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SECOND REVIEW UNDER THE EXTENDED CREDIT FACILITY ARRANGEMENT, REQUESTS FOR A WAIVER OF NONOBSERVANCE OF A PERFORMANCE CRITERION, MODIFICATION OF QUANTITATIVE PERFORMANCE CRITERIA, AND FINANCING ASSURANCES REVIEW; AND FIRST REVIEW UNDER THE RESILIENCE AND SUSTAINABILITY FACILITY ARRANGEMENT AND REQUEST FOR REPHASING OF ACCESS—PRESS RELEASE; STAFF REPORT; AND STATEMENT BY THE EXECUTIVE DIRECTOR FOR THE DEMOCRATIC REPUBLIC OF THE CONGO

In the context of the Second Review Under the Extended Credit Facility Arrangement, Requests for a Waiver of Nonobservance of a Performance Criterion, Modification of Quantitative Performance Criteria, and Financing Assurances Review; and First Review Under the Resilience and Sustainability Facility Arrangement and Request for Rephasing of Access , 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 December 19, 2025, following discussions that ended on November 5, 2025, with the officials of the Democratic Republic of the Congo on economic developments and policies underpinning the IMF arrangements under the 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 December 5, 2025.
- A **World Bank Assessment Letter** for the Resilience and Sustainability Facility.
- A **Statement by the Executive Director** for the Democratic Republic of the Congo.

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PRESS RELEASE

PR 25/439

IMF Executive Board Completes the Second Review under the Extended Credit Facility Arrangement and the First Review under the Resilience and Sustainability Facility Arrangement for the Democratic Republic of the Congo

FOR IMMEDIATE RELEASE

- The IMF Executive Board has completed the second review under the Extended Credit Facility arrangement and the first review under the Resilience and Sustainability Facility arrangement for the Democratic Republic of the Congo. The decision allows for an immediate total disbursement of US$ 442 million.
- The DRC's economy has remained resilient despite the persistence of the armed conflict in the eastern part of the country, which continues to exert significant pressure on public finances.
- The authorities have kept momentum on structural reforms, and all but one performance criteria were met. Looking ahead, sustained fiscal discipline, stronger coordination between fiscal and monetary policies, and accelerated structural reforms remain critical.

Washington, DC – **December 19, 2025:** The Executive Board of the International Monetary Fund (IMF) completed the second review under the Extended Credit Facility (ECF) Arrangement and the first review under the Resilience and Sustainability Facility (RSF) Arrangement for the Democratic Republic of the Congo (DRC), both approved on January 15, 2025 (see PR 25/003). The completion of the second review of the ECF-supported program allowed for a disbursement equivalent to 190.4 million SDR (approximately US$ 260.0 million), bringing the aggregate disbursement to date to 570.9 million SDR (about US$ 779.7 million). The completion of the first review of the RSF allowed for a disbursement of 133.25 million SDR (approximately US$ 182.0 million).

The security situation in the eastern DRC remains challenging, despite the recent presidential-level endorsement of the U.S.-brokered peace accord between the DRC and Rwanda and the signing of a Qatar-mediated "Framework for a Comprehensive Peace Agreement" between the DRC government and the M23 rebel group. The renewed violence has further deepened the humanitarian crisis.

Economic activity has proven resilient amid these challenges. Real GDP growth is projected to exceed 5 percent in 2025 and 2026, driven by the continued dynamism of the extractive sector. External stability has strengthened, on the back of high copper exports and prices, notwithstanding the temporary suspension of cobalt exports for most of 2025. The resulting improvement in the current account balance enabled continued reserve accumulation, though reserves remain below the recommended adequacy level. Inflation fell sharply, from 11.7 percent at end-2024 to 2.2 percent in November 2025, as monetary policy remains tight, in the context of a sharp appreciation of the Congolese franc. Against this backdrop of declining inflation and rising real interest rates, the Central Bank of the Congo (BCC)'s Monetary Policy Committee has reduced the policy rate from 25 percent to 17.5 percent in early October.

Program performance under the ECF-supported arrangement has been satisfactory. All end-June 2025 performance criteria (PC) were met, except for a nonobservance of the continuous PC not to introduce or modify multiple currency practices for which the authorities requested a waiver of nonobservance given the temporary nature of the measure which has been discontinued. Most indicative targets were also met, except those related to the floor on social spending and the ceiling on spending executed through emergency procedures—owing to elevated exceptional security spending linked to the persistence of the conflict. Structural reform implementation has been satisfactory. Seven out of eight non-continuous benchmarks due at the second review were met, with the one—related to generalizing the standardized VAT invoicing system—implemented with a short delay. All three continuous structural benchmarks were met. Performance under the RSF arrangement has been equally satisfactory. Two reform measures, related to the analysis on climate-related fiscal risks in the budget and to the adoption of a disaster risk management policy, were implemented ahead of this review.

At the conclusion of the Executive Board's discussion, Mr. Okamura, Deputy Managing Director and Acting Chair, stated:

" Economic activity in the Democratic Republic of the Congo (DRC) remains resilient, underpinned by robust performance in the mining sector, and inflationary pressures have moderated. Notwithstanding the positive outlook, downside risks persist, particularly related to security and humanitarian challenges, deeper and more prolonged cuts in official development assistance, or renewed commodity price volatility. Program performance has been satisfactory, and the authorities remain committed to their reform agenda.

Persistently elevated security spending and other shocks have weighed on budget execution and the outlook. Security spending is expected to remain elevated in the near term, necessitating sustained fiscal discipline and a gradual move toward a resource-based fiscal framework. Targeted public financial management reforms—including enforcement of spending chain controls—will help curb procyclicality of spending, create space for investment and social spending, build resilience to shocks, and strengthen fiscal credibility. Ensuring adequate social spending, given the humanitarian crisis, is critical.

A cautious, data-dependent monetary policy is appropriate. High uncertainties underscore the importance of carefully monitoring liquidity conditions and standing ready to adjust monetary policy as needed. Continued efforts to accumulate reserves, while safeguarding the role of the exchange rate as a shock absorber, remain paramount to building external resilience. The authorities are taking steps to strengthen the monetary policy framework and implement safeguards assessment recommendations. Measures to improve monetary policy transparency and communication and strengthen central bank autonomy would help to anchor expectations. Avoiding the occurrence of multiple currency practices is important.

Advancing reforms to improve governance and transparency, strengthen anti-corruption and AML/CFT frameworks and enhance the business climate is critical for supporting private sector development and promoting diversified, sustainable, and inclusive growth. The implementation of reform measures under the Resilience and Sustainability Facility, including ahead of schedule, will help to mitigate the impacts of climate change on longer-term balance of payments stability.”

Table 1. Democratic Republic of the Congo: Selected Economic and Financial Indicators, 2023-26

	2023	2024		2025		2026	
	Act.	CR No. 25/195	Prel.	CR No. 25/195	Proj.	CR No. 25/195	Proj.
	(Annual percentage change, unless otherwise indicated)						
GDP and prices							
Real GDP	8.5	6.5	6.1	5.3	5.6	5.3	5.3
Extractive GDP	20.2	12.2	11.9	8.2	10.1	5.8	5.0
Non-extractive GDP	3.4	3.5	3.1	3.6	3.1	5.0	5.4
GDP deflator	11.3	19.9	19.6	8.2	7.9	6.7	3.6
Consumer prices, period average	19.9	17.7	17.7	8.8	7.7	7.1	4.4
Consumer prices, end of period	23.8	11.7	11.7	7.8	4.3	7.0	6.1
	(Annual change in percent of beginning-of-period broad money)						
Money and credit							
Net foreign assets	19.9	23.0	23.0	14.5	-0.2	22.7	30.1
Net domestic assets	20.3	5.6	5.8	-1.0	3.7	-10.5	-21.0
Domestic credit	34.3	15.2	15.2	10.5	7.7	4.2	7.8
Broad money	40.3	28.1	28.2	13.8	4.0	12.3	9.1
	(Percent of GDP, unless otherwise indicated)						
Central government finance							
Revenue and grants	14.3	14.8	14.8	14.4	14.4	14.9	14.8
Expenditures	15.9	16.0	16.4	16.5	16.7	16.6	17.1
Domestic fiscal balance	-0.7	-0.8	-0.7	-1.2	-1.3	-0.8	-1.2
Investment and saving							
Gross national saving	10.3	9.6	9.7	11.2	9.7	12.5	11.7
Investment	15.5	13.5	13.8	14.4	13.3	14.8	13.9
Non-government	12.0	10.0	10.0	10.0	10.0	10.0	10.0
Balance of payments							
Exports of goods and services	42.5	47.4	45.9	46.1	40.0	46.6	37.1
Imports of goods and services	47.5	50.3	48.0	47.5	41.5	47.0	37.4
Current account balance, incl. transfer	-5.3	-3.9	-4.2	-3.2	-3.6	-2.4	-2.2
Current account balance, excl. transfers	-6.3	-5.0	-5.2	-3.4	-3.4	-2.6	-2.1
Gross official reserves (weeks of imports)	8.4	10.1	10.1	11.8	11.7	12.8	12.9
External debt							
Debt service in percent of government revenue	7.6	6.1	6.1	7.1	6.7	7.4	6.5

Sources: Congolese authorities and IMF staff estimates and projections.

INTERNATIONAL MONETARY FUND

DEMOCRATIC REPUBLIC OF THE CONGO

SECOND REVIEW UNDER THE EXTENDED CREDIT FACILITY ARRANGEMENT, REQUESTS FOR A WAIVER OF NONOBSERVANCE OF A PERFORMANCE CRITERION, MODIFICATION OF QUANTITATIVE PERFORMANCE CRITERIA, AND FINANCING ASSURANCES REVIEW; AND FIRST REVIEW UNDER THE RESILIENCE AND SUSTAINABILITY FACILITY ARRANGEMENT AND REQUEST FOR REPHASING OF ACCESS

December 5, 2025

EXECUTIVE SUMMARY

Context.

The country continues to face a highly challenging environment marked by the conflict in the East, compounded by mounting humanitarian pressures. The situation continues to strain public finances, with escalating security spending crowding out other essential expenditure. Recent political transitions, including a government reshuffle and changes of leadership at the central bank and the National Assembly, have not altered the authorities' firm commitment to the Fund-supported programs.

Program performance. Program performance under the ECF arrangement has been satisfactory, with all end-June 2025 quantitative performance criteria and four of five indicative targets met. Structural reform implementation has been strong, with seven out of eight benchmarks met and one completed with a short delay. The three continuous structural benchmarks were met as well. Performance under the RSF arrangement has been equally satisfactory. Two RSF reform measures were finalized, including one—originally planned for the second review—completed ahead of schedule. A temporary introduction of a new methodology to calculate the reference exchange rate resulted in a multiple currency practice (MCP), which has since been removed.

Program policies.

Discussion focused on the need to maintain fiscal discipline for the remainder of 2025 and for 2026, while implementing strong domestic revenue mobilization measures and accelerating reforms to contain the wage bill and improve public financial

management. Other issues include transparency and communication in monetary policy, and governance.

Staff views.

Staff supports completion of the second review under the ECF and first review under the RSF arrangements, the financing assurances review, the updated program conditionality, the waiver of nonobservance (MCP), and the request for rephasing of access under the RSF due to early completion of one RM

Approved By
Papa N'Diaye (AFR), Geremia Palomba (SPR)

Discussions took place during October 22-November 5, 2025, in Kinshasa and Lubumbashi. The staff team comprised C. Ahokpossi (head), R. Barbosa, L. Drissi Bourhanbour, and F. Rahim (all AFR), J. Capella-Ramos (SPR), D. Al Masri (FAD), R. Tapsoba (Resident Representative), and H. Katuala and J. Senzele (local economists). Mr. Matungulu and Ms. Nkusu (both OEDAF) participated in the meetings. The team met with Deputy Prime Minister and Minister of Economy Daniel Mukoko Samba, Deputy Prime Minister and Minister of Transportation and Channels of Communication, Deputy Prime Minister and Minister of Budget Adolphe Muzito, Minister of Finance Doudou Fwamba Likonde, Central Bank Governor André Wameso Nkwaluloki and other ministers and senior officials, as well as Provincial authorities in Haut-Katanga, representatives of the private sector, CSOs, trade unions and development partners. B. Wang assisted with the data and C. Ndome-Yandun helped with document preparation.

CONTENTS

BACKGROUND 5

RECENT ECONOMIC DEVELOPMENTS 5

OUTLOOK AND RISKS 8

PROGRAM PERFORMANCE 9

POLICY DISCUSSIONS 10
A. Fiscal Policy and Budget Priorities 10
B. Strengthen External Buffers and the Monetary Policy Operating Framework 15
C. Structural Reforms to Improve Governance and Business Climate 18
D. RSF Reform Measures 20

PROGRAM MODALITIES AND FINANCING ASSURANCES REVIEW 21

STAFF APPRAISAL 23

FIGURES

1. Real Sector Developments, 2018-25 25
2. External Sector Developments, 2018-25 26
3. Fiscal Sector Developments, 2018-25 27
4. Monetary and Financial Sector Developments, 2018-25 28

TABLES

1. Selected Economic and Financial Indicators, 2023-30 ____ 29
2. Balance of Payments, 2023-30 ____ 30
3a. Central Government Operations, 2023-30 (Billions of CDF) ____ 31
3b. Central Government Operations, 2023-30 (Percent of GDP) ____ 32
4. Depository Corporations Survey, 2023-30 ____ 33
5. Financial Soundness Indicators, 2021-24 ____ 34
6. Capacity to Repay the Fund, 2022-44 ____ 35
7. External Financing Requirements and Sources,2022-30 ____ 36
8. External Borrowing Program, 2024-25 ____ 36
9. Decomposition of Public Debt and Debt Service by Creditor 2024-26 ____ 37
10. Reviews and Disbursements Under the Extended Credit Facility Arrangement ____ 38
11. Reviews and Disbursements Under the Resilience and Sustainability Facility Arrangement ____ 38

ANNEXES

I. Risk Assessment Matrix ____ 39
II. Updated National Accounts for 2017-2023 ____ 41
III. Impact of the RSF on BOP Stability ____ 42

APPENDIX

I. Letter of Intent ____ 49
Attachment I. Memorandum of Economic and Financial Policies (MEFP) ____ 50
Attachment II. Technical Memorandum of Understanding ____ 100

BACKGROUND

1. **The security situation in eastern DRC remains volatile, despite recent diplomatic efforts.** The U.S.-mediated peace agreement between the DRC and Rwanda, together the Doha "Declaration of Principles" between the DRC and the M23 rebel group, link peace to deeper regional economic integration and include commitments to a ceasefire, prisoner exchanges, and the restoration of state authority in the affected areas. However, implementation of these agreements has faced delays, and localized fighting has since resumed. The signature on November 7 of the regional economic integration framework (REIF) between the U.S., the DRC and Rwanda offers hope that the peace process will take hold soon. Meanwhile, the humanitarian situation continues to deteriorate, with 7.8 million people displaced and 28 million facing acute food insecurity. A recent resurgence of the Ebola virus disease in Kasai province prompted a national containment plan, supported by the WHO through the deployment of Ervebo vaccine doses. At the same time, UN humanitarian operations are being scaled down due to a broader external funding shortfall, forcing agencies to reduce geographic coverage and focus only on the most critical and life-saving interventions.

2. **Recent changes in leadership have not materially affected the authorities' commitment to the program.** The government was reshuffled last August; a new Governor of the BCC appointed in July; and a new President of the National Assembly took office in November. The authorities have reiterated their strong commitment to advancing reforms under both the ECF and RSF programs.

RECENT ECONOMIC DEVELOPMENTS

3. **Economic growth slowed in 2024 and early 2025, as copper production growth moderated.** Real GDP growth has been revised down from 6.5 percent to 6.1 percent in 2024.[1] In the first half of 2025, copper production increased by 8.0 percent year-on-year (compared to 11.6 percent for the first half of 2024). The temporary suspension of cobalt exports did not significantly affect mining output, as copper and cobalt are jointly extracted.[2] In the non-extractive sector, the impact of the conflict remained relatively localized, affecting certain cash crop activities and the financial sector in Eastern DRC. Meanwhile, the telecommunications and construction sectors continued to outperform expectations.

[1] The new national accounts series, covering the period 2017-2023, was released following technical assistance from AFRITAC Center. The new series do not diverge substantially with the earlier estimates, with nominal GDP for 2023 revised upward by 3.5 percent. The updated national accounts have been incorporated into staff's macroeconomic framework. See Annex II for a more detailed account of the changes to the National Accounts.

[2] Cobalt exports were suspended on 22 February 2025 in response to market and regulatory considerations, initially for four months and then extended in June. Given that the DRC accounts for about 70 percent of cobalt produced globally, the suspension contributed to a nearly 50 percent increase in global prices. Exports resumed on October 16 under a quota-based authorization system.

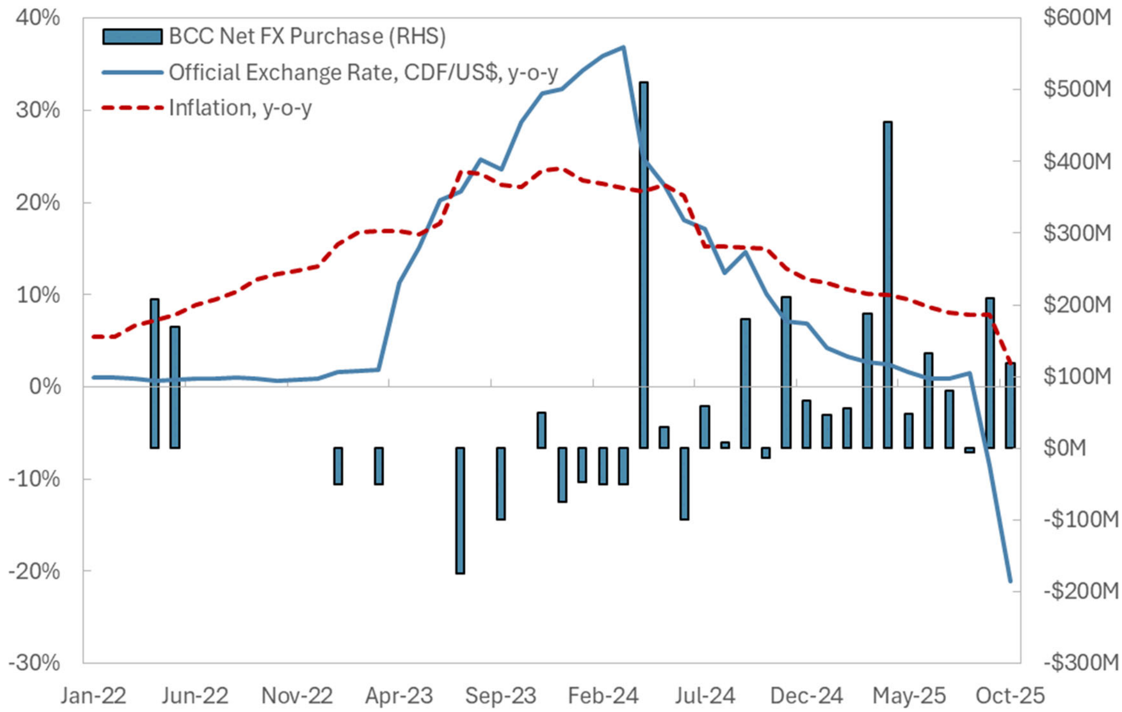
4. **Monetary policy entered a loosening cycle as yearly inflation declined below the BCC's target.** At its October 2025 meeting, the BCC Monetary Policy Committee lowered the policy rate to 17.5 percent, down from 25 percent. This decision followed a period of declining inflation and rising real interest rate (yearly inflation fell to 7.8 percent at end-September, down from 11.7 percent at end-2024). Concurrently, the Congolese franc appreciated sharply in October, following the implementation of corrective prudential measures on reserve requirements on banks' foreign-currency deposits (see below). Year-on-year inflation fell sharply to 2.5 percent in October 2025, well below the BCC's 7 percent target, a strong and immediate pass-through to the local-currency price of imported goods.

5. **The recent appreciation of the Congolese franc stemmed from corrective prudential measures in the financial sector.** Year to mid-September, the exchange rate had depreciated by 2 percent. In mid-September, the BCC revised the valuation of legacy CDF-denominated reserve requirements on foreign currency deposits (MEFP ¶25), revealing a shortfall of about US$301.5 million (around 80 percent of banks' end-July excess reserves). To meet the revised requirement (in gradual steps between September and November), banks sold USD to buy CDF, prompting the appreciation. Expectations of further appreciation prompted a rebalancing of short-term liquidity toward CDF, while a large corporate income tax (CIT) deadline amplified demand. Communication missteps and speculation added volatility of the CDF, with the CDF appreciating by 21 percent in the official market and 22 percent in the parallel market between end-August and end-October. There were no FX interventions to address the disorderly FX market conditions. The exchange rate has been relatively stable since end-October.

6. **The external position is projected to continue strengthening in 2025.** Strong copper export volumes and historically elevated prices should offset the impact of lower cobalt export volumes related to the aforementioned regulatory measures and reduced official development assistance (ODA) inflows (a decline of about 0.7 percent of GDP compared to 2024), which has weighed on secondary income.

7. **Persistently high security spending continues to weigh heavily on budget execution in 2025.** The domestic fiscal balance at end-June was in line with projections, but meeting the end-year target will require strict control over spending in the final months of 2025. By end-September, spending on goods and services remained tightly controlled, and domestic revenues were close to projections, reflecting the authorities' efforts to offset losses from the closure of revenue administration offices in conflict-affected areas. However, exceptional security outlays are now expected to exceed initial projections by about 1.2 percentage points of GDP, driven by the intensification of operations in the East. This increase—combined with larger transfers to frontline provinces, scaled-up investment in social infrastructure, and salary adjustments in the education and health sectors—has raised overall spending pressures. As a result, both transfers and the wage bill are projected to exceed program targets.

Text Figure 1. Inflation, FX interventions and Exchange Rate Developments, 2022-25



Sources: Congolese authorities and IMF staff estimates.

8. **In 2025, public debt as a share of GDP is projected to decline on the back of the CDF appreciation, though financing needs remain elevated.** The debt to GDP ratio is expected to fall to about 18.1 percent of GDP at end-2025 (down from 20.9 percent at end-2024[3]), with PPG external debt falling to about 11.8 percent of GDP (from 14.1 percent at end-2024).[4] Nominal debt will stay broadly stable, but the financing will rely heavily on external borrowing—most notably a US$600 million World Bank Development Policy Operation (DPO)—complemented by increased domestic issuances, which will raise interest costs on short-term, high-yields instruments. The latest LIC-DSA for the DRC shows that the country remains at moderate risk of external and overall debt distress, with some space to absorb shocks.[5] While concessional inflows are expected to increase in absolute terms in 2025, semi-concessional and commercial financing combined are projected to account for a similar share. Notably, a US$500 million Gemcorp Capital credit line contracted in

[3] Compared to IMF Country Report No. 25/195, the downward revision of the end-2024 public debt-to-GDP ratio from 21.9 to 20.9 percent reflects that the current estimate includes only VAT claims for the mining sector certified by the IGF for 2021–2024. Previously higher estimates incorporated uncertified VAT claims, which could include duplicated and unfounded claims.

[4] This decline reflects valuation effects associated with the CDF appreciation in the second half of the year: the debt stock is measured using the relatively lower end-2025 exchange rate, while nominal GDP is converted using the relatively higher annual average rate.

[5] See *Debt Sustainability Analysis* in IMF (2025). *Democratic Republic of Congo: First Review Under the Extended Credit Facility Arrangement, Requests for Waivers of Nonobservance of Performance Criteria, Modification of Quantitative Performance Criteria, and Financing Assurances Review—Staff Report.* IMF Country Report No. 25/195. Washington, D.C.: International Monetary Fund.

2023 was first activated in 2025, with around US$80 million disbursed in several tranches in 2025 to finance current spending. While these operations were initially classified under externally financed projects, corrections have been made to reflect them under the appropriate heading. This raises PFM concerns (proper budgeting and spending procedures) and highlights the need to ensure that such spending follows the standard procurement and PFM processes with stronger monitoring, transparency, and reporting in the future. The program TMU has been revised to ensure that spending related to Gemcorp or similar arrangements will properly classified under the program.

9. As of end-June 2025, banking activity remained resilient despite some vulnerabilities. Growth in USD-denominated private credit slowed to 12 percent, from 14 percent a year earlier, mainly due to lower public sector deposits. The deposit-to-loan ratio remained comfortable at 151 percent. Capital buffers continued to exceed regulatory thresholds, with the capital adequacy ratio at 16.2 percent (versus a 10 percent minimum) and the Tier 1 ratio at 14.1 percent (versus a 7.5 percent floor). New capitalization rules raising the minimum to USD 50 million left three banks noncompliant at end-June; one bank has since met requirements, and remediation plans are underway for the others.

OUTLOOK AND RISKS

10. The economic outlook remains broadly resilient, though inflation risks have increased. Real GDP is projected to grow by 5.6 percent in 2025 and stabilize around this level over the medium term as the extractive sector growth moderates and activity in non-extractive sectors gradually strengthens, driven by a more stable inflation environment, structural reforms and public investment. With cobalt exports resuming in October and commodity prices staying elevated, the current account deficit should narrow to 3.6 percent of GDP in 2025, supporting continued reserve accumulation. Further improvement is expected in 2026 as higher copper and cobalt prices offset lower export volumes under the quota system.[6] Inflation is expected to converge gradually toward the BCC's 7 percent target by 2027, but its near-term path remains uncertain in light of recent exchange rate volatility. Staff's 2024 external sector assessment[7] indicated that the current account was somewhat weaker than implied by fundamentals, pointing to a modest overvaluation of the CDF, which the recent appreciation may have accentuated. Meanwhile, the fiscal outlook will depend critically on the evolution of security-related spending pressures.

11. The outlook faces external and domestic risks. Externally, deeper and more prolonged cuts in ODA remain a concern, alongside weaker external demand from tariff increases or renewed commodity price volatility, which could affect exports and inflation. Domestically, persistent

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[6] These projections do not yet incorporate the balance-of-payments revisions underway, with technical assistance from the Fund (see sub-section C. under *Policy Discussions*).

[7] See Annex II, *External Sector Assessment* in IMF (2025). *Democratic Republic of Congo: First Review Under the Extended Credit Facility Arrangement, Requests for Waivers of Nonobservance of Performance Criteria, Modification of Quantitative Performance Criteria, and Financing Assurances Review—Staff Report.* IMF Country Report No. 25/195. Washington, D.C.: International Monetary Fund.

security-related spending could strain public finances, potentially forcing cuts elsewhere and increasing arrears risks. A durable improvement in security conditions would free resources for priority social and investment spending. Additionally, the Ebola outbreak detected in Kasai province in early September adds pressure: despite WHO support, funding shortfalls are forcing UN agencies to scale back operations, narrowing coverage amid rising conflict-related needs.

Text Table 1. DRC: Medium-Term Macroeconomic Framework, 2023-30

	2023	2024		2025		2026	2027	2028	2029	2030
	Act.	CR No. 25/195	Proj.	CR No. 25/195	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
Real GDP (percent change)	8.5	6.5	6.1	5.3	5.6	5.3	5.5	5.5	5.5	5.5
of which: extractive	20.2	12.2	11.9	8.2	10.1	5.0	4.4	3.5	3.6	3.6
GDP deflator (percent change)	11.3	19.9	19.6	8.2	7.9	3.6	6.5	6.9	6.4	6.4
CPI inflation, average (percent)	19.9	17.7	17.7	8.8	7.7	4.4	6.4	7.0	7.0	7.0
CPI inflation, eop (percent)	23.8	11.7	11.7	7.8	4.3	6.1	7.0	7.0	7.0	7.0
Domestic fiscal balance (% GDP), cash basis	-0.7	-0.8	-0.7	-1.2	-1.3	-1.2	-0.7	-0.7	-0.7	-0.7
External public debt (% GDP)	17.2	14.5	14.1	16.2	11.8	14.0	14.8	14.6	14.5	14.1
Current account balance (% GDP)	-5.3	-3.9	-4.2	-3.2	-3.6	-2.2	-2.6	-2.8	-3.3	-3.7
Gross international reserves (weeks of imports)	8.4	10.1	10.1	11.8	11.7	12.9	13.5	14.0	14.2	14.5

Sources: Congolese authorities and IMF staff estimates and projections.

