INTERNATIONAL MONETARY FUND

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BURKINA FASO

March 2026

FOURTH REVIEW UNDER THE EXTENDED CREDIT FACILITY ARRANGEMENT, FINANCING ASSURANCES REVIEW, AND REQUEST FOR AN ARRANGEMENT UNDER THE RESILIENCE AND SUSTAINABILITY FACILITY—PRESS RELEASE; STAFF REPORT; AND STATEMENT BY THE EXECUTIVE DIRECTOR FOR BURKINA FASO

In the context of the Fourth Review Under the Extended Credit Facility Arrangement, Financing Assurances Review, and Request for an Arrangement Under the Resilience and Sustainability Facility, the following documents have been released and are included in this package:

- A **Press Release** including a statement by the Chair of the Executive Board.
- The **Staff Report** prepared by a staff team of the IMF for the Executive Board's consideration on February 18, 2026, following discussions that ended on November 12, 2025, with the officials of Burkina Faso on economic developments and policies underpinning the IMF arrangements under Extended Credit Facility and the Resilience and Sustainability Facility. Based on information available at the time of these discussions, the staff report was completed on January 30, 2026.
- A **Statement by the Executive Director** for Burkina Faso.

The IMF's transparency policy allows for the deletion of market-sensitive information and premature disclosure of the authorities' policy intentions in published staff reports and other documents.

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PRESS RELEASE

PR 26/054

IMF Executive Board Completes the Fourth Review under the Extended Credit Facility Arrangement and Approves a New Arrangement under the Resilience and Sustainability Facility for Burkina Faso

FOR IMMEDIATE RELEASE

- The IMF Executive Board completed the fourth review of Burkina Faso's Extended Credit Facility Arrangement, enabling an immediate disbursement of about US$33.2 million, and approved a new Resilience and Sustainability Facility (RSF) arrangement of about US$124.3 million through September 2027 to strengthen external stability and climate resilience.
- Despite insecurity, poverty, and climate shocks, the 2026–28 outlook is positive, with growth near 5 percent and inflation below target. Fiscal consolidation, agricultural investment, and higher gold prices are supporting mining activity, exports, and food security.
- Program performance has been satisfactory, with all quantitative targets met except two minor misses, most structural benchmarks achieved, and prior actions implemented to address the missed governance benchmark.

Washington, DC – **February 18, 2026:** The Executive Board of the International Monetary Fund (IMF) completed the fourth review under the 48-month Extended Credit Facility (ECF) arrangement that was approved on September 21, 2023. The completion of the review enables the immediate disbursement of SDR 24.08 million (about US$33.2 million), bringing total IMF financial support under the ECF arrangement to date to SDR 120.4 million (about US$165.8 million).

The Executive Board also approved an arrangement under the Resilience and Sustainability Facility (RSF), running until September 20, 2027, for an amount of SDR 90.3 million (about US$124.3 million), with disbursements to begin when the first review of this arrangement is completed. The RSF reforms aim to strengthen fiscal resilience to shocks, integrate climate considerations into public financial management, enhance the performance of state-owned enterprises in climate-sensitive sectors, and catalyze green financing.

Real GDP growth is estimated to have accelerated to 5.0 percent in 2025, after reaching 4.8 percent in 2024. The supply response of artisanal mining to higher gold prices and mining sector reforms are estimated to have outweighed a slowdown in services. Real GDP growth is expected to remain within the 4.5–5.0 percent range over the medium term, contingent on the expected improvement in security. Average inflation slowed in 2025 to -0.5 percent due to a drop in food prices and is expected to converge to 2.0 percent over the medium term.

The external sector has strengthened, driven by higher net exports and improved terms of trade. Supported by high gold prices, the external current account is projected to move from a deficit of 3.4 percent of GDP in 2024 to surpluses of 1.1 percent in 2025 and 0.8 percent in

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2026. The drive to increase gold production is expected to entail a rise in equipment imports, while energy imports will likely remain contained amid a stable oil price outlook.

Fiscal consolidation is on track. Due to strong revenue performance and spending discipline, the fiscal deficit in 2025 is estimated to have remained well within the program objective of 4.0 percent of GDP. This implies a tightening of 2.3 ppts of GDP since 2024, reflecting mostly higher revenues from gold mining, wage bill control, and restraint in capital expenditure.

Progress under the ECF arrangement has been satisfactory. The authorities met all end-June 2025 quantitative performance criteria (QPCs), all continuous QPCs, and all but one indicative target (IT) which was missed by less than 0.1 percent of GDP. They met all end-September ITs, except for the ceiling on VAT-refund arrears that was exceeded by 0.02 percent of GDP.

The Burkinabè authorities advanced their structural reform agenda. They met eight out of ten structural benchmarks (SBs). The missed end-June SB on energy sector reform was subsequently implemented. The authorities also implemented three prior actions to mitigate the effects of missing the end-June SB on the publication of the Governance Diagnostic Assessment (GDA). They demonstrated strong commitment to further improving governance and have already implemented six out of the eleven GDA priority recommendations, with the remaining five to be implemented within the duration of the current IMF-supported program.

At the conclusion of the Executive Board’s discussion, Mr. Kenji Okamura, Deputy Managing Director, and Acting Chair, issued the following statement:

“Burkina Faso’s economy has proven resilient amid security and humanitarian challenges. Despite these adversities, program implementation has been satisfactory. Sound economic policies to improve governance and domestic revenue mobilization have contributed to creating fiscal space and supporting recovery, while keeping inflation under control and public debt on a sustainable path.

“The IMF-supported program in Burkina Faso continues to maintain focus on broad-based medium-term growth that raises living standards. To this end, the authorities are stepping up their reform implementation and press on with strategic capital outlays. In this context, fostering an enabling environment for the private sector and shielding the economy from external shocks by managing the heightened exposure to commodity price fluctuations will be key. Steadfast implementation of reforms aimed at enhancing the efficiency of public investment will also be instrumental in the achievement of the Burkinabè authorities’ ambitious development goals. Equally important will be the implementation of the authorities’ action plan informed by the Governance Diagnostic Assessment’s findings. While continued fiscal consolidation will be critical for maintaining macroeconomic stability, spending on health, education, and social protection should be safeguarded and prioritized in the multiyear spending plans.

“The Burkinabè authorities continue to pursue their ambitious reform agenda to improve fiscal governance guided by a strategy that covers a broad set of reforms. Within this framework, priority steps include the development of audit plans for all ministries related to their risks and the implementation of measures to strengthen integrity in mining licenses processes.

“The Burkinabè authorities have also put resilience on the forefront of their reform agenda. As subsistence agriculture provides food for eighty percent of the population, making agriculture resilient to the harsh local climate is a priority. While bolstering resilience, the authorities’ program under the Resilience and Sustainability Facility (RSF) arrangement will also reduce balance-of-payments risks, most notably by lowering the periodic needs for emergency food imports."

Table 1. Burkina Faso: Selected Economic and Financial Indicators, 2023–29

Population (2024): 23.5 million — Gini Index (2021): 37.4
Per capita GDP (2024): 982 USD — Life Expectancy (2021): 62 years
Share of population below the poverty line (2022): 43.7% — Literacy rate (2023): 41%

	2023	2024	2024	2025	2025	2026	2027	2028	2029
	Act.	3rd ECF Review	Prel.	3rd ECF Review	Proj.	Proj.	Proj.	Proj.	Proj.
	(Annual percentage change, unless otherwise indicated)								
GDP and Prices									
GDP at constant prices	3.0	5.0	4.8	4.2	5.0	4.9	4.8	4.8	4.8
GDP deflator	2.0	8.9	9.7	5.9	7.0	4.4	2.7	2.0	2.0
Consumer prices (annual average)	0.9	4.2	4.2	3.0	-0.5	1.4	2.1	2.0	2.0
Consumer prices (end of period)	1.0	4.9	4.9	3.0	-2.2	2.9	2.1	2.0	2.0
Money and Credit									
Broad money (M3)	-3.0	7.2	7.2	6.1	5.9	9.6	7.6	6.8	6.9
Net domestic assets (banking system) 1/	5.3	0.4	0.4	6.1	0.7	7.4	7.0	4.8	4.8
Credit to the government (banking system) 1/	3.0	3.7	3.7	3.8	1.7	3.0	2.2	1.5	1.4
Credit to private sector	5.9	-2.2	-2.2	2.6	-2.8	5.7	5.4	5.4	5.3
Private sector credit/GDP	31.9	27.0	27.2	25.1	23.5	22.7	22.2	21.9	21.6
External Sector									
Exports (f.o.b.; valued in CFA francs)	-3.1	2.0	12.3	25.3	43.2	5.9	4.9	2.6	2.3
Imports (f.o.b.; valued in CFA francs)	-1.5	4.8	8.4	10.8	16.6	5.7	7.5	7.0	6.0
Current account (percent of GDP)	-5.1	-5.7	-3.5	-3.4	1.1	0.8	0.8	-0.4	-1.3
	(Percent of GDP, unless otherwise indicated)								
Central Government Finances									
Current revenue	20.8	20.6	20.7	19.8	21.4	19.9	19.9	20.2	20.3
Of which: Tax revenue	18.4	18.3	18.4	18.1	17.8	17.5	17.9	18.2	18.4
Total expenditure and net lending	29.3	27.7	27.8	25.0	26.1	24.6	24.2	24.4	24.6
Of which: Current expenditure	18.1	16.3	16.4	16.0	16.5	15.7	15.9	15.5	15.1
Overall fiscal balance, incl. grants (commitments)	-6.8	-5.8	-5.8	-4.0	-3.5	-3.5	-3.0	-3.0	-3.0
Total public debt	56.8	56.9	57.2	56.1	52.1	51.2	50.7	50.3	49.9
Of which: External debt	26.2	25.4	25.5	24.8	21.3	20.5	20.7	20.5	20.4
Of which: Domestic debt	30.6	31.6	31.8	31.3	30.8	30.6	30.0	29.8	29.5
Memorandum Items:									
Nominal GDP (CFAF billion)	12,200	14,098	14,022	15,561	15,750	17,255	18,574	19,845	21,209
Nominal GDP per capita (US$)	874	975	982	1,002	1,127	1,250	1,312	1,367	1,427
Nominal exchange rate (CFAF/US$, period average)	606	606	606	635	580	560	562	563	563
Gold price (USD/troy ounce)	1,943	2,387	2,387	2,821	3,218	3,472	3,568	3,578	3,578

Sources: Burkinabé authorities; IMF staff estimates and projections.
1/ Annual change in percent of beginning-of-period broad money.

INTERNATIONAL MONETARY FUND

BURKINA FASO

January 30, 2026

FOURTH REVIEW UNDER THE EXTENDED CREDIT FACILITY ARRANGEMENT, FINANCING ASSURANCES REVIEW, AND REQUEST FOR AN ARRANGEMENT UNDER THE RESILIENCE AND SUSTAINABILITY FACILITY

EXECUTIVE SUMMARY

Context. The authorities remain committed to the ECF-supported program focused on fiscal consolidation and strengthening fiscal governance, amid challenges posed by insecurity, poverty, extreme weather events, and their interactions. The economic outlook for 2026–28 is positive with real GDP growth projected at close to 5.0 percent and inflation below target; however, the balance of risks is tilted to the downside.

Program Performance. The authorities met all end-June 2025 quantitative performance criteria (QPCs), all continuous QPCs, and all but one indicative target (IT) which was missed by less than 0.1 percent of GDP. They also met all end-September ITs, except for the ceiling on VAT-refund arrears that was exceeded by 0.02 percent of GDP, and met eight (out of ten) structural benchmarks (SBs). The missed end-June SB on energy sector reform was subsequently implemented. The end-June SB on the publication of the Governance Diagnostic Assessment (GDA) report was not met. The authorities consider that the report could be misconstrued by the broad public and undermine their efforts to curb corruption which, in staff's view, could exacerbate fragility. The authorities have implemented prior actions to address the negative signaling effect of this decision and have implemented six out of the eleven GDA priority recommendations, with the five outstanding recommendations to be implemented in the remainder of the Fund-supported program.

Key Program Policies. Discussions focused on measures to contain the overall fiscal deficit below 3.5 percent of GDP in 2026 while strengthening fiscal transparency and governance. A new SB on strengthening the control over the public sector wage bill is proposed for the sixth review. Moreover, the authorities are working on additional critical reforms to strengthen governance and fiscal transparency, and they are committed to including the five remaining GDA priority recommendations into the structural agenda of the ECF-supported program.

Fourth ECF review. Staff support the authorities' request for completion of the fourth review and the financing assurances review, upon which SDR 24.08 million (20 percent of quota, 0.1 percent of GDP) will be made available to Burkina Faso.

RSF request. The RSF-supported program aims at backing the authorities' efforts to strengthen prospective balance-of-payments and macroeconomic stability. Reform measures (RMs) focus on: (i) disaster risk finance; (ii) climate resilience of public infrastructure investment; (iii) resilient utilities provision and management; and (iv) climate finance mobilization. In view of the strength and ambition of the reform package, staff support the authorities' request for an RSF arrangement that will run until September 20, 2027, with an access level of 75 percent of quota (SDR 90.3 million, 0.5 percent of GDP).

Approved By
Vitaliy Kramarenko (AFR) and Guillaume Chabert (SPR)

An IMF team comprising Mr. Wieczorek (head), Messrs. Cook, Kouassi, Stuermer (all AFR), Messrs. Bird and Maher (FAD), and Mr. Coble (SPR) assisted by Messrs. Gbohoui (Resident Representative) and Sebre (Local Economist), held discussions with the authorities in Ouagadougou during October 29th to November 12th, 2025. AFR Deputy Director Mr. Kramarenko joined the mission from November 4th to 7th. Mr. Kamgna (FAD), Ms. Lam (MCM), and Mr. Stadler (AFR) joined selected meetings remotely. The mission met with the Prime Minister, his Excellency, Mr. Rimtalba Jean-Emmanuel Ouedraogo; the Minister of Economy, and Finance, Mr. Aboubakar Nacanabo; the Minister of Environment, Water, and Sanitation, Mr. Roger Baro; the Minister of Energy, Mines and Quarries, Mr. Yacouba Zabré Gouba; the BCEAO National Director, Mr. Armand Badiel; other senior government officials, as well as representatives of the private sector and development partners. Mmes. Dereje and Kiggundu (all AFR) provided administrative support.

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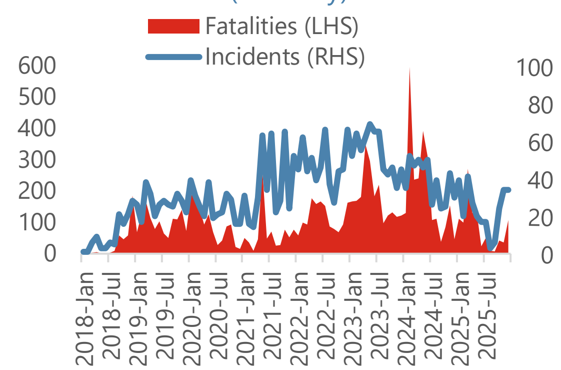
APPENDIX

CONTEXT

1. **The security situation remains tense as local and regional dimensions intertwine.**[1] While the Institute for Economics and Peace ranked Burkina Faso (BFA) first among the countries most impacted by terrorism in 2024,[2] the local incidents and fatalities indicators have trended downward since mid-2024 (Text Figure 1). Despite this apparent improvement, the situation remains volatile and the heightened security tensions experienced in recent months by Mali may create spillover effects in BFA.

Text Figure 1. Burkina Faso: Fatalities from Terrorism Incidents, 2018–25
(monthly)



Sources: ACLED (Armed Conflict Location & Event Data); and IMF staff calculations.
Note: Terrorism fatalities are those from attacks on civilians, suicide bombings, or remote explosions/IEDs.

2. **Soaring gold prices and extreme weather events fuel terrorism.** Buoyed by high prices and reforms of the mining sector, gold now represents more than 80 percent of BFA's exports. While the surge in gold prices benefits the government's treasury, it may also help finance terrorism. Droughts and floods stoke terrorism by fomenting conflicts, especially between herders and farmers. Extreme weather events in BFA could become more frequent and intense with climate change.[3]

RECENT ECONOMIC DEVELOPMENTS

3. **There is a palpable impact of the mining boom on real GDP;** however, the passthrough of changes in the reporting of mining sector data complicates their readout. Provisional data from the National Statistical Institute (INSD) indicate that real GDP grew by 3.3 percent y/y in 2025H1, which includes a provisional estimate of growth in mining activity of -3.4 percent y/y (in real value-added terms). These estimates will likely be revised upward due to the supply response to higher gold prices and a structural break following reforms affecting the artisanal gold mining sector. These include a ban on direct exports, formalization, organization into cooperatives, legal protection, and increasing use of semi-mechanized excavation technology.[4] According to the Ministry of Mines, recorded artisanal gold sales increased more than twofold in 2025H1 relative to

[1] Secretary-General's remarks to the Security Council - on Enhancing Regional Counter-Terrorism Cooperation in West Africa and the Sahel | Secretary-General | United Nations.

[2] https://www.economicsandpeace.org/wp-content/uploads/2025/03/Global-Terrorism-Index-2025.pdf.

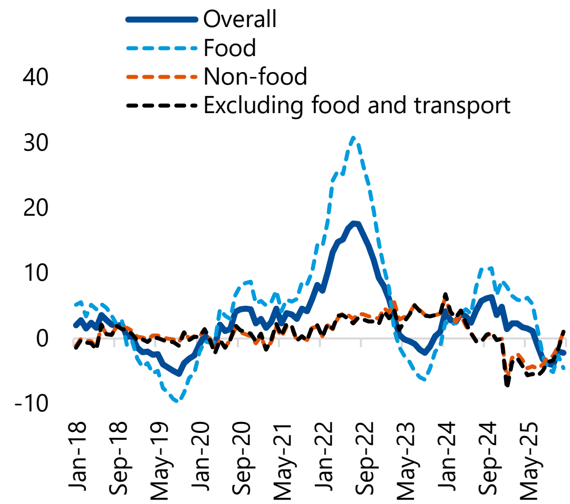
[3] INFORM Climate Change.

[4] Until now, artisanal gold mining growth has been estimated in the national accounts by applying a constant growth rate assumption of 2.3 percent per year to a level of production from a 2017 survey.

all of 2024. The INSD is yet to factor in these developments. Real non-mining GDP growth moderated from 5.7 percent in 2024 to 3.8 percent (y/y) in 2025H1 mostly due to a marked slowdown in services.

4. Inflation eased. Helped by a favorable 2024 harvest and by the appreciation of the CFA franc, CPI inflation (12-month average) slowed from 4.2 percent in December 2024 to -0.5 percent in December 2025 (Text Figure 2).

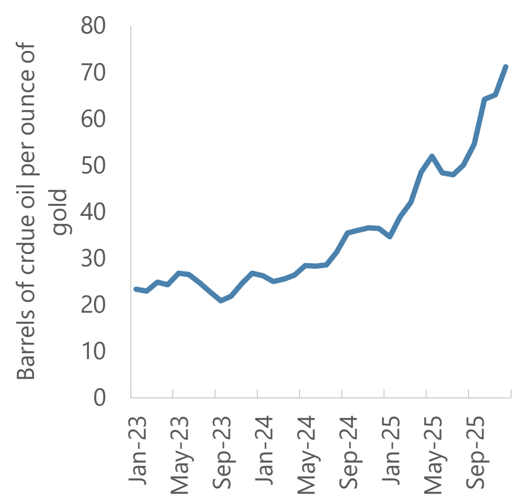
Text Figure 2. Burkina Faso: Consumer Price Inflation, 2018–25
(YoY Percentage Change)



Sources: INSD; and IMF staff calculations.

5. The current account (CA) has strengthened. A downward revision of the CA deficit from 5.7 to 3.5 percent of GDP in 2024, reflected higher net exports (mainly gold). Gold exports through 2025Q3, driven primarily by price effects (Text Figure 3), increased even more, particularly the exports of gold from artisanal and semi-mechanized production. At the same time, imports plateaued due to lower oil prices. Strong FDI inflows were focused on mining. The rebound in portfolio inflows reflected heightened region-wide demand for BFA government securities.

Text Figure 3. Burkina Faso: Gold-to-Oil Price Ratio



Source: IMF Staff Calculations.
Notes: The Average Petroleum Spot Price (APSP) is used for oil price (US$/barrel). London gold price in US$/troy.

6. Fiscal consolidation is on track. Running at 2.0 percent of annual GDP through September, the fiscal deficit will likely not exceed 3.5 percent of GDP in all of 2025 (compared with the program objective of 4.0 percent) (Text Table 1, Table 3b). This would imply a tightening of 2.3 ppts of GDP relative to the 2024 outturn, about half of which would reflect higher revenues from gold mining. Domestic revenue performance through September was strong. Treasury receipts, excluding the Patriotic Support Fund[5] (FSP), exceeded projections by about 0.7 ppt of GDP, with higher dividends resulting from the application of the new mining code contributing 0.5 percent of GDP. FSP receipts were 0.2 ppt of GDP higher than expected. Additional revenues received through these two channels were largely used to top up capital spending in the supplementary budget approved in October. Meanwhile, surpluses accumulated by the state-owned petroleum importer

[5] Fonds de soutien patriotique.

(SONABHY), once transferred to the treasury at the closure of the 2025 budget execution,[6] are expected to generate precautionary savings and contribute to the deficit reduction (see ¶26). Expenditures through September were moderately below projections that were based on the previously observed seasonality, while poverty-reducing social spending exceeded the floor by nearly 0.2 percent of GDP. The weakening of the U.S. dollar relative to the CFA franc explains a lower than projected public debt-to-GDP ratio.

Text Table 1. Burkina Faso: Authorities' Budget vs. Projections and Outturn, 2024–26
(percent of GDP)

	2024	2025				2026	
	Outturn	Initial Budget	Supplementary Budget	Outturn through Sept.	Proj.	Budget	Proj.
Total revenue and grants	**22.0**	**20.9**	**21.9**	**16.3**	**22.5**	**20.7**	**21.1**
Total revenue	20.7	19.7	20.7	15.6	21.4	19.5	19.9
Tax revenue	18.4	18.0	17.8	13.5	17.8	17.4	17.5
Nontax revenue	2.3	1.7	2.8	2.2	3.6	2.1	2.4
Grants	1.3	1.2	1.2	0.6	1.2	1.2	1.2
Project	1.3	1.2	1.2	0.6	1.2	1.2	1.2
Expenditure and net lending	**27.8**	**23.8**	**24.8**	**18.2**	**26.1**	**23.5**	**24.6**
Current expenditure	16.4	15.8	15.9	11.7	16.5	15.2	15.7
Wages and salaries	8.4	8.1	8.1	5.9	8.1	7.8	7.8
Goods and services	2.2	2.2	2.2	1.5	2.3	2.0	2.0
Interest payments	2.2	2.2	2.2	1.7	2.2	2.3	2.2
Domestic	1.9	1.8	1.8	1.4	1.9	1.9	2.0
External	0.3	0.3	0.3	0.2	0.3	0.4	0.2
Current transfers	3.6	3.3	3.5	2.6	3.9	3.1	3.7
Investment expenditure	11.4	8.1	8.9	6.5	9.6	8.4	9.0
Domestically financed	8.1	5.4	6.3	4.3	6.6	5.6	5.6
Externally financed	3.4	2.6	2.6	2.1	3.0	2.8	3.4
Net lending	0.0	-0.1	-0.1	0.0	0.0	0.0	0.0
Overall balance	**-5.8**	**-2.9**	**-2.9**	**-2.0**	**-3.5**	**-2.8**	**-3.5**
Financing	6.0	2.9	2.9	2.0	3.5	2.8	3.5
Foreign financing	1.3	0.3	0.3	1.0	1.0	0.3	0.9
Domestic financing	4.7	2.7	2.7	1.0	2.5	2.5	2.6
Bank financing	3.5	1.3	1.3	0.5	2.0	1.5	1.6
Nonbank financing	1.1	1.4	1.4	0.5	0.5	1.0	1.0
Errors and Omissions	-0.2	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum							
Primary Fiscal balance (including grants)	-3.6	-0.8	-0.8	-0.3	-1.3	-0.6	-1.3

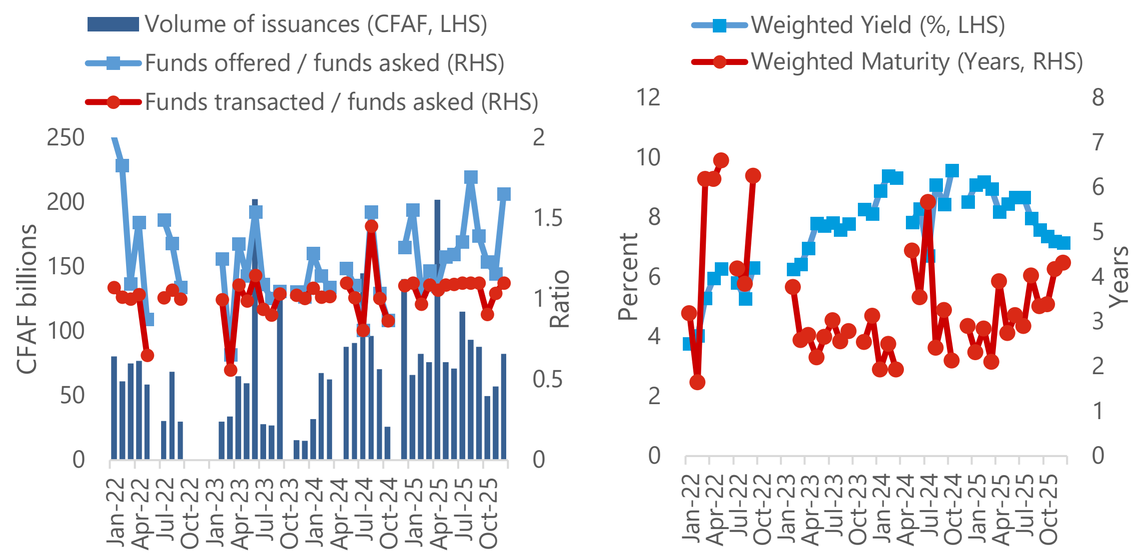
Sources: Burkinabè authorities; and IMF staff estimates and projections.

7. **Domestic financial conditions and liquidity pressures have started to ease.** Between 2025Q1 and 2025Q2, the average yield on newly issued government securities dropped from 9.1 percent to 8.3 percent and average maturity lengthened from 2.4 years to 3.5 years

[6] This could take place during the so-called "*période complémentaire*" (usually comprising January) to enable a proper accounting treatment of operations attributable to the budget execution cycle that closed at end-December.

(Text Figure 4). After the BCEAO had cut its policy rate in June, average monthly yield on government securities dropped for six months in a row, reaching 7.2 percent in December 2025.

Text Figure 4. Burkina Faso: Security Issuances, 2022–25
(monthly)



Sources: UMOA Titres; and IMF staff calculations.

8. Consequently, it has become easier for the government to meet its financing needs. Concessional financing through end-September arrived roughly as staff anticipated (i.e., it was substantially above budget—Text Table 1). This explains a relatively low recourse to domestic financing, specifically commercial bank financing. Due to seasonal factors though, staff expected net domestic financing to increase in Q4 2025. At the same time, monetary easing supported demand for BFA government securities at the regional market (reported as part of net domestic nonbank financing in Tables 3a and 3b), enabling a reduction in the treasury float[7] by an amount equivalent to 1.1 percent of GDP (also reported as part of nonbank financing).

9. Nevertheless, net credit to the private sector continued to fall, amid a growing banks' exposure to the public sector. After a decline of 2.2 percent in 2024, credit to the private sector contracted further by 4.6 percent during January–September 2025. Meanwhile, commercial banks' exposure to the public sector reached 20 percent (of total assets) in July 2025, up from 19.6 percent and 16.3 percent at end-2024 and end-2023, respectively. The NPL-to-loans ratio rose from 8.9 percent at end-2024 to 11.6 percent in August 2025, while deposits grew by 5.5 percent over the same period, compared to 2.4 percent in 2024. Preliminary June 2025 data show a system-wide capital adequacy ratio (CAR) of 15.2 percent, against the regulatory minimum of 11.5 percent of risk-weighted assets (Table 5). Nevertheless, capital adequacy remains an issue for several small

[7] The stock of treasury payables includes the normal float (payables outstanding for less than 90 days) and payables in arrears (payables outstanding for over 90 days).

banks that are, under the scrutiny of the regional supervisor, expected to set up recapitalization plans and ensure compliance by end-2026 with a West African Economic and Monetary Union (WAEMU)-wide directive, which doubled the minimum share capital requirement for banks.

PROGRAM PERFORMANCE

10. The authorities met all but one end-June quantitative target (MEFP Table 1a). All end-June 2025 QPCs, all continuous QPCs, and all but one IT were met. The IT putting a ceiling on primary current expenditure was surpassed by less than 0.1 percent of GDP. They also met all end-September ITs, except for the ceiling on VAT-refund arrears, exceeded by 0.02 percent of GDP. The authorities met the IT on domestic arrears, which dropped below 0.1 percent of GDP at end-September in line with the authorities' arrears clearance strategy (Text Table 2).

Text Table 2. Burkina Faso: Arrears and Floating Debt Reconciliation (at end-September 2025)

	Arrears (More than 3 Months)		Floating debt (Less than 3 Months)	
	Billion FCFA	Percent of 2025 GDP	Billion FCFA	Percent of 2025 GDP
VAT reimbursements	5.4	0.0	64.2	0.4
Non-VAT	4.8	0.0	23.1	0.1
Total	**10.2**	**0.1**	**87.3**	**0.6**

Sources: Burkinabè authorities; and IMF staff calculations.

11. The structural agenda for the 4th review has been implemented except for the publication of the GDA report. All four continuous SBs and the end-June SBs on the audit of public procurement and on the beneficial ownership registry were met (MEFP Tables 2a and 2b). The end-June SB on energy sector reform was not met but the required report was subsequently submitted in July 2025. The authorities also met both end-October governance-related SBs, by adopting the action plans building on GDA priority recommendations and on the findings of the public procurement audit; however, the end-June SB on the publication of the GDA report was not met. The authorities expressed concern that the report could be misconstrued by the broad public and its publication could undermine their broader efforts to curb corruption which, in staff's view, could exacerbate the country's fragility.

12. The authorities have taken ownership of the priority recommendations from the GDA report and are committed to their implementation. The prioritization of governance reforms by the government of Prime Minister Jean Emmanuel Ouédraogo,[8] in place since December 2024, has yielded concrete results. Most notably, in recognition of the efforts leading to a strengthening

[8] Déclaration de politique générale, December 27, 2024.

of the framework for combatting financial crimes, last October, the Financial Action Task Force (FATF) removed Burkina Faso from its AML/CFT grey list. Subsequently, in December 2025, the European Union removed it from its list of high-risk jurisdictions for money laundering and terrorist

Text Table 3. Priority Recommendations from the GDA and their Implementation

No.	Measure	Objective	Status	Time 1/
1	Regularly prepare an exhaustive list of treasury deposit accounts with balances including the identification of those opened for the benefit of non-personalized government services and include the net position of the government.	Improve fiscal transparency and governance.	Implemented. This is related to the PA for the 3rd ECF review and the continuous SB. The authorities have also shared an interim report on the ongoing audit of the treasury deposit accounts as a proposed PA for the 4th ECF review.	IM
2	Strengthen the application of public procurement regulations in order to increase the percentage of competitive contracts, while taking into account the security and humanitarian context.	Strengthen accountability and rule of law.	Partially implemented. The authorities have conducted and shared a value-for-money audit of public procurement, including competitive contracts, as SB for the 4th ECF review. They have also shared an action plan (SB, 4th ECF review, end-October 2025), and submitted an implementation report (SB, 5th ECF review, end-December 2025).	MT
3	Plan and execute judgments of government officers guilty of mismanagement.	Strengthen accountability.	Implemented. Several officials have received prison sentences for embezzlement at the Ministry of Humanitarian Action (see 3rd ECF review). The KORAG has reviewed a nine-month investigation into cases of corruption and bad practices by about 20 public officials. Administrative and judicial sanctions will be applied.	IM
4	Cease the current practice of opening deposit accounts for non-personalized government services.	Improve fiscal transparency and governance.	Partially implemented. The authorities' March 2024 decree restricts the opening of treasury deposit accounts by non-personlized services to exceptions that can only be authorized by the Minister and require a public accountant or otherwise authorized person. The authorities are also auditing and working to close existing accounts in line with the decree. See also the PAs proposed for the 4th ECF review.	IM
5	Implement integrity measures in the gold mining sector to limit interference by politically exposed persons. This should include publishing beneficial ownership of partner entities, contracts, and transactions with licensed cooperatives.	Improve fiscal transparency and governance.	Partially in the authorities' action plan. Will be included into future program conditionality.	IM/ST
6	Evaluate the implementation of operational plans for initiatives on corruption and ethics for the DGI and DGD.	Strengthen accountability.	Implemented as a SB for the 5th ECF review (end-December 2025). The SB is broader and includes concrete actions.	ST
7	Establish a mechanism for periodic audits to assess the regularity, transparency, and effectiveness of mining permit management.	Improve fiscal transparency and governance.	In the authorities' action plan and in the MEFP. Possible SB for the 6th ECF review (end-October 2026).	ST
8	Fully implement the national electronic register of beneficial owners, including networking of local registers and other competent authorities.	Fight against money laundering and terrorism financing.	Implemented as SB for the 4th ECF review.	IM
9	Ensure that supporting documents for expenses managed under the deposit account procedure are regularly submitted to the public accounting officer of the Treasury. 2/	Improve fiscal transparency and governance.	Implemented.	MT
10	Develop a plan to conduct regular (external) audits of all ministries relative to their risk and publish reports on a regular basis as well.	Improve fiscal transparency and governance.	In the authorities' action plan and in the MEFP. Possible SB for the 6th ECF review (end-October 2026).	ST
11	Adopt and implement an action plan to clear payment arrears.	Improve fiscal transparency and governance.	Implemented. See the related PA for the 3rd ECF review. The authorities have reduced arrears to below 0.1 percent of GDP at end-September 2025.	ST

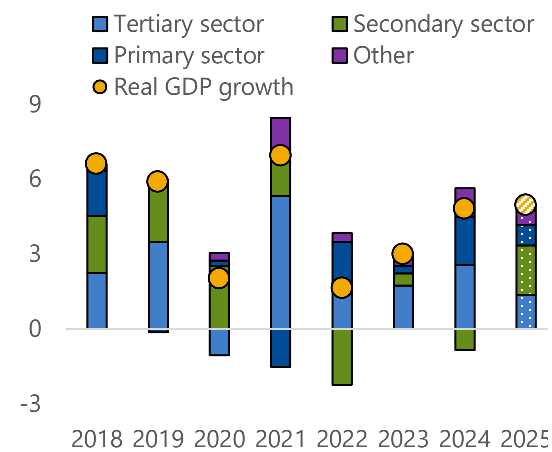
1/ IM – Immediate – implementation from 1-3 months, ST – Short Term – implementation up to twelve months, MT – Medium Term – may require 13-24 months for implementation, LT– Long Term – extend beyond 24 months for implementation.
2/ As a good practice, this should include expenses of the FSP and the Ministry of Defense. However, reporting of these expenses is not expected to be included in the action plan on the implementation of the recommendations.

financing. In their pursuit of governance reforms, in many respects, the authorities have been guided by GDA findings. Indeed, as of end-January 2026, they have implemented six out of the eleven priority GDA recommendations and partially implemented further two (Text Table 3). The authorities are also strongly committed to implementing the remaining GDA priority recommendations in the course of the program. To address the negative signaling effect of the nonpublication of the GDA report and demonstrate their resolve in pursuing governance reforms, the authorities implemented three PAs: (i) published a governance strategy document that includes the action plan to implement priority recommendations of the GDA[9] (PA 1); (ii) shared an interim audit report on the treasury deposit accounts (PA 2); and (iii) shared a progress note on the rationalization of these accounts (PA 3) (MEFP Table 2b). In parallel, they implemented two governance-related end-December 2025 SBs calling for the implementation of the action plan on public procurement and the adoption of operational plans to foster integrity in tax administration.[10]

OUTLOOK AND RISKS

13. Staff expect real GDP growth to reach 5.0 percent in 2025 and to average 4.8 percent over the medium term. For 2025, this assumes a moderation of growth in agriculture after the exceptional 2024 performance, and a rebound in construction and mining, driven by public works and progress in mining sector reforms (Text Figure 5). In effect, industrial gold production would increase in 2025 for the first time in 3 years. In the medium term, staff assume that security improvements will help sustain growth within the 4.5–5.0 percent range.

Text Figure 5. Burkina Faso: Real GDP Growth by Sector, 2018–25
(percent of GDP)



Sources: Burkinabè authorities; and IMF staff calculations.

Note: Data for 2025 are projections.

14. Inflation, estimated to have eased to -0.5 percent in 2025, reflecting a drop in food prices, is expected to converge to 2.0 percent in 2028. Staff estimate that the GDP deflator increased by 7.0 percent in 2025 with a terms-of-trade improvement (reflecting higher gold prices), causing it to diverge from the CPI.

15. The external sector is strengthening beyond its long-term fundamentals. The current account balance is expected to switch to a surplus of 1.1 and 0.8 percent of GDP in 2025

[9] Document_de_strategie_et_plan_daction_GDA.pdf.

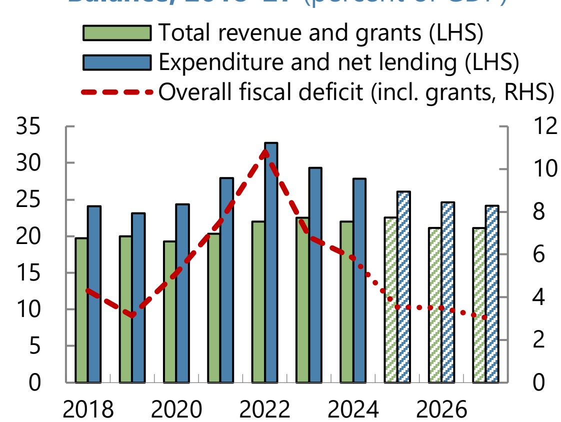
[10] The operational plans, that have been adopted and shared with staff, build on the codes of conduct of the General Directorate of Taxes (DGI) and the General Directorate of Customs (DGD), which can be found at https://dgi.bf/wp-content/uploads/2023/10/Arrete-n%C2%B02023-00169_Code-de-deontologie-et-dethique.pdf and http://douanes.bf/sydoniabf/files/Code_de_deontologie_DGD.pdf, respectively.

and 2026, respectively. Strong gold export volumes, fueled by growth in industrial and artisanal/semi-mechanized mining, and a gold price forecast of an average of US$3,472 per ounce, lead to a projected goods trade surplus of 6.6 percent of GDP in 2026. Energy imports are expected to stay contained, given a stable oil price outlook, while imports of equipment for semi-mechanized mining are expected to rise. At the same time, higher gold receipts are projected to be accompanied by a rise in imports and other outflows, reflecting current account transactions, notably mining-sector profit repatriation and related balance-sheet transactions (dividends and intercompany loan repayments), as well as financial account transactions, including the amortization of investments incurred by foreign companies and precautionary accumulation of foreign assets by residents.

16. **The fiscal outcome in 2025 is expected to be consistent with the program.** Staff project an overall fiscal deficit of 3.5 percent of GDP (i.e., 0.5 ppt of GDP tighter than anticipated at the third ECF review). The revenue projections have been revised upward by 1.5 ppts of GDP due to higher expected non-tax revenues, especially from mining dividends and domestic fuel prices fixed at a premium above their international levels. Staff have also raised projections for total expenditure by 1.1 ppts of GDP, as the authorities have partially directed additional receipts to capital spending and current transfers. Overall, the tightening of 2.3 percent of GDP in 2025 is expected to be driven by lower capital expenditures of 1.7 percent of GDP and by higher revenue of 0.5 percent of GDP compared to 2024.

17. **The proposed 2026 fiscal deficit target of 3.5 percent of GDP is consistent with the medium-term framework endorsed by the third ECF review assuming convergence to the WAEMU deficit target of 3.0 percent of GDP by 2027.** The 2026 budget, approved by the parliament on December 27, 2025, aims at an overall deficit of 2.8 percent of GDP.[11] This, however, excludes externally financed outlays pending creditors' approval. It was therefore agreed that the deficit could reach up to 3.5 percent of GDP to ensure room for additional priority spending for which concessional external financing is expected to become available (Text Figure 6). The 2026 fiscal deficit is based on conservative assumptions about the revenue side. Staff projects total government revenue to rise in nominal terms compared to the year before. At the same time, revenue is expected to be 1.5 ppts of GDP lower compared to 2025, with staff projections, based on GAS assumptions on gold and oil prices, yielding slightly higher revenue in 2026 than the projections that the authorities made using more conservative assumptions resulting

Text Figure 6. Burkina Faso: Fiscal Balance, 2018–27 (percent of GDP)



Sources: Burkinabè authorities; and IMF staff calculations.

Note: Data for 2025–2027 are projections.

[11] Based on program definitions and staff projected nominal GDP.

in lower mining dividends and fuel sales revenue (see also ¶26). On the expenditure side, staff project current expenditure to turn out 0.8 ppt of GDP lower than in 2025, mostly driven by wage bill control and capital expenditure to be reduced by 0.6 ppt of GDP.

18. Financing assumptions behind the fiscal deficit of 3.5 percent of GDP include a net external financing (NEF) contribution of 0.9 percent of GDP. Since the exact timing of the external financing remains uncertain, to avoid substituting concessional external financing with non-concessional domestic financing, the cumulative quarterly ceilings on the primary fiscal deficit will be adjusted downward if NEF falls short of projected amounts (see MEFP Table 1b and TMU). The authorities have also identified contingencies against potential domestic revenue shortfalls (or unanticipated expenditure pressures), notably, by ranking capital expenditures according to priority and making their realization contingent on resource availability.

19. Humanitarian assistance is expected to decrease. Total funding for humanitarian aid by international organizations was US$507 million in 2024, while in 2025, funding through mid-November totaled US$266 million. Official development assistance (ODA) is projected to decline by approximately US$235 million in 2025. The areas most affected by the reductions are those linked to democracy, governance, and rule of law, while the least affected ones are education, agriculture, and health. The authorities are expected to reallocate domestic resources to address urgent humanitarian needs, especially in the areas affected by insecurity. While social programs are being strengthened to compensate at least partially for off-budget ODA reductions, there is no explicit, planned fiscal response, and limited bandwidth due to ongoing conflict with terrorist groups. Balance-of-payments implications from dwindling foreign aid are estimated to be minimal, as aid shortfalls are matched by a corresponding reduction in imports.

20. Regional financing risks are balanced. Liquidity conditions in the WAEMU sovereign securities market eased, helped by a build-up of foreign reserves in recent months, but are susceptible to negative regional and country-specific shocks. The authorities have established the 2025 securities issuance plan, targeting a placement via auctions of CFAF 1,185 billion on a gross basis, with a net addition of CFAF 134 billion. Offers received in January–November 2025 covered 106 percent of targeted amounts, at yields averaging 8.3 percent, broadly as in 2024. A continued drop in credit to the private sector could unduly constrain private investment and medium-term growth in sectors other than mining.

21. Risks of external and public debt distress are moderate. The DSA indicates “low” risks of distress for external public debt and overall public debt. Due to strong dependence on gold exports, downside risks to the fiscal sector, vulnerability to extreme weather events, and the volatile security situation, staff applied judgement and assess risks as “moderate.”

22. Downside risks predominate (Annex I). Insecurity remains a challenge, and the economy is highly dependent on gold prices. With higher gold revenue there is also the risk of fiscal policy becoming procyclical, making the economy vulnerable to overheating and experiencing “boom and bust” cycles. More frequent and intense natural disasters could damage infrastructure and adversely affect external and fiscal balances. At the regional level, risks are balanced with generally improved financial conditions but the security situation in Mali and the public debt pressures in Niger and Senegal could induce some negative security and financial spillovers.[12]

POLICY DISCUSSIONS

A. Policies for Creating Fiscal Space and Ensuring Debt Sustainability

23. Discussions continued to focus on calibrating fiscal consolidation against priority spending and the availability of concessional financing. The authorities stay their course on fiscal consolidation despite a challenging security and humanitarian situation. By allowing the fiscal deficit target to deviate from the budget (implicitly making a provision for its upward revision in the supplementary budget once the anticipated additional external financing is approved) the program aims to ensure fiscal space for social, security, and other priority spending. The QPC on the primary fiscal deficit target is linked via an adjustor to the amount of NEF (MEFP Table 1b and TMU). The ceiling for net domestic financing (NDF) is comparable as a share of GDP to that set for 2025 at the third review; however, with no provision for upward adjustment in case of a NEF shortfall and would be adjusted downward if NEF is higher than projected.

24. Strong domestic revenue mobilization (DRM) continues to be a policy priority. The revenue-to-GDP ratio amounted to 20.7 percent of GDP in 2024 (highest in the WAEMU). The authorities continue to operationalize their DRM strategy (PS-DGI 2023–27[13] and PS-DGD 2022–26) and implement a post-Tax Administration Diagnostic Assessment Tool (TADAT) action plan (using the main findings of the repeat TADAT assessment held in June 2025) to boost tax administration reforms. This includes broadening the tax base through digitalization, electronic invoicing, pursuing digitalization of core customs procedures, new tax and customs offices, as well as strengthening control of cargoes and anti-fraud actions (see MEFP ¶10 and ¶51). The authorities raised the tax on stamps and introduced a tax on income from foreign sovereign securities, expecting moderate additional tax revenue. Projections foresee a slight rise in nominal revenue in 2026 but are slightly lower as a share of GDP compared to the 3rd ECF review. This also affects the medium-term revenue outlook. Main drivers are more conservative assumptions on revenue from mining and fuel sales in line with the draft 2026 budget and GDP growth coming disproportionally from the expansion of agriculture, with no commensurate revenue effect, given its subsistence character and informality.

25. Mining revenue increased by 62 percent year-on-year between January–September 2025 and the same period in 2024, boosted by rising gold prices and reforms to the mining sector (MEFP ¶66 and ¶68). Through September 2025 mining revenues reached FCAF 573 billion, compared with FCAF 475 billion for all of 2024. Over the first nine months of 2025, tax revenue increased by 44 percent and non-tax revenue by 102 percent. The sharp rise in mining revenue

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[12] At end-2025Q3, respectively, 18.0 percent, 14.2 percent, and 5.3 percent of Niger's, Mali's, and Senegal's UMOA-Titres securities were held in Burkina Faso, which is equivalent to 2.2 percent, 2.5 percent, and 1.6 percent of BFA's GDP, respectively.

[13] Plan-daction-operationnel-2025_2027-du-PS-2023_2027-de-la-DGI.pdf.

reflects the new mining code to a significant extent, including a higher government equity share, stronger oversight, increased formalization, and expanded state control over mining assets, which have increased the government's direct capture of mining profits. The cautious approach to the revenue forecast of mining sector dividends in 2026 (the forecast is built on a longer-term average) recognizes the extraordinary volatility in gold prices implying significant downside risks inherent in their current level. There are also upside risks to mining dividend revenue because dividends are primarily distributed based on the previous year's earnings. The authorities are working to strengthen real-sector data on mining—particularly in the informal sector—and will assess options, possibly with IMF capacity development, for a countercyclical revenue-management framework once more reliable and comprehensive data on mining production and exports become available.

26. The authorities will likely derive a sizeable revenue surplus from the energy sector in 2025. As international fuel prices declined and regulated national commercial prices were kept unchanged, SONABHY generated non-tax revenues (net of taxation), known as surpluses (*plus-values*), from the direct sale of fuel products, amounting to 0.9 percent of GDP through September 2025, which is projected to increase to nearly 1.2 percent of GDP by year-end.[14] In terms of fiscal costs, subsidies for electricity and butane (intended for household consumption but susceptible to exploitation by commercial users) are estimated at 1.1 percent of GDP in 2025, comprising 0.6 percent of GDP for subsidized fuel supplied to SONABEL, the state-owned electricity producer, and 0.5 percent of GDP for butane. In practice, surpluses from fuel sales by SONABHY are used to cross-subsidize electricity provision and butane consumption, leaving expected net revenue of around 0.1 percent of GDP in 2025 in the government's purse. The outlook for 2026 is uncertain due to potential shifts in international prices and pressures to lower consumer tariffs on fuels. The authorities aim to restrict the use of butane subsidies, while electricity subsidies will likely rise due to plans to develop the sector. Revisions to staff projections (established in consultation with the authorities) are based on a conservative approach, now factoring in 0.3 percent of GDP in revenue for 2026 but 1.0 percent of GDP in expenditure for 2026 and the following years (upward revisions of 0.3 ppt of GDP and 0.4 ppt of GDP, respectively, compared to the 3rd ECF review), with the difference covered by an implicit subsidy (whose exact amount will be determined in the supplementary budget for 2026).

27. The authorities continue to exercise strict control over the government wage bill. They have complemented earlier payroll-registry reforms with a nationwide presence-monitoring system for public servants, operational since March 2025, and with confirmed implementation across key ministries. In 2026, the authorities are planning to strengthen interoperability of personnel and pay registries to allow cross-checking of information. Wage bill control measures adopted and continually supplemented since the beginning of the program have lowered the share of the government wage bill in GDP from 9.0 percent in 2023 to 8.4 percent in 2024 and are expected to reduce it further to 8.1 and 7.8 percent in 2025 and 2026, respectively.

[14] This contrasts with previous years (e.g., 2022), when the same pricing mechanism resulted in an implicit subsidy rather than net revenues.

B. Advancing Governance Reforms

28. The authorities have made fiscal transparency a priority. Despite being a low-income country exposed to daunting humanitarian challenges and security threats, Burkina Faso scores close to the global average and substantially above the Sub-Saharan African average in Transparency International's Corruption Perception Index.[15] The government conducts its own fiscal governance-related assessments and audits,[16] and participates in the Extractive Industries Transparency Initiative (EITI).[17] While governance and anti-corruption frameworks are broadly in line with international standards, the GDA identified shortcomings in their implementation creating vulnerabilities. Addressing them has become the authorities' priority. As of mid-January 2026, six out of eleven priority recommendations from the GDA have already been implemented (Text Table 3). Two priority recommendations are partially implemented. The authorities are committed to subsequently include the five remaining priority recommendations into the structural agenda of the program supported by the ECF. Among others, they are already working on two priority recommendations, notably to strengthen integrity in mining licenses processes and the development of audit plans for all ministries related to their risks (MEFP ¶61). It is intended to present to the IMF's Executive Board concrete implementation proposals for these two measures in the context of the fifth review.

29. Burkina Faso has exited the FATF grey list in October 2025,[18] reflecting substantial strengthening of the AML/CFT framework. The authorities have implemented an action plan addressing legal, supervisory, and transparency weaknesses. Key measures included strengthening the legal framework and enhancing the capacity of law enforcement to combat terrorism financing. These steps have fostered compliance with international standards and reduced vulnerabilities in the financial system. As a result, the European Union has removed Burkina Faso from its list of high-risk jurisdictions for money laundering and terrorist financing.[19]

30. The recently completed public procurement audit provides valuable recommendations. According to the report (SB for end-June 2025), some risks are well controlled, such as regular contract amendments and effective management of disputes. However, uncontrolled risks include non-compliance with contract execution steps, payment irregularities, and lack of monitoring and evaluation. The authorities have shared with staff an action plan on its recommendations (SB for end-October 2025). The action plan, developed with implementing bodies, sets out 26 corrective measures to improve public procurement, optimize resource use, and strengthen regulatory compliance, specifying timelines, costs, and responsible authorities while

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[15] In 2024, Burkina Faso's score is 41, while the global average is 43, and the Sub-Saharan African countries' average is 33. See Corruption Perceptions Index 2024 - Transparency.org and CPI2024-Results-and-trends.xlsx.

[16] See RGAA_2024_IGF.pdf, Rapports généraux annuels d'Activités - ASCE-LC, and Rapports d'audits – Cour des comptes.

[17] See Burkina Faso | EITI.

[18] See Outcomes FATF Plenary, 22-24 October 2025.

[19] https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202600083.

enabling effective monitoring. The authorities have already shared an implementation report, an SB for end-December 2025, and shown that they are addressing major issues.

31. The operationalization of the Treasury Single Account (TSA) is underway, including the transfer of public sector deposits to the Treasury Deposit Bank (TDB).[20] As of September 2025, 49 percent of the targeted amount has been transferred considering each commercial bank's balance sheet financial strength. Banks also can tap alternative funding sources from the BCEAO and the private sector. Regarding state own enterprises' (SOE) term deposits, a decree drafted in September 2025 laid out transfer modalities. Meanwhile, an action plan has been drafted for the gradual repatriation of project accounts and program accounts to the TDB.

