Civil Society for Poverty Reduction

SUBMISSION ON THE EFFECTIVENESS OF ZAMBIA'S EXTENDED CREDIT FACILITY ON BUDGET SUPPORT AND DEBT SUSTAINABILITY

Submitted to the Planning and Budgeting Committee

22nd January 2026.

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INTRODUCTION

The Civil Society for Poverty Reduction (CSPR) submits this Memorandum to the Planning and Budgeting Committee of the National Assembly of Zambia. The Committee requested this on November 19, 2025. The request was for CSPR to provide an assessment of Zambia's IMF supported Extended Credit Facility (ECF) Programme. This submission will cover an evaluation of the IMF ECF programme on budget support, debt sustainability, economic recovery, and livelihoods. This assessment details the ECF Programme's results in the Zambian economy and aims to provide an understanding of the ECF Programmes contributions to Zambias economic landscape.

ECONOMIC CONTEXT OF THE IMF EXTENDED CREDIT FACILITY

In 2022 Zambia signed to the IMF Extended Credit Facility (ECF). Under the 38 months ECF programme, the Zambian Government agreed to undertake reforms aimed at stabilising the economy and achieve debt sustainability. This engagement followed deep economic imbalances that led to a severe debt and economic crisis by 2020. The crisis showed wider economic instability and lowering growth levels. A mix of Government policies and external factors made the economic situation dire; slowing down growth to between 1-2% in 2020. High inequality highlighted the need for comprehensive policies that not only addressed immediate fiscal concerns but also promoted inclusive growth and protected the most vulnerable segments of the population. Macroeconomic instability as indicated below further reinforced the need for IMF support:

- Government expenditure stood at about **30.5 % of GDP**, while
- Revenue remained around **22 % of GDP**, reflecting weak domestic revenue mobilisation.

- **Economic growth slowed**, averaging below 3 % between 2015 and 2020, insufficient to absorb a growing labour force or reduce poverty.
- **Inflation surged to about 22 % in 2021**, driven by exchange rate depreciation, fuel price adjustments, and supply shocks.
- The **kwacha depreciated sharply**, increasing the local currency value of external debt by more than 40%
- **International reserves fell to below 3 months of import cover**, exposing the economy to external shocks.
- **Fiscal deficit widened to 9.1% of GDP in 2019**

The ECF programme in August 2022 was therefore a necessary response to fiscal distress and economic instability. Between 2012 and 2020, Zambia heavily spent mostly on infrastructure development and relied on external non-concessional borrowing. Loans included Eurobonds and bilateral deals for infrastructure. The approach enabled growth initially but high costs and low returns negatively impacted debt sustainability. Public debt rose from about 35% of GDP in 2012 to over 120% by 2021. External debt costs rose sharply and took a large share of revenues. Zambia defaulted on its Eurobond coupon payment obligations in November 2020. It was the first African country to default during the COVID-19 pandemic. This development limited access to international markets and negatively impacted on investor confidence. Zambia could not refinance debts without external support.

Fiscal deficits averaged between 7% and 9% of GDP from 2018 to 2021. Interest payments took over 30% of domestic revenues by 2021. Debt servicing therefore displaced social and capital spending worsening social conditions especially for the poor .

UNDERSTANDING THE PROGRAMME OBJECTIVES

The ECF programme was designed for the following purposes:

1. Balance of payment support
2. Direct budget support.
3. Anchor debt restructuring agreement between Zambia and its official creditors.
4. It also implemented reforms to improve economic governance and stability.

The programme aimed to restore macroeconomic stability and more resilient growth. The objectives anchored the restoration of debt sustainability through fiscal adjustment and debt restructuring. The program also aimed at creating fiscal space for social spending to help vulnerable populations. It sought to strengthen governance and reduced corruption risks by improving public financial management.

