

**IDA’s Sustainable Development Finance Policy (SDFP)  
Approved FY24 Performance and Policy Actions (PPAs)**

| Sl. # | Country      | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation   |
|-------|--------------|------------------|--|-----|-------------|-----------------------|---|
| 1.    | Benin        | Gap              | Moderate   | No  | No          | Debt Transparency     | To improve debt transparency, the Minister of the Economy and Finance has issued an arrêté requiring the Caisse Autonome de Gestion de la Dette (CAGD) to publish detailed information on PPPs (associated guarantees, catalog of PPP projects, amount, national counterpart and effective date) in its quarterly debt bulletin.  |
|       |              |                  |  |     |             | Fiscal Sustainability | In order to strengthen domestic revenue collection, the Director General of Taxes has issued an arrete from the Minister of the Economy and Finance to implement electronic procedures (declaration and payment) for small businesses at one of Cotonou's four Centres des Impôts des Petites Entreprises (CIPE).   |
|       |              |                  |  |     |             | Fiscal Sustainability | To broaden the tax base and improve tax revenues, the Minister of the Economy and Finance has (i) adopted by an arrêté and (ii) published on his website the medium-term revenue mobilization strategy (SRMT), which sets out the areas of tax reform and the target revenue increases envisaged under the strategy.  |
| 2.    | Bhutan       | Gap              | Moderate   | No  | Yes         | Fiscal Sustainability | The Department of Customs and Revenue (DRC) (i) has issued a directive to pilot large taxpayer segmentation in the Thimphu and Phuntsholing Regional Revenue and Customs Offices to improve tax collection and compliance of large taxpayers who are yielding over 80 percent of total tax revenue, and (ii) further to the aforesaid directive, will approve and issue the standard operating procedures (SOPs) to improve service delivery and compliance management of the large taxpayers in these two offices. |
|       |              |                  |  |     |             | Fiscal Sustainability | To strengthen SOE reporting and monitoring, Druk Holding and Investments (DHI) (i) has established and operationalized the legal entity for the running of cryptocurrency mining operations and (ii) all reporting on the project is done annually as per the legal entity requirements, and the first reporting is done by the end of June 2024.   |
| 3.    | Burkina Faso | IDA-only         | Moderate   | Yes | No          | Fiscal Sustainability | The country’s independent anti-corruption body ASCE-LC has published two audit reports: one for the National Electricity Corporation (SONABEL) and one for the National Hydrocarbons Corporation (SONABHY), covering organizational, financial,   |

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|       |            |                  |  |     |             |                       | accounting, management, and operational practices for the period from January 1, 2020, to December 31, 2022.   |
|       |            |                  |  |     |             | Fiscal Sustainability | The Ministry of Finance has (a) published on its website a report annexed to the 2024 budget law specifying the main climate-sensitive budget lines and associated resource allocations in 7 pilot ministries; and (b) adopted a joint order between the Ministry of Finance and the Ministry of the Environment, establishing a permanent technical committee to monitor the inclusion of climate in the state budget.              |
|       |            |                  |  |     |             | Fiscal Sustainability | The Ministry of Finance has (a) published on its website a report assessing the economic and social impact of selected tax expenditures over the period 2017-2021 and providing recommendations for their rationalization; and (b) adopted an order (Arrêté) to ensure that the yearly tax expenditure reports, including any impact assessments that have been done, are annexed to the annual budget laws.                         |
| 4.    | Burundi    | IDA-only         | High   | Yes | No          | Debt Management       | To improve debt management, the Government of Burundi will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP). |
|       |            |                  |  |     |             | Debt Management       | To improve debt management, the Prime Minister will issue an arrêté to establish the Public Debt Steering Committee (CPDP in french) and the Debt Management Technical Committee (CTGD in french) that will advise the Minister of Finance on all public debt and guarantees to ensure the compliance with the country commitments on limits on non-concessional external borrowing as well as debt sustainability.                  |
| 5.    | Cabo Verde | Blend            | Moderate   | No  | Yes         | Debt Management       | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the  |

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|       |                          |                  |  |     |             |                       | IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).  |
|       |                          |                  |  |     |             | Fiscal Sustainability | To enhance SOE oversight and transparency, the Council of Ministers has approved and submitted to Parliament the revised Law of the State Enterprise Sector (LSPE) which (i) tightens controls on SOE borrowing, (ii) clarifies requirements for internal and external auditing in SOEs, (iii) strengthens monitoring and reporting of the sector, and (iv) introduces a risk management in SOE operations.  |
| 6.    | Cameroon                 | Blend            | High   | Yes | No          | Debt Management       | To improve debt management, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, beyond the cap of XAF 512.9 billion for the present value of newly contracted or guaranteed external public debt, except if the ceiling is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limits Policy.   |
|       |                          |                  |  |     |             | Fiscal Sustainability | To enhance debt management and strengthen fiscal sustainability, the government has adopted the arrears clearance plan for the stock of existing audited domestic arrears from 2000 to 2020 through Cabinet approval from the Minister of Finance and complied with a zero-ceiling on the accumulation of new external arrears.  |
| 7.    | Central African Republic | IDA-only         | High   | Yes | No          | Debt Management       | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).  |
|       |                          |                  |  |     |             | Fiscal Sustainability | To increase tax revenues collection, particularly VAT, the government through the Ministry of Finance and Budget and the Ministry of Trade and Industry, has: i) signed an inter-ministerial decree for a mandatory use of cash registers in the Central African Republic, including a timeline for the rollout of these cash registers throughout the country, ii) in line with the country's 2017 General Tax Code, identify a minimum of 50 large businesses that will have to use cash registers certified by the tax administration from March 01st, 2024 onward; and iii) publish the list of these large businesses |

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|       |                               |                  |  |     |             |                 | on the website of the Ministry of Finance and Budget, and/or the Ministry of trade and Industry.   |
| 8.    | Chad                          | IDA-only         | High   | Yes | No          | Debt Management | To improve debt management, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).            |
|       |                               |                  |  |     |             | Debt Management | To improve debt management: (i) the Government has issued and published a decree on Chad's public debt policy and management, including a section outlining the expected content and frequency of debt management strategies and establishing the approval process; and (ii) the Ministry of Finance and Budget has adopted Chad's first debt management strategy and published it on its website.                                   |
| 9.    | Comoros                       | IDA-only         | High   | Yes | Yes         | Debt Management | The Government will not enter into any contractual obligations for new PPG non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).  |
|       |                               |                  |  |     |             | Debt Management | To implement the 2023 Debt Management Law, the Government has regulated the issuance of public guarantees by defining (i) limits and priorities, and (ii) evaluation and monitoring procedures, as evidenced by a presidential decree which is issued and published in the official gazette.   |
| 10.   | Congo, Democratic Republic of | IDA-only         | Moderate   | Yes | No          | Debt Management | To ensure debt sustainability, the Government will not enter into new contractual obligations for external public and publicly guaranteed (PPG) debt with cumulative net present value exceeding USD 2.0 billion in FY24. The World Bank may adjust this limit to a) reflect any material change of circumstances and/or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP). |