32. The authorities are rationalizing treasury deposit accounts (MEFP ¶62). They instructed the General Inspectorate of Finance to conduct an audit of the treasury deposit accounts. The overall objective of the audit, which will cover 2,000 accounts, is to ensure proper management of the deposit accounts in accordance with the legal and regulatory provisions in effect such as managerial capacity, balances, and the need to maintain the accounts or not. The audit covers all government departments. As of end-September 2025, 774 accounts had already been inspected, resulting in the identification of 663 dormant accounts. A progress report was prepared and recommendations were made. The auditing teams had targeted 1,625 accounts by end-December 2025, but they effectively audited a total of 1,851 accounts, or 113.9 percent of the target. The authorities have shared with IMF staff the progress report of the process up until end-September 2025 (prior action). They also sent staff a progress note describing the rationalization of the number of treasury deposit accounts among those already audited (prior action). In this process, the authorities have implemented the following main measures: (i) Rationalization of deposit accounts as some accounts were suspended and 190 accounts have already been closed (as of January 19, 2026); (ii) steps have been taken to no longer allow the opening of accounts without complete records, and procedures have also been developed to systematize the digital archiving of files; (iii) limiting the use of accounts for budget execution, notably that the revised decree on the management of deposit accounts (Decree No. 2024-174) introduced measures to further limit the use of these accounts for budget execution.

33. The authorities have fully digitized the Beneficial Ownership Registry (RBE) (MEFP ¶74). They shared registry statistics and screenshots with the mission team to demonstrate that the platform is operational (SB end-June 2025). Competent authorities and financial institutions with customer due diligence obligations have been granted access as required. CENTIF plans to review the database every two years to evaluate and improve the system's performance. Awareness campaigns with media, chambers of commerce, and business associations promote disclosure, and a tax administration project aims to make RBE registration mandatory for taxpayers.

[20] See Annex IV in IMF Staff Report (July 2025).

C. Strengthening Social Spending and Social Protection

34. Social spending rose in 2025, with increasing focus on capital projects. Notable increases in capital spending were observed in the areas of health and agriculture (MEFP ¶75). Health investments centered on expanding hospital beds and basic health services to reduce illness and deaths from recurring and epidemic diseases. Meanwhile, investments in agriculture focused on irrigation and purchases of inputs such as seeds and machinery. At the operational level, the Unified Social Registry (RSU) expanded its coverage from 277,000 poor and vulnerable households in 2024 to 362,000 in July 2025. Supported by the World Bank, UN agencies, and NGOs, the RSU is shared with development partners to target social policies. Moreover, around 420,000 people have registered under the national universal health insurance scheme, and efforts are ongoing to expand coverage among informal sector workers.

35. The second phase of the Support Program for the Empowerment of Poor and Vulnerable Households (PAMPV) is experiencing delays. The social safety net package, which targets 100,000 households with a five-year budget of CFAF 112.5 billion, has not yet started and remains under technical review. The authorities have adopted the joint decree establishing the program and are drafting an operational manual to guide future field activities. In line with new policy priorities, the PAMPV is being reassessed to better integrate shock-adaptive social protection measures and economic inclusion initiatives for poor and vulnerable households. Key interventions include labor-intensive public works for internally displaced people, the creation of economic units for cooperatives and vulnerable women’s groups, and measures to promote economic inclusion.

D. Making the Economy More Resilient

36. The RSF arrangement will support the authorities’ efforts to strengthen prospective macroeconomic resilience and achieve balance of payments (BoP) stability. The RSF program will foster resilience to climate-related shocks through four pillars of reform, namely fiscal transparency and resilience (Pillar 1), climate-proofing public investments (Pillar 2), resilient utilities provision and management (Pillar 3), and enhancing climate data and catalyzing public and private climate financing (Pillar 4) (see MEFP Table 3). Over the medium term, these measures will help prevent large current account deteriorations, reserve drawdowns, or sudden financing gaps, and catalyze private and public sector investment (Annex II).

37. Droughts and floodings exacerbate conflict. With 80 percent of the population relying on subsistence agriculture for their food, a quarter under threat from malnourishment, and 40 percent in poverty, natural disasters exacerbate pressures on the distribution of water, land, and food. This aggravates conflicts between herders and farmers and fuels terrorism, especially in rural areas (see also IMF, 2023; WEO 2025). In turn, conflicts raise the vulnerability of communities to natural disasters by destroying lives, livelihoods, and capital. This creates a vicious cycle, or a climate-conflict nexus, which also disrupts gold mining and raises investors’ risk premium.

38. Burkina Faso's climate strongly impacts the BoP and output. Droughts and flooding have contributed to persistent current account deficits and weakened GDP growth. Agricultural imports rise during droughts because most cropland is not irrigated, making agriculture highly climate sensitive. For example, droughts caused average annual losses of 0.9 percent of GDP during 2015–19, and the severe 2011–12 drought cut agricultural output by 12 percent and cereal production by 20 percent, triggering a food import surge and worsening the current account (Annex II). Moreover, significant oil imports for electricity generation lead to vulnerability of the BoP to oil price volatility, and flood-related infrastructure damages cause large swings in imports of reconstruction materials. On the exports side, gold and cotton production are exposed to flooding and droughts, respectively. For example, the delayed rainy season contributed to a 42-percent drop in cotton exports in 2023, widening the current account deficit. Overall, staff project that droughts reduce real per-capita GDP growth by 0.4 ppt annually and raise inflation by 2.0 ppts for fragile and conflict-affected states (FCS), in a high emission scenario.[21]

39. Enhanced public investment management would make infrastructure more resilient to natural disasters. Floods regularly impact infrastructure. For example, the largest flood on record (in Ouagadougou in 2009) caused US$150 million in damage, of which US$102 million was to public infrastructure, with recovery and reconstruction costs estimated at 2.8 percent of GDP (Annex II). Recent assessments found that nearly 30 percent of the country's dams needed repair after flood damage (Fiscal Risks Statement, 2023). At the same time, infrastructure maintenance is under-resourced with budget allocations less than 2 percent of asset value and actual execution rates of around 40–45 percent (IMF C-PIMA, 2025). This funding gap means infrastructure is not adequately maintained, letting minor damage compound into failures. Incorporating disaster consideration into infrastructure management would make the BoP more resilient, as it helps to prevent output and export losses, spikes in reconstruction imports, and external financing needs.

40. A comprehensive fiscal framework is needed to manage the impact of natural disasters. The MEF has a general contingency of 10 percent of budget and 3 percent of GDP (CPD IMF, 2025). However, funds are not solely earmarked for disaster responses, leading to no guarantee that funds are available when natural disasters hit. A disaster risk financing (DRF) strategy could help to prevent abrupt budget adjustments or unplanned external borrowing in response to disaster shocks, which can lead to sudden increases in external debt and affect international reserves, undermining BoP stability. The true fiscal costs of disasters could be better estimated if line ministries reported to the MEF the reallocation of funds from other projects to respond.

41. Solar energy makes the BoP less dependent on fuel imports but requires more power storage capacity. The country depends heavily on imported fossil fuels, with hydrocarbons making up about a quarter of imports. It also depends on imports for 60 percent of its electricity consumption. This exposes the trade balance and the fiscal sector to oil price and regional power price shocks. Until recently, frozen fuel prices and rising subsidies—peaking at 4.1 percent of GDP in

[21] Tintchev and Jaramillo (2024): Hanging Out to Dry? Long-Term Macroeconomic Effects of Drought in Fragile and Conflict-Affected States. IMF Working Papers. Volume 2024: Issue 106.

2022[22]—burdened the budget. To meet growing demand, the authorities plan to expand both thermal and renewable energy sources in an 'all of the above' strategy. Over the past five years, renewable energy has grown to 38 percent of total installed generation capacity. This has been driven by fiscal subsidies (primarily in the form of tax and customs exemptions, see Annex II for more details), which amounted to over 1.3 percent of government revenue excluding grants in 2024. These subsidies, which do not target marginal investors as they are available to all investors, require better targeting and efficiency. More power storage is also needed so that solar energy production does not destabilize the grid during the peak solar energy production hours and, ultimately, helps cover evening consumption without relying on imported electricity.

42. A more efficiently managed water SOE would raise resilience amid water scarcity and droughts. Droughts and rapid population growth cause challenges for water provision. While much of the population has access to drinking water, the country faces water scarcity with an average annual per capita consumption of below 1,000 m^3 (CPD IMF, 2025). Water charges and collection rates are among the highest in the region. At the same time, the water SOE ONEA faces accounting, financial, and administrative challenges according to a 2023 audit. Addressing these issues will help improve operational efficiency and improve financial sustainability while mitigating fiscal risks, which is especially important in supporting the government's initiatives to expand coverage, including areas reclaimed by government forces. Non-revenue water supply is high at 30 percent.

43. More accessible, reliable, and granular climate investment data would foster private and public sector investment and lower vulnerabilities. Existing sources often report differing aggregate investment figures, and sub-national data on past and planned investments are largely absent. The lack of reliable information limits investors' ability to assess risks and opportunities and constrains the government's capacity to plan, communicate, and mobilize climate financing. A robust information architecture and reliable, accessible data would help increase investment flow.

44. The RSF reform agenda reinforces the authorities' ongoing ECF-supported reforms. Pillar 1 reforms complement the continuous SB on fiscal transparency as well as prior actions to address issues with treasury deposit accounts. Pillar 2 reforms build on SBs on climate budget tagging (3rd ECF review) and public procurement (4th and 5th ECF reviews). Pillar 3 focuses on resilient utilities provision and management (1st and 4th ECF reviews). Pillar 4 reinforces climate data and finance. Hereby, RSF reforms anchor and amplify the gains achieved under the ECF program, safeguarding fiscal and external stability.

[22] Estimation for fuel products, for fuel sales to SONABEL, and excluding butane was sourced from *Evaluation and Reform of Fuel Subsidies*, IMF 2024.

Pillar 1: Strengthening Fiscal Transparency and Resilience

45. The authorities will embed disaster-risk management into fiscal policy. These reforms will institutionalize forward-looking fiscal planning to climate-related shocks, shifting the approach from reactive crisis responses to proactive risk management.

46. *Disaster risk finance strategy (MEFP ¶83).* The authorities will formulate and adopt a National Disaster Risk Financing Strategy (RM 1) aligned with good practice (e.g., combining budget reserves, contingent financing, and risk transfer). This strategy, led by the MEF, will prioritize financing for climate-related shocks with a particular focus on agriculture, allowing a quick response to droughts or floods without large import cuts or external emergency borrowing. Successful initiatives of the authorities such as the African Risk Capacity insurance payout of US$4.5 million provided budget support and buffered reserves after the 2023 drought.

47. *Disaster impact fiscal database (MEFP ¶84).* To ground fiscal decisions in evidence, the government will establish a database to track the fiscal costs of natural disasters (RM 2). This database will record expenditures for droughts, floods, and other disasters. A summary of the database will be published in the climate chapter of the Fiscal Risks Statement (FRS) in the 2027 budget, including at least two past disaster events, and will be updated with each future FRS. This will enhance the transparency and credibility of fiscal policy related to disaster impacts.

48. *Fiscal risks statement (MEFP ¶85).* Starting with the 2027 budget, the MEF will integrate a medium-term climate risk analysis into the climate chapter of the FRS, including quantitative analysis of disaster impacts on key fiscal aggregates (RM 3), and strengthening the integration of disaster risk finance into the macro fiscal framework.

Pillar 2: Resilient Public Investment

49. The authorities will include resilience considerations in public investment management to support infrastructure.

50. *Climate criteria into project appraisal and selection (MEFP ¶86 and ¶87).* A ministerial order will mandate that all major public investment projects undergo climate vulnerability assessments and incorporate adaptation measures into existing procedures (RM 4). The revised selection criteria will require, at a minimum: (i) for adaptation projects, an objective to reduce vulnerability, an assessment of climate risks and related management measures, and resilience plans; and (ii) for mitigation projects, emissions reduction and Nationally Determined Contribution (NDC) targets, sectoral policies, and a carbon footprint assessment. The authorities will apply the process to at least three large infrastructure projects (RM 5). They will publish a justification for the selection of the projects, and a summary of the climate assessments.

51. *Strengthening climate-resilient infrastructure maintenance (MEFP ¶88 and ¶89).* The authorities will develop a methodology to evaluate maintenance needs considering climate exposure (e.g., for flooding and droughts on irrigation systems and roads), initially focusing on three ministries (RM 6). This will address gaps in maintenance budgeting, aligned with IMF C-PIMA recommendations to estimate needs and costs with climate considerations.[23] The government will apply the methodology in three pilot ministries to ensure that infrastructure receives maintenance support to remain resilient (RM 7). The ministries will be selected based on objective criteria, including asset value, exposure to climate hazards, criticality of services, and data readiness. They will prepare maintenance plans, specify priority activities and costs as well as publish the results of the pilot projects. The authorities have committed to mainstreaming this approach subsequently through their multi-annual expenditure programming documents (MEFP ¶88).

Pillar 3: Resilient Utilities Provision and Management

52. The authorities will incentivize private investment in storage of renewable energy and strengthen the management of the water SOE.

53. *Storage of renewable energy (MEFP ¶90).* The authorities will introduce a revised fiscal incentive framework in the 2027 budget to boost private investment in storage of renewable energy (RM 8). Incentives for renewable energies and storage will be redesigned to increase efficiency and attract investors. The new incentives will repurpose the existing incentive package and not increase the deficit. They will be time-bound, include sunset clauses, and be calibrated to align with fiscal consolidation objectives. They will prioritize capital-intensive storage investments, addressing the current imbalance where most investment has flown into solar panels, leaving storage underdeveloped. The reform will reduce energy import dependence and mitigate external vulnerabilities.

54. *Water SOE reform (MEFP ¶91).* The water SOE will elaborate and execute an action plan to resolve all weaknesses identified in the 2023 ASCE-LC audit. ASCE-LC will certify completion of these measures (RM 9). Furthermore, reducing non-revenue water (NRW), estimated at approximately 30 percent, remains a key priority. The authorities will adopt a multi-year strategy to lower NRW through improved monitoring and targeted interventions to reduce technical and commercial losses. An interim assessment of the strategy's effectiveness will be conducted and appended to the ASCE-LC report. A well-functioning water SOE will strengthen water service provision, moderate fiscal pressures, and improve efficiency of public investment.

Pillar 4: Climate Data and Finance

55. The reforms support external stability by facilitating risk-informed decision-making by private and public investors and are expected to contribute to catalyzing climate financing.

56. *Hazard and climate risk data (MEFP ¶92).* The authorities will adopt a ministerial order mandating the online publication of climate hazard and risk maps developed by government

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[23] Burkina Faso: Rapport d'Assistance Technique-Evaluation de la gestion des investissements publics - PIMA et PIMA Changement.

(RM 10). The order will clarify the obligation for ongoing disclosure. It will cover all hazard and climate risk maps, including those on floods, droughts, and landslides, as well as climate projections. The online publication will help ensure that investors are cognizant of climate risks (e.g., locating a new industrial park on safer ground or building flood defenses). Over time, this will lower physical damage from extreme weather events, which will translate to fewer import-intensive reconstruction needs and smaller disruptions to production and exports.

57. ***Enhanced climate financing data in the Measuring, Reporting, and Verification (MRV) system (MEFP ¶93)***. The authorities will adopt and implement through a ministerial order the extension of the existing MRV system (RM 11). As part of this, the authorities will establish a national database capturing climate investment projects from the public and private sectors. Data from the database will be used for the MRV extension. This reform will strengthen the climate information architecture, support investors' due diligence of investment risks and opportunities, and enable better planning of future investments. This will build investor confidence and ensure that climate investments are aligned with national priorities.

PROGRAM MODALITIES, FINANCING ASSURANCES AND OTHER ISSUES

58. Program monitoring. The completion of the fourth review will enable the fifth disbursement under the ECF arrangement (SDR 24.08 million, 0.1 percent of GDP) (Table 7). Future reviews will continue to rely on six-monthly QPCs and ITs. New QPCs and ITs through end-December 2026 are proposed for the sixth and seventh review (MEFP Table 1b). One new SB related to wage bill control is proposed for the sixth review (MEFP Table 2b).

59. Focus of reforms. Reforms focus on improving fiscal governance and wage bill control with a total of four SBs, for the fifth and sixth reviews. The authorities continue to surprise on the upside with their capacity to implement reforms. At the same time, they have limited bandwidth due to the ongoing conflict with terrorist groups and the difficult humanitarian situation.

60. Standard continuous performance criteria (PCs). The authorities have observed the standard continuous PCs (footnote 2 in MEFP Table 1a).

61. Pre-HIPC initiative legacy external arrears. Arrears of US$52.6 million to Côte d'Ivoire, and US$6.9 million to Libya amounted to (0.2 and 0.02 percent of BFA's 2025 GDP, respectively). The Libyan and the Burkinabé governments have signed a debt rescheduling agreement in October 2025 with a first repayment due at end-January 2026. Consistent with the Fund's lending-into-official-arrears (LIOA) policy and reflecting the good progress in the discussions to settle legacy arrears, Côte d'Ivoire has consented to the IMF providing financing under the ECF.

62. RSF Modalities:

- **Eligibility**. BFA meets the RSF eligibility based on its per capita gross national income, as part of Group A for the purpose of interest charges.

- **Proposed access.** Staff propose access at 75 percent of quota (SDR 90.3 million), supported by a high-quality package of reform measures (RMs). The proposed RMs are critical, ambitious, and deep, considering the country's starting position and fragile context. Moreover, the authorities have shown a strong commitment to implementing a successful RSF and demonstrated adequate implementation capacity to meet the objectives of the ECF program at the same time.

- **Duration and phasing.** The proposed RSF arrangement will run until September 20, 2027, in alignment with the ECF arrangement. RSF disbursements will be used as budget support. The resulting larger policy space will support investments and reforms for longer-term resilience to natural disaster shocks. Disbursements are equally split among eleven RMs expected to be completed over four reviews (Table 8).

63. Modifications of the TMU. Staff and authorities agreed on adjustors to the ceilings on net domestic financing and on the primary fiscal deficit for 2026, on a definition of the program exchange rate, and on amended definitions of the ITs on poverty-reducing current social expenditure, government revenue, and primary current expenditure (regarding the latter two, the essence of the proposed amendments is to recognize that the FSP should be excluded from their definitions as it relies on voluntary contributions for revenue and the finance ministry does not control the timing of its expenditure execution).

64. Burden sharing. The World Bank (WB) disbursed US$60 million under its Human Capital Protection Project (HCPP) in 2024 and US$40 million in 2025H1. The OPEC Fund disbursed a concessional financing envelope of US$30 million in 2025H1. Both disbursements are retroactive and qualify as gap-filling financing, as they reimburse budgeted government expenses after these have been incurred and audited. The WB also approved follow-up support for the next 12-month period in October. Under the renewed program, the WB will disburse another US$30 million in early 2026. The remaining US$70 million are expected to be disbursed by June 2026. The OPEC Fund also approved a new US$30-million package for the next 12-month period, ending in June 2026. Discussions with the WB for a new budget support envelope will depend on the authorities' proposal of a strong reform package and continued satisfactory performance under the current HCPP. Discussions between the authorities and the African Development Bank on a possible budget support package of CFAF 100 billion, which are expected to start being disbursed in 2027, are ongoing. The cumulative financing gap for the ECF program is CFAF 290.7 billion during 2025–27, of which other partners cover CFAF 169.6 billion (Text Table 4 and Table 6), leaving for the Fund to cover the remaining 41.7 percent of the BoP need. RSF disbursements in 2026 and 2027 are treated separately and do not contribute to closing the gap.

Text Table 4. Burkina Faso: Burden Sharing Under the Program, 2025–27
(CFAF billions)

	2025	2026	2027	Total	Percent
Total Projected Budget Support	**59.5**	**128.5**	**102.8**	**290.7**	**100.0**
IMF ECF	18.9	55.7	46.6	121.1	41.7
Other Donors (including IDA)	40.6	72.8	56.2	169.6	58.3
Residual Financing Gap	0	0	0	0	
IMF RSF	0	19.0	50.8	69.8	

Source: IMF staff data and projections.

65. **The Fund-supported ECF program remains fully financed, with firm commitments in place over the next 12 months.** Staff assess that there are good prospects for the financing of the remainder of the program, contingent on the continuation of budget support after the current commitment period. Discussions between the authorities and development partners on additional concessional financing for the period beyond the next 12 months, including the World Bank and the African Development Bank, are progressing well and are expected to close the remaining financing gap, with strong potential to catalyze further external support.

66. **The capacity to repay the Fund remains adequate with reduced risks compared to the previous reviews due to improved terms of trade.** With the proposed RSF access, total outstanding IMF credits will peak at 384.5 percent of quota by end-2027, about 1.9 percent of GDP (Table 10 and Figure 1). Total obligations to the IMF peak at 45.2 percent of quota in 2029. If concessional and non-concessional borrowing become unavailable, pooled WAEMU reserves would help service IMF debt, provided the government has counterpart funds in local currency and that other countries in the union are not simultaneously affected by a shock that requires them to draw on reserves. Since WAEMU countries share reserves under the solidarity principle, there are no exclusive reserves per country. For illustrative purposes, the Capacity to Repay charts (Figure 1) display international reserves proxied by imputed reserves measured as net foreign assets. Note that WAEMU obligations to the Fund are set to rise and remain elevated in the medium term. Program policies and the authorities' strong record of servicing IMF debt mitigate risks.

67. **Risks to the program.** The major risk to the program is a further deterioration of the security situation and political instability in Mali that could spill over to Burkina Faso. While the GDA points to governance weaknesses, authorities have already addressed six out of eleven priority recommendations and have included further reforms in their program. Continuous engagement with the authorities, conditionality, and the authorities' strong record of servicing IMF debt effectively mitigate IMF exposure risks.

68. **IMF safeguards assessment.** The most recent safeguards assessment of the BCEAO was completed in August 2023. Progress on implementing the recommendations has been slow. A key recommendation was to align the BCEAO's Statute with the amendments introduced in the 2019 cooperation agreement with France. Staff continue to engage with the authorities to support follow-up efforts. The BCEAO welcomed the 2023 safeguards assessment's finding that it "continues

to have strong internal and external audit arrangements, sound financial reporting, and a well-established robust control environment." The BCEAO also noted that following the assessment, it adopted a roadmap and incorporated related actions into its strategic plan. On the pending recommendations, the BCEAO noted that progress was being made on aligning the BCEAO's Statute with the amendments introduced in the cooperation agreement with France. Thus far, four of the eight member States have ratified the revised cooperation agreement.

69. Capacity development (CD) and sustained Fund engagement remain critical. Staff will provide CD to support RSF reforms, including on disaster risk finance and PFM, and the design of fiscal incentives for renewable energies and storage. They will continue the ongoing CD agenda on revenue administration, debt management, and national accounts. The authorities expressed interest in CD on mining activities in national accounts and mining revenue management.

STAFF APPRAISAL

70. The economy remains resilient despite the challenging humanitarian and security situation. Staff expect real GDP growth to increase from 4.8 percent in 2024 to 5.0 percent in 2025, as a rebound in gold production outweighs the negative impulse from fiscal policy tightening. Inflation is projected to ease from 4.2 percent in 2024 to -0.5 percent in 2025. The current account balance is expected to reach a surplus of 1.1 percent of GDP in 2025 due to higher gold prices and production. The risk of external and overall public debt distress remains moderate.

71. Fiscal consolidation is on track. Data through September 2025 point to a strong revenue performance and sustained discipline on the expenditure side. As a result, the fiscal deficit will likely not exceed 3.5 percent of GDP in 2025 (compared with the program objective of 4.0 percent) (Text Table 1, Table 3b). This would imply a tightening of 2.3 ppts of GDP since 2024, less than half of which is driven by higher gold mining revenues and a majority through cuts to capital expenditure consistent with the 2025 budget.

72. The fiscal deficit is on track to converge to the WAEMU deficit target of 3.0 percent by 2027. The 2026 budget sets a deficit target of 2.8 percent of GDP. This, however, customarily excludes externally financed outlays pending creditors' approval. It was agreed that the deficit could reach up to 3.5 percent of GDP in 2026 to ensure room for additional priority spending for which concessional external financing is expected to become available. The authorities will press on with their domestic revenue mobilization strategy and the mining tax reform. On the expenditure side, they intend to further increase their poverty-reducing interventions (with an increased emphasis on investing in job creation and infrastructure) while maintaining tight control over the wage bill and optimizing the borrowing costs via proactive domestic debt management.

73. Program performance is strong. The authorities met all end-June 2025 quantitative performance criteria (QPCs), all continuous QPCs, and all but one IT, which they missed by less than 0.1 percent of GDP. They also met all end-September ITs, except for the ceiling on VAT-refund arrears, which they missed by 0.02 percent of GDP.

74. The authorities are on track and expanded their structural reform agenda, including fiscal governance. They met eight structural benchmarks. The SB on energy sector reform was missed but implemented with delay, while the SB on the publication of the Governance Diagnostics Assessment (GDA) report was not met. Nevertheless, the authorities demonstrated strong ownership of the governance agenda and their resolve in pursuing governance reforms, having already implemented six out of eleven GDA priority recommendations. At the same time, staff acknowledge the authorities' concern that the publication of the GDA report at this juncture could be misconstrued by the broad public and undermine their own efforts to implement governance reforms which, in staff's view, could exacerbate the countries' fragility. Staff consider that the potential negative signaling effect associated with the nonpublication of the GDA report has been effectively addressed through prior actions: (i) the publication of a governance strategy document; (ii) the transmission of an interim audit report on the treasury deposit accounts; and (iii) the submission of a progress note on the rationalization of the audited accounts. The implementation of these PAs, concurrently with other governance-related elements of the program (including two end-December 2025 SBs calling for the implementation of the action plan on public procurement and the adoption of operational plans to foster integrity in tax administration) testify to the authorities' commitment to good governance. The authorities are committed to subsequently include the remaining five priority recommendations into the structural agenda of their program. Among others, they are already working on two critical reforms to strengthen integrity in mining licenses processes and institute regular audits of all ministries relative to their risks.

75. Staff support the authorities' strong commitment to enhancing resilience. The RSF arrangement will complement the existing ECF-supported program with powerful synergies in the areas of public financial management, data transparency, and SOE efficiency and governance, which will help advance macro-critical reforms. The RSF reform package reflects the authorities' strong commitment to enhancing fiscal transparency and resilience, embedding climate considerations into public financial management practices, protecting macro-critical resources, and transparent publication of climate and risk data. IMF staff have coordinated closely with development partners, including the World Bank and other technical agencies, to ensure that the reform design is ambitious, context-specific, and well-sequenced. The RSF arrangement will support Burkina Faso in addressing prospective balance of payments vulnerabilities stemming from its climate, particularly in the context of fiscal consolidation, water stress, and energy import dependence. Staff consider the reform package appropriate and support the authorities' request for the RSF arrangement.

76. Given the authorities' achievements on reforms and strong program performance, staff support the completion of the Fourth Review under the ECF arrangement, the request for an arrangement under the Resilience and Sustainability Facility, and the Financing Assurances Review.

Table 1. Burkina Faso: Selected Economic and Financial Indicators, 2023–29

Population (2024): 23.5 million — Gini Index (2021): 37.4

Per capita GDP (2024): 982 USD — Life Expectancy (2021): 62 years

Share of population below the poverty line (2022): 43.7% — Literacy rate (2023): 41%

	2023	2024	2024	2025	2025	2026	2027	2028	2029
	Act.	ECF 3rd Review	Prel.	ECF 3rd Review	Proj.	Proj.	Proj.	Proj.	Proj.
	(Annual percentage change, unless otherwise indicated)								
GDP and Prices									
GDP at constant prices	3.0	5.0	4.8	4.2	5.0	4.9	4.8	4.8	4.8
GDP deflator	2.0	8.9	9.7	5.9	7.0	4.4	2.7	2.0	2.0
Consumer prices (annual average)	0.9	4.2	4.2	3.0	-0.5	1.4	2.1	2.0	2.0
Consumer prices (end of period)	1.0	4.9	4.9	3.0	-2.2	2.9	2.1	2.0	2.0
Money and Credit									
Broad money (M3)	-3.0	7.2	7.2	6.1	5.9	9.6	7.6	6.8	6.9
Net domestic assets (banking system) 1/	5.3	0.4	0.4	6.1	0.7	7.4	7.0	4.8	4.8
Credit to the government (banking system) 1/	3.0	3.7	3.7	3.8	1.7	3.0	2.2	1.5	1.4
Credit to private sector	5.9	-2.2	-2.2	2.6	-2.8	5.7	5.4	5.4	5.3
Private sector credit/GDP	31.9	27.0	27.2	25.1	23.5	22.7	22.2	21.9	21.6
External Sector									
Exports (f.o.b.; valued in CFA francs)	-3.1	2.0	12.3	25.3	43.2	5.9	4.9	2.6	2.3
Imports (f.o.b.; valued in CFA francs)	-1.5	4.8	8.4	10.8	16.6	5.7	7.5	7.0	6.0
Current account (percent of GDP)	-5.1	-5.7	-3.5	-3.4	1.1	0.8	0.8	-0.4	-1.3
	(Percent of GDP, unless otherwise indicated)								
Central Government Finances									
Current revenue	20.8	20.6	20.7	19.8	21.4	19.9	19.9	20.2	20.3
Of which: Tax revenue	18.4	18.3	18.4	18.1	17.8	17.5	17.9	18.2	18.4
Total expenditure and net lending	29.3	27.7	27.8	25.0	26.1	24.6	24.2	24.4	24.6
Of which: Current expenditure	18.1	16.3	16.4	16.0	16.5	15.7	15.9	15.5	15.1
Overall fiscal balance, incl. grants (commitments)	-6.8	-5.8	-5.8	-4.0	-3.5	-3.5	-3.0	-3.0	-3.0
Total public debt	56.8	56.9	57.2	56.1	52.1	51.2	50.7	50.3	49.9
Of which: External debt	26.2	25.4	25.5	24.8	21.3	20.5	20.7	20.5	20.4
Of which: Domestic debt	30.6	31.6	31.8	31.3	30.8	30.6	30.0	29.8	29.5
Memorandum Items:									
Nominal GDP (CFAF billion)	12,200	14,098	14,022	15,561	15,750	17,255	18,574	19,845	21,209
Nominal GDP per capita (US$)	874	975	982	1,002	1,127	1,250	1,312	1,367	1,427
Nominal exchange rate (CFAF/US$, period average)	606	606	606	635	580	560	562	563	563
Gold price (USD/troy ounce)	1,943	2,387	2,387	2,821	3,218	3,472	3,568	3,578	3,578

Sources: Burkinabé authorities; IMF staff estimates and projections.

1/ Annual change in percent of beginning-of-period broad money.

Table 2. Burkina Faso: Balance of Payments, 2023–29

	2023	2024	2024	2025	2025	2026	2027	2028	2029
	Act.	ECF 3rd Review	Prel.	ECF 3rd Review	Proj.	Proj.	Proj.	Proj.	Proj.
	(CFAF billions, unless otherwise indicated)								
Current Account	-617.0	-803.0	-488.4	-528.6	169.9	130.3	139.3	-87.8	-283.1
Trade balance	-56.7	-150.0	64.4	309.0	1,033.2	1,103.3	1,042.3	861.3	694.4
Exports of goods	3,209.1	3,274.0	3,602.9	4,101.1	5,158.1	5,462.6	5,729.4	5,875.9	6,011.2
Of which: Cotton	153.9	112.8	203.4	124.4	145.1	159.4	167.3	173.9	181.9
Of which: Gold	2,409.2	2,715.4	2,965.2	3,506.1	4,619.0	4,911.2	5,160.3	5,288.5	5,399.7
Imports of goods	-3,265.8	-3,423.9	-3,538.5	-3,792.2	-4,124.9	-4,359.2	-4,687.1	-5,014.6	-5,316.8
Of which: Oil	-710.2	-849.7	-812.4	-991.6	-838.6	-897.5	-1,002.1	-1,097.7	-1,154.1
Services, net	-502.7	-574.9	-476.7	-634.5	-535.5	-586.6	-631.5	-674.7	-721.1
Primary income, net	-544.4	-501.8	-564.8	-500.6	-663.2	-731.8	-626.4	-624.2	-605.8
Secondary income, net	486.9	423.6	488.8	297.6	335.4	345.4	354.9	349.8	349.4
Of which: Official transfers, net	269.0	269.0	269.0	134.5	134.5	134.5	134.5	134.5	134.5
Capital Account	262.6	237.6	237.6	236.8	246.9	274.3	288.6	304.4	321.2
Project grants	203.5	178.5	178.5	177.7	187.8	215.2	229.5	245.3	262.1
Financial Account	605.3	875.5	560.8	293.1	-30.9	-409.5	-465.9	-146.3	55.7
Direct investment	39.0	224.9	224.9	118.8	268.8	183.1	223.8	187.9	217.7
Portfolio investment	299.5	546.3	171.3	287.2	250.8	144.9	183.6	178.3	177.6
Other investment	266.7	104.3	164.6	-112.8	-550.5	-737.5	-873.3	-512.5	-339.6
Commercial banks	555.9	-47.6	-47.6	-16.6	40.0	-58.5	-36.9	-38.4	-39.9
General government	158.1	185.9	185.9	204.1	160.2	148.1	222.3	257.5	287.4
Project loans	295.1	292.2	292.2	309.5	287.8	364.4	339.3	362.6	387.5
Program loans	0.0	29.1	29.1	63.5	40.6	72.8	56.2	56.3	56.3
Amortization of public loans (excl. IMF)	-136.9	-135.4	-135.4	-169.0	-168.2	-289.1	-173.2	-161.3	-156.4
Other private	-447.3	-34.1	26.2	-300.2	-750.7	-827.2	-1,058.7	-731.7	-587.1
Errors and Omissions	-	-	-	-	-	-	-	-	-
Overall Balance	250.8	310.0	310.0	1.3	385.9	-4.9	-37.9	70.3	93.8
Net change in foreign assets of the central bank	-250.8	-310.0	-310.0	-1.3	-385.9	4.9	37.9	-70.3	-93.8
Of which: IMF net financing	-56.7	-26.0	-26.0	-16.5	5.4	-21.6	-14.8	34.6	42.5
Disbursements (past and prospective)	68.2	38.8	38.8	39.9	18.9	55.7	46.6	0.0	0.0
Repayments (excluding charges)	-11.5	-12.7	-12.7	-23.4	-24.2	-34.0	-31.8	-34.6	-42.5
Of which: SDR allocation	-	-	-	-	-	-	-	-	-
Residual Financing Gap	-	-	-	-	-	-	-	-	-
RSF disbursement	-	-	-	-	-	19.0	50.8	-	-
	(Percent of GDP, unless otherwise indicated)								
Memorandum Items:									
Exports of goods	26.3	23.2	25.7	26.4	32.7	31.7	30.8	29.6	28.3
Imports of goods	-26.8	-24.3	-25.2	-24.4	-26.2	-25.3	-25.2	-25.3	-25.1
Trade balance (goods)	-0.5	-1.1	0.5	2.0	6.6	6.4	5.6	4.3	3.3
Trade balance (services)	-4.1	-4.1	-3.4	-4.1	-3.4	-3.4	-3.4	-3.4	-3.4
Trade balance (goods and services)	-4.6	-5.1	-2.9	-2.1	3.2	3.0	2.2	0.9	-0.1
Current account (– = deficit)	-5.1	-5.7	-3.5	-3.4	1.1	0.8	0.8	-0.4	-1.3
GDP at current prices (CFAF billions)	12,199.7	14,097.7	14,021.6	15,560.8	15,750.3	17,254.6	18,573.5	19,845.5	21,208.6
BCEAO Reserves (without RSF financing)									
In billion USD	15.6	22.3		23.0	29.6	32.4	33.3	33.1	34.7
In months of next year's WAEMU imports	3.5	4.6	4.6	4.7	5.7	5.6	5.4	5.1	5.0
In percent of broad money	20.0	26.2	26.2	25.4	30.0	28.8	27.0	24.6	23.6
Total RSF disbursements (CFAF billions)	-	-	-	-	-	19.0	50.8	-	-

Sources: Burkinabè authorities; BCEAO; IMF staff estimates and projections.

Table 3a. Burkina Faso: Consolidated Operations of the Central Government, 2023–29

(CFAF billions)

	2023	2024	2024	2025	2025	2025	2026	2026	2027	2028	2029
	Act.	ECF 3rd Review	Prel.	ECF 3rd Review	Supplementary Budget	Proj.	Budget	Proj.	Proj.	Proj.	Proj.
Total Revenue and Grants	**2,746.9**	**3,083.4**	**3,083.4**	**3,266.2**	**3,441.8**	**3,551.2**	**3,574.3**	**3,645.4**	**3,921.3**	**4,252.1**	**4,576.2**
Total revenue	2,543.4	2,904.9	2,904.9	3,088.6	3,254.0	3,363.4	3,359.3	3,430.1	3,691.8	4,006.8	4,314.1
Tax revenue	2,246.0	2,575.8	2,575.8	2,824.0	2,809.1	2,801.6	3,003.5	3,011.4	3,329.6	3,619.8	3,900.5
Of which: Gold Mining CIT 1/	139.0	129.0	126.4	140.2		206.5		221.0	232.2	238.0	243.0
Nontax revenue	297.4	329.1	329.1	264.5	444.9	561.7	355.9	418.7	362.2	387.0	413.6
Of which: Royalties from gold 1/	68.7	101.8	98.8	113.9		148.8		157.2	165.1	169.2	172.8
Grants	203.5	178.5	178.5	177.7	187.8	187.8	215.0	215.2	229.5	245.3	262.1
Project	203.5	178.5	178.5	177.7	187.8	187.8	215.0	215.2	229.5	245.3	262.1
Program	-	-	-	-	-	-	-	-	-	-	-
Expenditure and Net Lending 2/	**3,578.6**	**3,899.9**	**3,899.9**	**3,888.6**	**3,904.3**	**4,108.7**	**4,061.1**	**4,249.3**	**4,486.7**	**4,847.4**	**5,212.4**
Current expenditure	2,211.5	2,301.4	2,301.4	2,493.7	2,510.9	2,598.7	2,617.4	2,704.2	2,944.6	3,073.0	3,204.4
Wages and salaries	1,096.9	1,170.8	1,170.8	1,274.6	1,274.6	1,274.6	1,342.0	1,342.0	1,399.1	1,462.1	1,527.9
Goods and services	221.3	313.4	313.4	342.3	346.4	361.5	342.9	343.4	371.5	396.9	424.2
Interest payments	290.4	310.5	310.5	346.6	343.9	346.9	389.6	379.6	443.2	471.0	446.4
Domestic	247.0	263.2	263.2	307.0	289.6	307.0	327.0	342.3	406.9	435.0	410.3
External	43.5	47.2	47.2	39.5	54.4	39.9	62.6	37.3	36.3	36.0	36.1
Current transfers	602.8	506.7	506.7	530.2	546.0	615.7	543.0	639.2	730.8	742.9	806.0
Of which: Energy subsidies 3/	189.3	120.4	120.4	106.7	76.0	176.0	86.0	178.0	194.0	195.0	206.0
Investment expenditure	1,378.5	1,600.3	1,600.3	1,395.0	1,401.4	1,510.0	1,450.9	1,545.0	1,542.1	1,774.5	2,008.0
Domestically financed	880.0	1,129.6	1,129.6	907.8	988.6	1,034.4	970.5	965.4	973.2	1,166.6	1,358.4
Externally financed	498.6	470.7	470.7	487.2	412.8	475.6	480.3	579.6	568.9	607.8	649.6
Net lending	-11.5	-1.8	-1.8	-	-8.0	-	-7.2	-	-	-	-
Overall Balance 2/	**-831.7**	**-816.5**	**-816.5**	**-622.4**	**-462.5**	**-557.6**	**-486.8**	**-603.9**	**-565.4**	**-595.4**	**-636.3**
Financing	**867.6**	**841.6**	**841.6**	**622.4**	**462.5**	**557.6**	**486.8**	**603.9**	**565.4**	**595.4**	**636.3**
Foreign financing	158.1	185.9	185.9	204.1	40.1	160.2	49.2	148.1	222.3	257.5	287.4
Drawings	295.1	321.3	321.3	373.0	225.0	328.3	338.2	437.2	395.5	418.8	443.8
Project loans	295.1	292.2	292.2	309.5	225.0	287.8	265.3	364.4	339.3	362.6	387.5
Program loans	-	-	-	-	-	-	-	-	-	-	-
Other loans 4/	-	29.1	29.1	63.5	-	40.6	72.9	72.8	56.2	56.3	56.3
Amortization (excl. IMF)	-136.9	-135.4	-135.4	-169.0	-184.9	-168.2	-289.1	-289.1	-173.2	-161.3	-156.4
Domestic financing	709.5	655.7	655.7	418.4	422.4	397.4	437.6	455.8	343.1	337.8	348.9
Bank financing	584.8	496.1	496.1	489.9	208.4	311.0	259.2	281.2	226.3	202.9	209.5
Central bank	114.6	-30.0	-30.0	16.5	15.1	-5.4	38.0	21.6	14.8	-34.6	-42.5
Of which: IMF net financing	56.7	26.0	26.0	16.5	15.1	-5.4	38.0	21.6	14.8	-34.6	-42.5
Disbursements	68.2	38.8	38.8	39.9	38.5	18.9	72.1	55.7	46.6	-	-
Repayments	-11.5	-12.7	-12.7	-23.4	-23.4	-24.2	-34.1	-34.0	-31.8	-34.6	-42.5
RSF disbursement (total)	-	-	-	-	-	-	-	19.0	50.8	-	-
Commercial banks	470.2	526.7	526.7	473.4	193.3	316.3	221.2	259.6	211.5	237.5	252.0
Nonbank financing 5/	124.7	159.5	159.5	-71.5	214.0	86.4	178.4	174.6	116.7	134.9	139.4
Other domestic financing	359.6	268.7	268.7	-71.5	-	-177.0	-	-	-	-	-
Errors and omissions	-35.9	-25.0	-25.1	-	-	-	-	-	-	-	-
Financing Gap	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Memorandum Items:											
Mining revenue 1/	451.0	564.8	475.2	706.8		684.1		680.7	715.2	733.0	748.4
Overall Balance excl. mining revenue	-1,282.7	-1,381.4	-1,291.7	-1,329.3		-1,241.7		-1,284.6	-1,280.6	-1,328.4	-1,384.7
Primary Fiscal balance (including grants)	-541.3	-506.1	-506.1	-275.9	-118.5	-210.6	-97.1	-224.3	-122.2	-124.3	-189.9

Sources: Burkinabè authorities; IMF staff estimates and projections.

1/ Estimates for 2023 to 2024 were updated based on government data.

2/ Commitment basis (base d'engagement).

3/ Energy subsidies consist of subsidies for purchases of heavy fuel oil and distillate diesel oil by SONABEL for electricity production and of butane gas by households for cooking and lighting.

4/ Other loans include the new IDA financing modality and financing from OPEC.

5/ Nonbank financing represents (i) the treasury float, (ii) balance changes of Treasury accounts outside the banking system, (iii) revenues from the Patriotic Support Fund in 2023, (iv) the repayment of arrears, and (v) other net advances, including securities placed outside the domestic banking system.

Table 3b. Burkina Faso: Consolidated Operations of the Central Government, 2023–29
(in percentage of GDP, unless overwise indicated)

	2023	2024	2024	2025	2025	2025	2026	2026	2027	2028	2029
	Act.	ECF 3rd Review	Prel.	ECF 3rd Review	Supplementary Budget	Proj.	Budget	Proj.	Proj.	Proj.	Proj.
Total Revenue and Grants	**22.5**	**21.9**	**22.0**	**21.0**	**21.9**	**22.5**	**20.7**	**21.1**	**21.1**	**21.4**	**21.6**
Total revenue	20.8	20.6	20.7	19.8	20.7	21.4	19.5	19.9	19.9	20.2	20.3
Tax revenue	18.4	18.3	18.4	18.1	17.8	17.8	17.4	17.5	17.9	18.2	18.4
Of which: Gold Mining CIT 1/	1.1	0.9	0.9	0.9		1.3		1.3	1.3	1.2	1.1
Nontax revenue	2.4	2.3	2.3	1.7	2.8	3.6	2.1	2.4	2.0	2.0	2.0
Of which: Royalties from gold 1/	0.6	0.7	0.7	0.7		0.9		0.9	0.9	0.9	0.8
Grants	1.7	1.3	1.3	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Project	1.7	1.3	1.3	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Program	-	-	-	-	-	-	-	-	-	-	-
Expenditure and Net Lending 2/	**29.3**	**27.7**	**27.8**	**25.0**	**24.8**	**26.1**	**23.5**	**24.6**	**24.2**	**24.4**	**24.6**
Current expenditure	18.1	16.3	16.4	16.0	15.9	16.5	15.2	15.7	15.9	15.5	15.1
Wages and salaries	9.0	8.3	8.4	8.2	8.1	8.1	7.8	7.8	7.5	7.4	7.2
Goods and services	1.8	2.2	2.2	2.2	2.2	2.3	2.0	2.0	2.0	2.0	2.0
Interest payments	2.4	2.2	2.2	2.2	2.2	2.2	2.3	2.2	2.4	2.4	2.1
Domestic	2.0	1.9	1.9	2.0	1.8	1.9	1.9	2.0	2.2	2.2	1.9
External	0.4	0.3	0.3	0.3	0.3	0.3	0.4	0.2	0.2	0.2	0.2
Current transfers	4.9	3.6	3.6	3.4	3.5	3.9	3.1	3.7	3.9	3.7	3.8
Of which: Energy subsidies 3/	1.6	0.9	0.9	0.7	0.5	1.1	0.5	1.0	1.0	1.0	1.0
Investment expenditure	11.3	11.4	11.4	9.0	8.9	9.6	8.4	9.0	8.3	8.9	9.5
Domestically financed	7.2	8.0	8.1	5.8	6.3	6.6	5.6	5.6	5.2	5.9	6.4
Externally financed	4.1	3.3	3.4	3.1	2.6	3.0	2.8	3.4	3.1	3.1	3.1
Net lending	-0.1	-0.0	-0.0	-	-0.1	-	-0.0	-	-	-	-
Overall Balance 2/	**-6.8**	**-5.8**	**-5.8**	**-4.0**	**-2.9**	**-3.5**	**-2.8**	**-3.5**	**-3.0**	**-3.0**	**-3.0**
Financing	**7.1**	**6.0**	**6.0**	**4.0**	**2.9**	**3.5**	**2.8**	**3.5**	**3.0**	**3.0**	**3.0**
Foreign financing	1.3	1.3	1.3	1.3	0.3	1.0	0.3	0.9	1.2	1.3	1.4
Drawings	2.4	2.3	2.3	2.4	1.4	2.1	2.0	2.5	2.1	2.1	2.1
Project loans	2.4	2.1	2.1	2.0	1.4	1.8	1.5	2.1	1.8	1.8	1.8
Program loans	-	-	-	-	-	-	-	-	-	-	-
Other loans 4/	-	0.2	0.2	0.4	-	0.3	0.4	0.4	0.3	0.3	0.3
Amortization (excl. IMF)	-1.1	-1.0	-1.0	-1.1	-1.2	-1.1	-1.7	-1.7	-0.9	-0.8	-0.7
Domestic financing	5.8	4.7	4.7	2.7	2.7	2.5	2.5	2.6	1.8	1.7	1.6
Bank financing	4.8	3.5	3.5	3.1	1.3	2.0	1.5	1.6	1.2	1.0	1.0
Central bank	0.9	-0.2	-0.2	0.1	0.1	-0.0	0.2	0.1	0.1	-0.2	-0.2
Of which: IMF net financing	0.5	0.2	0.2	0.1	0.1	-0.0	0.2	0.1	0.1	-0.2	-0.2
Disbursements	0.6	0.3	0.3	0.3	0.2	0.1	0.4	0.3	0.3	-	-
Repayments	-0.1	-0.1	-0.1	-0.2	-0.1	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2
RSF disbursement (total)	-	-	-	-	-	-	-	0.1	0.3	-	-
Commercial banks	3.9	3.7	3.8	3.0	1.2	2.0	1.3	1.5	1.1	1.2	1.2
Nonbank financing 5/	1.0	1.1	1.1	-0.5	1.4	0.5	1.0	1.0	0.6	0.7	0.7
Other domestic financing	2.9	1.9	1.9	-0.5	-	-1.1	-	-	-	-	-
Errors and omissions	-0.3	-0.2	-0.2	-	-	-	-	-	-	-	-
Financing Gap	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Memorandum Items:											
Nominal GDP (CFAF billion)	12,199.7	14,097.7	14,021.6	15,560.8	15,750.3	15,750.3	17,254.6	17,254.6	18,573.5	19,845.5	21,208.6
Wage bill to tax revenue ratio (percent) 6/	48.8	45.5	45.5	45.1	45.4	45.5	44.7	44.6	42.0	40.4	39.2
Primay fiscal balance (including grants)	-4.4	-3.6	-3.6	-1.8	-0.8	-1.3	-0.6	-1.3	-0.7	-0.6	-0.9

Sources: Burkinabè authorities; IMF staff estimates and projections.

1/ Estimates for 2023 to 2024 were updated based on government data.

2/ Commitment basis (base d'engagement).

3/ Energy subsidies consist of subsidies for purchases of heavy fuel oil and distillate diesel oil by SONABEL for electricity production and of butane gas by households for cooking and lighting.

4/ Other loans include the new IDA financing modality and financing from OPEC.

5/ Nonbank financing represents (i) the treasury float, (ii) balance changes of Treasury accounts outside the banking system, (iii) revenues from the Patriotic Support Fund in 2023, (iv) the repayment of arrears, and (v) other net advances, including securities placed outside the domestic banking system.

6/ Wage bill to tax revenue ratio in 2023 is adjusted to exclude Patriotic Support Fund (FSP) resources.

Table 4. Burkina Faso: Monetary Survey, 2023–27

	2023	2024	2024	2025	2025	2026	2027
	Act.	ECF 3rd Review	Prel.	ECF 3rd Review	Proj.	Proj.	Proj.
	(CFAF billions, unless otherwise indicated)						
Net Foreign Assets	1,627.7	2,073.5	2,073.5	2,122.3	2,411.6	2,573.9	2,641.3
BCEAO 1/	-371.1	-61.1	-61.1	-59.8	324.7	319.8	281.9
Assets	524.2	910.5	910.5	987.5	1,302.3	1,380.9	1,442.1
Liabilities	895.4	971.6	971.6	1,047.3	977.5	1,061.1	1,160.1
Commercial banks	1,998.8	2,134.7	2,134.7	2,182.2	2,086.9	2,254.0	2,359.3
Net Domestic Assets	4,087.0	4,106.9	4,106.9	4,450.4	4,147.7	4,591.2	5,051.4
Domestic credit	4,771.3	4,956.1	4,956.1	5,272.3	4,969.6	5,413.1	5,873.3
Net Bank credit to government	450.0	646.2	646.2	862.8	742.1	919.4	1,061.2
BCEAO	206.3	178.3	178.3	194.8	84.3	105.9	120.8
Commercial banks	243.7	468.0	468.0	668.0	657.8	813.5	940.4
Credit to other sectors	4,321.2	4,309.8	4,309.8	4,409.5	4,227.5	4,493.7	4,812.1
Of which: Credit to private sector	3,893.0	3,807.9	3,807.9	3,906.8	3,702.3	3,912.8	4,125.4
Other items (net)	-228.5	-70.0	-70.0	-97.2	-97.2	-97.2	-97.2
Shares and other equities	912.8	919.2	919.2	919.2	919.2	919.2	919.2
Total Broad Money Liabilities	5,714.7	6,180.4	6,180.4	6,572.7	6,559.3	7,165.1	7,692.7
Liquid liabilities	5,257.0	5,637.2	5,637.2	5,983.5	5,970.1	6,540.3	7,040.2
Non-liquid liabilites (excl. from broad money)	457.7	543.3	543.3	589.2	589.2	624.8	652.4
	(Annual percentage change, unless otherwise indicated)						
Memorandum Items:							
Net foreign assets	-17.6	27.4	27.4	2.4	16.3	6.7	2.6
Net domestic assets 2/	5.3	0.4	0.4	6.1	0.7	7.4	7.0
Net credit to government 2/	3.0	3.7	3.7	3.8	1.7	3.0	2.2
Credit to Private Sector	5.9	-2.2	-2.2	2.6	-2.8	5.7	5.4
Private sector credit (percentage of GDP)	31.9	27.0	27.2	25.1	23.5	22.7	22.2
Money supply	-3.0	7.2	7.2	6.1	5.9	9.6	7.6
Velocity of money (GDP/M2) 3/	2.3	2.5	2.5	2.6	2.6	2.6	2.6

Sources: Burkinabè authorities; IMF staff estimates and projections.

1/ Only includes current reserves in BCEAO Ouagadougou. It does not include all regional reserves.

