supported over 5 years; • A Tunisian unicorn company from incubated or accelerated start-ups. . Comments March 22 (Reporting period January 21-December 21):	BM/KfW/UE, UE (Innovi)/GIZ/KfW BM
Deepening access to finance for MSMEs & entrepreneurs and improve lenders' risk management. Adoption by the parliament of the organic law on credit bureaus	Comments (May 2021): Bill discussed in finance committee without the MoF. The finance commission will invite the BCT, the Professional Association of Banks, the personal data authority to have their opinion. Dating from 2017, but the interest of the ARP in relation to this law is recent (early 2021) . Comments March 22 (Reporting period January 21-December 21): Decree-Law No. 2022-2 of 4 January 2022, on the organization of the activity of credit intelligence.	WB KfW, AfDB
strengthening the rights of creditors in movable collateral and expand the types of assets firms can use as collateral. Adoption by the parliament of the law on secure transactions	Comments (May 2021): The Law on Security of Movable Property has been removed from the ARP. The texts concerning Security and guarantees are governed by the Code of Obligations and Contracts and the Code of Real Law. The approach for the deputies is that we should have amended the two old texts to create a new one that seems to them to be, ambiguous not clear . Comments March 22 (Reporting period January 21-December 21): The measure concerning the adoption of a decree-law on mobile security has been included in the framework of the 2022 economic emergency measures. (Axis: Facilitate the regulation of cases).	IFC

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Making available collateral-free credits to SMEs by strengthening public guarantee funds. Signature of an agreement between the Ministry of Finance and the SOTUGAR that Improves the financial products offered by the SME Credit Guarantee Fund, its operating procedures, and its risk management framework.	Comments (May 2021): . Comments March 22 (Reporting period January 21-December 21): Signature of a management agreement between the Ministry of Finance and SOTUGAR in April 2018 for the "Dhamen rxpress" mechanism 6 banks have signed the delegation agreements with SOTUGAR.	WB, KFW
Making available collateral-free credits to SMEs by strengthening public guarantee funds. Signature of an agreement between the Ministry of Finance and the COTUNACE that improves the financial products offered by the export credit guarantee fund, its operating procedures, and ands its risk management framework.	Comments (May 2021): . Comments March 22 (Reporting period January 21-December 21): A training program dedicated to banks in collaboration with the Professional Association of Banks on the operation of the mechanism.	
Making available collateral-free credits to SMEs by strengthening public guarantee funds. Guarantee mechanisms strengthened access to finance for exporting SMEs ("Dhamen Finance" law approved), 2019	Comments (May 2021): Law approved on April 2nd, 2019 and Decree 889, 17 October 2019. Maybe additional support will be required for the preparation of the risk strategy and the implementation of governance arrangements (strategic committee). . Comments March 22 (Reporting period January 21-December 21):	
Reducing the Non-performing loan ratios. Publication by the central bank of a directive on NPLs resolution	Comments (May 2021): Exceptional measures taken to facilitate access to credit with state guarantee. The covid-19 crises were also an opportunity for the GoT to accelerate reforms related to Digital payment (G2P and G2B) and disaster risk financing through review of insurance mechanisms. Exceptional measures taken to facilitate access to credit with state guarantee. The covid-19 crises were also an opportunity for the GoT to accelerate reforms related to Digital payment (G2P and G2B) and disaster risk financing through review of insurance mechanisms . Comments March 22 (Reporting period January 21-December 21): A training program dedicated to banks in collaboration with the Professional Association of Banks on the operation of the mechanism.	JBS, CwA -MDTF
Reducing the Non-performing loan ratios. Publication by the central bank of a circular on Out of Court Resolution Mechanism	Comments (May 2021): The LFC 2020 contains this srataine measures to relax the conditions for irradiating bad bank debts. Soon a circular on the workout units will be published.1 kickoff meeting was launched in November 2020 . Comments March 22 (Reporting period January 21-December 21): The circular on workout units was published in March 2022. A communication workshop about the circular was held on 23 March 2022 with the participation of local banks representatives OECT representatives and stakeholders.	JBS, CwA - MDTF

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Restructuring of the public banking sector. Achieve the objectives of the 2017-2020 performance contracts with 3 public banks: STB, BH, BNA. They will set yearly operational and financial targets, particularly concerning the treatment of NPLs and the improvement of risk control.	Comments (May 2021): For public banks approved / pending commercial banks Adoption, by the Council of Ministers a national strategy for the resolution and prevention of NPLs in June 2022 . Comments March 22 (Reporting period January 21-December 21):	IMF, KfW, EU,
Improving the quality of financial information. Alignment of the public credit registry with international standards	Comments (May 2021): MOU in the process of signing to release the funds but the TA has already begun. The acquisition of a new platform of the central information / or the development of the solution could be eligible for (partial) financing from KfW. . Comments March 22 (Reporting period January 21-December 21): The TA consists of the preparation of specifications for the development of a new information center platform. AT in progress with IFC	IFC, IFC
Improving the quality of financial information. election of granular credit and credit risk data (Anacredit system – European Central Bank)	Comments (May 2021): MOU being signed . Comments March 22 (Reporting period January 21-December 21): MOU already signed with IFC	IFC, IFC
Improving the quality of financial information. compliance with data protection regulations in relation with credits	Comments (May 2021): Activity was on stand-by. Work has resumed on this axis. . Comments March 22 (Reporting period January 21-December 21):	WB (Moussanada)
Improving the quality of financial information. now your Customer (KYC) and Anti Money Laundering (AML) requirements	Comments (May 2021): - Ongoing TA on strengthening and protecting consumers of EU-funded financial services. Financial inclusion TA Moussanada for {BCT, ACM, CGA} - an ongoing EU MOUSSANADA TA on the AML/CFT risk supervision framework for {BCT, ACM, CGA} . Comments March 22 (Reporting period January 21-December 21): *For the TA on the protection of consumers of digital financial services, a single call held on this theme in May 2020 for the BCT: TA will start soon as part of the 2nd phase DFS TA.	WB (Moussanada) EU (Regional AML Fund)
Improving the quality of financial information. Dashboards and feedback to banks	Comments (May 2021): . Comments March 22 (Reporting period January 21-December 21): Project without TA Applications for receiving and processing data from banks have been developed in-housework carried out internally without TA	,
Improving the quality of financial information. Progress in the implementation of IFRS	Comments (May 2021): The TA began in November 2020 and is underway for the BCT. . Comments March 22 (Reporting period January 21-December 21): Finalized phase: Macro impact study and evaluation of BEF migration plans to IFRS9Phase standards in progress: Regulatory framework for the application of IFRS9 Standards by BEF	BERD(BCT) Moussanada (ACM/CGA)
strengthen Anti-money laundering. Mapping of ML/F risks in the banking sector and development	Comments (May 2021): . Comments March 22 (Reporting period January 21-December 21): For the risk-based supervision framework, the TA was closed, and a mission report was submitted by the team of Experts.	TBD,