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|       |                                       |                  |  |     |             | Debt Transparency | The government of DRC will (i) approve by Council of Ministers and publish in the Official Gazette the new ordinance-law on public debt management which mandates the “Direction Générale de la Dette Publique” (DGDP) to evaluate any new borrowing by SOEs and SNGs prior to contracting debt; and (ii) publish the annual debt report for 2022 (addendum) and the third and fourth quarterly bulletins for 2023 (Q3 and Q4 2023), which will cover two additional SOEs (REGIDESO and RVA) and two additional provinces (Haut-Katanga and Lualaba) in addition to those included in the 2022 bulletins (the five strategic SOEs- SNEL, MIBA, Gecamines, Sonahydroc and Sodimico- and the three provinces- Kinshasa, Kwilu, and Kongo Central), while also reporting public and publicly-guaranteed external and domestic debt, and data on domestic arrears and contingent liabilities. |
| 11.   | Congo, Republic of Congo, Republic of | Blend            | In distress                                      | Yes | No          | Debt Management   | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.   |
|       |                                       |                  |  |     |             | Debt Management   | To strengthen debt sustainability and reduce debt vulnerabilities, the Government has:<br>i. Between July 1, 2023, and March 30, 2024, repaid domestic arrears in the amount defined by the IMF ECF Indicative Targets on “floor on repayment of domestic arrears accumulated by the central government” for the said period.<br>ii. Between July 1, 2023, and June 30, 2024, complied with a zero-ceiling accumulation of new arrears on external debt contracted or guaranteed by the central government.<br>iii. Between July 1, 2023, and April 30, 2024, issued a certificate of payment, signed an agreement with, or duly notified at least one-third of eligible commercial creditors on the option selected for the treatment of their domestic arrears consistent with an approved domestic arrears payment plan.   |
| 12.   | Cote d'Ivoire                         | Gap              | Moderate   | No  | No          | Debt Management   | To improve debt sustainability and transparency, the Council of Ministers has adopted for transmission to Parliament a new public   |

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|       |          |                  |  |     |             |                       | debt policy bill that sets out the institutional and legal framework for debt management.  |
|       |          |                  |  |     |             | Fiscal Sustainability | To enhance domestic revenue collection and increase transparency, the government has signed a decree making it compulsory to use the TresorPay/Treasury Money digital platforms to collect non-tax revenues.   |
|       |          |                  |  |     |             | Fiscal Sustainability | To enhance revenue collection and equity, an amendment to the Tax Code, to simplify personal income taxation by reducing the number of schedules of the tax on wages and salaries into one and applying a progressive scale, has been adopted by Presidential decree.  |
| 13.   | Djibouti | Gap              | In distress                                      | No  | Yes         | Debt Management       | PPA#1: To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.   |
|       |          |                  |  |     |             | Fiscal Sustainability | PPA# 2: To enhance revenue mobilization and fiscal sustainability, the President of Djibouti has issued a decree, which has been officially published in the gazette by the Secretary General of the Government. This decree establishes a Large Enterprises Directorate (DGE) within the General Directorate of Taxes. The decree delineates the objectives, missions, portfolio, geographic jurisdiction, internal organization, and eligibility criteria of the DGE. According to the decree, eligible taxpayers encompass large private sector companies, commercial State-Owned Enterprises (SOEs), and companies in free zones with an annual turnover of 50 million FD or more over any of the three preceding years. Furthermore, the DGE, now operating from its newly equipped building and staffed with dedicated personnel, has published its inaugural monthly tax collection report on the Ministry of Budget's website. |
| 14.   | Dominica | Blend            | High   | No  | Yes         | Debt Management       | To strengthen debt sustainability and accelerate debt reduction, the Minister of Finance, has issued operating guidelines for the debt repayment fund to ensure its adequate capitalization and effective operation and implementation, including: fund investment guidelines; guidelines on the most appropriate debt instruments to  |

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|       |             |                  |  |     |             |                       | buy back/pay down; release and disbursement mechanisms; and other sound governance and transparency practices in the operation and management of the fund.  |
|       |             |                  |  |     |             | Fiscal Sustainability | To strengthen fiscal sustainability, the Cabinet of Ministers has, in reference to the SOE Monitoring and Oversight Committee, issued operating guidelines, appointed its members, staffed and resourced the functioning of the committee, as necessary.  |
| 15.   | Ethiopia    | IDA-only         | High   | Yes | No          | Debt Management       | To improve debt management, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY23/24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).                        |
|       |             |                  |  |     |             | Fiscal Sustainability | To improve fiscal sustainability and reverse declines in domestic tax revenue mobilization, the Government will submit to its Parliament revisions to its VAT legislation that (a) reduce the number of items exempted from value-added tax; (b) limit items that are zero-rated for value-added tax purposes to those items that are for export or reexport only; and (c) enable businesses to voluntarily register to the value-added tax system. |
| 16.   | Fiji        | Blend            | MAC DSA  | No  | Yes         | Fiscal Sustainability | To enhance fiscal sustainability, the Government, through its Parliament, in its 2023-2024 Budget and by enacting the Income Tax (Rates of Tax and Levies) (Amendment) Regulations 2023, has approved the increase in corporate income tax rate from 20 percent to 25 percent.  |
|       |             |                  |  |     |             | Fiscal Sustainability | To enhance fiscal sustainability, the Government, through its Parliament, in its 2023-2024 Budget and by enacting the Value Added Tax (Budget Amendment) Act 2023, has approved the replacement of the three VAT rates with a two-VAT rate system as follows: a) 9 percent VAT increase to 15 percent and 0 percent maintained for essential items; and b) 21 zero-rated items increased to 22 items with the addition of prescribed medicine.      |
| 17.   | Gambia, The | IDA-only         | High   | No  | No          | Debt Management       | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect   |



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|       |         |                  |  |     |             |                       | any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).  |
|       |         |                  |  |     |             | Debt Transparency     | To improve debt transparency, the MOFEA, through the Internal Audit Directorate, will prepare and publish a report on outstanding arrears between Government and SOEs and among SOEs and will issue a circular institutionalizing the publication of arrears as part of the annual debt bulletin   |
|       |         |                  |  |     |             | Fiscal Sustainability | To reduce fiscal risks, the MOFEA will adopt through a circular or similar regulatory instrument a credit risk assessment score card for the provision of public guarantees and on-lending to SOEs.  |
| 18.   | Ghana   | Gap              | In distress                                      | No  | No          | Debt Management       | The Government and 15 selected public entities[1] will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24 (July 2023-June 2024), beyond the cumulative net present value ceiling of US\$150.9 million, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances and/or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.   |
|       |         |                  |  |     |             | Fiscal Sustainability | The Ministry of Finance has issued, pursuant to Section 5(3) of the Exemptions Act, Administrative Guidelines for the application of exemptions under said Act, and submitted to Parliament a Bill to amend the Value-Added Tax Act, 2013 (Act 870) to remove VAT exemptions on the sale of residential property by an estate developer and the sale of non-life insurance, bringing applicable VAT rates to 5 percent and 15 percent, respectively.   |
|       |         |                  |  |     |             | Fiscal Sustainability | To improve the financial health of the power sector, the Ministry of Finance (a) completed a comprehensive audit of energy SOEs (Energy Sector Validation Audit) and adopted a timebound payment plan to clear intra-sectoral legacy debt as indicated in its letter dated October 18, 2023; and (b) started implementation in August 2023 of the mandates reflected in its letter dated June 21, 2023 that: (i) the Cash Waterfall Mechanism be the sole means through which the Electricity Company of Ghana (ECG) customer collections be disbursed to relevant entities; and (ii) details of the inflows and |