2/ Annual change as a percentage of broad money from 12 months earlier.

3/ End-of-period average.

Table 5. Burkina Faso: Selected Financial Soundness Indicators, 2021–25
(in percent)

	Dec-21	Dec-22	Jun-23	Dec-23	Jun-24	Dec-24	Jun-25 [1]
Capital Adequacy							
Reg. capital to risk-weighted assets	13.68	14.08	14.66	14.28	15.57	14.64	15.17
Asset Quality							
Gross NPLs / Total loans	7.38	5.58	6.29	7.37	8.39	8.94	10.93
Provisions / NPLs	71.39	80.16	72.40	68.12	64.65	65.36	59.37
Loan Concentration							
5 largest clients / equity	66.84	82.67	91.03	68.44	80.19	76.05	68.11
By Sector: (share of total)							
Agriculture	2.30	2.40	2.44	2.02	2.79	1.65	2.57
Extractive Industries	4.29	6.31	6.38	5.80	5.69	6.61	5.18
Manufacturing	11.23	11.22	11.29	11.73	11.56	10.71	9.48
Electricity, gas, water	2.83	2.11	2.13	2.27	1.99	1.99	2.92
Buildings/Public Works	16.06	12.41	12.49	11.08	9.55	10.81	9.79
Commercial (restaurants, hotels)	18.18	28.55	27.82	24.83	26.67	27.78	28.03
Transportation/communication	8.98	1.81	1.85	7.82	6.88	6.39	6.59
Insurance, real estate, business services	9.93	6.50	6.54	6.96	7.87	8.05	8.05
Other	26.19	28.70	29.06	27.48	27.00	26.01	27.4
Liquidity							
Loans to deposits	71.34	81.92	84.83	85.29	82.25	82.69	78.24
Liquid assets / total assets	18.67	21.23	22.43	22.92	21.72	21.54	20.98

Sources: Central bank (BCEAO) authorities; IMF staff estimates.

1/ June 2025 data are preliminary.

Table 6. Burkina Faso: External Financing Requirements, 2023–29
(CFAF billions)

	2023	2024	2024	2025	2025	2026	2027	2028	2029
	Act.	ECF 3rd Review	Prel.	ECF 3rd Review	Proj.	Proj.	Proj.	Proj.	Proj.
Financing Need	**-528.2**	**-471.5**	**-471.5**	**-707.3**	**-289.0**	**-825.9**	**-829.2**	**-762.9**	**-789.1**
Current account balance (excl. official transfers)	-886.0	-1,072.0	-757.3	-663.1	35.4	-4.2	4.8	-222.3	-417.6
IMF repayments	-11.5	-12.7	-12.7	-23.4	-24.2	-34.0	-31.8	-34.6	-42.5
Private capital flows	506.2	748.6	433.9	148.2	-132.0	-498.6	-629.1	-344.7	-172.6
Amortization of public loans (excl. IMF)	-136.9	-135.4	-135.4	-169.0	-168.2	-289.1	-173.2	-161.3	-156.4
Financing	**528.2**	**442.4**	**442.4**	**603.9**	**229.5**	**697.4**	**726.4**	**706.6**	**732.7**
Project loans:	295.1	292.2	292.2	309.5	287.8	364.4	339.3	362.6	387.5
Official transfers, net	269.0	269.0	269.0	134.5	134.5	134.5	134.5	134.5	134.5
Change in NFA central bank (excl. prospective IMF disbursements and repayments)	-307.5	-336.0	-336.0	-17.8	-380.5	-16.7	23.1	-35.7	-51.3
Past IMF financing	68.2	38.8	38.8	-	-	-	-	-	-
Project grants	203.5	178.5	178.5	177.7	187.8	215.2	229.5	245.3	262.1
Errors and Omissions	-	-	-	-	-	-	-	-	-
Financing Gap	-	**36.9**	**36.9**	**103.4**	**59.5**	**128.5**	**102.8**	**56.3**	**56.3**
IMF Financing (prospective)	-	-	-	39.9	18.9	55.7	46.6	0.0	0.0
Other Donors (including IDA)	-	36.9	36.9	63.5	40.6	72.8	56.2	56.3	56.3
Residual Financing Gap (after IMF and Donor Financing)	-	-	-	-	-	-	-	-	-
RSF disbursement (not linked to RM BoP costs)	-	-	-	-	-	19.0	50.8	-	-
Memorandum items									
Total RSF disbursements	-	-	-	-	-	19.0	50.8	-	-

Sources: Burkinabè authorities; IMF staff estimates and projections.

Table 7. Burkina Faso: Schedule of Disbursements and Phasing Under the Four-year ECF Arrangement, 2023–27

Amount	Percent of Quota	Availability Date	Conditions for Disbursement[1]
SDR 24.08 million	20.0	21-Sep-23	Executive Board Approval of a new arrangement under the Extended Credit Facility
SDR 24.08 million	20.0	31-Mar-24	Observance of continuous and end-December 2023 performance criteria, and completion of the first review under the arrangement
SDR 24.08 million	20.0	30-Sep-24	Observance of continuous and end-June 2024 performance criteria, and completion of the second review under the arrangement
SDR 24.08 million	20.0	31-Mar-25	Observance of continuous and end-December 2024 performance criteria, and completion of the third review under the arrangement
SDR 24.08 million	20.0	30-Sep-25	Observance of continuous and end-June 2025 performance criteria, and completion of the fourth review under the arrangement
SDR 24.08 million	20.0	31-Mar-26	Observance of continuous and end-December 2025 performance criteria, and completion of the fifth review under the arrangement
SDR 24.08 million	20.0	30-Sep-26	Observance of continuous and end-June 2026 performance criteria, and completion of the sixth review under the arrangement
SDR 30.1 million	25.0	31-Mar-27	Observance of continuous and end-December 2026 performance criteria, and completion of the seventh review under the arrangement
SDR 30.1 million	25.0	31-Aug-27	Observance of continuous and end-June 2027 performance criteria, and completion of the eighth review under the arrangement
Total			
SDR 228.76 million	190.0		

Sources: Burkinabè authorities; IMF staff estimates.

1/ In addition to the generally applicable conditions under the Extended Credit Facility.

Table 8. Burkina Faso: Proposed Schedule of Disbursements and Phasing Under the RSF Arrangement, 2026–27

Amount	Percent of Quota	Availability Date	Conditions for Disbursement
SDR 8.21 million	6.8	31-Mar-26	Implementation of reform measure 1.
SDR 8.21 million	6.8	31-Mar-26	Implementation of reform measure 10.
SDR 8.21 million	6.8	30-Sep-26	Implementation of reform measure 4.
SDR 8.21 million	6.8	31-Mar-27	Implementation of reform measure 2.
SDR 8.21 million	6.8	31-Mar-27	Implementation of reform measure 3.
SDR 8.21 million	6.8	31-Mar-27	Implementation of reform measure 5.
SDR 8.21 million	6.8	31-Mar-27	Implementation of reform measure 6.
SDR 8.21 million	6.8	31-Mar-27	Implementation of reform measure 8.
SDR 8.21 million	6.8	31-Aug-27	Implementation of reform measure 7.
SDR 8.21 million	6.8	31-Aug-27	Implementation of reform measure 9.
SDR 8.20 million	6.8	31-Aug-27	Implementation of reform measure 11.
Total			
SDR 90.3 million	75.0		

Sources: IMF staff estimates.

Table 9. Burkina Faso: Decomposition of Public Debt and Debt Service by Creditor, 2024–26

	Debt Stock (end of period)			Debt Service					
	2024			2024	2025	2026	2024	2025	2026
	(CFAF, bns)	*(% total debt)*	*(% GDP)*	*(CFAF billions)*			*(Percent GDP)*		
Total	**8,026.9**	**100**	**57.2**	**1,138.2**	**1,611.8**	**1,576.4**	**8.1**	**10.2**	**9.1**
External	**3,574.5**	**44.5**	**25.5**	**181.3**	**232.3**	**357.7**	**1.3**	**1.5**	**2.1**
Multilateral creditors 1/	*3,222.3*	*40.1*	*23.0*	*142.9*	*177.6*	*279.8*	*1.0*	*1.1*	*1.6*
IMF	339.5	4.2	2.4	13.0	24.6	34.3	0.1	0.2	0.2
World Bank	1,587.4	19.8	11.3	40.8	45.5	77.5	0.3	0.3	0.4
Other Multilaterals	1,295.4	16.1	9.2	89.1	107.6	167.9	0.6	0.7	1.0
Bilateral Creditors	*352.2*	*4.4*	*2.5*	*38.4*	*54.7*	*77.9*	*0.3*	*0.3*	*0.5*
Paris Club	133.4	1.7	1.0	15.2	16.8	30.9	0.1	0.1	0.2
o/w: France	116.7	1.5	0.8	13.4	23.6	12.1	0.1	0.2	0.1
Japan	4.3	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-Paris Club	218.8	2.7	1.6	23.2	37.9	47.0	0.2	0.2	0.3
o/w: China (including Bank of China)	53.1	0.7	0.4	5.5	11.1	7.0	0.0	0.1	0.0
Kuwait	29.5	0.4	0.2	2.7	6.8	2.6	0.0	0.0	0.0
Domestic	**4,452.4**	**55.5**	**31.8**	**956.8**	**1,379.5**	**1,218.7**	**6.8**	**8.8**	**7.1**
T-Bills	*297.1*	*3.7*	*2.1*	*152.5*	*448.6*	*-*	*1.1*	*2.8*	*0.0*
Bonds	*3,345.8*	*41.7*	*23.9*	*485.0*	*627.8*	*913.8*	*3.5*	*4.0*	*5.3*
Loans	*809.5*	*10.1*	*5.8*	*319.4*	*303.1*	*304.9*	*2.3*	*1.9*	*1.8*

Sources: IMF estimates and projections, based on data based on Burkinabe authorities, according to their classification of creditors. Debt coverage is the same as the DSA. There is no information on collateralized debt.
1/ "Multilateral creditors" are simply institutions with more than one official shareholder and may not necessarily align with creditor classification under other IMF policies (e.g. Lending Into Arrears).

Table 10. Burkina Faso: Indicators of Capacity to Repay the IMF, 2025–38

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
							Projections							
Fund Obligations Based on Existing and Prospective Credit														
(in millions of SDRs)														
Principal	32.5	42.2	39.4	40.9	52.4	44.5	36.1	48.8	51.8	38.5	28.9	22.5	13.5	9.0
Charges and interest	0.0	0.2	1.2	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.8
Total Obligations Based on Existing and Prospective Credit														
In millions of SDRs	32.5	42.4	40.6	43.0	54.4	46.6	38.2	50.8	53.8	40.6	30.9	24.5	15.5	10.9
In billions of CFAF	25.5	32.7	31.4	33.4	42.4	36.4	29.8	39.7	42.0	31.7	24.2	19.2	12.1	8.5
In percent of government revenues	0.8	1.0	0.9	0.8	1.0	0.8	0.6	0.7	0.7	0.5	0.4	0.3	0.2	0.1
In percent of exports of goods and services	0.5	0.5	0.5	0.5	0.6	0.5	0.4	0.5	0.5	0.4	0.3	0.2	0.1	0.1
In percent of debt service 1/	16.8	19.2	17.9	17.1	20.4	16.8	13.8	17.1	17.3	12.6	9.2	6.6	3.8	2.4
In percent of GDP	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.2	0.1	0.1	0.1	0.1	0.0	0.0
In percent of quota	27.0	35.2	33.7	35.7	45.2	38.7	31.7	42.2	44.7	33.7	25.7	20.4	12.9	9.0
Outstanding IMF Credit Based on Existing and Prospective Drawings														
In millions of SDRs	321.8	376.5	462.9	422.0	369.6	325.1	289.0	240.2	188.4	149.9	121.0	98.5	85.0	75.9
In billions of CFAF	252.2	290.1	358.3	328.0	288.0	254.0	225.8	187.7	147.2	117.1	94.6	77.0	66.4	59.3
In percent of government revenues	7.5	8.5	9.7	8.2	6.7	5.4	4.5	3.4	2.5	1.8	1.4	1.0	0.8	0.7
In percent of exports of goods and services	4.5	4.8	5.7	5.1	4.3	3.7	3.1	2.4	1.8	1.4	1.0	0.8	0.6	0.5
In percent of debt service 1/	166.3	170.2	203.5	167.5	138.6	117.5	104.5	80.7	60.7	46.6	36.1	26.6	20.9	17.0
In percent of GDP	1.6	1.7	1.9	1.7	1.4	1.1	0.9	0.7	0.5	0.4	0.3	0.2	0.2	0.1
In percent of quota	267.3	312.7	384.5	350.5	307.0	270.0	240.0	199.5	156.5	124.5	100.5	81.8	70.6	63.1
Net Use of IMF Credit (in Millions of SDRs)	-8.4	54.5	85.3	-43.0	-54.4	-46.6	-38.2	-50.8	-53.8	-40.6	-30.9	-24.5	-15.5	-10.9
Disbursements	24.1	96.9	125.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repayments and repurchases	32.5	42.4	40.6	43.0	54.4	46.6	38.2	50.8	53.8	40.6	30.9	24.5	15.5	10.9
Memorandum Items:														
Nominal GDP (in billions of CFAF)	15750.3	17254.6	18573.5	19845.5	21208.6	22744.3	24396.5	26174.4	28088.0	30148.1	32366.2	34755.1	37328.3	40100.7
Exports of goods and services (in billions of CFAF)	5644.7	5995.6	6303.2	6488.9	6666.3	6850.7	7251.9	7677.5	8129.3	8608.7	9117.5	9657.7	10231.1	10839.8
Government revenue (in billions of CFAF)	3363.4	3430.1	3691.8	4006.8	4314.1	4662.3	5039.2	5447.3	5889.3	6368.0	6886.8	7449.0	8058.3	8719.1
Debt service (in billions of CFAF) 1/ 2/	151.6	170.4	176.1	195.8	207.8	216.1	216.0	232.6	242.4	251.1	262.1	289.7	317.6	348.7
CFAF/SDR (period average)	783.8	770.5	774.0	777.2	779.1	781.4	781.4	781.4	781.4	781.4	781.4	781.4	781.4	781.4

Sources: IMF staff estimates and projections.

1/ Total external debt service includes IMF repurchases and repayments.

2/ Includes state-owned enterprises debt.

Table 11. Burkina Faso: Summary Table of Actual External Borrowing Monitor, January–September 2025

PPG External Debt	Volume of New Debt in 2025 1/		PV of New Debt in 2025 (Program Purposes) 1/	
	USD million	Percent	USD million	Percent
Sources of Debt Financing	**1021.4**	**100.0**	**636.3**	**100.0**
Concessional Debt, of which 2/	**546.9**	**53.5**	**222.6**	**35.0**
Multilateral debt	527.3	51.6	211.5	33.2
Bilateral debt	19.6	1.9	11.2	1.8
Other	0.0	0.0	0.0	0.0
Non-Concessional Debt, of which 3/	**474.5**	**46.5**	**413.6**	**65.0**
Semi-concessional	420.8	41.2	360.0	56.6
Commercial terms 4/	53.7	5.3	53.7	8.4
By Creditor Type	**1021.4**	**100.0**	**636.3**	**100.0**
Multilateral	1001.7	98.1	625.1	98.2
Bilateral - Paris Club	0.0	0.0	0.0	0.0
Bilateral - Non-Paris Club	19.6	1.9	11.2	1.8
Other	0.0	0.0	0.0	0.0
Uses of Debt Financing	**1021.4**	**100.0**	**636.3**	**100.0**
Infrastructure	724.6	70.9	460.5	72.4
Social Spending	231.0	22.6	119.2	18.7
Budget Financing	0.0	0.0	0.0	0.0
Other	65.8	6.4	56.5	8.9
Memorandum Items:				
Indicative Projections 5/				
2026	**650.4**		**412.6**	
2027	**604.2**		**383.3**	

Source: Burkinabè authorities and IMF Staff Calculations

Note: No collateralized debt was contracted.

1/ Contracting and guaranteeing of new debt. The present value of debt is calculated using the terms of individual loans and applying the 5 percent program discount rate.

2/ Debt with a grant element that exceeds a minimum threshold. This minimum is typically 35 percent, but could be established at a higher level.

3/ Debt with a positive grant element which does not meet the minimum grant element.

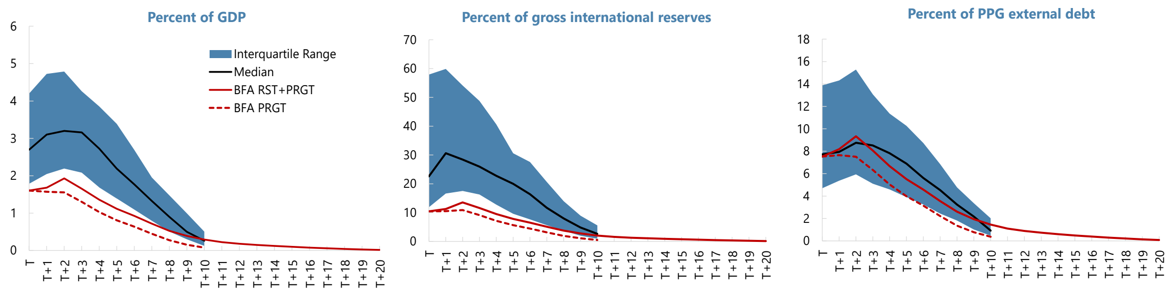
4/ Debt without a positive grant element. For commercial debt, the present value would be defined as the nominal/face value.

5/ IMF staff estimates.

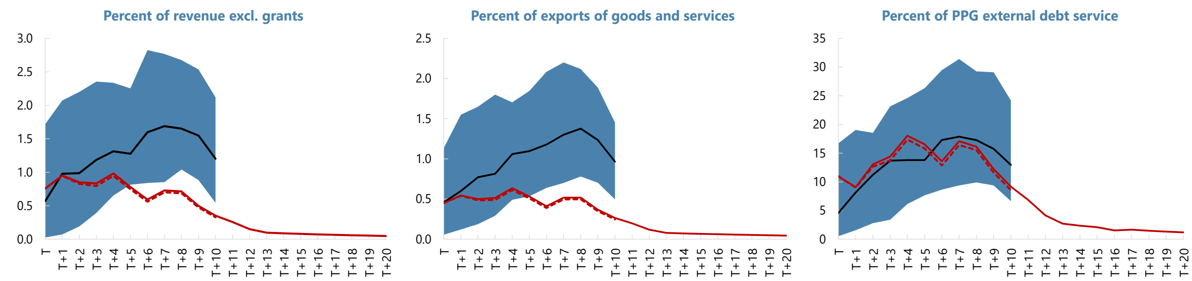
Figure 1. Burkina Faso: Capacity to Repay Indicators Compared to UCT Arrangements for PRGT Countries

(In percent of the variable indicated)

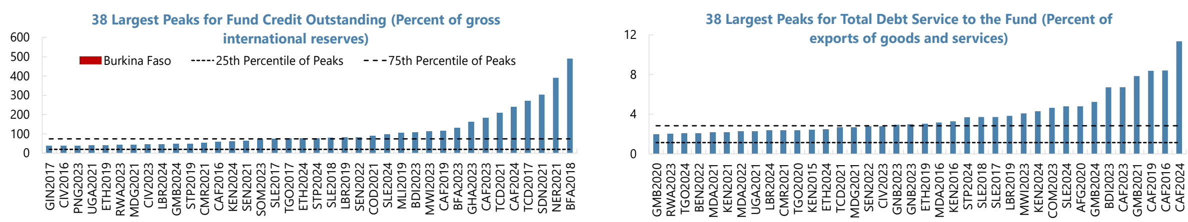
A. Total Fund Credit Outstanding



B. Total Debt Service to the Fund



C. Largest Peaks



Notes:
1) T = date of arrangement approval. PPG = public and publicly guaranteed.
2) Red lines/bars indicate the CtR indicator for the arrangement of interest.
3) The median, interquartile range, and comparator bars reflect arrangements (including blends) approved for PRGT countries between 2014 and 2024.
4) The comparator group "All PRGT" excludes arrangements that never had a UCT between 2014 and 2024.
5) PRGT countries in the control group with multiple arrangements are entered as separate events in the database.
6) Comparator series is for PRGT arrangements only and runs up to T+10.
7) Debt service obligations to the Fund reflect prospective payments, including for the current year.
8) In the case of blenders, the red lines/ bars refer to PRGT+GRA. In the case of RST, the red lines/ bars refer to PRGT+GRA+RST.
9) International reserves are proxied by imputed reserves as measured by net foreign assets.

Annex I. Risk Assessment Matrix[1]

Source of Risks	Likelihood	Expected Impact if Realized	Possible Policy Response
External			
Geopolitical Tensions	High	High	
Intensification of conflicts, coupled with the weakening of multilateralism, may trigger commodity price volatility, increase migration pressures, reignite inflation, and weigh on growth by undermining confidence, investment, tourism, trade, and supply chains.		Drop in investments from increased uncertainty and lower FDI. Higher food and energy prices.	Reaffirm commitment to multilateralism. Increased diplomatic activity to prevent conflicts and develop bilateral partnerships. Sectoral reforms to stimulate investments. Rationalize food and energy price subsidies.
Escalating Trade Measures and Prolonged Uncertainty	High	Medium	
Rising trade barriers and prolonged policy uncertainty could reduce trade, investment, and growth. Inflationary pressures may re-emerge, especially in countries imposing tariffs. Strategic complementarities, bottlenecks in global value chains or inventory overhang can amplify these effects.		Drop in export volume and investments from lower global demand and FDI. Deterioration in the fiscal balance from subsidies on energy and food prices.	Sectoral reforms to stimulate investment. Rationalize food and energy price subsidies. Seek concessional financing.
Commodity Price Volatility	Medium	High	
Shifts in supply and demand—driven by geopolitical tensions and conflicts, OPEC+ actions, or the green transition—may fuel commodity price swings, intensifying external and fiscal pressures, social unrest, and macroeconomic instability.		Higher oil prices deteriorate the fiscal balance if fuel subsidies are maintained.	Activate the fuel price mechanism to reduce subsidies to preserve fiscal space. Pursue energy sector reforms.
Fiscal Vulnerabilities and Higher Long-Term Interest Rates	High	High	
Rising public debt and deficit levels may put upward pressure on long-term interest rates and increase the risk of sovereign bond market disruptions. These developments could amplify capital flow volatility, tighten financial conditions, threaten sovereign debt sustainability, and trigger global spillovers. To the extent that these affect major economies, market imbalances (such as reduced investor capacity to absorb sovereign debt) could emerge, exacerbating risks from a close sovereign-financial nexus.		Lower public investments and social spendings, higher unemployment, lower production, fiscal balance deterioration.	Fiscal consolidation to create fiscal space. Reform financial sector. Seek concessional emergency financing.

[1] The Risk Assessment Matrix (RAM) shows events that could materially alter the baseline path. The relative likelihood is the staff's subjective assessment of the risks surrounding the baseline ("low" is meant to indicate a probability below 10 percent, "medium" a probability between 10 and 30 percent, and "high" a probability between 30 and 50 percent). The RAM reflects staff views on the source of risks and overall level of concern as of the time of discussions with the authorities. Non-mutually exclusive risks may interact and materialize jointly. The conjunctural shocks and scenarios highlight risks that may materialize over a shorter horizon (between 12 to 18 months) given the current baseline. Structural risks are those that are likely to remain salient over a longer horizon.

Source of Risks	Likelihood	Expected Impact if Realized	Possible Policy Response
Decline in International Support	**High**	**High**	
A further sharp reduction in international financial assistance, including development aid and humanitarian support, could severely affect low-income and fragile countries. Such an additional aid withdrawal would strain public finances, worsen current accounts, increase debt vulnerabilities, and lead to a further deterioration in living conditions and food security.		Increase in food insecurity and deterioration of health and education outcomes.	Sectoral and governance reforms to attract private investments. Improve social safety nets for targeted social spendings.
New Trade Agreements	**Low**	**High**	
A breakthrough in trade talks could reduce uncertainty and protectionism, boost investment and productivity, and support broader reforms to lift medium-term growth.		Reduced uncertainty could push downward gold price.	Reforms to diversify exports.
Extreme Climate Events	**High**	**High**	
Extreme climate events and rising temperatures could cause loss of life, damage to infrastructure, food insecurity, supply disruptions, and heighten economic and financial instability		Lower agricultural output and exports; food insecurity and rising energy prices; rising poverty and internally displaced people.	Re-prioritize spending to address food emergencies; seek concessional financing to invest in infrastructure to enhance resilience to climate-related shocks.
Deterioration of security situation in region	**Medium**	**High**	
Intensification of terrorist attacks in neighboring countries could spill over to Burkina Faso, generating social discontent, more insecurity, and political instability.		Regional trade disruption and pressures to increase security spending.	Promote security, strengthen social safety nets, and facilitate job creation in the private sector. Create fiscal space by accelerating revenue mobilization reforms and reprioritizing non-priority spending.
Regional financial sector spillovers	**Medium**	**Medium**	
Public debt pressures in Senegal and Niger could affect the regional debt market and exposed domestic banks.		Reduced liquidity in public debt markets, tightening of financing conditions, and an increase in debt service. Profitability, liquidity, and solvency issues for fragile banks.	Strengthen banks' capital and liquidity buffer, proactive monetary policy response.

Source of Risks	Likelihood	Expected Impact if Realized	Possible Policy Response
Domestic			
Security Disruptions	High	High	
Intensification of terrorist attacks generates social discontent and political instability.		Adverse impact on activity, revenues, and FDI; risk of higher fiscal deficits and financing needs.	Re-prioritize spending to address social emergencies; implement social and financial inclusion; seek support from the international community.
Spending Pressures	High	High	
Pressures on higher spending on wages, energy subsidies, and security.		Crowding out of investment spending; pressures on fiscal deficit targets and prices.	Contain the wage bill by pursuing civil service reform; reform energy subsidies; step up revenue mobilization.
Rollover and Interest Rate Risks	Medium	High	
Higher interest rates, lack of regional bond market access		Pressures on fiscal deficit targets and prices; accumulation of domestic arrears.	Accelerate fiscal adjustment, prioritize spending, seek concessional financial support from bilateral/multilateral partners.
WAEMU Exit	Low	High	
A deliberate exit could cause financing challenges and macroeconomic policy turmoil		Adverse impact on activity, revenues, and FDI; risk of higher fiscal deficits and financing needs; loss of access to regional bank financing.	Clear communication of a continued commitment to WAEMU.
Insufficient Revenue Collection	Medium	High	
Delays in revenue mobilization.		Reduced fiscal space and risk of higher fiscal deficits and financing needs.	Pursuing tax policy reforms, optimizing current spending, and re-prioritizing public investment, identifying contingencies to facilitate course correction.
Loss of Public Trust in Reforms	Medium	High	
Reforms lead to social discontent and political instability			Clear communication and early engagement in fostering public trust in reforms.

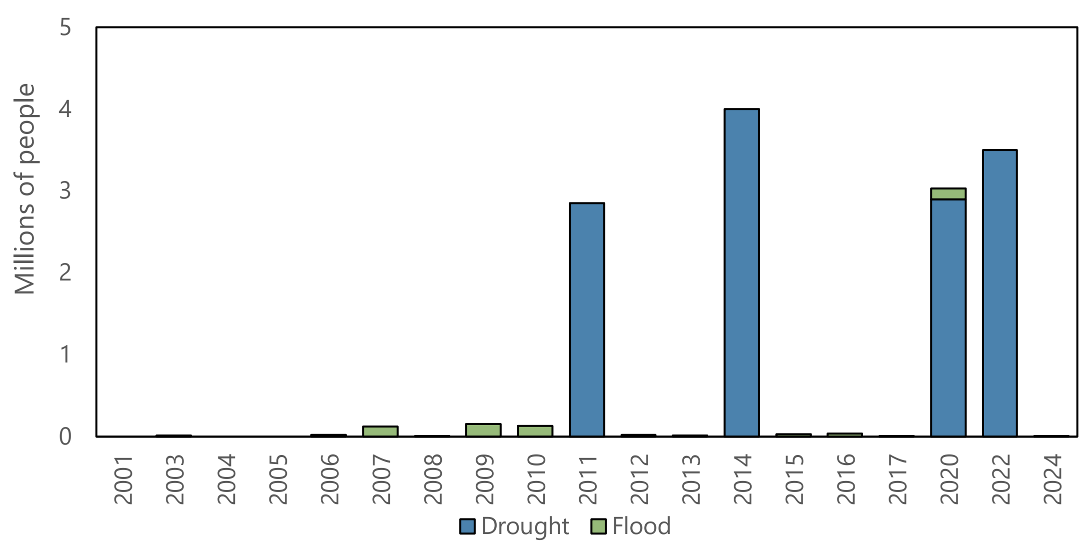
Annex II. Long-Term Risks from Climate Change[1]

Climate change increases the severity and the frequency of weather shocks, posing major challenges to the external sector, undermining prospective balance-of-payments (BoP) stability and exerting pressure on foreign reserves. Export performance is vulnerable to extreme weather events due to its high concentration on two sectors. Rain-fed cotton is at risk from droughts and flooding, while gold mining is vulnerable to floods, and the climate-conflict nexus that can disrupt production and raise costs. On the import side, droughts add to persistent food insecurity necessitating cereal imports, while damage to infrastructure from flooding drives demand for imported reconstruction materials. The country's heavy reliance on fossil fuels renders the current account vulnerable to oil price volatility. Foreign direct investment inflows, including climate financing, remain subdued.

Climate Risk Profile

1. **Burkina Faso is among the countries most vulnerable to climate change.** Situated in the Sahel, the country is exposed to the hot arid desert climate of the Sahara, blending into the tropical savannah and steppe climate zones. It suffers from floods and droughts. While floods are more frequent and locally concentrated, droughts affect more people (see Figure 1). Extreme weather events are likely to become more frequent and severe with climate change, as temperatures in West Africa are projected to rise faster than the global average.[2] The IMF-adapted ND-GAIN Index on

Figure 1. Burkina Faso: Historical Extreme Weather Events and Directly Affected Population



Sources: EM-DAT; IMF CPD.

[1] Prepared by Nicolo Bird (FAD), Colin Cook (AFR), Barry Maher (FAD), Dominique Lam (MCM), and Balazs Stadler (AFR).

[2] IPCC, AR6, Working Group II, Chapter 9: Africa.

Climate Change Resilience ranks it as the 37th most vulnerable and 34th least ready out of 191 countries. The country is conflict-affected and ranks amongst the lowest in per-capita income.

2. Extreme weather events strain fiscal space and deepen reliance on external financing. They cause fiscal pressures through higher spending on disaster relief, social protection, and climate adaptation, while eroding revenues from agriculture and mining (see Annex IV). For example, the largest flood on record, which occurred in 2009 in Ouagadougou, resulted in US$150 million (equivalent to US$206 million in 2025) in damages, of which US$102 million was primarily the damage to public infrastructure, with recovery and reconstruction costs estimated at 2.8 percent of GDP.[3] Extreme weather events also hit local food supplies, which is one factor driving reliance on international financial institutions and development partners to finance emergency relief and food aid. For example, in 2023, the IMF disbursed US$80.8 million under its Food Shock Window. The 2025 Humanitarian Response Plan requested US$1.1 billion but was 25-percent funded as of September 2025.[4]

3. Extreme weather events pose a significant threat to the balance of payments. They can amplify BoP vulnerabilities. On the imports side, floods damage infrastructure assets and lead to higher imports of repair materials. Droughts affect the agriculture sector, lowering yields and worsening the trade balance through increasing food imports. On the exports side, droughts lower agricultural exports (10 percent of exports), and floods affect gold mining activity (more than 80 percent of exports).

4. Extreme weather events affect agricultural production and exacerbate food insecurity. Most agricultural land is rainfed, making agricultural production and the current account vulnerable to extreme weather events. This is evident in the 42-percent contraction in cotton volume exports following the delayed drought-related growing season in 2023. Around 11 percent of imports are food products, despite agriculture employing one-third of the labor force, generating one-fifth of value added, and 80 percent of people estimated to rely on subsistence farming for their food.[5] Limited access to agricultural credit, driven in part by elevated climate risk perceptions, constrains investment. In January 2024, about 40 percent of the population was food insecure,[6] underscoring structural deficits in domestic food production and making the current account vulnerable to food price volatility.

5. Droughts cause sharp drops in crop yields and high food prices. Droughts directly impact an average of 1.8 million people in Burkina Faso per event (Figure 1)[7] and trigger significant yield losses. Between 2015 and 2019, average annual financial losses from droughts affecting key crops—sorghum, millet, maize, cotton, groundnuts, sesame, and rice—were estimated at US$107

[3] GFDRR, 2009, Floods, September 2009. EM-DAT.

[4] https://fts.unocha.org/countries/36/summary/2025.

[5] Burkina Faso: Hunger & Food Security - World Food Program USA.

[6] World Bank Document.

[7] World Bank Hazard Portal.

million (CFAF 60 billion), an average 0.9 percent of GDP. For example, in 2011–12 a drought caused a 12-percent decline in agricultural production and a 20-percent decline in cereal output, which elevated food prices, reduced cotton exports, increased import dependency, and worsened the BoP.[8] [9] IMF staff project that droughts will reduce real GDP per-capita growth by 0.4 ppt annually and raise average inflation by 2.0 ppts for FCSs, under a high emission scenario.[10] Moreover, according to the IPCC, shifting weather patterns are expected to intensify pest and disease outbreaks in the Sahel region. Overall, Burkina Faso's low agricultural development and water insecurity would amplify the impacts of climate change.

6. While the government has made remarkable progress in extending access to safe drinking water, financing challenges remain. The authorities recognize water as a public good and have established a comprehensive legal and institutional framework to support water supply, sanitation, and integrated water resources management, aiming for equitable access for all, especially vulnerable households. The country boasts one of the highest rates of access to safe drinking water in the region, with 98 percent urban access and 76 percent rural access, but rapid population growth and climate change are intensifying pressures on water availability, which is already well below the water scarcity threshold of 1,000 m^3 per year per person and below the regional average.[11] Water charges and collection rates are amongst the highest in the region; however, non-revenue water is high at approximately 30 percent (CPD IMF, 2025).

7. An audit of the public water utility, ONEA, notes challenges in governance and financial controls.[12] These findings will be addressed by providing ONEA staff with enhanced training and strengthening internal controls including effective fuel management. Accounting practices are subject to improvements, including recognizing retirement provisions, accurately depreciating subsidized assets, and improving the processing of foreign exchange transactions. Strengthening financial management can be achieved by addressing budget alignment on certain items and ensuring timely revenue returns. Procurement and asset management faced challenges, marked by the acquisition of non-compliant water meters, delivery delays, and inventory inconsistencies. The authorities are developing a plan to address these weaknesses to ensure the sustainable water provision as well as the related infrastructure investments (FAD CPD).

8. Rising temperatures lead to output losses. Heat stress is projected to be an important channel of climate-related economic losses in Burkina Faso, primarily through reduced labor productivity in agriculture and other outdoor sectors.[13] The World Bank CCDR projects that annual GDP would be reduced by almost 7 percent by 2050 (compared to a medium-growth baseline)

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[8] FAO, 2012, Sahel crisis 2012: Ensuring Food Security and Protecting Livelihoods, Information Note No. 1.

[9] IMF, 2014, Burkina Faso: Selected Issues. Country report No. 14/230.

[10] Tintchev and Jaramillo (2024): Hanging Out to Dry? Long-Term Macroeconomic Effects of Drought in Fragile and Conflict-Affected States. IMF Working Papers. Volume 2024: Issue 106.

[11] AQUASTAT - FAO's Global Information System on Water and Agriculture.

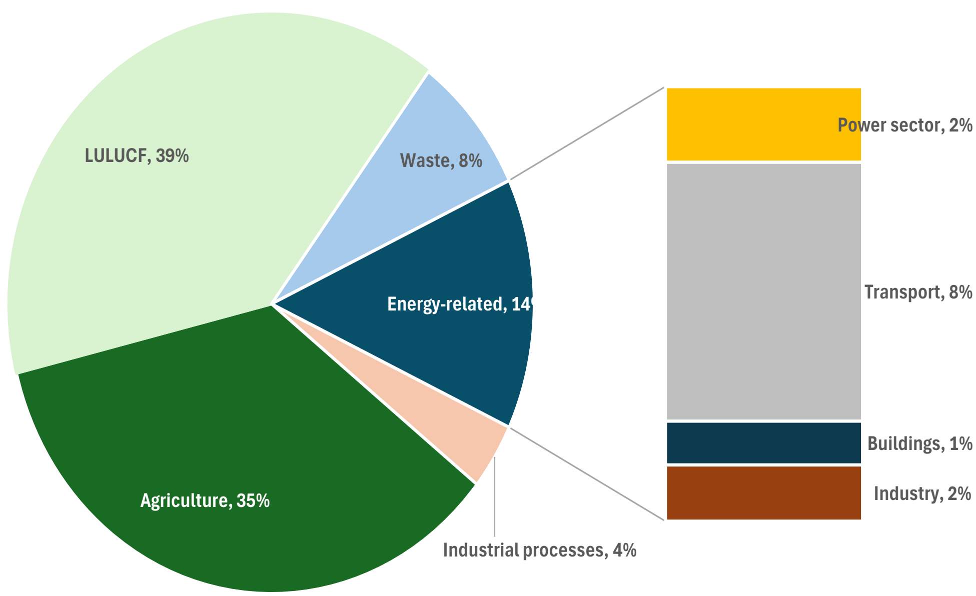
[12] https://www.asce-lc.bf/wp-content/uploads/2025/07/RAGA-2023-TOME-2.pdf.

[13] Country Climate and Development Report (CCDR) for the G5 Sahel region, World Bank, 2022.

without sufficient adaptation, while the IMF estimates GDP to be about 3 percent lower due to rising temperatures in a pessimistic scenario.[14] These estimates do not include possible second-order effects, for example through intensifying conflicts and do not account for the rising severity and frequency of extreme weather events.

9. Climate change intensifies conflicts. As water and food resources face growing pressures, existing conflicts may be exacerbated (IMF, 2023; WEO 2025).[15] Burkina Faso is affected by a terrorist insurgency and ethnic tensions with pastoralist communities. It ranks highest on the Global Terrorism Index with terrorist groups controlling parts of the country.[16] In turn, terrorism and conflicts increase the vulnerability of communities by destroying lives, livelihoods, and capital, in addition to displacing about 2 million people. This creates a vicious cycle, or a climate-conflict nexus.[17] The conflict also disrupts gold exports. For example, in 2022 six mining projects closed because of terrorist attacks, leading to a CFAF 25 billion revenue loss (about 1 percent of total revenue) and a 1.5-percent decrease in mining output. The attacks took place in the same year as the second most severe drought in history, which may have exacerbated tensions.

Figure 2. Burkina Faso: Greenhouse Gas Emissions by Sector



Source: IMF CPD, CPAT. Note: LULUCF refers to Land Use, Land-Use Change, and Forestry.
Note: 'Waste' captures sewerage, waste management, and remediation, while 'Industry & Industrial processes' also include mining.

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[14] Centorrino S., Massetti E., Raissi M., and Tagklis F. (2025) How to Include the Effects of Rising Temperatures in Macro-Fiscal Projections. IMF How to Notes.

[15] Rehman, S. and Jaramillo, L. "Adding Fuel to the Fire: How Weather Shocks Intensify Conflict", IMF Working Papers 2024, 112 (2024).

[16] https://www.economicsandpeace.org/wp-content/uploads/2025/03/Global-Terrorism-Index-2025.pdf.

[17] Ayeb-Karlsson et al. "*'We Herders are Often Chased About by Drought'*: A Systems Analysis of Natural Resource Degradation Within the Climate–(Im)mobility–Violence–Health Nexus in Sahel." *Earth,* 6:11 (2025).

10. The country contributes 0.01 percent to global greenhouse gas emissions. Land use, land use change (how changes in land use such as deforestation, afforestation, agriculture expansion, or urban development affect carbon emissions and removals) and forestry as well as agriculture account for over two-thirds of emissions (see Figure 2). Energy-related emissions are low, only 14 percent of the total, reflecting limited grid access, but are bound to increase.

Current Policies and Gaps

Legal and Governance Framework

11. The authorities have elaborated an ambitious strategy across multiple plans. Climate policy is anchored in the Nationally Determined Contribution (NDC) and the National Adaptation Plan (NAP). The NDC commits to a 30-percent reduction in greenhouse gas emissions by 2030. The NAP focuses on building resilience in sectors such as agriculture, infrastructure, and civil protection, and recognizes the role of climate change in conflicts. The development of multiple climate policy documents—including the National Renewable Energy Policy, Energy Efficiency Policy, or Climate Learning Strategy, and Climate Security Strategy—puts a strain on coordination and resources. The plans could be better integrated into sectoral strategies and into the National Plan for Economic and Social Development.

12. The institutional framework is fragmented. The legal foundation is provided by the Environmental Code (2013) and the Sustainable Development Orientation Law (2014); however, the laws do not fully include aspects of climate policy such as adaptation, planning, monitoring, or compliance. There is no legally mandated central coordination authority. Though the Permanent Secretariat of the National Council for Sustainable Development is the *de facto* leader, the lack of legislative backing weakens its position. The mandates of sectoral ministries' environment units often exclude climate change, and they have limited capacity to integrate climate change into project planning and implementation.

Fiscal Risks and Disasters

13. While the authorities have made progress on disaster risk management, gaps remain. Law No. 012-2014/AN is the main legislation. However, it lacks provisions for integrating disaster preparedness into medium-term planning and budgeting, leading to an overreliance of reactive responses instead of preparedness. The law establishes a central structure, but implementation decrees are yet to be issued. The country lacks a disaster impact monitoring system.[18]

14. Hazard and climate risk data are fragmented across multiple ministries and agencies, with limited coordination and no systematic public disclosure. Civil protection has developed a national risk analysis plan and hazard maps, while other entities—such as the Directorate of Water Resources, the Ministry of Urban Planning, and the Geographic Institute—hold critical data on

[18] A notable exception is the recently implemented early warning system of the Ministry of Health to warn the population of heatwaves through radio and television channels (*Plan de communication sur la gestion des vagues de chaleur au Burkina Faso*, May 2025).

hydrological hazards, flood zones, and land use. However, these datasets are often incomplete, only partially validated, and accessible only upon formal request, creating duplication and limiting their use for planning and investment decisions. Technical constraints result in delays and gaps. There is no legislation mandating open access or inter-ministerial data sharing. These issues undermine the ability to use risk information for timely disaster responses, infrastructure planning, and adaptation.

15. The Ministry of Economics and Finance (MEF) has established limited fiscal buffers. The government maintains a common contingency allocation averaging about 10 percent of the budget (approximately 3 percent of GDP) but does not dedicate this reserve only to disaster responses. It finances a wide range of unforeseen expenditures—including fuel subsidies and unplanned program costs—leaving limited resources for climate-related shocks. The common contingencies size is not based on probabilistic risk analysis, and reallocations or supplementary budgets are frequently required when major disasters occur. Beyond the general contingency, the approach to funding responses to severe weather events is on an *ad-hoc* basis involving contingency funds within various ministries and incorporating response costs into sectoral programs. This obscures the true fiscal burden of disaster responses and limits the MEF's ability to quantify fiscal risks. In addition, the diversion of maintenance budgets to finance emergency interventions erodes public asset quality and fiscal transparency. Adopting a National Disaster Risk Financing Strategy is critical to increase the transparency and effectiveness of disaster response expenditures.

16. The MEF previously obtained sovereign insurance coverage from the African Risk Capacity (ARC). However, the government has not been making premium payments recently, so the insurance policy is no longer active. Following the 2023 drought, this coverage resulted in a payout of approximately US$4.5 million in budget support.[19] The insurance payment, denominated in US dollars, offered a modest BoP buffer during this shock period. The World Food Program (WFP) secured funding for an ARC Replica drought insurance policy, covering up to US$11.6 million from 2025–27. Germany pays the premium. The MEF is committed to strengthening fiscal resilience to climatic shocks, building on experience using fiscal buffers combined with international experience.

17. There is scope to strengthen the robustness and transparency of the fiscal risk management framework with regards to disasters. A challenge is the availability of granular data on the fiscal impacts of past disasters with no systematic tracking of related expenditures. Without data, the MEF cannot determine how to adjust fiscal buffers. In addition, the MEF has begun integrating climate-related fiscal risks into its macro fiscal framework, as the 2023 Fiscal Risks Statement includes a climate chapter. However, there is scope to include quantitative estimates of the impacts of disasters on the budget and to better integrate climate change into macro-economic modeling and debt management strategies. Figure 3 shows options to strengthen disaster risk financing.

[19] https://www.arc.int/sites/default/files/2024-09/ARC%20Ltd%20Annual%20Report%202023.pdf.

Figure 3: Burkina Faso: Strengthening Disaster Risk Financing in Burkina Faso

Source: Staff's summary of CPD, IMF 2025.

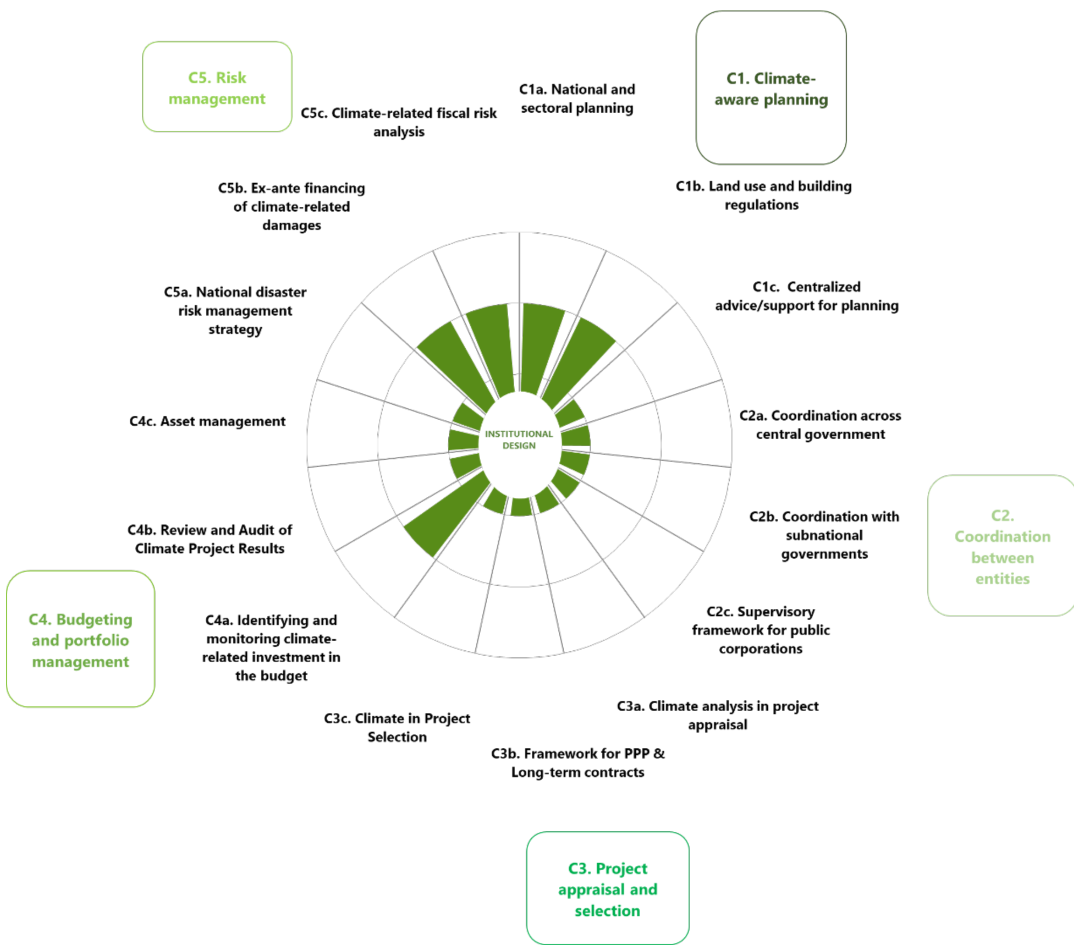
Public Financial Management

18. The government has made strides in integrating climate into the budget. The 2024 budget marked a step toward climate-responsive public finance with the introduction of a Climate Budget Annex, thereby fulfilling a structural benchmark of the ECF program. Since then, coverage has increased from seven to 17 ministries, and climate-tagged expenditures rose from CFAF 650 billion to CFAF 1,531 billion. The 2025 budget report classifies 17 percent of total spending as climate-related, including interventions such as irrigation, reforestation, and solar energy. Gaps remain in the coverage of capital investments.

19. The government makes progress in deploying a centralized asset accounting system and a georeferenced inventory, but maintenance planning and budgeting remain a critical weakness. There is no standard methodology for estimating maintenance needs and costs across sectors. Existing sectoral manuals, for example for roads and dams, do not incorporate climate risk considerations. Being one of the countries with the lowest per capita incomes in the world, budget allocations for maintenance are low, less than 2 percent of asset values, and execution rates average only 42–46 percent, leaving a large backlog of deferred maintenance (IMF C-PIMA, 2025). Low funding combined with institutional fragmentation across ministries undermines asset durability and increases fiscal risks, as climate-related shocks accelerate asset degradation and raise future rehabilitation costs. Introducing a climate-sensitive maintenance methodology and applying it to priority infrastructure would help address these gaps by ensuring systematic planning, cost estimation, and integration of resilience measures into asset management. Beyond generating latent fiscal pressures, inadequate maintenance of infrastructure heightens external vulnerabilities, as emergency repairs and reconstruction often require imported materials and equipment, straining the current account. Over time, this can amplify BoP risks by increasing reliance on external financing for large-scale rehabilitation projects.

20. Current appraisal practices do not systematically assess climate risks or resilience. The 2024 National Guide for Project Maturation mentions environmental impacts but lacks clear guidance on climate vulnerability analysis, greenhouse gas accounting, or adaptation measures. Similarly, project selection criteria and PPP frameworks omit climate considerations, and there is no centralized support for integrating resilience into project design. As a result, large-scale infrastructure investments with significant macroeconomic and balance-of-payments implications remain exposed to climate hazards, increasing the likelihood of costly disruptions and reconstruction needs. Embedding climate analysis into project appraisal and piloting this approach on a set of high-impact projects would strengthen investment quality, safeguard public capital, and reduce long-term fiscal and external vulnerabilities.

Figure 4. Burkina Faso: Institutional Design of C-PIMA Module Institutions in Burkina Faso



Note: The figure displays the results of the IMF's Climate Module of the Public Investment Management Assessment (C-PIMA). A larger bar indicates a higher score in the respective category.

Source: IMF, C-PIMA, 2025.

Energy Sector

21. The structural vulnerabilities of power generation coupled with electricity subsidies expose the sector to external energy price fluctuations. Burkina Faso relies on imported petroleum products, managed under a "single buyer" system led by the state-owned company SONABHY. Subsidies to consumers of fuels were 4.1 percent of GDP in 2022, however as global oil prices declined these subsidies decreased to less than 1.0 percent in 2024 (Fossil fuel reform report, IMF 2024) and, following a sharp decline in fuel prices, SONABHY is expected to post a significant surplus in 2025. Subsidies to SONABEL's electricity production account for about 0.6 percent of GDP each year from 2022 to 2024. If oil prices rise again, subsidy costs will also increase, underscoring the sector's vulnerability to market volatility. As part of the ECF program, the authorities have implemented SOE performance contracts to contain fiscal pressure.

22. Rapidly rising electricity demand, coupled with limited domestic generation, amplifies fiscal and external vulnerabilities in the energy sector. Electricity demand has grown at an average annual rate of 8.1 percent since 2020, outpacing GDP growth. The government has set an ambitious target of reaching 90 percent grid access in urban areas and 50 percent in rural areas by 2028. However, domestic generation remains insufficient, necessitating imports from Ghana, Côte d'Ivoire, and Togo. As a result, electricity imports account for about 60 percent of total national electricity consumption. Thermal domestic generation is reliant on imports of diesel, heavy fuel, and (to a lesser extent) gasoline which account for about 25 percent of imports, weighing on the current account. Both domestic generation and regional supply are heavily reliant on fossil fuels, leading to one of the highest energy costs in the region[20] and exposure to oil price volatility. Electricity tariffs remain well below cost recovery, creating a structural fiscal deficit in the sector (Fossil fuel reform report, IMF 2024). The authorities have lowered daytime tariffs to encourage off-peak energy use. In addition, they adopted measures to reduce subsidies for non-vulnerable users by confining the subsidized "social" tariff to low-consumption users and increased costs for customers with greater ability to pay, including banks and other financial institutions, insurance companies, telecom operators, international institutions and embassies/diplomatic enclaves, and the tobacco industry.