12. With limited financing buffers, additional pressures could exacerbate fiscal strains and spill over to the external position. A sharper-than-expected decline in ODA support would heighten social and fiscal pressures, necessitating either increased government spending or a reallocation of already constrained resources, with adverse effects on social outcomes and development indicators. An escalation of the conflict could raise security spending by up to 2 percent of GDP, with its high import content (estimated at around 50 percent) widening the current account deficit by about 1 percent of GDP. Without sufficient external financing, reserve accumulation would slow, exchange rate pressures would mount, and second-round effects on inflation could emerge. Although the near-term impact on GDP growth may be limited due to the import component of additional spending, the adjustment would come at the expense of public investment and service delivery, as tighter financing constraints would force difficult expenditure trade-offs.

PROGRAM PERFORMANCE

13. All end-June performance criteria were met (Table 11). The ceiling on the domestic fiscal balance was met by a small margin, partly due to delayed spending. The corresponding indicative target (IT) for end-September was missed, reflecting spending pressure in the third quarter. The floor on changes in net international reserves (NIR) of the BCC was met with some margin, after adjusting for the disbursement of World Bank budget support disbursed in July instead of June. Monetary PCs were met. Other PCs were met as well, except for the continuous PC not to introduce or modify multiple currency practices (MCPs) (see ¶ 31 for details). Four out of five indicative targets (ITs): revenue and the wage bill floors were met, with some wages cleared in July, while the social spending floor was not met, neither for June nor September. The IT on exceptional procedure spending was missed, for June and September, due to its high usage for security outlays. Monetary QPCs and the floor on changes in NIR were validated by BCC's external auditor.

14. **Implementation of structural reforms under the ECF was strong.** The continuous structural benchmark on the publication of a quarterly report on the execution of expenditures by volume, type and institutions, the quarterly report on spending under emergency procedures, and on the publication of all new mining contracts have met. Seven of the eight non-continuous structural benchmarks (SBs) for the second review have been met, with the one related to launching the electronic VAT invoicing was not met (implemented with a one-month delay). The three continuous structural benchmarks were met.

15. **The authorities have finalized two RSF reform measures during this review.** RM7, on the integration of climate risks into the budget, benefited from TA during 2025 and a workshop held in August to finalize the technical work. The authorities have included quantified climate risks, focusing on floods, in the financial risk statement of the 2026 budget. The government has also adopted a disaster risk management policy, elaborated with technical support from the World Bank and UNDRR, which clarifies institutional responsibilities (RM8). Initially scheduled for the second review of the RSF, this measure has been completed in advance, leading to a request for rephasing of RSF access by the authorities.

POLICY DISCUSSIONS

A. Fiscal Policy and Budget Priorities

16. **The fiscal anchor remains relevant despite greater-than-anticipated domestic financing.** Deepening local financial markets (¶30) has provided higher-than-expected financing to the government in 2024 and 2025, with net issuance of domestic securities projected at 0.9 percent of GDP by end-2025. The authorities' short- and medium-term financing strategy foresees continued reliance on domestic securities, supplemented mainly by concessional external financing, with some recourse to non-concessional external borrowing to close financing gaps. While additional public spending has so far not generated inflationary pressures and banks maintain comfortable liquidity positions—suggesting that domestic financing has remained manageable—the scope for further domestic borrowing is somewhat constrained in the near term: borrowing costs remain high, maturities short, and local-currency denominated issuance limited. Moreover, debt service-to-revenue ratios could rise quickly. These factors underscore the importance of keeping fiscal policy firmly anchored in sustainable domestic and external financing—preferably on concessional terms—consistent with monetary and reserve objectives, while preserving space for priority social spending and growth-enhancing investment, and rebuilding fiscal buffers.

17. **The security crisis has persisted longer than anticipated, widening fiscal gaps and constraining program objectives (Text Table 2).** This has necessitated an adjustment in program strategy, including scaling back investment plans for 2025-26, as gaps of 1.7 and 2.2 percent of GDP are now projected, compared to the First review. Significant adjustments have also been made within recurrent spending, notably on goods and services, to help absorb the shock. For 2025, the shortfall reflects higher security spending (1.2 percent of GDP), transfers and investment in provinces near the frontline (0.3), a larger wage bill in the education, health and justice sectors (0.2),

and spending on Ebola and disbursements to the U.N. for humanitarian needs (0.1). For 2026, continued closure of revenue administration offices in occupied provinces (0.4), a higher wage bill (0.5), higher transfers (0.2), and security spending (1.1) drive the gap. Diplomatic efforts continue, but the situation remains challenging.

18. The authorities are taking measures to close fiscal gaps in 2025-26.

- **Revenue.** In 2025, additional revenue of about 0.1 percent of GDP is expected, mainly reflecting the exclusion of mining companies from fuel subsidies.

  For 2026, an additional revenue effort of 0.7 percent of GDP is projected. This reflects the full-year impact of the above measure on fuel subsidies (0.1 percent of GDP), the resumption of VAT and custom duties on goods of basic necessities (0.2), the implementation of standardized VAT (0.1), the resumption of cobalt exports under a quota system (0.1), an increase in excise on vehicles and on fuel (0.1), and a range of revenue-administration reforms drawn from the authorities' Revenue Mobilization Plan (SB, September 2025) and incorporated into the 2026 budget (0.1), such as measures to increase the tax base for PIT and CIT, and recover unpaid taxes.

- **Expenditure.** For 2025, compensatory measures are being implemented, in line with the authorities' contingency plan. These include restraint on goods and services (0.7 percent of GDP), cuts in budget financed investment (0.6 percent), and a slower pace of arrears clearance (0.3 percent). The reduction in goods and services reflects ongoing efforts, initiated in the first half of the year, to reduce the government's operating costs—notably a 30 percent cut in the operating budgets of political institutions and ministries, reductions in bonuses and allowances for senior officials, and tighter controls on travel and other discretionary spending. At the same time, the authorities have scaled down the number and scope of projects implemented in 2025.

  For 2026, compensatory measures totaling 1.4 percent of GDP are envisaged. These would comprise the full-year impact of continued restraint in goods and services (0.3 percent of GDP), reduced investment spending (0.7 percent), and a moderate slowdown in arrears repayments (0.1 percent).

  Other factors. The recent appreciation of the local currency is expected to reduce fiscal revenues by about 0.6 percent of GDP in local currency in 2026, mainly reflecting lower royalties and corporate income tax receipts from the mining sector, as well as weaker customs duties on imports. This impact is expected to be offset by lower government spending in US dollars.

  To mitigate reduced capital funding, infrastructure projects financed under the 2024 SICOMINES agreement are being accelerated. To date, 46 percent of identified projects covering resources allocated for 2022–25 (valued at over USD 1 billion) have been executed—up from 30 percent in mid-2025 and less than 10 percent at end-2024.

19. Staff propose to accommodate the exogenous shocks with limited fiscal relaxation, consistent with the First Review. For 2025, this reflects the Ebola-related needs (0.1 percent of GDP), and for 2026, the continued closure of revenue administration offices in occupied provinces (0.4 percent of GDP). The impact on the BOP is expected to be limited: imports are expected to be higher and gross reserves lower, but net international reserves (program target) are expected to remain at the level established during the first review, requiring policy efforts, particularly in managing FX liabilities and expenditures. Inflation is expected to remain subdued, below the authorities' targets of 7 percent through 2026 as current spending remains contained and exceptional security spending is import-heavy. Debt dynamics remain broadly unchanged, though domestic interest payments are expected to increase slightly.

Text Table 2. DRC: Shocks and Policy Measures, 2025-26

(Percent of GDP)

	2025					2026					
	First Review	Shock and policy reactions	Compensating measures	Revised	Gap	First Review	Shock and policy reactions	Appreciation of CDF	Compensating measures	Revised	Gap
Revenue	11.3		0.1	11.4	0.1	12.2	**-0.4**	-0.6	0.7	11.9	-0.3
Current spending	8.0			7.9	-0.1	7.9				8.2	0.3
Wages	4.7	0.2		4.9		4.6	0.5			5.0	
Domestic interest	0.2			0.2		0.2				0.2	
Goods and services	2.3	**0.1**	-0.7	1.6		2.1		-0.1	-0.3	1.7	
Transfers and subsidies	0.9	0.3		1.2		1.0	0.2			1.2	
Domestic investment	1.7		-0.6	1.2	-0.6	2.4		-0.2	-0.7	1.5	-0.9
Exceptional spending (security)	2.4	1.2		3.6	1.2	2.2	1.1	-0.3		3.0	0.8
Arrears repayment	0.4		-0.3	0.1	-0.3	0.6			-0.1	0.4	-0.1
Domestic fiscal balance	-1.2	1.7	1.6	-1.3	**-0.1**	-0.8	2.2	0.0	1.4	-1.2	**-0.4**
Overall fiscal balance	-2.6			-2.5		-2.3				2.3	

Sources: Congolese authorities and IMF staff estimates and projections. Figures exclude SICOMINES royalty/investment, special accounts and budget grants.

20. A number of swift and well-sequenced measures are needed to ensure effective implementation. These include the timely adoption of the 2026 budget by Parliament, supported by a detailed implementation plan—covering cash flow, commitments, and procurement—to guide execution throughout the year. In-year budget management will need to remain proactive, with continued restraint on current spending, close monitoring of execution, and early corrective actions where needed. The 2026 budget is expected to be in line with program objectives.

21. The authorities are accelerating implementation of the domestic revenue mobilization plan. The adopted plan (SB met, September 2025) includes measures to strengthen mining oversight and digitalization, operationalize standardized VAT invoice, broaden the tax base, improve control of mineral production and export flows, and remove certain VAT exemptions. The mandatory phase for all VAT taxpayers became effective on December 1, 2025 (SB for September 2025, met with delay). After completing the legal framework, deploying most IT infrastructure, and finishing the pilot phase, the voluntary rollout began on August 1 to allow firms to obtain necessary software and devices and resolve remaining technical issues. Work on harmonizing provincial taxation and the drafting of the general tax code, including a tax procedures code and a section on non-tax revenues, are progressing, with completion expected by end of 2026 with IMF and World Bank support. In September, the authorities launched "COPIRAP", a permanent interministerial commission for the rationalization of parafiscal charges. A reclassification decree **(new SB, January**

2026) is expected to bring a number of off-budget entities into the budget and limit their ability to create parafiscal charges.

22. Emergency procedures remain widely used, driven by high exceptional security spending. While emergency procedures are intended for urgent and highly sensitive spending, such as security spending, it remains important to channel expected or recurrent security spending through standard procedures. For the first three quarters of 2025, spending processed under emergency procedures averaged 17 percent, with security spending accounting for close to 95 percent of this amount (Text Table 3). The new expenditure procedure manual, adopted in December 2024, appears to be largely respected in limiting eligibility, but ex-ante documentation and technical steps are not always followed. The authorities intend to raise awareness among line ministries and propose ways to lower the reliance of the emergency procedures. On the positive side, the authorities confirmed that spending by emergency procedures has been regularized within the timeframe indicated by the new decree. An upcoming Fund technical assistance mission will review the expenditure chain and advise on possible improvement to current practices and regulations to contain further the use of emergency procedures.

Text Table 3. DRC: Spending Under Emergency Procedures, 2025

	Q1	Q2	Q3	Total for first three quarters
Total spending under emergency procedures (billions CDF)	**1167.8**	**1697.0**	**1449.3**	**4314.1**
of which:				
Security (%)	***89.9***	***97.1***	***97.0***	*95.1%*
Non-Security (%)	***10.1***	***2.9***	***3.0***	*4.9%*
Spending under emergency procedures (% of total spending)	**15.6%**	**21.0%**	**15.6%**	**17.4%**

23. PFM reforms are progressing, but significant work remains. The expenditure chain software has been deployed in the four pilot ministries (SB met, June 2025); next steps include user training and testing of the treasury, accounting, and BCC software interfaces for full operationalization. The network of public accountants is complete, with 136 personnel, between accountants (39) and administrative staff (97), as well as 800 agents for DGTCP redeployed. The next key milestones are the effective operationalization of the DGTCP and decentralization of spending authority to pilot ministries with the 2026 budget (SBs, February 2026). To achieve these milestones, the authorities are planning to meet all prerequisites, including functional working space for the agents and accountants, as well as complete training of staff in the new decentralized system. The authorities remain committed to implementing and operationalizing the Treasury Single Account (TSA), having completed the stress tests and an accounts closure strategy (met SB, October 2025). Further work is needed to strengthen budget credibility and align procurement, commitment, and cash flow planning, which entails harmonizing categories, frequent publication and regular updating.

24. Progress continues towards a resource-based fiscal framework. The 2025 budget and 2026–2028 Budget/Medium-Term Framework (MTBF) include reporting on the non-extractive sector alongside standard indicators. The authorities have revised and adopted the interministerial decree establishing the Macroeconomic Projection Committee (CPCM) to integrate the Fiscal Analysis and Modeling Function for Extractive Industries – FARI (SB met, September 2025). With support from AFRITAC, GIZ, ENCORE and EITI, efforts focus on enhancing mining revenue forecasting and incorporating projects representing 80 percent of mining exports into the FARI model (SB, August 2026). This enhanced framework is expected to guide the preparation of the 2027 budget.

Text Table 4. DRC: Evolution of the Stock of Certified Central Government Domestic Arrears

	2024		2025 (estimated)	
	Nominal in US$ million	in percent of GDP	Nominal in US$ million	in percent of GDP
Banque Centrale du Congo 1/	**1300**	**1.7%**	**1690**	**1.8%**
Treasury securities	929	1.2%	1326	1.4%
Advances	371	0.5%	364	0.4%
Legacy Arrears 2/	**2314**	**3.0%**	**2053**	**2.2%**
Certified and Validated	1055	1.4%	965	1.1%
Certified but not Validated	821	1.1%	701	0.8%
Protocoles d'accord (MOU)	439	0.6%	387	0.4%
Recent arrears	**1451**	**1.9%**	**1237**	**1.3%**
VAT 3/	1205	1.6%	1205	1.3%
Oil subsidy 4/	246	0.3%	32	0.0%
Total	**5066**	**6.6%**	**4980**	**5.4%**

Source: Authorities and IMF staff calculations.
1/ BCC arrears are denominated in Congolese francs.
2/ Includes the stock of validated and certified arrears under the domestic debt strategy and the stock of certified arrears awaiting validation, and MoUs. Note that the y-o-y reduction in certified and validated arrears reflects the removal of duplicates with the MOUs.
3/ This represents certified claims for the mining sector from 2021 to end 2024.
4/ This represents net liabilities towards oil companies.

25. Recording, certification, and reporting of domestic arrears are weak. Uncertified VAT credit arrears, particularly affecting mining companies, has grown substantially due to ineffective refund and certification processes and limited fiscal space, creating liquidity risks for businesses and undermining investment and competitiveness. In March 2025, the authorities adopted a strategy based on an audit of VAT credit arrears owed to mining companies from 2021 to end-2024, to improve refund processing and strengthen accounting and certification mechanisms. There has been no additional certification of legacy arrears or VAT arrears to non-miners in 2025. Under the domestic debt strategy, a second tranche of small credit claims (around USD7 million) will be paid. Overall, arrears tracking remains fragmented, with limited capacity to keep a timely record of new domestic non-VAT arrears. A Fund technical assistance mission on the expenditure chain, planned for early 2026, is expected to help improve the monitoring and tracking for domestic arrears. In addition, more frequent arrears certification is planned from 2026. Progress on PFM reforms including the operationalization of the DGTCP, decentralization of spending authorization, and the TSA, should improve the tracking and recording of non-VAT arrears.

26. Fuel subsidy reforms remain broadly on track. Most 2024 liabilities to oil companies have been cleared (remaining USD 3.8 million), with payments totaling approximately US$308 million in 2025 and US$288 million in 2024 to settle arrears. These clearances, combined with the exchange rate appreciation relative to the rate used in the price structure and the state’s crossclaims on oil companies helped cushion losses in 2025 with net liabilities for the first half of 2025 are estimated at about US$15.9 million. An interministerial order excluding the mining sector from implicit fuel subsidies has reduced liabilities and boosted customs revenues by about CDF 228 billion. The fuel marking scheme, extended to the South and the Eastern zone in September 2024, will help ensure that mining companies are effectively removed from direct subsidies. Further reforms that enhance the fuel pricing mechanism in line with the FAD 2023 CD recommendations, and eliminating exemptions and subsidies for other industrial sectors remain critical, as tax expenditures linked to oil subsidies remain high, around US$280 million in 2024 and US$232 million in the first three quarters of 2025.

27. Meeting social spending targets remains challenging. By September 2025, spending on the three health programs under the IT is estimated to have reached 95.6 billion CDF (execution rate of 71 percent of the IT floor). Payments have been delayed due to procurement and cash flow constraints. The social spending IT floor has been expanded to include social and education programs aimed at advancing the development of social service centers and a unique social registry to better target vulnerable households, while also supporting the distribution of humanitarian kits and equipping schools with desks. While the authorities manage a broad portfolio of programs, it is crucial to ensure that social spending (partially captured by program IT targets) remains a priority to uphold program commitments.

28. Management the public wage bill remains a major challenge. Military and police salaries were doubled in early 2025, alongside new security force recruitments. Additional pressures emerged from education, health, and the hiring of 2,500 magistrates later in the year. As a result, the wage bill is projected to exceed the budgeted amount by about 19 percent in 2025. Between 2021 and 2025, it more than doubled in nominal terms and rose by 46% in real terms, now exceeding 50 percent of tax revenue. To address this, the authorities plan a comprehensive civil service reform, with a national wage policy expected by December 2025.

B. Strengthen External Buffers and the Monetary Policy Operating Framework

29. Strengthening external buffers and reestablishing price stability remain core program priorities, particularly in light of recent exchange-rate pressures and tighter external financing conditions. Sustained reserve accumulation is essential to reinforce resilience to shocks and support the credibility of the policy framework. Avoiding excessive exchange-rate volatility, improving liquidity-management operations, and maintaining a firm fiscal anchor will help stabilize prices. The policy mix required to strengthen external buffers includes a cautious and data-dependent easing cycle; a transparent, market-based exchange rate to avoid any BCC's unwarranted intervention in the FX market; continued deepening of domestic debt markets; and enhancements to the liquidity-management and monetary-operations frameworks. Safeguarding financial-sector stability and completing the recapitalization and governance reforms of the BCC remain critical to bolster the central bank's capacity to deliver durable price and financial stability.

30. With inflation below its target since October, the BCC has signaled scope to further ease monetary policy. Its most recent policy decision—cutting the policy rate by 750 basis points—still left monetary conditions tight. The ex post real policy rate stands at about 14 percent, while money growth continues to lag behind nominal GDP growth (M2 growth was 3.2 percent year-on-year at end-October). The recent adjustment to the exchange rate applied to required reserves on FX deposits (see ¶5) has further absorbed excess liquidity, which by end-October had fallen to half its end-December 2024 level. However, given the structurally high demand and preference for U.S. dollars, the exchange rate could resume its depreciation trend observed in recent years. In this context, and considering the risk of a sharp exchange rate adjustment, the BCC should maintain a data-dependent approach to any additional monetary easing. If the exchange rate depreciates sharply and inflationary pressures intensify, the BCC should hold rates steady.

31. Policy reaction of the authorities to the volatility of the FX market resulted in a MCP. Amidst FX volatility, the BCC temporarily departed from the established methodology for determining the reference rate and instead used the lowest bid of the prior day instead of the prior day's market-weighted average which gave rise to a MCP under Fund policy. The authorities conduct FX transactions with the Treasury at the official exchange rate (which is the reference rate +/-1.95 percent). The effective exchange rate resulting from this official action resulted in impermissible spreads between September 9, 2025, and October 17, 2025, giving rise to an MCP and a nonobservance of the continuous PC not to introduce or modify MCPs. The authorities confirmed that they have discontinued this practice since then. The authorities should strengthen communications to avoid signaling that sharp appreciation is a policy objective and expand publication of timely market data to anchor expectations. To this end, the BCC will adopt a new market-data solution which will make the calculation of the reference rate automatic and transparent. By end-December 2025, in consultation with staff, the BCC will adopt a plan to finalize the reserve requirement reforms that triggered the recent exchange rate appreciation. The plan should accelerate the conversion of reserve requirement on FX deposits held in CDF into US dollar, while ensuring that the reform is liquidity neutral.

32. Efforts to develop the domestic debt market are ongoing. Since 2020, the government has introduced USD-indexed T-bills, 18-month bonds with quarterly coupons, and USD-denominated instruments. These measures raised outstanding domestic securities from USD 37.5 million (end-2019) to USD 1.94 billion (July 2025). The recent volatility of the exchange rate has made CDF-indexed debt instruments less attractive, while banks' appetite for USD-denominated instruments remains strong. Looking ahead, the key challenge for the authorities is to broaden the investor base and lengthen maturity. To this end, the government plans to adopt a roadmap by December 2025 to strengthen insurances, pension systems and individuals' subscription to public debt, including by (i) amending the Insurance Code to introduce minimum subscription requirements for insurance companies in government securities and (ii) submitting draft legislation on mutual funds to Parliament.

33. Monetary policy reforms are advancing. With IMF technical assistance, the BCC introduced a standard refinancing instrument via competitive liquidity auctions and eliminated the short-term lending facility (SB, met). The regulatory framework and technical prerequisites for conducting such operations are in place, though no liquidity injections were necessary in recent months. Beyond adjusting the exchange rate applied to reserve requirements on USD-denominated deposits held in CDF (MEFP ¶25), the BCC is preparing a plan, due by end-December 2025, to accelerate the conversion of legacy CDF-denominated reserve requirements on USD deposits relative to the current baseline 5 percent annual conversion rate. Staff advised adopting a liquidity-neutral operational approach for the conversion, to avoid large swings in liquidity and FX market conditions.

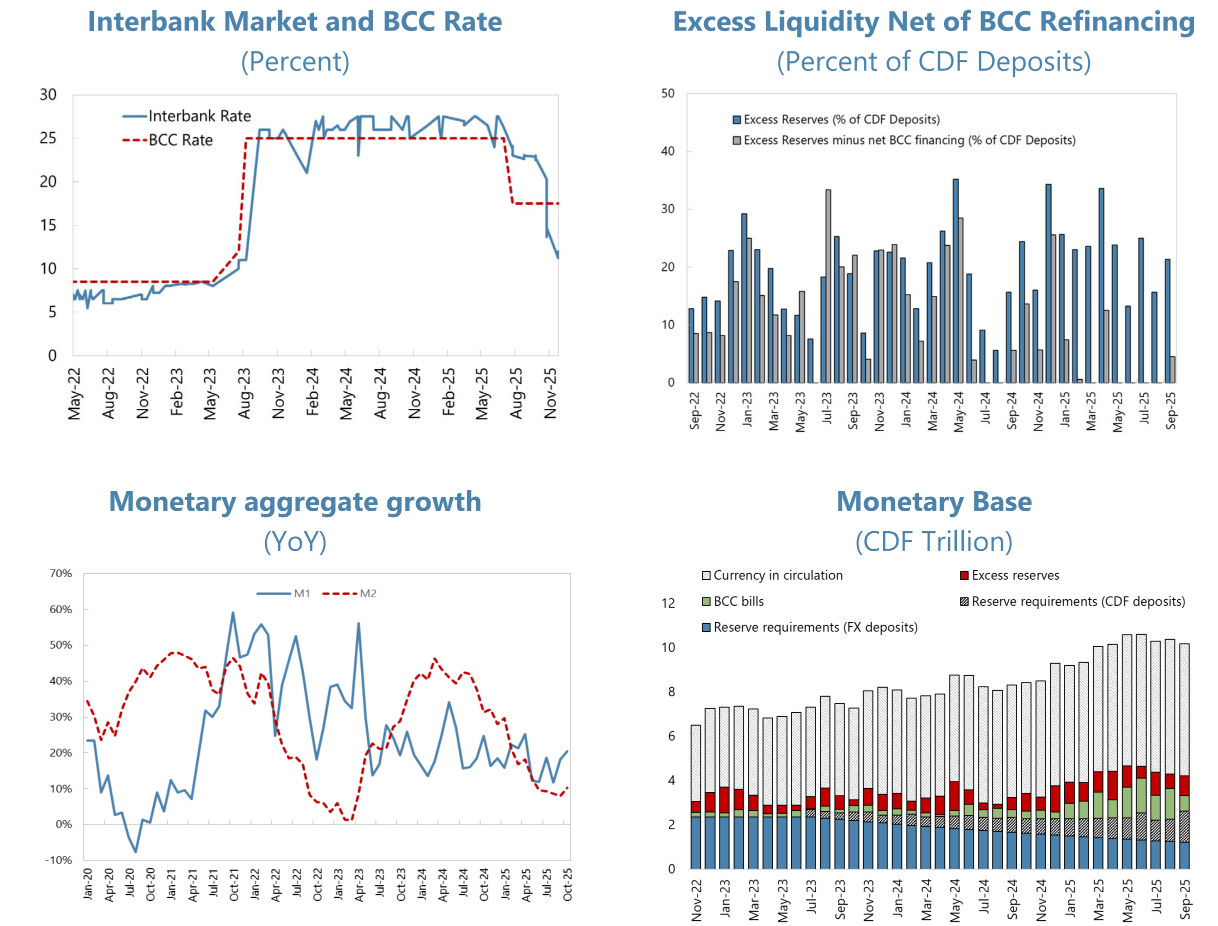
34. Banks' exposure to sovereign risk is rising from a low base, reaching 13.6 percent of total assets (from 8.2 percent in 2023) amid higher financing needs. Banks remain reluctant to extend maturities or increase holdings of CDF-denominated instruments, preferring to match maturity and currency composition of their assets with their liabilities. While aggregate liquidity is adequate, risks stem from concentration of liquid assets with foreign correspondents or parent banks —relationships for lacking formal BCC oversight.[8] Exiting the FATF grey list remains critical to broaden access to safer correspondent banking networks. The recent CDF appreciation is likely to compress banks' profitability and weaken recapitalization, as some capital buffers are held in USD. The BCC is assessing this impact (initial estimates by the BCC suggest that the impact is small), but since asset and liabilities currency mismatches are limited, the net effect on capital ratios is expected to be contained. On this basis, staff assesses that financial stability risks are contained, but recommend that the BCC continue to closely monitor banks' FX exposures and capital plans.

35. The BCC is implementing IMF safeguards recommendations as a reform roadmap. The first governance measure—strengthening the BCC Board functioning —is due by end-December. Work with external auditors to produce the first IFRS-compliant financial statements for FY2023 is ongoing, though priority is given to finalizing and publishing the FY2024 financial statements under the current accounting framework. The recapitalization of the BCC to meet minimum statutory capital requirements is progressing with equity capital expected to be completed by end-2025. A second phase of recapitalization, reflecting IFRS-based needs, will follow once IFRS-compliant financial statements are finalized and a new financing strategy, being developed with IMF TA, is in place. External auditors also continue to verify key program monetary data at test dates.