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|       |         |                  |  |     |             |                       | outflows of the payments through a single collection account be published on a monthly basis on the Public Utility Regulatory Commission's (PURC) website; and be independently audited on a quarterly basis; and (c) PURC has published on its website the new Cash Waterfall Mechanism guidelines.   |
| 19.   | Grenada | Blend            | In distress                                      | No  | Yes         | Debt Management       | The government will not enter into any contractual obligations for new external public or publicly guaranteed (PPG) non-concessional debt in a total amount exceeding US\$22 million throughout FY24, except if the non-concessional debt limit is adjusted by the WB to (a) reflected a material change of circumstances; or (b) in coordination with the IMF, in particular in line with adjustment in the IMF debt limit policy.                          |
|       |         |                  |  |     |             | Debt Transparency     | The Recipient submitted to the Parliament the amendment of the Fiscal Responsibility Act (FRA) to broaden the coverage of public debt by including the debt of state-owned enterprises (SOEs) and main statutory bodies (SBs), as well as any explicit contingent liabilities related to public private partnerships (PPPs) for the purpose of calculating adherence to, and achievement of the public debt target.  |
| 20.   | Guinea  | IDA-only         | Moderate   | No  | No          | Debt Management       | To improve the operations procedures and performance of the debt management unit, the authorities undertook and published, on the MEF website, an institutional audit of the National Directorate of Debt and Public Aid for Development (DND-APD), that assesses the organizational structure and responsibilities of DND-APD, and provides a set of recommendations.   |
|       |         |                  |  |     |             | Debt Transparency     | To streamline and formalize debt reporting, the authorities have adopted a regulation (arrêté) that specifies the debt reports that should be produced and published, the frequency of production and publication, the methodology and timeline, the scope of debt coverage, and the main content of the reports.  |
|       |         |                  |  |     |             | Fiscal Sustainability | To implement the inter-ministerial regulation on transfer pricing in the bauxite industry (FY23 PPA), the authorities have: (i) issued an inter-ministerial order (arrêté) to create the Commission that monitors the implementation of the regulation and that will produce quarterly implementation reports; (ii) submitted the end-2023 quarterly implementation report that covers assessment of the 2022 financial statements of the bauxite companies. |

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| 21.   | Guyana  | Gap              | Moderate   | No  | Yes         | Fiscal Sustainability | To strengthen fiscal risk management, the government has prepared and published, in the mid-year report 2023, a fiscal risk statement that describes climate related risks, macroeconomic risks, public debt related risks, and contingent liabilities related to SOEs.   |
|       |         |                  |  |     |             | Fiscal Sustainability | To strengthen the efficiency of public investments, the Ministry of Finance has expanded the rollout of the public investment management framework to include the education and health ministries as evidenced by the approval of the five-year public investment plan (PIP), consistent with the key prioritization criteria outlined in the PIM framework.  |
| 22.   | Haiti   | Gap              | High   | Yes | No          | Debt Management       | The Government will not enter into any contractual obligations for new external public or publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect a material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.                      |
|       |         |                  |  |     |             | Fiscal Sustainability | The Government, through its Customs Administration, will enforce the use of the automated vehicle management module in ASYCUDA in FY24 to assess the technical characteristics and value of imported vehicles in all customs offices, with the freight costs of the vehicle being the minimum payable customs duties.   |
| 23.   | Kenya   | Blend            | High   | No  | No          | Debt Management       | To improve debt management, the government will limit the present value of new external debt contracted or guaranteed through June 2024 to \$14,471 million (cumulative since June 2021), except if this limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limits Policy. |
|       |         |                  |  |     |             | Debt Transparency     | To improve debt transparency, the National Treasury has published the Guaranteed Debt Report with detailed data on loan guarantees issued by the Government of Kenya, including: a) the names of the parties to the loan that is guaranteed; (b) principal amount of that loan; (c) the principal and interest payments that the government would be obligated to pay if the guarantee is called          |
|       |         |                  |  |     |             | Fiscal Sustainability | To strengthen fiscal consolidation, treasury management and efficiency in funds flow, the National Treasury has developed a migration roadmap and obtained a cabinet approval for implementing the Treasury Single Account (TSA).   |

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| 24.   | Kiribati        | IDA-only         | High   | Yes | Yes         | Debt Management   | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.   |
|       |                 |                  |  |     |             | Debt Transparency | To improve debt and fiscal transparency the Recipient has, through its Ministry of Finance and Economic Development (MFED), i) implemented the first phase modules of the new integrated financial management information system (IFMIS), which are: Budget Preparation, Finalization & Consolidation, Budget Management, Budget Execution & Monitoring, General Ledger, Accounts payable/ receivable, Commitment Management, Cash Management, Accounting & Reporting, Purchase Order Monitoring, and Bank Reconciliation; and ii) generated the first set of Annual Accounts through the IFMIS, covering the period 1 January to 31 December 2023. |
| 25.   | Kyrgyz Republic | IDA-only         | Moderate   | No  | No          | Debt Management   | To improve operational efficiency and financial sustainability of the energy sector, the government approves through Cabinet decisions (i) a National Program for Energy Sector Development for 2024-35 reflecting the government's commitment to reduce technical, nontechnical, and collections losses; and to gradually adjust tariffs to cost-recovery level, while protecting vulnerable households; and (ii) a new cost-based tariff methodology per international practices.   |
|       |                 |                  |  |     |             | Debt Transparency | To improve debt transparency the Ministry of Finance (MoF) continues preparation of the annual public debt report and: (i) approves a Methodological Guideline on preparation and publication of the Annual Public Debt Report through an Order of the Finance Minister, and (ii) publishes on the MoF's website the Annual Public Debt report for 2023 with analysis on public debt held by the central government, including a breakdown by creditors, currencies, government guaranteed and on-lent debt, including repayment arrears on the on-lent debt.   |

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|       |                                  |                  |  |     |             | Fiscal Sustainability | To strengthen fiscal sustainability: (i) the government approves, through a Cabinet Decision, a Methodological Instruction for state bodies on exercising their ownership rights in state owned enterprises (SOEs), including minimum requirements on corporate governance and participation in shareholders' general meetings, and the format of investment and dividend plans; and (ii) the State Agency for Public Property Management (SAPPM) approves, through an Order of SAPPM Chair, Methodological Guidelines on preparation and publication of annual aggregate reports on SOEs and publishes on its website the first aggregate report on SOEs performance for 2022. |
| 26.   | Lao People's Democratic Republic | Gap              | In distress                                      | No  | No          | Debt Management       | The Government will only enter into contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt to meet the amortization of existing non-concessional debt. Any such new non-concessional debt will not exceed US\$ 960 million in the World Bank's Fiscal Year 2024 (i.e., July 2023 to June 2024), except if the non-concessional debt limit is adjusted by the World Bank a) to reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.  |
|       |                                  |                  |  |     |             | Debt Transparency     | The Ministry of Finance will institutionalise recent improvements in debt transparency by issuing a Ministerial Decision mandating the preparation and publication of an annual PPG debt bulletin within six months after the end of the year. Meanwhile, the Ministry of Finance will publish on its webpage a comprehensive 2023 PPG debt bulletin that builds on the 2022 bulletin by expanding its coverage and narrative (e.g., a more detailed debt statement).   |
|       |                                  |                  |  |     |             | Fiscal Sustainability | The Ministry of Finance will restore the value-added tax (VAT) rate to 10 percent by 30 April 2024, covering (at least) the same goods and services currently subject to the 7 percent rate, and apply the rate to transactions by June 2024.   |
| 27.   | Lesotho                          | Gap              | Moderate   | No  | No          | Debt Management       | To improve public debt management and debt transparency, the government has approved and submitted to Parliament a Public Debt Bill addressing key areas such as: (i) definition of the borrowing authority and the purpose of borrowing; (ii) debt management objectives; (iii) public debt scope and limits; (iv) debt reporting modalities; (v) medium term debt strategy and borrowing plans; (vi)  |