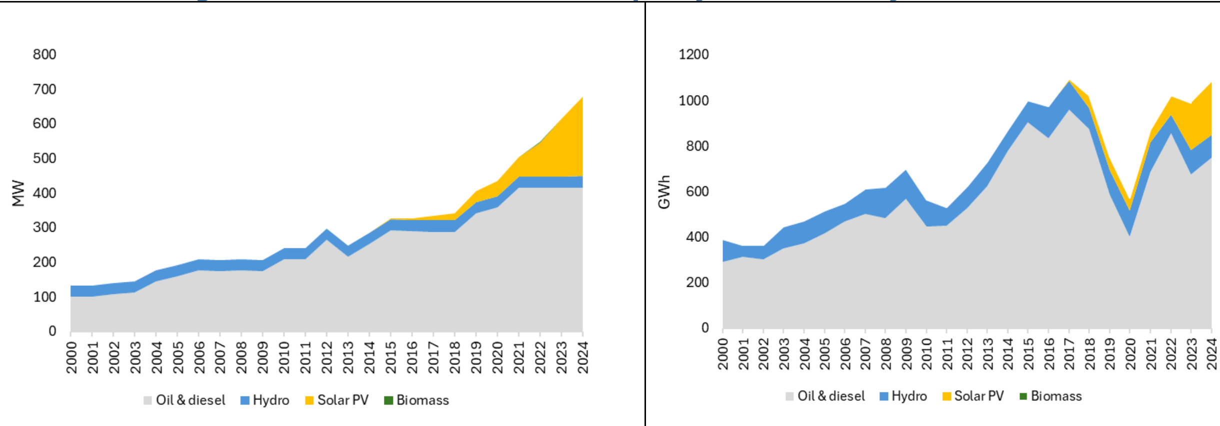
23. There is solar power potential which the authorities are harnessing as part of an 'all of the above' energy strategy. The International Renewable Energy Agency estimates that there is up to 95.9 GW of utility-scale solar PV capacity in the country, one of the highest in the Sahel, which is almost 200 times the current peak demand of 558 MW.[21] The share of renewables in installed capacity has doubled since 2019 to 226 MW (peak), supported by a comprehensive incentive framework for solar equipment, with plans to install another 313 MW in the coming three years. During the investment stage, key incentives include reduced customs duties, exemptions from VAT and corporate income tax (CIT). In the operational stage, firms benefit from CIT holidays ranging from one to seven years, followed by partial or full taxation (CPD, IMF 2025). As these incentives apply equally to all investors, irrespective of the rate of return on investment, their efficiency could

[20] https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099070725193540162.

[21] Utility-scale Solar and Wind Areas: Burkina Faso.

be improved.[22] While current incentives also apply to storage, the significantly higher capital costs for storage mean that most incentives have been utilized for solar panels.

Figure 5. Burkina Faso: Installed Capacity and Electricity Generation



Sources: CPD, Statistical Yearbook 2023.

24. However, as the share of solar power in electricity production has increased, grid integration and intermittency challenges have become more pressing. Solar generation operates only during daylight hours, resulting in the ongoing use of imported electricity, imported fuel, and thermal generation for meeting evening peak demand. To address this issue, the authorities have identified the importance of incentivizing investment in storage capacity. However, payment risks, lack of cost-reflective tariffs, insufficient incentives, and unclear procurement processes deter investors from adding storage.

Climate Finance

25. Climate financing needs are substantial, while data on investment are sparse and inconsistent. According to government estimates from 2021, the country needs US$4.1 billion of cumulative investment from 2021 to 2050 to meet its nationally determined contribution, of which US$2.8 billion are for adaptation and US$1.3 billion for mitigation needs.[23] According to the Climate Policy Initiative, the country received around US$570 million of climate financing in 2019/20, about 80 percent of which was from international and domestic public sources.[24] The OECD, whose data provide another different estimate of climate investment, suggests that most financing was targeted towards adaptation, particularly in agriculture, energy, and water supply and sanitation. To support mobilization of climate financing, the government established the National Consultation Framework (NCF) on National Focal Agencies for Climate Finance in 2022. The NCF has published an action plan, focusing on designing climate finance tools, monitoring, evaluation, and facilitation. Additionally, the World Bank supports the design and implementation of a national climate finance

[22] Efficient incentives primarily target marginal investors, those unlikely to invest without the incentive, thereby maximizing additional investment and ensuring a more effective allocation of scarce public resources.

[23] Burkina Faso's Nationally Determined Contribution, 2021–25, (October 2021).

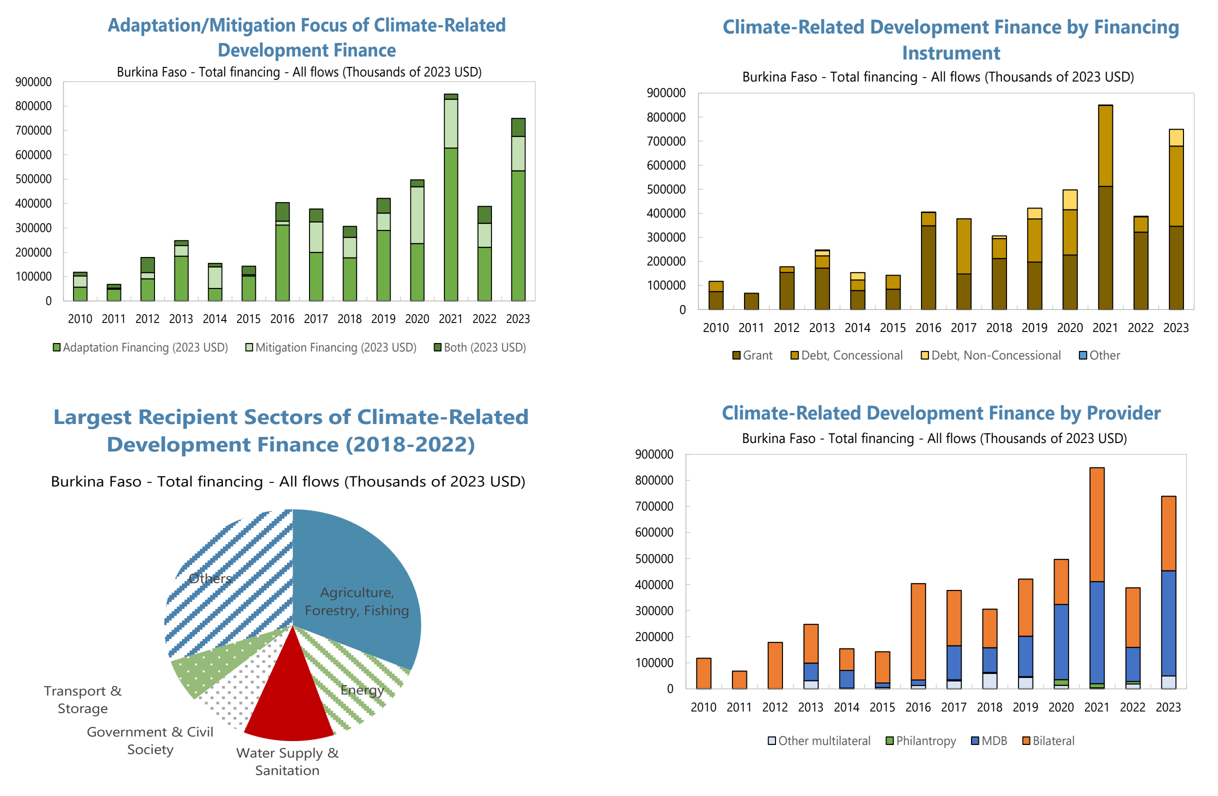
[24] Climate Policy Initiative, (October 2022), Landscape of Climate Finance in Burkina Faso and Climate Policy Initiative calculations.

strategy. Despite these efforts, the lack of data remains a key foundational barrier to attracting public or private capital, whether concessional or commercial.

26. Developing the climate information architecture is critical for managing risks, planning investment, and attracting external climate financing. While Burkina Faso has a Measuring, Reporting, and Verification (MRV) system that includes data on greenhouse gas emissions and climate financing flows, data needed for investment analysis is absent, reducing investor confidence. Data gaps include investment by economic activity, emissions reductions achieved, implementation timelines, and financing gaps. These data gaps, and uncertainties in existing data make it difficult for stakeholders to anticipate, plan and track investment needs and projects, and for investors to assess climate-related risks and opportunities. This impedes investors' ability to make positive investment decisions in Burkina Faso. Without the foundations of a data collection ecosystem, international climate investment in the country will have a slow pace and its level will be low relative to its needs, and the risk of mis-aligned investment will remain significant. Developing a data collection system is a priority to reduce information asymmetry, help investors undertake investment analysis, improve investor confidence, and address investment needs.

Development Partner Support

Figure 6: Burkina Faso: Climate-related Development Finance Flows



Source: OECD DAC data.

27. The World Bank supports the country in improving its institutional framework. The Bank is conducting an institutional climate change assessment (Table 1). The aim is to identify systemic barriers within the regulatory and institutional framework that hinder the effectiveness of climate change mitigation and adaptation. It includes policy formulation, coordination, and monitoring, the implementation of initiatives at the sectoral level and the promotion of actions involving state-owned enterprises, the private sector, research institutions, and civil society.

28. Bilateral and multilateral partners work in macro-critical sectors exposed to climate change. For example, the World Bank supports climate-resilient agriculture through irrigation development, livestock support, and improved access to water and sanitation. The AfDB improves the resilience of agricultural and livestock sectors, and irrigation and resilience to climate shocks. The KfW supports the transformation of agricultural and food systems, with the aim to improve food security and rural livelihoods. The World Bank is financing a 300 MW new solar power plant to improve energy access and increase domestic energy production, among others.

29. Disaster risk management is a priority for development partners. The country is part of ARC Replica, which provides humanitarian aid, through the WFP, during droughts. It is also part of the Climate Risk and Early Warning Systems initiative of the World Meteorological Organization to improve disaster forecasting for agriculture and food security and to build capacity of the National Meteorological Service on data management and monitoring. The United Nations Development Program supports index-based weather insurance for small-scale farmers across three regions.

Table 1. Burkina Faso: Climate-Related Priorities Supported by Development Partners

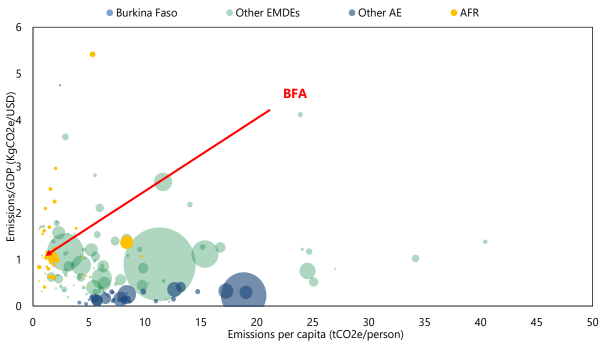
Key Country Challenge	Reform Measure (not included in RSF conditionality)	Development Partner Involvement
Vulnerable agricultural sector	Improving agricultural productivity and resilience to climate change, including through improving access to technology and finance	World Bank, AfDB
Insufficient water governance	Modify the institutional arrangements to align implementation responsibilities with the updated allocation of responsibilities across Ministries	World Bank
Water security	Improve reliability and quantity of data on surface and groundwater resources	World Bank
Energy insecurity	Create enabling legal and institutional frameworks for mini grids, including attracting private investor	AfDB
Unsustainable land use	Strengthening the legal and institutional framework of the land and mining sectors, to ensure sustainability and halt deforestation	World Bank
Communities vulnerable to disasters	Improve data collection of hydrological and meteorological services for early warning system	World Bank
Make infrastructure resilient to extreme events	Expand road asset management to include climate change aspects	World Bank

30. Development partners participate in alleviating the climate-conflict nexus. The European Union provides humanitarian aid for conflict-affected populations as well as long-term support for peace, human development, and green growth. These efforts relate to its work on crisis preparedness, disaster risk reduction, and improving national response capacity. The German KfW has helped to strengthen the capacity in the MEF to conduct green budget tagging and finances the premium under ARC Replica. USAID provides humanitarian assistance and food aid.

Figure 7: Burkina Faso: Main Climate Data

M1. GHG Emissions Intensity vs. Total Emissions (2023)

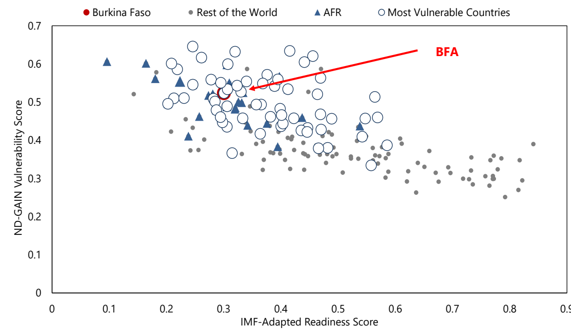
Despite accounting for less than 0.01% of global GHG emissions, Burkina Faso's emissions intensity (Emissions/GDP) ranks above the regional average.



Sources: IMF Climate Change Indicators Dashboard (2023) and World Economic Outlook (2023).
Notes: Bubble size indicates total GHG emissions excluding land-use and land-use change and forestry. The outlier Palau is excluded.

A1. Climate Risks and Readiness

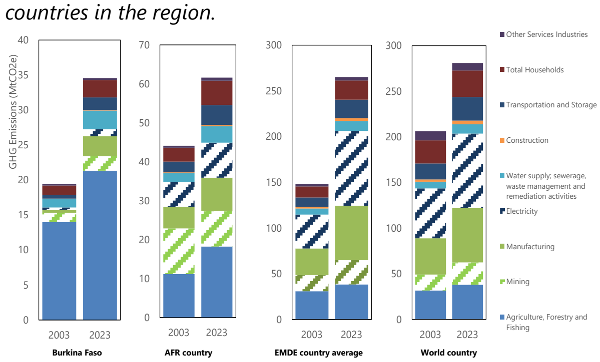
Burkina Faso is the 47th most vulnerable country according to the IMF-Adapted ND-GAIN Index. Burkina Faso's climate vulnerability is high and its readiness to address these risks is low.



Sources: IMF Climate Change Indicators Dashboard (2022).
Notes: The Vulnerability Score assesses a country's current vulnerability reflecting exposure, sensitivity, and adaptive capacity. The Readiness Score assesses a country's readiness to leverage public and private sector investment for adaptative actions.

M2. Emissions by Sector

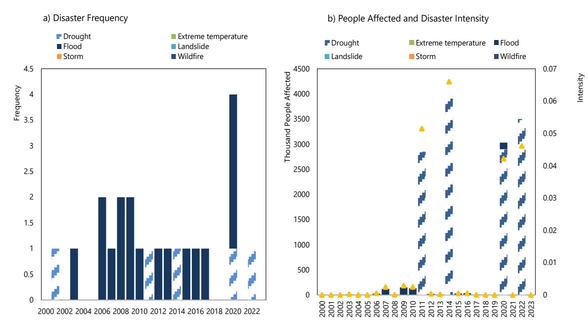
Agricultural, mining, and water sectors collectively account for 65% of Burkina Faso's greenhouse gas emissions. Burkina Faso's other emissions have increased in line with the trend in other countries in the region.



Sources: OECD Air Emission Accounts; UNFCCC; EDGAR; IMF staff calculations.
Notes: GHG emissions excluding land-use and land-use change and forestry are shown. Rather than presenting emissions by UNFCCC sector, the chart above classifies them by economic activity.

A2. Key Natural Hazard Statistics

Burkina Faso is mainly vulnerable to droughts and floods. Historically, it is common for Burkina Faso to be faced with multiple natural hazards in a single year.

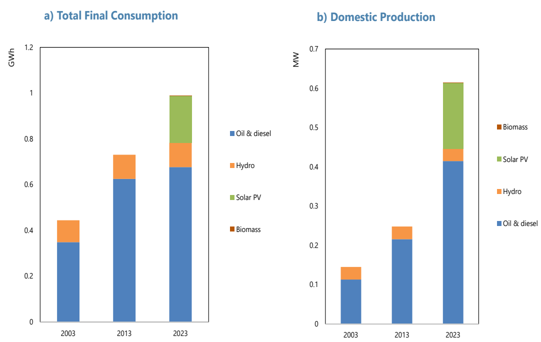


Sources: EMDAT and Staff calculations using Pondi and others (2023).
Note: Intensity is defined as (Total death+30% Total Affected)/Total population.

Figure 7: Burkina Faso: Main Climate Data (continued)

M3. Energy Mix

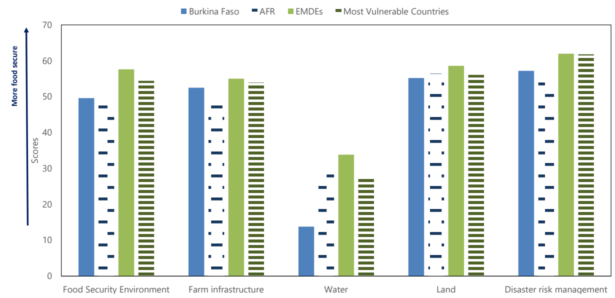
Burkina Faso is rapidly expanding its renewable energy production capacity, now a central part of the domestic energy mix. Energy consumption has more than doubled in the last twenty years, while energy production has increased nearly fourfold.



Source: IMF staff calculations.

A3. Food Security and Adaptation

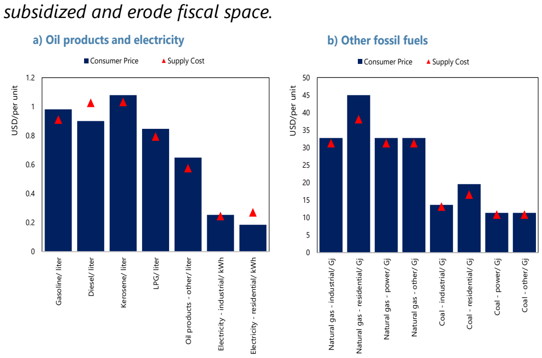
Burkina Faso is acutely food insecure due to structural vulnerabilities in its agriculture sector. The situation is further stressed by the climate-conflict nexus, driving increased vulnerability and exposure to shocks.



Source: Global Food Security Index 2022 from the Economist Impact and Corteva.

M4. Explicit Consumer Fuel Subsidies

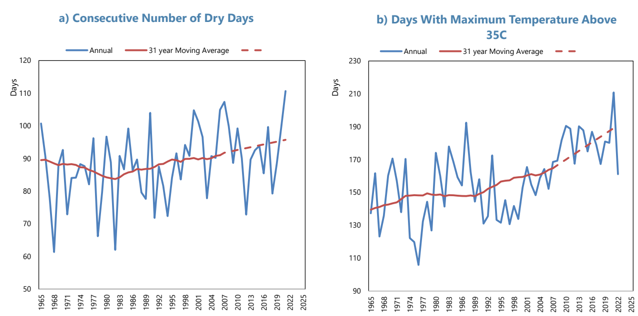
Fuel pricing is above the supply costs for most fuels, with the exception of diesel and residential electricity provision which are subsidized and erode fiscal space.



Sources: IMF Climate Change Dashboard (2021) and IMF Fossil Fuel Subsidies database.

A4. Historical and Simulated Number of Hot Days

Over the past 20 years, the average number of heat days per year has shown a significant upward trend.

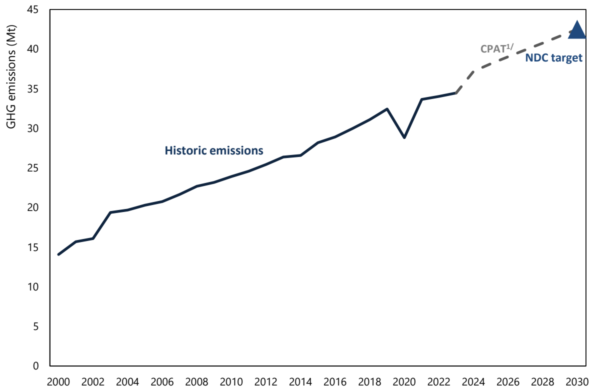


Sources: FADCP Climate Dataset (Massetti and Tagklis, 2024), using CMIP6 data (Copernicus Climate Change Service, Climate Data Store, 2021).

Figure 7: Burkina Faso: Main Climate Data (concluded)

M5. GHG Emissions vs. NDC Targets

Burkina Faso can achieve its Nationally Determined Contribution (NDC) targets without additional mitigation efforts, given that emissions projected by the Climate Policy Assessment Tool (CPAT) align with the NDC target.



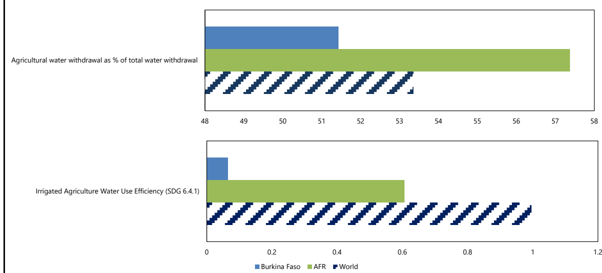
Sources: IMF Climate Change Dashboard with data from the UNFCCC, EDGAR, FAO, and IMF Staff-calculations.

Note: GHG emissions exclude Land Use, Land-Use Change and Forestry.

1/ CPAT estimations are indicative as they are based on uniform assumptions across all countries across the globe (i.e., no new mitigation policies, 50% reduction in explicit subsidies if applicable, energy prices based on average IMF-WB forecasts, and macroeconomic projections from the latest WEO).

A5. Water Use Efficiency

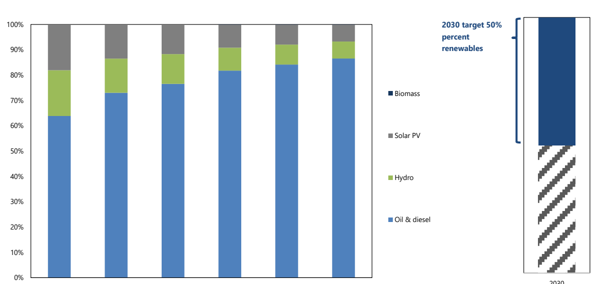
Water availability and efficiency of use are both significantly low compared to the world average and regional peers.



Source: IMF staff estimates based on FAO Aquastat.

M6. Electricity Generation Mix

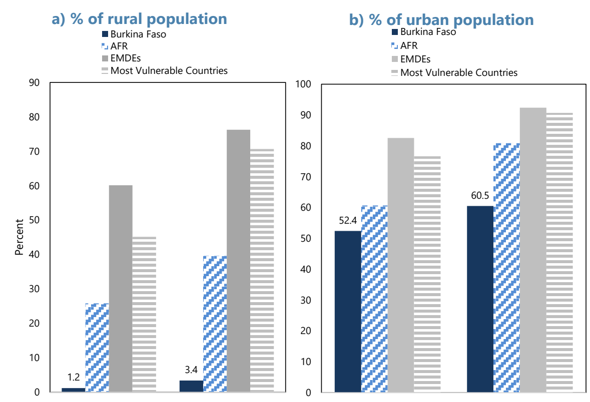
Fossil fuel-based generation constitutes around two-thirds of the total electricity supply. The share of renewables (hydropower & solar) has been rapidly increasing in recent years, taking advantage of the vast renewable potential.



Source: IMF staff calculations.

A6. Access to Electricity

Rural electrification is lagging in the country, where 3.4% of households are electrified, well below the regional average and other climate-vulnerable nations.



Source: World Development Indicators (2021).

Annex III. Evaluating Progress Towards Reducing Long-Term BOP Risks Through the RSF[1]

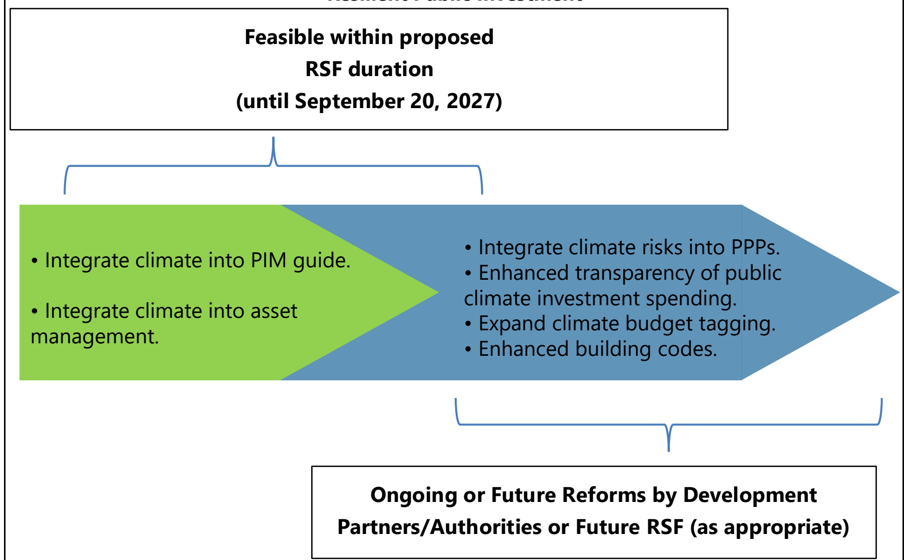
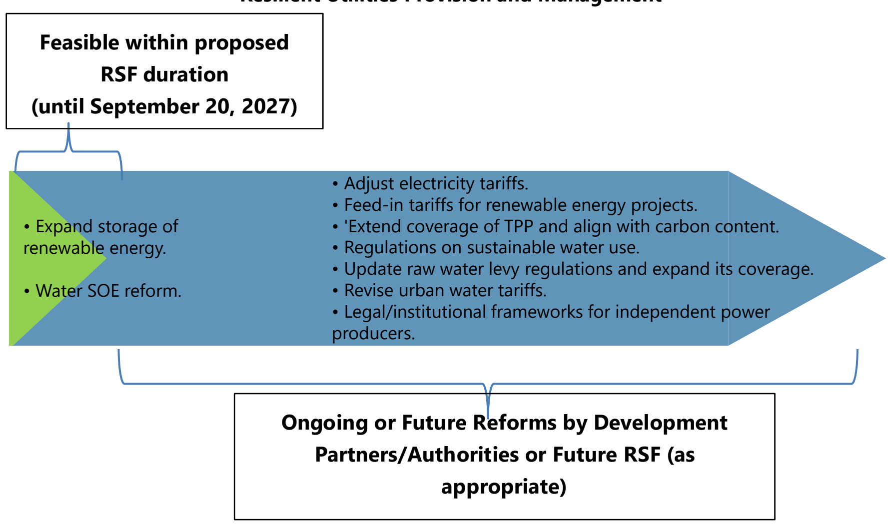
Staff assesses that strengthening Burkina Faso's prospective balance of payments stability requires fiscal, financial, and structural policies – including macro-structural reforms in selected economic sectors. Reform areas covered by the RSF include: (i) Strengthening Fiscal Resilience and Transparency; (ii) Resilient Public Investment; (iii) Resilient Public Utilities Provision and Management; (iv) Climate Data and Finance. All reforms proposed are key to managing the impacts of climate risks on longer-term balance of payments stability.

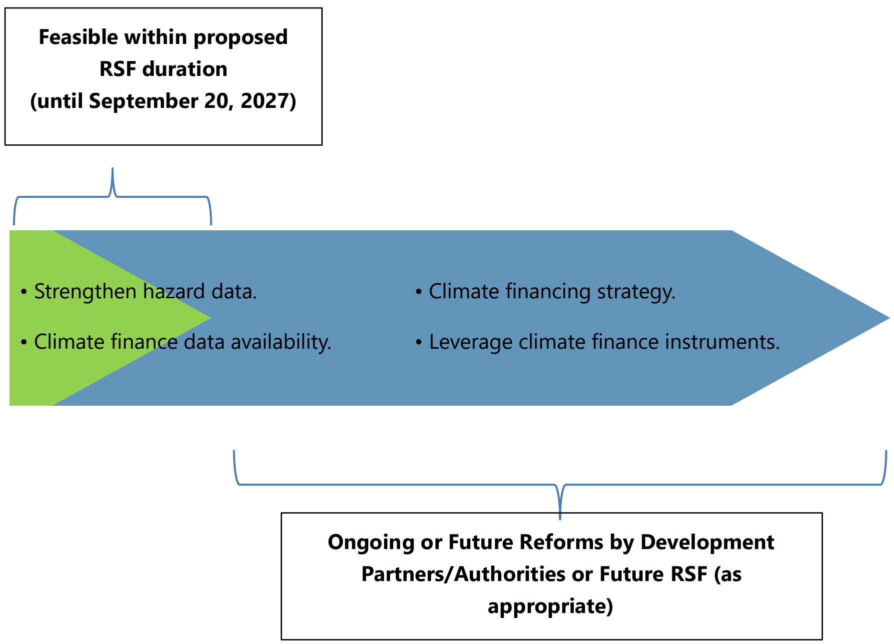
For each of these reform areas, the table below shows an assessment of the status prior to the approval of the RSF arrangement—including policies or institutional frameworks (first column) and the desired long-term policy outcome (third column). The latter includes filling institutional gaps that can result in market failures, contributing to lower fiscal liabilities and external financing needs. RSF-supported reform areas (both RMs and commitments in the MEFP), represented by the green arrow, are targeted at helping the country achieve these outcomes. To fully achieve the policy outcomes, additional reforms will be necessary. Some of the possible additional reforms, drawn from available diagnostics, are reported in the blue arrow. These are reforms that may be supported by development partners or carried forward independently by the authorities—in synergy with and building on the momentum of the RSF; however, they do not necessarily represent authorities' commitments. Some of these additional reforms may be already underway, highlighting the complementarity of the RSF with efforts from country authorities and other development partners.

The relative length of the green arrow compared to the "full set" of reforms provides a proxy of the progress expected directly through RSF-supported reforms. This reflects the authorities' ambition (cognizant of their capacity) under the RSF arrangement as well as limits to the Fund's expertise in certain areas.

[1] Prepared by Andrea Gamba (SPR), David Hart (SPR), Barry Maher (FAD), and Znengting Yue (SPR).

Pre-RSF Status	Main reforms: RSF-supported (green) and beyond RSF horizon or supported by other partners (blue)	Desired Long-Term Policy Outcome	Prospective BoP Risk Reduction
Lack of a comprehensive and transparent fiscal framework to manage the impact of natural disasters.	**Strengthening Fiscal Resilience and Transparency** **Feasible within proposed RSF duration (until September 20, 2027)** • Disaster risk finance strategy. • Fiscal data on disaster impacts. • Fiscal risk statement. • Enhanced mechanisms to protect vulnerable households. • Enhanced risk layering. • Expand access to external financing instruments (e.g., risk transfer). • Enhanced emergency procurement procedures. **Ongoing or Future Reforms by Development Partners/Authorities or Future RSF (as appropriate)**	Limit fiscal and external impact of natural disasters.	*Fiscal and external stability.* A data-driven and transparent approach to climate-related fiscal risks is expected to reduce the likelihood of abrupt fiscal adjustments or external emergency financing needs, lowering the probability of sharp current account deteriorations or reserve drawdowns. The disaster risk finance strategy will improve access to external financing on more favorable terms. The publication of the fiscal impacts of shocks will support fiscal planning and more effective integration of disaster risks into macro-fiscal policy, which will contribute to a more stable external position by smoothing the fiscal-external transmission of climate shocks.

Opportunities to enhance resilient public investment policies and procedures.	**Resilient Public Investment** 	More resilient public infrastructure.	*Fiscal and external stability.* Embedding climate criteria into the appraisal of large infrastructure projects, the reforms aim to ensure that public capital is directed toward resilient infrastructure that protects export capacity and reduces vulnerability to import surges (due to infrastructure equipment imports after disasters). Asset maintenance reforms that account for climate risks are expected to help preserve infrastructure functionality and avoid costly reconstruction needs as well as potential imports.
Intermittent renewable energy supply challenges network stability and leads to higher reliance on imported fossil fuels. Lack of efficient water management.	**Resilient Utilities Provision and Management** 	Expand energy storage and grid reliability, reduce costs and fossil fuel imports, as well as increase efficiency of subsidies. Increase resilience to water scarcity and droughts.	*Fiscal and external stability.* The revised fiscal incentives for renewables with integrated storage are expected to help lead to more reliable domestic power production and private investment. This is expected to reduce reliance on imported fossil fuels and electricity. In parallel, financial sustainability and governance of the public water utility is expected to strengthen water service provision, moderate fiscal pressures, and improve the

			efficiency of public investment in water infrastructure as well as its ongoing management, all contributing to strengthening external sustainability.
Need for accessible, reliable, and granular climate investment data.	**Climate Data and Finance** 	Foster public and private sector investments to lower climate vulnerabilities.	*Fiscal and external stability*. Improved planning for infrastructure and urban development is expected to reduce costly reconstruction imports and external financing. Extending the MRV system to capture climate investments will support planning of investments and enable the creation of an investor-friendly environment, helping to attract private and concessional climate financing, reducing reliance on raising public debt, and strengthening foreign currency reserve buffers.
Sources: IMF Climate Policy Diagnostics Report for the Burkina Faso (2025); IMF Climate Module of the Public Investment Management Assessment and Green Public Financial Management (C-PIMA, 2025); Country Climate and Development Report (World Bank, 2022); and staff assessment.			

Annex IV. DIGNAD Modeling Results[1]

This annex draws lessons from the IMF-DIGNAD (Debt, Investment, Growth, and Natural Disasters) model to illustrate the impact of pre-emptive investment in resilient infrastructure on post-disaster output growth and public debt. The simulation indicates that frontloading investments in resilient infrastructure could alleviate the negative effects of natural disasters in Burkina Faso.

1. **The IMF's DIGNAD model simulates the macroeconomic impacts of climate adaptation investment.** The model by Marto, Papageorgiou, and Klyuev (2018) is a two-sector small open economy model with traded and non-traded goods sectors with an inclusion of natural disasters, allowing the government to invest in both standard infrastructure (e.g., bridges) and adaptation capital (e.g., flooding resistant bridges) as well as to build financial buffers. In addition to permanent damage to public and private capital, natural disasters cause temporary losses of productivity and inefficiencies during the reconstruction process.

2. **The model simulates a large-scale hypothetical flood in Burkina Faso in 2028, lowering GDP by about 2 percent. This estimate is roughly in line with the largest flood on** record in 2009 in Ouagadougou (see above). The decline in GDP is a result of damage to both public and private capital, infrastructure, and tradables and output. The exercise assumes that investment in resilient infrastructure is costlier than investment in standard infrastructure, but resilient infrastructure mitigates damage inflicted by the flood and depreciates at a lower rate. In the baseline, the public investment efficiency (PIE) parameter is set at 0.50 according to the latest Public Investment Management Assessment Update with the Climate Module (C-PIMA) (IMF, 2025). The score of 0.50 is higher than the average in sub-Saharan Africa at 0.46 (IMF 2018). Staff calibrates the model with initial values set according to data available at end-December 2024 and steady states values reflecting historical averages for the period 2020–24.

3. **To illustrate the macro-fiscal implications, the model simulates three scenarios.**

- The **Baseline Scenario** assumes an additional non-adaption investment of 1.0 percent of GDP (beyond the steady state level of public investment of infrastructure) during the two-year length of the RSF disbursements (2026–27). It finances this expenditure through a mix of grants (25 percent), concessional borrowing (25 percent), and public domestic debt (50 percent).

- The **Adaptation Scenario** assumes that the government invests 1.0 percent of GDP in climate-resilient public infrastructure for two years prior to the natural disaster, which is 25 percent more expensive. It finances this expenditure through a mix of grants (25 percent) and concessional borrowing (25 percent), with the rest financed from public domestic debt.

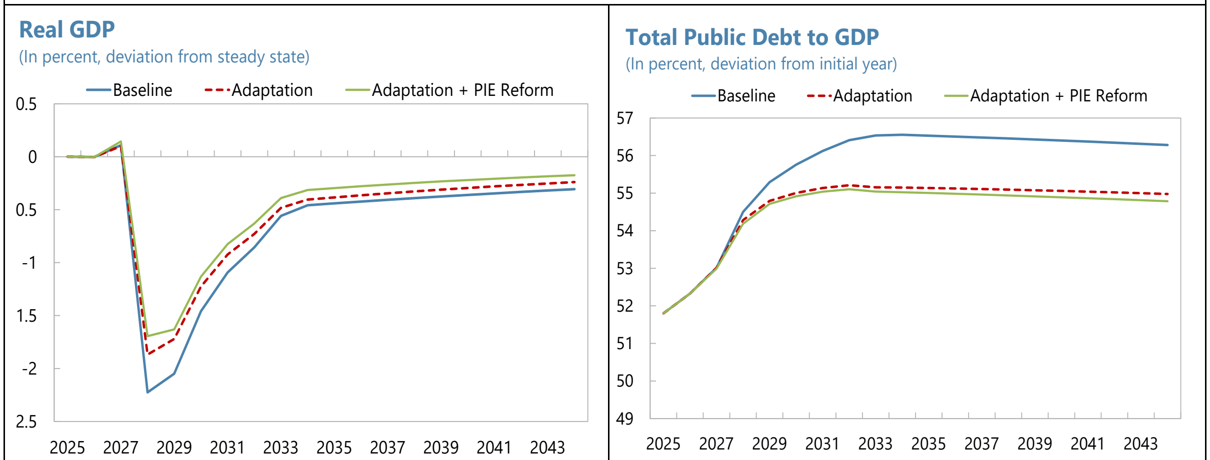
- In the **Adaptation & Policy Scenario** the government invests 1.0 percent of GDP in climate-resilient public infrastructure but assumes improved public investment management efficiency

[1] Prepared by Colin Cook (AFR), Regis Kouassi (AFR), Barry Maher (FAD), and Balazs Stadler (AFR). The authors would like to thank Azar Sultanov and Frank Zhang (both RES) for comments and support.

(PIM) through PIM reforms, in addition to anticipated governance reforms, improvements in the business climate, and further progress in developing human capital. The scenario assumes that the current level of public investment efficiency is 50 percent and that these reforms will improve public investment efficiency by 20 ppts, raising the efficiency rate to 70 percent.

4. Simulation results suggest that frontloading investment in climate resilient adaptation infrastructure, along with policy reforms to narrow the financing gap, could partially mitigate the negative impact of a natural disaster. The DIGNAD simulations show that *ex-ante* climate resilient infrastructure investment in the Adaptation Scenario helps mitigate the negative impact of natural disasters on growth and debt compared to the Baseline Scenario. However, the initial high cost of constructing resilient infrastructure worsens the fiscal deficit and debt if the construction cost is not mitigated by proper fiscal reforms. Supplementing the financing gap with public investment efficiency reforms like in the Adaptation & PIE Reform Scenario would help limit output loss while slightly improving the debt to GDP ratio. Furthermore, increasing the efficiency of public investment leads to more efficient construction and post-disaster reconstruction.

Figure 1. Burkina Faso: DIGNAD Simulation Results, 2025–44



Source: IMF Staff.

Appendix I. Letter of Intent

Ms. Kristalina Georgieva
Managing Director
International Monetary Fund
Washington, D.C. 20431
USA

Ouagadougou, January 30, 2026

Dear Madam Managing Director:

I am pleased to inform you, through the attached Memorandum of Economic and Financial Policies (MEFP), of the recent developments in the Burkina Faso economy, the progress made in the implementation of our program supported by the Extended Credit Facility (ECF), as well as of the proposed reform measures in support of our request for an arrangement under the Resilience and Sustainability Facility (RSF) that would run until September 20, 2027, the same end-date as the ECF. The promotion of a resilient, inclusive, and job-generating macroeconomic growth and higher productivity, notably through investments in human and physical capital, is the overriding objective of our development policies, as laid out in our Action Plan for Stabilization and Development (PA-SD 2023-2025) and reaffirmed in the new National Development Policy (PND 2026-2030)), which is currently being finalized. The IMF's Extended Credit Facility (ECF), which supports our development ambitions, supports reforms aimed at (i) creating fiscal space for priority spending and reducing debt vulnerability; (ii) strengthening resilience to shocks while reducing poverty and inequality; and (iii) improving fiscal discipline and governance.

The reforms implemented by the government and the recent surge in international gold prices are reinvigorating our economy. Despite the security challenges, growth is estimated to have accelerated in 2025 to 5.0 percent of GDP, compared with 4.8 percent in 2024, highlighting the relevance of the reforms undertaken in the mining sector and the government's sustained actions in the agro-sylvo-pastoral, wildlife, and fisheries sectors to achieve food security. Inflation is estimated at -0.5 percent on average in 2025 owing to a drop in local food prices. Higher gold exports are expected to result in the external current account posting a surplus in 2025, which, given gold price projections, may be sustained over the coming years.

I am pleased to report that our ECF-supported program remains firmly on track. We observed all six quantitative performance criteria at end-June 2025. All indicative targets at end-June 2025 were also met, except for the ceiling for current primary expenditures, which was exceeded by 0.1 percent of GDP, reflecting mainly expenditures supported by the Patriotic Support Fund (FSP), which are being carried out autonomously from own revenues mobilized in response to the demands posed by the security situation. All four continuous structural benchmarks were met. Two of the four structural benchmarks for end-June 2025 were also met. The end-June 2025 SB on energy sector reform was not met, but the required report was subsequently submitted in July 2025. As for the end-June 2025 unobserved structural benchmark regarding the publication of the Governance Diagnostic Assessment (GDA) report, we have reached an agreement with IMF staff to finalize the report by end-October 2025. However, the change in context, given the time that elapsed since the GDA mission, made it such that some of its observations have lost their relevance. This applies, among others, to the observations pertaining to the AML/CFT framework, considering Burkina Faso's exit from the Financial Action Task Force (FATF) grey list last October. Therefore, the report could be misconstrued by the broad public. Given our socio-political environment, this could undermine the implementation of its recommendations, as well as our agenda to fight corruption and strengthen governance.

Pursuing this path and remaining strongly committed to promoting good governance and fighting corruption, we have agreed in this context with IMF staff to implement three prior actions related to the recommendations of the GDA report.

All three prior actions have already been completed. As agreed during the fourth review mission, we have developed and shared with the IMF staff our strategy to strengthen governance, that describes the government's ambitions regarding the improvement of governance and fiscal transparency, the challenges, as well as the action plan for implementing priority recommendations of the GDA mission. This strategy was published on the Ministry of Economy and Finance's website on January 14, 2026. Similarly, we also shared with IMF staff a progress report by the General Inspectorate of Finance on the ongoing audit of Treasury deposit accounts and on January 12, 2026. As part of the reform to streamline the Treasury deposit accounts currently being implemented by the government, we shared with IMF staff on January 12, 2026, a note showing how the government has rationalized the Treasury deposit accounts already audited as of October 2025, as well as the expected goal at the end of the reform.

Furthermore, nearly all indicative targets through end-September 2025 and all structural benchmarks through end-October and two through end-December 2025 were met. A total of 11 out of 12 indicative targets through end-September 2025 were met. The sole indicative benchmark not observed relates to the stock of certified VAT refund arrears by more than 30 days, which stood at CFAF 43 billion, compared to the ceiling of CFAF 40 billion as of the end of September 2025. All four continuous structural benchmarks have been observed. The two structural benchmarks due at end-October 2025 and two structural benchmarks at end-December 2025 were met.

Good governance and transparency remain a central pillar of our government's agenda. The significant progress we have made in the fight against money laundering and the financing of terrorism (AML/CFT) as well as the political commitment to continue improving the national framework enabled Burkina Faso to be removed from the Financial Action Task Force (FATF) grey list in October 2025. Furthermore, six of the eleven priority recommendations of the GDA report have already been implemented as of mid-January 2026, and the other five will be included subsequently into the structural agenda of the program supported by the ECF.

We reaffirm our commitment to further strengthening governance and fiscal transparency. To this effect we are already working on two critical structural reforms, which are intended to be presented to the IMF's Executive Board in the context of the fifth review:

a) We will establish a periodic control mechanism of the mining cadaster to assess the compliance, transparency, and effectiveness of mining licenses management.

b) We will share with IMF staff a plan to conduct and regularly publish audit reports for all ministries, according to their risk level.

Moreover, we will share with IMF staff a report on alternating annual reconciliations between personnel registers and payroll registers, either at the Ministry of Education and other ministries covering approximately 50 percent of the civil service employment (outside the security sector); or alternatively at the Ministry of Health and the remaining ministries covering the other 50 percent of the civil service employment outside the security sector (end-September 2026 – proposed SB for the sixth review).

Burkina Faso's high vulnerability to extreme weather shocks threatens its macroeconomic stability, imposes fiscal burden, saps its balance of payments, and exacerbates insecurity. Located in the Sahel, our country faces an arid and hot desert climate. Droughts drastically reduce yields in the agricultural sector, which employs more than a third of the active population; they threaten food security; they lead to price increases and food imports; and reduce exports of agricultural products, thereby undermining the balance of payments. Floods destroy infrastructure, leading to an increase in capital imports, and adversely affect mining activities, which constitute more than 80 percent of exports. These increasingly frequent storms are exacerbating pressures on public spending for social protection and adaptation to climate change, while reducing revenues from agriculture and extractive industries. Furthermore, increasing pressures on water, land, and food resources fuel conflict, which in turn amplifies the vulnerability of communities to climate shocks. The interaction of these many compounding factors creates a vicious cycle of climate-conflict interconnectedness that increases the risk premium demanded by investors.

Aware that climate change increases the incidence and amplitude of these shocks, we have undertaken actions to strengthen resilience, but challenges remain. Our climate policy, embodied in the National Adaptation Plan, prioritizes agriculture, infrastructure, and civil protection, while the Nationally Determined Contribution targets a 30-percent reduction in greenhouse gas emissions by 2030. In preparing the 2024 and 2025 budget laws, we have developed an annex devoted to climate change and introduced budget cushions to address climate shocks. We have also sought IMF technical assistance to undertake climate-sensitive budgeting, evaluating and reforming fuel subsidies; evaluating our climate-sensitive investment management framework; and diagnosing our climate policies, with a view to identifying ambitious reforms designed to strengthen the country's capacity to adapt to climate shocks and ensure a green transition.

Access to the IMF's RSF will help support ambitious reforms to reduce climate-related vulnerabilities and strengthen macroeconomic resilience and external stability. The proposed reform measures, in collaboration with IMF staff and other development partners, have been carefully designed to have significant positive impacts on public finances, the balance of payments, and macroeconomic resilience. In particular, the proposed matrix of reforms is based on four pillars: (i) strengthening fiscal resilience and transparency by institutionalizing disaster risk management and financing; (ii) anchoring climate resilience in public investment; (iii) promoting resilient utilities provision and management; and (iv) attracting climate finance by publishing climate risk data and improving the dissemination of climate investments.

Based on the strength of our program, we request the completion of the fourth review under the ECF arrangement, the setting of new quantitative targets and indicative targets through end-December 2026 (sixth and seventh reviews) and a new structural benchmark for end-September 2026 (sixth review), as well as the completion of the review of financing assurances, the disbursement of the fourth tranche under the ECF in an amount equivalent to SDR 24.08 million, and the approval of the request for access to the RSF. We consider that the policies described in the attached MEFP are adequate to achieve the objectives of the program supported by the ECF at the forthcoming reviews, and to support our request for access to the RSF. We stand ready to take any further measures that may prove necessary to meet the objectives of the two IMF-supported programs, and we will consult with the IMF prior to any necessary revisions to the policies described in this letter and attached memorandum, in accordance with Fund policies on such matters. We undertake to improve the timetable for transmitting to IMF staff all data and information necessary to assess the performance of policy implementation, particularly those mentioned in the Technical Memorandum of Understanding.

We agree to the publication of this Letter of Intent, attached Memorandum of Economic and Financial Policies and Technical Memorandum of Understanding, and the Staff Report for the Fourth Review of the 48-Month Arrangement under the Extended Credit Facility and the Request for the Arrangement under the Resilience and Sustainability Facility, following their approval by the IMF's Executive Board.

Very truly yours,

/s/

Aboubakar Nacanabo

Minister of Economy and Finance

Officer of the Order of the Etalon

<u>Attachments</u>:

- Memorandum of Economic and Financial Policies
- Technical Memorandum of Understanding

Attachment I. Memorandum of Economic and Financial Policies

I. INTRODUCTION

1. This Memorandum of Economic and Financial Policies (MEFP) provides an update on the implementation of Burkina Faso's economic and financial program agreed with the International Monetary Fund (IMF) under the Extended Credit Facility (ECF) for the period 2023–2027 and supplementary information on economic and financial policies pursued by the Burkinabè government in the context of the program and as part of its broader reform agenda consistent with the objectives of macroeconomic stability, inclusive growth, and poverty reduction.

2. This economic and financial program is organized around three main pillars: (i) creating a fiscal space for priority spending and reducing debt vulnerabilities; (ii) strengthening resilience to shocks while reducing poverty and inequality; and (iii) strengthening fiscal discipline, governance, and anti-money laundering and combating the financing of terrorism (AML/CFT).

3. This memorandum describes recent trends in the Burkinabè economy and reports on performance under the program since the completion of its third review in June 2025. It also discusses prospects and program commitments for 2026 and the remainder of the ECF-supported program.

4. This MEFP also lays out policies and commitments in support of the Burkinabè government's request for an arrangement under the Resilience and Sustainability Facility (RSF) that would run until September 20, 2027, the same period remaining under the ECF-supported program.

II. RECENT ECONOMIC DEVELOPMENTS AND PROGRAM IMPLEMENTATION

A. RECENT DEVELOPMENTS IN THE MACROECONOMIC FRAMEWORK AT END-JUNE 2025

5. Economic activity in 2025 is taking place in an international context marked by heightened geostrategic and trade tensions, the new direction of trade policy in the United States, and the evolving geopolitical situation of the West African sub-region with a strong foothold of the Alliance of Sahel States. At the national level, the security challenges remain, with good momentum to restore territorial integrity and a favorable outlook for the agropastoral season.

6. Inflation, at the end of June 2025, experienced a deceleration in its year-on-year growth rate, standing at 1.1 percent compared with 2.4 percent at the end of June 2024. This slowdown was mainly due to the prices of products in the categories "housing, water, electricity, gas and other fuels" (-2.9 percent in June 2025 compared to 3.5 percent in June 2024), "educational services" (-0.6 percent in June 2025 compared to 2.6 percent in June 2024) and "leisure, sports and culture" (0.5 percent in June 2025 compared to 0.8 percent in June 2024). This dynamic reflected in part the measures taken by the government to limit price increases (through price controls, banning the export of cereals, and others) and to secure supplies to areas with significant security challenges.

7. Trade patterns with the outside world improved significantly in the first half of 2025. Current external transactions at end-June 2025 resulted in a surplus of CFAF 755.4 billion, compared to a deficit of CFAF 179.8 billion in the same period in 2024, representing an improvement corresponding to CFAF 935.2 billion. This improvement in the current account balance is driven mainly by the strong growth in exports of 74.5 percent, slightly mitigated by the increase in imports of 14.8 percent. The good performance of exports is driven by the increase in the value of gold shipments to the tune of CFAF 1,270.8 billion, cashew nuts to CFAF 70.3 billion and sesame to CFAF 15.1 billion. Meanwhile, the increase in imports was driven by the acquisition of capital goods (CFAF 141.6 billion), intermediate goods (CFAF 74.3 billion), other everyday consumer goods (CFAF 40.7 billion), and food (CFAF 29.8 billion).

8. The monetary situation at the end of June 2025 was marked by the continued recovery in the money supply that began in October 2024. This development shows that the volume of liquidity in the economy continues to grow, mainly thanks to financial inflows from the rest of the world. Indeed, the total financial resources held by all economic agents in the form of banknotes, coins and bank deposits, reached 6,231.1 billion CFA francs, recording an increase of 298.9 billion (5 percent) over the first six months of 2025. This development marks a break with the stagnation observed in the same period of 2024. As for the sources of money supply, it should be noted that they are mainly net claims held on the other WAEMU countries that increased by CFAF 360.0 billion during the first six months of 2025. Domestic credit and financing granted by the banking system to economic agents are down by CFAF 19.6 billion compared to the end of December 2024.

9. The decrease in domestic claims is mainly attributable to the deflation of claims on the private sector, particularly households and private companies (minus CFAF 149.4 billion) and claims on public companies (minus CFAF 55.3 billion). On the other hand, net claims on the central government increased by CFAF 189.9 billion in the first six months of 2025. Over one year, the increase in these receivables reached CFAF 390.3 billion, while claims on the economy fell sharply, from CFAF 4,363.2 billion at the end of June 2024 to CFAF 4,100.3 billion at the end of June 2025, following repayments at the maturity of the loans granted.

10. **In terms of public finances**, the execution of the 2025 budget has been conducted in an environment marked by an easing of monetary policy by central banks at the global level and the continuation of efforts to reconquer the entire national territory.