36. In July, the Governor of the BCC was removed from office before the scheduled end of her term in June 2026. The removal has raised concerns about the independence of the central bank. Under the BCC Act, mid-term removal is permitted only for serious misconduct enumerated in Article 57 and requires a prior hearing by the Council of Ministers. Authorities explained the change as the President's decision to leverage the former Governor's expertise to revive the National Savings and Loans Institution. The authorities reiterated their commitment to BCC's independence and to adhere to the BCC Act going forward.

[8] At end-June 2025, total claims on correspondent banks amounted to about USD 10.6 billion, compared with total U.S. dollar–denominated deposits in the banking system of USD 13.0 billion.

Text Figure 2. BCC Bills and Monetary Policy Implementation



Sources : Banque centrale du Congo and IMF staff calculations.

C. Structural Reforms to Improve Governance and Business Climate

37. Renewed efforts are needed to advance the transparency, governance and anti-corruption agenda (MEFP ¶¶42). The draft Law establishing an economic and financial tribunal, submitted to Parliament in April 2025, remains pending due to leadership changes; adoption before June 2026 is critical to combat corruption and illicit enrichment. Similarly, the anti-corruption bill must be finalized and submitted to Parliament by June 2026. Authorities also committed to reinforcing the financial autonomy of key oversight institutions—including through a more predictable funding model for the Extractive Industries Transparency Initiative (EITI), strengthening OSCEP's capacity to implement the asset declaration regime under Decree No. 25/15—and ensuring regular monitoring of the implementation of the National Anti-Corruption Strategy's priority action plan. In mining, new and renegotiated contracts continue to be published per Mining Code and EITI standards; notably, amendments 4 and 5 to the Kipushi zinc-mine contract were published in March 2025, and Gécamines' audited 2023 financial statements were released in April 2025. On procurement, operationalizing the SIGMAP e-procurement platform should enable online publication of awarded contracts by December 2025.

38. The authorities are advancing anti-money-laundering and counter-terrorist-financing (AML/CFT) in pursuit of reforms and progress toward removal from the FATF grey list (MEFP ¶36). The revised AML/CFT Law adopted in July 2025 strengthened the criminalization of terrorist financing and granted CENAREF the legal autonomy to exchange information with foreign Financial Intelligence Units, addressing key technical deficiencies under FATF noted in the seventh follow up report. Ahead of the next face-to-face discussion with the FATF in January 2026, the authorities have sought to improve their investigation, conviction, and penalties for money laundering and terrorist financing (ML/TF) offenses and strengthen their implementation of targeted financial sanctions. They have also introduced improved risk-based AML/CFT supervisory frameworks. Focus should now be on demonstrating the comprehensiveness and effectiveness of these reforms.

39. Accelerating business-climate reforms is essential to boost private-sector-led growth (MEFP ¶37). Finalizing the Strategic Business Climate Plan for Structural Economic Transformation by April 2026 and rationalizing parafiscal charges and tax regulations will reduce compliance costs and administrative burden. A comprehensive VAT refund action plan, expected by March 2026, should improve risk-based processing and clearance of arrears, strengthening VAT operations. Operationalizing the National Tax Mediation Commission (CNMF) by end-June 2026 will help resolve taxpayer disputes. Clarifying the definition and scope of "subcontractor" in the revised Subcontracting Law will reduce regulatory uncertainty and improve enforcement consistency.

40. Strengthening INS capacity remains a priority. The Statistics Law has been approved, and the pilot cartography project for the population census completed. In 2026, with TA from AFRITAC center, INS will update the base year to 2022, improve data collection, and initiate producing quarterly statistics. Dissemination has also improved with the launch of a National Statistics Data Page.[9]

41. Recent IMF technical assistance identified significant methodological weaknesses in DRC's balance-of-payments statistics. Preliminary findings suggest a substantial downward correction of goods imports to exclude imports in transit and temporary admissions misclassified as final imports, partly offset by upward revisions in services imports and primary income outflows, informed by an expanded foreign direct investment survey. The mission also recommended moving to the accrual-based recording of external public debt service to improve arrears tracking and consistency across accounts. Technical work with the BCC, INS, DGDA, and development partners will continue to finalize these changes. These revisions are not reflected in the recently published new national accounts for 2017–23. Although some limited progress has been achieved in improving external sector statistics, it remains critical to accelerate the implementation of technical assistance recommendations to ensure greater reliability and consistency of the data.

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[9] https://drcongo.opendataforafrica.org/

D. RSF Reform Measures

42. Climate risk analysis is now integrated in the 2026 budget, and the disaster risk management policy was completed ahead of schedule (pillar 2). Following IMF technical assistance, quantified disaster risks, focused on floods, the most severe climate hazard, are included in the budget risk annex (RM7).[10] The analysis will expand to cover additional risks in the future, as the data collection regarding the impacts of different types of disasters improves. The risk annex shows that floods constitute a risk to the budget of up to 0.7% of GDP in 2026 and outlines mitigation measures—such as dedicated budget reserves, contingency planning, and ex-ante financing instruments—which help safeguard the budget against the fiscal impact of floods by ensuring a more efficient government response.

43. The disaster risk management policy (RM8), originally planned for the second RSF review, was accelerated by converting the existing strategy into policy, with support from WB and UNDRR. Review of RM8 was initially scheduled for the second RSF Review (April 2026), given the uncertainty regarding the formal adoption in time for the first review. However, the new policy was adopted by decree in late 2025 and became effective immediately upon signature. The policy establishes a comprehensive, multisectoral framework for disaster risk governance, including clear institutional roles, a national fund for disaster risk reduction, and mandatory integration of risk management into sectoral planning. It aligns with international best practice, notably the Sendai Framework, and addresses key risks such as floods, droughts and epidemics.

44. Financing and planning arrangements are structured to cover the full disaster risk management cycle, including prevention, preparedness, response, and recovery. Dedicated budget lines are provided at national, provincial, and local levels, with access to contingency and recovery funds. Early warning systems and communication strategies are prioritized, with the rollout of multi-hazard early warning platforms, risk data management systems, and community-based alert mechanisms expected to start in 2027. Monitoring and evaluation (M&E) are embedded in the policy, with annual reporting, independent audits, and alignment to Sendai and SDG indicators to ensure transparency and continuous improvement. In 2026 and 2027, Phase 1 will focus on establishing disaster risk governance structures at all levels, adopting regulatory measures, and setting up systems for risk information management and loss tracking.

45. Appropriations for implementation are anchored in the national budget and supported by a new national disaster risk fund, though sustained donor and domestic resource mobilization will be critical for full operationalization. Completion of both pillar 2 measures strengthens DRC's preparedness for natural disasters, helping reduce future economic and humanitarian costs. By reducing fiscal vulnerabilities and supporting a timely response to shocks, these measures also help preserve external buffers and contribute positively to balance of payments stability.

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[10] The quantification of disaster risk can be found in section 2.1. of the "*Déclaration sur les risques budgétaires 2026 – 2028.*" available at https://budget.gouv.cd/budget-2026/ .

46. **Progress on forest protection measures under pillar 1 is mixed.** adoption of the new forest policy, a prerequisite for the forest code (RM1), has met with significant delays, due to implementation challenges with an external partner. The roadmap has been updated, and consultants hired to draft the text on forest concessions; authorities remain committed to meeting the deadline and completing the RM in time for the next review. The Court of Auditors launched the audit of the Forestry Fund (RM2) in November, after gathering data and recruiting specialized consultants. Geo-data on forests (RM3) was published with an updated planned by early 2027. A committee is advancing mining code measures (RM4 and RM5), but the adoption is behind schedule.

47. **PFM reforms under the RSF (pillar 3) are on track.** Climate integration in PPPs (RM9) will follow revisions to the non-climate PPP law in early 2026. The list of 13 relevant NDC projects, along with their costs, has been included in the 2026 budget law (RM11) with the remaining projects to be included in the 2027 budget. Technical assistance for a climate impact evaluation methodology for investment projects (RM10) was completed in May, and adoption by decree is planned for January 2026. The Ministry of Planning will issue a circular instructing line ministries to apply the adopted methodology in project appraisals (RM12). Next steps include strengthening ministerial capacity and securing resources to implement climate appraisals effectively.

PROGRAM MODALITIES AND FINANCING ASSURANCES REVIEW

48. **The authorities request for, and staff support, a waiver of non-observance of the continuous PC not to introduce or modify MCPs.** This request for a waiver is based on the temporary nature of the measure, which is no longer in place, and the authorities' commitment not to use it in the future**.**

49. **The authorities and staff reached an understanding to propose updated program conditionality for end-December 2025 and new targets for end-June 2026 as follows** (MEFP Table 1):

- **Domestic fiscal balance.** It is proposed that the end-December 2025 floor on the domestic fiscal balance be set at -1.3 percent of GDP (compared – 1.2 percent of GDP at the first review). Staff support this relaxation given exogenous shocks, including the outbreak of Ebola. The end-December 2026 indicative target is set at -1.2 percent of GDP, and the end-June QPC 2026 target set accordingly.

- **Net domestic Assets (NDA).** The Ceilings on changes in NDA of the BCC at end-December is revised to reflect accounting effects of the CDF appreciation on the central bank's balance sheet.

50. **To sustain reform momentum, the following structural benchmarks (SBs) are proposed** (MEFP Table 2): New SBs for the third and fourth reviews have been identified to advance

the operationalization of the Treasury (DGTCP) and the decentralization of spending authorization to pilot ministries, and to strengthen the role of DGTCP in accounting and fiscal reporting; reinforce the expenditure chain.

51. Expected Eurobond issuance. Preparations for a 2026 Eurobond are underway to diversify financing and fund priority investments. Work is at an early stage, and issuance before mid-2026 is unlikely given due diligence, investor outreach, and Parliamentary approval requirements. Authorities may scale down initial ambitions, with issuance contingent on market conditions and high-return projects. Any issuance will prompt a recalibration of the program and will be calibrated to preserve debt sustainability and ensure transparent, efficient use of proceeds. Authorities will inform staff ahead of key steps for timely program and debt assessments.

52. Budget support.[11] The authorities have implemented the PFM structural benchmarks scheduled for this review and a memorandum has been signed between the BCC and the government clarifying the accounting and management of budget support resources. While the use of emergency procedures remains elevated—reflecting higher security spending permitted under the spending-procedure manual adopted as a prior action—the authorities have committed to enhancing transparency. Budget support disbursements will help accumulate deposits to facilitate the transition toward a resource-based framework. The deposit accumulation will also provide an additional safeguard of Fund resources.

53. Financing assurances. The ECF arrangement is fully financed for the next 12 months (Table 2), with good prospects for the remainder of the program (Table 7). The program is expected to catalyze additional support from both multilateral and bilateral partners. The World Bank has approved a new Development Policy Operation (DPO), with a disbursement of US$600 million in July 2025—above the US$500 million initially anticipated. Additional World Bank support is expected through ongoing programs, including budget support grants and loans for education sector wages (PERSE) and for provincial governments (ENCORE PBC#4). France provided €15 million in budget support grants. Cumulatively over the program period (2025-27), exceptional financing excluding ECF disbursements is projected to cover about 50 percent of the external financing gap, which is relatively low compared to other PRGT arrangements.

54. External arrears. The DRC has outstanding arrears to Angola (US$23.5 million), Taiwan Province of China (US$31.6 million), Namibia (US$3.5 million), and Rwanda (US$1.3 million), with whom negotiations or reconciliation processes remain ongoing. Letters have been exchanged with some of these creditors earlier in 2025, and meetings are in the process of being scheduled, with enhanced information sharing to help facilitate agreement. These continue to be deemed away under the policy on arrears to official bilateral creditors, as the underlying Paris Club Agreed Minute is adequately representative and the authorities have made best efforts to resolve the arrears. The DRC's central government also holds arrears to some external commercial creditors (US$97.4 million), with whom it is making good faith efforts to reach a collaborative agreement, notably

[11] The shares of ECF disbursement allocated for budget support at the second through the sixth reviews are 70, 40, 50, 60 and 60 percent, respectively.

through recent letter exchanges, provision of additional information, and communication to facilitate resolution.

55. Capacity to repay. The DRC's capacity to repay the Fund remains adequate, although subject to risks (Table 6). IMF credit is projected to peak at 3.9 percent of GDP and 40.7 percent of reserves in 2027, with annual repayments contained at a maximum of 0.4 percent of GDP and 1.1 percent of exports in 2031. Risks stem from weaker exports and the high share of Fund credit in external debt, but reserve accumulation, reform implementation, and relatively low public debt support its repayment capacity.

STAFF APPRAISAL

56. Economic activity remains resilient, inflation has fallen sharply, and the external balance continues to improve. Real GDP growth is projected to exceed 5 percent in both 2025 and 2026, supported by continued dynamism in the extractive sector and favorable copper prices. External stability has strengthened, with sustained reserve accumulation—reaching an estimated 11 weeks (2.5 months) of non-aid-related imports of goods and services at end-September 2025—and a narrowing current account deficit. With inflation falling and rising real interest rate, the BCC reduced the policy rate in early October. The appreciation of the Congolese Franc pushed year-on-year inflation down to 2.5 percent in October 2025, well below BCC's target of 7 percent.

57. Program performance is satisfactory. At end-June 2025, all seven quantitative performance criteria (QPCs) and three out of five indicative targets (ITs) were met. All but one structural benchmark (SBs) were met, with the last one implemented with a short delay. A temporary response of a new methodology to calculate the reference exchange rate resulted in a temporary breach of the continuous PC not to introduce or modify MCPs, which has since been removed. In this context, the authorities request a waiver of nonobservance.

58. Closing the fiscal gap requires decisive action. In light of the strong pressures from security spending, for the remainder of 2025, strict control over spending—especially goods and services, transfers, and domestically financed investment—is critical to meet fiscal objectives.

59. For 2026, revenue mobilization and expenditure discipline are key. Parliament should adopt the budget on time, and a detailed implementation plan (cash flow, commitments, procurement) finalized in January to ensure smooth execution. Continued restraint on current spending, close monitoring, and proactive management are essential. Authorities should urgently adopt a public sector reform strategy and national wage policy, strengthen revenue administration (especially in mining), improve the expenditure chain, advance spending authority decentralization, and implement the TSA to create space for priority investment and social spending. Maintaining momentum on SICOMINES-funded projects will support growth-enhancing infrastructure.

60. A careful, data-dependent easing of monetary policy stance is appropriate given uncertainties in liquidity and FX markets. The BCC should closely monitor liquidity conditions in the interbank market and FX market conditions given the high exchange rate pass-through, and stand ready to adjust monetary policy gradually to adjust to uncertainties around the FX market development. .If necessary, the BCC should intervene to smooth disorderly market conditions in line with its FX intervention strategy adopted in early 2025.

61. Reforms of the monetary policy implementation and prudential frameworks should be liquidity-neutral to avoid unintended shifts in the policy stance. Adjustments to reserve requirements framework and other prudential measures should use operational approaches that maintain neutrality to preserve the clarity of monetary policy signals. Clear, proactive communication will be essential to anchor expectations.

62. Continued progress on transparency, governance, anti-corruption and compliance frameworks remains essential. Greater efforts are needed to exit the FATF grey list, which is critical to broaden access to a more diversified and better-regulated correspondent-banking network. In parallel, stronger action is needed to combat corruption and illicit enrichment. This includes swiftly adopting the draft law creating the Economic and Financial Criminal Court and its associated National Economic and Financial Prosecutor's Office, as well as finalizing the anti-corruption law.

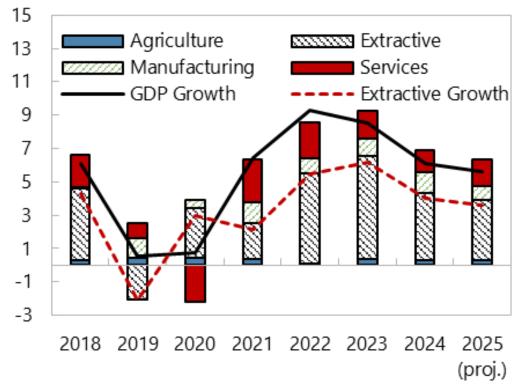
63. RSF reforms are progressing as planned, with two RMs completed for this review. Disaster risk quantification has been added to the budget risk annex (RM7), and the disaster risk management policy (RM8) was adopted ahead of schedule. With the completion of both pillar 2 measures under the RSF, DRC is now better prepared to respond to natural disasters, reducing future economic and humanitarian costs.

64. Staff supports completing the second review under the ECF-arrangement, the first review under the RSF arrangement, and the financing assurances review, as well as rephasing to the first RSF review the disbursement linked to a reform measure originally scheduled for the second RSF review, but completed early. Staff also support the modification of the QPCs on the domestic fiscal balance and the NDA as well as the authorities’ request for a waiver of nonobservance of the continuous PC not to introduce or modify MCPs, given the temporary nature of the deviation, and the authorities’ reaffirmed commitment not to introduce or modify MCPs.

Figure 1. Real Sector Developments, 2018-25

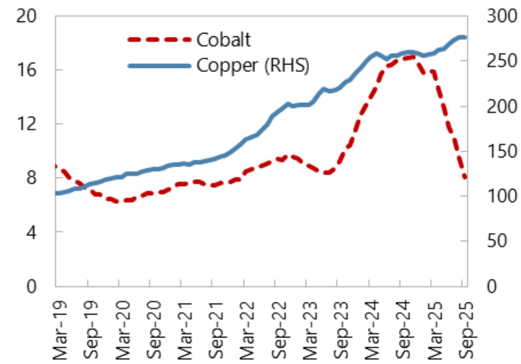
The extractive sector continues to drive GDP growth, despite slowdown......

Contribution to Real GDP Growth
(Percent)



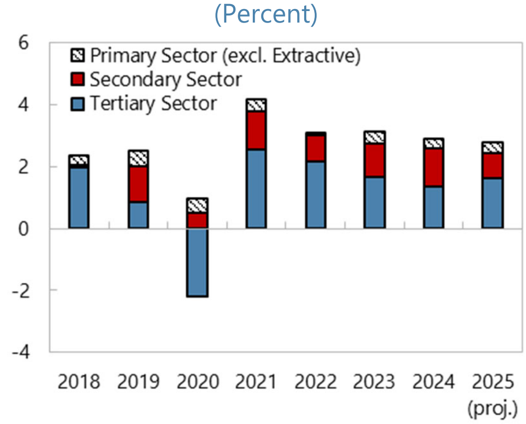
...with copper and cobalt mining production remaining strong despite the suspension of cobalt exports.

Cobalt and Copper Exports
(Thousand metric ton, 12-month rolling Avg.)



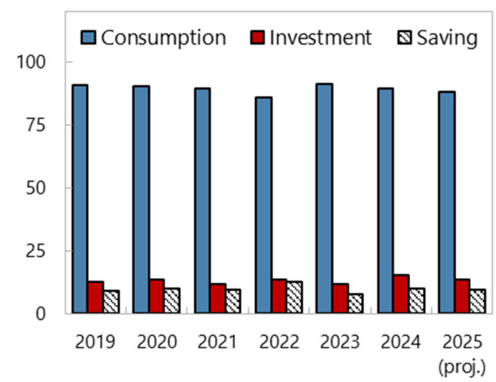
Non-extractive growth should remain resilient despite the effect of the conflict...

Non-Extractive Real GDP Growth
(Percent)



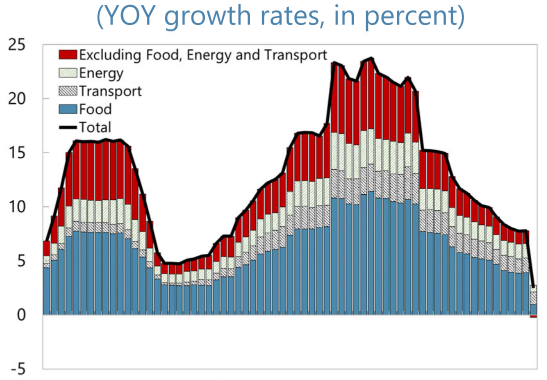
...but investment remained subdued.

Consumption vs Investment
(Percent of GDP)



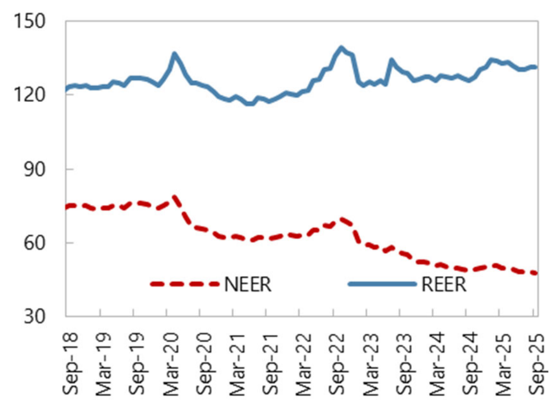
Headline and core inflation decreased sharply in October...

CPI with Contributions from Major Components
(YOY growth rates, in percent)



...reflecting the appreciation of the exchange rate after a long period of stable depreciation.

Nominal and Real Effective Exchange Rates
(2010=100; decrease indicates depreciation)

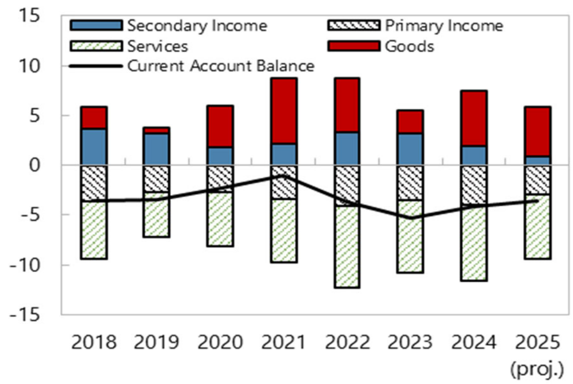


Sources: Congolese authorities; IMF STA INS database; and IMF staff estimates.

Figure 2. External Sector Developments, 2018-25
(Percent of GDP unless specified)

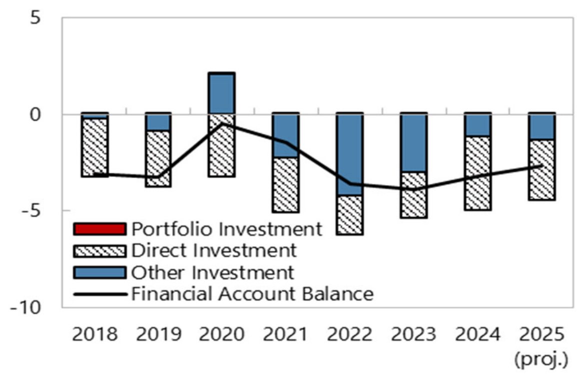
The current account deficit has narrowed due to higher level of exports…

Current Account Balance



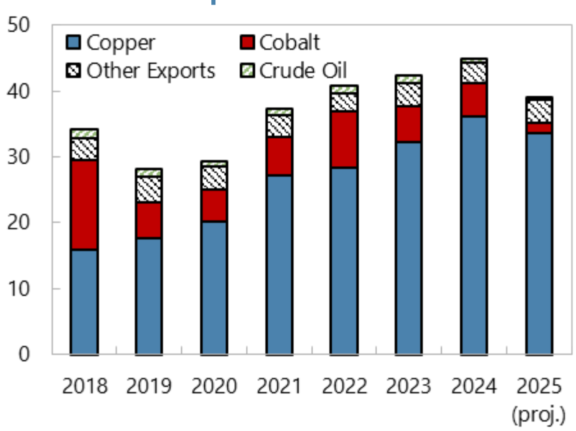
…and has been financed largely by FDI, followed by other investment flows,

Financial Account Balance



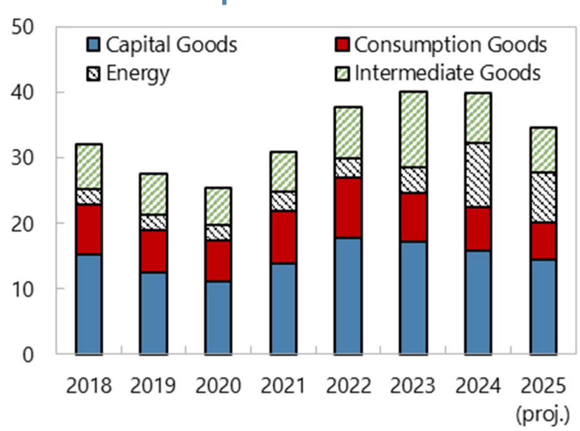
Exports have remained concentrated in mining products…

Exports of Goods



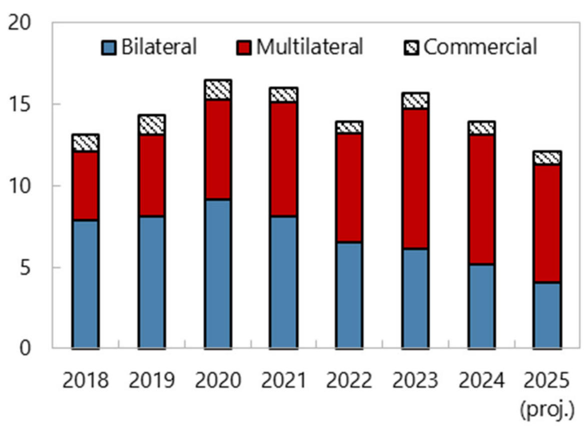
…while broad-based and capital goods constitute imports.

Imports of Goods



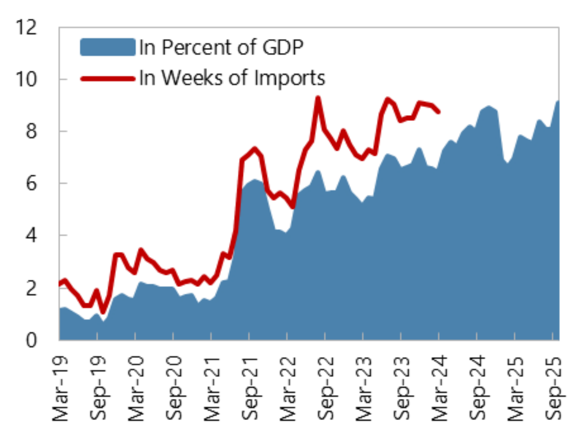
External debt remains relatively low…

External Debt



…and reserves have strongly recovered though remain below adequate import coverage levels.

International Reserves

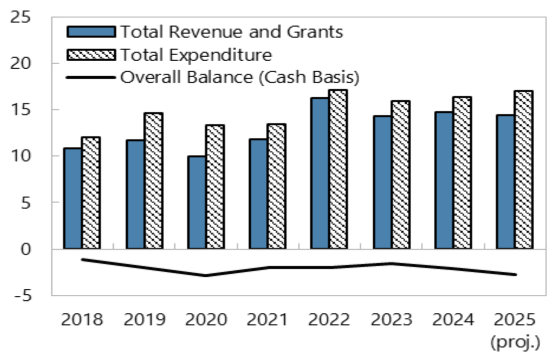


Sources: Congolese authorities; and IMF staff estimates.