SUMMARY OF STRUCTURAL BENCHMARKS AND CONDITIONALITIES UNDER ZAMBIA'S IMF–ECF PROGRAMME

Zambia's IMF Extended Credit Facility (ECF) programme was anchored on a comprehensive set of **quantitative performance criteria, indicative targets, and structural benchmarks** designed to restore macroeconomic stability, address debt vulnerabilities, strengthen governance, and support inclusive growth. The program included quantitative performance criteria on the primary balance, new central bank credit to the central government, and net official international reserves. Continuous performance criteria covered new external debt arrears and the contracting or guaranteeing of new non-concessional external debt. Inflation was monitored through a monetary policy consultation clauses.

- Indicative targets targeted fiscal revenues, new external borrowing, the disbursement of contracted but undisbursed external debt, social spending, and the net clearance of budgetary arrears i.e fuel supplies to government .
- Structural benchmarks aimed at supporting the key objectives of the program, The Structural benchmarks in particular focused on **institutional reforms and policy actions** necessary to entrench fiscal discipline and improve transparency in public resource management.

Total structural benchmarks from the first review to the 6th review

IMF Review	Total Structural Benchmarks	Met	Met with Delay	Not Met / Reset
First Review (2023)	11	9	-	2
Second Review (Dec 2023)	7	4	2	1
Third Review (Jun 2024)	5	4	-	1
Fourth Review (2024)	9	5	-	4
Fifth Review	14	6	4	4
6th Review	19	9	4	6

KEY OBSERVATION ON PROGRAMME PERFORMANCE (BASED ON THE 5TH REVIEW : BENCHMARK VS ITS CURRENT POSITION)

S/N	Benchmark	Status	Key Observation
1	Revised pipeline open access tender procedures as per international best practices to guarantee transparency and fact.	Met- Tender procedures have been revised as per best international practices and award time has been shortened to ensure winning bidders are announced at least two months before contract start date.	- This reform improved competition and governance in the petroleum supply chain, reducing risks of corruption and inefficiencies in fuel importation and distribution.
2	Publish a quarterly debt statistics bulletin.	Met- The 2024 Q4 quarterly debt statistical bulletin was published on February 27, 2025. The 2025 Q1 debt bulletin was published on 29 May, 2025.	- Consistent publication improved debt transparency and accountability, which reinforced confidence among creditors and the public while supporting Zambia's ongoing debt restructuring and sustainability efforts.
3	Publish summary information on the financing agreements for all newly contracted external loans by the general government, including new loan contracts guaranteed or new guarantees on existing loan contracts.	Met- As at end December 2024 no new loans have been contracted	This has improved transparency and accountability on debt management in Zambia. Enables the public to participate in Debt Governance as well as ensuring there is adherence to debt management strategy.
4	Publish the retail and wholesale price structures for the previous month, with all line details, in the monthly fuel price announcements by the Energy Regulatory Board.	Met-Wholesale and retail price buildups (full detail) are published on the ERB website monthly	- Improved transparency in fuel pricing due to regular publication. It enhanced public accountability and reduced opacity in the energy sector, helping to limit quasi-fiscal risks and build trust in price adjustments.
5	Publish Tax Expenditure Report	Met-The tax expenditure report was published on the MoFNP website on December 31 2024	This benchmark strengthened fiscal transparency by quantifying foregone revenues (about 1.5% of GDP). It provides an evidence base for rationalizing tax