- In terms of resource mobilization, the reforms following the implementation of the new mining code as well as the favorable price of gold have contributed to a significant increase in mining revenues. In addition, the continued implementation of actions and reforms at the level of revenue management contributed to improving the mobilization of internal resources. These reforms concern, among other things, the acceleration of the digitalization of all business processes (tax, state, cadastral and customs procedures), the implementation of certified electronic invoicing, the continuation of the clearance of outstanding balances, as well as the strengthening of non-intrusive control of cargoes and anti-fraud actions. They are also expected to capitalize on the recent opening of a second one-stop shop for land in Ouagadougou, setting up a new hydrocarbon customs clearance office in Péni, and creating a specialized unit for the customs clearance of containerized shipments at the Ouagadougou Route Office. The mobilization of total revenues and grants, including resources from the Patriotic Support Fund (FSP), stood at CFAF 1,604.0 billion at end-June 2025 compared to CFAF 1,512.2 billion in 2024, an increase of 6.1 percent. This performance is explained by the increase in tax revenue collections of 9.9 percent, with non-tax revenues and grants decreased by 8.5 percent and 20.9 percent, respectively.

- In terms of spending, priority is given to defense and security as well as to the response to the humanitarian crisis. Fiscal policy has mainly consisted of in the streamlining of administrative costs. Total expenditure and net lending stood at CFAF 1,849.6 billion at end-June 2025 compared to CFAF 1,824.8 billion at end-June 2024, representing an increase of 1.4 percent. This increase is attributable to the increase in current expenditure and net lending, with capital expenditure diminished by CFAF 30.9 billion (4.7 percent).
- At end-June 2025, the overall balance on a commitment basis showed a deficit of CFAF 245.6 billion compared to a deficit of CFAF 312.6 billion in the same period in 2024, representing an improvement of CFAF 67.1 billion.

11. As part of the control of the wage bill, the operation to control the payroll file of agents registered on the Integrated System for the Administrative and Salary Management of State Personnel (SIGASPE) made it possible to recover, at the end of August 2025, an amount of CFAF 3.3 billion from the adjusted stock of CFAF 6.6 billion of undue payment of elements of remuneration received by certain enlisted agents (i.e., a recovery rate of 50 percent). As a reminder, this operation had made it possible to achieve an estimated saving of CFAF 12.7 billion on the forecasts of personnel credits for the 2024 financial year. Also, revenue orders in the amount of CFAF 7.9 billion have been issued against un-enrolled and illegal agents. In addition, the government has implemented the following actions: (i) the development of a module on the automated attendance control of public servants, and (ii) the implementation of job descriptions in ministries and institutions, the rate of which has increased from 14.7 percent in 2022 to 42.4 percent in 2024.

12. As for the audit of SIGASPE, the firm selected to conduct the mission began its work on January 9, 2025, and submitted its report on May 8, 2025. A technical sheet on the summary of the final report is now available.

13. To reconcile the personnel registers of the former Ministry of National Education, Literacy, and the Promotion of National Languages (MENAPLN) with the SIGASPE payroll, the technical staff of the Directorate General of the Budget (DGB) and of the Human Resources Directorates (DRHs) of the two ministries resulting from the division of the former MENAPLN held a series of working sessions in the fourth quarter of 2024 to analyze the consistency between the registers kept by the DRH and the payroll for government personnel. The report on the reconciliation of this register was approved by the Council of Ministers on April 24, 2025.

14. **In terms of public debt**, the government is pursuing its debt policy while remaining in compliance with sustainability indicators and ratios. Outstanding public debt stood at CFAF 8,311.2 billion as of June 30, 2025, compared to CFAF 8,029.6 billion as of December 31, 2024, representing an increase of 2.1 percent. Public debt service, as of June 30, 2025, amounted to CFAF 722.41 billion, an increase of 46.6 percent compared to the same period of 2024. The ratio of "external debt service to budget revenues" stood at 8.2 percent at end-June 2025 compared with a prudential maximum threshold of 18 percent.

15. **The application of the hydrocarbon price readjustment mechanism in Burkina Faso remained limited in 2025.** By freezing hydrocarbon sales prices, the government aimed to anticipate a surge in the price of petroleum products. However, the prices of petroleum products on the international market remained lower than expected, resulting in financial gains of CFAF 84.2 billion at the end of June 2025 and CFAF 124.6 billion at the end of August 2025. In this case, the mechanism put in place by the state produces gains that improve budget revenues in a cyclical way. If prices at the pump remain unchanged and world prices maintain their trend, these gains could exceed CFAF 154.0 billion at the end of December 2025, thus leading to a significant increase in budget revenues.

16. Subsidies on butane gas and national electricity company (Société Nationale d'électricité du Burkina Faso – SONABEL) fuels totaled CFAF 85.2 billion at the end of June 2025, including CFAF 48.3 billion for SONABEL fuels and CFAF 37.1 billion for butane gas. At the end of August 2025, the cumulative amount was provisionally CFAF 122.2 billion, including CFAF 56.5 billion for butane gas and CFAF 65.7 billion for SONABEL fuels. In addition, it should be noted that of the 2025 subsidies, an amount of CFAF 53.4 billion was paid at the end of June.

17. Efforts to control hydrocarbon subsidies in the country have continued through the enhanced targeting of beneficiary social groups. Awareness-raising, monitoring, and enforcement actions will accompany the implementation of this targeting. In addition, the regulations that govern all activities related to the sale of hydrocarbons in the country are being reviewed to adapt them better to the current context and effectively combat fraud. These actions should eventually make it possible to significantly reduce the volume of subsidies.

18. Under the aegis of the Ministry of Economy and Finance (MEF), an IMF technical assistance mission was organized in November 2024 to support the government's efforts to implement policies aimed at rationalizing hydrocarbon subsidies. The aim of this assistance was to define the nature of subsidies for petroleum products, to estimate their cost to public finances, to analyze price structures in detail, and to propose reform scenarios for greater efficiency. The conclusions of this technical assistance mission are still under discussion with the technicians at the national level. It remains understood that the consensus recommendations that will emerge will make it possible to better frame the management of the hydrocarbon subsidy in the country**.**

19. As part of the refund of VAT credits, at the end of June 2025, the amount paid amounted to CFAF 70.79 billion, and the balance of the Transition Services Support Account (CAST account) amounted to CFAF 103.38 billion. The stock remaining to be paid consists of 37 certificates amounting to CFAF 49.4 billion, of which CFAF 34.7 billion are more than one month old and less than three months old and CFAF 14.7 billion are less than one month old. Given the strengthened account balance and the improvement in the treasury cash flow, the administrative and accounting processing times for VAT credit refund applications will improve.

20. Regarding land management, the main results as of June 30, 2025, relate to the continuation of the clearance of land liabilities with the digitization of 186,203 cadastral references, the evaluation in eCadastre of 1,542 plots and the geo-referencing of 21 localities. In addition, a platform called the Integrated System for the Management of Land and Cadastral State Procedures (SYC@D), whose objective is to modernize the management of State, land and cadastral procedures, was launched on March 21, 2025. Notably, this new platform allows the tax and land administration to process and issue land occupation titles in a secure and fast manner. Finally, to bring users closer to the tax, land, and State administration, a second one-stop shop for land was opened in Ouagadougou on April 2, 2025, which made it possible to mobilize an amount of CFAF 386.9 million at the end of June.

21. Implementation of public-private partnership (PPP) contracts. As of December 31, 2024, the amount of the nominal value of PPPs contracted in 2024 was CFAF 154.6 billion composed of the financing of: (i) the construction and maintenance of a system for the issuance of biometric polycarbonate passports equipped with electronic chips (e-PASSPORT) and electronic archiving of files (CFAF 19.7 billion); (ii) the production of secure biometric consular cards for the benefit of Burkinabè nationals living in the Republic of Côte d'Ivoire (CFAF 14.6 billion) and (iii) the construction and operation of a 50 MW biomass power plant in Darsalami in Bobo-Dioulasso (CFAF 120.0 billion). For 2025, the ceiling for the indicative target on the value of PPPs contracted is CFAF 200 billion. At end-September 2025, signed PPP contracts amounted to CFAF 84.75 billion, consisting of a project for the construction of a photovoltaic solar power plant in Nobéré (CFAF 74.779 billion) and a project for the construction of thirty-eight high-standard triplex units at the SONATUR Cissin site in Ouagadougou (CFAF 9.973 billion).

B. PROGRAM IMPLEMENTATION

22. Implementation of the program remains satisfactory, despite the persistence of the security and humanitarian crisis. Almost all structural benchmarks and quantitative criteria were observed at the end of June 2025:

- Regarding the quantitative performance criteria, all six (6) were met (see Table 1a).
- As for the indicative targets, they have all been achieved except for the ceiling on current primary expenditure. Indeed, for a target of CFAF 1,050 billion maximum by the end of June

2025, the stock of current primary expenditure came out at CFAF 1,059.9 billion, a difference of CFAF 9.9 billion, which is less than 0.1 percent of GDP (Table 1a). This slight overrun mainly reflected the operations of the FSP which are being conducted autonomously and taking into account the evolution of the security situation. However, the operations of the FSP are covered by the fund's own revenue and have no impact on the budget deficit. All end-September ITs were met, except for the ceiling on VAT refund, which amounted to CFAF 43.0 billion for a target of CFAF 40.0 billion, resulting in a gap of CFAF 3.0 billion (about 0.02 percent of GDP).

- Regarding structural benchmarks (SB), all four continuous SBs have been fully observed (Table 2a) as well as two SBs, whose deadline was set for the end of June 2025 (Table 2b). The end-June SB on energy sector reform was missed, but the required report was subsequently submitted (on July 21, 2025). Regarding the unobserved SB on the publication of the Governance Diagnostics Assessment (GDA) report, we have finalized an implementation plan for priority recommendations of the GDA report and have published this plan in a strategy document as a prior action together with two other prior actions related to the GDA (see MEFP ¶62). The two SBs for end-October 2025 have been observed. Two SBs for end-December 2025 have also already been implemented.

C. IMPLEMENTATION OF THE NATIONAL DEVELOPMENT POLICY AS OF JUNE 30, 2025

23. The National Development Policy (PNDES-II) 2021-2025 is implemented through the Action Plan for Stabilization and Development (PA-SD), which is built around the following four pillars: (i) combating terrorism and restoring territorial integrity; (ii) responding to the humanitarian crisis; (iii) rebuilding the State and improving governance; and (iv) working toward national reconciliation and social cohesion. Achieving objectives related to these pillars is a prerequisite for development and contributes to the fight against poverty.

24. At the halfway point of 2025, the government's interventions have made it possible to make major gains in relation to: (i) counter-terrorism; (ii) the response to the humanitarian crisis; (iii) the promotion of good political, economic and financial governance; (iv) strengthening decentralization and good administrative and local governance; (v) the improvement of the living environment, access to drinking water and sanitation; (vi) the sustainable development of a productive and resilient agro-sylvo-pastoral, wildlife and fisheries sector that is more market-oriented, and finally, (vii) national reconciliation and social cohesion.

25. In the fight against terrorism, the main results relate to: (i) the strengthening of the operational capacities of the Defense and Security Forces; (ii) the intensification of the fight against crime and organized crime through the organization of 37,035 deterrent and security patrols by the Gendarmerie and the Police as well as 4,667 patrols in the forest massifs; (iii) the improvement of the participation of the Volunteers for the Defense of the Homeland (VDP) in the fight against terrorism, including through the recruitment of 3,660 VDPs; and (iv) the continued stemming of the supply sources used by terrorists for all kinds of resources with the dismantling of ten informal networks for the marketing of petroleum products and the seizure of 132,720 materials used to manufacture improvised explosive devices (explosives, explosive fuses, cord roll, detonators). These various actions have made it possible to increase the rate of reconquest of the national territory from 70.9 percent at the end of December 2024 to 72.7 percent at the end of June 2025.

26. Regarding **the response to the humanitarian crisis**, the government's efforts have enabled a gradual return of internally displaced persons (IDPs) to their places of origin. Thus, the main achievements in the first half of 2025 concern: (i) the support for the voluntary return of displaced persons to their areas of origin, in particular with food assistance to 1,024,450 IDPs; (ii) the pursuit of educational continuity (opening/reopening of schools, subsidies/support provided to students and training of actors); and (iii) the taking of urgent measures to contain the food crisis and inflation.

27. In addition, as part of the implementation of a support plan for the resettlement of IDPs and other people affected by terrorism, 1,053 family latrines in IDPs' host households have been built and 370 streetlights installed for IDPs. Regarding the strengthening of the continuity of the provision of basic emergency care and services and nutrition for the benefit of populations affected by terrorism, 37,330 children under five years of age have been treated for malaria cases in areas facing significant security challenges.

28. With regard **to the promotion of good political, economic and financial governance,** notable achievements relate to (i) the improvement of the functioning of the courts; (ii) the improvement of access to justice with legal aid to 992 people, including 222 women and 43 minors; (iii) strengthening the effectiveness of human rights drawing on hearings of 337 IDPs in IDP sites, processing all complaints from victims of human rights violations, and processing and monitoring all reported cases of human rights violations and abuses; (iv) the improvement of resource mobilization, budgetary management and the State's assets; (v) the continued improvement of economic and financial information systems, particularly IS-N@folo; and (vi) the granting of loans to 100 small and medium-sized enterprises (SMEs) or small and medium-sized industries (SMIs) for CFAF 1.2 billion and to 160 craftspeople for CFAF 332.1 million.

29. **In terms of strengthening decentralization and good administrative and local governance**, there have been major achievements in the following areas: (i) the continuation of the development of local economies through the construction of 150 street shops, the lighting of five km of road line, the standardization of seven health facilities for the benefit of local authorities; (ii) the improvement of the governance of local authorities with the granting of one hundred scholarships to local government agents for their training in public vocational training institutions; and (iii) effective management of public administration human resources, with the signing of 8,057 integration acts on time, the reception of direct online competition files and the composition of all online professional competitions.

30. **In terms of improving the living environment, access to drinking water and sanitation**, notable progress has been made in relation to the following: (i) the construction of 325 boreholes equipped with human-powered pumps, 180 autonomous water pumps , and 390 community and institutional latrines; (ii) the deployment of 2,306 street lights for public lighting; (iii) the construction of 300 social housing units as part of the social and economic inclusion of IDPs and host communities; (iv) urban development, beautification and sanitation through the implementation of the "FASO MÊBO" Presidential Initiative; and (v) the conduct of actions to promote urban sanitation by the "LAABAL Brigade".

31. In the context of the sustainable development of a productive and resilient agro-sylvo-pastoral, wildlife and fisheries sector that is more market-oriented, the major results include: (i) the development of agricultural production under water control with the development of 17,271.9 ha of lowlands and 933.2 ha of irrigated perimeters; (ii) improving household access to quality inputs and equipment through the provision of 56,611 tons of fertilizers, 9,888.2 tons of improved seeds and 373 pieces of motorized equipment to producers at subsidized prices; and (iii) the improvement of animal health and sustainable management of animal resources with the provision of 455 tons of fodder seeds to producers, 806 tons of poultry feed, 1,550 tons of fish feed and 993 floating cages.

32. In the area of national reconciliation and social cohesion, the major results in terms of strengthening social cohesion and peace relate to: (i) the promotion of interreligious and intercultural dialogue initiatives by developing the mapping of religious pilgrimage sites in Burkina Faso; (ii) the prevention and management of community and inter-community conflicts with the training of 50 women leaders on United Nations Security Council resolution 1325 (2000), 100 leaders of citizen monitoring coordination on the prevention of radicalization and the fight against violent extremism, and 100 people from local authorities and civil society organizations (CSOs) on the management of local affairs through accountability; (iii) the acceleration of the processing of cases pending in court with rulings on 8,195 cases as part of the "empty locker operation", the start of trials of two emblematic cases and the judgment of 101 cases by the ECOFI hubs; and (iv) the compensation of 416 victims or their beneficiaries as part of the reparation of the damages suffered during the various socio-political crises.

33. To put this into perspective, as part of designing a National Development Policy for the period 2026–2030, work began in the first half of 2025 with the establishment of the development mechanism, the organization of a cabinet council around the Prime Minister, the conduct of a thematic study on the living conditions of forcibly displaced persons, the evaluation of the National Development Policy 2021–2025 as well as the organization of sectoral and regional consultations. For the remainder of 2025, the following was planned: finalization of the diagnostic report; definition of the strategic guidelines; and adoption of the document in the Council of Ministers and its presentation to the Transitional Legislative Assembly. Six issues that could constitute the future areas of focus for the National Development Policy 2026-2030 have already been identified during preparatory work. They include: (i) peace and socio-political stability; (ii) food self-sufficiency, increased agricultural cash production and agri-food processing; (iii) the development of quality human capital; (iv) the development of resilient and adequate economic infrastructure; (v) the development of an industrial fabric with a significant ripple effect; and (vi) good economic, administrative and local governance.

III. MACROECONOMIC POLICY FOR THE REST OF 2025

A. Macroeconomic Framework

34. In 2025, economic activity is expected to expand at a rate of 5.0 percent, up from 4.8 percent in 2024. Economic growth in 2025 is broad-based with estimated rates for the respective sectors: primary (4.3 percent), secondary (8.7 percent), and tertiary (2.9 percent).

35. Meanwhile, for the whole of 2025, inflation is expected to drop to -0.5 percent, 4.7 ppts below the level registered in 2024. This anticipated reduction is explained by the steady decrease in the prices of domestic products and the depreciation of the US dollar against the euro, which has contributed to the decrease in the prices of imported[1] products.

36. As for the external sector, exports are expected to increase by 37.2 percent to reach 5,088.9 billion in 2025, driven by the 50.6 percent increase in gold sales thanks to the 31.4-percent increase in price and the 18.6-percent increase in quantity exported. Imports are expected to increase more moderately, at a rate of 4.8 percent. The trade balance surplus is expected to strengthen to the tune of 1,211.5 billion. However, the expected improvement in the current account would be reduced by the increase in the deficits in services and primary incomes as well as by the reduction in the secondary income surplus. The current external account is expected to show a surplus of CFAF 544.2 billion, compared with a deficit of CFAF 556.8 billion in 2024.

37. The capital account is expected to record an increase in its surplus of CFAF 10.5 billion (4.4 percent) in 2025 due to the increase in project grants by CFAF 9.3 billion. For the financial account, a decrease in financial resource inflows of CFAF 586.5 billion is expected, notably for those related to the mining sector. In total, the overall balance-of-payments surplus is expected to reach CFAF 529.2 billion in 2025.

Fiscal Policy.

38. The government will continue its policy of streamlining expenses as well as consolidating reforms and actions aimed at strengthening the mobilization of own resources; the financing requirement in 2025 is estimated at 3.5 percent of GDP, compared to 5.8 percent in 2024, a decrease of 2.3 ppts of GDP.

39. Revenues are projected at CFAF 3,363.4 billion at the end of December 2025 (21.4 percent of GDP), up 15.8 percent compared to the CFAF 2,904.9 billion achieved in 2024. The tax burden rate is expected to fall to 17.8 percent in 2025, a decrease of 0.6 ppt compared to 2024. Meanwhile, expenditure is expected to increase by 5.4 percent to reach CFAF 4,108.7 billion (26.1 percent of

[1] At the end of September 2025, the prices of imported products were down by 1.1 percent year-on-year.

GDP). The share of current expenditure to total expenditure is expected to increase by 4.2 ppts to 63.2 percent in 2025.

40. After reviewing the energy subsidy needs (electricity and butane gas), we estimate that the total subsidies in 2025 will exceed the amount provided for in the revised 2025 budget (CFAF 85 billion) by about CFAF 91 billion, mainly due to higher consumption of DDO and HFO for electricity production. To ensure the accounting of energy subsidies and their additional sources of financing, the government will take stock of gains or losses from fixed fuel prices and of energy subsidies and include the amounts in the Table of Government and Financial Operations (TOFE) and the 2025 budget implementation report, with all operations clearly identified.

41. Concerning 2026, the amount of subsidy provided for in the budget is likely to cover more than three-quarters of the projected annual subsidy needs for SONABEL. While gas subsidies are expected to decrease, we estimate that the overall subsidies will likely exceed the amounts provided for in the budget. Since subsidy needs will depend on energy prices at the international level, the government will adjust the subsidy level in the supplementary 2026 budget law if necessary and identify appropriate measures to meet these needs. Any additional subsidy needs would then be covered by a combination of revenue (including financial gains from the sale of hydrocarbons) and the reallocation of funds already allocated in the budget, including by freeing up provisioned funds. In the medium term, the measures restricting the use of subsidized butane gas will continue to have an effect, leading to a reduction in subsidies.

42. **Debt Policy.** For the end of 2025, based on planned disbursements and repayments, the total outstanding public debt is projected at CFAF 8,744 billion, up 8.9 percent since the end of 2024. In relation to GDP, this outstanding amount would represent 53.5 percent in 2025, compared to 58.9 percent in 2024, a decrease of 5.4 ppts. Public debt service is estimated at CFAF 1,550.6 billion, compared to CFAF 1,152,16 billion in 2024, an increase of 34.6 percent. The ratio of "external debt service to budget revenues," is estimated at 11.0 percent in 2025. The public securities issuance program will continue to help cover the financing requirement through the mobilization of CFAF 1,185.0 billion.

IV. MACROECONOMIC POLICY FOR 2026–2028

43. Economic activity is expected to maintain its dynamism over the period, under the assumptions of an easing of geostrategic tensions and an improvement in the socio-political situation in the West African sub-region, a stronger foothold for the Alliance of Sahel States (AES), an improvement in the security situation, the implementation of the National Development Policy and favorable climatic conditions.

A. Macroeconomic Framework

44. Economic growth is projected at 4.9 percent in 2026. This growth is expected to be driven primarily by the secondary (5.6 percent) and to a lesser degree primary (3.4 percent) and tertiary (4.7 percent) sectors. For 2027 and 2028, it is projected at 4.8 percent for each of the years.

45. Annual average inflation is projected at 1.4 percent in 2026 under the assumption of another good agricultural season, a slowdown in regional food prices, the continuation of government measures to combat the high cost of living, and the easing of geopolitical tensions. Over the entire period 2026–2028, inflation is expected to remain in line with the community standard of no more than 3 percent.

46. In 2026, foreign trade is expected to take place in a favorable context marked by a decrease in the prices of the exported raw materials, a decline in the price of a barrel of oil, and stability of the dollar's exchange rate. The main foreign trade balances are expected to improve. The current account surplus is expected to increase by CFAF 457.8 billion, to CFAF 1,002.0 billion, representing 5.5 percent of GDP against 3.3 percent in 2025. The overall balance-of-payments surplus is expected to contract to 4.3 percent of GDP, after 6.0 percent in 2025.

B. Fiscal Policy

47. Fiscal policy during the period is consistent with the guidelines of the 2026–2028 Multi-annual Fiscal and Economic Programming Document (DPBEP). Strategic choices continue to be based on increasing the proportion of budget expenditure covered by internal revenues and the use of other forms of financing, in particular external financing in the form of budget support, the sub-regional financial market, and public-private partnerships (PPPs).

48. **Regarding mobilizing internal resources**, the aim is to continue modernizing procedures at the level of revenue authorities to optimize tax yields, on the one hand, and to complete reforms aimed at substantially increasing the tax base, on the other.

49. **In terms of mobilizing external resources**, the assumption of a relaxation of financial conditions, compliance with commitments made with the IMF and other partners, access to the various climate funds and recourse to the regional financial market would give new impetus to the mobilization of additional resources. Cooperation with technical and financial partners will continue and be strengthened.

50. In 2026, revenue and expenditure would represent 21.1 percent and 24.6 percent of GDP, respectively, leading to a financing requirement of 3.5 percent of GDP. Indeed, revenues would amount to CFAF 3,645.4 billion after a figure of CFAF 3,551.2 billion in 2025, an increase of 2.7 percent. This increase would be due to tax revenues, other revenues, and donations.

51. In terms of the mobilization of internal resources, the government will continue reforms and take actions aiming to strengthen the performance of the revenue authorities. These reforms include:

- continuation of the clearance of outstanding balances;
- targeting loads from interconnectors;
- strengthening of the geolocation of goods in transit and existing interconnections;
- implementation of the system for issuing customs value notices;
- continued implementation of institutional reforms and the specialization of certain offices with new performance contracts;
- continued interconnection between Burkina Faso's customs IT systems and neighboring countries (Benin and Ghana);
- interfacing of the computer systems of the Directorate General of Customs, the Directorate General of Land and Maritime Transport, the Chamber of Commerce and Industry of Burkina Faso, the Burkinabè Shippers' Council, and the Custom Declaration System (CDS) of the BF Post;
- continued modernization and digitalization of business processes with an acceleration of the digitalization of land, State, and cadastral management procedures for better land tenure security by strengthening the operational capacity of the SYC@D platform;
- overhaul of the DGI's information system for better interoperability of business software to drastically reduce tax loopholes;
- implementation of all the relevant prerogatives in terms of recovery actions, with a particular emphasis on mortgage registrations, the right of preemption, and the tax liability of business executives;
- strengthening of the fight against forgery, the use of forgery, fraud and tax evasion, the response, and the offensive through targeted control as well as criminal prosecution.

52. As for expenditure, this would stand at CFAF 4,249.3 billion in 2026 after CFAF 3,904.3 billion CFA francs in the supplementary budget for 2025. Strategic choices are based primarily on optimizing the allocation of resources and improving the quality of budgeting for effective budget execution. Thus, efforts in priority sectors will be stepped up to ensure adequate production levels, both in terms of quantity and quality, of basic goods and services for the general population, particularly for the most disadvantaged groups. This will be done, for example, through the continued implementation of the Presidential Initiatives. In addition, the defense and security sector will continue to receive a significant share of resources over the period, in line with national priorities. The modernization of public spending procedures will involve continuing the digitalization of government contract award processes and of the documents in the public expenditure chain.

53. Regarding the wage bill control, the government intends to: (i) continue its efforts to control the size of the public workforce through the making permanent and consolidation of the biometric enrollment of public servants of the State registered on the SIGASPE; (ii) implement the recommendations of the SIGASPE audit; (iii) set up an annual control of the payroll file in order to verify the reality of the service provided and the regularity of the elements of remuneration; (iv) deploy and operationalize the module on the automated control of the presence of public servants of the State; (v) continue the implementation of job descriptions in ministries and public institutions; and (vi) assess the workload in various other administrative entities. We will share with IMF staff the annual reconciliations between personnel registers and payroll registers for the Ministry of Education and other ministries covering around 50 percent of the civil service workforce (excluding the defense and security sector), or, on an alternating basis, for the Ministry of Health and other ministries covering the remaining 50 percent of the civil service workforce (excluding the defense and security sector) (end-September 2026 – new SB for the sixth review).

Debt Policy

54. The government intends to continue optimal management of its public debt through the implementation of the 2026–2028 Medium-Term Debt Strategy and to strengthen the capacities of stakeholders in view of changes in the international financial environment, to enable a better identification of new financing possibilities. The outstanding debt is expected to increase by 5.8 percent to reach CFAF 9,294.6 billion in 2026. Compared to GDP, the debt ratio is expected to stand at 51.3 percent, an improvement of 2.4 ppts over one year.

55. The 2026–2028 Medium-Term Debt Strategy (MTDS) will enable the government to mobilize substantial financing to fund the country's economic and social development while contributing to the development of the regional financial market. The government's issuance policy for the period 2026–2028 will be geared towards reducing costs and extending the average maturity of the debt portfolio.

56. The main aims of the strategy can be summarized as follows: (i) the continued use of concessional resources to finance the needs of the economy; (ii) the use of non-concessional external borrowing, which will be used to refinance the short part of the domestic debt and productive investments; and (iii) the prioritization of the issuance of long-term securities on the regional financial market.

57. As far as the issuance of treasury bills and bonds is concerned, the government is making every effort to take advantage of the best possible options in terms of cost and maturity. At the same time, it recognizes the importance of strengthening the planning and monitoring of these operations to strengthen control over the repayment schedule and the refinancing needs related to these operations.

V. OTHER STRUCTURAL REFORMS

A. Public Finance Reforms

58. As part of the monitoring of the situation of payment institutions and the implementation of the debt clearance strategy, the government has developed an action plan and a clearance schedule with a view to implementing the recommendations resulting from the audit of all arrears and floating debts of the State. A monitoring committee chaired by the General Directorate of the Treasury and Public Accounting (Direction générale du trésor et de la comptabilité publique – DGTCP) ensures the implementation of the plan under the supervision of the control bodies. The government has reduced arrears from CFAF 61.4 billion at the end of 2024 to CFAF 10.2 billion at the end of September 2025. At the same time, the government will continue its efforts to improve cash management, planning, and transparency to avoid periods of tension and minimize the risk of further accumulation of payment arrears.

59. The State will continue the efforts undertaken to operationalize the Treasury Single Account (TSA) and the Treasury Deposit Bank (TDB) and will strengthen information systems.

- The scope of the TSA will be broadened through the gradual integration of accounts of projects and programs and other public services by closing their accounts at commercial banks and through the repatriation of cash to the TSA. This expansion will be implemented in accordance with the conclusions of the study on the impact of the closure of the accounts of projects and programs in banks and the recommendations of the report to the Council of Ministers on the centralization of public funds. The streamlining of accounts opened in commercial banks for the benefit of financial administration tax collectors will be continued.
- Regarding the TDB, its operationalization is in progress, and several actions are still underway for its gradual deployment. As part of the implementation of the banking function, the following actions are planned: (i) to issue implementing orders and accounting instructions directly linked to Decree No. 2024-0174/PRES-TRANS/PM/MEFP/DGTCP of March 04, 2024 on the management of fund deposit accounts at the Public Treasury; (ii) the conduct of banking activity with the implementation of the main banking products and services through the finalization of the new deposit management information system (DGIS), the e-Banking platform, the introduction of debit cards, the launch of the "Bank to wallet" service as well as the opening of ATMs, etc.; (iii) the domiciliation of the salaries of public officials at the TDB, the implementation of which has resulted in the effective domiciliation of salaries in the accounts of civil servants from July 2025. To limit the possible negative effects of the operationalization of the BDT on the national banking system, discussions will continue with the banking sector for a concerted implementation of the repatriation of term deposits (TDs) from State-owned companies deposited in commercial banks. The deposits of public companies held at the TDB will also be remunerated in accordance with terms to be negotiated with the companies concerned.
- Regarding information systems (digitalization, tele-procedures, and other measures), the configuration of settings will continue for the operationalization of the operations accounts of public accountants (customs and tax collectors) to supplement bank accounts within the framework of SICA and STAR WAEMU. Meanwhile, the fund deposits management system (SGDF) will be adapted to the relevant standards including e-Banking.

60. For the forecasting, management, and monitoring of cash and liquidity, the Ministry of Economy and Finance has several mechanisms including the Weekly Treasury Committee and the Budget Execution and Treasury Monitoring Committee (Comité de suivi de l'exécution budgétaire et de la trésorerie – CSEBT). These various bodies use several tools, including the cash flow plan, the public securities issuance plan, and the State expenditure commitment plan. The sessions of these committees are held regularly and will be further strengthened.

61. In the area of governance and budget transparency, we held discussions on the latest version of the GDA report, which was then finalized by IMF staff, including on the role of audit mechanisms in assessing the annual implementation of the budget. We are already working on two additional reforms, among others. It is intended to present to the IMF's Executive Board concrete implementation proposals for these two measures in the context of the fifth review:

- The establishment of a mechanism for periodic monitoring of the mining cadaster to assess the regularity, transparency, and effectiveness of the management of mining licenses. Regular audits will be conducted in the mining sector to ensure optimal management of exploration and exploitation permits, and audit reports on mining licenses will be conducted periodically.
- The development of a plan, to be shared with the IMF, to conduct and publish regular audits of all ministries, depending on the level of risk.

62. Regarding deposit accounts for non-personalized services, the government adopted a decree in March 2024 to make the opening of such accounts subject to exceptions requiring the explicit authorization of the Minister of Economy and Finance. To rationalize the existing accounts, an audit of the treasury deposit accounts has been initiated, and a progress report has been shared with the IMF staff on January 12, 2026 (prior action). Lastly, a note has been shared with IMF staff on January 12, 2026 (prior action) on the modalities of the rationalization process, the status of its implementation, and its overall objective.

63. In addition, the government reaffirms its commitment to promoting good governance in fiscal management. In this vein, the Auditor's Office will endeavor to publish the Annual Public Report regularly and within the established deadlines, in accordance with the timeline set forth in the Organic Law. This report should reflect not only the findings of the past fiscal year but also the follow-up on the implementation of previous recommendations as well as any proposed corrective actions. The objective is to ensure its publication no later than end-November of the following year. Accordingly, the 2024 Report of the Auditor's Office was submitted to the President of Faso on Monday, November 24, 2025. On the same day, the report was released officially on the website of the Auditor's Office.[2]

Program Budget

64. The government will continue the actions to implement the reforms introduced by Organic Law No. 073/CNT of November 6, 2015, on Budget Laws (LOLF) through the program budget. Twenty-seven (27) major innovations have been selected. In terms of results, 15 innovations have

[2] https://www.cour-comptes.gov.bf/rapports-publics/rapport-public-2024-de-la-cour-des-comptes-du-burkina-faso.

been fully implemented (55.6 percent), 9 are in the process of being implemented (33.3 percent), and 3 are awaiting implementation (11.1 percent).

65. To implement the innovations of the LOLF, the General Directorate for the Control of Public Procurement and Financial Commitments (Direction générale du contrôle des marchés publics et des engagements financiers du Burkina Faso – DGCMEF) has requested technical assistance from the IMF to develop the capacities of officials in issuing opinions on the performance of budget programs and the quality of management of authorizing departments. Preliminary discussions were held with the IMF and both parties agreed to continue to reflect on the content of this provision of the LOLF.

New Mining Code and Local Content

66. Several major innovations have been introduced through **the revision of the mining code** to revitalize and strengthen the sector to take advantage of dividend yields and the sector's potential. To this end, the 19 decrees implementing the mining code have already been adopted. These decrees cover, among other things, the modalities for opening the capital of mining companies, the establishment of Burkina Faso's national gold reserve, the organization, supervision, and methods of artisanal mining, and the securing of mining sites and mining activities. In application of the said decrees, 12 draft decrees are being drafted.

67. **The adoption of the law on local content** in 2024 will strengthen the gains made through the application of national preference by way of the 2015 Mining Code. In accordance with Law No. 17-2024/ALT of July 18, 2024, all five implementing decrees have been adopted by the Council of Ministers. Additionally, two pertinent ministerial orders (relating to the establishment of the list of goods and services and the institution of a tripartite framework (State-Mining Companies-Suppliers)) are already in force. One additional order (currently in draft form) is being prepared to supplement the legal framework of implementing texts for the local content regulation.

68. Furthermore, the establishment of the National Precious Substances Company (SONASP) in 2023, the improvement of the organization for securing production sites through the operationalization of the National Office for the Security of Mining Sites (ONASSIM) in 2024, and better organization of artisanal mining have had positive effects on the mining sector in terms of total quantity exported and budgetary resources.

69. In the future, the government will continue to adopt the implementing texts of the new mining code and local content, as well as actions to inform and raise awareness on the innovations of the aforementioned laws for the actors of the mining sector (suppliers of goods and services to mines, mining companies and subcontracting companies in mining operations, etc.).

On Strengthening Anti-Money Laundering and Combating the financing of Terrorism

70. The International Cooperation Review Group's (ICRG) action plan to exit the Financial Action Task Force's (FATF) gray list includes a total of thirty-seven (37) actions. As part of the monitoring of its implementation, periodic monitoring reports are drawn up to assess the progress made. The completion rate of the action plan at the end of the 100th cycle, presented at the FATF plenary in February 2025, was 94.5 percent, with thirty-five (35) actions fully or largely completed and two (2) actions not completed.

71. The two residual actions concerned the correction of weaknesses identified in the mechanism for the immediate implementation of the targeted financial sanctions of the United Nations Security Council and Burkina Faso, in the fight against the financing of terrorism and on the proliferation of weapons of mass destruction.

72. The progress report of the 11th round was discussed on April 09, 2025, at the face-to-face meetings with ICRG evaluators in Dar Es Salaam, Tanzania and, subsequently, at the FATF plenary in June 2025 in Strasbourg, France. On this occasion, Burkina Faso presented the solutions adopted to meet the requirements of an effective targeted financial sanctions regime. At the end of the discussions, the implementation of the two residual actions was validated, bringing the completion rate to 100 percent.

73. Having implemented all the actions, including the one relating to the establishment of the register of the effective beneficiaries of legal persons and legal arrangements accessible to all authorized stakeholders, the FATF plenary authorized the organization of the visit to Burkina Faso, which effectively took place from August 07 to 09, 2025. The purpose of this visit was to ensure, on the one hand, the effectiveness of all the measures taken in the context of the implementation of the action plan and, on the other hand, the political commitment to continue improving the national AML/CFT system. The findings were discussed at the FATF plenary in October 2025, which decided to remove Burkina Faso from the FATF's gray list.

74. We have set up the electronic platform of the Register of Effective Beneficiaries (REB) to strengthen tax governance and transparency. The Commercial Court of Ouagadougou maintains the register in an efficient and scalable manner, with periodic reviews scheduled to evaluate and improve its performance. Permanent access is guaranteed to the administrative and judicial authorities, while any citizen can submit a reasoned request, which is processed within an average of five days despite the high volume of requests. Since 2024, all data has been collected electronically, and we are continuing to digitize previously manually submitted information. We have conducted media awareness campaigns and are working with chambers of commerce and employers' organizations to strengthen disclosure. Finally, in partnership with the DGI, we are evaluating a project to make registration in the Register of Effective Beneficiaries (REB) mandatory for taxpayers.

75. We expanded social spending, with an increasing focus on capital spending. Social spending has increased steadily in recent years. The share of capital expenditure rose from 32.5 percent in 2023 to 40.1 percent in 2025, while the share of current expenditure decreased from 67.5 percent to 59.9 percent over the same period. This evolution reflects the new vision of the highest authorities, which favors structural projects that strengthen the resilience of vulnerable populations rather than interventions akin to permanent assistance, justifying a rationalization of current spending in favor of capital expenditure. These trends are notably reflected in the following projects:

- Health: emergency health actions and measures via the AGSP.
- Agriculture: food security stocks, livestock food security, Project 2 of the P2-P2RS.
- Humanitarian action: Support Project for the Resilience of Populations Affected by the Humanitarian Crisis (PARPAH).

In consideration of evolving priorities, it was agreed during discussions for the 4th ECF review, to set the floor for 2026 at 300 billion CFA francs, subject to a reduction in current social spending in favor of capital expenditure in the adopted budget. If such a change does not occur with the adoption of the 2026 budget, the end-2026 floor for poverty-reducing current social spending floor will be raised to 310 billion CFA francs at the fifth ECF review.

Strengthening Social Protection and Resilience to Shocks while Reducing Poverty and Inequality

76. Regarding the deployment of the Single Social Register (SSR), a slight extension of its coverage has been observed. As of July 31, 2025, it is operational in ten regions of Burkina Faso, namely: Kadiogo, Nakambé, Nando, Yadéga, Djoro, Oubri, Guiriko, Nazinon, Bankuy and Tannounyan. In terms of provinces covered, the SSR is present in 20 provinces, namely: Boulgou, Kadiogo, Kourittenga, Koulpélogo, Boulkiemdé, Sanguié, Ziro, Sissili, Yatenga, Passoré, Poni, Noumbiel, Bougouriba, Bassitenga, Ganzourgou, Tuy, Bazèga, Mouhoun, Balé and Léraba. With the deployment of the SSR in 23 new urban and rural municipalities in 2025, the number of municipalities covered is 98 at the end of July 2025 compared to 75 at the end of 2024, increasing the number of households in situations of poverty and vulnerability registered from 277,220 in 2024 to 361,879 in July 2025 out of a national total of 1,423,473 households (i.e., a gross coverage rate of 25.4 percent). In terms of individuals, the SSR has 1,023,873 men and 1,189,934 women, for a total workforce of 2,213,807 people.

77. In terms of outlook, for the last quarter of 2025, it is expected to register 71,913 poor and vulnerable households in 11 communes, including three in the province of Gourma, four in Sandbondtenga, one in Passoré, one in Zondoma and two others in Bam. In addition, the SSR intends to continue these deployment operations in 2026.

78. As part of improving access for poor and vulnerable households to productive social safety nets at the national level, the government has initiated the National Support Program for the Empowerment of Poor and Vulnerable Households in Burkina Faso (PAMPV). The updated status of the PAMPV is as follows:

- A joint decree establishing its operationalization was adopted;
- A draft manual for the operationalization of the PAMPV was developed, with a view to ensuring the practical implementation of activities in the field and awaiting the final version of the operationalization manual.

79. To take account of the new and current government guidelines, the PAMPV should adapt to national priorities. To this end, the Ministry in charge of humanitarian action has reviewed the PAMPV to integrate adaptive social protection actions and economic inclusion measures more broadly for the benefit of poor and vulnerable households. These corrective measures are aimed at considering certain dimensions, namely:

- the promotion of employment and training in trades through Public Work Programs for the benefit of IDPs;
- the establishment of economic units for the benefit of cooperatives and groups of vulnerable women; and
- the promotion of economic inclusion measures in favor of poor and vulnerable households.

80. With regards to coverage and related budgetary implications, the PAMPV plans to continue ongoing efforts to expand its coverage of poor and vulnerable households in Burkina Faso. To finance this program, the government undertakes to contribute from its own funds throughout the period of its implementation. In addition, technical and financial partners (the World Bank, the WFP-UNICEF Consortium, the European Union) are expected to provide financial support for the achievement of the objectives of the PAMPV.

Operationalization of the Universal Health Insurance System (RAMU)

81. As part of the operationalization of the RAMU, six decrees have been adopted, and two implementing orders have been issued. An order setting up a framework for consultation between the National Universal Health Insurance Fund (CNAMU) and the Armed Forces Health Insurance Fund (CAMA) has also been issued to enable better discussions. Communication, awareness-raising, and registration actions have also been conducted. As far as registrations are concerned, 422,753 people and 300 companies/structures have been registered in the database of the integrated management system of the universal health insurance scheme (SIGRAMU). In terms of outlook, the actions to be conducted concern, among other things, the continuation of campaigns for the population to adopt universal health insurance, and the continuation of registrations and the digitization of the information system. In addition, plans are in place to sign agreements with health care providers, to levy contributions and to effectively cover health care services.

B. Reforms to build Resilience to Climate Change Shocks

82. A new arrangement with the IMF, supported by the Resilience and Sustainability Facility (RSF), aims to strengthen long-term balance of payments stability and resilience to climate change, while promoting fiscal transparency and improving energy and fiscal resilience. We have used the technical assistance provided by the IMF, which includes the Climate Policy Diagnostic (CPD), Evaluation and Reform of Fuel Subsidies, and the Climate Public Investment Management Assessment (C-PIMA), to identify robust reforms to strengthen Burkina Faso's adaptive capacity to the effects of climate change and support a sustainable green transition. The proposed reform measures have been carefully designed to address our economy's vulnerability to the impacts of climate change and address four areas (Table 3): strengthening fiscal transparency and resilience, resilient public investment, resilience in public service delivery and management, and climate data and finance. We expect the reform package to strengthen long-term resilience of the macroeconomy, fiscal balance and balance of payments to climate change.

83. To strengthen fiscal resilience to natural disasters, the government will adopt, by ministerial decree, a national Disaster Risk Financing (DRF) Strategy (RM 1). This strategy will aim to reduce fiscal vulnerability due to disasters, safeguard and increase the transparency of priority spending, and strengthen external stability. It will put in place clear governance arrangements with the Ministry of Economy and Finance as lead partner and SP/CONASUR coordinating response measures, with the assistance of an inter-agency committee. This strategy will include a quantified assessment of fiscal risks based on existing diagnostics and will identify priority sectors for the relief funds, including agriculture, social protection, and infrastructure. It will establish a risk layering framework that combines fiscal buffers, contingent lines of credits and, where appropriate, risk transfer instruments. This strategy will be integrated into the medium-term budgetary framework and the annual budget process. Plans will be put in place for measures to strengthen the resilience of agriculture, including, for example, expanding access to agricultural insurance. The implementation plan will include a phased road map with milestones and responsible units. The government commits to publishing the ministerial decree with the DRF strategy, as well as a mid-term implementation report. The government will work closely with development partners and the IMF.

84. To strengthen fiscal risk management and transparency, the authorities will create and maintain a database to track the fiscal costs of disaster response (RM 2). It may contain, for each disaster, the category, date, place and severity of the event; direct public spending and budget reallocations for response and recovery; sources of financing (national, external, insurance); expenditures broken down by ministry, program and economic classification; contingent liabilities and the impact on revenue; and periodic updates on audit methodology and references. As a first step, it will include this information on at least two past disasters broken down by ministry, program, and source of funding. The Ministry of Economy and Finance, through the National Institute of Statistics and Demography, in collaboration with the SP/CONASUR and other relevant organizations, will collect data on disasters and manage the database. Furthermore, the ministries that have carried out disaster-related expenditures will report on them. The data collected in the database will be summarized and published in the climate chapter of the fiscal risk statement of the Budget Law 2027 and will be updated with each review. We commit to periodic updates and to maintaining retrospective series, with updated summary tables published in subsequent fiscal risk statements. IMF technical assistance will provide support for database design, reporting templates, and integration into fiscal risk analysis.

85. To better integrate climate change into fiscal planning, starting with the 2027 budget, the government will prepare a fiscal risk statement that will contain a quantitative assessment of medium-term fiscal risks related to natural disasters (RM 3). This statement will cover the main climate and disaster risks as well as their impact on the budget, debt, and contingent liabilities. It will present quantified estimates of losses based on historical data and stress test scenarios (e.g., by considering events that may occur once every 10 or 20 years), using the database created under RM

2 as well as other credible data sources. The risk assessment will be integrated into the medium-term fiscal framework and the debt sustainability analysis. In addition, the evaluation will outline risk management options based on the DRF Strategy (RM 1). The Ministry of Economy and Finance will lead this activity in coordination with the SP/CONASUR and the sectoral ministries. We commit to developing and strengthening this quantitative analysis with each subsequent publication of the Fiscal Risk Statement from 2027 onwards to gradually improve its scope and methodology. The technical assistance activities of the IMF and the World Bank will contribute to the quantification of risks and their integration into fiscal frameworks.

86. To strengthen the resilience of key public assets to disasters, the authorities will provide guidelines for integrating climate considerations into the assessment and selection of major public infrastructure projects (RM 4). These guidelines will include at a minimum: (i) for adaptation projects, the explicit or implicit objective of reducing vulnerability, the project's coherence with Burkina Faso's adaptation priorities, the project's exposure to and management of climate risks, and climate-related resilience plans, and (ii) for mitigation projects, issues related to emission reductions, the targets set by Burkina Faso in its nationally determined contribution (NDC), alignment with sectoral policies and an assessment of the carbon footprint. This decree will define the role of the institutions and will require that climate criteria are explicitly considered and published among the annual project selection criteria, as recommended by the C-PIMA. These rules will be published so that they are applied in a transparent and systematic manner by all stakeholders.

87. To implement the guidelines, the authorities will assess at least three major infrastructure projects exposed to climate hazards following the reviewed process (RM 5). Under this reviewed process, selected projects will obtain a notification of compliance from the National Committee for Validation of Feasibility Studies and Project Documents (NVC) and will be submitted for selection by the Technical Arbitration Commission (TAC) for inclusion in the public investment program (PIP). The NVC will review whether the climate-related elements of the feasibility studies are in line with the new rules and will issue compliance notifications as foreseen in the current validation framework. The TAC will apply and publish the updated selection criteria, including the climate dimension, when selecting projects for the budget year, addressing the recommendation to disclose criteria annually. For transparency purposes, the authorities will publish a brief summary of the climate appraisal and the selection rationale for each of the three projects.

88. With disasters increasingly damaging key public assets, authorities will integrate climate considerations into public asset maintenance plans to build resilience (RM 6). The aim is to address the shortcomings identified in maintenance budgeting and the lack of a standardized method, and to implement the recommendation of the C-PIMA to estimate needs and costs, taking climate into account. This reform will initially target at least three ministries, whose areas of work are exposed to the climate, and that are chosen by the government. This methodology will cover routine and regular maintenance and define how risk exposure, asset condition and resilience standards are considered in the calculation of life-cycle costing and budget preparation; the results will be integrated into the Multi-annual Expenditure Programming Documents (MPPD) and the PIP to protect the stock of public capital.

89. Following the adoption of the methodology, we are committed to implementing it in the target sectors (RM 7). Three pilot ministries with infrastructure projects that are exposed to climate risks will be identified by the government. With the help of the IMF in the form of technical assistance, we will develop maintenance plans with figures, indicating priority work and financing envelopes. The ministries will be determined based on objective criteria including asset value, exposure to climate hazards, criticality of services, and data readiness, in line with the recommendation of the C-PIMA report to focus on high-stakes and climate-exposed infrastructure. The authorities will publish the results of the pilot projects and a deployment plan, and report annually on the implementation and improvement of the condition of assets to increase transparency and promote fiscal sustainability.

90. We commit to updating the fiscal incentive framework to better support the deployment of renewable energy, with a focus on storage capacity. This measure is in line with our significant progress in the development of renewable energies, which currently account for around 30 percent of installed capacity. In addition, the Ministry of Mines, Quarries, and Energy (MMCE) now requires all independent power producers to include a minimum storage capacity of 10 percent for renewable energy projects with the aim of stabilizing the grid and reducing intermittence. To complement these advances, the MEF will develop, in close collaboration with MEMC and the Authority for the Regulation of the Energy Sector, a revised incentive package to streamline and target incentives to encourage private investment in renewable energy with storage solutions. This is part of the government's strategy for energy self-sufficiency. To support this effort, the IMF will provide capacity-building assistance and, based on the recommendations arising from this assistance, we commit to improving the design and effectiveness of the incentives. The updated incentive package will prioritize transparency, efficiency, and fiscal sustainability, including time-limited measures with automatic sunset clauses and clear estimates of the fiscal impact (RM 8). To support the broader objective of this reform, we commit to exploring alternative policies that would strengthen the signal to electricity providers to favor renewable energy projects with embedded storage, as well as lowering the electricity access gaps through the expansion of off-grid and on-grid renewable energy projects. In addition, the MEMC is committed to transposing the WAEMU directive of September 2022 which requires independent power producers (IPPs) and self-producers to integrate a minimum storage capacity equivalent to 10 percent of the installed electricity capacity.

91. The proper functioning of the state own enterprise (SOE) National Office of Water and Sanitation (Office national de l'eau et de l'assainissement – ONEA) is essential to expand access to water while ensuring the sustainable management of limited water resources. As part of the government's ambitious plans to expand access through the Water Battle Policy, we are committed to continuously taking corrective actions to address the weaknesses identified at ONEA by the High Authority for State Control and Anti-Corruption (Autorité Supérieure de Contrôle d'État et de Lutte contre la Corruption – ASCE-LC) in the 2023 Annual General Report of Activities (Rapport Annuel

Général d'Activités – RAGA) (pages 62 to 64). As a remedial measure, ONEA will identify the actions needed to correct the deficiencies raised in the 2023 RAGA, including operational issues that hinder the efficient supply of water. ONEA will establish a timetable for the implementation of the identified actions with the explicit objective of remedying the various weaknesses. The ASCE-LC will produce a report, attesting to the implementation of these corrective actions, which will be shared with the IMF teams by the date of completion of the benchmark (RM 9). In addition, the reduction of non-revenue water (NFE) remains a key priority for the government and ONEA. As part of our multi-year strategy (2026-2027), we will set forward-looking and measurable targets to reduce the NFE rate – currently estimated at around 30 percent – through enhanced monitoring and the implementation of measures to reduce technical and commercial losses. ONEA will regularly monitor NFE indicators and adopt operational and management improvements to ensure progress towards NFE reduction targets. A progress report by the end of 2026 will be attached to the ASCE-LC report on ONEA and will demonstrate the effectiveness of the measures implemented up to that date and will make it possible to assess whether additional measures should be considered.

92. We commit to adopting a ministerial order to allow free and improved access to critical data on climate risks and hazards (RM 10). This order will cover all maps of climate hazards and risks, including those relating to floods, droughts, landslides, extreme weather events, and climate projections. These maps will be published in open access on the Ministry of Territorial Administration (Ministre de l'Administration territoriale – MATM) website and updated regularly as new data or models are published. We are committed to publishing all existing climate hazard and risk maps at the same time as the publication of the ministerial order on the MATM website. The MATM will be responsible for hosting and updating maps and the MEF will be responsible for integrating these maps into budget risk analysis and planning.