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
of a risk-based supervision framework		
strengthen Anti-money laundering. Conclude a memorandum of understanding between CBT and CTAF to improve cooperation	Comments (May 2021): MOU being finalized (at the legal department of the BCT! No need for TA . Comments March 22 (Reporting period January 21-December 21): BCT services do not require TA for this project	,
development of an efficient reference system for emissions and valuation of mark to market. Publication of the yield curve	Comments (May 2021): RAS on the side of kaouther Babia . Comments March 22 (Reporting period January 21-December 21):	EBRD, AfDB
Smooth access to equity finance exchange markets for small and medium businesses. Launching of a kit for SMEs to access equity financing through the capital market	Comments (May 2021): Launch of a KIT for SMEs' access to the financing of the stock exchange . Comments March 22 (Reporting period January 21-December 21):	EBRD And AfDB,
Broaden financial instruments for startups. Adoption by a Council of Ministers and transmission to the parliament of amendments to the code of commercial companies introducing the notion of "sociétés par actions simplifiées" (SAS) and alternative equity instruments other than ordinary shares that are adapted to startups.	Comments (May 2021): What was approved in Law 2019-47 (transversal) article 149, it is the creation of the "single-member limited liability company" it is different from the measures on SAS and stock options ... . Comments March 22 (Reporting period January 21-December 21):	WB,
Broaden financial instruments for startups. Crowdfunding Law	Comments (May 2021): Law 2020/37 of 6 August 2020 . Comments March 22 (Reporting period January 21-December 21):	EU
Broaden financial instruments for startups. Approval of the crowdfunding law regulations	Comments (May 2021): These are 3 platforms - 1 Investment platform - CMF regulatory authority - 2 Credit platform - BCT regulatory authority - 3 donation platform - ACM regulatory authority The texts have been prepared within the framework of a COPIL where all stakeholders are under the aegis of the API They are at the stage of proposing a second version (COPIL meets this week around these three decrees) . Comments March 22 (Reporting period January 21-December 21): Finalization of the final version of the 3 decrees in application of Law No. 2020-37, This measure was included in the framework of the 2022 economic emergency measures.	EU, TBD
New Reform Commitments/Initiatives		
Clear part of the State's arrears vis-à-vis companies by prioritizing the construction sector. Cover by an issue of Treasury Bills, the arrears of the construction sector		

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Set up a $50 million external credit line (World Bank) for the refinancing of SMEs. Preparation of loan documents		WB
Extend the extension of the expiry date of viable tourist units by 12 months. (i) Repeal of Decree-Law No. 22-2020 (COVID-19 economic measures). (ii) Circular of the BCT (postponement of the expiry of tourist units and relaxation of prudential rules		
Create a financing line of 200 MTD to subscribe to investment funds dedicated to SMEs. Mobilize 120 MD from foreign donors in addition to the 80 MD to be mobilized by the CDC.		
Create a mezzanine line "Recovery" of 50MD of post-restructuring recovery of SMEs. (i) Sign a financing agreement between donors and the State/FTI. (ii) Solicit by SMEs that have benefited from restructuring financing during the last 24 months, via their FCPR/SICAR present in the capital, the FTI for mezzanine debt financing (bonds convertible into shares - OCA		
Create an incentive mechanism for SME financing. Sign a charter between stakeholders / Circular / regulatory text on mutual commitment of stakeholders		
Encourage the use of small credit as a means of financing. Extension of the period granted to small credit associations to comply with		

Tunisia's reform commitments/initiatives	Progress in meeting commitments/initiatives	Partner Support
Decree No. 117 promulgated on 5 Nov - 2011		
Increase by 100 MD the allocation line to support the financial restructuring of SMEs. (i) Negotiate with funders a donation or line of credit. (ii) Amend Government Decree No. 2018-324 of 29 March 2018 setting out the terms and conditions of organization and operation of the support line for the restructuring of SMEs.		
Create a financing line for innovation-Digitalization-Green and circular economy. (i) Publication of a legislative text creating the line. (ii) Publication of a government decree laying down the modalities of organization and operation of the line		
Improve financial transparency and combat tax evasion and the integration of the informal economy into the formal and organized economy. Commitment to the automatic exchange of financial account information	Approved and will be operational in 2024.	

ANNEX 2 – FDI SNAPSHOTS FOR EACH COMPACT COUNTRY

Benin

BENIN

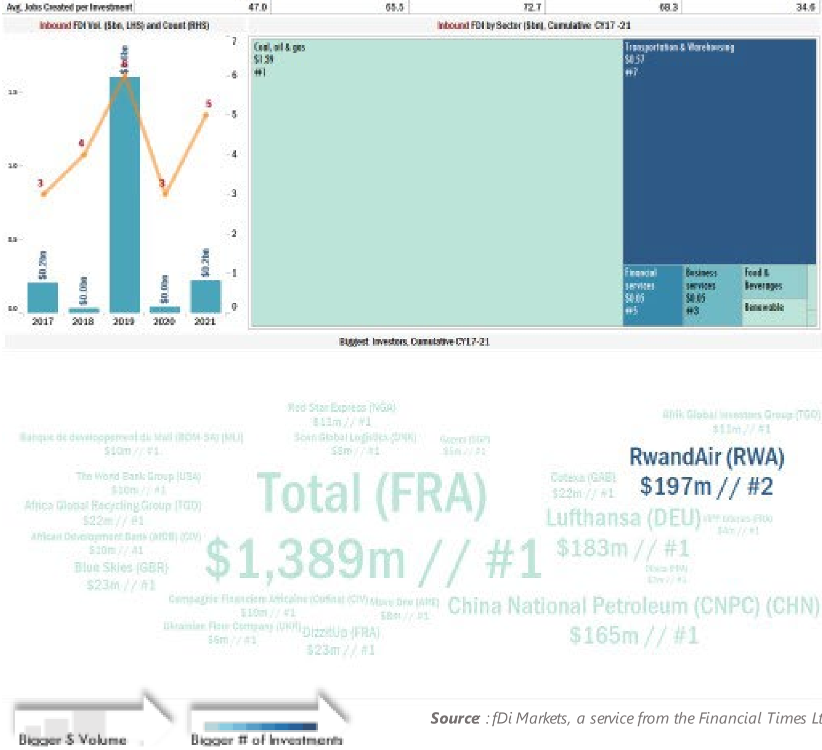
Top CBI Source Countries 2017 – 2021

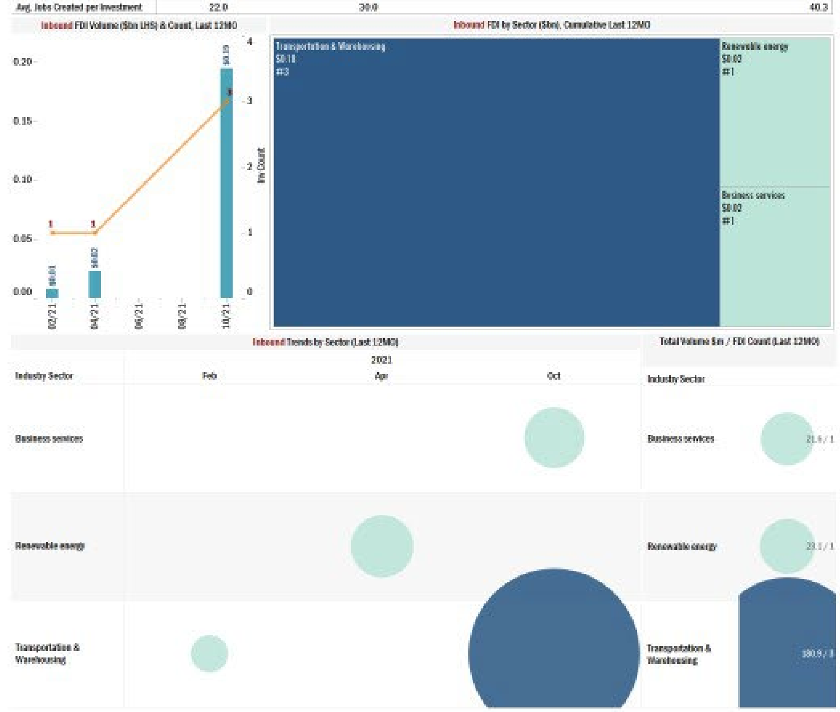
# of projects	
France	4
Togo	2
Cote d Ivoire	2
Rwanda	2
Ukraine	1