			exemptions and supports domestic revenue mobilization efforts.
6	Implement a cash flow forecasting plan for 2025	Met- The cash forecasting team underwent training in January 2025 and developed the Cashflow Forecasting Plan.	This is important for ensuring fiscal health is sustained.
7	Imports of diesel through the Tazama pipeline are done via open access at the full capacity of the Tazama pipeline.	Not Met- On April 8,2025, the open access diesel consignment was received in Dar es Salaam but only started delivery at Ndola on April 17th 2025	This is very important and should be finalised if the country is to fully benefit from the open access as competition will drive down prices for citizens benefit. There must be transparent contract award and regular reports on the status of use for accountability.
8	FISP contracts – Publish summary information on all procurement contracts related to the annual Farmer Input Support Program (FISP) or its successor, including beneficial ownership. (ME	Met with delay- Contracts for Urea and Compound D were awarded in June and July 2024, respectively. The contracts were published on 2nd October 2024.	- Disclosure improved procurement transparency in a politically sensitive sector, though delays pointed to weaknesses in inter-agency coordination and data readiness.
9	Publish the Tazama open access tender results on the Ministry of Energy website within one month of the contract award, including winning bidder with price, type and quantities of inputs, total contract amounts and their beneficial owners as well all unsuccessful bids with price, type and quantities of inputs	Met with delay- due to delays in publishing beneficiary ownership.	- Though delayed, the Publication enhanced accountability in strategic energy infrastructure contracting, but minor delays suggested capacity and process challenges in procurement reporting.
10	Adopt the procedures manual for the Debt Management Office	Not Met- The procedures manual is being finalised to align it to the functions of the DMO as provided for in the Public Debt Management Act. The DMO was operationalized	Delays constrained the operational effectiveness of the Debt Management Office and slowed improvements in standardized borrowing, recording, and reporting practices.

		beginning 1st January 2025	
11	Submit to Parliament a comprehensive review of the Banking and Financial Services Act.	Not Met- Cabinet approved in principle to amend the BFSA Act. The Regulatory Impact Assessment has been undertaken.	The delay weakened progress on financial sector modernization and regulatory strengthening, potentially prolonging vulnerabilities in supervision and consumer protection.
12	Adopt the deposit insurance framework consistent with the Core Principles for Effective Deposit Insurance Systems and Basel Supervision Principles.	Not Met- BoZ is Still drafting the regulatory framework on a deposit protection scheme under the 2017 BFSA Section 132 (5)	Non-completion left a critical gap in the financial safety net, limiting protection for depositors and increasing systemic risk in the event of bank distress.
13	Bring the 2016 Public Audit Act and the 2016 State Audit Commission Act into force by issuing the statutory instrument by the MoFNP.	Met- Statutory instruments were issued. This was completed in May 2025.	Although delayed, enactment strengthened the legal framework for public financial oversight and enhanced the independence and effectiveness of the Auditor General’s office.
14	Submit to Parliament a revised AntiCorruption Bill in line with the recommendations envisaged in the IMF Diagnostic Report on Governance and Corruption.	Not Met- On 20th September 2024, Cabinet approved to introduce the Bill in Parliament to amend the Anticorruption Act. The Bill is still undergoing consultation	Failure to meet this benchmark slowed momentum on governance and anti-corruption reforms, raising concerns about political and stakeholder resistance to stronger integrity frameworks.
15	Submit to parliament the revised FRA act, Agricultural marketing bill and Agricultural credit act	Not Met-The revised FRA act, Agricultural marketing bill and Agricultural credit act are submitted to parliament.	This is very important as these reforms directly impact small holder farmers and poverty reduction in general
16	Submit the 2026 Budget in line with program parameters	Not Met- The 2026 budget in line with program parameters is submitted to parliament	This was submitted and is very important to stakeholders as it provides Government revenue and expenditure priorities. This is important to ensure alignment with development priorities in the National Development plan
17	Submit to Parliament a revised Anti-Corruption Bill in line with the recommendations envisaged in the IMF	Not Met- Anti-Corruption Bill is submitted to parliament and published on the website of the National Assembly.	- Failure to meet this benchmark slowed momentum on governance and anti-corruption reforms, raising concerns about political and stakeholder resistance to