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|       |         |                  |  |     |             |                       | management of guarantees, and (vii) institutional roles and responsibilities.  |
|       |         |                  |  |     |             | Fiscal Sustainability | To facilitate reducing the public wage bill, the Ministry of Finance and Development Planning (MoFDP) has issued a circular: (i) mandating the establishment of data linkages between the Human Resources Information and Management System (HRIMS), the National Identity Document (ID) system, the Budget system, and the Integrated Financial Management and Information System (IFMIS) database, with a view to identify and remove ghost workers and pensioners from the payroll; and (ii) prohibiting manual intervention in data systems.   |
|       |         |                  |  |     |             | Fiscal Sustainability | To improve the coordination of macroeconomic policy and the reconciliation of official economic data, the Ministry of Finance and Development Planning has operationalized a Macroeconomic Working Group (MWG) by: (i) defining the institutions that will form part of the MWG; (ii) approving Terms of References (ToRs) for the operability of the group, including its objectives, institutional guidelines, and a calendar of meetings for the fiscal year. The MWG is mandated to contribute to the harmonization of key macroeconomic data and to identify the entities responsible for producing and publishing key macroeconomic variables. |
| 28.   | Liberia | IDA-only         | Moderate   | No  | No          | Debt Management       | To enhance debt management, the Government has approved and published an Annual Borrowing Plan (ABP) and a Domestic Debt (T-bill and T-bond) Issuance Calendar (DDIC), and approved a list of audited and validated claims to be serviced each year commencing 2024.   |
|       |         |                  |  |     |             | Debt Management       | To improve debt management, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, beyond the cap of US\$170 million for the present value of newly contracted or guaranteed external public debt, except if the ceiling is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limits Policy.   |

| Sl. # | Country    | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation   |
|-------|------------|------------------|--|-----|-------------|-----------------------|---|
|       |            |                  |  |     |             | Fiscal Sustainability | To enhance Domestic Revenue Mobilization (DRM) and further streamline tax expenditures, the Government has prepared and published a tax expenditure report for 2022 that: (i) covers both customs and domestic taxes; (ii) estimates the cost of tax expenditures for the prior 2 to 3 years; and (iii) makes recommendation to streamline tax expenditures to enhance domestic revenue mobilization.   |
| 29.   | Madagascar | IDA-only         | Moderate   | No  | No          | Debt Management       | To improve debt management, the government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) concessional and non-concessional debt from March 2023 to March 2024, beyond the cumulative net present value exceeding US\$800 million, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances and/or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy. |
|       |            |                  |  |     |             | Debt Transparency     | To enhance debt transparency and risk management, the government, under the auspices of its Ministry of Economy and Finance, has enacted two ministerial orders (arrêtés) and two comprehensive action plans, to: i) establish and operationalize the Fiscal Risks Committee, responsible for preparing Fiscal Risk Statements, and ii) operationalize the Credit Risk Analysis Committee tasked with assessing the risks associated with operations involving on-lending, guarantees, and direct loans from the Treasury.        |
|       |            |                  |  |     |             | Fiscal Sustainability | To enhance fiscal sustainability, the government, under the auspices of the Ministry of Economy and Finance, has (i) scaled up tax audits and terminated agreement protocol on the settlement of state debt-credit, and (ii) adopted a ministerial order introducing a module for the recovery of fiscal arrears in the integrated fiscal administration system (SAFI).   |
| 30.   | Malawi     | IDA-only         | In distress                                      | No  | No          | Debt Management       | “The Government of Malawi shall issue and publish on the Ministry of Finance and Economic Affairs website guidelines stipulating conditions and processes for granting guarantees and on-lending, including recording, evaluation, and management of fiscal risks related to guaranteed/on-lent debt of SOEs.”  |

| Sl. # | Country  | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation  |
|-------|----------|------------------|--|-----|-------------|-----------------------|--|
|       |          |                  |  |     |             | Debt Management       | “To improve debt management, the Government of Malawi and the Reserve Bank of Malawi will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt, except if the non-concessional debt limit is adjusted by the World Bank a) to reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.”   |
|       |          |                  |  |     |             | Fiscal Sustainability | “The Government of Malawi through the MoFEA publishes a performance report, including the financial and physical status, for all projects with a total estimated cost of at least MWK 25 billion in the Public Sector Investment Program (PSIP).”  |
| 31.   | Maldives | IDA-only         | High   | No  | Yes         | Debt Management       | To improve accountability and strengthen and consolidate the legal framework governing public debt management, the Government of Maldives will submit to Parliament for its assent thereof, a Debt Management Bill.  |
|       |          |                  |  |     |             | Debt Management       | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to: a) reflect any material change of circumstances, or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.  |
|       |          |                  |  |     |             | Fiscal Sustainability | To improve fiscal accountability, transparency and oversight, the Government of Maldives has submitted to Parliament for its assent thereof, the Revised Fiscal Responsibility Act. The revised FRA will: (a) quantify fiscal targets in a separate document that can be changed without amending the law; (b) require the government to prepare a Charter of Fiscal Responsibility outlining key fiscal targets which will be prepared by each incoming government and will align with medium-term planning; (c) introduce dynamic fiscal rules, accountability provisions, and the presentation of various reports to Parliament and the Ministry of Finance website; and (d) require an annual publication of an updated debt target, ensuring debt sustainability in line with the associated fiscal rule. |