$ investment	
France	$1,394m
Rwanda	$197m
Germany	$183m
Togo	$32m
United Kingdom	$22m

	2017	2018	2019	2020	2021
Total FDI Volume, $bn	$0.21bn	$0.03bn	$1.61bn	$0.04bn	$0.23bn
Total # of Investments	3.0	4.0	6.0	3.0	5.0
Average Investment, $m	$69m	$8m	$268m	$14m	$45m
Total Jobs Created	141.0	262.0	436.0	205.0	173.0
Avg. Jobs Created per Investment	47.0	65.5	72.7	68.3	34.6

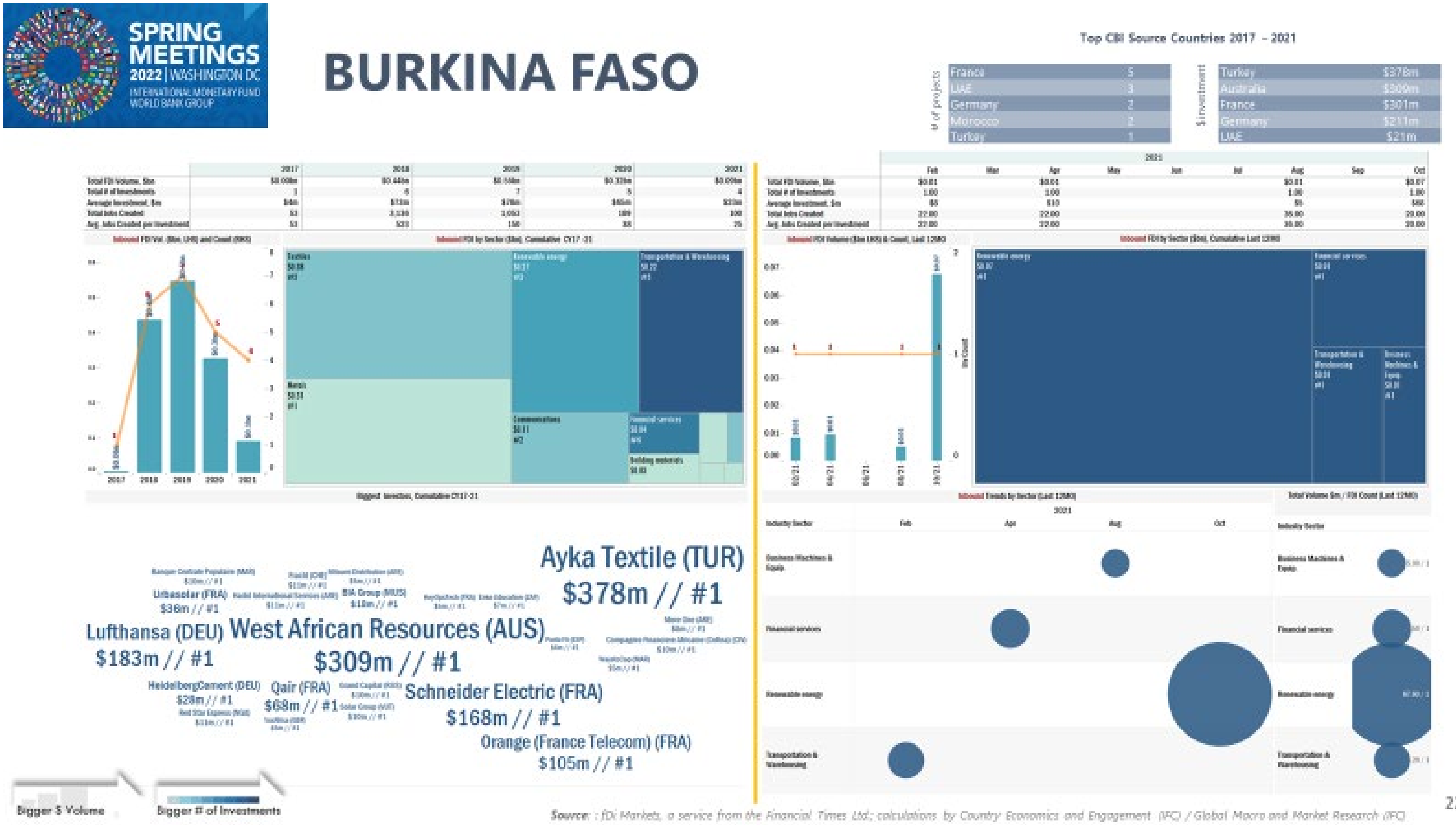
2021	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Total FDI Volume, $bn	$0.01		$0.02						$0.19
Total # of Investments	1.0		1.0						3.0
Average Investment, $m	$8		$23						$65
Total Jobs Created	22.0		30.0						121.0
Avg. Jobs Created per Investment	22.0		30.0						40.3





Source : fDi Markets, a service from the Financial Times Ltd.; calculations by Country Economics and Engagement (IFC) Global Macro and Market Research (IFC)