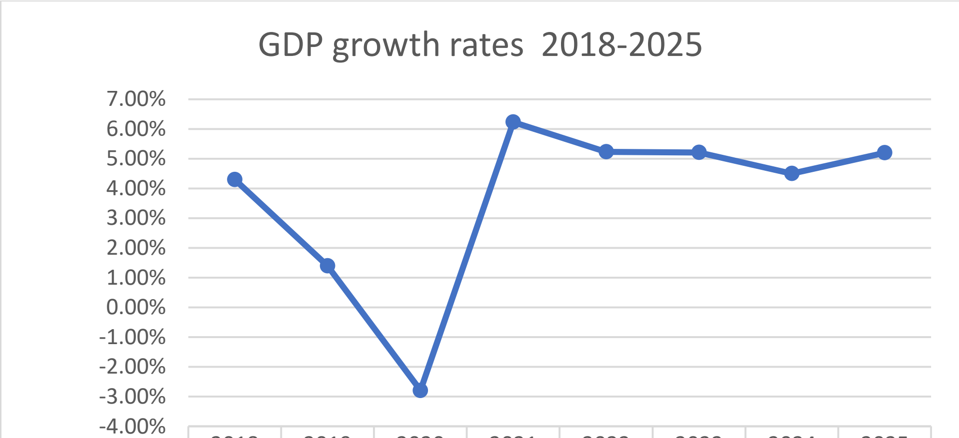
	Diagnostic Report on Governance and Corruption.		stronger integrity and accountability frameworks.
18	Imports of diesel through the Tazama pipeline are done via open access at the full capacity of the Tazama pipeline.	Not Met- Publish the date of first delivery of low sulphur gas oil procured under the open access guidelines for the full capacity of the pipeline and summary of the underlying contract including the delivery commencement date and delivery volumes on the MoE website	The delay compromises Government's commitment to competitiveness and transparency an the open access implementation of the Tzama pipeline.
19	Adopt the procedures manual for the Debt Management Office	Not Met- The procedures manual is published on the website of the MoFNP (hyperlink to be included Proposed to end in july 2025.	-Delays constrained the operational effectiveness of the Debt Management Office and slowed improvements in standardized borrowing, recording, and reporting practices essential for prudent debt management.

ANALYSIS OF THE PROGRAMME OUTTRURN-MACROECONOMIC INDICATORS

Key Macro-Economic Indicators (2022-2025)

- **Economic Growth:** Real GDP growth was volatile, largely driven by external shocks. It was around 5.9% in 2022 and 5.4% in 2023, but dropped to an estimated 4.5% in 2024 due to a severe drought that impacted agriculture and energy. Growth has showed resilience in 2025, with early projections suggesting a recovery to around 5.2%–5.8% (See graph below)
- **Inflation:** Inflation rate was high during the period, peaking above 16% in early 2025 due to food and energy price shocks, before beginning to slow down to around 11.2% by December 2025.
- **Exchange Rate:** The Kwacha was volatile, depreciating in 2022-2023, but experienced a significant, unexpected appreciation of 19% in 2025 against the dollar, supported by increased mining sector Foreign exchange supply.
- **Fiscal Deficit:** The deficit is expected to trend downwards in the medium-term declining to 2.1 percent of GDP in 2026 driven by fiscal consolidation measures and limiting external borrowing to concessional financing from a high of about 14.4% in 2020.

Real GDP growth exhibited considerable volatility, primarily influenced by external shocks. This fluctuation in economic performance underscores the importance of understanding external factors and their impacts on regional economies, as outlined in the broader economic assessments.



	2018	2019	2020	2021	2022	2023	2024	2025
Series1	4.30%	1.40%	-2.79%	6.23%	5.23%	5.21%	4.50%	5.20%