Figure 3. Fiscal Sector Developments, 2018-25
(Percent of GDP)

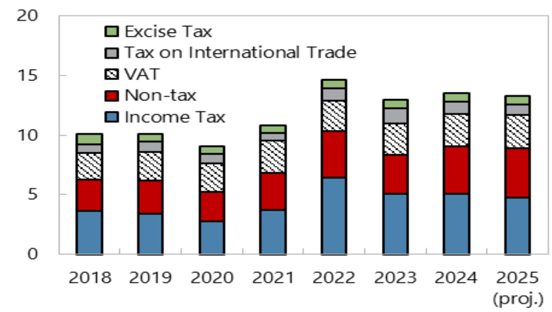
The fiscal deficit has remained broadly contained …

Fiscal Balance



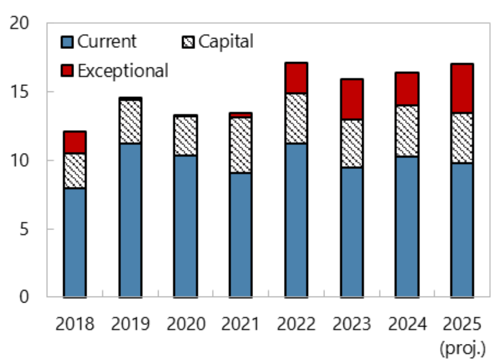
…though stronger revenues have not compensated…

Central Government Revenue



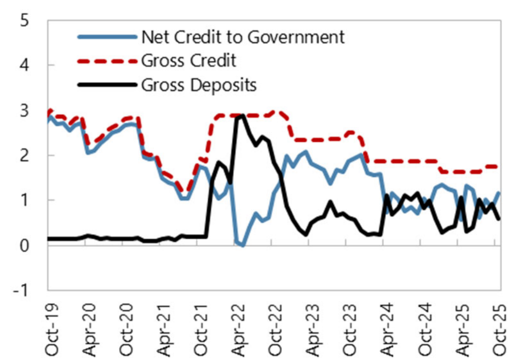
…for the increase in current and exceptional expenditures partly due to security spending with the Eastern conflict.

Expenditure 1/



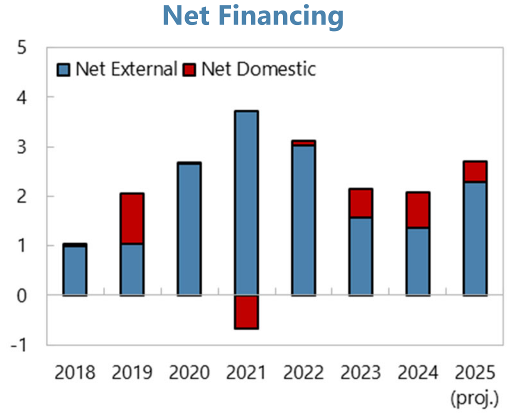
NCG continues to improve following the signature of the MoU regularizing outstanding credit of the BCC to the government in 2021.

BCC Net Credit to the Government



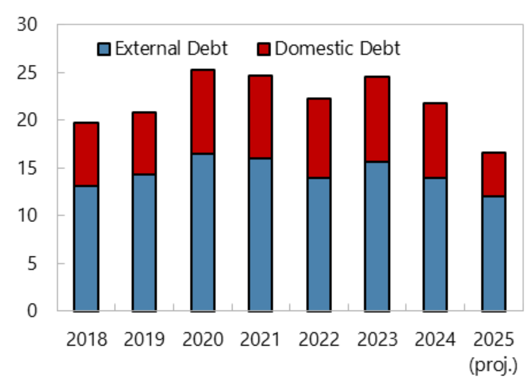
Domestic financing has picked up in recent years with the authorities' efforts to deepen the domestic market…

Net Financing



…and public debt has remained stable at moderate levels.

Public and Publicly Guaranteed Debt

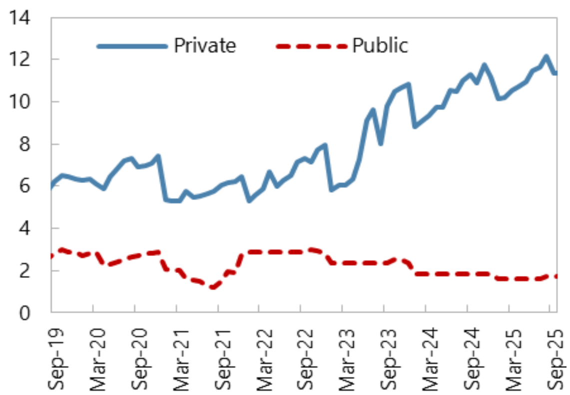


Sources: Congolese authorities; and IMF staff estimates.
1/ Exceptional expenditure includes security, elections, and other exceptional expenditures. 2/ The increase in NCG observed in the late part of 2021 onward is driven by the part of the SDR allocation retroceded to the government as budgetary support.

Figure 4. Monetary and Financial Sector Developments, 2018-25

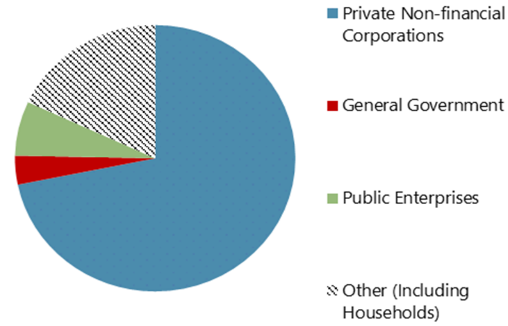
Credit to the economy is increasing, albeit from a low base....

Credit to Private and Public Sector
(Percent of GDP)



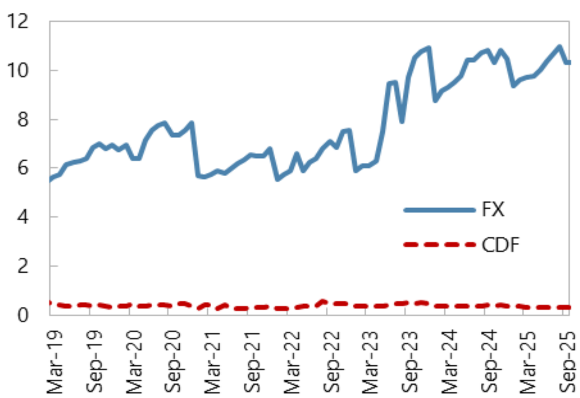
...with most credit allocated to private enterprises.

Bank Credit to the Non-financial Sector
(By sector, in percent of total, as of Oct-25)



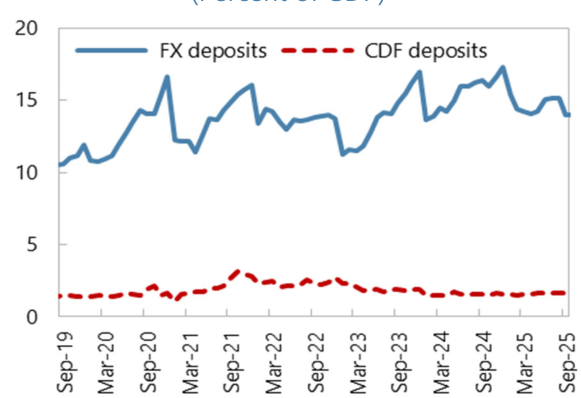
Credit is extended mostly in FX, while credit in Congolese francs remains limited.

Bank Credit to the Non-financial Sector
(By currency, in percent of GDP)



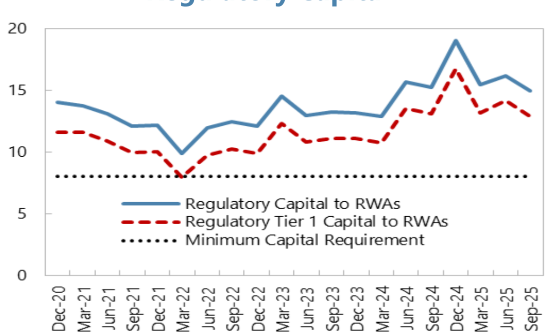
Bank deposits are almost entirely in foreign currency.

Evolution of Private Sector Deposits
(Percent of GDP)



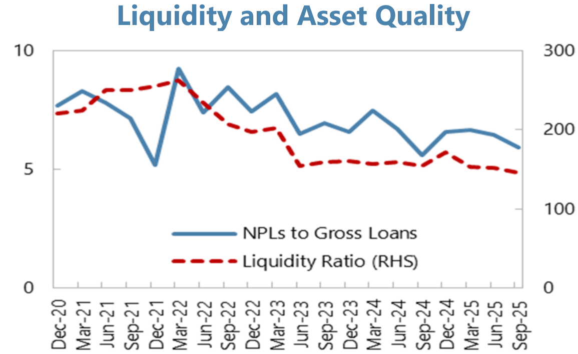
Capital ratios remain above requirements.

Regulatory Capital



After a peak following the reinstatement of credit quality rules, NPLs are declining.

Liquidity and Asset Quality



Sources: Congolese authorities; and IMF staff estimates.

Table 1. Democratic Republic of the Congo: Selected Economic and Financial Indicators, 2023-30

	2023	2024		2025		2026	2027	2028	2029	2030
	Act.	CR No. 25/195	Prel.	CR No. 25/195	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
	(Annual percentage change, unless otherwise indicated)									
GDP and prices										
Real GDP	8.5	6.5	6.1	5.3	5.6	5.3	5.5	5.5	5.5	5.5
Extractive GDP	20.2	12.2	11.9	8.2	10.1	5.0	4.4	3.5	3.6	3.6
Non-Extractive GDP	3.4	3.5	3.1	3.6	3.1	5.4	6.1	6.6	6.6	6.5
GDP deflator	11.3	19.9	19.6	8.2	7.9	3.6	6.5	6.9	6.4	6.4
Consumer prices, period average	19.9	17.7	17.7	8.8	7.7	4.4	6.4	7.0	7.0	7.0
Consumer prices, end of period	23.8	11.7	11.7	7.8	4.3	6.1	7.0	7.0	7.0	7.0
External sector										
Exports in U.S. dollars, f.o.b. value	3.2	18.3	18.0	5.7	4.2	10.3	6.0	6.7	5.7	5.6
Imports in U.S. dollars, f.o.b. value	12.5	10.7	9.6	2.3	3.7	6.6	6.6	6.9	6.9	6.9
Exports volume	19.6	11.4	11.4	5.6	0.2	6.8	4.1	5.1	5.3	5.5
Import volume	-1.9	9.8	9.8	5.3	5.7	6.3	5.1	5.4	5.2	5.3
Terms of trade	-21.4	5.7	5.4	2.7	6.3	2.4	0.6	0.1	-1.0	-1.2
	(Annual change in percent of beginning-of-period broad money)									
Money and credit										
Net foreign assets	19.9	23.0	23.0	14.5	-0.2	30.1	22.7	16.4	9.9	12.2
Net domestic assets	20.3	5.6	5.8	-1.0	3.7	-21.0	-10.4	-3.7	2.4	0.0
Domestic credit	34.3	15.2	15.2	10.5	7.7	7.8	7.1	12.6	11.4	10.6
Of which: net credit to government	3.8	-1.6	-1.6	2.6	1.8	2.3	-0.3	4.9	3.9	3.1
credit to the private sector	27.9	16.0	16.0	7.2	5.2	5.0	6.7	7.0	6.8	6.7
Broad money	40.3	28.1	28.2	13.8	4.0	9.1	12.3	12.7	12.3	12.2
	(Percent of GDP, unless otherwise indicated)									
Central government finance 1/										
Revenue and grants	14.3	14.8	14.8	14.4	14.4	14.8	14.9	15.2	15.2	15.1
Revenue	13.2	13.8	13.8	13.8	13.5	14.1	14.4	14.8	14.9	14.8
o/w extractive revenue	5.2	5.7	5.7	5.2	5.1	4.9	5.0	5.0	5.0	4.9
Grants	1.1	1.0	1.0	0.9	0.8	0.7	0.6	0.4	0.4	0.3
Expenditure	15.9	16.0	16.4	16.5	16.7	17.1	16.6	16.6	16.8	16.4
Overall fiscal balance	-1.6	-1.7	-2.1	-2.6	-2.4	-2.8	-2.1	-2.0	-2.1	-1.9
Overall non-extractive fiscal balance	-6.8	-7.4	-7.6	-7.8	-7.5	-7.7	-7.1	-7.0	-7.2	-6.7
Domestic fiscal balance (program target)	-0.7	-0.8	-0.7	-1.2	-1.3	-1.2	-0.7	-0.7	-0.7	-0.7
Public debt	18.1	21.9	20.9	22.5	18.1	20.5	20.9	20.4	20.2	19.6
Investment and saving										
Gross national saving	10.3	9.6	9.7	11.2	9.7	11.7	11.2	11.3	11.3	10.8
Government	-1.8	-2.5	-2.2	-2.1	-3.1	-2.4	-1.8	-1.2	-0.8	-0.7
Non-government	12.0	12.1	11.9	13.2	12.8	14.2	13.0	12.5	12.1	11.4
Investment	15.5	13.5	13.8	14.4	13.3	13.9	13.9	14.1	14.6	14.5
Government	3.5	3.5	3.8	4.4	3.3	3.9	3.9	4.1	4.6	4.5
Non-government	12.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Balance of payments										
Exports of goods and services	42.5	47.4	45.9	46.1	40.0	37.1	36.6	36.3	35.9	35.4
Imports of goods and services	47.5	50.3	48.0	47.5	41.5	37.4	37.0	36.8	36.7	36.6
Current account balance, incl. transfers	-5.3	-3.9	-4.2	-3.2	-3.6	-2.2	-2.6	-2.8	-3.3	-3.7
Current account balance, excl. transfers	-6.3	-5.0	-5.2	-3.4	-3.4	-2.1	-2.4	-2.6	-3.1	-3.5
Overall balance	-1.5	-0.6	-0.6	-2.0	-1.8	-1.3	-1.3	-0.3	-0.2	-0.2
Gross official reserves (millions of U.S. dollars)	5,421	6,732	6,732	8,370	8,291	9,880	11,368	12,656	13,786	14,317
Gross official reserves (weeks of imports)	8.4	10.1	10.1	11.8	11.7	12.9	13.5	14.0	14.2	14.5
External debt										
Total stock, including IMF	17.2	14.5	14.1	16.2	11.8	14.0	14.8	14.6	14.5	14.1
PV of debt (percent of exports of goods and services)	28.6	24.5	25.1	26.4	27.3	28.1	29.2	28.7	28.7	28.1
Scheduled debt service (millions of U.S. dollars)	705	642	641	796	835	993	1162	1154	1273	1409
Percent of exports of goods and services	2.4	1.8	1.8	2.1	2.3	2.5	2.7	2.5	2.6	2.8
Percent of government revenue	7.6	6.1	6.1	7.1	6.7	6.5	6.9	6.2	6.3	6.6
Exchange rate (CDF per U.S. dollars)										
Period average	2,444	2,823	2,823	2,958	2,688	...	...	...	...	...
End-of-period	2,687	2,856	2,856	3,030	2,300	...	...	...	...	...
Memorandum items:										
DRC copper export price ((US$ per ton)	8,167.5	8,937.8	8,937.8	8,633.5	9,030.5	9,343.8	9,538.0	9,708.1	9,753.3	9,767.0
DRC cobalt export price (US$ per ton)	25,408.6	19,179.5	19,179.5	23,211.5	22,979.2	25,276.1	25,276.1	25,276.1	25,276.1	25,276.1
World crude oil price (US$ per barrel)	80.6	79.2	79.2	66.9	68.9	65.8	65.7	66.3	66.9	67.3
Nominal GDP (billions of CDF)	170,711	210,281	216,585	239,446	246,893	269,331	302,397	340,899	382,767	429,408

Sources: Congolese authorities and IMF staff estimates and projections.

1/ Central Government Finance figures shown for CR No. 25/195, in percentage of GDP, reflect the ratio using the revised GDP series, after publication of new National Accounts.

Table 2. Democratic Republic of the Congo: Balance of Payments, 2023-30

(Millions of US$, unless otherwise indicated)

	2023	2024		2025		2026	2027	2028	2029	2030
	Act.	CR No. 25/195	Prel.	CR No. 25/195	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
Current Account Balance	**-3,678**	**-2,935**	**-3,187**	**-2,623**	**-3,340**	**-2,384**	**-3,076**	**-3,561**	**-4,461**	**-5,414**
Current Account Balance (excl. budget grants) [A]	**-3,731**	**-3,087**	**-3,340**	**-2,694**	**-3,409**	**-2,407**	**-3,086**	**-3,561**	**-4,461**	**-5,414**
Goods balance	1,601	4,014	4,231	5,302	4,562	6,206	6,379	6,724	6,651	6,515
Exports of goods	29,601	35,014	34,927	37,020	36,406	40,153	42,580	45,428	48,026	50,728
o/w extractive sector	29,427	34,444	34,357	36,284	35,717	39,460	41,843	44,600	47,087	49,655
Imports of goods	28,000	31,000	30,696	31,717	31,843	33,947	36,202	38,704	41,375	44,213
o/w capital goods	12,089	12,104	12,104	13,043	13,356	14,487	15,577	16,751	18,020	19,392
Services balance	-5,094	-6,123	-5,821	-6,371	-5,906	-6,486	-6,855	-7,343	-7,793	-8,279
Primary income	-2,426	-2,324	-3,096	-2,417	-2,750	-3,117	-3,500	-3,879	-4,232	-4,574
o/w: Charges and interest on IMF credit	-41	-47	-47	-39	-39	-42	-52	-62	-63	-63
Secondary income (excl. budget support grants)	2,188	1,346	1,346	863	754	1,013	900	938	913	924
o/w: Budget grants	54	153	153	71	69	23	10	0	0	0
Capital Account Balance [B]	**760**	**729**	**729**	**763**	**859**	**885**	**773**	**688**	**761**	**715**
o/w: Project grants	714	641	641	659	700	737	637	510	493	437
Net Lending(+)/Borrowing(-) [A+B]	**-2,971**	**-2,358**	**-2,611**	**-1,930**	**-2,551**	**-1,522**	**-2,313**	**-2,873**	**-3,700**	**-4,699**
Financial Account Balance (excl. ECF/RCF and budget loans) [C]	**-1,746**	**-1,915**	**-2,168**	**-437**	**-1,048**	**-431**	**-1,374**	**-2,508**	**-3,376**	**-4,374**
Financial Account Balance	**-2,720**	**-2,206**	**-2,458**	**-1,860**	**-2,481**	**-1,499**	**-2,303**	**-2,873**	**-3,700**	**-4,699**
Portfolio investment	35	14	38	16	45	54	58	62	67	71
Direct investment	-1,668	-2,915	-2,915	-2,597	-2,861	-3,401	-3,660	-3,932	-4,209	-4,232
Other investment (excl. IMF and budget support loans)	-1,100	-326	-602	507	210	1,327	739	73	-363	-744
Amortization on IMF credit	0	0	0	107	109	146	251	315	400	358
Public sector loan amortization (excl. IMF)	511	406	405	461	487	592	624	531	537	659
Project loans	-676	-801	-1,101	-1,158	-951	-1,597	-1,447	-1,532	-1,772	-1,451
Private flows	-934	69	94	1,098	564	2,186	1,310	758	471	-310
Change in reserves (+: increase)	987	1,312	1,312	1,637	1,558	1,589	1,489	1,288	1,129	531
Net Errors and Omissions [D]	**198**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Overall Balance [A+B-C+D]	**-1,027**	**-443**	**-443**	**-1,493**	**-1,503**	**-1,091**	**-939**	**-365**	**-324**	**-325**
Overall Financing Needs	**1,027**	**443**	**443**	**1,493**	**1,503**	**1,091**	**939**	**365**	**324**	**325**
ECF/RCF disbursements	406	204	204	757	771	523	524	0	0	0
BoP support	406	204	204	579	588	288	210	0	0	0
Budget support	0	0	0	178	182	235	314	0	0	0
SDR allocation	0	0	0	0	0	0	0	0	0	1
Other exceptional financing	621	239	239	736	732	568	415	365	324	324
Budget support loans	568	87	87	665	663	545	405	365	324	324
World Bank	568	87	87	665	663	545	405	365	324	324
Others	0	0	0	0	0	0	0	0	0	0
Budget support grants	54	153	153	71	69	23	10	0	0	0
Unidentified exceptional financing	0	0	0	0	0	0	0	0	0	0
Residual financing gap	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Memorandum Items:										
RSF disbursements	0	0	0	89	182	366	550	0	0	0
Current account balance (in percent of GDP)	-5.3	-3.9	-4.2	-3.2	-3.6	-2.2	-2.6	-2.8	-3.3	-3.7
Terms of trade (percent change)	-21.4	5.7	5.4	2.7	6.3	2.4	0.6	0.1	-1.0	-1.2
Gross reserves	5,420.7	6,732.4	6,732.4	8,369.6	8,290.8	9,879.5	11,368.4	12,656.5	13,786.0	14,317.0
in months of non-aid related imports	1.9	2.3	2.3	2.7	2.7	3.0	3.1	3.2	3.3	3.3
in months of non-aid related imports, excluding RSF	1.9	2.3	2.3	2.7	2.6	2.8	2.8	3.0	3.0	3.1
Nominal GDP (Million US Dollars)	69,843.7	74,497.8	76,731.0	80,951.7	91,841.4	109,171.8	117,475.1	126,206.4	135,116.7	144,532.4

Sources: Congolese authorities and IMF staff estimates and projections.

Table 3a. Democratic Republic of the Congo: Central Government Operations, 2023-30 1/

(Billions of CDF)

	2023	2024	2025		2026		2027	2028	2029	2030
	Act.	Prel.	CR No. 25/195	Proj.	CR No. 25/195	Proj.	Proj.	Proj.	Proj.	Proj.
Revenue and grants	**24,419**	**32,063**	**35,452**	**35,506**	**40,107**	**39,779**	**45,190**	**51,769**	**58,315**	**65,039**
Revenue	**22,571**	**29,820**	**33,295**	**33,438**	**37,917**	**37,904**	**43,526**	**50,393**	**56,919**	**63,742**
Central government revenue (excl. special accounts)	**20,458**	**26,200**	**28,825**	**28,968**	**33,739**	**33,028**	**38,050**	**44,219**	**49,985**	**55,960**
Central government revenue (excl. special accounts and SICOMINES)	**20,458**	**25,972**	**27,868**	**28,097**	**32,733**	**32,229**	**37,216**	**43,343**	**49,067**	**54,997**
Tax revenue	16,555	20,529	22,047	22,603	26,221	26,558	30,553	35,449	39,811	44,986
Income tax	8,600	10,975	11,589	11,668	13,279	13,440	15,505	17,947	20,417	23,198
Individuals	2,163	2,835	3,414	3,455	3,987	4,198	5,091	5,853	6,704	7,671
Businesses	5,888	7,190	6,866	6,922	7,788	7,778	8,929	10,439	11,891	13,524
Other taxes on income, profits, and capital gains	549	949	1,308	1,291	1,504	1,464	1,486	1,655	1,823	2,002
Taxes on goods and services	5,751	7,315	8,342	8,817	9,852	10,629	12,115	14,029	15,303	17,199
Value-added tax/Turnover tax	4,532	5,861	6,648	6,924	7,913	8,017	9,181	10,557	12,446	13,962
Excises	1,218	1,454	1,693	1,893	1,939	2,613	2,934	3,473	2,857	3,237
Taxes on international trade and transactions	2,204	2,240	2,117	2,117	3,090	2,488	2,933	3,472	4,091	4,590
Non-tax revenue	5,599	8,698	10,657	10,244	11,695	11,151	12,972	14,944	17,108	18,756
Revenue from natural resources and telecommunications	1,735	3,494	4,096	3,883	4,345	4,062	4,821	5,499	6,501	6,853
Mining royalties	1,161	2,307	3,010	2,797	3,259	2,835	3,434	3,925	4,718	4,880
o/w SICOMINES		229	957	871	1,006	799	834	875	918	963
Oil royalty and rent	232	306	273	273	380	380	420	449	480	513
Telecommunications	159	332	487	487	547	532	597	707	833	935
Environmental levies	45	285	285	285	100	300	350	395	443	497
Dividends from state-owned enterprises	139	264	41	41	59	15	20	23	26	28
Fees from sectoral ministries	1,310	1,094	1,611	1,411	2,587	1,643	2,015	2,499	2,806	3,147
Other non-tax revenue	440	491	480	480	586	570	661	772	867	973
Special accounts and budgets	2,113	3,620	4,470	4,470	4,178	4,876	5,475	6,174	6,935	7,782
Special contributions from extrabudget funds	417	592	591	591	0	195	0	0	0	0
Grants	**1,848**	**2,244**	**2,158**	**2,068**	**2,190**	**1,875**	**1,664**	**1,376**	**1,395**	**1,297**
Project	1,717	1,809	1,949	1,881	2,118	1,817	1,639	1,376	1,395	1,297
Budget support	131	434	209	209	72	72	32	0	0	0
Expenditure	**27,145**	**35,519**	**40,816**	**41,115**	**44,406**	**46,020**	**50,245**	**56,578**	**64,227**	**70,492**
Current expenditure	**16,123**	**22,182**	**24,401**	**24,189**	**25,552**	**27,103**	**30,243**	**34,153**	**38,252**	**42,833**
Wages	7,132	9,167	11,479	12,046	12,245	13,554	14,838	16,376	18,388	20,326
Interest due	220	549	722	718	854	888	1,209	1,596	1,927	2,551
External	87	165	163	187	274	234	347	450	586	824
Domestic	133	384	559	531	579	654	862	1,146	1,341	1,727
Goods and services	4,526	5,635	5,575	4,034	5,664	4,575	5,117	5,941	6,457	7,125
o/w BCC banking commission	324	328	453	453	467	510	575	621	693	785
Subsidies and other current transfers	4,246	6,831	6,625	7,390	6,790	8,086	9,080	10,240	11,480	12,831
Subsidies	1,879	2,880	2,106	2,611	2,638	2,881	3,255	3,691	4,147	4,625
Transfers to other levels of national government	254	332	50	310	53	329	350	374	398	424
Special accounts and budgets	2,113	3,620	4,470	4,470	4,099	4,876	5,475	6,174	6,935	7,782
Capital expenditure	**6,036**	**8,249**	**10,595**	**8,165**	**13,034**	**10,567**	**11,651**	**14,076**	**17,625**	**19,308**
Foreign-financed	3,370	4,917	5,375	4,437	5,670	5,757	5,363	5,515	6,414	5,607
Domestically-financed (excluding SICOMINES)	2,665	3,103	4,263	2,857	6,359	4,011	5,454	7,686	10,293	12,738
SICOMINES-financed	0	229	957	871	1,006	799	834	875	918	963
Exceptional expenditure 2/	**4,986**	**5,088**	**5,820**	**8,761**	**5,820**	**8,350**	**8,350**	**8,350**	**8,350**	**8,350**
Security spending	3,568	4,886	5,406	8,447	5,406	8,036	8,036	8,036	8,036	8,036
Domestic fiscal balance (excluding arrears repayment)	**-1,116**	**-617**	**-1,984**	**-3,053**	**-546**	**-2,126**	**-1,009**	**-221**	**-308**	**-318**
Overall fiscal balance (excluding arrears repayment)	**-2,725**	**-3,456**	**-5,364**	**-5,609**	**-4,655**	**-6,241**	**-5,055**	**-4,809**	**-5,912**	**-5,452**
Change in domestic arrears (repayment = -)	0	-1,022	-1,005	-230	-1,600	-1,200	-1,200	-2,000	-2,240	-2,509
Domestic fiscal balance (program target)	**-1,116**	**-1,639**	**-2,989**	**-3,283**	**-2,146**	**-3,326**	**-2,209**	**-2,221**	**-2,548**	**-2,827**
Domestic non-extractive fiscal balance	-9,952	-13,964	-15,871	-15,883	-16,394	-16,551	-17,315	-19,270	-21,797	**-23,764**
Overall fiscal balance	**-2,725**	**-4,478**	**-6,369**	**-5,839**	**-6,255**	**-7,441**	**-6,255**	**-6,809**	**-8,152**	**-7,961**
Overall non-extractive fiscal balance	-11,562	-16,803	-19,251	-18,439	-20,503	-20,667	-21,360	-23,858	-27,401	**-28,898**
Errors and omissions	-71	-2	0	0	0	0	0	0	0	**0**
Financing	**3,672**	**4,480**	**6,369**	**5,839**	**6,255**	**7,441**	**6,255**	**6,809**	**8,152**	**7,961**
Net domestic financing	992	1,574	808	1,025	-658	1,491	74	2,377	2,938	3,581
Accumulation of deposits 3/	0	-249	0	-1,075	-837	-580	-379	1,187	557	0
Financing (banking system)	992	1,823	808	2,100	179	2,071	454	1,190	2,381	3,581
Net foreign financing	2,680	2,934	5,677	4,814	6,479	5,950	6,180	4,432	5,215	4,380
Budget loans (disbursements)	1,525	244	2,757	2,763	3,728	2,829	3,269	986	919	964
ECF		0	526	490	711	581	809	0	0	0
RSF		0	263	490	1,382	903	1,416	0	0	0
Other	1,525	244	1,968	1,782	1,635	1,344	1,044	986	919	964
Project loans (disbursements)	1,653	3,108	3,426	2,556	3,552	3,939	3,724	4,138	5,019	4,310
Amortization of external debt	-499	-419	-505	-505	-800	-818	-812	-692	-723	-894
Memorandum items:										
Gross domestic product (billions of CDF)	170,711	216,585	246,893	246,893	269,331	269,331	302,397	340,899	382,767	429,408
Extractive revenue 4/	8,836	12,325	12,882	12,600	14,248	13,225	15,106	17,049	19,249	20,937

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

1/ Covers the budgetary central government.