Burkina Faso



Cote d’Ivoire

COTE D’IVOIRE

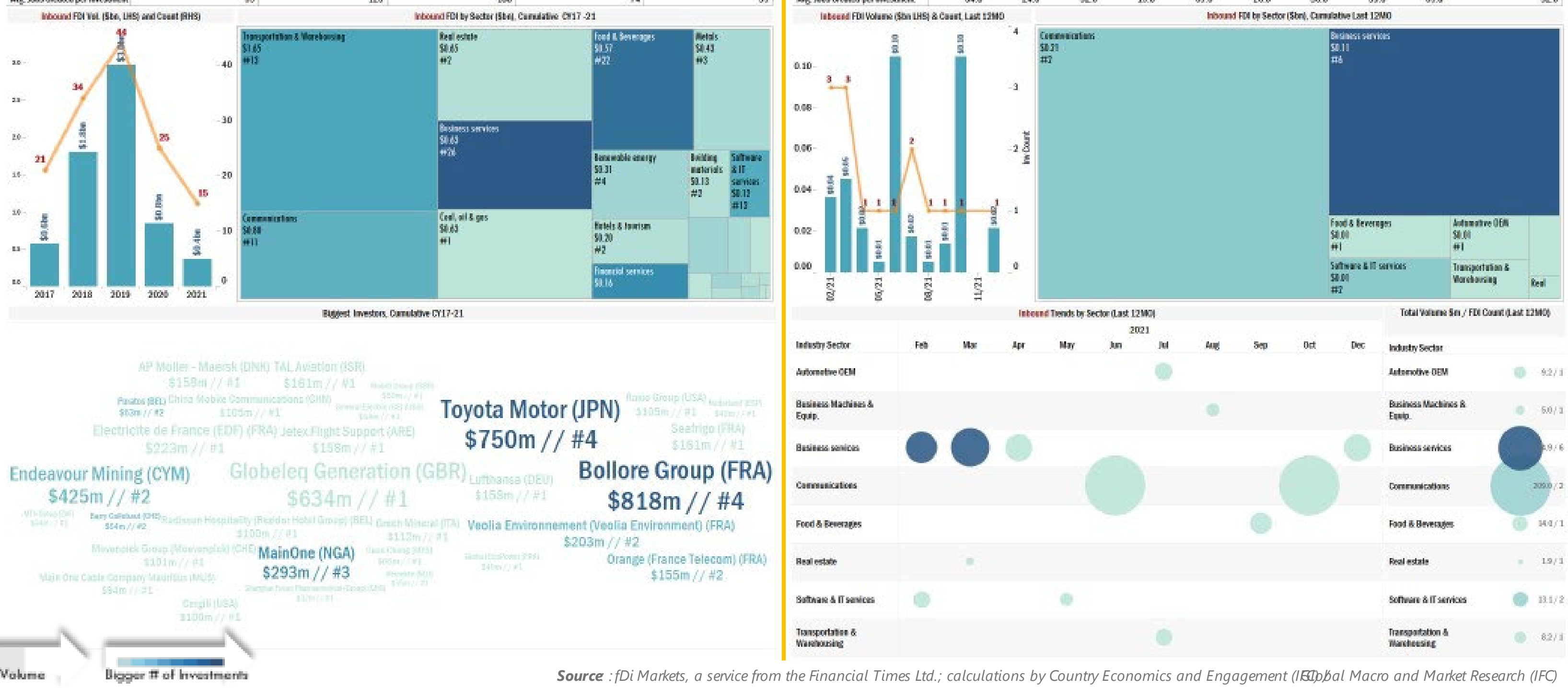
Top CBI Source Countries 2017– 2021

# of projects	
France	39
Switzerland	11
Morocco	10
Belgium	7
Tunisia	5

$ investment	
France	$1,850m
Japan	$750m
United Kingdom	$684m
Cayman Islands	$425m
Nigeria	$291m

	2017	2018	2019	2020	2021
Total FDI Volume, $bn	$0.57bn	$1.81bn	$2.97bn	$0.85bn	$0.38bn
Total # of Investments	21	34	44	25	15
Average Investment, $m	$27m	$53m	$68m	$34m	$25m
Total Jobs Created	2,072	4,245	8,288	1,857	582
Avg. Jobs Created per Investment	99	125	188	74	39

2021	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Total FDI Volume, $bn	$0.04	$0.05	$0.02	$0.01	$0.10	$0.02	$0.01	$0.01	$0.10		$0.02
Total # of Investments	3.0	3.0	1.0	1.0	1.0	2.0	1.0	1.0	1.0		1.0
Average Investment, $m	$12	$15	$22	$5	$105	$9	$5	$14	$105		$22
Total Jobs Created	162.0	72.0	32.0	19.0	69.0	52.0	36.0	39.0	69.0		32.0
Avg. Jobs Created per Investment	54.0	24.0	32.0	19.0	69.0	26.0	36.0	39.0	69.0		32.0



Source : fDi Markets, a service from the Financial Times Ltd.; calculations by Country Economics and Engagement (IEC) Global Macro and Market Research (IFC)

23

Egypt

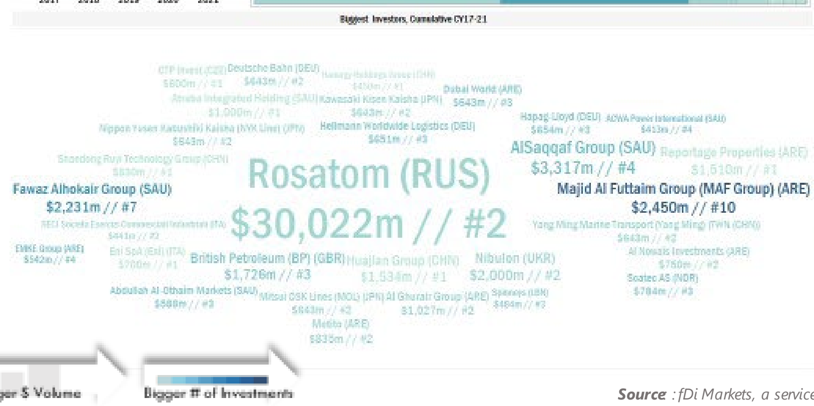
EGYPT

Top CBI Source Countries 2017 – 2021

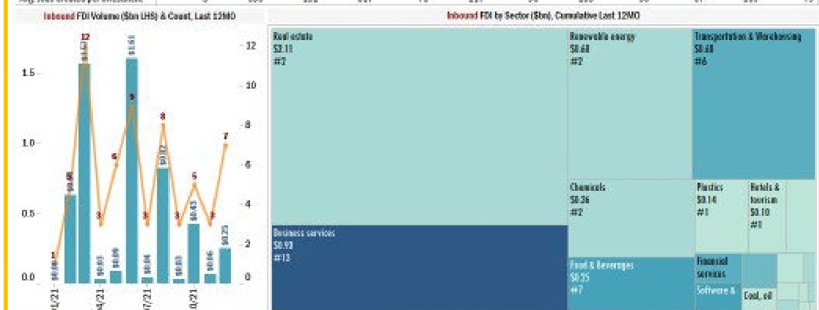
# of projects	
UAE	81
Saudi Arabia	38
United States	35
China	35
Germany	33

$ investment	
Russia	$30,333m
UAE	$9,045m
Saudi Arabia	$8,125m
China	$4,762m
Germany	$2,759m

	2017	2018	2019	2020	2021
Total FDI Volume, $bn	$40.67bn	$12.88bn	$12.22bn	$1.63bn	$5.57bn
Total # of Investments	93	94	147	52	65
Average Investment, $m	$437m	$137m	$83m	$31m	$86m
Total Jobs Created	14,846	31,602	25,441	6,866	10,295
Avg. Jobs Created per Investment	160	336	173	132	158



	2021 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Total FDI Volume, $bn	$0.00	$0.64	$1.57	$0.03	$0.09	$1.61	$0.04	$0.82	$0.03	$0.43	$0.06	$0.25
Total # of Investments	1	5	12	3	6	9	3	8	3	5	3	7
Average Investment, $m	$1	$127	$131	$11	$15	$178	$14	$103	$11	$85	$22	$36
Total Jobs Created	3	3,175	1,569	1,550	457	1,050	285	826	165	334	327	554
Avg. Jobs Created per Investment	3	635	131	517	76	117	95	103	55	67	109	79



Source : *fDi Markets, a service from the Financial Times Ltd.; calculations by Country Economics and Engagement (IFC) Global Macro and Market Research (IFC)*

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Ethiopia

ETHIOPIA

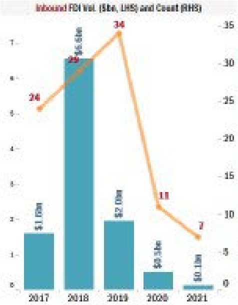
Top CBI Source Countries 2017 – 2021

# of projects	
China	12
France	9
United Kingdom	9
United States	8
Germany	7

$ investment	
United States	$4,444m
UAE	$1,314m
China	$673m
Saudi Arabia	$455m
India	$440m