Constructed from stats from Mofnp

During the period, inflation experienced significant volatility. However, as the situation stabilized, inflation began to decline, reaching approximately 11.2% by December 2025. Such fluctuations in inflation are not isolated events; they reflect broader economic dynamics that can be influenced by various factors including financial development around debt repayments which play critical roles in shaping overall economic outcomes. Inflation rate has trended downwards post the 2024 harvest season mostly attributed to bumper harvest and eased importation cost especially for power. Further, the improved inflow of forex from copper has contributed greatly Foreign Exchange (FX) stability. If regional growth will continue, it will strengthen commodity demand from Zambia (copper, agricultural commodities). Zambia's export revenue and FDI could improve, aiding 2026 targets for inflation and reserves. Exchange rate and global inflation dynamics will affect import costs and influence inflation trajectory. The country will therefore need to anchor on production diversification to broaden sources of forex and subdue import appetite. The inflation rate target of **6-8%** still remains an ambitious target for the past 4 years; yet never attainable. Considering that expenditure is expected to be on an increase as the expenditure budget has increased compared to last year (2025) in nominal terms by 16.6% to K253.1 billion in 2026. Further, increased burden to service external debts that have been restructured and for the remaining un-restructured debt will create foreign exchange pressure which may likely exert more FX rate induced inflation. It is important to stress the mechanisms that will be used to bring inflation down outside using the Monetary policy only; a tool that has had mixed outcomes as seen in the past years during the programme implementation. Additionally, the evolving landscape of global markets and energy challenges exacerbated the inflationary pressures, highlighting the importance of comprehensive strategies to address the underlying issues of policy coherence.

Domestic revenue

There has been some slight increase of domestic revenue as of 2026 projection, though with inconsistencies since the beginning of the programme in 2022. Aa a percentage of GDP, Domestic revenue moved from 21.5 in 2022, 20.9 in 2023 and 21.3 in 2025 to a projected 22.3% as projected in 2026. It however still falls short of the 23% target in the 8th NDP target. Credibility of the projection will depend on effectiveness of the revenue collection measures and policy implementation to deal with Illicit financial flows which may be an existing risk to this target. Investment flows will also be key to widening the tax revenue hence a conducive business climate will be paramount.

Domestic Reserves

The total disbursements from the IMF under the programme is expected to reach $1.7 billion as the programme winds down this year on 30th January. The funding under the programme enabled Zambia meet its budgetary needs since 2022 as well as achieve its foreign reserve target. This financial support has enabled Zambia to achieve its target for foreign reserve generation, which currently stands at about US$5.2 billion, indicating over four months of import cover against the target of three set in the 8th NDP.

ZAMBIA'S DEBT DYNAMICS UNDER THE PROGRAMME

After the IMF board approved the fifth review, the total financial assistance under the programme rose to approximately $1.55 billion as of July 2025. Key indicators showed progress towards moderation in terms of risk profile. These included the debt-service-to-revenue ratio and the debt-service-to-export ratio. Projections suggest the debt-to-GDP ratio will fall below 100% by the end of 2025.

- **Debt ratios decline:** IMF projections showed the public **debt-to-GDP ratio falling to about 91.1 % by end-2025**, the first time in over seven years below 100 % and expected to reach **~69 % by 2027**.
- Zambia successfully restructured about 94% of eligible external debt, contributing to its return from default with a **credit upgrade by S&P Global from SD/SD (selective default) to CCC+/C this was also complimented by another** rating by moody's credit rating maintaining Zambia at a rating of Caa2 indicating a Positive outlook
- **Lower risk of distress:** IMF staff assessments indicate Zambia's public debt was classified as **sustainable**, though still at **high near-term risk of overall and external distress**, with projected moderate risk over the medium term. It is our perspective that Zambia still faces high risk of debt stress but maintains a positive projection towards moderation within the medium term.

STRUCTURAL REFORMS OUTTURN

The Fifth IMF Review report showed solid progress on a set of key structural benchmarks aimed at strengthening transparency, governance, and macro-fiscal management. The Government met all benchmarks on **fiscal and debt transparency**; **including the timely publication of the tax expenditure report; retail and wholesale fuel price structures;** and **the quarterly debt bulletin**. These measures significantly improved public accountability by shedding light on foregone revenues, enhancing clarity around fuel pricing, and strengthening confidence in public debt data critical in Zambia's debt restructuring and fiscal consolidation efforts. In the energy sector, the revision of the Tazama pipeline open access tender procedures was completed on time, reinforcing competition and governance in fuel procurement and distribution.