93. Expanding the scope of the measurement, reporting and verification system to include climate projects will improve the signals sent to investors and the information available to them, and will provide greater clarity to local governments (RM 11). We will strengthen the capacity of the National Institute of Statistics and Demography (INSD) through a Memorandum of Understanding with the Ministry of Environment, Water and Sanitation (MEEA) and the MEF to increase coordination with relevant institutions in data collection on investments for climate action. Data collection will include, but is not limited to: the description of the investment project; the sector concerned; the objective pursued (mitigation, adaptation); the source of funding; the type of financing (concessional loan, non-concessional loan, grant, equity); the status of the project and the repayment terms, such as the grace period and the interest rate; the amount and date of the commitment, the amount and date of disbursement, the currency of the project wording; and the expected completion date. This will create a centralized national database of projects for climate action – ideally covering public and private investments between 2016 and the end of 2025. The data from this database will be used for the extension of the measurement, review, and verification (MRV) system, which will be made public. Once the database is in place, the INSD, the MEF and the MEEA will coordinate with other agencies to preserve the quality of the data and keep the database up to date. A link to the MRV system will be available on the websites of the MEEA, the MEF and the

INSD. We will seek technical support from development partners, including the IMF, for the implementation of international statistical standards, as needed.

C. Other Reforms

Energy Sector

94. One of the government's top priorities is to increase electricity production to avoid load shedding during the hot season and to support growth in the years to come. Regarding interconnections, the government will continue its electricity interconnection policy with Ghana, Côte d'Ivoire, and Togo/Benin. In terms of energy policy in 2026 and in the medium term, the energy sector strategy is in line with Burkina Faso's commitments at the international, regional, and sub-regional levels, which have the vision of guaranteeing sustainable access to modern energy services supporting sustainable development. To this end, a new national energy strategy aimed at energy sovereignty is being adopted for the period 2026–2030, after the evaluation of the previous one.

95. To increase energy supply, the following measures will strengthen Burkina Faso's resilience: (i) the expansion of the Komsilga power plant by adding two units with a capacity of 50 MW each; (ii) the construction through PPP arrangements of the 100 MW Bobo-Dioulasso power plant, the 200 MW power plant in Ouagadougou, and solar power plants with storage; and (iii) the continuation of interconnections with neighboring countries. In the medium and long term, there are also plans to strengthen production capacity and the evacuation system.

96. Regarding the improvement of commercial management, the finalization of the study of customer segmentation will make it possible to differentiate between the categories of customers according to how electricity is used and to propose pricing that optimizes the subsidy granted by the State while consolidating the financial situation of SONABEL. This measure will be effective at the end of 2026.

Implementation of Performance Contracts

97. The State-SONABEL contract plan is to be reviewed considering the need to ensure energy sovereignty. There is also a plan to establish a committee in charge of the monitoring and operationalization of the contract plan, from the first quarter of 2026.

98. The contract plan between the State and the National Hydrocarbons Company of Burkina Faso (Société Nationale Burkinabè d'Hydrocarbures – SONABHY) for the period 2023–2027 came into force on January 1, 2023. From its execution over the period 2023–2025, it appears that SONABHY has substantially increased its operational capacities by completing the construction of the Péni liquid hydrocarbon depot, as well as the extension of the storage capacities of the Bingo depot. It also acquired the Téma Multipurpose Terminal depot in Ghana in March 2025 to strengthen its outdoor storage capacities. In addition, construction work on the Kaya, Koupela and Pô depots is underway. In addition, SONABHY regularly conducts safety and awareness-raising activities through thematic workshops in the different regions of Burkina Faso to defend its monopoly and fight against hydrocarbon fraud. Meanwhile, the State is continuing to improve its financial relations with the company. The State has also supported SONABHY in the mobilization of financial resources through the on-lending of a US$50 million financing agreement with the Arab Bank for Economic Development in Africa (BADEA) and the granting of an 80 percent sovereign guarantee in the context of financing to the amount of €100 million with the African Export-Import Bank (AFREXIMBANK).

Tariff Policy and Trade Restrictions

99. A 0.5 percent import tax, decided jointly by the countries belonging to the AES and referred to as the PC-AES, came into force on March 31, 2025. This tax fully replaces the pre-existing 0.5 percent import tax under the Economic Community of West African States (ECOWAS), with the same exclusions and features. This levy is not a new customs tariff, rather, the reorientation of its destination from ECOWAS to the AES. Consequently, this measure will not affect other WAEMU countries because it explicitly states that countries with preferential agreements with Burkina Faso are excluded. This measure is not temporary and was not created or processed to meet balance-of-payments needs. It is solely intended to finance AES activities. The pre-existing trade restrictions include: (i) the extension of import quotas to all locally manufactured products; (ii) the suspension of exports of shea nuts; and (iii) the import ban on weaving yarns and woven loincloths, have been extended since March 28, 2025. All these trade restrictions are aimed at supporting local industry.

The government has nevertheless authorized the temporary lifting of the export ban on shea kernels from December 1, 2025, to May 31, 2026, as well as the lifting of the suspension of exports of raw cashew nuts in May 2025. It is also exploring alternatives to support the industry and remove these restrictions in the medium term.

Improvement of Macroeconomic Monitoring

100. The government is committed to supporting the renewal of the base year for the national accounts, with 2022 as the new base year. The rebasing work began in 2023 and is ongoing. The provisional accounts for 2022 have been available since March 2025. An evaluation workshop by peers and technical and financial partners was held from September 8 to 12, 2025. This meeting made it possible to validate the provisional results of the accounts for the base year. The work will continue with the first year of 2023, at the end of which the back casting work will be undertaken. This work, which is scheduled for the year 2026, will make it possible to have a long series under the new base. Work will begin on aligning the quarterly national accounts (QNAs) with a view to switching them to the new base over the same year.

101. In addition, actions to strengthen the automated forecasting instrument (AFI) are being implemented. The micro-simulation module (Microsim), integrating the recent results of the Harmonized Survey on Households Living Standards (Enquête Harmonisée sur le Conditions de Vie des Ménages – EHCVM), has now been implemented and is operational. It makes it possible to measure the impact of the growth projected in the macroeconomic framework on socio-economic indicators, particularly poverty. In addition, a long-term macro-econometric forecasting model (PREMALT) is in the production phase, with residual calibration work in progress. This model will complement the AFI, which performs more robustly in the short and medium terms, by providing long-term macroeconomic projections for the Burkinabè economy. However, with the introduction of the new 2022 base, which is likely to modify the content of the Supply and use table (SUT) in terms of branches and products, adaptation work will be necessary by 2026–2027 to update the AFI model.

102. The growing importance of gold mining in Burkina Faso's economy underscores the need to strengthen the monitoring and data collection on gold mining operations, both industrial and artisanal or semi-mechanized mining. To start with, we recognize the need to update the mining sector survey and the methodology used to transform the industry level data into aggregates that can be used to track the impact of gold mining (and mining in general) on GDP and other components of the national accounts. We have requested IMF TA in this area during the first quarter of 2026 and we express our interest in IMF staff's pursuing analytical work on this topic in the context of the 2026 Article IV consultation (including examining the options for the management of the revenue windfall from the ongoing gold boom and identifying appropriate hedging strategies against a potential downturn in the gold market).

Timeliness in the Transmission of Data

103. Efforts will redouble improving compliance with the schedule for publication of budget data and the frequency of publication of external data and to increase budget allocations for the reimbursement of value-added tax (VAT) credits.

VI. PROGRAM ARRANGEMENTS

104. The government will take all measures required to achieve the objectives and meet the criteria as presented in Tables 1a, 1b, 2a, 2b, and 3 of this Memorandum. The program will be evaluated based on these tables in accordance with the Technical Memorandum of Understanding, which defines the quantitative performance criteria and the requirements regarding communication of data to IMF staff. The fifth and sixth reviews are expected to be completed on or after March 31, 2026, and September 30, 2026, respectively.

105. In the event of a shock, to achieve the fiscal anchoring of the program, the government undertakes to review its fiscal policy by basing it on one of the alternative scenarios (pessimistic or optimistic) of the 2026–2028 DPBEP. More specifically, in an adverse scenario in which it is not possible to meet quantitative performance criteria (due to disruptions in economic activity, increased spending pressures, and rising borrowing costs on the regional market), the government is ready to implement measures, including fiscal adjustment (i.e., possible reductions in public investments), to mitigate risks to public finance and debt sustainability, and to reach a fiscal deficit of 3 percent of GDP by 2027, in line with the fiscal anchoring of the program.

Table 1a. Burkina Faso: Quantitative Performance Criteria and Indicative Targets for ECF Arrangement, 2025

(CFAF billions)

	2025											
	Mar. 1/			June				Sept. 1/				Dec.
	Prog.	Prel.	Status	Prog.	Prog. (Adj.)	Prel.	Status	Prog.	Prog. (Adj.)	Prel.	Status	Prog.
Quantitative Performance Criteria 2/												
Ceiling on net domestic financing of the government 3/ 4/	140.6	32.0	Met	220.0	220.0	150.6	Met	340.0	340.0	155.9	Met	418.0
Ceiling on the amount of external debt contracted or guaranteed by the government (PV) 3/ 5/ 6/ 7/	410.0	74.5	Met	410.0	410.0	289.7	Met	410.0	410.0	357.5	Met	410.0
Ceiling on the accumulation of external payment arrears by the government 8/	-	-	Met	-	-	-	Met	-	-	-	Met	-
Ceiling on the guaranteeing of new domestic loans to suppliers and contractors by the government 8/	-	-	Met	-	-	-	Met	-	-	-	Met	-
Ceiling on government guarantees of new bank pre-financing for public investments 8/	-	-	Met	-	-	-	Met	-	-	-	Met	-
Ceiling on the primary fiscal deficit including grants 3/ 4/	90.4	0.9	Met	100.0	141.3	83.3	Met	140.0	241.8	46.5	Met	280.0
Indicative Targets												
Ceiling on the accumulation of domestic arrears by the government 8/	-	61.4	Not met	50.0	50.0	21.0	Met	30.0	30.0	10.2	Met	-
Floor on total government revenue 3/	661.3	655.1	Not met	1,450.0	1,450.0	1,529.2	Met	2,200.0	2,200.0	2,462.8	Met	3,080.0
Floor on poverty-reducing current social expenditures 3/	82.8	79.5	Not met	140.0	140.0	174.7	Met	220.0	220.0	245.1	Met	290.0
Ceiling on the stock of unpaid, certified VAT refunds older than 30 days	40.0	57.1	Not met	40.0	40.0	34.7	Met	40.0	40.0	43.0	Not met	40.0
Ceiling on primary current expenditure 3/	492.4	460.8	Met	1,050.0	1,050.0	1,059.9	Not met	1,600.0	1,600.0	1,577.9	Met	2,150.0
Ceiling on the value of PPPs contracted 3/	200.0	-	Met	200.0	200.0	-	Met	200.0	200.0	84.7	Met	200.0
Memorandum Item												
Net external financing 4/	N/A	31.8	N/A	52.0	52.0	93.3	N/A	52.0	52.0	147.6	N/A	204.0

Sources: Burkinabè authorities; IMF staff estimates and projections.

1/ March and September figures are indicative targets, except for continuous performance criteria. June and December figures are performance criteria.

2/ The Standard Continuous Performance Criteria will also apply: (i) not to impose new or intensify existing restrictions on the making of payments and transfers for current international transactions; (ii) not to introduce new or intensify existing multiple currency practices; (iii) not to conclude bilateral payments agreement that are inconsistent with the IMF's Articles of Agreement (Article VIII); and (iv) not to impose new or intensify existing import restrictions for balance of payments reasons.

3/ Cumulative from beginning of the year.

4/ Targets for June, Septemeber, and December 2025 and March, June, September, and December 2026 are subject to adjustment in relation to net external financing, as defined in the TMU.

5/ The limit is not tied to specific projects.

6/ Will be increased by the present value of the full amount of any concessional loan used for debt management purposes as specified in the TMU.

7/ Any borrowing in FX will be converted to CFAF using the year average exchange rate.

8/ To be observed continuously.

Table 1b. Burkina Faso: Proposed Quantitative Performance Criteria and Indicative Targets for ECF Arrangement, 2026

(CFAF billions)

	2026			
	Mar. 1/	June	Sept. 1/	Dec.
	Prop.	Prop.	Prop.	Prop.
Quantitative Performance Criteria 2/				
Ceiling on net domestic financing of the government 3/ 4/	160.0	270.0	330.0	470.0
Ceiling on the amount of external debt contracted or guaranteed by the government (PV) 3/ 5/ 6/ 7/ 8/	410.0	410.0	410.0	410.0
Ceiling on the accumulation of external payment arrears by the government 9/	-	-	-	-
Ceiling on the guaranteeing of new domestic loans to suppliers and contractors by the government 9/	-	-	-	-
Ceiling on government guarantees of new bank pre-financing for public investments 9/	-	-	-	-
Ceiling on the primary fiscal deficit including grants 3/ 4/	190.0	230.0	240.0	250.0
Indicative Targets				
Ceiling on the accumulation of domestic arrears by the government 9/	-	-	-	-
Floor on total government revenue 3/ 10/	710.0	1,560.0	2,360.0	3,250.0
Floor on poverty-reducing current social expenditures 3/ 11/	75.0	150.0	225.0	300.0
Ceiling on the stock of unpaid, certified VAT refunds older than 30 days	40.0	40.0	40.0	40.0
Ceiling on primary current expenditure 3/ 10/	510.0	1,100.0	1,670.0	2,250.0
Ceiling on the value of PPPs contracted 3/	200.0	200.0	200.0	200.0
Memorandum Item				
Net external financing 4/	80.0	125.0	135.0	148.1

Sources: Burkinabè authorities; IMF staff estimates and projections.

1/ March and September figures are indicative targets, except for continuous performance criteria. June and December figures are performance criteria.

2/ The Standard Continuous Performance Criteria will also apply: (i) not to impose new or intensify existing restrictions on the making of payments and transfers for current international transactions; (ii) not to introduce new or intensify existing multiple currency practices; (iii) not to conclude bilateral payments agreement that are inconsistent with the IMF's Articles of Agreement (Article VIII); and (iv) not to impose new or intensify existing import restrictions for balance of payments reasons.

3/ Cumulative from beginning of the year.

4/ Targets for June, Septemeber, and December 2025 and March, June, September, and December 2026 are subject to adjustment in relation to net external financing, as defined in the TMU.

5/ The limit is not tied to specific projects.

6/ Will be increased by the present value of the full amount of any concessional loan used for debt management purposes as specified in the TMU.

7/ Any borrowing in FX will be converted to CFAF using the year average exchange rate.

8/ The program exchange rate to be applied in evaluating this performance criterion for the end-March and end-June 2026 targets is 580.53 CFA francs per U.S. dollar, as specified in the TMU.

9/ To be observed continuously.

10/ Excludes the Patriotic Support Fund in 2026.

11/ Validated committed amount in 2026.

Table 2a. Burkina Faso: Continuous Structural Benchmarks, 2023–27

Benchmarks	Objective	Timeline	Progress
Do not grant any new wage agreement (except for the security sector) that could impact the wage bill trajectory and push it beyond 45 percent of tax revenues by 2027.	Wage bill control.	Continuous structural benchmark.	Met.
Publish information on the beneficial owners of entities awarded public procurement contracts to address food insecurity on the Ministry of the Economy, Finance and Perspective's website on a quarterly basis the quarter after the contract is awarded.	Improve fiscal transparency and governance.	Continuous structural benchmark.	Met. The information is published weekly in the Revue des marchés publics.1/
Publish on the Ministry of the Economy, Finance and Perspective's website annual (and to the extent possible, quarterly) budget execution reports.	Improve fiscal transparency and governance.	Continuous structural benchmark.	Met.
Share an exhaustive list of treasury deposit accounts ("comptes de dépôts du trésor") with balances and the net position of the government as standard annexes to the TOFE on a quarterly basis, allowing the identification of those opened for the benefit of non-personalized services.	Improve fiscal transparency and governance.	Continuous structural benchmark. Starting with the data for end-June 2025.	Met.

1/ See webpage of the Ministry of Economics, Finance and Perspective at https://www.finances.gov.bf/informations/actualites.

Table 2b. Burkina Faso: Structural Benchmarks and Prior Actions, 2023–25

Benchmark	Objective	Completion date	Status
First Review			
Adopt performance contracts with SONABHY and SONABEL.	Improve efficiency in the energy sector.	End-December 2023.	Not met. Implemented with delay in June and October 2024.
Second Review			
Adopt the tripartite performance contract between the government, SONABHY and SONABEL.	Improve efficiency in the energy sector.	Prior action	Met on December 3, 2024.
Conduct a review of energy subsidies and an assessment of the application of the price mechanism to move towards a reduction in subsidies over the program period.	Improve efficiency in the energy sector and reduce fiscal risks.	End-June 2024.	Met
Publish an audit of all the government arrears and floating spending on the Ministry of Economy, Finance and Perspective's website.	Improve fiscal transparency and governance.	End-June 2024.	Not met. Implemented with delay in November 2024.
Raise the ceiling on VAT credit reimbursements to the CAST account to a level consistent to avoid accumulation of arrears.	Reduce fiscal risks.	End-June 2024.	Met
Third review			
Clear arrears that have been audited, amounting to CFAF 43.4 billion at end-December 2023 (ASCE-LC audit report)	Improve fiscal transparency and governance.	**Prior action**	Met on May 28, 2025.
Share the exhaustive list of Treasury Deposit Accounts as of March 2025, including their balances and the government's net position.	Improve fiscal transparency and governance.	**Prior action**	Met on May 22, 2025.
Prepare and adopt a strategy for clearing government arrears.	Improve fiscal transparency and governance.	**Prior action**	Met on May 22, 2025.
Submit the draft budget for the next fiscal year in line with program objectives, including a budget document or annex detailing plans to combat climate change and climate-related budget appropriations, based on an agreed climate budget tagging methodology.	Improve fiscal transparency and governance.	End-December 2024.	Met.
Adopt a new strategic plan for revenue mobilization for the period 2024–27, based on the 2021 self-assessment.	Improve domestic revenue mobilization.	End-December 2024.	Met.

Table 2b. Burkina Faso: Structural Benchmarks and Prior Actions, 2023–25 (Continued)

Benchmark	Objective	Completion Date	Status
Contain wage bill growth to ensure that the wage bill to tax revenue ratio is below 51.8 percent.	Wage bill control.	End-December 2024.	Met.
Present to IMF staff alternating annual reconciliations between personnel registers and payroll registers either at the level of the Ministry of Education and other ministries covering around 50 percent of the civil service workforce (excluding the security sector), or, in alternation, at the level of the Ministry of Health and the rest of other ministries covering the remaining around 50 percent of the civil service workforce (excluding the security sector).	Wage bill control.	End-December 2024.	Met. The report on the reconciliation covering 2024 was submitted to Fund staff on March 26, 2025. 1/
Fourth Review			
Share with IMF staff an interim report on the ongoing audit of the treasury deposit accounts.	Improve fiscal transparency and governance.	**Prior action**	Met on January 12, 2026.
Share with IMF staff a progress note on decisions taken by the government to rationalize treasury deposit accounts that have been audited and the status of the process at end-December 2025.	Improve fiscal transparency and governance.	**Prior action**	Met on January 12, 2026.
Publish a governance strategy document that includes the action plan, prepared in consultation with IMF staff, to implement priority recommendations of the GDA report.	Improve fiscal transparency and governance.	**Prior action**	Met on January 14, 2026.
Put in place a beneficial ownership registry accessible to government authorities and financial institutions with customer due diligence obligations.	Improve governance and the fight against money laundering and terrorism financing.	End-June 2025	Met.
Present a concrete energy sector reform to rationalize energy subsidies, enhance transparency, and improve energy sector efficiency, including an implementation timeline.	Improve efficiency in the energy sector and reduce fiscal risks.	End-June 2025	Not met. Implemented with delay in July 2025.
Publish the final report of the IMF Governance Diagnostic Assessment (GDA) mission. /2	Improve fiscal transparency and governance.	End-June 2025	Not met.

Table 2b. Burkina Faso: Structural Benchmarks and Prior Actions, 2023–25 (Continued)

Benchmark	Objective	Completion date	Status
Fourth Review (Concluded)			
Prepare, in consultation with IMF staff, and adopt a time-bound action plan to implement priority recommendations from the GDA report.	Improve fiscal transparency and governance.	End-October 2025	Met.
Share with IMF staff the report on a value-for-money audit of public procurement by the High Authority for State Control and the Fight Against Corruption (ASCE-LC) of the five largest public procurement contracts, covering at least two different ministries outside the defense and security sectors, to assess their legality and value for money.	Improve fiscal transparency and governance.	End-June 2025	Met.
Adopt and share with IMF staff an action plan to implement key recommendations of the public procurement audit, including the responsible institutions and an implementation timeline, within a maximum period of 4 months from the availability of the final report.	Improve fiscal transparency and governance.	End-October 2025	Met.
Fifth Review			
Submit to IMF staff a report on the implementation of the action plan to address issues in public procurement identified through the audit of the five largest public procurement contracts.	Improve fiscal transparency and governance.	End-December 2025	Met.
Adopt and share with IMF staff operational plans with timelines for each action to foster integrity at the General Directorate of Taxes (DGI) and the General Directorate of Customs (DGD). These plans will include: (i) the dissemination and training of all staff on the codes of ethics of the tax and customs administration; (ii) the publication of these codes on the websites of the two general directorates; (iii) disciplinary councils and the anti-corruption committees of those structures; as well as (iv) maintaining annual statistics on offenses and disciplinary measures.	Improve fiscal transparency and governance.	End-December 2025	Met.
Contain wage bill growth to ensure that the wage bill to tax revenue ratio is below 49.5 percent.	Wage bill control.	End-December 2025	

Table 2b. Burkina Faso: Newly Proposed Structural Benchmark, 2026 (Concluded)

Benchmark	Objective	Completion date	Status
Sixth Review			
Present to IMF staff alternating annual reconciliations between personnel registers and payroll registers either at the level of the Ministry of Education and other ministries covering around 50 percent of the civil service workforce (excluding the security sector), or, in alternation, at the level of the Ministry of Health and the rest of other ministries covering the remaining around 50 percent of the civil service workforce (excluding the security sector).	Wage bill control.	End-September 2026	

1/ As the reconciliation was based on data for all of 2024, the authorities submitted the report in the shortest possible time.

2/ The end-June SB to publish the GDA report is proposed to be dropped.

Table 3. Burkina Faso: Reform Measures under the RSF

Reform Measures			Target Date	Review Timeframe	Diagnostic Reference	TA provider 1/	Prospective BoP risk reduction
Pillar 1: Strengthen Fiscal Transparency and Resilience							
RM1	Disaster risk finance strategy	The MEF and the MAHSN (SP CONASUR) in collaboration with other relevant agencies will draft, adopt by ministerial order, and publish on their website a National Disaster Risk Finance Strategy, with an implementation plan including actions to strengthen agricultural resilience.	15-Mar-26	1st RSF / 5th ECF Review	CPD (IMF), Economic Update 2023 (WB), CCIA (WB), CCDR (WB)	FAD CP	*Fiscal and external stability.* A data-driven and transparent approach to climate-related fiscal risks is expected to reduce the likelihood of abrupt fiscal adjustments or external emergency financing needs, lowering the probability of sharp current account deteriorations or reserve drawdowns. The disaster risk finance strategy will improve access to external financing on more favorable terms. The publication of the fiscal impacts of shocks and strengthening of the fiscal risks statement will support fiscal planning and more effective integration of disaster risks into macro-fiscal policy, which will contribute to a more stable external position by smoothing the fiscal-external transmission of climate shocks.
RM2	Fiscal data on disaster impacts	The MEF and the MAHSN (SP CONASUR) in collaboration with other relevant agencies will establish and maintain a database tracking the fiscal costs of climate-related disaster response. A summary of the database will be published in the climate chapter of the Fiscal Risks Statement. The database will initially be populated with at least two past disaster events.	15-Mar-27	3rd RSF / 7th ECF Review	CPD (MF), Economic Update 2023 (WB), CCIA (WB), CCDR (WB)	FAD CP	
RM3	Fiscal Risk Statement	Starting with the 2027 budget, the MEF will prepare and include in the published fiscal risk statement (FRS) annexed to the budget a quantitative assessment of medium-term fiscal risks related to natural disasters.	15-Mar-27	3rd RSF / 7th ECF Review	C-PIMA (IMF)	WB & FAD M2	

Table 3. Burkina Faso: Reform Measures under the RSF (Continued)

Pillar 2: Resilient Public Investment							
RM4	Integrate climate into PIM guide	The MEF & MEEA issue a joint ministerial order providing mandatory and explicit guidelines on taking climate considerations into account in the appraisal and selection of major infrastructure projects, in line with C-PIMA recommendations.	15-Sep-26	2nd RSF / 6th ECF Review	C-PIMA (IMF)	FAD M2	*Fiscal and external stability.* Through embedding climate criteria into the appraisal of large infrastructure projects, the reforms aim to ensure that public capital is directed toward resilient infrastructure that protects export capacity and reduces vulnerability to import surges (due to infrastructure equipment imports after disasters). Asset maintenance reforms that account for climate risks are expected to help preserve infrastructure functionality and avoid costly reconstruction needs as well as potential imports.
RM5	Integrate climate into PIM guide	Following integration of the guidelines, at least three major infrastructure projects with climate exposure will be appraised under the revised process, receive a notice of compliance from CNV, and be selected by CTA for inclusion in the PIP.	15-Mar-27	3rd RSF / 7th ECF Review	C-PIMA (IMF)	FAD M2	
RM6	Integrate climate into asset maintenance	The MEF, in collaboration with DGAIE, the Ministry of Infrastructure and the MATM, develops and adopts a methodology for assessing maintenance needs and costs in at least three ministries with climate-exposed projects, and integrates climate risk considerations into the methodology, in line with C-PIMA recommendations.	15-Mar-27	3rd RSF / 7th ECF Review	C-PIMA (IMF)	FAD M2	
RM7	Integrate climate into asset maintenance	Apply the adopted methodology in three pilot ministries with major infrastructure projects exposed to climate risks.	15-Aug-27	4th RSF / 8th ECF Review	C-PIMA (IMF)	FAD M2	

Table 3. Burkina Faso: Reform Measures under the RSF (Continued)

Pillar 3: Resilient Utilities Provision and Management							
RM8	Expand storage of renewable energy	The MEF, in collaboration with the MEMC and ARSE, will publish the 2027 budget with a revised package of fiscal incentives for renewable energy projects, with a focus on integrated storage.	15-Mar-27	3rd RSF / 7th ECF Review	CPD (FMI), Eco Update 2025 (WB), CCIA (WB)	WB & FAD CP	*Fiscal and external stability.* The revised fiscal incentives for renewables with integrated storage are expected to help lead to more reliable domestic power production and private investment. This is expected to reduce reliance on imported fossil fuels and electricity. In parallel, financial sustainability and governance of the public water utility is expected to strengthen water service provision, moderate fiscal pressures, and improve the efficiency of public investment in water infrastructure as well as its ongoing management, all contributing to strengthening external sustainability.
RM9	Water SOE Reform	Produce an evaluation report by ASCE-LC confirming that the accounting, financial, and administrative weaknesses identified in the 2023 Annual General Activity Report (RAGA) concerning ONEA have been corrected, in order to strengthen the company's financial sustainability and institutional governance.	15-Aug-27	4th RSF / 8th ECF Review	CPD, Eco Update 2025 (WB), CCIA (WB)		

Table 3. Burkina Faso: Reform Measures under the RSF (Concluded)

Pillar 4: Climate Data and Finance							
RM10	Strengthen Hazard Data	The MEF and the MATM adopt a ministerial order mandating the publication of hazard and climate risk maps developed by government entities on the MATM website including the requirement for continuous disclosure.	15-Mar-26	1st RSF / 5th ECF Review	CPD, CCIA, Sahel CCDR		*Fiscal and external stability*. Publicly available hazard and risk information will strengthen the integration of climate risks into planning for infrastructure and urban development, which is expected to reduce costly reconstruction imports and external financing. Extending the MRV system to capture climate investments will support planning of investments and enable the creation of an investor-friendly environment, helping to attract private and concessional climate financing, reducing reliance on raising public debt and strengthening foreign currency reserve buffers.
RM11	Climate Finance	The MEEA, the MEF and other relevant agencies to: (i) adopt and implement a ministerial order extending the measuring, reporting, and verification (MRV) system to allow, in coordination with the National Institute of Statistics and Demography (INSD) and other relevant entities, the collection of data on climate investments from government agencies and non-financial private companies; and (ii) create a centralized national database of climate mitigation and adaptation projects as of end-2025 and in line with the country's updated NDC, where data may be made available to interested stakeholders.	15-Aug-27	4th RSF / 8th ECF Review	CPD, CCIA, Sahel CCDR, IFC Country Private Sector Diagnostic 2019	STA	

1/ WB = World Bank; CNV = National Committee for the Validation of Feasibility and project documents; CTA = Technical Arbitration Commission.

Attachment II. Technical Memorandum of Understanding

1. This Technical Memorandum of Understanding (TMU) defines the quantitative performance criteria, indicative targets, and structural benchmarks used to assess performance under the Extended Credit Facility (ECF)-supported program during 2026. The TMU establishes the framework and deadlines for reporting data that will enable IMF staff to assess program implementation.

CONDITIONALITY

2. Quantitative performance criteria and indicative targets are set out in Tables 1a and 1b of the MEFP. The structural benchmarks defined in the program are detailed in Tables 2a and 2b.

Definitions

3. Government. Unless otherwise indicated, the term "government" means the central government of Burkina Faso conforming to the definition used in the government's financial reporting table (TOFE) and does not include local governments, the central bank, or any other public or government-owned entity with autonomous legal status not included in the TOFE.

4. TOFE coverage. For program monitoring purposes, the TOFE (GFSM 1986) covers the central government including the Patriotic Support Fund (FSP).

5. Definition of debt. The definition of debt is set out in paragraph 8(a) of the Guidelines on Public Debt Conditionality in Fund Arrangements attached to IMF Executive Board Decision No. 16919-(20/103) (October 28, 2020), as published on the IMF website. The term "debt" will be understood to mean all current (i.e., not contingent) liabilities created under a contractual arrangement through the provision of value in the form of assets (including currency) or services, which require the obligor to make one or more payments in the form of assets (including currency) or services at some future point(s) in time; these payments will discharge the principal and/or interest liabilities incurred under the contract. Debts can take various forms, the primary ones being as follows:

(i) loans, i.e., advances of money to the obligor by the lender made on the basis of an undertaking that the obligor will repay the funds in the future (including deposits, bonds (including Treasury bills), debentures, commercial loans, and buyers' credits) and temporary exchanges of assets that are equivalent to fully collateralized loans under which the obligor is required to repay the funds, and usually pay interest, by repurchasing the collateral from the buyer in the future (such as repurchase agreements and official swap arrangements);

(ii) suppliers' credits, i.e., contracts where the supplier permits the obligor to defer payments until sometime after the date on which the goods are delivered or services are provided; and

(iii) leases, i.e., arrangements under which property is provided which the lessee has the right to use for one or more specified period(s) of time that are usually shorter than the total expected service life of the property, while the lessor retains the title to the property. For the purposes of these guidelines the debt is the present value (at the inception of the lease) of all lease payments expected to be made during the period of the agreement excluding those payments that cover the operation, repair, or maintenance of the property.

6. Under the definition of debt set out above, arrears, penalties, and judicially awarded damages and interest arising from the failure to make payment under a contractual obligation that constitutes debt are debt. Failure to make payment on a contractual obligation that is not considered debt under this definition (e.g., payment on delivery) will not give rise to debt.

7. Debt guarantees. A government debt guarantee means an explicit legal obligation to service the debt in the event of nonpayment by the borrower (through payment in cash or in kind).

8. Concessional debt. Debt is considered concessional if it carries a grant element of at least 35 percent.[1] The present value (PV) of debt at the time it is contracted is calculated by discounting the borrower's future debt service payments on the debt.[2] The discount rate used is 5 percent.

9. External debt. External debt is debt contracted or serviced in a currency other than the CFA franc. The performance criteria apply to the external debt of the government, public enterprises receiving transfers from the government and other public entities in which the government holds more than 50 percent of the capital, or to any other private debt for which the government has offered a guarantee constituting a contingent liability.

QUANTITATIVE PERFORMANCE CRITERIA

10. The quantitative performance criteria proposed for the test dates at end-June 2026, and end-December 2026 are as follows:

(i) A ceiling on net domestic financing of the government;
(ii) A ceiling on the amount of external debt contracted or guaranteed by the government in PV terms;
(iii) A ceiling on the accumulation of external debt servicing arrears;
(iv) A ceiling on the guaranteeing of new domestic loans to suppliers and contractors;
(v) A ceiling on government guarantees of new bank pre-financing of public investments, and;
(vi) A ceiling on the primary fiscal deficit (commitment basis), including grants.

The ceilings above at end-March 2026 and end-September 2026 are indicative quantitative targets.

11. Program exchange rate. To assess the observance of the ceilings on the amount of external debt contracted or guaranteed by the government in PV terms, the PV of external debt calculated in U.S. dollar terms with the help of the IMF PV Monitoring Tool will be converted to CFA francs at the

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[1] This IMF webpage provides a tool to compute the grant element in a large range of financial arrangements: http://www.imf.org/external/np/pdr/conc/calculator.

[2] The calculation of the grant element reflects all aspects of the debt contracted, including the date of payment, grace period, schedule, commissions and management fees.

program exchange rate that shall be set by IMF staff on a semi-annual basis ahead of each period under review. To this effect, the program exchange rate (i.e., the conversion rate from U.S. dollars to CFA francs applicable for a semester under review) will be derived using the current period exchange rate assumptions from the relevant Statistical Annex to the IMF's World Economic Outlook (WEO) of the vintage immediately preceding the semester under review. Consequently, the 2025 exchange rate assumption of US$1.130 to the euro, published in the Statistical Appendix B to the October 2025 WEO (Table B10), converted at the fixed rate of 656 CFA francs to the euro yields a program exchange rate of 580.53 CFA francs to the U.S. dollar that will be used to assess the performance with respect to end-March and end-June 2026 ceilings on the amount of external debt contracted or guaranteed.

A. Net Financing of the Government

Definition

12. Net domestic financing of the government is defined as the consolidated amount of (i) net bank credit to the government, including net bank credit to the government vis-à-vis the national banking institutions; (ii) net changes in the stock of unredeemed Treasury bills and bonds (including syndicated issuances) held outside national commercial banks and securitized debt; (iii) privatization receipts and other government claims and debts vis-à-vis national non-bank institutions; (iv) borrowing for VAT refunds; (v) net accrual of all other arrears and floating debts, including payables; and (vi) net change in the position of the Treasury resulting from movements of funds between the Treasury, including its correspondent accounts, and their accounts held in banks and financial institutions outside the Treasury system; and (vii) the net result of all other financial transactions and lags at all stages of the expenditure process that contribute to the reconciliation between the overall fiscal deficit as measured on an accrual basis and on a cash basis. Net bank credit to the government is defined as the balance of government receivables and payables to domestic banking institutions. Government receivables include cash held by the Burkina Faso government, deposits with the central bank, deposits with commercial banks, guaranteed bonds, and government deposits in postal checking accounts (CCP). Government debt to the banking system includes central bank financing (including statutory advances, consolidated advances, and refinancing of guaranteed bonds), government securities held by the central bank, and commercial bank lending (including government securities held by commercial banks). All components of so-defined net domestic financing are calculated based on data in the TOFE and its annexes.

Adjustment

13. The cumulative quarterly ceilings on net domestic financing (NDF) through end-March 2026, end-June 2026, and-September 2026, and end-December 2026 will be adjusted downward if the cumulative amounts of net external financing, defined as disbursements of program loans and project loans and other external financing (excluding IMF) net of amortization, through these dates exceed the amounts projected in Table 1 below. The adjustment will be equal to the difference between the actual amount disbursed and the amount projected. These ceilings will not be adjusted upward if net external financing falls short of the projected amounts.

Table 1. Burkina Faso: Projected Net External Financing (Cumulative, CFAF billion)			
End-March 2026	End-June 2026	End-September 2026	End-December 2026
80.0	125.0	135.0	148.0

B. New External Debt Contracted or Guaranteed by the Government and Present Value of External Debt Contracted or Guaranteed by the Government

14. This performance criterion applies to external debt as defined in ¶9 of this TMU. It utilizes the concept of concessional debt as defined in ¶8 of this TMU. This performance criterion also applies to any private debt guaranteed by the government that constitutes a contingent liability. Contingent liabilities are obligations that do not arise unless a particular event (or a sequence of events) triggering the obligation occurs in the future. For the purpose of this performance criterion, "government" includes the central government of Burkina Faso, public enterprises that receive government transfers, local governments, and other public sector entities (e.g., administrative, professional, scientific, and technical agencies). However, this performance criterion will not apply to Treasury bills and bonds issued in CFA francs on the WAEMU regional market, to normal import-related commercial debts with a term shorter than one year, or to IMF loans. It is measured on a cumulative basis from the beginning of each year, and no adjustor will apply.

15. For 2026, the government undertakes not to contract or guarantee any external debt (concessional or non-concessional) with a total PV exceeding the ceiling, denominated in billions of CFA francs, as indicated in Table 1 of the MEFP, measured cumulatively from the beginning of the year, i.e., January 1 of each year. In the case of a (concessional or non-concessional) loan for debt reprofiling, the ceiling will be raised by the PV of the total amount of the loan if such debt reprofiling operation constitutes an improvement in the overall debt profile as determined by IMF staff. The authorities will consult the IMF staff in advance when such a debt reprofiling operation is expected to materialize. All other provisions and definitions stipulated in ¶14 will continue to apply.

16. The proceeds of any concessional reprofiling loan referred to in ¶15 will be used only to help finance the government's gross financing requirements that are consistent with the overall budget deficit ceilings established in the program. Any surplus resources will be safeguarded.

C. Non-Accumulation of New External Payment Arrears by the Government

17. The term "external arrears" refers to external debt service payments that are due but unpaid. Under the program, the government agrees not to accumulate external payment arrears, except arrears arising from external payment obligations currently being renegotiated with creditors, including bilateral creditors who are not members of the Paris Club. This performance criterion must be met on a continuous basis**.**

D. Government Guarantee for New Domestic Loans to Suppliers and Service Providers

18. The government undertakes to not provide new financial guarantees for domestic loans to its suppliers or contractors. This performance criterion shall be observed continuously. For this performance criterion, "government" includes the central government, institutions of an industrial or commercial nature (EPIC), public administrative agencies (EPA), public scientific and technical institutes, public vocational establishments, public health agencies, local authorities, public enterprises, national corporations, semi-public corporations (public corporations with financial autonomy, in which the government holds at least 50 percent of the capital), and state agencies.

E. Government Guarantee for New Bank Pre-Financing of Public Investments

19. The government undertakes not to guarantee new bank pre-financing of public investments. In a pre-financing agreement, a private company to which the government awards a public works contract obtains a loan from a national commercial bank or a group of commercial banks. The Ministry of Economy and Finance guarantees this loan and at the same time signs an unconditional and irrevocable agreement to stand in for the debtor to service all principal and interest. For the purposes of this performance criterion, the term "government" includes the central government, public industrial or commercial entities (EPICs), administrative public entities (EPAs), public scientific or technical entities, public professional entities, public health agencies, local governments, government corporations, state-owned enterprises, semi-public corporations (public corporations with financial autonomy in which the government holds at least 50 percent of the capital), and government agencies. This performance criterion shall be met continuously.

F. Primary Fiscal Deficit, Including Grants

Definition

20. For program purposes, the primary fiscal balance is calculated on a commitment basis. It is defined as the difference between domestic revenues (including program and project grants) and public expenditure, less interest payments. Arrears payments are not included in the calculation of the domestic primary balance.

Adjustment

21. The cumulative quarterly ceilings on the primary fiscal deficit through end-March 2026, end-June 2026, end-September 2026, and end-December 2026 will be adjusted downward if the actual amounts of net external financing (disbursements of external project and program loans and other external financing (excluding IMF) net of amortization) through these dates fall short of the amounts projected in Table 1 above. The adjustment will be calculated as the difference between the actual amount disbursed and the projected amount. The ceilings on the primary fiscal deficit will not be adjusted if the actual amounts of external financing exceed the amounts projected.

QUANTITATIVE INDICATIVE TARGETS

22. The program also includes quantitative indicative targets for end-March 2026, end-June 2026, end-September 2026, and end-December 2026:

(i) A ceiling on the accumulation of domestic arrears by the government;

(ii) A floor on total government revenue;

(iii) A floor on poverty-reducing current social expenditure;

(iv) A ceiling on the stock of certified and unpaid VAT refunds older than 30 days;

(v) A ceiling on primary current expenditure;

(vi) A ceiling on public-private partnerships.

G. Amounts Payable, Including Arrears on Domestic Payments by the Government

23. "Amounts payable" (or "outstanding balances") include domestic arrears and the floating debt and represent overdue obligations of the government. They are defined as expenditures accepted by the government accounting officer but not yet paid. For program purposes, these obligations include (i) public and private nonfinancial enterprise invoices due and unpaid, including VAT refunds, and (ii) domestic debt service.

24. For program purposes, domestic payment arrears are outstanding balances to suppliers and domestic debt service. Arrears to suppliers are defined as overdue obligations of the government to public and private nonfinancial enterprises, including VAT refunds, that are more than the regulatory 90 days overdue; arrears on the domestic debt service refer to debt service obligations that are more than 30 days past the due date stipulated in the agreements, including any applicable grace period.

25. The floating debt corresponds to amounts that are unpaid for less than the regulatory period (90 days for debt to nonfinancial corporations and 30 days for debt service).

26. For program purposes, the ceiling on the accumulation of new domestic payment arrears is zero. This indicative target will be subject to continuous monitoring by the authorities, and any breach will be reported to IMF staff on a quarterly basis.

H. Government Revenue

Definition

27. Government revenues are calculated on a cash basis. They include all tax revenues collected by the Directorate General of Taxes (*Direction Générale des Impôts* – DGI), the Directorate General of Customs (*Direction Générale des Douanes* – DGD), the Burkinabè Treasury (*Trésor Burkinabè* –

DGTCP), and other revenue collection units. They also include nontax receipts or receipts from services. For program purposes, the revenues of the FSP will be excluded from the floors on total government revenue and performance with respect to these floors will be assessed excluding the revenues of the FSP, which will continue to be reported in the TOFE for monitoring purposes.

I. Poverty-Reducing Current Social Expenditure

Definition

28. Poverty-reducing current social expenditure is the sum of committed and validated current spending (i.e., "base engagée visée") identified since 2021 in collaboration with the IMF, as contributing to poverty reduction. This definition includes: (i) the provision of education, health, and drinking water; (ii) the expansion of opportunities for income-generating activities and self-employment, development of rural roads, and construction of economic infrastructure (agricultural and pastoral water works); (iii) the promotion of women, social action, information, employment, and vocational training; (iv) access to justice; (v) promoting development of the agricultural economy, with a view to improving the incomes of those involved in the agricultural value chains; (vi) contribution to sustainable growth and diversification of the supply of agricultural products; (vii) sustainable wastewater and excreta sanitation; (viii) meeting the freshwater needs of users and aquatic ecosystems; (ix) the creation of decent jobs for all leading to the improvement of social well-being. Wage bill spending and externally financed social spending are excluded from the definition of poverty-reducing current social expenditure.

J. Certified VAT Refunds and Overdue Payments Over 30 Days

Definition

29. For program purposes, the stock of value-added tax (VAT) refund claims that have been certified but remain unpaid for more than 30 days consists of the amounts of signed refunds. The 30-day period begins on the date the refund certificate is signed by the Director General of Taxes.

K. Current Primary Expenditures

Definition

30. For program purposes, current primary expenditure is defined as the sum of wage bill expenditure, expenditure on goods and services, and current transfers, net of interest payments, and net of expenditures executed through the FSP, which will continue to be reported in the TOFE for monitoring purposes.

Consultation Clause on Wage Bill

31. If, at the end of a quarter (i.e., March 31, June 30, September 30, and December 31) during the program period, observed annual growth of the wage bill (measured as a 12-month sliding growth rate) exceeds the wage bill growth rate projected for the respective year in the macroeconomic framework of the program (see Table 2 below), the authorities will consult with IMF staff. To prepare this consultation, the authorities will submit to the IMF a written note that explains the reasons for the discrepancy between the observed growth rate and the projected growth rate in the macroeconomic framework, as well as the corrective measures they intend to implement to bring the wage bill under control.

	Table 2. Burkina Faso: Annual Wage Bill Growth Projections (Percentage)				
Year	2023	2024	2025	2026	2027
Projection	8.7	9.6	8.9	5.3	4.3
Actual	8.7	6.7	…	…	…

L. Public-Private Partnerships

Definition

32. A public-private partnership is defined as a long-term contract between a private party and a government entity for providing a public asset or service in which the private party bears significant risk and management responsibility, and remuneration is linked to performance. It excludes pre-financing and supplier credit arrangements.

Additional information for program monitoring

33. To enable IMF staff to assess program performance, the authorities agree to submit the following data through the local office of the IMF in Burkina Faso, in hard copy and/or MS Excel electronic files, with the frequencies and deadlines specified below.

Table 3. Burkina Faso: Summary of Data Reporting Requirements

Information	Responsible Institution	Data Frequency	Reporting Deadline
Government Finance The government's fiscal reporting table (TOFE) and the customary annexed tables (if data on actual investment financed by external grants and loans are not available in time, a linear estimate of execution based on annual projections will be used) with and without the FSP.	Ministry of Economy and Finance (MEF/DGTCP)	Monthly: data on revenue and expenses Quarterly: full dataset	4 weeks 7 weeks
The exhaustive list of treasury deposit accounts (*comptes de dépôts du trésor*) with balances and the net position of the government as standard annexes to the TOFE on a quarterly basis, allowing the identification of those accounts opened for the benefit of non-personalized services.			
Domestic financing of the budget (net bank credit to the government and stock of unredeemed Treasury bonds and bills).	MEF/DGTCP and BCEAO	Monthly	7 weeks
Data on implementation of the public investment program, including details on financing sources.	MEF/DGEP	Semiannual	6 weeks
Stock of external debt, external debt service, and external debt contracted and guaranteed by the government, including terms and creditor details for any loan in currency other than CFA franc contracted or guaranteed by the government.	MEF/DGTCP	Quarterly	6 weeks
Poverty-reducing current social spending in table format.	MEF/DGB	Monthly	6 weeks
Petroleum product prices, consumption, and taxes, including: (i) the price structure for the month concerned; (ii) detailed calculation of the price structure, from the f.o.b. price to the retail price; (iii) volumes purchased and distributed for consumption by the petroleum distributor (SONABHY), with a distinction made between retail and industry sales; and (iv) a breakdown of tax revenue from petroleum products—customs duties, tax on petroleum products (TPP), and value-added tax (VAT); (v) capital gains/losses on the purchases and sales of petroleum products by type of product, and (vi) subsidies payable.	CIDPH, MEF/DGD/DGTCP, SONABHY	Monthly	4 weeks
Quarterly report, including monthly data, on SONABHY's accounts, cash flow statements, and income statements, taking account of all received subsidies and government securities issued or sold to the banking system, etc.	SONABHY	Quarterly	6 weeks

Table 3. Burkina Faso: Summary of Data Reporting Requirements (Continued)

Information	Responsible Institution	Data Frequency	Reporting Deadline
Quarterly report, including monthly data, on SONABEL's accounts comprising its cash flow and income statements and taking into account all received subsidies and project grants and loans from the technical and financial partners.	SONABEL	Quarterly	6 weeks
Monthly DGI revenue projections (on an annualized basis) by type, and report on monthly performance compared to projections.	MEF/DGI	Monthly	7 weeks
Monthly DGD revenue projections (on an annualized basis) by type, and report on monthly performance compared to projections.	MEF/DGD	Monthly	7 weeks
Monthly DGTCP revenue projections (on an annualized basis) by type, and report on monthly performance compared to projections.	MEF/DGTCP	Monthly	7 weeks
Quarterly report on VAT refunds, including transfers received from ACCT, the cumulative amount paid since the beginning of the current year, the stock of certified refund claims (imprest administrators (*régisseurs d'avance*)) and total VAT refund claims handled (DGE, DLC).	MEF/DGI	Quarterly	3 months
Monthly update of the PPP and sovereign guarantee databases.	BN-GPB	Semiannual	6 weeks
Monthly statement of the implicit pump price subsidy.	CIDPH	Monthly	4 weeks
Monthly data on new domestic debt contracted (including bank credit, all sovereign debt issuances, and securitizations) and amortized.	MEF/DGTCP	Monthly	6 weeks

Table 3. Burkina Faso: Summary of Data Reporting Requirements (Concluded)

Information	Responsible Institution	Data Frequency	Reporting Deadline
Consolidated Balance Sheets of Monetary Institutions			
Consolidated balance sheets of monetary institutions.	BCEAO	Monthly	6 weeks
Monetary survey: provisional data.	BCEAO	Monthly	6 weeks
Monetary survey: final data.	BCEAO	Monthly	6 weeks
Lending and borrowing interest rates.	BCEAO	Monthly	6 weeks
Standard bank supervision indicators for banks and non-bank financial institutions.	BCEAO	Monthly	6 weeks
Balance of Payments			
Preliminary annual balance of payments data.	BCEAO	Annual	11 months
Foreign trade statistics.	MEFP/INSD	Quarterly	3 months
Any revision of balance of payments data (including services, private transfers, official transfers, and capital transactions).	BCEAO	When revised	2 weeks
Real Sector			
Provisional national accounts and any revisions.	MEF/INSD	Annual	6 months
Quarterly national accounts and any revisions.	MEF/INSD	Quarterly	3 months
Monthly disaggregated consumer price indices.	MEF/INSD	Monthly	4 weeks
Monthly performance and projections through current year's end-December for mine production by individual mine and by mineral type, exports (volume and value), and the operational status of the existing mines and mines under construction	MEF/DGD and MEMC/DGMG/DGESS	Monthly	3 months
Structural Reforms and Other Data			
Any study or official report on Burkina Faso's economy.	MEF/DGEP		On date published or date of entry into force
Any decision, order, law, decree, ordinance, or circular having economic or financial implications.	MEF/SG		On date published or date of entry into force
Any study or official report on measures taken to combat corruption.	ASCE-LC		On date published or date of entry into force
Annex to the annual budget detailing plans to combat climate change (including resource allocations and assessment of the fiscal latitude for climate friendly infrastructure).	MEF/DGB		On date published or date of entry into force

INTERNATIONAL MONETARY FUND

BURKINA FASO

January 30, 2026

FOURTH REVIEW UNDER THE EXTENDED CREDIT FACILITY ARRANGEMENT, FINANCING ASSURANCES REVIEW, AND REQUEST FOR AN ARRANGEMENT UNDER THE RESILIENCE AND SUSTAINABILITY FACILITY—DEBT SUSTAINABILITY ANALYSIS[1]

Approved By
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Prepared jointly by the staff of the International Monetary Fund (IMF) and the International Development Association (IDA)

Risk of external debt distress	Moderate
Overall risk of public debt distress	Moderate
Granularity in the risk rating	Limited space to absorb shocks.
Application of judgement	Yes: risks of external and overall public debt distress raised due to volatile security situation, fiscal risks tilted to the downside, and high dependence on gold exports.

Burkina Faso (BFA) remains at moderate risk of external and overall public debt distress.[2] Debt levels are sustainable over the medium term. The current debt-carrying capacity is consistent with a classification of 'medium.' All external and public debt indicators are at low risk of debt distress based on mechanical signals. Staff continue to apply judgement—as in the previous DSA—due to strong dependence on gold exports, downside risks to the fiscal sector, including from the rollover of domestic debt, vulnerability to severe weather events, and the volatile security situation. There is a high level of uncertainty surrounding projections.

[1] This DSA was prepared jointly with the World Bank and in collaboration with the Burkina Faso authorities.

[2] Burkina Faso's Composite Indicator (CI) is 2.88, corresponding to a 'Medium' debt-carrying capacity. The Composite Indicator is calculated using data from the October 2025 WEO and the 2024 World Bank's Country Policy and Institutional Assessment (CPIA).

PUBLIC DEBT COVERAGE

1. Public debt covers central government debt, local government debt, non-guaranteed SOE debt and central bank debt for the purpose of this DSA (Text Table 1).[3] Central bank debt contracted on behalf of the government (i.e., credit outstanding to the IMF) is treated as external debt. Local governments and SOEs are authorized to borrow but subject to authorization from the National Committee on Public Debt (CNDP). The baseline includes the one local government that is reported to have external debt and three SOEs accounting for most of SOEs non-guaranteed financial debt,[4,5] which is estimated around 1 percent of GDP. Debt on-lent to SOEs is included in the baseline as part of central government borrowing. As data on guarantees to SOEs and to the private sector are not comprehensive, the analysis relies on estimates to calibrate a combined contingent liability stress test.