	2017	2018	2019	2020	2021
Total FDI Volume, $bn	$1.61bn	$6.57bn	$1.95bn	$0.50bn	$0.13bn
Total # of Investments	24	29	34	11	7
Average Investment, $m	$67m	$226m	$57m	$46m	$19m
Total Jobs Created	24,793	17,083	8,445	875	834
Avg. Jobs Created per Investment	1,033	589	248	80	119

Inbound FDI Vol. ($bn, LHS) and Count (RHS)

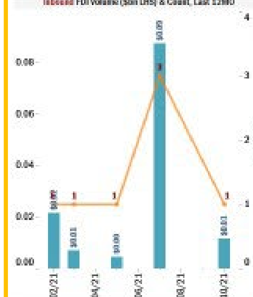


Inbound FDI by Sector ($bn), Cumulative CY17 -21

Biggest Investors, Cumulative CY17-21

	2021								
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Total FDI Volume, $bn	$0.02	$0.01		$0.00		$0.09			$0.01
Total # of Investments	1.0	1.0		1.0		3.0			1.0
Average Investment, $m	$22	$7		$5		$29			$11
Total Jobs Created	32.0	43.0		37.0		667.0			55.0
Avg. Jobs Created per Investment	32.0	43.0		37.0		222.3			55.0

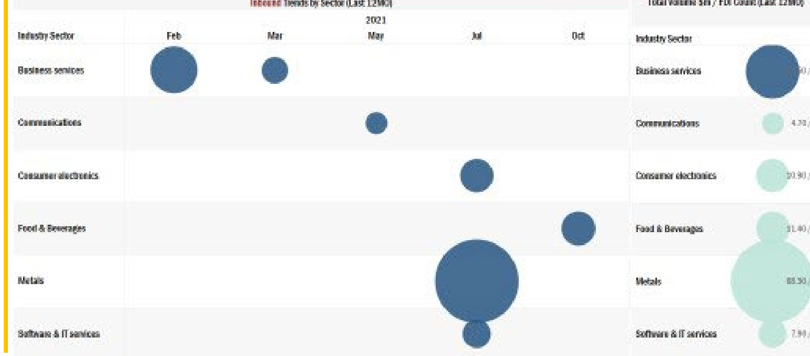
Inbound FDI Volume ($bn LHS) & Count, Last 12MO



Inbound FDI by Sector ($bn), Cumulative Last 12MO

Inbound Trends by Sector (Last 12MO)

Total Volume $m / FDI Count (Last 12MO)



Source : *fDi Markets, a service from the Financial Times Ltd.; calculations by Country Economics and Engagement (IFC); Global Macro and Market Research (IFC)*

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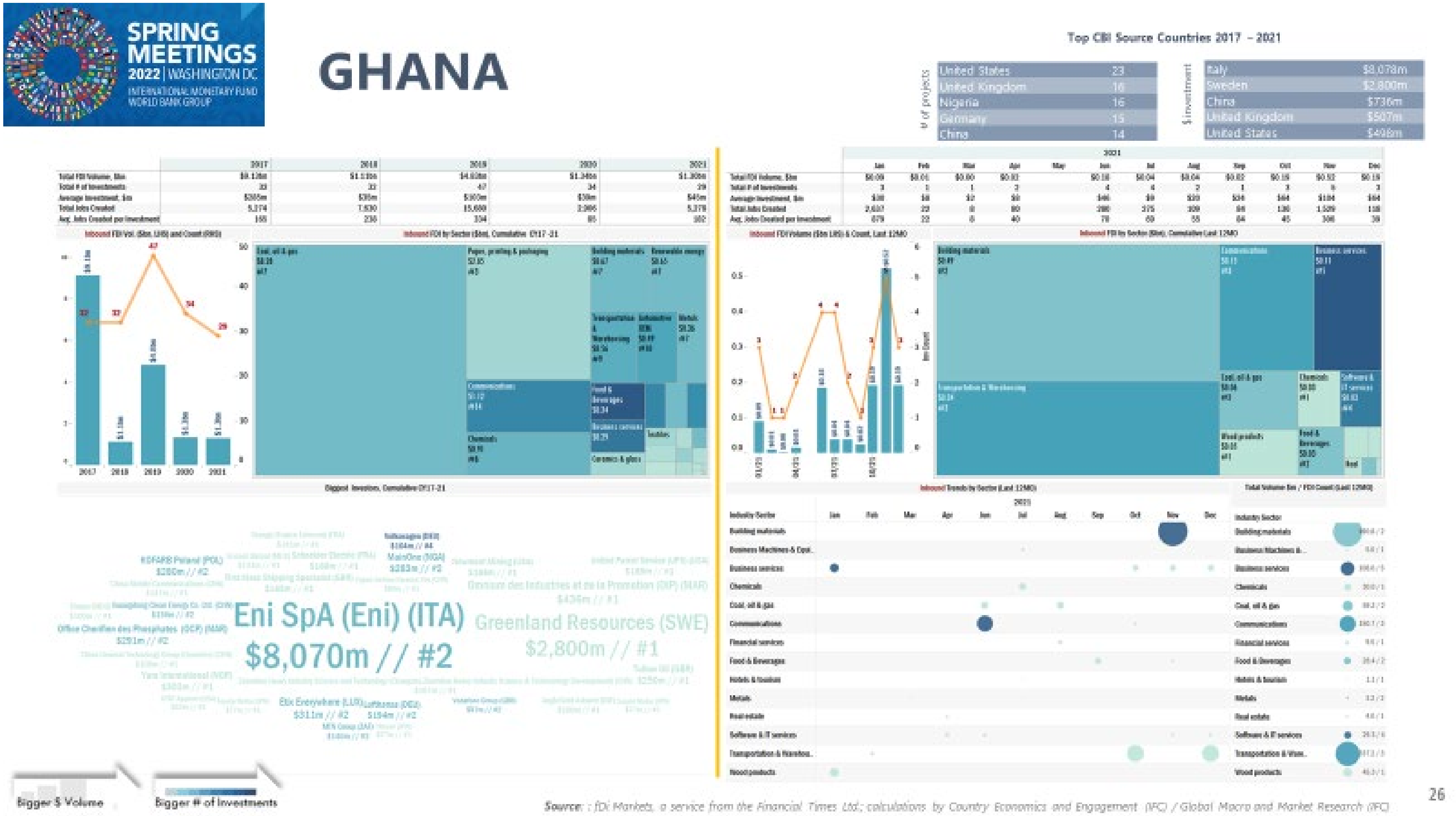
Ghana



SPRING MEETINGS
2022 | WASHINGTON DC
INTERNATIONAL MONETARY FUND
WORLD BANK GROUP
GHANA
Top CBI Source Countries 2017 – 2021
# of projects
United States 23
United Kingdom 16
Nigeria 16
Germany 15
China 14
$ investment
Italy $8,078m
Sweden $2,800m
China $736m
United Kingdom $507m
United States $498m
Eni SpA (Eni) (ITA)
$8,070m // #2
Greenland Resources (SWE)
$2,800m // #1
Bigger $ Volume
Bigger # of Investments
Source: : fDi Markets, a service from the Financial Times Ltd.; calculations by Country Economics and Engagement (IFC) / Global Macro and Market Research (IFC)
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Guinea