Additionally, four benchmarks were achieved with minor delays, such as the **enactment of the Public Audit Act; the State Audit Commission Act**; **publication of maize import procurement contracts** and **Tazama pipeline tender results**. Although delayed, these reforms materially strengthened the legal and institutional framework for public financial oversight and procurement transparency, signaling a credible commitment to improving governance and accountability.

Despite this progress, the review also highlights notable implementation gaps in deeper governance and financial-sector reforms, with **four key benchmarks remaining unme**t at the time of the review. These include;

I. The submission to Parliament of the Anti-Corruption Act;
II. The Banking and Financial Services Act;
III. The adoption of a deposit insurance framework,
IV. The finalization of the Debt Management Office's procedures manual.

IMPACT OF THE PROGRAMME ON POVERTY REDUCTION

Despite protecting social spending floors, Zambia still faces significant poverty challenges that pre-date and post-date the ECF programme, the 2022 Living Conditions Monitoring Survey (LCMS) showed that about 60% of the population lives below the national poverty line. Extremely poor households accounted for 48%. The programme included social spending floors and fiscal adjustments like subsidy reforms and tax changes which caused short-term distributional impacts. Living costs rose for food, energy, and transport. This negatively affected low-income households most, specifically those living on less than $2.15 per day.

- Limited job creation and rising cost of living have dampened the positive effects of macroeconomic stabilisation achievement of the programme.

Social protection programmes have expanded during the programme period but lack a strong institutional framework to support effective targeting to offset some effects of the programme's subsidy reform adjustments which were further exacerbated by the drought experienced in 2024. A stronger alignment between IMF-supported reforms and nationally defined strategies for poverty reduction was needed.

POST-ECF FISCAL STRATEGY

Government must prioritise the financing strategy which must provide broader revenue mobilization strategies. With the winding down of the programme, immediate budget support may fall and could limit fiscal space if domestic revenue and external inflows do not increase sufficiently. To sustain the gains achieved under the programme;

I. The Government must reduce exemptions in the mining and informal sectors to increase revenue.
II. loans should have highly concessional terms. Commercial borrowing must target only high-return projects that aid growth. Fiscal consolidation should continue.
III. The Government must protect social programs for health, education, and cash transfers. This will enable available support to vulnerable households.
IV. The government should also keep rebuilding international reserves. It must diversify reserve portfolios to hedge against any loss.

CONCLUSION

The ECF programme has achieved some notable success against its objectives, but gaps and risks persist. Economic recovery has been positive but has not yet fully generated sufficient decent jobs or income opportunities for ordinary citizens, largely due to the incomplete execution of structural reforms necessary for effective benefit transmission and other offsets arising from external shocks on the economy such as the drought. There is still need to implement for complementary policies that not only promote diversification and resilience but also ensure inclusive growth alongside macro-stability objectives. The ECF's programme benchmarks such as structural reforms in State-Owned Enterprises (SOEs), Energy sector reforms, Tighter borrowing rules and better parliamentary oversight of public guarantees must be upheld beyond the programme's span. The 2026 budget targets GDP growth at 6.6% and a fiscal deficit of 2.1% projection in 2026 show a strong commitment to fiscal discipline and macro-economic stability. Government strengthened public debt management systems by enacting the Public Debt Management Act (PDMA) and opened the Public Debt Management Office (PDMO). These developments marked key milestones in restoring debt sustainability and upholding prudence and transparency in debt management.

RECOMMENDATIONS

1) Subsidy rationalization

- Implement a transparent subsidy reform plan that targets fiscally unsustainable subsidies especially that the country will be developing its 9th National Development Plan.
- Publish progress on FRA and FSIP reforms, spending allocations of FSIP, and impact assessments to inform policy direction.