2. Efforts are under way to increase government capacity to record public sector debt. With the support of the World Bank's Sustainable Development Finance Policy (SDFP), the authorities expanded the coverage of public debt, [6] which is provided in a quarterly debt bulletin.[7] Still, debt presented in the statistical bulletin is not consolidated (i.e., debt owed by the central government to other public entities is included in the total stock of debt). Authorities are working to produce consolidated general government fiscal accounts with financial statements of SOEs, alongside a consolidated public sector debt. Also, further work is needed in terms of data reconciliation with the World Bank Debt Reporting System. Similarly, further work is needed to capture in a timely manner the debt of enterprises recently acquired or created by the government.

Text Table 1. Burkina Faso: Coverage of Public Debt

	Subsectors of the public sector	Sub-sectors covered
1	Central government	X
2	State and local government	X
3	Other elements in the general government	
4	o/w: Social security fund	
5	o/w: Extra budgetary funds (EBFs)	
6	Guarantees (to other entities in the public and private sector, including to SOEs)	
7	Central bank (borrowed on behalf of the government)	X
8	Non-guaranteed SOE debt	X

[3] Domestic debt is defined as debt denominated in the regional currency, the CFAF. The choice of coverage is based on currency, rather than residency due to the difficulty of monitoring residency. Data on the residency of holders of securities on the UMOA-Titres are incomplete. Securities issued on the UMOA-Titres market accounted for 47.8 percent of CFAF-denominated debt at end 2025Q1; however, these data do not account for secondary market transactions. Borrowing from the West African Development Bank although denominated in CFAF is classified as external debt based on residency definition criteria.

[4] Short-term loans for working capital purposes are not covered by public debt statistics.

[5] The amount corresponding to the debt service of these three SOEs is added to the revenue for the calculation of the external debt service to revenue ratio to consider that they have been servicing their debt and are in financially sound situations.

[6] Why One African Country Opted for Full Disclosure on Debt

[7] Statistical Debt Bulletin N°1-2025

Text Table 2. Burkina Faso: Combined Contingent Liability Shock

1	The country's coverage of public debt	The central, state, and local governments, central bank, non-guaranteed SOE debt		
		Default	Used for the analysis	Reasons for deviations from the default settings
2	Other elements of the general government not captured in 1.	0 percent of GDP	1.5	Guarantees to private sector
3	SoE's debt (guaranteed and not guaranteed by the government) 1/	2 percent of GDP	2.0	
4	PPP	35 percent of PPP stock	0.0	
5	Financial market (the default value of 5 percent of GDP is the minimum value)	5 percent of GDP	5.0	
	Total (2+3+4+5) (in percent of GDP)		8.5	

1/ The default shock of 2% of GDP will be triggered for countries whose government-guaranteed debt is not fully captured under the country's public debt definition (1.). If it is already included in the government debt (1.) and risks associated with SoE's debt not guaranteed by the government is assessed to be negligible, a country team may reduce this to 0%.

3. **The contingent liabilities stress test features a combined shock of 8.5 percent of GDP.** The test captures debt that is not covered by the definition of public debt in the baseline. Among its components, it includes a shock of 1.5 percent of GDP as a contingent liability to account for possible guarantees to the private sector (Text Table 2). A standard SOE debt of 2 percent of GDP is included as a contingent liability.[8] Staff do not use a shock to account for PPPs, as they are less than 3 percent of GDP.[9] For the financial market shock, the test retains the default value of 5 percent of GDP, representing the average burden of a financial crisis.

Text Table 3. Burkina Faso: Public Debt Stock, 2018–24

(Percent of GDP)

	2018	2019	2020	2021	2022	2023	2024
Public Debt	**38.1**	**41.7**	**43.6**	**55.5**	**59.2**	**56.8**	**57.2**
External Debt	21.6	23.2	21.5	25.6	26.3	26.2	25.5
(share of total debt, percentage)	*56.8*	*55.6*	*49.3*	*46.2*	*44.5*	*46.1*	*44.5*
Domestic Debt	16.5	18.5	22.1	29.9	32.9	30.6	31.8
(share of total debt, percentage)	*43.2*	*44.4*	*50.7*	*53.8*	*55.5*	*53.9*	*55.5*
Memorandum items:							
Overall fiscal balance	-4.3	-3.1	-5.1	-7.5	-10.8	-6.8	-5.8
GDP growth (in percent)	6.6	5.9	2.0	6.9	1.6	3.0	4.8

Sources: Burkinabe authorities; and IMF staff estimates.

DEBT BACKGROUND

A. RECENT DEBT DEVELOPMENTS

4. **Public debt growth has moderated after the pandemic.** While the public debt-to-GDP ratio rose markedly in 2021, it has oscillated around 57 percent since then (Text Table 3). The share of external debt declined from 56.8 percent in 2018 to a 17-year low of 44.5 percent in 2024. As of June 2025, external

[8] Government guarantees on external debt of SOEs are estimated at 0.6 percent of GDP and debt that could arise from nationalized enterprises in 2024 are estimated not to exceed 0.4 percent of GDP.

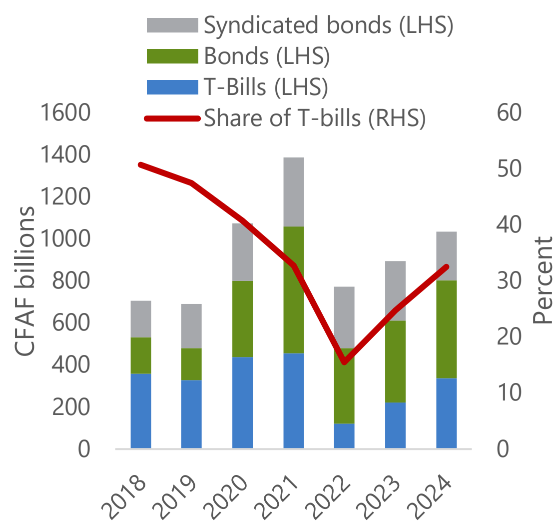
[9] According to the 2024 World Bank's Private Participation in Infrastructure Database, Burkina Faso's PPP capital stock at end-2024 is estimated at 2.74 percent of GDP.

debt accounted for about 45.4 percent of total public debt. The recourse to the WAEMU bond market has increased to compensate for the dearth of external (concessional) financing options.

5. **The issuance of treasury bills has increased relative to that of treasury bonds.** Total issuance grew from CFAF 774 billion in 2022 to CFAF 1,036 billion in 2024 (Text Figure 1). The authorities' issuance plan for 2025 follows this trend with planned issuance at CFAF 1,185 billion. Data for 2025H1 indicates that the authorities raised 103 percent of the amount targeted for this period. The reliance on T-bills has risen over 2022–24, with the share of T-bills increasing from 15.5 to 32.5 percent, while the share of longer-term debt issued in the form of syndicated bonds decreased from 37.8 to 22.6 percent. As a result, average time to maturity of treasury instruments shortened from 4.5 years at end-2022 to 3.2 years at end-2024. This trend continued in 2025H1. The amount of T-bills issued was larger than anticipated (with the share of T-bills in total issuance increasing to 41.9 percent instead of declining to 29.5 percent as planned).

6. **Higher reliance on borrowing in the regional market has raised debt service costs.** Total interest payments for debt service amounted to CFAF 310.5 billion at end-December 2024, of which about 85 percent represented interest payments on domestic debt. By comparison, in 2019, interest payments amounted to CFAF 117 billion, of which 82 percent were attributable to domestic debt. From 2022 to 2025Q1, the regional bond market became less liquid as monetary policy tightened, and investor sentiment shifted adversely. For Burkinabè securities issued by auction, average yields rose from 7.5 percent in 2023 to 8.3 percent in 2024 due to WAEMU-wide and country-specific reasons. During 2025Q2, by contrast, improved region-wide liquidity conditions in WAEMU and a first policy rate cut by the BCEAO since end-2023 have facilitated the issuance of BFA's sovereign debt. Average monthly yields on BFA's government securities have dropped for five months in a row, reaching 7.2 percent in November 2025.

Text Figure 1. Burkina Faso: Treasury Bills and Bond Issuances 2018–24



Sources: UMOA Titres; Burkinabé authorities; and IMF staff calculations.

7. **BFA's recourse to borrowing in the regional financial market is expected to rise.** The government's gross financing needs (GFN) that would need to be satisfied by the regional market in 2025 are estimated at 1.0 percent of WAEMU countries' GDP, which is lower than the average GFN absorbed by the regional market from 2020 to 2024 (1.1 percent of WAEMU countries' GDP).[10] Over the medium term (2026–30) GFN are projected to rise to 1.5 percent of WAEMU countries' GDP. This indicates the need for additional access to concessional

[10] To put this into perspective, BFA's domestic debt represented on average 13 percent of WAEMU's public domestic debt over 2020–24.

financing or to reduce its borrowing needs further. In the medium and long term, initiatives to deepen the regional financial market are encouraged.

8. The government is working to eliminate a small stock of outstanding domestic payment arrears. Since the beginning of 2025, domestic arrears (outstanding more than 90 days) decreased by 0.4 percent of GDP. The authorities reduced the stock of outstanding arrears to 0.1 percent of GDP at end-June 2025. They cleared all arrears related to VAT reimbursements (mostly to foreign operators in the mining sector), and they continue to implement their arrears clearance strategy with a view to eliminating all outstanding arrears by end-2025.

9. The government has taken steps to broaden fiscal capacity, lower fiscal risk, and enhance resilience to climate shocks. This includes policies supported by the World Bank's SDFP FY24 and FY25 Performance and Policy Actions (PPAs), such as improving tax collection, rationalizing tax expenditures, strengthening oversight of SOEs like SONABEL and SONABHY, and identifying and funding climate-sensitive budget lines.[11]

Text Table 4. Burkina Faso: Decomposition of Public Debt and Debt Service by Creditor

	Debt Stock (end of period)			Debt Service					
	2024			2024	2025	2026	2024	2025	2026
	(CFAF, bns)	*(% total debt)*	*(% GDP)*	*(CFAF billions)*			*(Percent GDP)*		
Total	**8,026.9**	**100**	**57.2**	**1,138.2**	**1,611.8**	**1,576.4**	**8.1**	**10.2**	**9.1**
External	**3,574.5**	**44.5**	**25.5**	**181.3**	**232.3**	**357.7**	**1.3**	**1.5**	**2.1**
Multilateral creditors 1/	*3,222.3*	*40.1*	*23.0*	*142.9*	*177.6*	*279.8*	*1.0*	*1.1*	*1.6*
IMF	339.5	4.2	2.4	13.0	24.6	34.3	0.1	0.2	0.2
World Bank	1,587.4	19.8	11.3	40.8	45.5	77.5	0.3	0.3	0.4
Other Multilaterals	1,295.4	16.1	9.2	89.1	107.6	167.9	0.6	0.7	1.0
Bilateral Creditors	*352.2*	*4.4*	*2.5*	*38.4*	*54.7*	*77.9*	*0.3*	*0.3*	*0.5*
Paris Club	133.4	1.7	1.0	15.2	16.8	30.9	0.1	0.1	0.2
o/w: France	116.7	1.5	0.8	13.4	23.6	12.1	0.1	0.2	0.1
Japan	4.3	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-Paris Club	218.8	2.7	1.6	23.2	37.9	47.0	0.2	0.2	0.3
o/w: China (including Bank of China)	53.1	0.7	0.4	5.5	11.1	7.0	0.0	0.1	0.0
Kuwait	29.5	0.4	0.2	2.7	6.8	2.6	0.0	0.0	0.0
Domestic	**4,452.4**	**55.5**	**31.8**	**956.8**	**1,379.5**	**1,218.7**	**6.8**	**8.8**	**7.1**
T-Bills	*297.1*	*3.7*	*2.1*	*152.5*	*448.6*	-	*1.1*	*2.8*	*0.0*
Bonds	*3,345.8*	*41.7*	*23.9*	*485.0*	*627.8*	*913.8*	*3.5*	*4.0*	*5.3*
Loans	*809.5*	*10.1*	*5.8*	*319.4*	*303.1*	*304.9*	*2.3*	*1.9*	*1.8*

Sources: IMF estimates and projections, based on data based on Burkinabe authorities, according to their classification of creditors. Debt coverage is the same as the DSA. There is no information on collateralized debt.
1/ "Multilateral creditors" are simply institutions with more than one official shareholder and may not necessarily align with creditor classification under other IMF policies (e.g. Lending Into Arrears).

RECENT DEVELOPMENTS AND MACROECONOMIC ASSUMPTIONS

10. The baseline macroeconomic scenario has improved since the publication of the previous DSA in June 2025. Staff revised real GDP growth for 2025 up to 5 percent due to additional public capital

[11] SDFP FY24 PPAs and SDFP FY25 PPAs.

spending (funded by the additional revenues realized in 2025Q3) and a better-than-expected performance of the gold mining sector (Text Table 5). Inflation is expected to drop to -0.5 percent on average in 2025, from 4.2 percent in 2024, due to a decrease in food prices. The current account deficit in 2024 was smaller than projected, and staff expect it to switch to a surplus of 1.1 percent of GDP in 2025, due to higher gold prices and new gold mining operations. The fiscal consolidation path is similar to that presented in the June 2025 DSA, with the overall fiscal deficit projected to converge to the WAEMU norm of 3 percent of GDP in 2027.

11. The security situation, natural disasters, and gold price fluctuations represent the largest sources of risk. The security situation is hard to assess. Quantitative indicators show improvements, but anecdotal evidence suggests that terrorist groups remain entrenched. In an extreme scenario, an intensification of attacks by terrorist groups, especially in urban areas, could deliver a strong negative shock to the economy, decreasing gold output, exacerbating food insecurity, and raising internal displacement. The economy is also highly vulnerable to droughts and flooding that cause fluctuations in agricultural output and affect infrastructure. On the fiscal side, there are risks to revenue performance, while unexpected (current or capital) spending pressures could emerge, notably on security and social protection. Financing conditions on the regional bond market could deteriorate. Finally, gold price fluctuations (representing more than 80 percent of exports) are also a major source of risk.

12. This DSA update is consistent with the macroeconomic framework for the ECF-supported program. The program stands on three pillars: (1) creating fiscal space for priority spending; (2) strengthening resilience to shocks and reducing poverty and inequality; and (3) enhancing fiscal discipline, transparency, and governance. The fiscal anchor of the program is based on the WAEMU convergence criterion, reducing the deficit-to-GDP ratio to 3 percent by 2027; reducing the wage-bill-to-revenues ratio to 45 percent by 2027, and raising the tax revenue-to-GDP ratio by 1.5 percentage points relative to baseline without reforms.

13. Assumptions on gold prices and the current account have changed since the last DSA. Large upward revisions of the projected gold prices in the medium term, and a surge in the reported non-industrial gold production starting in 2024 have changed the outlook for the external sector. The revised current account deficit narrowed from 5.7 percent of GDP to 3.5 percent of GDP in 2024, while the projected current account balance is revised to stabilize from about 1.1 percent of GDP to -0.4 percent of GDP between 2025 and 2028. Although dependence on gold windfalls is a risk, the expected improvement in the current account balance suggests that the external position is likely to be stronger than in previous years (Text Table 5).

Text Table 5. Burkina Faso Changes in DSA Assumptions Compared with the June 2025 DSA

		2022	2023	2024	2025	2026	2027	2028
					Proj.	Proj.	Proj.	Proj.
Gold Price (USD/troy ounce)	Current Forecast	1801.5	1943.1	2387.2	3218.2	3472.5	3567.8	3578.4
	June 2025 DSA	1801.5	1943.1	2387.2	2820.8	2963.0	3096.3	3197.8
Cotton Price (USD cts/lb)	Current Forecast	130.1	95.0	86.6	78.8	82.2	82.0	81.0
	June 2025 DSA	130.1	95.0	86.6	79.3	81.4	80.9	80.9
Real GDP Growth (%)	Current Forecast	1.6	3.0	4.8	5.0	4.9	4.8	4.8
	June 2025 DSA	1.5	3.0	5.0	4.2	4.9	4.7	4.7
Current Account (% of GDP)	Current Forecast	-7.5	-5.1	-3.5	1.1	0.8	0.8	-0.4
	June 2025 DSA	-7.5	-5.0	-5.7	-3.4	-3.1	-3.4	-3.7
Overall Fiscal Balance (% of GDP)	Current Forecast	-10.8	-6.8	-5.8	-3.5	-3.5	-3.0	-3.0
	June 2025 DSA	-10.7	-6.7	-5.8	-4.0	-3.5	-3.0	-3.0

Sources: IMF staff estimates; and World Economic Outlook projections

14. **This DSA maintains the assumption on non-concessional external financing over the forecast horizon.** The authorities' medium-term debt strategy keeps favoring exhausting all options for concessional financing before exploring more expensive non-concessional options. Although the World Bank and other international donors—such as the OPEC Fund for International Development and the African Development Bank—remain engaged, financing needs exceed the amount of expected available concessional financing. Thus, this DSA assumes that non-concessional borrowing will reach an average of around 35 percent of total external borrowing over time through the DSA horizon. The baseline considers IDA21[12] World Bank financing.[13]

15. **RSF financing is included in the baseline DSA as additional external budget support.** The prospective RSF access (75 percent of quota; SDR 90.3 million) is recorded as additional external financing and is assumed to be disbursed as budget support over 2026–27, with disbursements evenly linked to the completion of eleven reform measures over four reviews. As a result, external public debt is slightly higher than it would be without the RSF, but the debt-service profile is more manageable than relying on shorter-maturity domestic or regional market borrowing, while providing near-term budget support.

16. **The RSF resources will support climate-resilience investments and reforms that reduce the economic risk of future BoP shocks.** The climate-macro analysis links the RSF disbursement window to higher public investment: in the DIGNAD simulations, the baseline scenario assumes additional public investment of 1 percent of GDP during 2026–27, and the "adaptation and policy" scenario shows that pairing climate-resilient investment with reforms that improve public investment management/efficiency yields better growth and debt outcomes after a disaster than investment alone. This mapping is consistent

[12] World Bank financing is based on IDA21 total indicative country allocations, adjusted for MTR and intra-regional reallocations. IDA21 financing under the 40-year credit category for the first five years of the projection period is reclassified consistent with the status of BFA as non-small state country at moderate risk of external debt distress. Staff assume regular IDA terms afterwards.

[13] Burkina Faso is also eligible for the following IDA Windows: Global and Regional Opportunities Window (GROW), Crisis Response Window (CRW), Window for Host Communities and Refugees (WHR), Scale-Up Window Regular, Scale-Up Window-Short Maturity Loan (SML) and Private Sector Window (PSW).

with the RSF reform strategy, which centers on (i) disaster risk finance; (ii) climate resilience of public infrastructure investment; (iii) energy storage and water state owned enterprise (SOE) governance; and (iv) climate finance mobilization. These measures are expected to help prevent large current account deteriorations, reserve drawdowns, or sudden financing gaps, in addition to catalyze additional public and private investment.

17. **The composition of the domestic financing strategy is comparable to the previous DSA with about 45 percent in T-bills, 40 percent in 1- to 3-year bonds, and 15 percent in 4-year or greater bonds.** The authorities are assumed to mobilize greater amounts with longer maturities, as the regional debt market develops over the medium term. Assumptions on debt costs include an average of 9.7 percent for T-bills and 9 percent for bonds up to 3 years, 7.5 percent for bonds between 4 to 7 years, and 7.7 percent for bonds with longer maturities. Over the medium term, interest rates are expected to return to their historical averages, assuming an improvement of the security situation and a return to civilian rule.

18. **The realism tools suggest that the baseline scenario is credible in all but one exercise comparing it to historical experience and cross-country evidence.**

- The baseline scenario for external debt is realistic. Figure 1 shows that projected external debt-creation is mostly driven by current account dynamics consistent with historical experience. External debt dynamics partly reflect non-identified debt-creating flows, as illustrated by the large residuals. These residuals are due to the definition of external debt on a currency basis, contrary to the current account data which are compiled on a residency basis. Unexpected changes in external debt are below the median compared to other low-income countries.[14]

- Overall public debt-creating flows over the last 5 years are higher than in the projections due to exceptional spending for the pandemic and security. The combination of these two effects makes the primary deficit a major driver of these debt flows. It also explains why average unexpected changes in BFA's debt over the last five years were in the 25th to 75th interquartile range when compared to other low-income countries.

- Figure 2 shows that the fiscal adjustment path with a 2.9-percent adjustment over three years is in the upper quartile of LIC countries' experience in Fund-supported programs. Data through September 2025 suggests that fiscal consolidation proceeds apace, with a 2.3-ppts of GDP adjustment that could materialize already in 2025. The estimated economic growth path and the contribution from government capital to real GDP growth are in line with historical experience.[15]

[14] Staff expects higher scrutiny on all members of the region after recent cases of misreporting of external debt under the currency-based definition.

[15] Private investment projection data has been revised to make use of more precise estimates from the national accounts, making it not comparable to the previous DSA. In particular, the current DSA has separate series for private fixed capital formation and total change in inventories.

COUNTRY CLASSIFICATION AND DETERMINATION OF STRESS TEST SCENARIOS

19. The Composite Indicator index continues to classify Burkina Faso's debt-carrying capacity as 'medium' (Text Table 6). The country's Composite Indicator (CI) index, calculated based on the October 2025 WEO and the 2024 CPIA data (released in 2025), is 2.88, above the threshold of 2.69 for 'weak' debt-carrying capacity but below the threshold of 3.05 for 'strong.' The indicative thresholds for external debt in the 'medium' category are 40 percent for the PV of external debt-to-GDP ratio, 180 percent for the PV of debt-to-exports ratio, 15 percent for the debt service-to-exports ratio, and 18 percent for the debt service-to-revenue revenue ratio. The benchmark for the PV of total public debt for medium debt carrying capacity is 55 percent of GDP.

Text Table 6. Burkina Faso: Debt Carrying Capacity and Relevant Indicative Thresholds

Debt Carrying Capacity and Thresholds

Country	Burkina Faso
Country Code	748
Debt Carrying Capacity	Medium

Final	Classification based on current vintage	Classification based on the previous vintage	Classification based on the two previous vintages
Medium	Medium 2.88	Medium 2.86	Medium 2.86

Applicable thresholds

APPLICABLE EXTERNAL debt burden thresholds	
PV of debt in % of	
Exports	180
GDP	40
Debt service in % of	
Exports	15
Revenue	18

APPLICABLE TOTAL public debt benchmark	
PV of total public debt in percent of GDP	55

Calculation of the CI index

Components	Coefficients (A)	10-year average values (B)	CI Score components (A*B) = (C)	Contribution of components
CPIA	0.385	3.432	1.32	46%
Real growth rate (in percent)	2.719	4.124	0.11	4%
Import coverage of reserves (in percent)	4.052	44.102	1.79	62%
Import coverage of reserves^2 (in percent)	-3.990	19.450	-0.78	-27%
Remittances (in percent)	2.022	1.308	0.03	1%
World economic growth (in percent)	13.520	3.035	0.41	14%
CI Score			2.88	100%
CI rating			Medium	

New framework	Cut-off values		
Weak	CI <	2.69	
Medium	2.69	≤ CI ≤	3.05
Strong	CI >	3.05	

Reference: Thresholds by Classiciation

EXTERNAL debt burden thresholds	Weak	Medium	Strong
PV of debt in % of			
Exports	140	180	240
GDP	30	40	55
Debt service in % of			
Exports	10	15	21
Revenue	14	18	23

TOTAL public debt benchmark	Weak	Medium	Strong
PV of total public debt in percent of GDP	35	55	70

Sources: Country authorities; and staff estimates and projections

20. A tailored stress test examines the impact of shocks to commodities trade. Staff employ the test because commodities constituted 82 percent of export revenues over the previous three years. It captures the potential impact of a sudden and extreme 80-percent decline in prices for gold and all agricultural commodities and a parallel increase in fuel import prices of 80 percent. It supplements the contingent liability test and the other standardized stress tests.

EXTERNAL DSA

21. All external PPG debt indicators remain below the policy-relevant thresholds in the baseline. The present values (PV) of the external debt-to-GDP ratio, the external debt-to-exports ratio, the external debt service-to-exports ratio, and the external debt service-to-revenue ratio are well below thresholds with generally declining trends over the medium term (Table 2, Figure 3). Staff project that the external debt-to-GDP ratio will drop by 4.0 ppts in 2025, due to a relative appreciation of the local currency.

22. The standardized stress tests show that an export shock has the largest negative impact on the debt trajectory but does not cause the breach of any thresholds. The PV of debt-to-exports ratio is significantly impacted by the export shock (nominal export growth is set to historical average minus one standard deviation), increasing to just above 80 percent in the 2030s (Table 2). However, it remains below the threshold of 180 percent throughout the projection period. The test highlights the need for a sustained effort to improve the economy's potential in exporting goods and services by addressing the security situation, conducting policy reforms in the mining sector, and diversifying the economy. The PV of debt service-to-exports ratio deteriorates but stays well below its threshold of 15 percent. Other shocks, including the adverse shock to real GDP growth, the primary balance, a one-time 30-percent depreciation of the CFAF, the tailored tests for contingent liabilities and the commodity price shock do not lead to any breaches of the debt thresholds.

23. While the model signals a low risk of external debt distress, in staff's judgement, as in the previous DSA, the risk of external debt distress is moderate. All PPG external debt sustainability indicators are expected to remain below the indicative thresholds, even under the extreme assumptions in the alternative scenario with the fiscal downside and the scenario with multiple commodity price shocks. Nevertheless, vulnerabilities warrant the application of judgement. An escalation of the persisting security crisis could lead to a broader decline in GDP, lower tax revenues, and declining exports caused by a fall in gold production, among others. At the same time, higher military spending could exacerbate spending pressures. Development partners could continue to stay on the sidelines or withdraw further, which may raise reliance on expensive regional market financing. Finally, a sudden drop in gold prices could lead to a decline in production and exports.

PUBLIC DSA

24. Under the baseline scenario, the PV of public debt-to-GDP ratio remains below the 55-percent benchmark. It is projected to be well below the benchmark over the horizon of the exercise and exhibits a moderate downward trend (Table 4 and Figure 4). The PV of debt-to-revenue and grants ratio is expected to peak above 200 percent in 2025 and then to decrease gradually over the exercise horizon. The debt service-to-revenue and grants ratio is estimated to peak at about 70 percent in 2030, given the short maturity of domestic financing. The latter raises concerns about liquidity risks, especially given maturity and rollover risks. Figure 5 shows that the baseline involves a reduction in the debt-to-GDP ratio, but that the ratio of domestic debt service over government revenues could increase, while net domestic debt issuance as a ratio of GDP could turn negative due to the rollover of existing domestic debt. Although domestic GFNs are projected to increase in the medium term (see ¶7), this will mainly be for the amortization of the maturing domestic debt. Given Burkina Faso's limited footprint in the regional market, where liquidity conditions eased with the recent increase in WAEMU reserves and the recent loosening of the monetary policy, rollover risks remain contained.

25. The standardized stress tests show that a primary balance shock has the largest negative impact on the debt trajectory but does not lead to breaches of any thresholds. A standard deviation shock to the primary balance causes an above 50-percent benchmark for the PV of public debt-to-GDP ratio around 2027 but the ratio does not lead to a breach and abates slowly thereafter. The combined contingent liability test results are similar. Other standard and tailored stress tests stay below the benchmark for the entire time horizon. Overall, the mechanical signals point toward a low overall risk of public debt distress.

26. Staff applied judgement toward a moderate risk of public debt distress as the PV of public debt-to-GDP ratio exceeds 55 percent in one alternative scenario. In the scenario, where key variables are kept at their ten-year historical averages (2014-2023), the PV of public debt-to-GDP ratio would breach the 55-percent benchmark percent starting around 2030. This scenario shows a gradual increase of the PV over the scenario horizon, leading to higher indicators than any other scenario or stress test (Table 4 and Figure 4). Overall, in staff's judgment, the risk of public debt distress is moderate rather than low, as this scenario shows that the domestic debt situation is a major downside risk.

CLIMATE CHANGE RISKS

27. BFA is among countries highly vulnerable to climate change (See SR Annex II). Modelling results from the WB's G5 Sahel CCDR (2022) estimate annual real GDP losses between 3.5 percent and 6.8 percent for the Burkinabè economy by 2050 in a wet optimistic scenario and in a dry pessimistic scenario, respectively.[16] These losses would mainly occur through reduction in labor productivity from heat stress, destruction of roads and bridges from flooding, and lower yields of rainfed crops.

28. Given the country's vulnerability, a natural disaster event scenario suggests that Burkina Faso's debt profile, while relatively resilient to one-off shocks, could be imperiled in the long term. In an alternative scenario, staff calibrated a one-off natural disaster shock to simulate a catastrophic flood event, which is slightly worse than the one experienced in Ouagadougou in 2009. The scenario assumes a 2.0-pp lower real GDP growth in 2028 relative to the baseline, which then gradually returns to its potential of 4.8 percent by 2032.

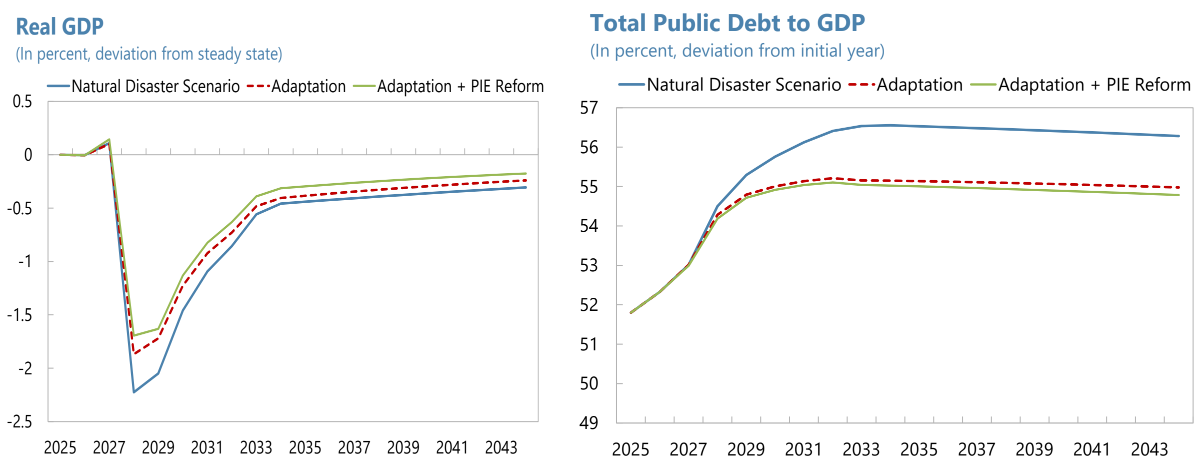
29. The PV of the debt-to-GDP ratio under this alternative scenario would sharply increase before decreasing slowly. While the PV of the public debt-to-GDP ratio would increase by five percentage points in 2028 due to the shock, the indicator would still remain below the 55-percent threshold throughout the exercise horizon, stabilizing at just below 50 percent in the medium- to long-term (Table 4, Scenario A2). The PV of debt-to-revenue and debt service-to-revenue ratios follow similar trajectories of sharp increases in the short term with ensuing gradual decreases. This scenario shows that the debt outlook is vulnerable as it is possible that there are subsequent severe weather events.

30. Results from IMF's DIGNAD model suggest that allowing for climate-resilient adaptation and reforms mitigates the impact of a natural disaster event on the debt-to-GDP ratio over the

[16] G5 Sahel Region Country Climate and Development Report (CCDR, 2022).

medium to long term. Staff simulated the impact of a one-off natural disaster in 2028 calibrated to lower GDP by about 2 percent (Text Figure 2). In the "Natural Disaster Scenario" , the government invests one percent of GDP in non-adaptation infrastructure over the 2 years preceding the natural disaster, while in two other scenarios, it invests one percent of GDP instead in more expensive climate-resilient infrastructure ("Adaptation" scenario) and additionally enacts reforms improving the efficiency of public investment by 20 pp ("Adaptation + PIE reform" scenario). In the "Natural Disaster Scenario", the debt-to-GDP ratio increases sharply after 2028, and peaks at around 57 percent in 2033, before slowly declining to around 56 percent by 2045. In the "Adaptation" and "Adaptation + PIE reform" scenarios, the negative impact of the natural disaster on real GDP would be more muted, while the effect on the public debt to GDP ratio would be more favorable, deteriorating about two percentage points less over the medium to long term in comparison to the "Natural Disaster Scenario."

Text Figure 2. Burkina Faso: DIGNAD Model Selected Outcomes



Source: IMF staff calculations.

Note: Simulations made with the Debt, Investment, Growth and Natural Disasters (DIGNAD) model.

CONCLUSIONS

31. The risks of external debt distress and overall debt distress remain moderate. The current debt-carrying capacity is consistent with a classification of 'medium.' Staff evaluate all external and public debt indicators at low overall risk of debt distress based on mechanical signals. Judgment was applied due to high gold exports dependence, downside risks to the fiscal sector, including the rollover of domestic debt, severe weather events, and the volatile security situation. The alternative scenario based on averages over the last ten years illustrates the importance of adhering to the ECF supported program and its fiscal consolidation path for debt sustainability.

32. The consolidation path in the ECF-supported program helps keep debt sustainable over the medium term. To avoid a deterioration of the debt rating, several risks need to be addressed: (i) expenditures related to food security and the humanitarian crisis; (ii) expenditures to contain the security crisis; (iii) risks arising due to limited support from donors, while a large proportion of the debt portfolio has relatively short maturities, and is therefore vulnerable to rollover and liquidity risks; (iv) increased reliance on the expensive regional financing market; (v) an undiversified export base, with high vulnerability to gold price shocks; and (vi) severe weather events that could become worse with climate change.

33. Staff assess that Burkina Faso has limited space to absorb shocks. Under the granularity assessment module, which allows for qualifying the moderate risk of debt distress, Burkina Faso has substantial space to absorb shocks (Figure 6). None of the indicators breach the threshold under a median observed shock scenario, while two indicators pick up slightly over the short term, all indicators decrease over the medium term. However, staff assess that space to absorb shocks is limited, as there is downside risk due to gold price movements, high domestic debt rollover requirements, rising vulnerability to severe weather events due to climate change, and the security situation.

Authorities' Views

34. We take note of the conclusions of the Debt Sustainability Analysis (DSA) carried out as part of this review. These assessments confirm that Burkina Faso's risk of debt distress remains maintained at a moderate level, unchanged from the one reported in the previous fiscal year. These findings are consistent with our own analysis of public debt sustainability.

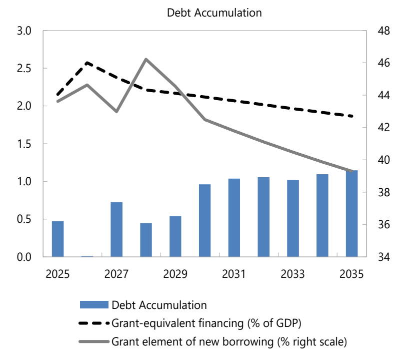
35. We will thus continue to manage public debt prudently and sustainably with particular attention to strengthening control of the primary deficit. To this end, effective implementation of the medium-term debt management strategy remains a priority. This strategy favors the use of concessional resources to finance the government's needs, as well as active liability management, with a view to improving the quality and maturity profile of the public debt portfolio. The continued improvement of public debt statistics also remains a priority.

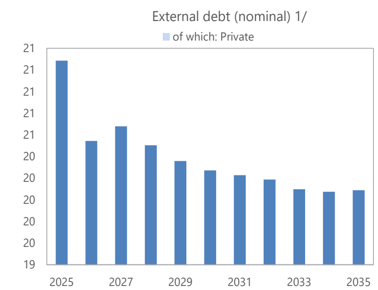
Table 1. Burkina Faso: External Debt Sustainability Framework, Baseline Scenario, 2022–2045

(In percent of GDP, unless otherwise indicated)

	Actual			Projections								Average 8/	
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2035	2045	Historical	Projections
External debt (nominal) 1/	**26.3**	**26.2**	**25.5**	**21.3**	**20.5**	**20.7**	**20.5**	**20.4**	**20.3**	**20.1**	**19.4**	**23.8**	**20.4**
of which: public and publicly guaranteed (PPG)	**26.3**	**26.2**	**25.5**	**21.3**	**20.5**	**20.7**	**20.5**	**20.4**	**20.3**	**20.1**	**19.4**	**23.8**	**20.4**
Change in external debt	0.7	-0.1	-0.7	-4.2	-0.7	0.1	-0.2	-0.1	-0.1	0.0	-0.1		
Identified net debt-creating flows	**12.4**	**3.5**	**1.7**	**-0.4**	**-0.6**	**-0.5**	**0.5**	**1.4**	**2.1**	**1.2**	**0.9**	**3.8**	**0.9**
Non-interest current account deficit	**7.3**	**4.7**	**3.2**	**-1.3**	**-1.0**	**-0.9**	**0.3**	**1.2**	**1.9**	**1.3**	**1.2**	**3.5**	**0.7**
Deficit in balance of goods and services	5.1	4.6	2.9	-3.2	-3.0	-2.2	-0.9	0.1	1.2	1.3	1.8	**3.5**	**-0.2**
Exports	31.2	29.4	28.8	35.8	34.7	33.9	32.7	31.4	30.1	28.2	24.5		
Imports	36.3	34.0	31.7	32.7	31.8	31.7	31.8	31.6	31.3	29.5	26.3		
Net current transfers (negative = inflow)	-3.1	-4.0	-3.5	-2.1	-2.0	-1.9	-1.8	-1.6	-1.6	-1.1	-0.5	**-3.4**	**-1.6**
of which: official	-0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Other current account flows (negative = net inflow)	5.3	4.1	3.8	4.0	4.0	3.2	3.0	2.7	2.3	1.1	-0.1	**3.5**	**2.4**
Net FDI (negative = inflow)	**3.5**	**0.3**	**1.6**	**1.7**	**1.1**	**1.2**	**0.9**	**1.0**	**1.0**	**0.6**	**0.3**	**1.1**	**1.0**
Endogenous debt dynamics 2/	**1.7**	**-1.5**	**-3.2**	**-0.8**	**-0.7**	**-0.7**	**-0.7**	**-0.8**	**-0.8**	**-0.7**	**-0.7**		
Contribution from nominal interest rate	0.2	0.4	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.3		
Contribution from real GDP growth	-0.4	-0.7	-1.1	-1.1	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9	-0.9		
Contribution from price and exchange rate changes	1.9	-1.2	-2.3	...	...	...	...	...	...	...	...		
Residual 3/	**-11.8**	**-3.6**	**-2.4**	**-3.8**	**-0.1**	**0.6**	**-0.6**	**-1.6**	**-2.1**	**-1.2**	**-1.0**	**-3.2**	**-1.4**
of which: exceptional financing	-1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Sustainability indicators													
PV of PPG external debt-to-GDP ratio	**...**	**...**	**18.9**	**16.5**	**14.6**	**14.3**	**13.8**	**13.4**	**13.4**	**13.8**	**14.3**		
PV of PPG external debt-to-exports ratio	**...**	**...**	**65.7**	**46.1**	**41.9**	**42.0**	**42.1**	**42.7**	**44.5**	**49.0**	**58.6**		
PPG debt service-to-exports ratio	**3.7**	**5.0**	**4.5**	**4.1**	**6.0**	**3.8**	**3.6**	**3.5**	**3.2**	**2.9**	**3.8**		
PPG debt service-to-revenue ratio	**5.9**	**7.1**	**6.2**	**6.8**	**10.3**	**6.4**	**5.7**	**5.3**	**4.6**	**3.8**	**4.0**		
Gross external financing need (Billion of U.S. dollars)	2.2	1.3	1.4	0.5	0.7	0.5	0.8	1.2	1.5	1.6	2.9		
Key macroeconomic assumptions													
Real GDP growth (in percent)	1.6	3.0	4.8	5.0	4.9	4.8	4.8	4.8	4.8	4.9	5.2	**4.7**	**4.9**
GDP deflator in US dollar terms (change in percent)	-6.8	4.6	9.7	11.9	8.1	2.4	1.8	1.9	2.2	2.3	2.3	**0.8**	**3.6**
Effective interest rate (percent) 4/	0.9	1.7	1.0	1.2	1.2	1.0	0.9	0.9	0.9	1.1	1.5	**1.0**	**1.0**
Growth of exports of G&S (US dollar terms, in percent)	-6.6	1.5	12.6	46.2	9.9	4.9	2.8	2.6	2.7	5.9	6.0	**8.2**	**9.0**
Growth of imports of G&S (US dollar terms, in percent)	16.1	0.9	7.4	21.0	10.2	7.3	6.8	6.1	6.2	6.1	6.4	**5.9**	**8.0**
Grant element of new public sector borrowing (in percent)	...	...	...	43.6	44.6	43.0	46.2	44.5	42.5	39.3	35.1	**...**	**42.5**
Government revenues (excluding grants, in percent of GDP)	19.7	20.8	20.7	21.7	20.3	20.3	20.6	20.7	20.9	21.7	23.2	**17.9**	**21.0**
Aid flows (in Billion of US dollars) 5/	256.2	295.4	321.6	0.6	0.9	0.9	0.9	0.9	0.9	1.0	1.3		
Grant-equivalent financing (in percent of GDP) 6/	...	...	...	2.2	2.6	2.4	2.2	2.2	2.1	1.9	1.4	**...**	**2.1**
Grant-equivalent financing (in percent of external financing) 6/	...	...	...	63.4	61.0	61.1	66.1	65.1	64.0	60.5	53.4	**...**	**62.8**
Nominal GDP (Billion of US dollars)	19	20	23	27	31	33	35	38	40	57	118		
Nominal dollar GDP growth	-5.3	7.8	15.0	17.4	13.4	7.4	6.7	6.8	7.1	7.4	7.6	**5.6**	**8.7**
Memorandum items:													
PV of external debt 7/	...	...	18.9	16.5	14.6	14.3	13.8	13.4	13.4	13.8	14.3		
In percent of exports	...	...	65.7	46.1	41.9	42.0	42.1	42.7	44.5	49.0	58.6		
Total external debt service-to-exports ratio	3.7	5.0	4.5	4.1	6.0	3.8	3.6	3.5	3.2	2.9	3.8		
PV of PPG external debt (in Billion of US dollars)			4.4	4.5	4.5	4.7	4.9	5.1	5.4	7.9	16.9		
(PVt-PVt-1)/GDPt-1 (in percent)				0.5	0.0	0.7	0.4	0.5	1.0	1.1	1.1		
Non-interest current account deficit that stabilizes debt ratio	6.6	4.7	4.0	2.9	-0.2	-1.1	0.4	1.3	1.9	1.3	1.3		

Definition of external/domestic debt	**Currency-based**
Is there a material difference between the two criteria?	**Yes**





Sources: Country authorities; and staff estimates and projections.

1/ Includes both public and private sector external debt.

2/ Derived as [r - g - ρ(1+g)]/(1+g+ρ+gρ) times previous period debt ratio, with r = nominal interest rate; g = real GDP growth rate, and ρ = growth rate of GDP deflator in U.S. dollar terms.

3/ Includes exceptional financing (i.e., changes in arrears and debt relief); changes in gross foreign assets; and valuation adjustments. For projections also includes contribution from price and exchange rate changes.

4/ Current-year interest payments divided by previous period debt stock.

5/ Defined as grants, concessional loans, and debt relief.

6/ Grant-equivalent financing includes grants provided directly to the government and through new borrowing (difference between the face value and the PV of new debt).

7/ Assumes that PV of private sector debt is equivalent to its face value.

8/ Historical averages are generally derived over the past 10 years, subject to data availability, whereas projections averages are over the first year of projection and the next 10 years.

Table 2. Burkina Faso: Sensitivity Analysis for Key Indicators of Public and Publicly Guaranteed External Debt, 2025–2035

(In percent)

	Projections 1/										
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
PV of Debt-to-GDP Ratio											
Baseline	17	15	14	14	13	13	13	14	14	14	14
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	17	18	21	22	23	24	26	27	28	30	31
A2. Alternative Scenario : Disaster, no adaptation	16	14	14	14	14	14	14	15	15	15	15
B. Bound Tests											
B1. Real GDP growth	17	15	15	15	14	14	14	14	14	15	15
B2. Primary balance	17	15	15	15	15	15	16	16	16	16	16
B3. Exports	17	17	21	21	20	20	20	20	19	19	18
B4. Other flows 3/	17	16	16	16	15	15	15	15	15	15	15
B5. Depreciation	17	18	16	16	16	16	16	16	16	16	16
B6. Combination of B1-B5	17	18	18	17	17	17	17	16	16	16	16
C. Tailored Tests											
C1. Combined contingent liabilities	17	15	15	15	15	15	15	15	15	15	15
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	17	18	20	20	19	19	19	19	19	18	18
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Threshold	40	40	40	40	40	40	40	40	40	40	40
PV of Debt-to-Exports Ratio											
Baseline	46	42	42	42	43	45	45	46	47	48	49
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	46	53	61	68	74	81	87	92	98	103	109
A2. Alternative Scenario : Disaster, no adaptation	46	42	42	44	45	48	49	50	51	52	54
B. Bound Tests											
B1. Real GDP growth	46	42	42	42	43	45	45	46	47	48	49
B2. Primary balance	46	43	45	46	48	51	52	54	55	56	57
B3. Exports	46	57	77	78	79	81	82	82	81	81	81
B4. Other flows 3/	46	45	48	48	49	51	51	52	52	53	54
B5. Depreciation	46	42	39	39	40	42	42	43	44	45	47
B6. Combination of B1-B5	46	51	47	53	53	56	56	57	57	58	59
C. Tailored Tests											
C1. Combined contingent liabilities	46	44	45	45	47	49	50	51	52	53	54
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	46	61	69	68	68	68	67	67	66	66	66
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Threshold	180	180	180	180	180	180	180	180	180	180	180
Debt Service-to-Exports Ratio											
Baseline	4	6	4	4	4	3	3	3	3	3	3
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	4	6	4	4	4	4	4	5	5	6	6
A2. Alternative Scenario : Disaster, no adaptation	4	6	4	4	4	3	3	3	3	3	3
B. Bound Tests											
B1. Real GDP growth	4	6	4	4	4	3	3	3	3	3	3
B2. Primary balance	4	6	4	4	4	3	3	3	4	3	3
B3. Exports	4	7	5	5	5	5	4	5	6	5	5
B4. Other flows 3/	4	6	4	4	4	3	3	3	4	3	3
B5. Depreciation	4	6	4	4	3	3	3	3	3	3	3
B6. Combination of B1-B5	4	6	4	4	4	4	3	4	4	4	4
C. Tailored Tests											
C1. Combined contingent liabilities	4	6	4	4	4	3	3	3	3	3	3
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	4	7	5	4	4	4	4	4	5	4	4
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Threshold	15	15	15	15	15	15	15	15	15	15	15
Debt Service-to-Revenue Ratio											
Baseline	7	10	6	6	5	5	4	4	4	4	4
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	7	11	7	7	7	6	6	6	7	8	8
A2. Alternative Scenario : Disaster, no adaptation	7	10	6	6	5	5	4	4	4	4	4
B. Bound Tests											
B1. Real GDP growth	7	11	7	6	6	5	5	4	5	4	4
B2. Primary balance	7	10	6	6	5	5	4	4	5	4	4
B3. Exports	7	10	7	6	6	5	5	5	6	6	6
B4. Other flows 3/	7	10	7	6	6	5	4	5	5	5	4
B5. Depreciation	7	13	8	7	7	6	5	5	5	5	4
B6. Combination of B1-B5	7	11	7	6	6	5	5	5	5	5	5
C. Tailored Tests											
C1. Combined contingent liabilities	7	10	6	6	5	5	4	4	4	4	4
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	7	11	7	7	6	5	5	5	6	6	5
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Threshold	18	18	18	18	18	18	18	18	18	18	18

Sources: Country authorities; and staff estimates and projections.
1/ A bold value indicates a breach of the threshold.
2/ Variables include real GDP growth, GDP deflator (in U.S. dollar terms), non-interest current account in percent of GDP, and non-debt creating flows.
3/ Includes official and private transfers and FDI.

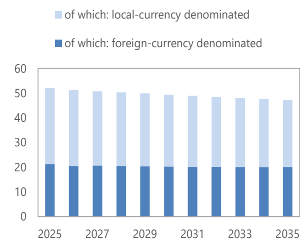
Table 3. Burkina Faso: Public Debt Sustainability Framework, Baseline Scenario, 2022–2045

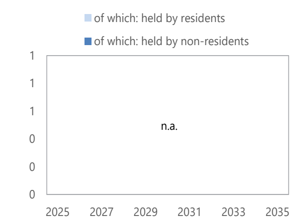
(In percent of GDP, unless otherwise indicated)

	Actual			Projections								Average 6/	
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2035	2045	Historical	Projections
Public sector debt 1/	**59.2**	**56.8**	**57.2**	**52.1**	**51.2**	**50.7**	**50.3**	**49.9**	**49.4**	**47.4**	**20.4**	**45.0**	**49.5**
of which: external debt	**26.3**	**26.2**	**25.5**	**21.3**	**20.5**	**20.7**	**20.5**	**20.4**	**20.3**	**20.1**	**19.4**	**23.8**	**20.4**
Change in public sector debt	3.7	-2.3	0.4	-5.2	-0.9	-0.5	-0.4	-0.4	-0.5	-0.3	-24.7		
Identified debt-creating flows	**8.9**	**3.1**	**-0.5**	**-2.1**	**-1.0**	**-0.8**	**-0.6**	**-0.6**	**-0.7**	**-0.2**	**-24.7**	**2.7**	**-0.6**
Primary deficit	**8.9**	**4.5**	**3.6**	**1.0**	**0.9**	**0.3**	**0.2**	**0.5**	**0.6**	**0.6**	**-24.0**	**4.2**	**0.6**
Revenue and grants	22.0	22.5	22.0	22.9	21.5	21.5	21.8	22.0	22.1	22.7	24.0	**20.2**	**22.2**
of which: grants	2.3	1.7	1.3	1.2	1.2	1.2	1.2	1.2	1.2	1.1	0.8		
Primary (noninterest) expenditure	30.9	27.0	25.6	23.9	22.4	21.8	22.1	22.5	22.7	23.3	0.0	**24.4**	**22.8**
Automatic debt dynamics	**0.1**	**-1.3**	**-4.1**	**-3.1**	**-1.9**	**-1.1**	**-0.9**	**-1.1**	**-1.3**	**-0.8**	**-0.7**		
Contribution from interest rate/growth differential	-2.1	-1.0	-3.4	-3.1	-1.9	-1.1	-0.9	-1.1	-1.3	-0.8	-0.7		
of which: contribution from average real interest rate	-1.2	0.7	-0.8	-0.4	0.5	1.3	1.5	1.2	1.0	1.5	1.5		
of which: contribution from real GDP growth	-0.9	-1.7	-2.6	-2.7	-2.4	-2.4	-2.3	-2.3	-2.3	-2.2	-2.2		
Contribution from real exchange rate depreciation	2.2	-0.3	-0.7	...	...	...	...	...	...	...	...		
Other identified debt-creating flows	**-0.1**	**-0.1**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**-0.1**	**0.0**
Privatization receipts (negative)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Recognition of contingent liabilities (e.g., bank recapitalization)	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Debt relief (HIPC and other)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Other debt creating or reducing flow (please specify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Residual	**-5.2**	**-5.5**	**0.9**	**-3.0**	**0.1**	**0.3**	**0.2**	**0.2**	**0.2**	**-0.1**	**0.0**	**0.4**	**-0.3**
Sustainability indicators													
PV of public debt-to-GDP ratio 2/	**...**	**...**	**51.3**	**46.8**	**45.2**	**44.3**	**43.6**	**43.0**	**42.5**	**41.1**	**15.3**		
PV of public debt-to-revenue and grants ratio	**...**	**...**	**233.3**	**203.9**	**210.3**	**206.1**	**199.9**	**195.6**	**192.4**	**180.6**	**63.8**		
Debt service-to-revenue and grants ratio 3/	**41.2**	**41.1**	**36.9**	**42.1**	**60.6**	**64.7**	**70.7**	**73.0**	**68.2**	**52.1**	**39.5**		
Gross financing need 4/	11.5	16.0	9.6	11.0	14.3	14.6	16.1	16.9	16.1	12.8	-14.1		
Key macroeconomic and fiscal assumptions													
Real GDP growth (in percent)	1.6	3.0	4.8	5.0	4.9	4.8	4.8	4.8	4.8	4.9	5.2	**4.7**	**4.9**
Average nominal interest rate on external debt (in percent)	1.0	1.7	1.0	1.2	1.1	1.0	0.9	0.9	0.9	1.1	1.5	**1.0**	**1.0**
Average real interest rate on domestic debt (in percent)	0.8	3.8	-1.6	-0.1	2.5	4.9	5.7	4.9	4.4	4.7	5.0	**2.7**	**4.1**
Real exchange rate depreciation (in percent, + indicates depreciation)	9.3	-1.3	-2.8	...	...	...	...	...	...	...	...	**2.1**	**...**
Inflation rate (GDP deflator, in percent)	4.6	2.0	9.7	7.0	4.4	2.7	2.0	2.0	2.3	2.3	2.3	**2.6**	**2.9**
Growth of real primary spending (deflated by GDP deflator, in percent)	15.0	23.7	-16.1	1.7	0.3	0.2	2.5	6.1	6.5	5.4	5.7	**5.6**	**4.1**
Primary deficit that stabilizes the debt-to-GDP ratio 5/	5.2	6.9	3.2	6.1	1.8	0.7	0.6	0.9	1.1	0.9	0.8	**5.1**	**1.5**
PV of contingent liabilities (not included in public sector debt)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		

Definition of external/domestic debt	**Currency-based**
Is there a material difference between the two criteria?	**Yes**

Public sector debt 1/





Sources: Country authorities; and staff estimates and projections.