| Sl. # | Country    | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation  |
|-------|------------|------------------|--|-----|-------------|-----------------------|--|
|       |            |                  |  |     |             | Fiscal Sustainability | To improve fiscal sustainability, the Cabinet of the Government of Maldives has approved a comprehensive five-year Medium-Term Revenue Strategy (MTRS). Due to not achieving FY23 PPA3 relating to Debt Management and carrying it over as a FY24 PPA, the cabinet approval of the MTRS is added as an additional fiscal sustainability PPA for FY24.  |
| 32.   | Mali       | IDA-only         | Moderate   | Yes | No          | Fiscal Sustainability | To improve domestic revenue mobilization, the government will enact after Parliament's approval a new mining code which improves the royalty revenue calculation, eliminates fuel tax exemptions in the mining sector and reduces the tax stability clause period for mining companies.  |
|       |            |                  |  |     |             | Fiscal Sustainability | To improve tax compliance, the Directorate General of domestic taxes (DGI) will enable electronic tax payments for small taxpayers registered to the simplified tax regime i.e., "impôt synthétique".  |
| 33.   | Mauritania | Gap              | Moderate   | No  | No          | Debt Management       | PPA3: To improve debt management, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24 beyond the cap of MRU 27.8 billion in Net Present value except if the ceiling is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.               |
|       |            |                  |  |     |             | Debt Transparency     | PPA2: To improve the monitoring of SOEs' debt and mitigate fiscal risks, the Government will publish in the Official Gazette a ministerial order to (a) instruct SOEs to share with the Directorate of External Debt (DED), the Central Bank of Mauritania (CBM) and the Treasury, data on their stock of guaranteed and non-guaranteed debt of the previous year by March 31 of the current year; and (b) instruct the DED to create a centralized database on SOEs debt. |
|       |            |                  |  |     |             | Debt Transparency     | To improve debt transparency; the Ministry of Finance has published the Annual debt bulletin with information on the stock and terms of the debt (consisting of guaranteed and non-guaranteed debt, on-lending, new borrowing, and arrears) of the largest SOE: SNIM [Société Nationale Industrielle et Minière de Mauritanie] and institutionalized this measure through a decision note from the Public National Debt Committee.   |

| Sl. # | Country                         | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation  |
|-------|---------------------------------|------------------|--|-----|-------------|-----------------------|--|
|       |                                 |                  |  |     |             | Fiscal Sustainability | PPA1: To improve tax revenue mobilization, the Government has published in the official gazette an arrêté, , that establishes a Tax Policy Unit (TPU) in the Ministry of Finance to conduct tax assessments (including an annual report on tax expenditures and an evaluation of the impact on revenues of past and planned tax measures) and propose revenue enhancing policies into the annual Finance laws starting with the 2025 budget. |
| 34.   | Micronesia, Federated States of | IDA-only         | High   | Yes | Yes         | Debt Management       | To improve debt sustainability, the National Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.             |
|       |                                 |                  |  |     |             | Fiscal Sustainability | To enhance fiscal sustainability, the Governors of Kosrae, Pohnpei and Yap States have approved the Financial Management Regulations for their respective States, which inter alia include updated legal requirements for procurement, official travel, and steps to be taken in a state of emergency.   |
| 35.   | Mozambique                      | IDA-only         | High   | Yes | No          | Debt Management       | To improve debt management, the GoM will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the World Bank adjusts the non-concessional debt limit to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).                                  |
|       |                                 |                  |  |     |             | Debt Transparency     | To enhance debt transparency, the Government of Mozambique (GoM) has shown commitment to responsibly and transparently settling at least 30 percent of the disputed debts accrued during 2013-2024 by approving the debt settlement negotiation in the Council of Ministers and incorporating renegotiated debt into the official government debt report for 2023.   |
| 36.   | Nicaragua                       | Gap              | Moderate   | No  | No          | Debt Management       | PPA2. The Ministry of Finance and Public Credit (MHCP) strengthens debt management by preparing and publishing an updated Medium-Term Debt Management Strategy (MTDS) covering the period of 2024 – 2027. The MTDS is expected to be published on the MHCP’s website by May 31, 2024.  |

| Sl. # | Country | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area         | PPA Formulation  |
|-------|---------|------------------|--|-----|-------------|-------------------|--|
|       |         |                  |  |     |             | Debt Management   | PPA3. The Ministry of Finance and Public Credit (MHCP) strengthens debt management by preparing and publishing a domestic securities auction calendar covering at least the upcoming quarter and published at least one week ahead of the start of the period. The auction calendar is expected to disclose: i) auction dates; ii) instruments tenors; and iii) indicative amounts to be offered of each instrument. The MHCP expects to publish the annual auction calendar on its webpage by May 31, 2024.   |
|       |         |                  |  |     |             | Debt Management   | PPA6 (carry-over PPA3 of FY23). The MHCP strengthens debt management by incorporating in the Procedimiento a specific reference that the annual publication of the evaluation of the previous year's MTDS implementation should include an explanation about the discrepancies in the implementation.  |
|       |         |                  |  |     |             | Debt Transparency | PPA1. The Ministry of Finance and Public Credit (MHCP) strengthens debt management, transparency, and accountability through a procedimiento requiring the MHCP to publish quarterly debt reports with a time lag not longer than 60 days of the reference period. The procedimiento also mandates that the quarterly debt reports contain both current and historical data concerning the debt stock of internal and external public debt (by interest rate type, currency, and creditors) and information about debt flows including maturity profiles. The procedimiento and debt report should be published on the MHCP's website by May 31, 2024. |
|       |         |                  |  |     |             | Debt Transparency | PPA4 (carry-over PPA1 of FY23). The Ministry of Finance and Public Credit (MHCP) strengthens debt reporting by publishing in the Debt section of the MHCP's website the links to the financial statements of the five largest SOEs, which report their itemized debt including on-lending and guaranteed debt. These links will be published on the MHCP website by May 31, 2024.  |
|       |         |                  |  |     |             | Debt Transparency | PPA5 (carry-over PPA2 of FY23). The Ministry of Finance and Public Credit (MHCP) strengthens the existing procedures for on-lending through an internal procedure that stipulates the procedures for on-lending. The MHCP will share the internal procedure with the World Bank by May 31, 2024.   |
| 37.   | Nigeria | Blend            | MAC DSA  | Yes | No          | Debt Transparency | To increase debt transparency, the Debt Management Office has published quarterly debt bulletins for Q2, Q3 and Q4 2023  |

| Sl. # | Country          | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation  |
|-------|------------------|------------------|--|-----|-------------|-----------------------|--|
|       |                  |                  |  |     |             |                       | containing debt data from the most recent quarter and including forward-looking debt indicators in the Q4 2023 report.   |
|       |                  |                  |  |     |             | Fiscal Sustainability | To increase non-oil revenues, the Federal Government has enacted the 2023 Finance Act to: (i) rationalize tax expenditures by removing the reconstruction investment allowance, the rural investment allowance, and the exemption on incomes in convertible currencies; (ii) allow the introduction of an excise duty on services; and (iii) introduce a capital gains tax on digital assets.  |
| 38.   | Pakistan         | Blend            | MAC DSA  | No  | No          | Debt Management       | The Finance Division issues a gazette notification in respect of the updated rules of the TSA to support sweeping arrangements and entity-wise reporting.  |
|       |                  |                  |  |     |             | Debt Transparency     | In accordance with the FRDLA (Amendment) 2022, the Finance Division will publish a revised Annual Borrowing Plan for FY24 as a standalone document on its website. The ABP should be derived from the medium-term debt management strategy, including information on the projected gross borrowing volumes for domestic and external debt, and information on the financing split between the main types of domestic and external instruments, and should be updated to reflect budget revisions, if relevant. |
|       |                  |                  |  |     |             | Fiscal Sustainability | The Finance Division publishes a stand-alone fiscal risk statement on fiscal implications of climate change related events and its macroeconomic impact based on both qualitative and quantitative analysis.   |
| 39.   | Papua New Guinea | Blend            | High   | Yes | No          | Debt Management       | To improve debt sustainability, the Government will not enter into contractual obligations for new long-term external public and publicly guaranteed (PPG) borrowing in a total amount exceeding US\$1.1 billion, in present value terms, throughout FY24, except if debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).                                |
|       |                  |                  |  |     |             | Debt Management       | To improve management of fiscal risks, the Government (a) will approve, through its National Executive Council, a revised On-lending Policy that introduces credit risk assessment and strengthens enforcement arrangements, recording and reporting requirements;   |