2/ Mainly expenditure related to security and elections.

3/ Includes the use of 2021 SDR allocation retroceded to the government, and funds disbursed for budget support kept as foreign and domestic deposits.

4/ Mining and petroleum tax and non-tax revenue. Includes revenue transferred to special funds and SICOMINES royalties.

Table 3b. Democratic Republic of the Congo: Central Government Operations, 2023-30 1/

(Percent of GDP)

	2023	2024	2025		2026		2027	2028	2029	2030
	Act.	Prel.	CR No. 25/195 5/	Proj.	CR No. 25/195	Proj.	Proj.	Proj.	Proj.	Proj.
Revenue and grants	**14.3**	**14.8**	**14.4**	**14.4**	**14.9**	**14.8**	**14.9**	**15.2**	**15.2**	**15.1**
Revenue	**13.2**	**13.8**	**13.5**	**13.5**	**14.1**	**14.1**	**14.4**	**14.8**	**14.9**	**14.8**
Central government revenue (excl. special accounts)	**12.0**	**12.1**	**11.7**	**11.7**	**12.5**	**12.3**	**12.6**	**13.0**	**13.1**	**13.0**
Central government revenue (excl. special accounts and SICOMINES)	**12.0**	**12.0**	**11.3**	**11.4**	**12.2**	**12.0**	**12.3**	**12.7**	**12.8**	**12.8**
Tax revenue	9.7	9.5	8.9	9.2	9.7	9.9	10.1	10.4	10.4	10.5
Income tax	5.0	5.1	4.7	4.7	4.9	5.0	5.1	5.3	5.3	5.4
Individuals	1.3	1.3	1.4	1.4	1.5	1.6	1.7	1.7	1.8	1.8
Businesses	3.4	3.3	2.8	2.8	2.9	2.9	3.0	3.1	3.1	3.1
Other taxes on income, profits, and capital gains	0.3	0.4	0.5	0.5	0.6	0.5	0.5	0.5	0.5	0.5
Taxes on goods and services	3.4	3.4	3.4	3.6	3.7	3.9	4.0	4.1	4.0	4.0
Value-added tax/Turnover tax	2.7	2.7	2.7	2.8	2.9	3.0	3.0	3.1	3.3	3.3
Excises	0.7	0.7	0.7	0.8	0.7	1.0	1.0	1.0	0.7	0.8
Taxes on international trade and transactions	1.3	1.0	0.9	0.9	1.1	0.9	1.0	1.0	1.1	1.1
Non-tax revenue	3.3	4.0	4.3	4.1	4.3	4.1	4.3	4.4	4.5	4.4
Revenue from natural resources and telecommunications	1.0	1.6	1.7	1.6	1.6	1.5	1.6	1.6	1.7	1.6
Mining royalties	0.7	1.1	1.2	1.1	1.2	1.1	1.1	1.2	1.2	1.1
o/w SICOMINES	0.0	0.1	0.4	0.4	0.4	0.3	0.3	0.3	0.2	0.2
Oil royalty and rent	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Telecommunications	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Environmental levies	0.0	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1
Dividends from state-owned enterprises	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fees from sectoral ministries	0.8	0.5	0.7	0.6	1.0	0.6	0.7	0.7	0.7	0.7
Other non-tax revenue	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Special accounts and budgets	1.2	1.7	1.8	1.8	1.6	1.8	1.8	1.8	1.8	1.8
Special contributions from extrabudget funds	0.2	0.3	0.2	0.2	0.0	0.1	0.0	0.0	0.0	0.0
Grants	**1.1**	**1.0**	**0.9**	**0.8**	**0.8**	**0.7**	**0.6**	**0.4**	**0.4**	**0.3**
Project	1.0	0.8	0.8	0.8	0.8	0.7	0.5	0.4	0.4	0.3
Budget support	0.1	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Expenditure	**15.9**	**16.4**	**16.5**	**16.7**	**16.5**	**17.1**	**16.6**	**16.6**	**16.8**	**16.4**
Current expenditure	**9.4**	**10.2**	**9.9**	**9.8**	**9.5**	**10.1**	**10.0**	**10.0**	**10.0**	**10.0**
Wages	4.2	4.2	4.6	4.9	4.5	5.0	4.9	4.8	4.8	4.7
Interest due	0.1	0.3	0.3	0.3	0.3	0.3	0.4	0.5	0.5	0.6
External	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2
Domestic	0.1	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.4	0.4
Goods and services	2.7	2.6	2.3	1.6	2.1	1.7	1.7	1.7	1.7	1.7
o/w BCC banking commission	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Subsidies and other current transfers	2.5	3.2	2.7	3.0	2.5	3.0	3.0	3.0	3.0	3.0
Subsidies	1.1	1.3	0.9	1.1	1.0	1.1	1.1	1.1	1.1	1.1
Transfers to other levels of national government	0.1	0.2	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1
Special accounts and budgets	1.2	1.7	1.8	1.8	1.5	1.8	1.8	1.8	1.8	1.8
Capital expenditure	**3.5**	**3.8**	**4.3**	**3.3**	**4.8**	**3.9**	**3.9**	**4.1**	**4.6**	**4.5**
Foreign-financed	2.0	2.3	2.2	1.8	2.1	2.1	1.8	1.6	1.7	1.3
Domestically-financed (excluding SICOMINES)	1.6	1.4	1.7	1.2	2.4	1.5	1.8	2.3	2.7	3.0
SICOMINES-financed	0.0	0.1	0.4	0.4	0.4	0.3	0.3	0.3	0.2	0.2
Exceptional expenditure 2/	**2.9**	**2.3**	**2.4**	**3.5**	**2.2**	**3.1**	**2.8**	**2.4**	**2.2**	**1.9**
Security spending	2.1	2.3	2.2	3.4	2.0	3.0	2.7	2.4	2.1	1.9
Domestic fiscal balance (excluding arrears repayment)	**-0.7**	**-0.3**	**-0.8**	**-1.2**	**-0.2**	**-0.8**	**-0.3**	**-0.1**	**-0.1**	**-0.1**
Overall fiscal balance (excluding arrears repayment)	**-1.6**	**-1.6**	**-2.2**	**-2.3**	**-1.7**	**-2.3**	**-1.7**	**-1.4**	**-1.5**	**-1.3**
Change in domestic arrears (repayment = -)	0.0	-0.5	-0.4	-0.1	-0.6	-0.4	-0.4	-0.6	-0.6	-0.6
Domestic fiscal balance (program target)	**-0.7**	**-0.8**	**-1.2**	**-1.3**	**-0.8**	**-1.2**	**-0.7**	**-0.7**	**-0.7**	**-0.7**
Domestic non-extractive fiscal balance	-5.8	-6.4	-6.4	-6.4	-6.1	-6.1	-5.7	-5.7	-5.7	**-5.5**
Overall fiscal balance	**-1.6**	**-2.1**	**-2.6**	**-2.4**	**-2.3**	**-2.8**	**-2.1**	**-2.0**	**-2.1**	**-1.9**
Overall non-extractive fiscal balance	-6.8	-7.8	-7.8	-7.5	-7.6	-7.7	-7.1	-7.0	-7.2	**-6.7**
Errors and omissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	**0.0**
Financing	**2.2**	**2.1**	**2.6**	**2.4**	**2.3**	**2.8**	**2.1**	**2.0**	**2.1**	**1.9**
Net domestic financing	0.6	0.7	0.3	0.4	-0.2	0.6	0.0	0.7	0.8	0.8
Accumulation of deposits 3/	0.0	-0.1	0.0	-0.4	-0.3	-0.2	-0.1	0.3	0.1	0.0
Financing (banking system)	0.6	0.8	0.3	0.9	0.1	0.8	0.2	0.3	0.6	0.8
Net foreign financing	1.6	1.4	2.3	1.9	2.4	2.2	2.0	1.3	1.4	1.0
Budget loans (disbursements)	0.9	0.1	1.1	1.1	1.4	1.1	1.1	0.3	0.2	0.2
ECF	0.0	0.0	0.2	0.2	0.3	0.2	0.3	0.0	0.0	0.0
RSF	0.0	0.0	0.1	0.2	0.5	0.3	0.5	0.0	0.0	0.0
Other	0.9	0.1	0.8	0.7	0.6	0.5	0.3	0.3	0.2	0.2
Project loans (disbursements)	1.0	1.4	1.4	1.0	1.3	1.5	1.2	1.2	1.3	1.0
Amortization of external debt	-0.3	-0.2	-0.2	-0.2	-0.3	-0.3	-0.3	-0.2	-0.2	-0.2
Memorandum items:										
Gross domestic product (billions of CDF)	170,711	216,585	246,893	246,893	269,331	269,331	302,397	340,899	382,767	429,408
Extractive revenue 4/	8,836	12,325	12,882	12,600	14,248	13,225	15,106	17,049	19,249	20,937

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

1/ Covers the budgetary central government.

2/ Mainly expenditure related to security and elections.

3/ Includes the use of 2021 SDR allocation retroceded to the government, and funds disbursed for budget support kept as foreign and domestic deposits.

4/ Mining and petroleum tax and non-tax revenue. Includes revenue transferred to special funds and SICOMINES royalties.

5/ Figures shown for CR No. 25/195 reflect the ratio to GDP using the revised GDP series, after publication of new National Accounts.

Table 4. Democratic Republic of the Congo: Depository Corporations Survey, 2023-30

(Billions of CDF, unless otherwise indicated)

	2023	2024		2025		2026	2027	2028	2029	2030
	Act.	CR No. 25/195	Prel.	CR No. 25/195	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
				Depository corporations survey:						
Net foreign assets	**20,888**	**29,216**	**29,216**	**35,948**	**29,119**	**43,666**	**55,630**	**65,338**	**71,941**	**81,061**
Claims on non-residents	32,241	41,263	41,262	53,016	42,079	59,293	72,546	82,969	90,068	99,742
Liabilities to non-residents	11,353	12,046	12,046	17,068	12,960	15,627	16,916	17,631	18,127	18,681
Net domestic assets	**15,342**	**17,360**	**17,439**	**16,884**	**19,174**	**9,011**	**3,508**	**1,322**	**2,899**	**2,892**
Domestic credit	22,784	28,278	28,279	33,152	31,845	35,626	39,362	46,803	54,404	62,301
Net credit to the central government	2,440	1,844	1,847	3,037	2,703	3,824	3,640	6,513	9,141	11,492
Credit to other sectors	20,345	26,433	26,432	30,114	29,141	31,801	35,722	40,290	45,264	50,809
Credit to the private sector	18,469	24,263	24,262	27,613	26,680	29,094	32,648	36,787	41,286	46,299
Other items, net	-7,442	-10,918	-10,840	-16,268	-12,671	-26,615	-35,855	-45,481	-51,505	-59,409
Broad Money (M2)	**36,231**	**46,419**	**46,453**	**52,847**	**48,293**	**52,677**	**59,137**	**66,660**	**74,840**	**83,953**
Narrow Money (M1)	**7,396**	**7,853**	**7,902**	**9,530**	**9,233**	**10,072**	**11,308**	**12,747**	**14,312**	**16,055**
Currency in circulation	4,528	5,143	5,193	5,856	5,920	6,458	7,250	8,174	9,177	10,296
Demand deposits	2,868	2,710	2,709	3,674	3,313	3,614	4,057	4,573	5,134	5,759
Quasi money	**28,835**	**38,565**	**38,551**	**43,317**	**39,060**	**42,605**	**47,830**	**53,913**	**60,528**	**67,898**
Time deposits in domestic currency	360	756	756	1,025	924	1,008	1,132	1,276	1,432	1,606
Foreign currency deposits	28,475	37,809	37,795	42,292	38,136	41,597	46,698	52,638	59,096	66,292
				Banque centrale du Congo:						
Net foreign assets	**6,660**	**10,341**	**10,340**	**12,987**	**10,032**	**11,565**	**18,751**	**23,775**	**29,032**	**32,913**
Claims on non-residents	14,648	19,171	19,170	25,499	19,204	25,032	30,112	35,146	40,130	43,706
Gross official reserves	14,526	20,681	19,035	25,363	19,069	24,897	29,977	35,010	39,995	43,571
Liabilities to non-residents	-7,988	-8,830	-8,830	-12,512	-9,172	-10,694	-11,362	-11,371	-11,098	-10,793
Net domestic assets	**2,244**	**384**	**463**	**-9**	**1,023**	**-1,426**	**-4,189**	**-7,304**	**-10,511**	**-4,182**
Domestic credit	4,430	4,264	4,321	4,786	2,783	2,259	1,835	3,028	3,591	3,597
Net credit to the central government	3,451	2,743	2,746	3,257	1,801	1,271	842	2,029	2,586	2,586
Governement deposit	260	509	509	509	509	1,336	2,326	2,451	1,832	759
Claims on other depository corporations	817	1,348	1,404	1,348	803	803	803	803	803	803
Other items, net	-2,185	-3,880	-3,858	-4,795	-1,761	-3,685	-6,024	-10,332	-14,102	-7,779
Monetary base (broad definition)	**8,904**	**10,552**	**10,603**	**12,978**	**11,055**	**12,912**	**14,562**	**16,471**	**18,521**	**28,731**
				Other depository corporations:						
Net foreign assets	**14,228**	**18,875**	**18,875**	**22,961**	**19,087**	**29,327**	**36,879**	**41,563**	**42,909**	**48,149**
Net domestic assets	**17,063**	**21,663**	**21,949**	**23,292**	**22,850**	**16,456**	**14,572**	**16,487**	**22,318**	**25,073**
Claims on the central bank	4,952	5,551	5,551	7,450	5,463	6,783	7,639	8,625	9,672	18,763
Net credit to the central government	-1,012	-899	-899	-219	902	2,553	2,799	4,484	6,555	8,906
Credit to local administrations	254	276	276	319	276	304	345	393	447	506
Credit to public enterprises	1,621	1,894	1,894	2,183	2,185	2,404	2,728	3,110	3,531	4,004
Credit to private sector	18,308	24,091	24,091	27,433	26,500	28,909	32,458	36,591	41,084	46,091
Other items, net	-7,060	-9,250	-8,963	-13,872	-12,477	-24,496	-31,397	-36,715	-38,970	-53,197
				(Annual percent change)						
Net foreign assets	32.7	39.9	39.9	23.0	-0.3	50.0	27.4	17.5	10.1	12.7
Net domestic assets	52.1	13.1	13.7	-2.7	9.9	-53.0	-61.1	-62.3	119.3	-0.3
Domestic credit	56.0	22.6	22.6	14.4	6.0	6.9	10.6	15.7	13.1	11.6
Net credit to government	68.5	-24.4	-24.3	64.7	46.4	41.5	-4.8	78.9	40.4	25.7
Credit to the private sector	63.8	31.4	31.4	13.8	10.0	9.0	12.2	12.7	12.2	12.1
Broad Money (M2)	40.3	28.1	28.2	13.8	4.0	9.1	12.3	12.7	12.3	12.2
Memorandum items:										
Nominal GDP (billions of CDF)										
Nominal GDP (billions of CDF)	170,711	210,281	216,585	239,446	246,893	269,331	302,397	340,899	382,767	429,408
Credit to the private sector (percent of GDP)	10.8%	11.5%	11.2%	11.5%	10.8%	10.8%	10.8%	10.8%	10.8%	10.8%
Velocity (GDP/broad money)	4.7	4.5	4.7	4.5	5.1	5.1	5.1	5.1	5.1	5.1
Foreign currency deposits (percent of M2)	78.6	81.5	81.4	80.0	79.0	79.0	79.0	79.0	79.0	79.0
Foreign currency deposits (percent of total dep	89.8	91.6	91.6	90.0	90.0	90.0	90.0	90.0	90.0	90.0

Sources: Congolese authorities and IMF staff estimates and projections.

Table 5. Democratic Republic of the Congo: Financial Soundness Indicators, 2021-25

(Percent)

	2021Q4	2022Q1	2022Q2	2022Q3	2022Q4	2023Q1	2023Q2	2023Q3	2023Q4	2024Q1	2024Q2	2024Q3	2024Q4	2025Q1	2025Q2
Capital Adequacy															
Regulatory capital to risk-weighted assets	12.1	9.9	11.9	12.5	12.1	14.5	12.9	13.2	13.2	12.8	15.7	15.2	19.0	15.4	16.2
Tier 1 capital to risk-weighted assets	10.0	7.9	9.7	10.2	9.9	12.3	10.8	11.1	11.1	10.7	13.5	13.1	16.7	13.2	14.1
Common Equity Tier 1 capital to risk-weighted assets	9.5	7.5	9.3	9.8	9.5	11.9	10.5	10.7	10.7	10.4	13.2	12.8	16.5	12.9	13.9
Tier 1 capital to assets	4.9	4.4	5.1	5.5	5.5	7.0	6.4	6.1	5.9	5.9	7.3	7.2	9.3	7.5	8.9
Asset quality															
NPLs to total gross loans	5.2	9.2	7.4	8.4	7.4	8.2	6.5	6.9	6.6	7.5	6.7	5.6	6.6	6.7	6.5
NPLs net of provisions to capital	10.0	24.0	10.9	20.5	18.9	17.6	18.8	19.4	20.3	24.7	17.1	12.1	11.9	14.0	12.5
Provisions to nonperforming loans	67.7	58.3	74.2	57.9	58.0	55.1	54.0	55.3	52.9	48.8	51.5	60.3	55.7	60.1	58.3
Loan concentration by economic activity	46.9	49.7	50.6	53.8	49.3	44.3	52.2	56.2	57.3	55.6	61.1	63.8	63.8	63.3	65.4
Earnings and profitability															
Return on assets (net income/total assets)	1.1	1.4	1.7	1.9	2.2	3.8	3.5	3.5	3.5	3.6	3.4	3.4	3.3	3.1	3.6
Return on equity (net income/equity)	15.7	18.2	19.5	23.1	24.7	35.3	35.9	38.2	39.0	32.3	32.4	31.7	28.3	21.8	24.7
Interest margin to gross income	28.9	29.5	30.3	29.8	30.8	36.4	37.4	38.3	37.5	40.2	41.1	42.2	38.9	42.6	40.7
Noninterest expenses to gross income	66.8	62.0	62.8	59.6	58.1	47.2	49.4	48.7	49.1	46.3	48.7	50.8	51.3	53.8	51.7
Liquidity															
Liquid assets to total assets	16.7	15.0	18.4	17.5	21.1	22.5	19.1	21.0	19.9	19.3	19.0	19.1	19.1	23.7	22.1
Liquid assets to short-term liabilities	45.0	42.6	53.2	54.8	64.4	69.1	61.9	65.9	62.1	61.3	59.3	61.4	59.9	81.2	70.1
Customer deposits to total (noninterbank) loans	254.7	262.5	234.1	207.0	197.9	202.6	154.1	159.8	160.4	157.3	159.3	153.8	170.9	152.9	151.4
Sensitivity to market risk															
Net open position in foreign exchange to capital	5.4	53.9	-5.4	13.1	16.2	-0.4	2.4	4.4	7.3	5.0	-0.9	6.5	8.7	6.9	7.6
Foreign currency-denominated liabilities to total liabilitie	85.0	84.1	85.8	85.1	82.8	83.1	86.5	86.5	88.1	89.1	89.9	89.6	90.6	89.2	89.2
Foreign currency-denominated loans to total loans	83.6	88.3	87.6	86.6	87.0	86.1	89.0	89.9	90.3	89.3	92.1	91.0	92.3	90.5	89.1

Source: Banque centrale du Congo.

Table 6. Democratic Republic of the Congo: Capacity to Repay the Fund, 2022-44

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Total obligations on existing and prospective credit																							
Total obligations (In millions of SDRs)	6.6	30.9	35.7	108.6	137.1	220.9	273.5	334.7	304.2	391.8	407.1	388.0	342.3	292.9	195.3	155.3	123.5	121.7	119.9	118.1	116.3	114.5	112.7
Principal	0.0	0.0	0.0	80.0	106.6	182.8	228.4	289.4	258.9	346.4	361.7	342.6	296.9	247.5	149.9	110.4	80.0	80.0	80.0	80.0	80.0	80.0	80.0
Charges and interest	6.6	30.9	35.7	28.6	30.5	38.1	45.0	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.3	44.8	43.5	41.8	40.0	38.2	36.4	34.6	32.8
Total obligations (In millions of U.S. dollars)	8.7	41.2	47.4	147.7	188.4	304.0	377.2	462.3	421.1	542.7	563.8	537.4	474.1	405.6	270.5	215.0	171.1	168.6	166.1	163.6	161.1	158.6	156.2
In percent of exports of goods and services	0.0	0.1	0.1	0.4	0.5	0.7	0.8	1.0	0.8	1.1	1.1	1.0	1.0	0.9	0.6	0.5	0.4	0.3	0.3	0.3	0.3	0.3	0.3
In percent of GDP	0.0	0.1	0.1	0.2	0.2	0.3	0.3	0.3	0.3	0.4	0.3	0.3	0.3	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0
In percent of quota	0.6	2.9	3.3	10.2	12.9	20.7	25.7	31.4	28.5	36.8	38.2	36.4	32.1	27.5	18.3	14.6	11.6	11.4	11.3	11.1	10.9	10.7	10.6
In percent of total external debt service	1.3	5.8	7.4	17.7	19.0	26.2	32.7	36.3	29.9	32.3	30.7	28.6	24.1	19.7	13.2	10.7	8.5	8.3	8.0	7.4	7.0	6.6	6.2
In percent of gross international reserves	0.2	0.8	0.7	1.8	1.9	2.7	3.0	3.4	2.9	3.7	3.8	4.1	3.7	3.1	2.1	1.6	1.3	1.2	1.2	1.1	1.0	1.0	0.9
Fund credit outstanding (end-period)																							
In millions of SDRs	1,142.2	1,446.8	1,599.0	2,223.2	2,763.9	3,361.7	3,133.3	2,843.9	2,585.0	2,238.6	1,877.0	1,534.3	1,237.4	989.9	840.0	729.5	649.6	569.6	489.7	409.7	329.8	249.8	169.9
In millions of U.S. dollars	1,517.8	1,929.9	2,097.9	3,045.3	3,799.3	4,630.3	4,324.5	3,931.2	3,581.1	3,101.2	2,600.2	2,125.5	1,714.2	1,371.3	1,163.6	1,010.6	899.9	789.1	678.4	567.6	456.9	346.1	235.4
In percent of exports of goods and services	5.3	6.5	6.0	8.3	9.4	10.8	9.4	8.1	7.0	6.1	5.0	4.0	3.6	3.0	2.5	2.1	1.9	1.6	1.3	1.1	0.8	0.6	0.4
In percent of GDP	2.2	2.8	2.7	3.3	3.5	3.9	3.4	2.9	2.5	2.0	1.6	1.2	0.9	0.7	0.5	0.4	0.4	0.3	0.2	0.2	0.1	0.1	0.1
In percent of quota	107.1	135.7	150.0	208.6	259.3	315.4	293.9	266.8	242.5	210.0	176.1	143.9	116.1	92.9	78.8	68.4	60.9	53.4	45.9	38.4	30.9	23.4	15.9
In percent of total external debt	15.4	17.6	19.6	24.0	25.4	27.2	24.0	20.5	18.0	15.8	13.2	10.8	8.6	6.9	5.7	4.8	4.2	3.5	2.9	2.3	1.8	1.3	0.9
In percent of gross international reserves	33.2	35.6	31.2	36.7	38.5	40.7	34.2	28.5	25.0	21.3	17.6	16.0	13.4	10.6	8.9	7.6	6.6	5.7	4.8	3.8	3.0	2.1	1.3
Memorandum items																							
Exports of goods and services (in millions of U.S. dollars)	28,753	29,650	35,249	36,741	40,523	42,973	45,847	48,469	51,196	50,772	51,652	52,676	47,434	45,961	46,548	47,244	48,058	49,058	50,299	51,828	53,780	56,250	59,522
Quota (in millions of SDRs)	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066
GDP (in millions of U.S. dollars)	70,422	69,844	76,731	91,841	109,172	117,475	126,206	135,117	144,532	153,709	164,388	175,955	187,952	200,949	214,994	229,208	242,443	256,617	271,930	288,615	306,845	326,824	348,752
Public sector external debt service (in millions of U.S. dollars)	693	705	641	835	993	1,162	1,154	1,273	1,409	1,682	1,834	1,880	1,964	2,056	2,045	2,019	2,009	2,033	2,086	2,201	2,309	2,417	2,533
Public sector external debt (end-period, in millions of U.S. dollars)	9,827	10,944	10,712	12,682	14,974	17,006	18,039	19,180	19,921	19,679	19,668	19,739	19,856	20,018	20,380	20,930	21,634	22,464	23,404	24,407	25,495	26,686	27,663
Gross international reserves (in millions of U.S. dollars)	4,565	5,421	6,732	8,291	9,880	11,368	12,656	13,786	14,317	14,555	14,816	13,269	12,804	12,924	13,084	13,284	13,545	13,873	14,281	14,808	15,481	16,381	17,488

Sources: Congolese authorities and IMF staff projections.

Table 7. Democratic Republic of the Congo: External Financing Requirements and Sources, 2022-30

(Millions of US$, unless otherwise indicated)

	2022	2023	2024	2025	2026	2027	2028	2029	2030
Gross Financing Requirements	**3,203**	**4,242**	**3,744**	**3,988**	**3,146**	**3,962**	**4,407**	**5,398**	**6,431**
Current account deficit excl. grants	2,677	3,731	3,340	3,392	2,407	3,086	3,561	4,461	5,414
Public sector loan amortization	526	511	405	596	738	876	846	937	1,017
of which: IMF	0	0	0	109	146	251	315	400	358
Identified Financing Sources	**2,746**	**3,215**	**3,302**	**2,503**	**2,055**	**3,023**	**4,042**	**5,074**	**6,107**
Capital account balance	538	760	729	859	885	773	688	761	715
Net foreign direct investment	1,409	1,668	2,915	2,861	3,401	3,660	3,932	4,209	4,232
Portfolio inflows	-35	-35	-38	-45	-54	-58	-62	-67	-71
Project loan disbursements	615	676	1,101	951	1,597	1,447	1,532	1,772	1,451
Other capital flows (net)	2,527	934	-94	-563	-2,186	-1,310	-758	-471	311
Change in reserves (- increase)	-1,824	-987	-1,312	-1,560	-1,589	-1,489	-1,288	-1,129	-531
Net Errors and Omission	-485	198	0	0	0	0	0	0	0
Financing Gap	**457**	**1,027**	**443**	**1,486**	**1,091**	**939**	**365**	**324**	**324**
Prospective Financing	**457**	**1,027**	**443**	**1,503**	**1,091**	**939**	**365**	**324**	**324**
ECF disbursements	0	406	204	771	523	524	0	0	0
World Bank[1/]	457	621	156	715	568	415	365	324	324
Other multilateral and bilateral[1/]	0	0	83	17	0	0	0	0	0
Memorandum items:									
Gross reserves, months of non-aid related imports	1.8	1.9	2.3	2.7	3.0	3.1	3.2	3.3	3.3
RSF disbursements	0	0	0	182	366	550	0	0	0
Gross reserves, months of non-aid related imports, without RSF	1.8	1.9	2.3	2.6	2.8	2.8	3.0	3.0	3.1

Sources: Congolese authorities and IMF staff projections.