SPRING MEETINGS 2022 | WASHINGTON DC
INTERNATIONAL MONETARY FUND
WORLD BANK GROUP

GUINEA

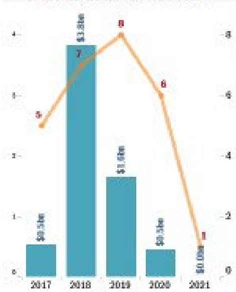
Top CBI Source Countries 2017–2021

# of projects	
China	7
Cote d Ivoire	3
Germany	3
France	2
Switzerland	2

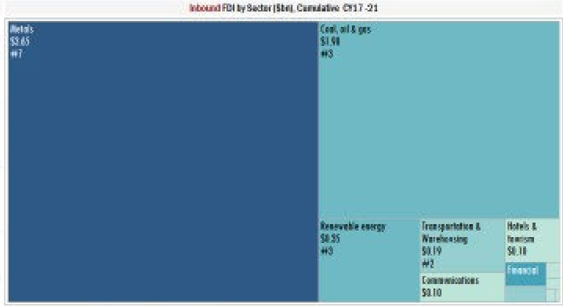
$ investment	
China	$4,226m
Switzerland	$1,390m
Germany	$513m
France	$101m
Belgium	$100m

	2017	2018	2019	2020	2021
Total FDI Volume, $bn	$0.54bn	$3.83bn	$1.64bn	$0.46bn	$0.01bn
Total # of Investments	5	7	8	6	1
Average Investment, $m	$107m	$547m	$205m	$76m	$5m
Total Jobs Created	791	7,961	569	286	36
Avg. Jobs Created per Investment	158	1,137	71	48	36

Inbound FDI Vol. ($bn, LHS) and Count (RHS)



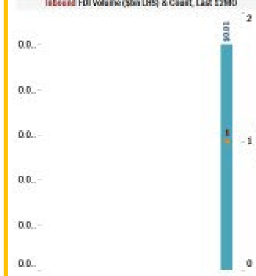
Inbound FDI by Sector ($bn), Cumulative CY17-21



Biggest Investors, Cumulative CY17-21

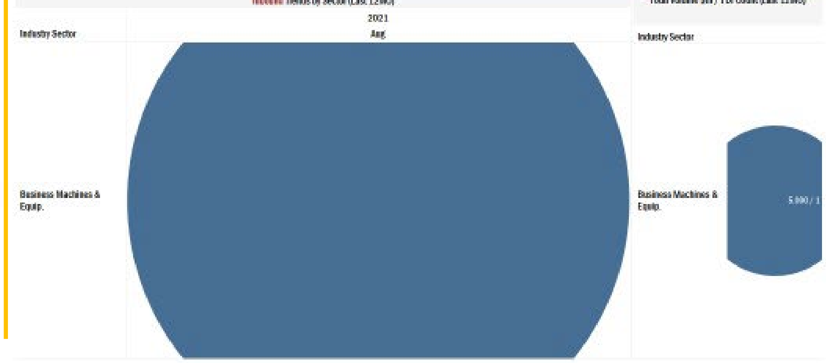
	2021
	Aug
Total FDI Volume, $bn	$0.01
Total # of Investments	1.00
Average Investment, $m	$5
Total Jobs Created	36.00
Avg. Jobs Created per Investment	36.00

Inbound FDI Volume ($bn LHS) & Count, Last 12MO



Inbound FDI by Sector ($bn), Cumulative Last 12MO

Inbound Trends by Sector (Last 12MO) | Total Volume $m / FDI Count (Last 12MO)



Source : *fDi Markets, a service from the Financial Times Ltd.; calculations by Country Economics and Engagement (IFC); Global Macro and Market Research (IFC)*

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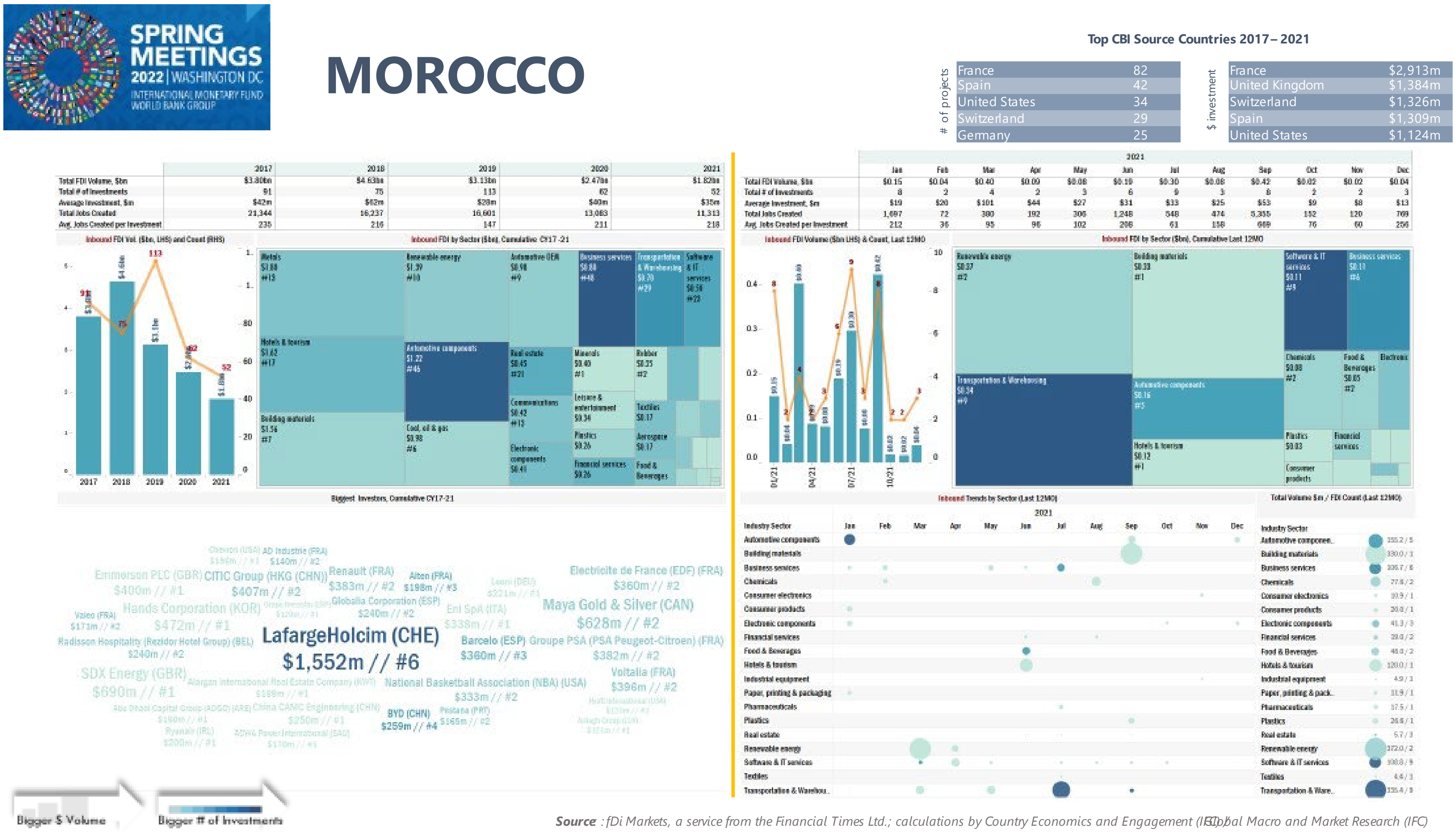
Morocco