| Sl. # | Country                          | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation   |
|-------|----------------------------------|------------------|--|-----|-------------|-----------------------|---|
|       |                                  |                  |  |     |             |                       | and (b) will not issue any new on-lending until the revised On-lending Policy is adopted.   |
|       |                                  |                  |  |     |             | Fiscal Sustainability | To improve domestic non-tax revenue mobilization, the Treasury will instruct the National Gaming Control Board to remit a minimum of PGK200 million to the Consolidated Revenue Fund in 2024 as a statutory transfer, in line with the 2024 Budget.   |
|       |                                  |                  |  |     |             | Fiscal Sustainability | To improve domestic revenue mobilization, the Government will enact amendments to the Excise Tariff to increase excise tax on tobacco products (Tier-2).  |
| 40.   | Republic of the Marshall Islands | IDA-only         | High   | Yes | Yes         | Debt Management       | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).   |
|       |                                  |                  |  |     |             | Debt Transparency     | To enhance debt transparency, (1) the Cabinet has issued a directive to mandate the publication of Debt Bulletins on the Ministry of Finance's (MOF) website twice a year; (2) MOF has published a Debt Bulletin, which includes the level of public and publicly guaranteed (PPG) debt actuals (including 5 years historical data), with breakdown by (i) domestic and external debt, (ii) creditor, (iii) government guarantees, and (iv) debt forecast covering 3 years, on MOF's website before April 30, 2024. |
| 41.   | Rwanda                           | IDA-only         | Moderate   | No  | No          | Fiscal Sustainability | To expand the fiscal space for climate and nature action, the Cabinet has approved by a resolution the Rwanda Carbon Market Framework, establishing the regulatory framework for access to the international carbon market and carbon trading activities.   |
|       |                                  |                  |  |     |             | Fiscal Sustainability | To improve the effectiveness of public investment implementation, MINECOFIN has issued a Ministerial Order to implement the procurement law requiring the use of e-procurement by all procuring entities, as well as contractors, suppliers, and consultants, as the single online portal for all procurements.   |

| Sl. # | Country               | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation   |
|-------|-----------------------|------------------|--|-----|-------------|-----------------------|---|
|       |                       |                  |  |     |             | Fiscal Sustainability | To improve the transparency and efficiency of public investment implementation, the Government will approve and submit to the Parliament an annex to the budget Law including the pipeline of appraised projects, including project costs and selection criteria of new major projects.   |
| 42.   | Samoa                 | IDA-only         | High   | No  | Yes         | Debt Management       | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.   |
|       |                       |                  |  |     |             | Debt Management       | To improve public debt management, the Government of Samoa, through its Public Service Commission, has established within the Ministry of Finance (MOF), a Debt Management Division (DMD), staffed with three initial key personnel, with the objective of: (i) conducting annual credit risk assessments for state-owned enterprises; (ii) preparing annual debt sustainability analyses; and (iii) developing and monitoring implementation of debt related policies. |
| 43.   | Sao Tome and Principe | IDA-only         | In distress                                      | Yes | Yes         | Debt Management       | The Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).   |
|       |                       |                  |  |     |             | Debt Transparency     | To strengthen public debt transparency, the Minister of Planning, Finance, and Blue Economy publishes on its website an annual borrowing plan that includes: a) Gross and Net Financing Needs; b) Financing from External Loans (grants); c) Financing from Domestic Securities and Loans; d) Debt Service Projections; e) Domestic and External Debt Stock at the beginning and at the end of the calendar year.   |
|       |                       |                  |  |     |             | Fiscal Sustainability | To enhance the efficiency of public spending and fiscal sustainability, the Cabinet approves and submits to the Parliament a new Public Procurement Law focusing on strengthening the transparency and effectiveness of public procurement.   |

| Sl. # | Country      | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation   |
|-------|--------------|------------------|--|-----|-------------|-----------------------|---|
| 44.   | Senegal      | Gap              | Moderate   | No  | No          | Debt Management       | To improve debt management, transparency and monitoring of fiscal risks, the Interministerial Committee for PPPs will comply with the PPP decree No 2021-1443 by (i) issuing four Ministerial Orders (Arrêtés) referenced in the PPP Decree (ii) publishing on an official government website quarterly PPP database allowing the centralization of all existing and new PPP projects programming documents, starting from April 2023 and subsequently the timing aligned with the debt bulletin. |
|       |              |                  |  |     |             | Fiscal Sustainability | To broaden the tax base, the Director General of Tax Administration (DGID) has issued, a circular a document with a similar administrative effect, to implement requirements set out in the 2024 Finance Act to improve tax compliance through a data-driven approach that utilizes (i) the targeted survey of business rental property; and (ii) the exploitation of data from the national census of taxable properties and third-party data.   |
|       |              |                  |  |     |             | Fiscal Sustainability | To expand the tax base, the Minister of Finance has issued an Arrêté, Instruction or a document with a similar administrative effect on the application of the Tax Compliance Levy (PCF), mandating a systematic and electronic transmission of the list of taxpayers not liable for the PCF between the Tax and Customs Administration.  |
|       |              |                  |  |     |             | Fiscal Sustainability | To reduce fiscal risks, Senegal has integrated climate considerations into the budget process by annexing a green budget report into the 2024 budget bill.  |
| 45.   | Sierra Leone | IDA-only         | High   | No  | No          | Debt Management       | PPA1 – Debt management: To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).   |
|       |              |                  |  |     |             | Debt Transparency     | To enhance SOE governance and improve performance of SOEs, the government through its Ministry of Finance will submit a new SOE Bill to Parliament. The Bill will (i) streamline the governance and oversight model, (ii) set out the framework for appointment of Board of Directors for SOEs, and (iii) contribute to debt management by ensuring increased transparency and timely publication of their audited financial accounts.  |



| Sl. # | Country         | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation   |
|-------|-----------------|------------------|--|-----|-------------|-----------------------|---|
|       |                 |                  |  |     |             | Fiscal Sustainability | The Government of Sierra Leone will (i) establish a MTRS Steering Committee, outlining its role and responsibilities in the implementation of the MTRS and defining the frequency of meetings through Cabinet approval, and (ii) define the MTRS implementation plan through Steering Committee approval.   |
| 46.   | Solomon Islands | IDA-only         | Moderate   | Yes | Yes         | Debt Management       | To improve debt management, the Minister of Finance and Treasury has issued a Ministerial Order to develop annual borrowing plans, which specify the timing and size of domestic and external borrowing.  |
|       |                 |                  |  |     |             | Debt Management       | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt during FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular, in line with adjustments in the IMF Debt Limits Policy (DLP). |
| 47.   | Somalia         | IDA-only         | In distress                                      | Yes | No          | Debt Management       | To improve debt management, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.                 |
|       |                 |                  |  |     |             | Fiscal Sustainability | To strengthen domestic revenue mobilization, the Recipient's Minister of Finance issues a regulation to support the implementation of the Revenue Administration Law that establishes procedures and systems for improving tax administration in support of medium-term revenue mobilization. The regulation will include among others: maintaining documents, appeals, tax consultants, and order of paying of taxes.              |
| 48.   | Sri Lanka       | Gap              | MAC DSA  | No  | No          | Debt Management       | Sri Lanka will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24 (July 2023-June 2024), beyond the cumulative ceiling of US\$3,175 million, except if the non-concessional debt limit is adjusted by the World Bank to reflect any material change of circumstances, in coordination with the IMF.   |