1/ It includes both budget support grants and loans.

Table 8. Democratic Republic of the Congo: External Borrowing Program, 2024-26

PPG external debt	Volume of new debt in 2025		PV of new debt in 2025 (program purposes)		Volume of new debt in 2026		PV of new debt in 2026 (program purposes)	
	US$ million	Percent	US$ million	Percent	US$ million	Percent	US$ million	Percent
By sources of debt financing	**3,085.9**	**100.0**	**1,962.7**	**100.0**	**1,960.1**	**100.0**	**1,547.4**	**100.0**
Concessional debt, of which	**1,526.7**	**49.5**	**617.5**	**31.5**	**384.0**	**19.6**	**104.3**	**6.7**
Multilateral debt	1,390.2	45.1	573.1	29.2	384.0	19.6	104.3	6.7
Bilateral debt	136.5	4.4	44.3	2.3	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-concessional debt, of which	**1,559.2**	**50.5**	**1,345.2**	**68.5**	**1,576.1**	**80.4**	**1,443.1**	**93.3**
Semi-concessional	846.4	27.4	632.5	32.2	463.0	23.6	330.1	21.3
Commercial terms	712.8	23.1	712.8	36.3	1,113.0	56.8	1,113.0	71.9
By Creditor Type	**3,085.9**	**100.0**	**1,962.7**	**100.0**	**1,960.1**	**100.0**	**1,547.4**	**100.0**
Multilateral	2,219.6	71.9	1,245.3	63.4	1,268.3	64.7	920.4	59.5
Bilateral - Paris Club	332.8	10.8	264.8	13.5	98.8	5.0	98.8	6.4
Bilateral - Non-Paris Club	233.5	7.6	152.6	7.8	223.7	11.4	159.0	10.3
Other	300.0	9.7	300.0	15.3	369.2	18.8	369.2	23.9
Uses of debt financing	**3,085.9**	**100.0**	**1,962.7**	**100.0**	**1,960.1**	**100.0**	**1,547.4**	**100.0**
Infrastructure	2,309.5	74.8	1,589.9	81.0	1,876.2	95.7	1,463.6	94.6
Social Spending	176.4	5.7	135.3	6.9	83.8	4.3	83.8	5.4
Budget Financing	600.0	19.4	237.5	12.1	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: Congolese authorities and IMF staff estimates.

Table 9. Democratic Republic of the Congo: Decomposition of Public Debt and Debt Service by Creditor 2024-26[1]

	Debt Stock[3] 2024			Debt Service 2024	2025	2026	2024	2025	2026
	(in M US$)	*(Percent total debt)*	*(Percent GDP)*	*(in M US$)*			*(Percent GDP)*		
Total	15,841.1	100.0	20.9	1,518.5	1,940.0	3,780.8	2.0	2.1	3.5
External	10,712.0	67.6	14.1	641.4	835.2	955.9	0.8	0.9	0.9
Multilateral creditors	6,084.7	38.4	8.0	152.9	269.0	348.3	0.2	0.3	0.3
IMF[2]	2,768.2	17.5	3.7	47.4	147.7	184.0	0.1	0.2	0.2
World Bank	2,926.2	18.5	3.9	85.6	90.5	103.9	0.1	0.1	0.1
AfDB	246.1	1.6	0.3	5.1	5.5	5.5	0.0	0.0	0.0
Other Multilaterals	144.2	0.9	0.2	14.8	25.2	54.9	0.0	0.0	0.1
o/w: European Investment Bank	34.4	0.2	0.0	9.5	9.8	10.0	0.0	0.0	0.0
Arab Bank for Economic Development in Africa	39.6	0.2	0.1	1.0	1.0	1.4	0.0	0.0	0.0
Bilateral creditors	3,969.4	25.1	5.2	419.5	444.3	415.3	0.5	0.5	0.4
Paris Club	68.2	0.4	0.1	7.7	4.0	4.2	0.0	0.0	0.0
o/w: France	14.5	0.1	0.0	7.7	4.0	4.2	0.0	0.0	0.0
Exim Bank of Korea	53.8	0.3	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Non-Paris Club	3,901.2	24.6	5.1	411.8	440.3	411.1	0.5	0.5	0.4
o/w: Exim Bank of China	3,484.1	22.0	4.6	382.8	411.9	383.7	0.5	0.4	0.4
Exim Bank of India	115.3	0.7	0.2	20.1	19.5	17.2	0.0	0.0	0.0
Bonds	…	…	…	…	…	…	…	…	…
Commercial creditors	657.9	4.2	0.9	69.0	121.9	192.3	0.1	0.1	0.2
o/w: FG Hemisphere	81.5	0.5	0.1	-	-	-	-	-	-
Financial Investment Holding	17.4	0.1	0.0	7.2	7.1	7.0	0.0	0.0	0.0
Domestic	5,129.1	32.4	6.8	877.1	1,104.8	2,824.8	1.1	1.2	2.6
T-Bills	124.6	0.8	0.2	343.8	137.1	339.0	0.4	0.1	0.3
T-Bonds	1,092.7	6.9	1.4	152.2	879.2	1,999.4	0.2	1.0	1.8
Loans	3.0	0.0	0.0	19.0	3.0	-	0.0	0.0	0.0
Arrears	3,908.7	24.7	5.2	362.1	85.6	486.4	0.5	0.1	0.4
Memo items:									
Collateralized debt	2,808.2	17.7	3.7						
Contingent liabilities	3,176.5	20.1	4.2						
o/w: Public guarantees	115.6	0.7	0.2						
o/w: Other explicit contingent liabilities	3,060.9	19.3	4.0						
Nominal GDP (in M USD)	75,836.8	…	…	76,731.0	91,841.4	109,172.1	…	…	…

Sources: Congolese authorities and IMF staff estimates.

1/ As reported by country authorities according to their classification of creditors, including official and commercial creditors. Debt coverage is consistent with the DSA.

2/ Includes the net negative SDR position following the SDR allocation retroceded to the government and used for budget support.

3/ Based on the exchange rate at the end of the year.

Table 10. Democratic Republic of the Congo: Reviews and Disbursements Under the Extended Credit Facility Arrangement

Availability Date	Action	Associated Disbursement	Share of Quota (In percent)
On January 15, 2025	Approved three-year ECF arrangement	SDR 190.1 million	17.8
On or after May 15, 2025	Completed the first review based on end-December, 2024 performance criteria	SDR 190.4 million	17.9
On or after November 15, 2025	Completed the second review based on end-June, 2025 performance criteria	SDR 190.4 million	17.9
On or after May 15, 2026	Completed the third review based on end-December, 2025 performance criteria	SDR 190.4 million	17.9
On or after November 15, 2026	Completed the fourth review based on end-June, 2026 performance criteria	SDR 190.4 million	17.9
On or after May 15, 2027	Completed the fifth review based on end-December, 2026 performance criteria	SDR 190.4 million	17.9
On or after November 15, 2027	Completed the sixth and final review based on end-June, 2027 performance criteria	SDR 190.4 million	17.9
Total		SDR 1,332.5 million	125.0

Source: International Monetary Fund.

Table 11. Democratic Republic of the Congo: Proposed Reviews and Disbursements Under the Resilience and Sustainability Facility Arrangement

Availability Date	Millions SDRs	Percent of Quota	Conditions
On January 15, 2025	-	-	Board Approval of the RSF Arrangement
On or after November 15, 2025	66.625	6.25	Reform Measure 7 implementation review
On or after May 15, 2026 1/	66.625	6.25	Reform Measure 8 implementation review
On or after May 15, 2026	66.625	6.25	Reform Measure 1 implementation review
On or after November 15, 2026	66.625	6.25	Reform Measure 2 implementation review
On or after November 15, 2026	66.625	6.25	Reform Measure 9 implementation review
On or after November 15, 2026	66.625	6.25	Reform Measure 10 implementation review
On or after May 15, 2027	66.625	6.25	Reform Measure 3 implementation review
On or after May 15, 2027	66.625	6.25	Reform Measure 4 implementation review
On or after May 15, 2027	66.625	6.25	Reform Measure 11 implementation review
On or after May 15, 2027	66.625	6.25	Reform Measure 12 implementation review
On or after November 15, 2027	66.625	6.25	Reform Measure 5 implementation review
On or after November 15, 2027	66.625	6.25	Reform Measure 6 implementation review
Total	799.5	75	

Source: International Monetary Fund.
1/ Proposed to be rephased to November 15, 2025.

Annex I. Risk Assessment Matrix[1]

Source of Risks	Likelihood	Expected Impact on Economy	Policy Response
Potential External Risks – Conjunctural shocks			
Decline in International Aid. 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.	High	**High** Heightened social and fiscal pressures Widening of current account deficit (due to high import content of aid-related imports) Public expenditure tradeoffs, including lower investment and growth.	• Maintain prudent macro policies to foster macro stability. • Allow the exchange rate to act as a shock absorber and use external buffers to prevent disorderly depreciation that could negatively impact financial stability. • Step up revenue mobilization efforts, limit nonpriority spending to create space for humanitarian spending previously supported by ODC. • Mobilize other external financing support.
Escalating Trade Measures and Prolonged Uncertainty. Rising trade barriers and prolonged policy uncertainty could reduce trade, investment, and growth. Inflationary pressures may re-emerge—especially in countries imposing tariffs. These effects can be amplified by strategic complementarities or bottlenecks in global value chains or inventory overhang.	High	**Medium** Given the high import content of consumption, increases in import prices due to trade barriers risks triggering a spike in inflation	• Diversify the structure of the economy and export sources. • Reduce level of dollarization of the economy
Geopolitical Tensions. 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.	High	**High** Supply disruptions and sharper-than-anticipated increases in international energy prices raise the costs of energy imports and other imported goods	• Develop a contingency plan that would lower the impact of a delayed economic recovery.

[1]The Risk Assessment Matrix (RAM) shows events that could materially alter the baseline path—the scenario most likely to materialize in the view of the Staff. The relative likelihood of risks listed is the Staff's subjective assessment of the risks surrounding this 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 on Economy	• Policy Response
Commodity price volatility. 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.	**High**	**High** Higher volatility in commodity prices will challenge sustainable macro policies and put pressure on the domestic currency, reserves, and fiscal revenues.	• Accumulate international reserve buffers. • Diversify the structure of the economy and export sources. • Increase participation in regional trade area agreements (EAC and AFCFTA). • Use exchange rate flexibility as a shock absorber but intervene to prevent disorderly currency movements
DRC-Specific Risks			
Escalated armed conflicts in the East. Conflict may further intensify given the ongoing disengagement of MONUSCO in the region and given the eased weapons' embargo from the United Nations Security Council.	**High**	**High** Increase fiscal and external risks. Economic activity would be hurt though mostly in areas not well integrated with the rest of the country.	• Make room for a budgetary contingency for national security emergency. • Provide humanitarian assistance to people hit by the conflict. • Prioritize spending to face a surge in security spending.
Source of Risks	**Likelihood**	**Expected Impact on Economy**	**• Policy Response**
Escalation of Ebola outbreak. The outbreak is localized so far, but could spread is adequate measures are not taken.	**High**	**Medium** Economic activity could be disrupted, primarily in isolated regions with limited integration into the national economy. There may also be pressure on public expenditures if vaccine deliveries	• Prepare contingency planning. • Obtain external technical and financial support and mobilize domestic resources to fight the outbreak.
Extreme climate events. DRC is one of the most climate-vulnerable countries in the world (based on WB CCDR) and prone to extreme climate events. Such events may cause more severe than expected damage to infrastructure and loss of human lives and livelihoods, amplifying supply chain disruptions and causing water and food shortages and reducing growth. Additionally, climatic shocks could exacerbate regional tensions and intensify violence and conflict.	**High**	**Medium** Risks related to floods and landslides natural disasters could trigger further public expenditures and alter the planned reduction of public debt.	• Prioritize projects related to climate change. • Build infrastructure resilient to natural disaster.

Annex II. Updated National Accounts for 2017-2023

1. **The National Institute of Statistics (INS) has released revised national accounts for the Democratic Republic of the Congo (DRC) covering 2017–2023.** The new series, published in June 2025, were compiled in accordance with the System of National Accounts 1993 (SNA 1993) and maintaining 2005 as the base year. This comprehensive update incorporates enhanced statistical sources, integration of definitive fiscal and administrative data, resulting in more reliable and internationally comparable macroeconomic indicators that reflect substantial improvements over the previous series. The project benefitted from technical assistance from the AFRITAC Centre.

2. **The revised data includes several methodological improvements.** The latest revision of the DRC's national accounts maintains 2005 as the base year while adopting the SNA 1993 framework and introducing significant improvements in data integration. Notably, the update incorporates comprehensive fiscal declarations and administrative records that were either previously unavailable or incomplete, resulting in substantial adjustments to sectoral estimates and growth rates. These methodological enhancements strengthen the reliability and international comparability of macroeconomic statistics, supporting more informed economic analysis and policy formulation.

3. **The recent revision of the DRC's national accounts has led to notable changes in key macroeconomic indicators.** Real GDP growth rates for 2017 and 2018 have been revised upward to 4.2 percent and 6.1 percent, respectively, driven by more accurate measurement of both mining and non-mining activities; conversely, the 2019 growth rate was sharply revised downward from 4.5 percent to 0.6 percent, underscoring a more pronounced economic slowdown, primarily attributed to updated data revealing an 8.1 percent contraction in the extractive sector. Sectoral analysis indicates increased volatility in mining output, with deeper contractions and stronger rebounds, notably resulting in higher mining contributions to GDP growth in 2022 and 2023 compared to earlier estimates. The tertiary sector, particularly services such as hospitality, public administration, and education, now displays a more significant impact from the COVID-19 pandemic, evidenced by sharper declines in 2020 and a robust recovery in subsequent years. Furthermore, updates to GDP deflators and sectoral price indices have led to the reporting of higher inflation rates in recent periods. As a consequence, nominal GDP in 2023 is roughly 3 percent higher than previously.

4. **This update marks a first step of a larger project to improve the national accounts in the DRC.** The updated National Accounts for 2017–2023 represent a substantial improvement over the previous series, with more accurate growth rates, sectoral contributions, and demand-side aggregates, but substantial room for improvement remains. There are three main objectives for further development of the National Accounts: i) migration to SNA 2008 for improved international comparability; ii) completion of the re-basing exercise to update the base year to 2022; iii) establishment of quarterly national accounts for timely economic monitoring.

Annex III. Impact of the RSF on BOP Stability

Table 1. Democratic Republic of the Congo: Illustration of the RSF RM Ambition Summary Table

Staff assesses that strengthening the DRC's prospective balance of payments stability requires fiscal, financial, and structural policies – including macro-structural reforms in selected specific economic sectors. Reform areas covered by the RSF include: (i) integrate the climate agenda into public investment management; (ii) build resilience to natural disasters; (iii) promote forest protection and sustainable mining Exports. All reforms proposed are key to managing the impacts of climate change on longer-term balance of payments stability.

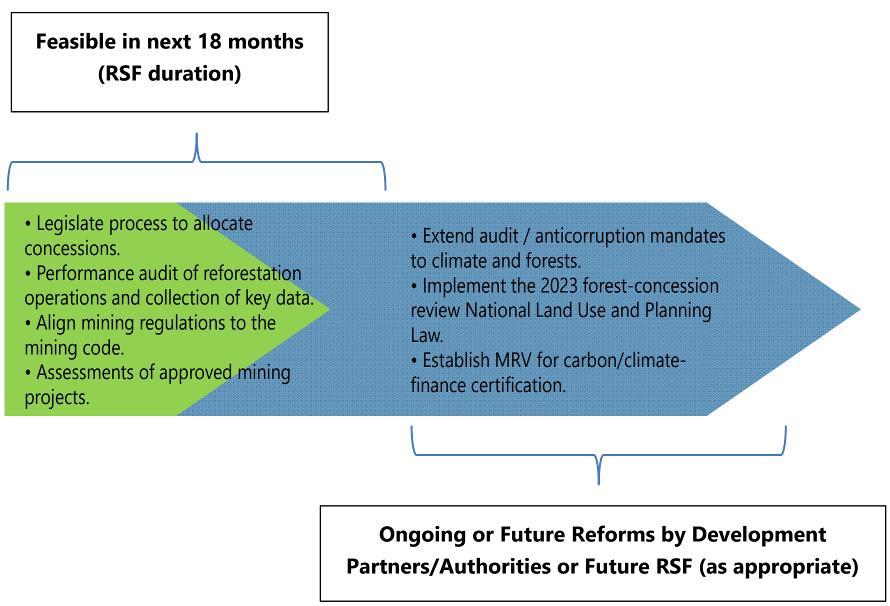
For each of these reform areas, the table below shows an assessment of the current status—including policies or institutional frameworks (left column) and the desired long-term policy outcome (third column), which include shifting to market-based pricing mechanisms and filling institutional gaps that can result in market failures that may give rise to 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 the concurrent ECF arrangement, development partners, or carried forward independently by the authorities—in synergy with and building off 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 to be possible 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. For example, the Fund's expertise in areas such as forestry is more limited and development partners are better placed to provide support on agriculture-related reforms.

Table 1. Democratic Republic of the Congo: Illustration of the RSF RM Ambition Summary Table (continued)

Current Status	Main reforms: RSF-supported (green) and beyond RSF horizon or supported by other partners (blue)	Desired LT Policy Outcome	Prospective BoP Risk Reduction
Climate risks are not appraised into public investments and PPPs. There is no financing or investment plan for the NDC.	**Integrate the climate agenda into public investment management** **Feasible in next 18 months (RSF duration)** • Amend PPP law to appraise climate risks. • Methodology for climate change impact screening of public projects. • Investment plan that costs high priority projects under the NDC and allocate budget. • Instructions on climate appraisals in public investment circular. **Ongoing or Future Reforms by Development Partners/Authorities or Future RSF (as appropriate)** • Fully integrate climate change into the budget, Public Investment Management (PIM). • Ensure better coverage of routine maintenance and infrastructure renovation needs.	Climate considerations are fully factored into public investment decisions and PPPs, and incorporated in the fully investment cycle. The 2021 NDC is implemented.	*Improved fiscal and external sustainability.* (i) Reduces contingent liabilities and/or fiscal costs following adverse climate related shocks, supporting debt sustainability and reducing the need for external financing. (ii) Regulatory certainty promotes investment, including external capital flows. (iii) Climate resilient infrastructure facilitates resilient transport.
Fiscal planning does not consider natural disasters despite large impact. DRC among the minority of countries without clear DRM institutional governance.	**Build Resilience to Natural Disasters** **Feasible in next 18 months (RSF duration)** • Quantified analysis of natural disasters in budget law. • Clarify institutional responsibilities for disaster risk management. **Ongoing or Future Reforms by Development Partners/Authorities or Future RSF (as appropriate)** • National disaster/loss database. • Operationalize the National Solidarity Fund for Disaster and Humanitarian Management. • Complete remainder of the DRM chain.	Quantification of risks better informs risk management and fiscal planning. Clear responsibilities and processes for DRM.	*Improved external and fiscal resilience to natural disasters.* (i) Reduces ex-ante exposure to disaster risks, limiting potential financial losses while supporting investor confidence and attracting new investments (including FDI). (ii) Reduces fiscal costs when climate risks materialize, lowering external financing needs. (iii) Reduces reconstruction needs and associated import demand.

Table 1. Democratic Republic of the Congo: Illustration of the RSF RM Ambition Summary Table (concluded)

Current Status	Main reforms: RSF-supported (green) and beyond RSF horizon or supported by other partners (blue)	Desired LT Policy Outcome	Prospective BoP Risk Reduction
			(iv) Reduces risks of negative impact on mining sector due to flooded mines and roads, safeguarding mining exports and associated government revenues.
Lack of accountability in forest management due to: (i) Lack of operational audits. (ii) Scant data on forest use and concessions. (iii) Misalignment with existing mining code lead. Lack of transparency in mining concessions and clarity in regulations.	**Promote Forest Protection and Sustainable Mining Exports** 	Regulatory clarity, transparency and accountability in forest management and mining concessions. Sound management and monitoring of mining projects	*Improved fiscal and external sustainability.* (i) Enhances transparency of forestry and mining sector, attracting more external investment and promoting net exports. (ii) Contains impact of natural disasters on fiscal, external and real sectors.

Sources: IMF Democratic Republic of Congo Country Report (2025); IMF République Démocratique du Congo Évaluation de la gestion des investissements publics – PIMA et PIMA Changements climatiques (C-PIMA, 2022); Country Climate and Development Report (World Bank, 2022); and staff assessment.

Appendix I. Letter of Intent

Kinshasa, December 5, 2025

Ms. Kristalina Georgieva
Managing Director
International Monetary Fund
Washington, D.C. 20431
U.S.A.

Dear Madam Managing Director:

1. **The government reiterates its gratitude to the International Monetary Fund (IMF) for the ongoing support provided to the Democratic Republic of the Congo (DRC).** This support from the IMF, in the form of policy advice, capacity building, and financing, has enabled us to consolidate our efforts toward macroeconomic stabilization and deeper structural reforms, despite the difficult context marked by the persistence of armed conflict in the eastern part of our country.

2. **Since the first review of the program supported by the ECF arrangement, the security situation and its repercussions remain very worrying, despite progress in peace talks.** The signing of the Peace Agreement with Rwanda on June 27, 2025, in Washington, D.C., followed by a Declaration of Principles in Doha on July 19, 2025, with the M23 rebel movement, have had little impact on the ground to date. The illegal occupation of large parts of the eastern part of our country by the Rwandan-backed M23 continues, with the consolidation of its parallel administration, in violation of United Nations Security Council Resolution 2773 and the ongoing peace talks. Fighting also continues in the military operations zone, causing more casualties and exacerbating the suffering of our people. Nearly 7.8 million of our fellow citizens have been forced to leave their homes, including hundreds of thousands of women exposed to increased sexual violence. They are deprived of basic social services and are at increased risk of food insecurity. The recent resurgence of Ebola virus disease in Kasai province, for which we have launched a national response plan, adds to these social and humanitarian challenges.

3. **Our economy continues to show resilience despite these difficult circumstances**. Economic growth is projected to remain robust at 5.6 percent in 2025, up from 5.3 percent, projected at the time of the first review, driven mainly by stronger-than-expected momentum in the extractive sector. Higher than initially anticipated copper exports more than offset the shortfall resulting from the suspension of cobalt exports. Inflation, which returned to single digits in April 2025 for the first time in three years, continued its downward trend, falling to 2.5 percent year-on-year in October 2025, below the 7 percent target, driven by a restrictive monetary policy stance in coordination with a prudent fiscal policy and the strengthening of the Congolese franc (CDF). The exchange rate remained relatively stable during the first half of the year. It appreciated by 15.9 percent in October, following the update of the exchange rate on the frozen stock of required reserves denominated in domestic currency on foreign currency deposits. The external position continues to strengthen in 2025, reflecting the strong performance of mining exports, contributing

to the continued accumulation of international reserves. Against this backdrop of continued strengthening of external and price stability, the central bank's Monetary Policy Committee reduced the policy rate to 17.5 percent in October 2025, down from 25 percent since August 2023.

4. **We have strengthened fiscal prudence in order to limit the impact of the ongoing armed conflict on our public finances**. Faced with the shortfall in revenue caused by the suspension of the activities of our financial authorities in the eastern part of the country, we redoubled our efforts to collect budget revenues, including through stricter control of fuel price subsidies. The resulting strong revenue mobilization performance in the first half of 2025 partly offset budget overruns caused by the impact of the protracted conflict. While we anticipated a significant decline in security spending at the time of the first review, we have had to continue to devote significant resources to this area, given the limited gains in terms of de-escalation of the security situation despite diplomatic progress. On the other hand, we deployed strong measures aimed at reducing government spending, which enabled us to contain the cash-based domestic budget deficit to CDF 1.882 billion at end-June 2025, below the adjusted ceiling of CDF 2.062 billion established in the program.

5. **The performance of programs supported by the ECF and RSF remained satisfactory overall, despite the challenging security situation**. All performance criteria were met at end-June 2025, except for the continuous performance criteria not to introduce or modify multiple currency practices. The indicative targets were also met, except for those relating to the floor on social spending and the ceiling on spending under emergency procedures, mainly owing to the continuing pressure of the armed conflict on our public finances. With regard to the implementation of the structural reforms underpinning the ECF agreement, progress remains encouraging, with all the structural benchmarks set for the second review having been met, except for the one related to the standardized VAT invoice, whose rollout phase, launched on August 1, 2025, is continuing with a mandatory date of December 1, 2025. Performance in implementing the reform measures (RM) underpinning the RSF has also been satisfactory to date. We implemented an RM that was due during this review, concerning the inclusion in the annex to the 2026 draft Budget Law of a quantified analysis of fiscal risks related to natural disasters (RM7). We also implemented RM8 on the development of the national disaster management policy ahead of schedule.

6. **We remain committed to the objectives of macroeconomic stabilization and deepening the reforms underpinning the ECF, recalibrated to adapt to the constraints imposed by the ongoing conflict.** We are continuing to execute the budget in line with the guidelines of the 2025 supplementary budget, including activation of certain elements of the related contingency plan. That said, given the additional pressures on the budget resulting from the launch of our Ebola response plan and the transfer of resources to the United Nations agencies for humanitarian emergencies, the cash-based domestic fiscal deficit at end-December 2025 is expected to be 1.3 percent of GDP, or 0.1% of GDP more than the ceiling provided for in the program. For 2026, we have submitted a draft budget law (2026 draft Budget Law) to Parliament that is broadly in line with the program's objectives. In particular, the 2026 draft Budget Law includes strong measures aimed at raising more fiscal revenue in the short- and medium-term revenue mobilization plan that we

have recently adopted. We will also continue our efforts to use public resources more effectively, including through better control of the wage bill and further rationalization of lower-priority spending. In addition, we will accelerate the implementation of the projects planned to be financed using SICOMINES resources, in order to safeguard our objective of gradually closing our country's significant infrastructural gap in the current context of increased fiscal constraints linked to the persistence of the armed conflict. All these efforts are expected to lead to a projected domestic fiscal deficit of 1.2 percent of GDP for 2026 (compared to 0.8 percent of GDP forecast in the first review), mainly reflecting the persistent shortfall in revenue linked to the closure of financial authorities in the illegally occupied eastern provinces. In line with our renewed commitment to refrain from any direct monetary financing, the projected additional borrowing requirement will be met through government securities issuances on the domestic market, which we are working to deepen with IMF technical assistance.