1/ Coverage of debt: The central, state, and local governments, central bank, non-guaranteed SOE debt . Definition of external debt is Currency-based.

2/ The underlying PV of external debt-to-GDP ratio under the public DSA differs from the external DSA with the size of differences depending on exchange rates projections.

3/ Debt service is defined as the sum of interest and amortization of medium and long-term, and short-term debt.

4/ Gross financing need is defined as the primary deficit plus debt service plus the stock of short-term debt at the end of the last period and other debt creating/reducing flows.

5/ Defined as a primary deficit minus a change in the public debt-to-GDP ratio ((-): a primary surplus), which would stabilizes the debt ratio only in the year in question.

6/ Historical averages are generally derived over the past 10 years, subject to data availability, whereas projections averages are over the first year of projection and the next 10 years.

Table 4. Burkina Faso: Sensitivity Analysis for Key Indicators of Public Debt, 2025–2035

(In percent)

	Projections 1/										
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
PV of Debt-to-GDP Ratio											
Baseline	47	45	44	44	43	43	42	42	42	41	41
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	47	48	50	51	53	**55**	**57**	**59**	**61**	**63**	**65**
A2. Alternative Scenario : Disaster, no adaptation	47	45	44	49	49	49	49	48	48	48	48
B. Bound Tests											
B1. Real GDP growth	47	47	49	50	50	51	52	52	53	54	55
B2. Primary balance	47	50	**55**	54	53	53	52	51	50	50	49
B3. Exports	47	48	51	50	49	49	48	48	47	46	45
B4. Other flows 3/	47	46	46	46	45	44	44	44	43	43	42
B5. Depreciation	47	46	43	42	40	39	38	37	35	34	33
B6. Combination of B1-B5	47	48	50	48	46	45	44	44	43	43	43
C. Tailored Tests											
C1. Combined contingent liabilities	47	53	52	51	50	50	49	48	48	47	47
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	47	47	47	48	49	50	51	52	52	53	54
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL public debt benchmark	55	55	55	55	55	55	55	55	55	55	55
PV of Debt-to-Revenue Ratio											
Baseline	204	210	206	200	196	192	190	187	185	183	181
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	204	224	231	235	241	249	257	264	272	279	286
A2. Alternative Scenario : Disaster, no adaptation	204	210	206	227	223	220	218	216	214	212	211
B. Bound Tests											
B1. Real GDP growth	204	220	228	227	228	230	232	234	236	238	240
B2. Primary balance	204	234	256	248	243	237	233	228	224	220	217
B3. Exports	204	223	237	230	224	220	217	213	208	204	200
B4. Other flows 3/	204	215	215	209	204	201	198	195	192	189	186
B5. Depreciation	204	217	203	193	184	177	171	164	158	152	147
B6. Combination of B1-B5	204	225	231	219	211	205	200	195	191	189	187
C. Tailored Tests											
C1. Combined contingent liabilities	204	247	242	234	229	224	220	216	212	209	205
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	204	224	225	227	228	229	231	231	233	236	238
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Debt Service-to-Revenue Ratio											
Baseline	42	61	65	71	73	68	72	66	59	55	52
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2025-2035 2/	42	62	66	72	75	72	79	76	73	72	73
A2. Alternative Scenario : Disaster, no adaptation	42	60	63	70	81	75	79	74	66	61	58
B. Bound Tests											
B1. Real GDP growth	42	62	69	77	81	77	83	78	72	68	67
B2. Primary balance	42	60	74	89	89	85	87	78	70	64	60
B3. Exports	42	61	65	71	74	69	72	67	61	56	54
B4. Other flows 3/	42	61	65	71	73	68	72	66	60	55	53
B5. Depreciation	42	58	62	64	68	63	67	61	56	50	48
B6. Combination of B1-B5	42	59	65	79	78	73	76	67	60	55	52
C. Tailored Tests											
C1. Combined contingent liabilities	42	60	79	82	84	80	80	73	65	59	56
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	42	63	67	73	77	74	80	76	71	68	67
C4. Market Financing	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Sources: Country authorities; and staff estimates and projections.

1/ A bold value indicates a breach of the benchmark.

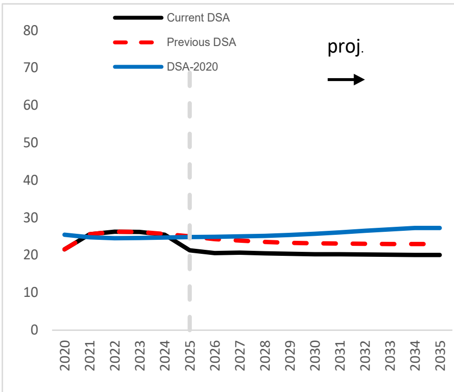
2/ Variables include real GDP growth, GDP deflator and primary deficit in percent of GDP.

3/ Includes official and private transfers and FDI.

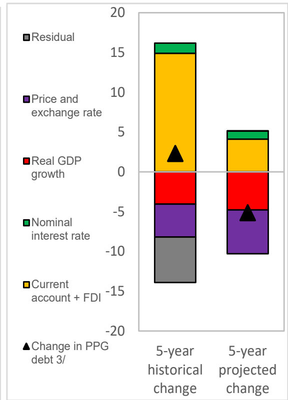
Figure 1. Burkina Faso: Drivers of Debt Dynamics - Baseline Scenario – External Debt

External Debt

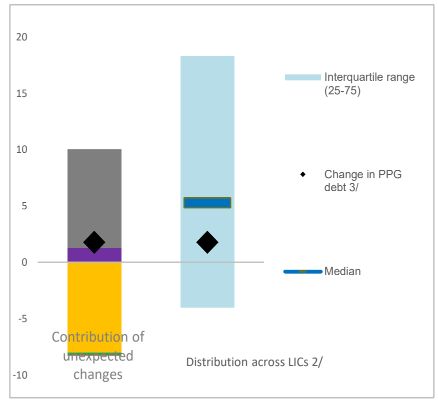
Gross Nominal PPG External Debt
(in percent of GDP; DSA vintages)



Debt-creating flows
(percent of GDP)

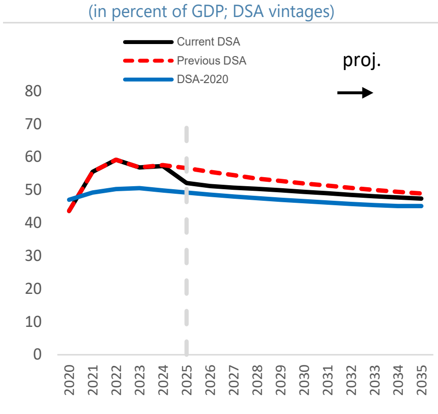


Unexpected Changes in Debt 1/
(past 5 years, percent of GDP)

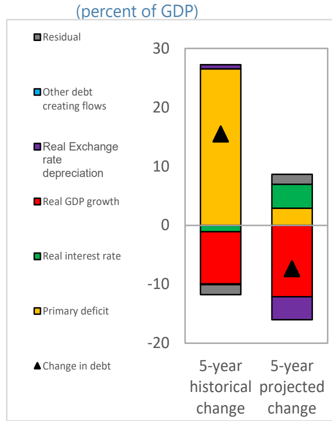


Public Debt

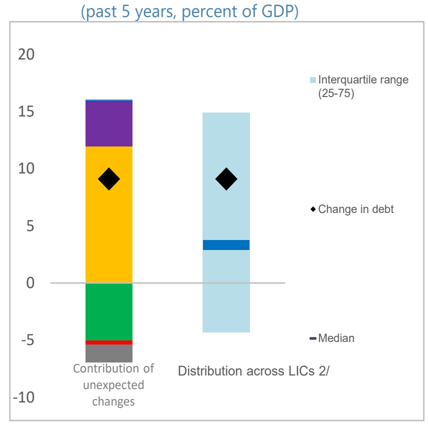
Gross Nominal Public Debt
(in percent of GDP; DSA vintages)



Debt-creating Flows
(percent of GDP)



Unexpected Changes in Debt 1/
(past 5 years, percent of GDP)



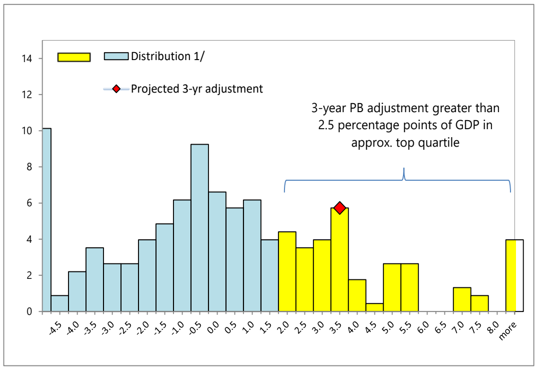
1/ Difference between anticipated and actual contributions on debt ratios.

2/ Distribution across LICs for which LIC DSAs were produced.

3/ Given the relatively low private external debt for average low-income countries, a ppt change in PPG external debt should be largely explained by the drivers of the external debt dynamics equation.

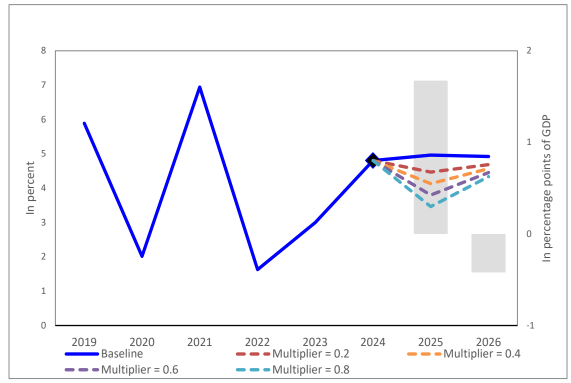
Figure 2. Burkina Faso: Realism Tools

3-Year Adjustment in Primary Balance
(percent of GDP)



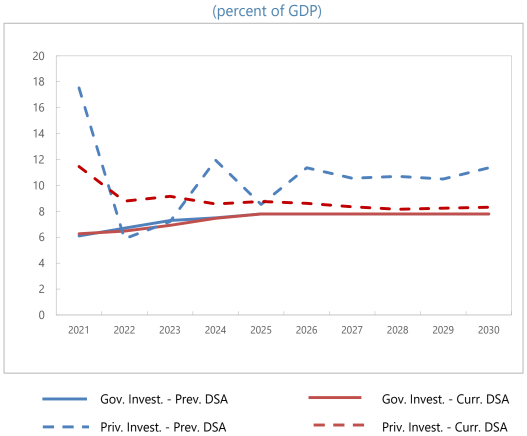
1/ Data cover Fund-supported programs for LICs (excluding emergency financing) approved since 1990. The size of 3-year adjustment from program inception is found on the horizontal axis; the percent of sample is found on the vertical axis.

Fiscal Adjustment and Possible Growth Paths 1/



1/ Bars refer to annual projected fiscal adjustment (right-hand side scale) and lines show possible real GDP growth paths under different fiscal multipliers (left-hand side scale).

Public and Private Investment Rates
(percent of GDP)



Contribution to Real GDP growth
(percent, 5-year average)

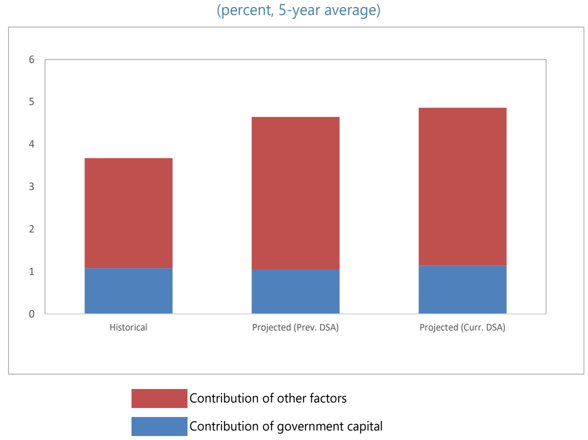
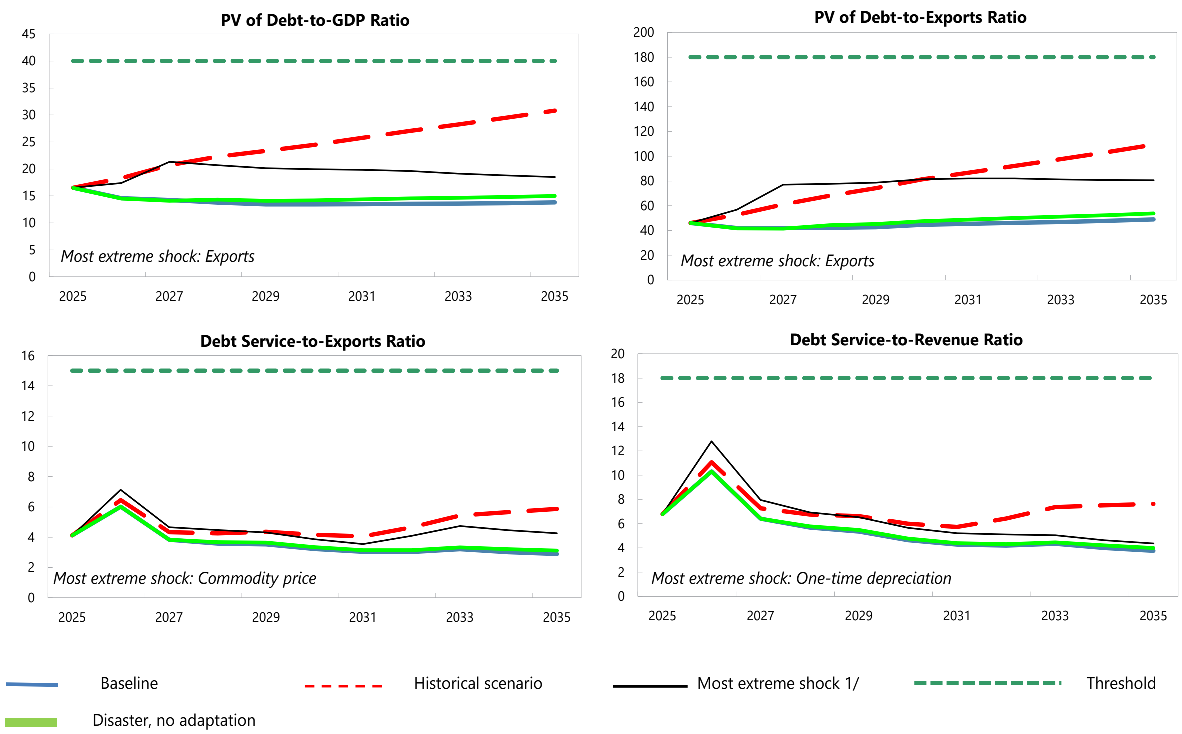


Figure 3. Burkina Faso: Indicators of Public and Publicly Guaranteed External Debt Under Alternative Scenarios, 2025–2035



Customization of Default Settings	Size	Interactions
Tailored Stress		
Combined CL	Yes	
Natural disaster	n.a.	n.a.
Commodity price 2/	Yes	No
Market financing	n.a.	n.a.

Note: "Yes" indicates any change to the size or interactions of the default settings for the stress tests. "n.a." indicates that the stress test does not apply.

Borrowing assumptions on additional financing needs resulting from the stress tests*	Default	User defined
Shares of marginal debt		
External PPG MLT debt	100%	
Terms of marginal debt		
Avg. nominal interest rate on new borrowing in USD	1.2%	1.2%
USD Discount rate	5.0%	5.0%
Avg. maturity (incl. grace period)	28	28
Avg. grace period	5	5

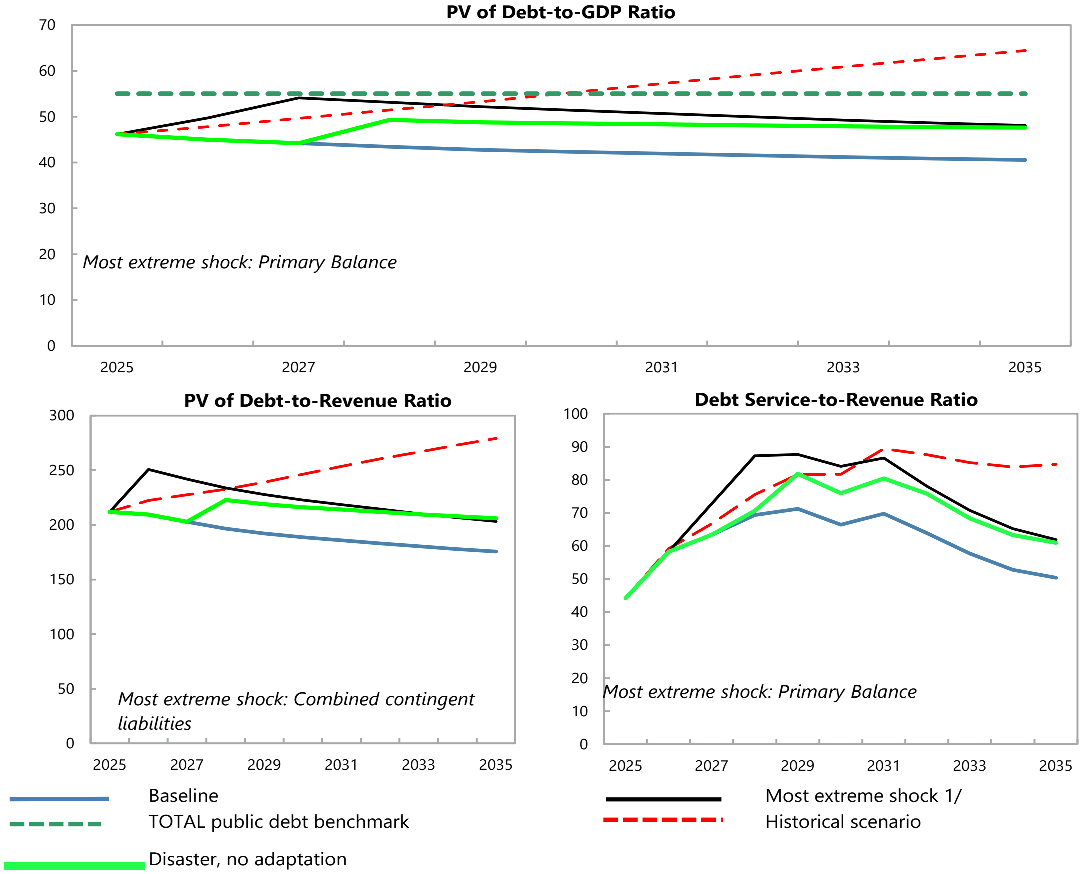
* Note: All the additional financing needs generated by the shocks under the stress tests are assumed to be covered by PPG external MLT debt in the external DSA. Default terms of marginal debt are based on baseline 10-year projections.

Sources: Country authorities; and staff estimates and projections.

1/ The most extreme stress test is the test that yields the highest ratio in or before 2035. The stress test with a one-off breach is also presented (if any), while the one-off breach is deemed away for mechanical signals. When a stress test with a one-off breach happens to be the most exterme shock even after disregarding the one-off breach, only that stress test (with a one-off breach) would be presented.

2/ The magnitude of shocks used for the commodity price shock stress test are based on the commodity prices outlook prepared by the IMF research department.

Figure 4. Burkina Faso: Indicators of Public Debt Under Alternative Scenarios, 2025–2035



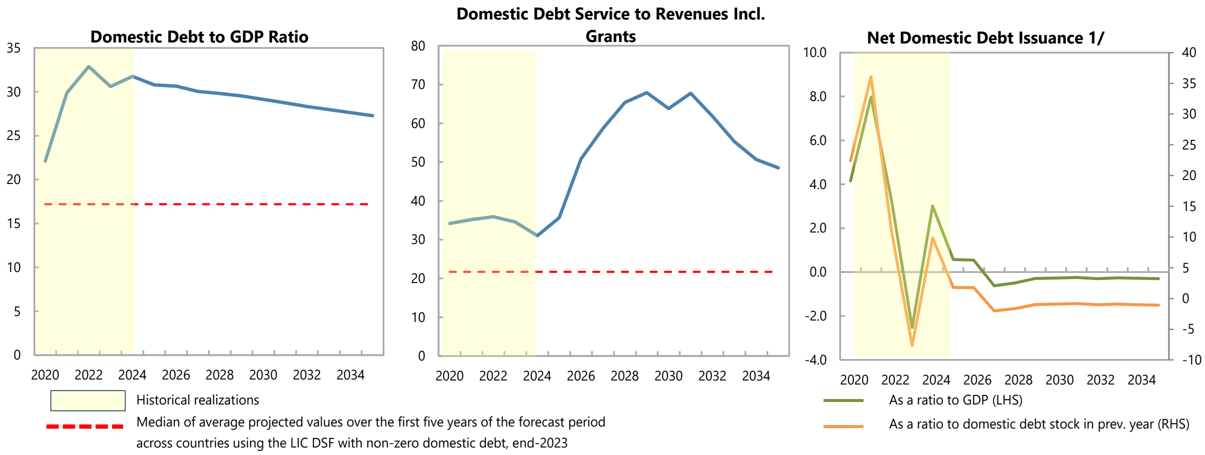
Borrowing assumptions on additional financing needs resulting from the stress tests*	Default	User defined
Shares of marginal debt		
External PPG medium and long-term	16%	16%
Domestic medium and long-term	48%	48%
Domestic short-term	36%	36%
Terms of marginal debt		
External MLT debt		
Avg. nominal interest rate on new borrowing in USD	1.1%	1.1%
Avg. maturity (incl. grace period)	33	33
Avg. grace period	6	6
Domestic MLT debt		
Avg. real interest rate on new borrowing	4.6%	4.6%
Avg. maturity (incl. grace period)	4	4
Avg. grace period	1	1
Domestic short-term debt		
Avg. real interest rate	3.6%	3.6%

* Note: The public DSA allows for domestic financing to cover the additional financing needs generated by the shocks under the stress tests in the public DSA. Default terms of marginal debt are based on baseline 10-year projections.

Sources: Country authorities; and staff estimates and projections.
1/ The most extreme stress test is the test that yields the highest ratio in or before 2035. The stress test with a one-off breach is also presented (if any), while the one-off breach is deemed away for mechanical signals. When a stress test with a one-off breach happens to be the most exterme shock even after disregarding the one-off breach, only that stress test (with a one-off breach) would be presented.

Figure 5. Burkina Faso: Indicators of Domestic Public Debt, 2020–2035

(Percent)

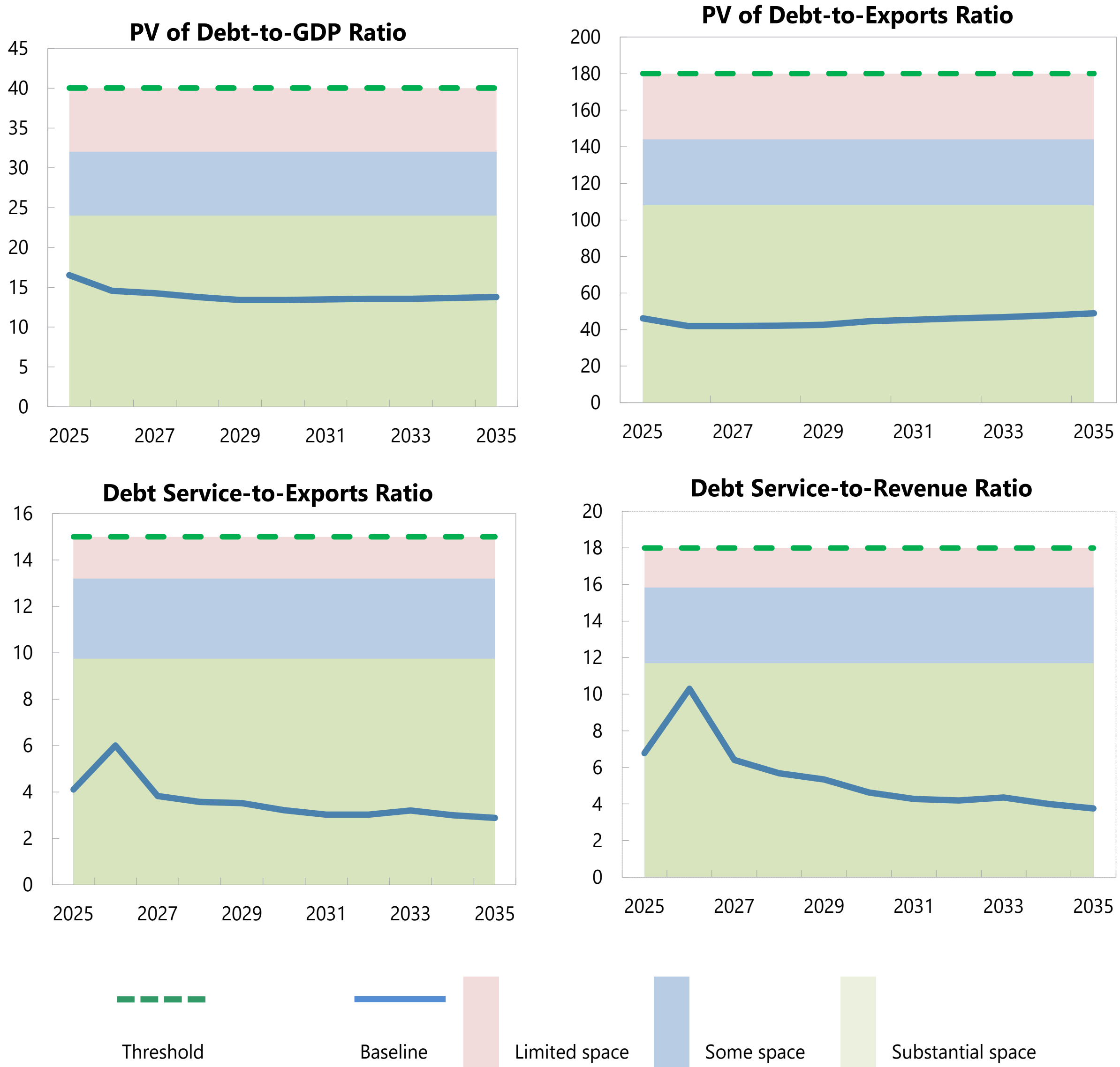


Borrowing Assumptions (average over 10-year projection)	Value
Shares in new domestic debt issuance	
Medium and long-term	57%
Short-term	43%
Borrowing terms	
Domestic MLT debt	
Avg. real interest rate on new borrowing	4.6%
Avg. maturity (incl. grace period)	4
Avg. grace period	1
Domestic short-term debt	
Avg. real interest rate	3.6%

Sources: Country authorities; and staff estimates and projections.

1/ Net domestic debt issuance is an estimate based on the calculated public gross financing need net of gross external financing, drawdown of assets, other adjustments and domestic debt amortization. It excludes short-term debt that was issued and matured within the calendar year.

Figure 6. Burkina Faso: Qualification of the Moderate Category, 2025–2035 1/



Sources: Country authorities; and staff estimates and projections.

1/ For the PV debt/GDP and PV debt/exports thresholds, x is 20 percent and y is 40 percent. For debt service/Exports and debt service/revenue thresholds, x is 12 percent and y is 35 percent.

INTERNATIONAL MONETARY FUND

BURKINA FASO

January 30, 2026

FOURTH REVIEW UNDER THE EXTENDED CREDIT FACILITY ARRANGEMENT, FINANCING ASSURANCES REVIEW, AND REQUEST FOR AN ARRANGEMENT UNDER THE RESILIENCE AND SUSTAINABILITY FACILITY— WORLD BANK ASSESSMENT LETTER FOR THE RESILIENCE AND SUSTAINABILITY FACILITY

A. Country Vulnerability to Climate Change including Human, Social and Economic Costs

1. Burkina Faso is among the world's most climate vulnerable countries. Rising temperatures, increasing rainfall variability, and more frequent and intense droughts and floods are already imposing significant human, social, and economic costs. The Sahel Country Climate and Development Report (CCDR) projects that, absent effective adaptation, climate change could lower Burkina Faso's annual GDP by about 3.5 percent under wetter/optimistic assumptions and up to about 6.8 percent under drier/pessimistic scenarios by 2050; climate shocks such as mean drought events can also depress per capita GDP growth in affected years by around 1.5–1.8 percentage points.[1] Temperature and heat extremes are projected to intensify across the Sahel, with substantially more days above critical heat thresholds, increasing health risks and reducing labor productivity, especially for outdoor and informal workers.[2] Vulnerability is amplified by Burkina Faso's heavy reliance on climate sensitive sectors—particularly rainfed agriculture employing a large share of the labor force—exposing livelihoods, food security, and public finances to recurrent climate shocks.[3]

2. Despite contributing minimally to global greenhouse gas (GHG) emissions, Burkina Faso ranks among the most vulnerable and least prepared countries for climate change. Adaptive capacity is constrained and exposure

[1] World Bank Group. 2022. Sahel Region Country Climate and Development Report. http://hdl.handle.net/10986/37620.

[2] IPCC. 2021. AR6 WG1 Regional Fact Sheet: Africa. https://www.ipcc.ch/report/ar6/wg1/downloads/factsheets/IPCC_AR6_WGI_Regional_Fact_Sheet_Africa.pdf.

[3] World Bank. 2025. Burkina Faso Economic Update: Energy for Economic Growth. http://documents.worldbank.org/curated/en/099070725193540162.

is high as evidenced by ranking 149 out of 187 countries on vulnerability and ranking 143 out of 192 countries on readiness on the ND-GAIN Country Index 2025.[4] The costs of extreme events are material: floods and droughts have caused substantial losses to households, firms, and infrastructure in recent years; climate related transport disruptions, for example, imposed notable private sector costs, and climate change is projected to increase road maintenance expenditures significantly by midcentury; and water stress is an important transmission channel for macroeconomic and welfare impacts in the Sahel, with global evidence indicating that unmitigated water shocks can significantly erode growth, productivity, and inclusion.[5]

B. Government Policies and Commitments in terms of Climate Change Adaptation and Priority Areas to Strengthen Resilience

3. **The authorities have progressively strengthened the adaptation policy framework and integrated climate resilience into national planning**. The updated National Adaptation Plan (NAP, 2024–2028) provides the core platform for prioritizing and sequencing adaptation across key systems—agriculture and food systems, water resources and storage, ecosystems and forests, health, energy, human settlements and local infrastructure, and climate information services. Priority measures include: (i) scaling Climate-Smart Agriculture (CSA) and sustainable land and water management (including restoration of degraded lands and agroforestry); (ii) strengthening drought/flood early warning, emergency response, and local disaster risk management; (iii) enhancing water security through dam safety, watershed protection, and climate smart irrigation; (iv) upgrading climate resilient local infrastructure and services; and (v) expanding access to actionable climate information and advisory services.

4. **Burkina Faso's adaptation efforts prioritize inclusive and coordinated institutional arrangements.** Institutional arrangements for adaptation and coordination include the ministry in charge of environment, the Permanent Secretariat of the National Council for Sustainable Development (SP/CNDD), and technical bodies such as the National Meteorological Agency. A national measurement, reporting and verification (MRV) framework for climate action has been established by decree (supported by the World Bank) to underpin transparency and implementation tracking. Given high vulnerability in rural areas and among women, youth, pastoralists, and internally displaced persons (IDPs), the authorities emphasize inclusive planning, gender responsive measures, and benefit sharing mechanisms to ensure adaptation benefits reach vulnerable groups. These adaptation priorities and sequencing are consistent with Sahel CCDR recommendations focused on strengthening resilience of people, assets, and institutions.

[4] University of Notre Dame. 2025. ND GAIN Country Index (Burkina Faso). https://gain.nd.edu/our-work/country-index/.

[5] World Bank Group. 2022. Sahel Region Country Climate and Development Report. http://hdl.handle.net/10986/37620.

C. Government policies and commitments in terms of climate change mitigation and priority areas to reduce greenhouse gas emissions

5. While adaptation is the immediate priority, Burkina Faso has committed to a low-carbon development path. Vision 2050 articulates a long-term ambition to achieve net-zero emissions by midcentury, anchored in four pillars: energy transition; clean industrial growth; restoration and protection of ecosystems/soils/production systems; and waste management. The updated Nationally Determined Contribution (NDC 3.0, 2026–2030) raises ambition, targeting a reduction of GHG emissions by about 31 percent by 2030 relative to a business-as-usual trajectory, with clear delineation between unconditional and conditional contributions. Given the dominance of Agriculture, Forestry and Other Land Use (AFOLU) in the national emissions profile, mitigation priorities focus on reducing deforestation and forest degradation, scaling agroforestry and sustainable rangeland/livestock management, and strengthening land governance. This policy also includes a strong focus on mining practices; a national standard for smart artisanal and small-scale mining regarding forest resources was approved in 2025 based on the "Forest Smart Mining" best practices. In energy, the government prioritizes accelerating renewables (especially solar), improving system planning and efficiency, and expanding clean cooking to reduce reliance on traditional biomass.

6. Coordinated by the Permanent Secretariat for Reducing Emissions from Deforestation and Forest Degradation (SP/REDD), Burkina Faso is integrating results-based climate finance (RBCF) through an "integrated carbon" program. This approach combines jurisdictional REDD+ initiatives (such as ART-TREES[6]) with large scale CSA crediting on croplands using Verra methodologies.[7] The program ensures inclusive benefit-sharing and grievance redress mechanisms, and its focus areas are consistent with CCDR recommendations for transforming AFOLU sectors and accelerating clean energy across the Sahel countries.

D. Other Challenges and Opportunities

7. Financing. Delivering the NDC/NAP priorities requires substantial resources. Current estimates indicate investment needs on the order of several billion dollars by 2030, with a majority for adaptation. Actual climate finance inflows remain well below needs. The Sahel CCDR underscores persistent data/MRV gaps that constrain access to climate finance, fragmented disaster risk finance, and limited climate-responsive public financial management (PFM). The authorities aim to narrow the financing gap by: (i) strengthening PFM (climate budget tagging and tracking, climate informed

[6] ART-TREES (Architecture for REDD+ Transactions – The REDD+ Environmental Excellence Standard) is a jurisdictional carbon-crediting program and standard that enables countries or large subnational jurisdictions to measure, verify, and issue high-integrity credits for reducing deforestation and forest degradation and enhancing forest carbon stocks; see the official site: https://artredd.org.

[7] Verra methodologies are the approved, activity- and sector-specific accounting rules under the Verified Carbon Standard (VCS) that projects use to set baselines, demonstrate additionality, quantify and monitor GHG reductions/removals, and enable issuance of Verified Carbon Units; see Verra's methodologies page: https://verra.org/methodologies.

PFM and appraisal, and expenditure tracking); (ii) operationalizing and capitalizing national mechanisms (notably the Environment Intervention Fund, FIE); (iii) mobilizing concessional finance (e.g., Green Climate Fund) and RBCF (ART-TREES, Verra) from public and private sources (including carbon market); and (iv) catalyzing private investment through clear carbon market rules and de-risking instruments. The World Bank's Burkina Faso Economic Update 2023 underscores the urgency of bolstering financial resilience to climate risks and the benefits of targeted adaptation to mitigate growth and poverty impacts.[8]

8. Institutional capacity and coordination. The Sahel CCDR identifies overlapping emergency mandates and weak integration between hydromet producers and users; and subnational delivery constraints and inclusion gaps affecting women, youth, pastoralists, and IDPs. Continuing priorities include operationalizing the national MRV system, enhancing climate coordination (SP/CNDD and sectoral units), and improving data and analytics for decision-making. Inclusive governance—particularly robust benefit-sharing and grievance redress—is critical to ensure equitable access to benefits, especially for women, youth, pastoralists, and IDPs. In addition, to generate carbon revenues and RBCF, increased partnership is needed between SP/REDD, SP/CNDD, FIE (for benefit sharing mechanisms) and the technical ministries (e.g., those in charge of agriculture, energy, decentralization, and industry).

9. Partnerships. The Sahel CCDR highlights donor/vertical fund fragmentation that raises transaction costs. Burkina Faso works with multilateral and regional partners (e.g., AfDB, GCF, GEF, IFAD, UN agencies, Sahel Climate Commission) to finance and implement climate action. Regional and basin organizations (e.g., Niger and Volta Basin Authorities) and initiatives such as the Great Green Wall complement national actions on land restoration and water resilience. Sahel-wide evidence highlights the centrality of addressing water risks to sustain growth and inclusion, reinforcing the case for adaptation investments in water, land, and resilient infrastructure.[9]

10. Achieving scale. While IMF RSF support could be catalytic, the private sector is pivotal to scaling climate solutions, especially in energy, agribusiness, finance, and digital. Burkina Faso has over 95 GW of untapped solar potential versus 738.5 MW installed. Accelerating independent power production, mini-grids, and off-grid solutions—alongside stronger regulation and risk mitigation—can cut costs, expand access, and build resilience while crowding in capital. CSA (irrigation, resilient inputs, storage, processing), bundled services (extension, insurance, credit), and digital early-warning services can protect rural livelihoods and raise productivity. Strengthening green lending and sustainable finance, including sustainability-linked instruments and public-private risk-sharing can be essential to mobilizing long-term capital.

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[8] World Bank. 2023. Burkina Faso Economic Update: Building Financial Resilience to Climate Risks. http://documents.worldbank.org/curated/en/099062323115524018.

[9] World Bank Group. 2022. Sahel Region Country Climate and Development Report. http://hdl.handle.net/10986/37620.

E. World Bank Engagement in Climate Change

11. The World Bank Group (WBG) supports Burkina Faso's climate agenda through financing and analytics/technical assistance across adaptation and lower-carbon development. Across its large portfolio, the WBG is supporting the government's effort to finance adaptation and mitigation, and to use the mitigation impact to generate resources (through RBCF and carbon market) to finance adaptation. In this regard, the WBG focuses on mitigation potential of landscape management (agriculture, forest) and sustainable energy (solar) and is exploring options to harness the investment dynamic in the mining sector to support the country's low-carbon development pathway.

12. Adaptation and resilience-oriented projects (selected):

- *Strengthening Climate Resilience in Burkina Faso* (P164078; US$33 million; closed in 2025). Increased 24-hour weather forecast accuracy from 50 percent in 2020 to 73 percent in 2024; improved early flood warning systems covering 6.5 million people.[10]
- *Emergency Local Development and Resilience Project* (P175382; US$350 million; effective since 2021). Provided food security support for 2.1 million people; rehabilitated 990 km of climate-resilient, all-season roads connecting 728,000 people; electrified 273 social infrastructures with renewable energy; equipped 207 drinking water systems and community boreholes with solar power; built 171 km of storm-water drainage in flood-prone areas.[11]
- *Burkina Faso Water Security Project* (P177094; US$150 million; effective since 2025). Enhances dam safety, climate-smart irrigation, watershed protection, and sector reforms to strengthen resilience to droughts and floods.[12]
- *Strengthening Health System Performance and Resilience Project* (P180539; US$167 million, effective since 2025). Integrates climate adaptation into health service delivery (preparedness for heat/flood/drought, climate-sensitive surveillance) and invests in energy efficient equipment and solar power for facilities.[13]

13. Mitigation projects with potential to support country access to carbon markets (selected):

- *Private sector projects constructing solar photovoltaic power plants*. 30 MWp in Nagréogo (14574; MIGA guaranteed US$4.5 million in 2021);[14] 26.6 MWp in Zina (36857; IFC invested

[10] World Bank Project P164078. https://projects.worldbank.org/en/projects-operations/project-detail/P164078.

[11] World Bank Project P175382. https://projects.worldbank.org/en/projects-operations/project-detail/P175382.

[12] World Bank Project P177094. https://projects.worldbank.org/en/projects-operations/project-detail/P177094.

[13] World Bank Project P180539. https://projects.worldbank.org/en/projects-operations/project-detail/P180539.

[14] MIGA Project 14574. https://www.miga.org/project/societe-de-production-denergie-solaire-de-ouagadougou-sas-1.

US$12.5 million in 2022);[15] 24 MWp in Zano (14583; MIGA guaranteed US$3.5 million in 2022).[16]

- *Communal Climate Action and Landscape Management Project* (P170482; US$125 million, effective since 2023). Brought 500,000 ha under sustainable land management; sequestered 680,000 tons of CO_2e through project investments; registered 116 conservation areas in the land cadaster; established 52 land charters on conservation areas.[17]
- *Ethanol Cookstove Project* (P156413; $3.6 million, effective since 2016). A carbon program using a carbon project in the biodigester sector to operationalize the country's ability to generate and trade carbon credits for development; installed over 12,000 household biodigesters.[18]
- *West Africa Food System Resilience Program* (P172769; US$114 million, effective since 2022). Region-wide: about 900,000 producers have adopted CSA technologies; about 80,000 ha brought under sustainable landscape management.[19]

14. Analytical work and technical assistance underpin policy and financing. The Sahel CCDR provides economy-wide diagnostics and actionable priorities for adaptation and lower-carbon development. Ongoing climate finance technical assistance supports development and operationalization of a national climate finance strategy—including institutional assessment; options for mobilization (public, concessional, and private); readiness for high-integrity carbon markets; and climate-informed macroeconomic-fiscal modeling—while ongoing reforms, supported by WBG technical assistance, are establishing enabling frameworks to engage the private sector. These include crediting and registry systems for carbon operations; improved MRV across REDD+/CSA; and climate-sensitive budgeting, ecotaxes, and carbon pricing options to catalyze green investment. Stakeholders have also prioritized a climate framework law and regulatory measures to systematically crowd in private solutions. Continued analytical and advisory services will be needed to support the implementation of NDC/NAP priorities, including under the IMF RSF.

[15] IFC Project 36857. https://disclosures.ifc.org/project-detail/SII/36857/windiga-bf.

[16] MIGA Project 14583. https://www.miga.org/project/quadran-burkina-faso-sa-zano-0.

[17] World Bank Project P172769. https://projects.worldbank.org/en/projects-operations/project-detail/P172769.

[18] World Bank Project P156413. https://projects.worldbank.org/en/projects-operations/project-detail/P156413.

[19] World Bank Project P171769. https://projects.worldbank.org/en/projects-operations/project-detail/P172769.

Statement by Mr. Ouattara Wautabouna, Executive Director for Burkina Faso and Mr. Abdoulaye Tall, Senior Advisor to Executive Director
February 18, 2026

1. Introduction and Background

On behalf of Burkina Faso's authorities, I would like to thank Directors for the International Monetary Fund's continued support to Burkina Faso. The authorities are particularly appreciative of Management, and Staff for the highly productive exchanges recently held in Ouagadougou in the context of the Deputy Managing Director Kenjie OKAMURA's visit to Burkina Faso and program discussions.

Management could see firsthand the complex landscape and challenges the authorities are facing. Defining issues are significant development needs and a persistent security crisis in the Sahel region.

The authorities laid out their unique, comprehensive, and forward-looking vision for Burkina Faso and the region, as Burkina Faso assumes leadership of the Confederation of Sahel States and the Chairmanship of the West African Economic and Monetary Union Executive Council. Despite a landlocked geography and exposure to volatile commodity prices, Burkina Faso continues to be resilient, underpinned by the implementation of successive national development plans in close cooperation with their technical and financial partners.

Burkina Faso's new National Development Plan (NDP) 2026–2030, (Plan Relance), provides the overarching framework for the authorities' medium-term economic and social policies. It builds on the achievements of the previous development strategy while adapting priorities to a context marked by security challenges and climate vulnerability. The plan aims to support macroeconomic stability, resilience, and inclusive growth, and to guide public investment and structural reforms over the medium term.

The NDP is designed to remain consistent with the IMF's Extended Credit Facility (ECF)-supported macroeconomic framework, including continued fiscal consolidation, governance, anti-corruption, and fiscal transparency. One of its main innovations is the emphasis on resilience and self-reliance, with domestic resources expected to finance two-thirds of the financing needs, while providing scope for private sector participation and the support of the international community. The plan also innovates by placing increased emphasis on climate resilience and adaptation, reflecting Burkina Faso's high exposure to climate shocks, and climate-related fragility and conflict.

The successful implementation of the NDP will hinge on sustained implementation of sound policies, notably on governance, revenue mobilization, careful prioritization of spending, and continued support from development partners, including the IMF.

To support their policies, the authorities are requesting completion of the fourth ECF review **and approval of the request under the Resilience and Sustainability Facility (RSF).**

2. Recent Economic Development

Economic performance strengthened through 2024 and 2025, owing to the sound economic policies implemented by the authorities. After reaching 4.8 per cent in 2024, economic activity strengthened further in 2025, with real GDP growth settling at an estimated 5.0 per cent, supported by a robust recovery in mining—notably on account of high gold prices, and the implementation of the new mining code—and improved performance in construction and services.

Inflation is easing rapidly. After a spike in inflation in 2024, to 4.2 per cent, due to food supply disruptions, inflation eased toward 2.7 per cent in 2025. Recent inflation data show a sharp decline by end-2025, turning negative because of a strong harvest, easing food prices, and the appreciation of the CFA franc.

The external position improved markedly, with higher exports proceeds and slower imports contributing to a strengthening of the current account. **Fiscal performance through September 2025 was stronger than planned,** underpinned by robust revenue mobilization, particularly from the mining sector—and continued expenditure discipline, while social spending exceeded targets and program floors.

Outlook and risks

The near- and medium-term outlook is promising, supported by continued fiscal consolidation, strong mining-sector performance, easing inflationary pressures, and sustained reform implementation under the new NDP.

Growth is expected to remain robust, and the fiscal deficit is projected to converge gradually toward the WAEMU target of 3 percent of GDP. However, the outlook remains subject to elevated downside risks, notably from security challenges, exposure to climate shocks, and heightened vulnerability to commodity price volatility. Prolonged decline in external assistance and tighter regional financing conditions could strain buffers. To address these risks the authorities are committed to pursuing prudent macroeconomic policies, continued governance reforms and anti-corruption efforts, and sustained engagement with development partners. They will keep updated contingency plans, with a view to strengthening resilience.

Program implementation

Reflective of the authorities' reforms ownership, **program implementation under the ECF**

arrangement has been strong against a particularly difficult environment marked by a challenging security situation and humanitarian needs. All prior actions have been implemented. All quantitative performance criteria (QPCs) and continuous performance criteria were met.

All but one indicative target was met. The ceiling on primary current expenditure was missed by less than 0.1 percent of GDP, as spending from the Patriotic Support Fund was largely financed by voluntary and earmarked resources. All end-September indicative targets were met except the ceiling on VAT-refund arrears which were exceeded by a minor deviation of 0.02 percent of GDP.

The authorities' fiscal policies aimed at creating the fiscal space for priority spending. The overall fiscal deficit for 2025 is estimated at 3.5 percent of GDP outperforming the program objective of 4.0 percent, and on track towards meeting the medium-term WAEMU commitment of a 3 percent of GDP deficit target by 2027. This performance was driven by a **strong revenue performance**, notably from the mining sector, and continued expenditure restraint. Further on spending, the authorities' social spending targets were exceeded, while the **wage bill's share of GDP continued to decline**. On public procurement, reforms were informed by audits recommendations. Treasury management was strengthened, and progress was made toward operationalizing the Treasury Single Account including through the closure of dormant accounts.

On structural reforms, eight out of ten structural benchmarks were met. The energy sector reform benchmark was subsequently implemented.

On governance and fiscal transparency, the authorities continued to demonstrate a strong ownership of the governance agenda. However, the structural benchmark on publication of the Governance Diagnostic Assessment (GDA) could not be met due to the significant delays before the report's finalization. As the authorities forged ahead, without delays and before the finalization of the GDA, with the implementation of their governance reforms agenda that was above and beyond what was envisioned by the report, the publication of the report carried significant risk of misinterpretation and could undermine further progress on governance.

Significant governance reforms implemented include: the publication of a comprehensive governance strategy and action plan building on the GDA recommendations; the completion of an audit of treasury deposit accounts and progress towards the rationalization of deposit accounts. Six of eleven priority recommendations on governance have already been implemented, and the authorities are committed to implementing the remaining GDA recommendations during the program period.

The AML/CFT framework was significantly strengthened. Reflecting the notable progress made, a significant milestone was achieved with the removal of Burkina Faso from the Financial **Action Task Force's grey list and from**

the European Union high-risk jurisdictions list.

3. Policies for 2026 and the medium-term

The authorities' medium-term policies will be guided by the newly adopted NDP , The strategic pillars of the Plan are: i) Strengthening security, social cohesion, and territorial integrity, including improved access to basic services in fragile and conflict-affected areas; ii) Structural transformation of the economy, with emphasis on agriculture, mining, and value-added activities to foster growth and employment; iii) Human capital development and social protection, including the expansion and better targeting of social safety nets; and iv) Governance and institutional strengthening, notably in public financial management, transparency, and service delivery.

The macroeconomic framework under the ECF-supported program and the NDP are aligned, including continued fiscal consolidation and convergence toward the WAEMU fiscal deficit ceiling of 3 percent of GDP by 2027. Public investment priorities under the plan are expected to be aligned with available fiscal space and concessional financing, while safeguarding social and priority spending.

Drawing on lessons from previous plans, the government has established a rigorous monitoring and evaluation mechanism. This system is designed to measure the impact of every spending, with a focus on accountability and transparency in the use of public resources.

a) Fiscal Policy

Fiscal policy in 2026 will remain anchored in the authorities' commitment to continued consolidation while preserving space for priority spending. The overall fiscal deficit is expected to be maintained at around 3.5 percent of GDP in 2026, consistent with the medium-term objective of converging toward WAEMU's deficit ceiling of 3 percent of GDP by 2027. Reforms will focus on sustaining strong domestic revenue mobilization, particularly from the mining sector while improving spending efficiency. Wage-bill containment, improved cash and debt management, and continued rationalization of non-priority spending and reduction of leakages from corruption will help in making the fiscal space for priority investments, social spending, investments in security, and climate-related spending.

b) Monetary Policy

Monetary policy will continue to be conducted at the regional level by the BCEAO, with a focus on preserving price stability and supporting the recovery. After achieving its price stability objectives, the authorities have eased the policy rate to support the recovery. The monetary stance is expected to remain driven by data, balancing declining inflationary pressures against risks from regional and global shocks, and the need to continue maintaining adequate international reserves coverage.

c) Financial Sector Policies

Financial sector policies in 2026 will aim at preserving stability while closely monitoring risks or emerging vulnerabilities. The banking sector remains well capitalized, and profitable. The authorities, in close coordination with the regional supervisor, are determined to continue closely monitoring and further strengthening supervision, ensuring timely implementation of the banks' recapitalization plans, and monitoring liquidity conditions.

d) Structural Reforms

The authorities' medium term structural reforms will aim at deepening fiscal governance, strengthening institutions, and supporting medium-term growth. Key priorities include advancing public financial management reforms and implementing the NDP's priorities.

On governance, the authorities remain committed to implementing the remaining priority recommendations from the Governance Diagnostic Assessment, strengthening transparency and accountability. The authorities will also continue to deepen structural reforms to support diversification and resilience.

e) Climate Policies

The reforms measures under the proposed RSF arrangement build on technical assistance diagnostics from the IMF and World Bank to address macro-critical climate-related vulnerabilities, bolster long-term balance-of-payments stability and macroeconomic resilience and build resilience to shocks. The reforms measures are focused on strengthening disaster risk financing, integrating climate considerations into fiscal policy and public investment management, improving the resilience of key infrastructure and utilities, and enhancing climate data and finance mobilization.

4. Conclusion

Burkina Faso continues to make economic and social gains in a particularly difficult security and humanitarian environment. Program implementation under the ECF continues to be strong, with fiscal consolidation advancing faster than planned, and governance and institutional reforms progressing. Looking forward, the authorities are committed to prudent macroeconomic policies, aiming to achieve their medium-term national development plan's objectives through continued fiscal consolidation and the use of the fiscal space towards priority transformative investments, social and security spending. The authorities are also committed to building resilience to climate change.

In view of the satisfactory progress under the ECF arrangement and the commitment of the authorities to sound policies, we would appreciate Directors' support for the completion of the fourth ECF Review, and the request for a new RSF. We also seek Directors' support for mobilizing the financing needed at a scale commensurate to support the implementation of the NDP.