| Sl. # | Country                        | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation   |
|-------|--------------------------------|------------------|--|-----|-------------|-----------------------|---|
|       |                                |                  |  |     |             | Debt Management       | To improve debt management by consolidating the current fragmented legal and institutional arrangement, the Ministry of Finance will submit to the Parliament a new Public Debt Management Law. The new law will (i) mandate the integration of all debt management functions into a single DMO; (ii) define public debt and authorized debt instruments; (iii) require the annual update and publication of a MTDS, and an Annual Borrowing Plan, and a quarterly statistical debt bulletin (within 60 days after the end of the quarter); and (iv) outline the process of providing sovereign guarantees and on-lending operations. |
|       |                                |                  |  |     |             | Fiscal Sustainability | To improve domestic revenue mobilization the Cabinet will approve and the Ministry of Finance will submit to the Parliament an Amendment to the VAT Act of No. 14 of 2002 to rationalize the current VAT exemption list, while continuing to provide VAT exemptions to the education, health, agriculture, and transport sectors.   |
| 49.   | St. Lucia                      | Blend            | MAC DSA  | No  | Yes         | Debt Transparency     | The Government, through a Cabinet Letter and consistent with the Public Debt Management Bill, has institutionalized debt transparency by mandating the timely and consistent preparation and publication of: (i) Quarterly Public Debt Report, no later than two months after each quarter; (ii) Annual Debt Portfolio Report, by April of each year; and (iii) implementation assessment of the previous year's Medium-Term Debt Management Strategy (MTDS) and Annual Borrowing Plan (ABP), by April 2024.  |
|       |                                |                  |  |     |             | Fiscal Sustainability | The Government, through its Minister of Finance, has approved Public Asset Management (PAM) Regulations to enhance the effectiveness of public asset management and improve fiscal resilience to climate change and other extreme climate events.   |
| 50.   | St. Vincent and the Grenadines | Blend            | High   | No  | Yes         | Fiscal Sustainability | In order to identify contingent liabilities in budget planning and to ensure appropriate risk consideration and transfer, the Government, through the Ministry of Finance, has: (i) issued a ministerial order mandating the creation of a geo-referenced inventory of public assets; and (ii) established a public asset registry and asset management inventory system, with particular focus on national disaster related contingent liabilities, as evidenced by a review of the referenced inventory.  |

| Sl. # | Country    | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation   |
|-------|------------|------------------|--|-----|-------------|-----------------------|---|
|       |            |                  |  |     |             | Fiscal Sustainability | To strengthen the financial sustainability of the social security pension system, the Government, through its Cabinet, has approved new pension measures in line with the recommendations of the 12th Actuarial Review, including but not limited to: (i) increasing the Contribution Rate from 10% to 15% by 2028 starting with a 2% increase in 2024; (ii) increasing the early age pension reduction factor from 1/2% per month (6% per annum) to 2/3% per month (8% per annum); and (iii) changing the reference wage from the 5 best years of earnings to the 7 best years of earnings.  |
| 51.   | Tajikistan | IDA-only         | High   | No  | No          | Debt Management       | To ensure debt sustainability, the Government will not enter into new contractual obligations for external public and publicly guaranteed (PPG) debt with cumulative net present value exceeding USD 1 billion in FY24. The World Bank may adjust this limit to (a) reflect any material change of circumstances and/or (b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).  |
|       |            |                  |  |     |             | Debt Transparency     | To improve debt transparency, by April 30, 2024, the Ministry of Finance (a) shall develop and adopt a new methodology for preparing annual borrowing plans/programs (ABP), and (b) shall prepare and publish on its website a new comprehensive ABP for 2024. The ABP will include comprehensive details on gross financing needs, planned nominal borrowing amounts for each category of debt instruments from domestic and external sources, the government's debt service and redemption profile, and the monthly auction calendar.   |
|       |            |                  |  |     |             | Fiscal Sustainability | To improve fiscal sustainability, by April 30, 2024, the Ministry of Finance (a) shall develop and adopt a new methodology for estimating fiscal risks arising from public-private partnerships (PPPs), and (b) shall prepare and publish on its website an annual public debt report for 2023, supplemented with a dedicated section or annex on contingent liabilities emerging from PPPs. The methodology and the forthcoming analysis will cover the following fiscal risks that may arise from PPPs: government's explicit guarantees on minimum revenue and/or exchange rate; an early termination compensation due to force majeure, public sector interest or private sector bankruptcy; and any other project-related fiscal risks, for instance, due to environmental warranties. |

| Sl. # | Country     | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation  |
|-------|-------------|------------------|--|-----|-------------|-----------------------|--|
| 52.   | Tanzania    | IDA-only         | Moderate   | No  | No          | Debt Transparency     | To further strengthen debt transparency, the Ministry of Finance has: (i) submitted to the Parliament amendments to the Government Loans and Government Guarantees (GLGG) Act to add clarity of the authorization for accepting bids in the auctions (between BoT and the Commissioner for DMD) and the purpose of domestic borrowing (whether for financing or liquidity management); and (ii) published a standalone Annual Borrowing Plan, which describes how the gross financing requirement is expected to be met by financing alternatives available to the government. |
|       |             |                  |  |     |             | Fiscal Sustainability | To enhance tax compliance and increase domestic revenue mobilization, the Ministry of Finance has operationalized the Tax Ombudsman Office by staffing the office as well as providing them with clear terms of reference and equipment.   |
|       |             |                  |  |     |             | Fiscal Sustainability | To further strengthen efficiency of Public Investment Management (PIM), the MoF has mandated the use of value for money (VFM) and green and climate-responsive budget criteria in the prioritization and the selection of capital projects, as evidenced by the Cabinet approved Planning and Budget Guidelines 2024/25.   |
| 53.   | Timor-Leste | Blend            | Moderate   | Yes | Yes         | Debt Management       | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to: a) reflect any material change of circumstances; or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).  |
|       |             |                  |  |     |             | Fiscal Sustainability | To strengthen fiscal sustainability, the Council of Ministers has approved and submitted the revised Tax Procedures Code to the Parliament that provides for: (i) adoption of e-filing procedures; (ii) risk-based tax audit functions; (iii) establishment of a tax-payer service function.   |
|       |             |                  |  |     |             | Fiscal Sustainability | To strengthen fiscal sustainability, the Council of Ministers has approved and submitted to Parliament a new VAT Code that applies a uniform VAT rate of 10 percent on domestically traded and imported goods with limited exceptions.   |