7. We will consolidate the positive momentum for the implementation of structural reforms. In particular:

- We will step up efforts to ensure effective modernization of public financial management (PFM), including, in particular, the launch of the operations of the Directorate-General of the Treasury and Public Accounting (DGTCP), the decentralization of expenditure authorization to pilot ministries, and the establishment of a Treasury Single Account (TSA). We will ensure that the expenditure chain is adhered to as strictly as possible with a view to significantly reducing the proportion of expenditures executed under emergency procedures, more than 90 percent of which relates to exceptional security expenditure. We are therefore committed to reducing this proportion, which reached 15.6 percent, 20.9 percent, and 15.6 percent respectively in March, June, and September 2025, to below 8 percent, in particular, as the peace talks lead to an effective cessation of hostilities in the theater of operations. The expenditure procedures manual adopted in December 2024 is broadly being followed with regard to the exclusion of expenditure not eligible for use under the emergency procedure, and efforts are being made to monitor the related budget procedures. These efforts aim to further streamline the use of the emergency procedure for security expenditures (switching certain security-related recurring expenditure to the normal expenditure chain), in accordance with the respective strategy that we are working to finalize by December 2025. These efforts, which are designed to ensure greater compliance with the expenditure chain, should help strengthen budget credibility by promoting better alignment between public procurement, budget commitment, and cash flow plans. Moreover, we will continue to implement the roadmap adopted in March 2025 for the gradual transition to a fiscal framework excluding extractive sector resources. With this in mind, we will diligently implement the recently adopted inter-ministerial order modifying the organization and operation of the Standing Committee for the Macroeconomic Framework (CPCM).

- We will accelerate efforts to improve efficiency in the use of public resources. In particular, we will strengthen public investment management, including by ensuring stricter compliance with the legal framework governing their selection, evaluation, budgeting, and execution, in line with the recommendations of the IMF mission on assessment of the quality of public investment management (PIMA).

- We will also accelerate efforts to strengthen our public debt management capacities, in collaboration with IMF technical assistance, especially as we explore the issuance of a Eurobond in the coming months. We will also ensure enhanced coordination among all entities involved in public debt management, including by ensuring transparency and comprehensive communication between all these entities in relation to all public debt commitments, from signature to disbursement. We are committed to seeking prior parliamentary approval before any Eurobond issuance, the possibility of which we are considering for the 2026 fiscal year, depending on market conditions, in accordance with the Organic Law on Public Finances (LOFIP), and in close consultation with IMF staff.

- On the revenue side, we will resolutely implement the recently adopted revenue mobilization plan, starting with the 2026 budget, with a view to gradually bringing our fiscal revenue collection performance closer to its potential. This would enable us to better finance priority development and social expenditure, while preserving the sustainability of our public finances and macroeconomic stability. In particular, we will continue: (i) the process of gradually reducing negative taxation on petroleum products, specifically by converting part of the gains resulting from exchange rate appreciation and increased volumes into excise duties; and (ii) implementation of the traceability system for products subject to payment of excise duties. (iii) In addition, we will increase excise duties on vehicles from 10 percent to 15 percent.

8. For the RMs not yet due during this review under the RSF, we will continue to lay the necessary groundwork to ensure their timely implementation.

9. The attached updated Memorandum of Economic and Financial Policies (MEFP) describes in more detail the commitments and policies that the government intends to implement for the remainder of 2025 and during the term of the programs supported by the ECF and RSF. The attached updated Technical Memorandum of Understanding (TMU) details the arrangements for monitoring performance against targets under the ECF. The updated MEFP also clarifies the institutional prerogatives and the needs and potential sources of technical assistance for the satisfactory implementation of the RMs not yet due during this review.

10. In view of the generally satisfactory performance in a challenging security situation, we request the conclusion of the second review under the ECF arrangement and the first review under the RSF, as well as the corresponding disbursement of SDR 190.4 million and SDR 133.25 million, respectively. In light of the additional pressures placed on spending and the transfer of resources to UN agencies for humanitarian emergencies resulting from our response to the Ebola, we are requesting a slightly upward revision of the ceiling for the cash-based domestic fiscal deficit at end-December 2025 (1.3 percent of GDP against 1.2 percent of GDP initially programmed). We are committed to adopting the 2026 budget in line with the program objectives and to publishing, by end-February 2026, quarterly expenditure execution plans for 2026 in line with the fiscal framework. The resources disbursed under budgetary support will be ring-fenced in a BCC subaccount with the Bank for International Settlements (BIS) to finance infrastructure projects with a high economic impact. The respective responsibilities of the BCC and the Ministry of Finance for servicing the related debt to the IMF, as set out in the Technical Memorandum of Understanding (TMU) signed in May 2025, will be diligently honored. We also request a waiver for the nonobservance of the continuous performance criterion not to introduce or modify multiple currency practices (which has been removed) on the ground that the measure was temporary. In addition, we request the completion of the financing assurances review a modification of the end-December 2025 PC on net domestic assets of the BCC and the rephasing to the first review of the RSF-supported program the availability date of RM8 and its associated disbursement given the earlier-than-expected implementation of RM8.

11. **We remain determined to implement the recommendations of the BCC safeguards assessment**. Following the conclusions of the IMF safeguards assessment of the BCC, we undertake to adopt, by December 2025, an action plan for the diligent implementation of the recommendations made, particularly those relating to strengthening governance, transparency, recapitalization of the BCC, and management of foreign exchange reserves. We also undertake to address the methodological challenges identified in the balance of payments statistics and to work towards their validation and consistent integration into actual data and macroeconomic projections.

12. **We remain confident that the implementation of the measures set out in the MEFP will strengthen the resilience of our economy in this challenging security environment.** To this end, we reaffirm our determination to comply with the performance criteria and structural benchmarks of the ECF-supported program and the RMs underpinning the RSF arrangement. We stand ready to take any further measures that may prove necessary to safeguard the program objectives. The government will consult the IMF prior to the adoption of such measures and prior to any revision of the measures set out in the MEFP, in accordance with the relevant IMF policies. We will also continue to work with development partners to increase our access to grants and concessional financing. In accordance with the government's objective of promoting transparency, we agree to the publication of this letter of intent, the MEFP, and the TMU, as well as the IMF staff report on the request for conclusion of the second review under the ECF arrangement and the first review of the RSF arrangement, and any other related document, after approval by the IMF Executive Board.

Please accept, **Madam Managing Director**, the assurances of our highest consideration.

/s/
Judith **SUMINWA TULUKA**
Prime Minister

On behalf of BCC Governor
(on mission abroad),

/s/
Dieudonné **FIKIRI ALIMASI**
BCC Deputy Governor

On behalf of the Minister of Finance
(on mission abroad)

/s/
Gracia **YAMBA KAZADI**
Deputy Minister for Finance

/s/
Adolphe **MUZITO FUMUTSHI**
Deputy Prime Minister, Minister for Budget

Attachments:

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

Attachment I. Memorandum of Economic and Financial Policies (MEFP)

This memorandum updates the MEFP associated with the programs approved in January 2025 by the IMF's Executive Board under the Extended Credit Facility (ECF) and the Resilience and Sustainability Facility (RSF). It describes recent economic developments and the outlook and details our updated reform objectives and priorities for 2025, 2026 and beyond as part of these IMF-supported programs under the ECF and the RSF.

1. In a context requiring adaptation to the realities brought about by the armed conflict in the eastern part of the country, despite the peace talks, our priorities under the ECF and RSF remain focused on the initial strategic objectives. These are: (i) strengthening the resilience of the economy through greater external, financial, and price stability; (ii) freeing up more fiscal space to finance spending on security, infrastructure (which can boost the diversification of our economy), education, health, and agriculture through increased mobilization of fiscal revenues and more efficient use of public resources; (iii) promoting more inclusive growth through the acceleration of reforms aimed at strengthening the efficient use of public resources, governance and transparency, as well as cleaning up the business environment, and fighting more resolutely against corruption and money laundering; and (iv) building resilience to climate shocks while consolidating the DRC's role as a source for solutions in the global transition to a low-carbon economy.

A. Recent Economic Developments

2. Economic activity continues to show resilience. Real GDP growth in 2024 was robust at 6.1 percent, mainly reflecting developments in the extractive sector, which grew by 11.9 percent, compared to 20.2 percent in 2023. Copper production, which accounts for the lion's share of the extractive sector, increased slightly, while cobalt production (12 percent of the extractive sector) grew by almost 40 percent compared to 2023. Zinc production, although still negligible in 2023, quadrupled with the resumption of operations at the country's largest zinc mine in 2024. Non-extractive GDP grew more slowly in 2024, at 3.1 percent, compared with 3.4 percent in 2023, reflecting a slowdown in the services and construction sectors.

3. Inflation continued to ease, driven by a tight monetary policy stance and the recent exchange rate appreciation. Inflation, which returned to single digits in April 2025 for the first time in three years, slowed further in the third quarter of 2025, falling to 7.8 percent year-on-year in September 2025. In October 2025, year-on-year inflation fell further to 2.5 percent in October 2025, below the BCC's 7 percent target, driven by exchange rate appreciation. Pressure on the Congolese franc has eased since the second half of 2024. Since September 2025, following the update of the exchange rate applied to frozen required reserves in domestic currency on foreign currency deposits, the Congolese franc has appreciated against the US dollar by 34.2 percent and 31.7 percent, respectively, on the official and parallel markets between end-August and mid-October. The exchange rate appreciation has since ceased.

4. **Strong fiscal revenue collection has so far offset budget overruns resulting from pressures stemming from the protracted conflict.** At end-June 2025, the cash-based domestic fiscal deficit was contained at CDF 1 882 billion, below the adjusted ceiling of CDF 2 062 billion set during the first review. Financed by government securities issuances on the domestic market, this deficit has not compromised the sustainability of our public debt, which remains contained.

- **Fiscal revenues matched expectations, slightly exceeding the forecasts made in the first review**, including thanks to the implementation of the May 2025 decree excluding from the government subsidy land and aviation fuels intended for mining activity and/or assigned to mining companies and their subcontractors.

- **However, the persistent nature of the armed conflict continued to weigh heavily on budget execution.** Contrary to our expectations at the time of the first review under the ECF arrangement, we had to continue to devote more resources to exceptional security expenditure, given the continued fighting despite progress in the peace talks. Additional pressures on the budget included salary increases in the education and health sectors, the induction of new judges, and the roll-out of the national network of public accounting officers, as well as transfers of resources to the provinces and the launch of the Ebola response plan and the transfer of resources to UN agencies for humanitarian emergencies. To safeguard the program's objectives, we have rigorously contained expenditure on goods and services, notably by reducing the operating budgets of ministries and institutions by 30 percent. We have also reduced the remuneration of public employees and heads of institutions and reprioritized public investments in accordance with the contingency plan annexed to the supplementary Budget Law for 2025.

- In order to safeguard our objective of gradually closing the significant infrastructure gap in our country, we are working to reduce delays in the implementation of projects to be financed from the resources expected from the SICOMINES contract. In line with our commitment to promote greater transparency and public accountability, we published the physical and financial implementation report for these projects at end-June 2025.[1] This shows a low implementation rate at end-September 2025, with a cumulative delay of nearly USD 642.6 million on the list of projects sent to the Chinese side for the period 2024–2026 (assessed at approximately USD 1.1 billion), as broken down in the table below. The delays reflect not only the period of time requested by the Chinese side to comply with the new operational and financial mechanism, but also prefinancing difficulties encountered on the portions to be executed by Congolese companies. We will ensure that the accumulated delays are eliminated over the next three years, starting in the last quarter of 2025, especially as this will enable us to compensate for the shortfall in investment from our own resources caused by the persistent nature of the armed conflict. We will ensure that a joint government-SICOMINES memorandum of understanding is adopted by end-November 2025 crystallizing the terms of the March 2025 minutes on the new operational and financial mechanism. In June 2025, we were unable to hold the annual midterm review meeting with the Chinese side, as provided for in Amendment 5 to the contract, because the

[1] https://acgt.cd/wp-content/uploads/2025/11/ETAT-DAVANCEMENT-DES-PROJETS-DU-PROGRAMME-SINO-CONGOLAIS.pdf

independent audit commissioned by the Agency for Steering, Coordination, and Monitoring of Collaboration Agreements (APCSC) on the financial certification of the deposit had not been finalized. As soon as the audit is completed, we will ensure that the meeting is held in 2025 and that it takes place systematically in subsequent years so that any adjustments can be made to the contract if shortcomings are identified. Our objective remains to ensure full consumption and, failing that, to obtain a full disbursement of the resources planned for each year. Moreover, in keeping with our strong commitment to transparency and public accountability, we will continue to:

(i) Publish feasibility studies and cost-benefit analyses, as well as any other ex-ante studies associated with the selected projects.

(ii) Produce and publish an annual report on the use of SICOMINES resources, including a physical and financial project execution report.

(iii) Submit completed projects to ex-post evaluations by an independent oversight body.

Implementation of projects financed with SICOMINES resources, at end-September 2025

Instalment	Cost (USD)	Progress (Payments in %)	Amount not yet executed (USD)
A. Budget 2022-2023 (Instalment of 150,000,000)	150,000,000	69.3	46,056,623
B. Budget 2024 (Instalment of 324,000,000)	324,000,000	57.0	139,456,923
C. Budget 2024 (Instalment of 300,000,000)	300,000,000	22.3	233,055,727
D. Budget 2025 (Instalment of 324,000,000)	324,000,000	30.9	224,010,295
Cumulative delay			**642,579,568**

5. **Foreign exchange reserves continued to accumulate in 2025, driven by the narrowing current account deficit.** The latter shrank to 4.2 percent of GDP in 2024 and is projected to narrow further to 3.6 percent of GDP in 2025, supported by strong mining exports, notably copper, which offset the suspension of cobalt exports. Foreign direct investment remains robust, contributing to the financing of gross fixed capital formation and imports. This has resulted in a continued accumulation of foreign exchange reserves, estimated at around USD 7.8 billion at end-September 2025, the equivalent of 2.5 months of prospective non-aid import coverage.

6. **The financial soundness of banks continued to improve at end-August 2025**. USD credit to the private sector continues to grow, albeit at a slower pace of 14.3 percent compared to 18.1 percent over the same period in 2024. The growth in the level of deposits in USD declined by 3.5 percent compared to a 15 percent increase during the same period in 2024, reflecting the impact of

the conflict in the eastern part of the country. Deposits in domestic currency increased by 21 percent at end-August 2025 compared to6 percent during the same period in 2024. The dollarization of the financial system thus remained very high, at 90 percent for deposits and 97 percent for loans. Notwithstanding these pressures, the deposit-to-loan ratio remains high at 150 percent. Asset quality stabilized and the nonperforming loan ratio stood at 6.7 percent, the same level as in the same period in 2024. Following the increase of the minimum capital to USD 50 million, three banks were non-compliant, one of which has since regularized its situation. The capital adequacy ratio (16.2 percent) remains above the regulatory threshold of 10 percent.

B. Economic Outlook and Risks

7. **The outlook remains broadly favorable, albeit subject to uncertainty surrounding the effective cessation of hostilities in the eastern part of the country**. We project growth of 5.6 percent in 2025, which is 0.3 percentage point slightly above the initial projection, driven mainly by the extractive sector. Copper export growth is expected to be higher than forecast at the time of the first review (10.1 percent vs. 8.2 percent), more than offsetting the decline in cobalt exports following the suspension of exports from February to October 2025. Over the medium term, growth is expected to stabilize around this level, supported by the resumption of cobalt exports at higher prices against a backdrop of export quotas and the recovery of the non-extractive sector thanks to the results both of the expected restoration of peace, as well as the planned structural reforms and investments. Inflation, which at 2.5 percent year-on-year in October 2025 is already below the BCC's 7 percent target, is expected to stabilize below this target in 2026, with a projected level of 6.1 percent in December 2026.

8. **The fiscal position for the remainder of 2025 and 2026 will continue to be impacted by developments in the conflict**.

- For end-2025, given the ongoing fighting in zones of active conflict, overruns of around 1.2 percentage point of GDP are expected on exceptional security expenditure compared to the forecasts at the time of the first review. Overruns are also expected in the wage bill, reflecting increases awarded in the education and health sectors, the induction of new judges, and the rollout of the national network of public accounting officers, as well as budgetary transfers to the provinces. By way of compensation, we will consolidate the savings made during the first three quarters of the year on expenditure on goods and services, thanks to measures aimed at reducing government’s operating costs. We will also postpone investment projects funded by domestic resources that have not yet started, as provided for in our contingency plan annexed to the 2025 draft Supplementary Budget. These efforts, together with the consolidation of good performance in fiscal revenue collection, will make it possible to contain the cash-based domestic fiscal deficit to 1.3 percent of GDP by end-2025. This slight overshoot (of about 0.1 percent of GDP) compared to the deficit programmed at the time of the first review, which we request to be accommodated, mainly reflects the additional spending pressures caused by the launch of our national response plan to the Ebola virus outbreak as well as the transfer of resources to UN agencies for humanitarian emergencies.

- For 2026, in the absence of a restoration of government authority in the illegally occupied eastern provinces, the related loss of fiscal revenue (0.4 percent of GDP on an annual basis) could remain unchanged. However, the nonrenewal of the exemption from customs duties and VAT on basic foodstuffs should make it possible to offset the related revenue shortfalls. We also expect revenue gains from the implementation of strong measures included in the 2026 budget, including the entry into force of the standardized VAT invoicing system, the streamlining of tax exemptions, and the full effect of the exclusion of mining companies and their subcontractors from the government's fuel price subsidy (effective in August 2025). Additional revenue is also expected from the implementation from 2026 onwards of certain measures drawn from the recently adopted Revenue Mobilization Plan. They include: (i) the process of gradually reducing negative taxation on petroleum products, in particular by converting part of the gains resulting from exchange rate appreciation and increased volumes into excise duty; (ii) continued implementation of the traceability system for products subject to payment of excise duties; and (iii) increasing excise duties on vehicles from 10 percent to 15 percent. We will also redouble our efforts in the area of tax administration, including by improving control of the taxpayer register, strengthening the collection of outstanding debts, speeding up the processing of disputes, and strengthening the excise duty traceability system through the deployment of control kits in all provinces to combat fraud more effectively. The expected strong mobilization of fiscal revenues is expected to offset increased pressure on spending. The full impact of measures taken in response to the escalation of hostilities, including the doubling of army and police salaries in March 2025 to boost morale, is likely to continue to weigh on public expenditure in 2026. An allocation of resources similar to that of 2025 to exceptional security spending may also prove unavoidable in 2026, unless the ongoing diplomatic efforts to achieve a permanent cessation of hostilities yield faster gains. By way of compensation, we will continue to rationalize expenditure on goods and services, including through cuts in the operating budgets of institutions and the salaries of public employees and heads of institutions, and stricter controls on certain specific expenses (missions abroad, training, and bonuses). We will also be more rigorous with regard to transfers and subsidies as well as the wage bill, including the continuation of ongoing reforms in the civil service, including the expected cleanup of the civil service register and the implementation of the new wage policy. We will also re-prioritize investment projects (funded from own resources) while ensuring more effective implementation of SICOMINES projects and those financed by external resources as well as the local development program for the 145 territories (PDL-145T), whose average execution rate at end-October 2025 is 69 percent, of which 80 percent for CFEF, 69 percent for BCECO, and 58 percent for UNDP.

- In short, this should result in a residual financing requirement for 2026 of 0.4 percent of GDP more than the forecasts made in the first review. This residual gap, which represents the revenue shortfall resulting from the continued closure of financial authorities in the illegally occupied eastern provinces (an external shock beyond our control) and the transfer of resources to United Nations agencies for humanitarian emergencies, should be filled by issuing government securities on the domestic market without compromising the sustainability of our debt.

- Given the cash-flow pressures linked to the repercussions of the ongoing conflict in the eastern part of the country, we will be extremely vigilant in preventing the accumulation of domestic payment arrears. To this end, we will set up a monitoring mechanism within the Ministry of Budget to strengthen control over budget execution, in particular by ensuring close monitoring of commitments and payments throughout the fiscal year, as well as regular monitoring of the age of delinquencies.

- In line with our commitment to channel IMF budget support toward the financing of infrastructure projects with a significant economic impact, we will closely monitor the related mechanism for ring-fencing resources in a BCC subaccount with the BIS, as well as their use, as adopted by the Council of Ministers in December 2025. For greater efficiency, transparency, and public accountability, we reiterate our commitment to prohibit any use of emergency procedures in the execution of investments and to publish a biannual report on the use of external resources allocated to support the government budget.

9. The external position is expected to improve, although it remains vulnerable. The 2025 current account deficit is expected to narrow further to 3.6 percent of GDP from 4.2 percent in 2024. Sustained growth in copper exports, against a backdrop of elevated prices, should more than offset the suspension of cobalt exports from February to October 2025. In 2026, external stability is expected to strengthen further, narrowing the current account deficit to 2.2 percent of GDP, thanks to the recovery in cobalt exports combined with the anticipated rise in prices following the establishment of the export quota system. This is expected to support the accumulation of reserves, which are expected to attain the recommended minimum threshold of three times import cover by 2027. Building up such adequate buffers remains essential to absorb potential shocks. The projections remain subject to heightened external vulnerabilities linked to uncertainties regarding the continued support of development partners, particularly as geopolitical changes or budgetary constraints continue to lead to reduced funding. That said, there are upside risks, especially regarding the implementation of the recommendations of the recent IMF technical assistance mission aimed at correcting methodological weaknesses identified in the compilation of balance of payments data. The implementation of these recommendations could lead to a substantial downward revision of imports of goods, partially offset by an upward revision of imports of services and FDI dividend repatriations.

10. This outlook is subject to heightened downside risks. The heightened downside risks stem mainly from the humanitarian, socio-political, economic, and fiscal repercussions of the ongoing armed conflict in the eastern part of the country and the sharp reduction in development aid flows. In addition, the health crisis linked to the resurgence of the Ebola virus epidemic and the persistence of the M-pox epidemic, against a backdrop of a drastic reduction in financial aid from the United States, nearly 25 percent of which went to support various health programs, constitutes an additional risk to the outlook. Potential inflationary pressures from volatile prices for imported basic foodstuffs remain a concern. Potential shortfalls in fiscal revenues and international reserves could also emerge in the event of a sudden reversal of currently high commodity prices (copper, cobalt, etc.), including from a possible weakening of global demand due to possible negative repercussions of recent increases in import tariffs. Upward risks to the outlook could also arise if the ongoing peace talks accelerate and lead to an effective cessation of hostilities, combined with the related prospect of significant United States investment under the proposed mining agreement between our country and the United States.

C. Macroeconomic Policies and Structural Reforms Underpinning the ECF Arrangement

Fiscal Policy

11. The formulation and implementation of our fiscal policy remains anchored on the following fundamental principles: (i) the absence of any direct monetary financing of deficits, i.e., a strict commitment of expenditure according to available resources, in accordance with the Public Finance Law and the Organic Law on the BCC; (ii) the preservation of a moderate risk of debt distress; (iii) consistency with monetary and exchange rate policy; (iv) the development of contingency plans to allow budget execution under programs supported by the ECF and RSF to remain adaptable to possible future shocks; and (v) the need to build up fiscal savings conducive to the implementation of the roadmap for the eventual transition to a fiscal framework that does not rely on extractive sector resources. We therefore remain committed to systematizing the publication of regularly revised quarterly fiscal commitment plans (by end-January 2026 at the latest, for the first quarter of 2026), in line with the program objectives in terms of the fiscal deficit, preservation of the moderate risk of government over-indebtedness, and prevention of the accumulation of payment arrears.

Improvement of the Effectiveness of the Tax and Customs Administrations

12. We will intensify our efforts to mobilize domestic revenue, building on the recently adopted domestic revenue mobilization plan. Our objective remains to increase central government fiscal revenue (excluding special accounts) from 11.7 percent of GDP in 2025 to 12.6 percent of GDP in 2027, gradually converging to the average of our Sub-Saharan African peers (17 percent of GDP) in the medium- to long-term. To this end, in September 2025 we adopted a short- to medium-term domestic revenue mobilization plan, which will coordinate efforts among the various financial authorities, tax policy and tax administration reforms, and their synergies, with particular emphasis on streamlining VAT exemptions (**structural benchmark, September 2025**), in line with IMF technical assistance recommendations. We are committed to putting this plan into effect diligently, starting by selecting a set of measures with strong revenue potential for the 2026 budget.

13. We are continuing our efforts aimed at modernizing and strengthening the performance of the three revenue agencies, namely the Directorate-General of Taxes (DGI), the Directorate-General of Customs and Excises (DGDA), and the Directorate-General of Administrative, State, Judicial, and Participation Revenues (DGRAD). The related reform priorities, which build, among others, on the findings of the latest assessment of tax administration performance using the Tax Administration Diagnostic Assessment Tool (TADAT) methodology (2023) and recent IMF technical assistance missions to follow up on these findings, include:

Tax Policy

- *The effective deployment of the standardized VAT invoicing system*. To date, all the technical prerequisites for widespread adoption of the standardized VAT invoicing system have been met. These include: (i) receipt of 10,000 electronic tax devices (MCF), (ii) contracting with GSM operators for the supply of SIMs to operate electronic tax devices; (iii) hiring of communication agencies to support operational bodies in awareness-raising and change management; (iv) signing of the remaining regulatory texts and administrative instructions related to the reform; (v) establishment of operational and change-management bodies; (vi) review of Ministerial Order No. 034/CAB/MIN/FINANCES/2023 of October 23, 2023 laying down measures for implementing Decree No. 23/10 of March 3, 2023 and setting the conditions for the marketing of physical electronic tax devices and business invoicing systems; (vii) purchase of licenses and installation of software tools for the insurance solution on the Ministry of Finance server; and (viii) finalizing the technical work on the taxation groups. On August 1, 2025, we launched the phase of generalized use of the standardized VAT invoicing system for enterprises subject to VAT, with an effective, mandatory date of December 1 (**structural benchmark, September 2025**), by inviting invoicing software providers and companies that have developed their own business invoicing systems to comply with the approval procedure. By the end of October 2025, more than three suppliers of physical electronic tax devices have been approved and more than two hundred and fifty (250) suppliers of corporate billing software had begun the compliance process. Awareness among stakeholders was also raised and additional training sessions were organized for companies and managing departments (DGI staff). We will publish the list of approved electronic tax device suppliers and approved business invoicing systems by end-November 2025, so that the requirement to issue and deliver a standardized invoice through an electronic tax device comes into force on December 1, 2025. Once this deadline has passed, the proposed sanctions will be applicable to taxpayers who do not use the standardized invoice, with a maximum grace period of one month during which non-compliant invoices may be regularized. We therefore expect this reform to generate additional tax revenue gains of at least CDF 500 billion starting in 2026.

- *Acceleration of the optimization of tax expenditures with a view to broadening the tax base*. The updated assessment of tax expenditures, which is presented in the Annex to the 2025 Budget Law, shows that tax expenditures represented nearly 30 percent of the central government's domestic revenues in 2023, of which nearly 22 percent were from the subsidy granted to the oil sector (about 7 percent of revenues mobilized in 2023, or 1.3 percent of GDP). In July 2025, we excluded mining companies and their subcontractors from fuel price subsidies, which should make it possible to recover the shortfall in related revenue of approximately CDF 500 billion/year. We will complete the repeal, implemented in the 2025 Budget Law, of paragraph 4 of the preliminary provisions on import duties and taxes, thereby abolishing preferential tax regimes, by adopting the decree repealing the regime relating to the strategic partnership on value chains by end-2025. In line with the recommendations of the IMF technical assistance, and given the notable progress made by the Working Group on the Estimates of Tax Expenditures, we plan to move on to the analytical and management aspects of these tax expenditures during the updated assessment under the 2026 Budget Law. To this end, we will eliminate the delay in developing the strategy for the optimization of VAT exemptions, finalizing it by March 2026.