2) Expenditure control

- Strengthen expenditure ceilings and tightening mechanisms to prevent overruns especially as Zambia heads to an election in 2026.
- Prioritize high-return public investments (infrastructure,human capital, productivity) and phase out wasteful or duplicative programs.
- Implement rigorous procurement reforms and public financial management safeguards to reduce leakages.

4) Debt management and debt restructuring agreement upward-case scenario

- Provide a clear, public debt repayment plan for an upward-case scenario provided for under the debt restructuring agreement. This is in view that Zambia's economic conditions improve to trigger the revision of debt relief given under the Common framework debt restructuring agreement.

6) Alignment of any new IMF support with national development priorities

- Mandate that any new IMF program harmonizes with the 9th National Development Plan targets and Vision 2030.
- Tie program conditions to achieving predefined development outcomes (education access, health improvements, infrastructure delivery, and job creation).

7) Sustaining reform momentum

- Maintain a robust reform agenda in subsidy governance, public expenditures, and structural reforms to prevent macroeconomic slippages.
- Schedule regular stakeholder engagements to review economic policies in response to macro-economic dynamics and fiscal shifts.
- Build capacity within relevant ministries and agencies to sustain reforms beyond program timelines.

8) Governance, transparency, and accountability

- Establish independent oversight committees alongside parliamentary committee to monitor progress and address slippages post the programme.

APPENDIX

First Review (IMF Country Report No. 23/256 – 2023)

Structural Benchmark (IMF wording)	Target Date	Status	Remarks
Implement commitment control functionality in IFMIS to prevent the accumulation of arrears	End-June 2023	Met	Strengthened expenditure controls and budget credibility.
Submit a revised Public–Private Partnership Bill to Cabinet for consultation	End-June 2023	Met	Improved public investment appraisal and fiscal risk management.
Issue and publish revised public procurement regulations	End-June 2023	Met	Enhanced transparency and value-for-money in procurement.
Publish quarterly debt statistics covering central government and guaranteed debt	Continuous	Met	Institutionalised debt transparency.
Publish summary information on newly contracted external loans and guarantees	Continuous	Met	Improved disclosure of borrowing terms.

Expand coverage of the Treasury Single Account to additional ministries and agencies	End-Sept 2023	Met	Reduced idle balances and improved cash management.
Enhance payroll controls through reconciliation with establishment registers	End-Sept 2023	Met	Strengthened wage bill management.
Improve fiscal reporting coverage of extra-budgetary units	End-Sept 2023	Met	Improved fiscal transparency.
Publish beneficial ownership information for major public procurement contracts	End-Sept 2023	Not Met	Delayed due to data readiness and coordination issues.
Adopt regulations supporting the Access to Information framework	End-Sept 2023	Not Met	Legislative process delayed implementation.

Second Review (IMF Country Report No. 23/439 – 2023)

Structural Benchmark (IMF wording)	Target Date	Status	Remarks
Migrate the Farmer Input Support Programme from direct input supply to an e-voucher	End-Sept 2023	Met	Improved efficiency and reduced fiscal leakages.

system			
Publish summary information on all FISP procurement contracts	Continuous	Met	Enhanced transparency in agricultural subsidies.
Publish quarterly debt statistics bulletin	Continuous	Met	Maintained transparency gains.
Publish summary information on newly contracted external loans and guarantees	Continuous	Met	Sustained debt disclosure.
Ensure that spending entities record commitments and purchase orders in IFMIS	End-Aug 2023	Not Met	Uneven compliance across entities.
Submit the amended PPP Act to Parliament	End-July 2023	Met with Delay	Legislative process extended timeline.
Submit the Access to Information Bill to Parliament	End-Oct 2023	Met with Delay	Completed later due to consultations.