| Sl. # | Country | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation  |
|-------|---------|------------------|--|-----|-------------|-----------------------|--|
|       |         |                  |  |     |             | Fiscal Sustainability | To strengthen fiscal sustainability, the Government has published a Fiscal Risk Statement for 2024 in its Budget Book, which includes information on macro-fiscal risks and public debt and financial information on EDTL, a State-owned Enterprise (SOE) responsible for producing and distributing electricity. This includes, subject to data availability, its recent financial performance, key financial metrics, a comprehensive breakdown of its outstanding debt categorized into guaranteed, on-lent, and nonguaranteed parts, transactions with the government and quasi-fiscal activities. |
| 54.   | Togo    | IDA-only         | Moderate   | No  | No          | Debt Transparency     | To strengthen debt transparency and help improve investor relations, the Ministry of Economy and Finance has i) developed a confidential and undisclosed database that tracks bidders and final investors of bonds issuances on the regional debt market, ii) adopted a Note de Service mandating the publication in the quarterly debt bulletin of a table on domestic debt composition by category of investors based on that new database, and iii) published the new table in the quarterly debt bulletin.   |
|       |         |                  |  |     |             | Fiscal Sustainability | To better manage risks from contingent liabilities, the Ministry of Economy and Finance has approved an Arrêté setting out a legal and operational framework for assessing the risk, pricing, and monitoring of public guarantees and on-lending, including responsibilities within the Directorate, coverage of the data, timing of implementation and expected reporting obligations.  |
|       |         |                  |  |     |             | Fiscal Sustainability | To boost revenue mobilization, the Council of Ministers has adopted a Decree mandating that proposals for new tax and customs exemptions and other preferential tax regimes be accompanied by a cost-benefit analysis and results indicators to be published in annex to the Budget Law and necessary regulatory changes were made to repeal 22 tax exemption measures.  |
| 55.   | Tonga   | IDA-only         | High   | No  | Yes         | Debt Management       | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy.  |

| Sl. # | Country | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation  |
|-------|---------|------------------|--|-----|-------------|-----------------------|--|
|       |         |                  |  |     |             | Debt Management       | To strengthen debt management and fiscal sustainability, Cabinet has approved a Public Financial Management bill for submission to Parliament that, among other actions, outlines key fiscal responsibility principles to guide fiscal policy and a numerical limit on the stock of government guaranteed debt.  |
|       |         |                  |  |     |             | Debt Transparency     | To enhance debt transparency, the Government of Tonga has:<br>1. Issued a Cabinet Directive to mandate publication of the quarterly debt bulletins on the Ministry of Finance (MoF) website no later than three months after the end of the reporting period. The bulletins should at minimum include information on: (i) Public and publicly guaranteed data, (ii) breakdown of guarantees and on-lending, to other entities in public and private sectors, including SOEs, by beneficiaries, and (iii) information on recently contracted external loans, including lender, amount, and financial terms.<br>2. Published a quarterly debt bulletin which covers period until December 2023 by March 31, 2024, in conformity with item (1). |
| 56.   | Tuvalu  | IDA-only         | High   | Yes | Yes         | Debt Management       | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to: a) reflect any material change of circumstances; or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy (DLP).  |
|       |         |                  |  |     |             | Fiscal Sustainability | To enhance fiscal sustainability, the Ministry of Finance (MOF) has published its first report covering public debt risks and contingent liabilities of two major SOEs, the Tuvalu Electricity Corporation and the Tuvalu Telecom Corporation, on the MOF's website, following the incremental approach outlined in the 2023 Ministerial Order.  |
| 57.   | Uganda  | IDA-only         | Moderate   | No  | No          | Debt Management       | PPA1: To improve debt management, the government limited the present value of new external public and publicly guaranteed borrowing to US\$3521.7 million in FY23/24 (July 2023 to June 2024), except if this limit was adjusted: (a) by the World Bank to reflect any material change of circumstances, or (b) in coordination with the IMF, in line with adjustments to the IMF Debt Limit Policy.   |

| Sl. # | Country | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation   |
|-------|---------|------------------|--|-----|-------------|-----------------------|---|
|       |         |                  |  |     |             | Debt Transparency     | To improve debt transparency, the Ministry of Finance, Planning and Economic Development (MOFPED) will publish the quarterly debt bulletin for June 2023, September 2023, December 2023 and March 2024 with a lag not exceeding 2.5 months on the MOFPED website.   |
|       |         |                  |  |     |             | Fiscal Sustainability | To improve fiscal sustainability, the Cabinet has approved a Public Investment Management Policy streamline to the processes for identification, appraisal, selection, financing, implementation, and maintenance of projects and, consequently, MFPED has undertaken a review of the public investment program (PIP) and exited non-compliant projects accounting for at least 10% of FY21 stock of projects in the PIP to raise fiscal savings.   |
|       |         |                  |  |     |             | Fiscal Sustainability | To improve fiscal sustainability, the Cabinet has approved a Tax policy to streamline the guidelines and principles for formulating and imposing tax legislation and tax administration in Uganda.  |
|       |         |                  |  |     |             | Fiscal Sustainability | To raise Uganda's revenue effort, Cabinet has approved and submitted to Parliament a VAT reform Bill that expands the tax base through removal of redundant tax expenditures and taxation of digital transactions, and introduces rules to clarify hitherto nontaxed special cases.   |
| 58.   | Vanuatu | IDA-only         | Moderate   | No  | Yes         | Debt Management       | To improve debt sustainability, the Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt during the FY24 period (1 July 2023-30 June 2024), except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular, in line with adjustments in the IMF Debt Limits Policy (DLP).   |
|       |         |                  |  |     |             | Debt Transparency     | To enhance debt transparency, the Government of Vanuatu has published on the website of the Ministry of Finance and Economic Management (MFEM) by end-April 2024, three quarterly debt reports that provide accurate and timely information on the (1) domestic and external debt stock, (2) creditor residency, (3) currency composition, (4) repayment profile and average maturity, and (5) government guarantees and (6) debt of statutory corporations be broken down by entity and by direct versus on-lending versus guaranteed debt (if any). |



| Sl. # | Country | Lending Category | Risk Of External Debt Distress<br>(May 31, 2023) | FCV | Small State | DSEP Area             | PPA Formulation   |
|-------|---------|------------------|--|-----|-------------|-----------------------|---|
| 59.   | Zambia  | IDA-only         | In distress                                      | No  | No          | Debt Management       | The Government will not enter into any contractual obligations for new external public and publicly guaranteed (PPG) non-concessional debt in FY24, except if the non-concessional debt limit is adjusted by the World Bank to a) reflect any material change of circumstances or b) in coordination with the IMF, in particular in line with adjustments in the IMF Debt Limit Policy. |
|       |         |                  |  |     |             | Fiscal Sustainability | The Government, through its Cabinet, has approved the Public Private Partnership Fiscal Commitments and Contingent Liability Management guidelines that strengthen transparency, efficiency, and value-for-money in PPPs.   |
|       |         |                  |  |     |             | Fiscal Sustainability | To improve tax administration and strengthen revenue collection, the Zambia Revenue Authority, through its Board, has established a unified large Taxpayer Office (LTO) with defined roles, responsibilities, and structures, and the Office is staffed and operational, with improved data management, analytics, and taxpayer profiling.  |