Source : fDi Markets, a service from the Financial Times Ltd.; calculations by Country Economics and Engagement (IFC); Global Macro and Market Research (IFC)

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Rwanda

RWANDA

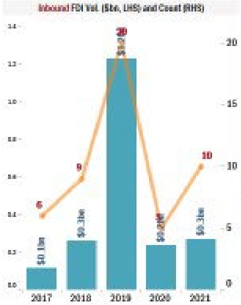
Top CBI Source Countries 2017 – 2021

# of projects	
United States	7
UAE	5
Switzerland	4
Germany	3
Netherlands	3

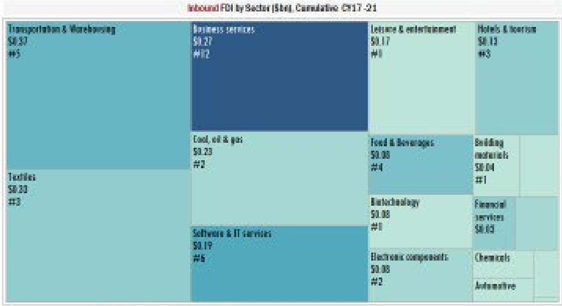
$ investment	
United States	$533m
China	$334m
UAE	$283m
Germany	$203m
Netherlands	$123m

	2017	2018	2019	2020	2021
Total FDI Volume, $bn	$0.12bn	$0.26bn	$1.23bn	$0.24bn	$0.27bn
Total # of Investments	6	9	20	5	10
Average Investment, $m	$19m	$29m	$61m	$47m	$27m
Total Jobs Created	991	1,828	9,844	1,665	1,464
Avg. Jobs Created per Investment	165	203	492	333	146

Inbound FDI Vol. ($bn, LHS) and Count (RHS)



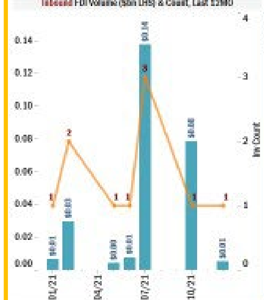
Inbound FDI by Sector ($bn), Cumulative CY17-21



Biggest Investors, Cumulative CY17-21

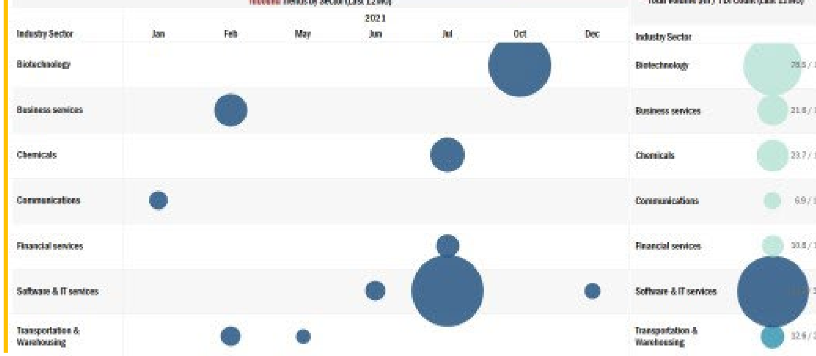
	2021 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Total FDI Volume, $bn	$0.01	$0.03			$0.00	$0.01	$0.14			$0.08		$0.01
Total # of Investments	1	2			1	1	3			1		1
Average Investment, $m	$7	$15			$4	$8	$46			$79		$5
Total Jobs Created	35	54			19	87	1,115			135		19
Avg. Jobs Created per Investment	35	27			19	87	372			135		19

Inbound FDI Volume ($bn LHS) & Count, Last 12MO



Inbound FDI by Sector ($bn), Cumulative Last 12MO

Inbound Trends by Sector (Last 12MO) / Total Volume $m / FDI Count (Last 12MO)



Source : fDi Markets, a service from the Financial Times Ltd.; calculations by Country Economics and Engagement (IFC); Global Macro and Market Research (IFC) 29

Senegal

SENEGAL

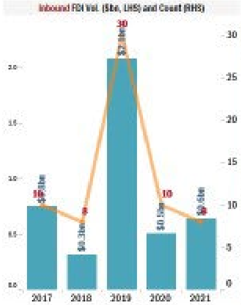
Top CBI Source Countries 2017 – 2021

# of projects	
France	19
Germany	6
UAE	5
Switzerland	4
Morocco	4

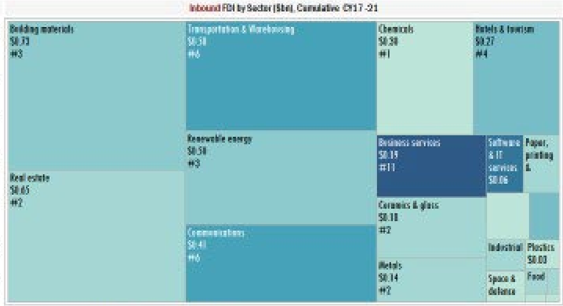
$ investment	
France	$805m
Turkey	$773m
Switzerland	$467m
China	$292m
Germany	$209m

	2017	2018	2019	2020	2021
Total FDI Volume, $bn	$0.75bn	$0.32bn	$2.08bn	$0.50bn	$0.64bn
Total # of Investments	10	8	30	10	8
Average Investment, $m	$75m	$40m	$69m	$50m	$80m
Total Jobs Created	1,517	1,280	4,165	2,630	1,207
Avg. Jobs Created per Investment	152	160	139	263	151

Inbound FDI Vol. ($bn, LHS) and Count (RHS)



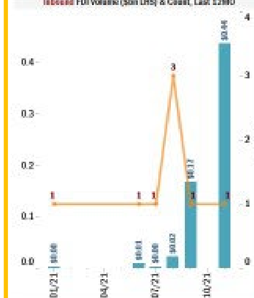
Inbound FDI by Sector ($bn), Cumulative CY17-21



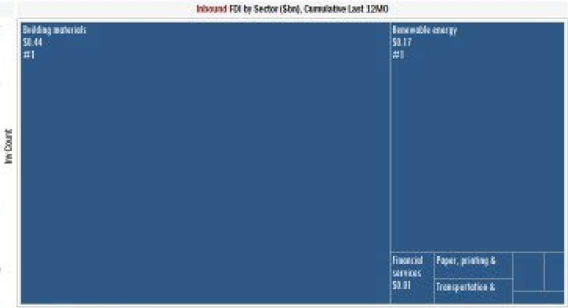
Biggest Investors, Cumulative CY17-21

	2021										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Total FDI Volume, $bn	$0.00					$0.01	$0.00	$0.02	$0.17		$0.44
Total # of Investments	1.0					1.0	1.0	3.0	1.0		1.0
Average Investment, $m	$3					$10	$3	$7	$168		$436
Total Jobs Created	38.0					22.0	5.0	98.0	44.0		1,000.0
Avg. Jobs Created per Investment	38.0					22.0	5.0	32.7	44.0		1,000.0