Third Review (IMF Country Report No. 24/190 – 2024)

Structural Benchmark (IMF wording)	Target Date	Status	Remarks

Publish quarterly debt statistics bulletin	Continuous	Met	Sustained transparency.
Publish summary information on newly contracted external loans and guarantees	Continuous	Met	Continued compliance.
Publish summary information on FISP procurement contracts including beneficial ownership	Continuous	Met	Strengthened procurement accountability.
Approve a new organisational structure for the Debt Management Office	End-Dec 2023	Not Met	Institutional restructuring challenges.
Prepare and publish an action plan to rationalise government banking arrangements	End-March 2024	Met	Supported TSA expansion and cash management.

Fourth Review (IMF Country Report No. 24/350 – 2024)

Structural Benchmark (IMF wording)	Target Date	Status	Remarks
Publish quarterly debt statistics bulletin	Continuous	Met	Maintained transparency standard.

Publish summary information on newly contracted external loans and guarantees	Continuous	Met	Continued disclosure.
Publish retail and wholesale fuel price structures with monthly fuel price announcements	Monthly	Met	Enhanced fuel pricing transparency.
Publish summary information on FISP procurement contracts including beneficial ownership	Continuous	Met	Improved governance in agriculture spending.
Strengthen commitment controls by ensuring all MDAs record commitments in IFMIS	End-March 2024	Met	Improved expenditure discipline.
Operationalise a new organisational structure for the Debt Management Office	End-2024	Not Met	Delayed implementation.
Expand TSA coverage to extra-budgetary units and local authorities	End-2024	Not Met	Operational and institutional resistance.
Strengthen SOE oversight through consolidated	End-2024	Not Met	Coordination and governance constraints.

financial reporting			

5th review

Structural Benchmark	Objective / Area	Timeline	Status / Comments
Publish revised pipeline open-access tender procedures (MoE)	Energy sector transparency	End-Dec 2024	Met
Diesel imports via Tazama open access at full capacity	Energy efficiency & transparency	End-Apr 2025	Not met – partial capacity
Publish quarterly debt statistics bulletin	Debt transparency	Quarterly (ongoing)	Met
Publish summary of new external loans and guarantees	Debt transparency	Quarterly (ongoing)	Met
Publish FISP procurement contracts incl. beneficial ownership	Agricultural transparency	Ongoing	Not met – delays
Publish Tazama tender results incl. beneficial ownership	Fuel procurement transparency	Ongoing	Not met – delayed
Publish retail & wholesale fuel	Fuel pricing transparency	Monthly	Met

price structures			
Publish tax expenditure report with costing	Fiscal transparency	End-Dec 2024	Met
Operationalise Public Audit Act & State Audit Commission Act	Audit oversight	End-Jan 2025	Not met – completed May 2025
Implement cash flow forecasting plan	Public financial management	End-Mar 2025	Met
Submit revised Anti-Corruption Bill	Governance	End-Mar 2025 (reset Sep 2025)	Not met
Adopt Debt Management Office procedures manual	Debt management	End-Mar 2025 (reset Jul 2025)	Not met
Review Banking & Financial Services Act	Financial regulation	End-Mar 2025 (reset Sep 2025)	Not met
Adopt deposit insurance framework	Financial stability	End-Apr 2025 (reset Sep 2025)	Not met
Establish ZRA Compliance Risk Management Unit	Tax administration	End-Jun 2025	Pending
Expand Fiscal Risk Statement (SOEs & PPPs)	Fiscal risk management	End-Sep 2025	Pending
Submit new SOE Bill	SOE oversight	End-Sep 2025	Pending
Publish FRA 2024 audited financial statements	Transparency	End-Sep 2025	Pending

Audit government drought response	Emergency spending accountability	End-Sep 2025	Pending
Independent audit of FISP e-voucher rollout	FISP integrity	End-Sep 2025	Pending
Submit revised FRA, Agricultural Marketing & Credit Acts	Agricultural reform	End-Sep 2025	Proposed
Submit 2026 Budget in line with program parameters	Fiscal transparency	End-Sep 2025	Proposed