Inbound FDI Volume ($bn LHS) & Count, Last 12MO



Inbound FDI by Sector ($bn), Cumulative Last 12MO



Inbound Trends by Sector (Last 12MO)

Source : fDi Markets, a service from the Financial Times Ltd.; calculations by Country Economics and Engagement (IEC) Global Macro and Market Research (IFC)

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Togo

TOGO

Top CBI Source Countries 2017 – 2021

# of projects	
France	6
Germany	4
Nigeria	3
UAE	3
Denmark	2

$ investment	
Nigeria	$2,065m
Germany	$218m
UAE	$145m
Burkina Faso	$103m
France	$29m

	2017	2018	2019	2020	2021
Total FDI Volume, $bn	$0.00bn	$0.11bn	$2.36bn	$0.16bn	$0.35bn
Total # of Investments	1	2	14	6	7
Average Investment, $m	$3m	$53m	$169m	$27m	$50m
Total Jobs Created	11	221	3,802	878	274
Avg. Jobs Created per Investment	11	111	272	146	39

Inbound FDI Vol. ($bn, LHS) and Count (RHS)

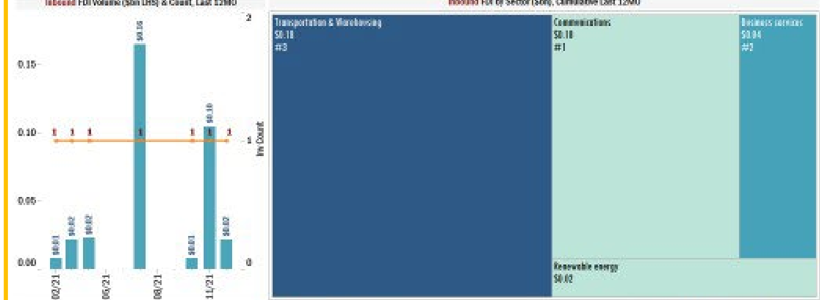
Inbound FDI by Sector ($bn), Cumulative CY17-21

Biggest Investors, Cumulative CY17-21

2021	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Total FDI Volume, $bn	$0.01	$0.02	$0.02			$0.16			$0.01	$0.10	$0.02
Total # of Investments	1.0	1.0	1.0			1.0			1.0	1.0	1.0
Average Investment, $m	$8	$22	$23			$165			$8	$105	$22
Total Jobs Created	22.0	32.0	30.0			67.0			22.0	69.0	32.0
Avg. Jobs Created per Investment	22.0	32.0	30.0			67.0			22.0	69.0	32.0

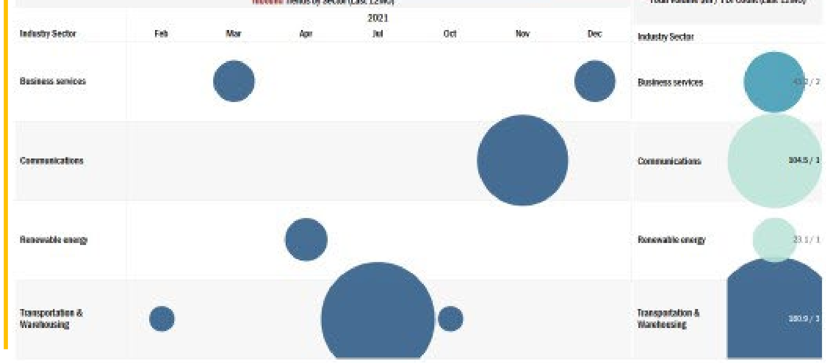
Inbound FDI Volume ($bn LHS) & Count, Last 12MO

Inbound FDI by Sector ($bn), Cumulative Last 12MO



Inbound Trends by Sector (Last 12MO)

Total Volume $m / FDI Count (Last 12MO)



Bigger $ Volume   Bigger # of Investments

Source : *fDi Markets, a service from the Financial Times Ltd.; calculations by Country Economics and Engagement (IFC), Global Macro and Market Research (IFC)*

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Tunisia

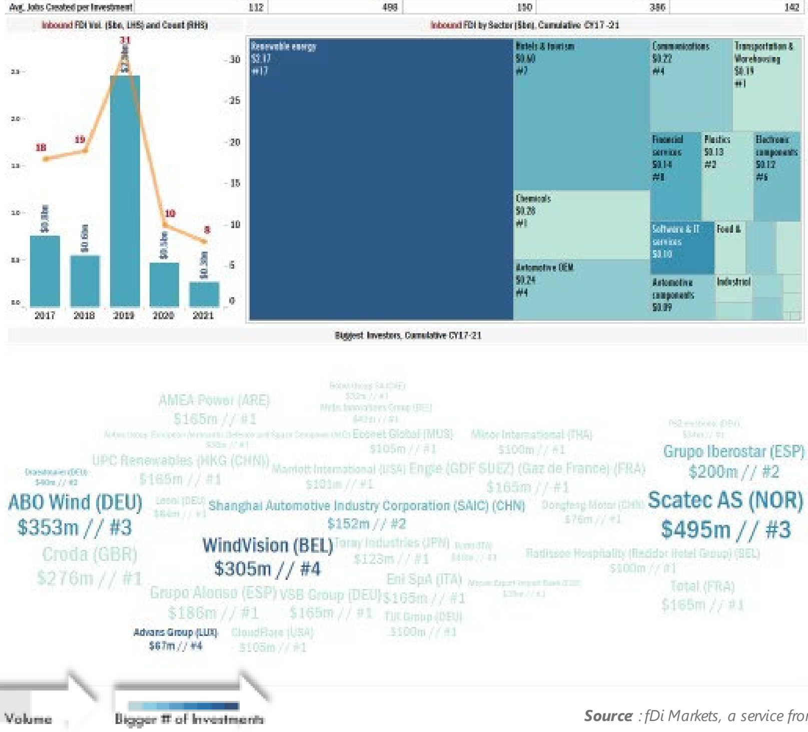
TUNISIA

Top CBI Source Countries 2017 – 2021

# of projects	
France	14
Germany	10
Belgium	7
Spain	5
China	5

$ investment	
Germany	$757m
Norway	$495m
Belgium	$451m
France	$402m
Spain	$398m

	2017	2018	2019	2020	2021
Total FDI Volume, $bn	$0.76bn	$0.55bn	$2.46bn	$0.47bn	$0.27bn
Total # of Investments	18	19	31	10	8
Average Investment, $m	$42m	$29m	$79m	$47m	$34m
Total Jobs Created	2,015	9,460	4,646	3,860	1,136
Avg. Jobs Created per Investment	112	498	150	386	142



	2021								
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Total FDI Volume, $bn	$0.03	$0.01		$0.00	$0.10			$0.11	$0.02
Total # of Investments	1.0	1.0		1.0	1.0			2.0	2.0
Average Investment, $m	$30	$5		$1	$105			$55	$9
Total Jobs Created	500.0	24.0		50.0	69.0			93.0	400.0
Avg. Jobs Created per Investment	500.0	24.0		50.0	69.0			46.5	200.0

Source : fDi Markets, a service from the Financial Times Ltd.; calculations by Country Economics and Engagement (IEG) Global Macro and Market Research (IFC)