- *Better exploitation of excise duty revenues*. Our aim is to gradually increase the excise revenue ratio from the current 0.6 percent of GDP to the African average of 1.6 percent of GDP by 2027. To this end, we will adopt by January 2026 the draft revision of the excise code, prepared by the DGDA in collaboration with AFRITAC Centre, taking into account legislative, economic, and institutional developments. We will also consolidate the increases in excise duties on certain products and the taxation of a new product (sulfuric acid) in the 2025 Supplementary Budget (from 80 percent to 120 percent on manufactured tobacco; from 24 percent to 30 percent on light beers; and from 28 percent to 35 percent on strong beers). We will also increase excise duties on vehicles from 10 percent to 15 percent. Our approach will continue to prioritize efforts to support traditional excise duties (which are performing quite well elsewhere in Africa), including further increases in excise duties on cigarettes and alcohol, while exploring the possibility of simplifying others, such as those on cars.

- *The finalization,* in collaboration with the World Bank, *and submission to Parliament by December 2026 of the new general code of taxes, duties, charges, and fees*, while ensuring that it is accompanied by a revised section on excise duties, a section on non-tax revenues (including administrative, judicial, government property and participation revenues), and a section on tax revenues of the provinces as described in the Constitution, along with a new tax procedures code (the latter by December 2027 at the latest). To this end, by end-January 2026 we will approve the updated draft structure of the General Tax Code and the associated roadmap for the codification of tax legislation.

- *The continuation of our work on the harmonization of provincial taxation*. We have prepared a revised draft of Ordinance-Law No. 69-006 of February 10, 1969 on real taxation, specifically in its provisions concerning property tax, with technical assistance from the IMF. During the conference on the permanent consultation framework of provincial Finance Ministers, which we plan to hold by end-November 2025, we will adopt the preliminary draft law establishing the nomenclature of the taxes, duties, and fees of the provinces, based on the conclusions of the work to harmonize the various texts (property tax, rental income tax, vehicle tax, and excise duties).

- *The signing of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters, abbreviated as "MAC," drawn up by the Council of Europe and the Organization for Economic Co-operation and Development (OECD) in 1988*, with the aim of strengthening efforts to combat tax base erosion and profit shifting to jurisdictions with preferential tax regimes. We commit to making every effort to achieve the signing of the above-mentioned Convention by December 2026.

- *Strengthening transfer pricing legislation and engaging in discussions with the countries of origin of goods with a view to introducing secure electronic invoicing.* We will clarify the thin capitalization rule and the methods for determining and monitoring arm's length prices, with technical assistance from development partners.

- *The development of a legal framework and the establishment of the Regulatory Authority for Gambling and Similar Practices.* In April 2025, the government adopted, and submitted to Parliament a draft law on the fundamental principles applicable to the gambling sector, in order to clean up this sector, better protect national savings, increase the revenues mobilized in this sector through the introduction of an ordinary law tax regime, with specific taxes on winnings and gross gaming revenues, and combat money laundering. We undertake, pending the enactment of the law, to set up the management unit for the reform of the gambling sector by July 2026.

Tax and Customs Administration

- *The intensification of efforts to better secure the taxpayer registry and outstanding balances* through biometric registration of taxpayers and better integration of different sources of information, which remain highly fragmented to date. We will therefore ensure that the mechanism for sharing information among financial authorities is further modernized, by relying more on automation and digitalization to set up a platform for sharing information within and among financial authorities. Such an integrated system of different databases, based on essential taxpayer data (including commercial flows, bank data, and assets), and accompanied by a systematic link between tax registration and tax returns, will ensure better cross-checking of information, leading to more effective tax audits (including computerized document checks), which currently yield less than 15 percent of their potential. We will also make it standard practice to restrict access to public procurement contracts to only those entities identified by the DGI, and we will ensure that the tax administration's data repository is linked to the information system of the Directorate General of the Treasury and Public Accounting (DGTCP).

- *Finalization of the strategy to promote tax compliance by December 2025,* taking into account the initiatives carried out in this area by certain civil society actors. To this end, we will ensure that taxpayers are better informed and that the management of tax dispute follow-up is further modernized by making the national tax mediation commission operational by the end of July 2026.

- *Acceleration of the strengthening of the operational capacities of the mineral analysis laboratory set up by the DGI and the controls by the DGDA of material flows for ore exports*, with a view to allowing for a more appropriate assessment of the volumes and mineral and moisture content of exports. We are working to obtain approval from the Ministry of Mines by January 2026 to operationalize the mineral analysis laboratory under contract with the DGI. This should promote better compliance with tax rules, including through the expected strengthening of the DGI's audit capacities thanks to better calculations of the tax bases and tax obligations of mining companies. We will also continue to explore measures to increase the collection of mining revenues, based on the principle of minimizing human contact, through the establishment of truck weight scales and computerized, non-intrusive quality control mechanisms, by March 2026. Studies show that our country loses nearly half of its potential mining revenue due to weak controls on the volumes and content of valuable metals. In 2026, we are committed to procuring, in accordance with the customs modernization program, non-intrusive control equipment (container scanners, volumetric scanners) from world-renowned manufacturers.

- *Acceleration of computerization and digitalization*. We will continue our digitalization efforts, in collaboration with our development partners (European Union, French Development Agency, etc.). We are working to make up the delay in the deployment of the integrated tax management system (ERP) at the DGI by April 2026. In addition, we have deployed the LOGIRAD software at the DGRAD, within some government departments (Mines, Hydrocarbons, Telecommunications, Directorate-General of Migration, Land Affairs, Environment, Employment and Labor, Foreign Affairs, and Transport, Communications, and Accessibility), in the provinces of Kinshasa, former Katanga, Kongo Central, North Kivu and South Kivu, and the former Orientale Province. Our goal remains to fully switch our work over to the digitized system.

Improving the Efficiency of Public Spending

14. We will strengthen the control of security-related spending, which has increased sharply since 2023 following the intensification of the armed conflict in the eastern part of the country. Regarding exceptional security spending, we will carry out a systematic annual review by a committee (Finance – Budget – Defense) and will send a report to the country's senior leadership, starting at end-December 2025 for expenditures covering the period 2023-2025. We are committed to continuing to limit as much as possible the use of emergency procedures in their execution, given their continuing importance, and to systematically regulating exceptional security expenditures on a quarterly basis. We will consolidate security spending centers and subject the execution of such spending to prior review for compliance by both the budget officer and the deputy appropriations manager. In view of the doubling of the salaries of the military and police officers since March 2025, the National Armed Forces Inspectorate will carry out a rigorous audit of the army's personnel, especially in non-combat zones. In addition, the government will adopt a decree on special procurement in the field of defense by December 2025, in order to provide a framework for the process of acquiring equipment for this sector.

15. We are continuing the diligent implementation of the strategy to clear domestic payment arrears in accordance with the new timetable adopted by the government in December 2024, based on an independent audit of the stock of certified domestic arrears in December 2022.

- In accordance with the updated roadmap of November 13, 2023, we (i) paid a first batch of approximately US$5 million in December 2024 for small claims (those amounting to US$150,000 or less); (ii) scheduled the payment of the second batch by December 2025 and the third batch in April 2026; (iii) identified the beneficiaries of the largest claims in March 2025, after they had opened securities accounts to hold the bonds that will be delivered to them. The updated situation at end-September 2025 of the stock of certified and validated domestic arrears is US$52.7 million in small claims and US$912.1 million in large claims.

- The first early buyback operation of these securities is expected to take place in June 2026, in accordance with the Order of October 2023 laying down the terms and conditions for the securitization of certified domestic arrears and the organization of the buyback of securitized domestic public debt.

- We will continue to refrain from making any payments outside the framework of this clearance strategy, in line with our objective of consolidating and strengthening transparency in domestic debt management.

16. We remain committed to strengthening the coverage, level, and effectiveness of social spending. The indicative target (IT) for social spending at end-June 2025 was not achieved despite payments made to one of the three health programs during the first half of 2025. Furthermore, constraints remain due to cash flow pressures caused by the repercussions of the ongoing armed conflict, on the one hand, and the withdrawal of US funding and the reduction in international health assistance, on the other. However, we remain committed to allocating adequate resources to these priority social expenditures by end-2025, for 2026 and beyond, including through increased efforts to further mobilize fiscal revenues and rationalize lower-priority spending. The expected decentralization of the expenditure authorization process in the pilot sectoral ministries, including the Ministry of Health and the Ministry of Education, should also help to ensure smoother execution of priority social expenditure. Moreover, we have broadened the scope of the IT on social spending beyond the three health[2] programs to include other equally high-priority social spending, namely: (i) expenditure related to the development of social action centers and the Single Social Register (RSU) throughout the country; (ii) the availability of humanitarian kits; and (iii) providing schools with desks.

17. We will continue our efforts to further optimize the fuel price subsidy. We will continue to diligently implement the November 2023 roadmap to limit oil company shortfalls, in line with the findings of the May 2023 audit of the price structure and the July 2023 IMF technical assistance mission. These reforms, together with our efforts to enhance transparency, through the systematic monthly publication of price structures and the certification of revenue shortfalls, have made it possible to reduce revenue shortfalls to USD 16.04 million in the first half of 2024 and to USD 15.97 million in the corresponding period in 2025. Given the encouraging results, we will work to continue the deployment of the roadmap, which is based on the following priority areas:

- *Streamlining the price structure by optimizing certain items, particularly the average commercial border price, and updating the methods used to calculate transport differentials.* In particular, we will continue to improve the methods for calculating shortfalls by strictly complying with the Interministerial Order of February 2024 on the eligibility criteria and method for calculating losses and shortfalls. We will also continue to comply with the maximum deadline of two months for the certification of shortfalls for a given quarter and to publish the price structure and the estimate of the subsidy each month on the website of the Ministry of National Economy.

- *Continue efforts to rationalize fuel subsidies.* Following the launch of the molecular marking program in the southern and eastern supply zones in August and September 2024, respectively, since August 2025 we have been effectively implementing the May 2025 Interministerial Order that excludes mining companies and their subcontractors from oil subsidies and tax exemptions. These measures, together with the obligation imposed on mining companies to obtain fuel exclusively from authorized distributors, should help to further optimize taxation and parafiscal taxes on oil and to better control volumes released for consumption. To date, this reform has generated gains of USD 228 million.

- *Limiting the rate at which new shortfalls are formed.* To prevent the recent declines in pump prices in the South and West zones from undermining the positive momentum of gains accumulated since

[2]At end-June 2025, of the three health programs covered by the IT on social spending, the Reproductive, Maternal, Neonatal, Infant, and Adolescent, & Nutrition (SRMNEA-Nut) program had an implementation rate of 129 percent, while disbursements for the vaccination program supported by GAVI and the project cofinancing program supported by the Global Fund have been postponed.

the first half of 2024, we will step up close monitoring of changes in key parameters of the price structure of petroleum products and ensure that prices at the pump are adjusted as necessary.

- *Continuing the reform to end cumulative remuneration for oil logistics companies in the price structure by putting an end to the pooling of their operating costs*.

- *Sustain the momentum of timely repayment of liabilities to oil companies*. We repaid US$288.3 million in 2024 in respect of partial arrears in 2023, and US$308 million in 2025 in respect of the balance of the 2023 debt, as well as those for Q1 and Q2 2024, the two largest repayments for the period, through two syndicated bank loans of USD$145 million (disbursed in February 2024) and USD$214 million (disbursed in January 2025). The repayment of these syndicated loans is guaranteed by a portion of the parafiscal charge included in the fuel price structure. Thus, the stock of liabilities for 2024 has been fully paid. Net losses for the first half of 2025 are estimated at USD 15.97 million, driven by the new order excluding mining companies from subsidies and tax exemptions, the exchange rate appreciation, lower global fuel prices, and our updated transportation calculations. We remain committed to repaying the stock as it accumulates, with a view to fully eliminating all subsidies when the economic situation improves.

- *Further strengthening transparency in the calculation and certification of losses and revenue shortfalls attributable to oil companies* by enhancing the operational capacity of the Strategic Product Price Regulation Committee, established in February 2023, and involving all relevant ministries.

- *Commit to implementing dynamic strategies to respond to the growing demand in the domestic economy for petroleum products* by updating the systems for monitoring and evaluating the country's supply of petroleum products and by recommending that products be offered at more competitive ex-refinery prices.

18. We will accelerate civil service reforms with a view to achieving sustainable control of the wage bill. In line with its commitment to modernize public administration management, against a backdrop of increased pressure to raise salaries, the government will adopt its new salary policy by December 2025] to promote greater efficiency, equity, and fairness (by reducing as much as possible non-objective disparities in treatment within the civil service), while ensuring the budgetary sustainability of the wage bill. Our objective remains to contain the wage bill, which stands at 43 percent in 2025, to around 35 percent of tax and nontax revenues in the medium term. More generally, the civil service reform remains focused on the following strategic priorities:

Priority 1: Sustainable control of the wage bill and fair wage policy

- *Adoption of a new wage policy*: A new wage policy will be adopted by December 2025, in close consultation with the social partners. It will serve as a guiding principle for all government actions relating to the remuneration of public employees.

- *Rigorous management of recruitment and mechanization***:** Pending the adoption of this new wage policy, new recruitment and integration of civil servants into the official payroll system will remain limited to what is strictly necessary.

- *Fiscal sustainability of salary increases*: Any increase in the wage bill resulting from agreements with the social partners must be accompanied by proposals for concrete and credible measures. These will aim to achieve equivalent savings or increase budget revenues, in order to preserve the balance of the current Budget Law.

- *Planned staggering of increases*: Any salary increase will be spread out according to a precise timetable, defined in common agreement with the social partners. Close coordination between the Ministries of Budget, Finance, and the Civil Service will be ensured, in accordance with the July 2023 Order, to control the inflationary impact.

- *Revaluation of key professions and pay equity***:** Joint committees will be set up by end-2025 in key sectors such as education and health. Their mission will be to enhance the status of these essential professions and improve pay equity, in particular by reviewing base salaries and preventing ad hoc wage demands.

Priority 2: Improvement of the State's human resources management

- *Purging civil service records*: The biometric identification (FRAP) for all public employees will be pursued in order to exclude anyone who is in an irregular situation. This database will be interconnected with payroll information by March 2027 in order to identify ineligible employees.

- *Workforce transparency*: The publication of the directory of civil servants will be extended to the entire country by end-July 2026.

- *Reform of the social security system and pension management*: Efforts to reform the social security system for all public employees will be continued, in particular through the implementation, as of January 2026, of the provisions of Law No. 25/049 of July 1, 2025 amending and supplementing Law No. 22/031 of July 15, 2022 establishing the special social security regime for public employees. Following the resumption in May 2025 of the retirement program using a quarterly-sequenced approach, in strict compliance with the Fiscal Commitment Plan (Plan d'Engagement Budgétaire – PEB) for the period, the government retired close to 2,000 public employees, who were switched over to the register of the National Social Security Fund for public employees (CNSSAP). We will systematize this process over the course of the fiscal years, in line with available fiscal space.

Priority 3: Improving efficiency and optimizing public services

- *Computerization of public services*: A comprehensive program for the computerization of public services will be implemented. This will involve the digitalization of administrative procedures, the establishment of online platforms accessible to citizens and businesses, and the training of public employees in digital tools. The aim is to simplify procedures, reduce processing times, improve transparency, and facilitate access to public services throughout the country.

- *Optimization of organizational frameworks*: The government will continue to review the organizational frameworks of the various public services. This process will aim to streamline structures, clarify missions and responsibilities, eliminate redundancies, and promote a culture of performance and efficiency. Regular organizational audits will identify bottlenecks and avenues for continuous improvement.

- *Capacity development and results-based culture*: Pursuant to Decree No. 24/13 of February 17, 2024 on administrative regulations concerning the vocational training of career public employees in government public services, continuing training and skills development programs will be deployed to strengthen the expertise of public employees. The focus will be on project management, public policy evaluation, and results-oriented approaches to improve the quality and impact of services delivered to citizens.

19. We will accelerate efforts to strengthen the quality of public investment management in order to maximize returns in a context of heightened budget constraints. We will redouble our efforts to ensure rigorous implementation of investment spending, particularly that is financed from internal resources, in order to guarantee not only its quality but also its consistency with the budgetary framework and the allocated ceilings, thereby preventing significant overspending. As was the case in March 2025 for the 2026 fiscal year, the Ministry of Planning will issue a circular in the first quarter of 2026 setting out the guidelines for the preparation of capital expenditure forecasts for the 2027 fiscal year, in accordance with the Decree on Public Investment Management. This circular will stipulate that all public investment projects must first be entered into the Ministry of Planning database, which feeds into the multi-year public investment program (PIP), and that, in order to be eligible, the sectoral ministry must submit standard technical, economic, financial, and environmental assessments before the budget is approved. To this end, we will strengthen the operational capacities of staff and ensure that the effective disbursement of the pre-investment funds is restored so that feasibility studies can be carried out within the specified time frame. A quarterly evaluation of the pre-investment fund will be conducted to ensure proper execution. A ministerial order establishing a unique identifier for public investment projects was adopted in August 2025, making it mandatory to apply the new codification of investment projects mandatory and to update it. We will also adopt by January 2026 a ministerial order revising the procedures manual for public investment management, to which will be appended a chapter setting out the methodology for the ex-ante assessment of the climate impact of public investment projects in collaboration with IMF technical assistance. In addition, we will diligently implement the following measures, most of which are taken from the roadmap adopted by the government in early November 2023 on the basis of the recommendations of the report (January 2023) on public investment management assessment (PIMA):

- Rigorous application of the decree of May 2023 governing the public investment management process through all phases of the project cycle, accompanied by a computerized monitoring and evaluation mechanism at the level of the Ministry of Planning.

- By September 2026, develop the computer applications incorporating the new codification of public investment projects.

- Ensure that, with technical assistance from the IMF, national guidelines for project appraisal are in place, which set minimum standards for feasibility analysis, cost estimation, and risk assessment for all public investment projects above a defined threshold.

- Publish, on a quarterly basis, the payments made per investment project, distinguishing between those included in the Budget Law and those that are not, with the first report due for investments made in 2025 (**Structural Benchmark, March 2026**). We commit to include in the investment annex to the draft Budget Laws only projects that have been the subject of a feasibility study and prior registration in the PIP prepared by the Ministry of Planning.

- Adopt a detailed roadmap for the implementation of measures relating to the process of integrating climate considerations into public investment management in line with the methodology for the ex-ante assessment of the climate impact of public investment projects appended to the new ministerial order revising the public investment management procedures manual. This roadmap specifies key stages, such as adoption of the regulatory framework, integration of management tools, gradual experimentation, and training of stakeholders (operational staff and decision-makers).

- Revise, by March 2026, the legal and regulatory framework for public-private partnerships (PPPs), mainly Law No. 18/016 of July 9, 2018 on public-private partnerships, with a view in particular to (i) including a reference to climate risk analyses during the preparation of PPPs; (ii) making the Ministry of Budget responsible for managing the budgetary risks of PPPs throughout the life cycle of projects, on the one hand, and the Ministry of Finance responsible for ensuring the effective management of risks related to indebtedness (mainly external debt) connected to PPPs, on the other hand; and (iii) ensuring harmonization with all sectoral legal texts governing this type of contract to facilitate their implementation. In addition, improvement of the Operational Guide for PPP Projects to ensure appropriate assessment standards, particularly with regard to climate impacts and the comprehensive analysis of fiscal risks arising from PPPs.

- Improve the quality of the public investment program by signing an integration protocol for capturing externally funded projects among the Aid and Investment Management Platform (PGAI), the Department of Planning and Budgeting (DPB), and the Project and Program Oversight Unit (CSPP).

- More rapid action to strengthen the monitoring of externally funded projects through: (i) the restructuring and strengthening of the CSPP; (ii) expansion of the CSPP's responsibilities, which now include, in addition to World Bank and the African Development Bank projects , those of the International Fund for Agricultural Development, the French Development Agency, the Arab Development Bank, the German Agency for International Cooperation, and the Japan International

Cooperation Agency; (iii) the real-time production of the dashboard for monitoring projects and programs and better oversight of the processing of files, in order to reduce administrative delays; and (iv) the evaluation of the performance contracts signed between the government and the coordinators of Project Management Units.

- Conduct a study by December 2025 on the advisability of creating a single office with a view to strengthening the framework for the monitoring and coordination of externally funded projects, possibly based on the integration of the CSPP, the Central Coordination Office (BCeCo), the Fragile States Financial Unit (CFEF), and the Support Unit for the National Authorizing Officer of the European Development Fund (COFED).

20. We will further strengthen our vigilance in monitoring and preventing risks related to public debt. This is all the more crucial given our plans to explore the issuance of a Eurobond in the short term. We will therefore continue efforts to strengthen our public debt management capacities, in collaboration with IMF technical assistance. We further commit to ensuring transparency and full disclosure of all commitments linked to public debt, covering the entire debt cycle, from their contracting to the disbursement of the corresponding lines of credit. This information will be systematically shared among relevant institutions—including the Ministry of Finance (including the DGDP) and the BCC—as well as with the IMF, to ensure enhanced coordination, comprehensive risk assessment, and prudent public debt management. With regard to the Eurobond, which we are considering for the 2026 fiscal year depending on market conditions, we undertake to seek prior approval from Parliament before any issuance, in accordance with the Organic Law on Public Finances (LOFIP), and in close consultation with IMF staff. We also renew our commitment to avoiding the accumulation of: (i) arrears on public external debt servicing; (ii) salary arrears in the civil service; and (iii) the use of advances from the BCC to central government. Furthermore, we remain committed to not using BCC deposits as collateral/security for central government loans and to repaying advances already granted in accordance with the agreed schedule. The present value of new loans to be contracted by the public sector in 2026 is estimated at US$1547.4 million.

Modernization of Public Financial Management (PFM)

21. We are continuing to implement our multi-year strategic plan to modernize public financial management that was adopted in August 2022. These reforms, coordinated by the Public Finance Reform Steering and Guidance Committee (COREF), continue to be guided by a regularly updated action plan, with technical and financial support from development partners, including use of the results of the public financial management assessment (Public Expenditure and Financial Accountability, or PEFA), the conclusions of which will be presented in January 2026.

22. Our PFM modernization priorities focus on:

- *Strengthening adherence to the expenditure chain as strictly as possible in order to limit as much as possible the expenditure carried out through emergency procedures*. Although the proportion of spending executed under emergency procedures remained high at 17.4 percent in the first three quarters, this reflects essentially the continued increase in exceptional security spending (which is eligible for the emergency procedure) owing to the persistence of fighting despite diplomatic advances. Apart from exceptional security expenditure, which represents almost 90 percent of expenditure executed under emergency procedures, the use of emergency procedures for other categories of expenditure was limited to less than 4.9 percent for the first three quarters of 2025. Despite a slight delay, and in line with our commitment to promote greater budgetary transparency and public accountability, on the Ministry of Budget's website we published quarterly reports, in July for 2025Q1 and September for 2025Q2, detailing the nature and amount of expenditure, distinguishing between expenditure carried out under standard procedures, under exceptional procedures, and those carried out outside the expenditure chain, as well as the execution of expenditure by volume, type, institution, and through the stages of the expenditure chain (**continuous SB**). We will redouble our efforts in compliance with the Interministerial Order adopted in December 2024 on the procedures manual for executing expenditures and clarifying emergency expenditure procedures. We will also ensure that we strengthen the planning and prioritization of exceptional security expenditure so that only expenditure that is urgent is channeled through the "simplified" emergency procedure, and the "accelerated" procedure is used for less urgent expenditure, in line with the related strategy that we are working to finalize by December 2025. In addition, we will strengthen the framework for expenditure eligible to be carried out under the simplified procedure for reasons of national security (as specified in the Interministerial Order of December 2024 on the expenditure procedures manual), ensuring that the budget allocation of such expenditure is confirmed in advance by the deputy appropriations manager assigned to the Ministry of Finance. Based on the confirmation of budget allocation, this expenditure must then be regularized quarterly, in accordance with the procedure manual, as was the case in June and September 2025 for expenditure committed under the emergency procedure in Q1 2025 and Q2 2025, respectively. Stricter adherence to the expenditure chain, combined with improved effective implementation of standard procedures, honest budgeting (based on realistic macrofiscal assumptions and greater coordination among the departments involved), and increased transparency through the systematic quarterly publication of the implementation of the cash flow plan, should ultimately contribute to strengthening the budgetary credibility.

- *Accelerate the operationalization of the decentralization of expenditure authorization*. In line with our objective of launching pilot phase 1 of the decentralization of expenditure authorization with four sectoral ministries (Education, Rural Development, Health, and Public Works) and pilot phase 2 for the five other ministries (Defense, Agriculture, Secondary and University Education, Fisheries and Livestock, and Finance), we have: (i) completed the process of assessing and assigning chief and assistant public accounting officers and administrative staff to the six accounting positions (**structural benchmark, August 2025**); (ii) successfully deployed the decentralized expenditure chain network in the four sectoral expenditure authorization municipalities (**structural benchmark, June 2025**), which now communicates with the CII hub in real time; (iii) finalized the cash management and general accounting modules in September 2025 and interfaced them with the BCC information system in December 2025; and (iv) trained users of the decentralized expenditure chain by the end-December 2025. We will deploy the expenditure chain software in five (5) other pilot ministries (Defense, Agriculture, Secondary and University Education, Fisheries and Livestock, and Finance) by December 2025. We will ensure that the accounting positions of the first four pilot ministries are equipped with furniture, equipment, and offices, and that their operating accounts are opened with the BCC, which will be replenished in by the Central Treasury Accounting Officer (ACCT) by end-December 2025, in order to make the decentralization of expenditure authorization fully operational in these first four pilot ministries in February 2026 (**structural benchmark, February 2026**). We will also equip the other accounting positions for the remaining five pilot ministries with furniture, equipment, and offices and will finalize all prerequisites (signing of accounting texts and IT prerequisites) and open their operating accounts with the BCC by September 2026 (**structural benchmark, September 2026**). Our objective remains to produce, by June 2026, of a balance sheet for the first quarter of 2026 based on the new system by each of the accountants of the first four pilot ministries, presenting their budgetary and accounting operations, as well as a consolidated balance sheet by the DGTCP presenting the operations of the first four pilot ministries for the first quarter of 2026 (**structural benchmark, June 2026)** and then its systematization, including for the other pilot ministries.

- *Finalizing the operationalization of the Directorate-General of Treasury and Public Accounting* (DGTCP) in assuming its accounting and cash management functions. To do this, with regard to the accounting aspect, we: (i) opened, in November 2025, the operating accounts for the accounting positions of the first four ministries benefiting from the decentralization of expenditure authorization; and (ii) have taken the necessary steps since March 2025 to establish the replenishment policy for these accounting positions by the ACCT, and we will continue this operation until December 2025 for the accounting positions of the five other ministries benefiting from the decentralization of expenditure authorization (Defense, Agriculture, Higher and University Education, Fisheries and Livestock, Finance). In February 2026, we will make fully operational the accounting positions for the first four ministries benefiting from the decentralization of expenditure authorization (Education, Rural Development, Health, and Public Works).

- *Finalize the putting into service of the ACCT accounting position in order to restore the accounting function in the expenditure chain* and to allow the six accounting positions created to pay the expenses of the decentralized ministries. To this end, in April 2025 we adopted *three of the remaining texts necessary for the exercise of the accounting function* (**structural benchmark, April 2025**),*namely* (i) the decree amending and supplementing the decree establishing the framework and organic structures of the DGTCP; (ii) the decree amending and supplementing the decree on administrative regulations applicable to public accounting officers; and (iii) the decree amending and supplementing the decree on public expenditure payment and accounting procedures. For greater operational efficiency, we have provided the ACCT with offices in the building that we made available in December 2025 to house the six accounting positions, thanks to co-financing with the World Bank under the ENCORE project. *We have also adopted the following decrees and orders, which are also necessary for the performance of the accounting function*:

(a) Decree amending and supplementing the decree on the State Accounting Plan;

(b) Decree on the compilation of State accounting standards;

(c) Decree establishing the procedures for keeping inventory accounts;

(d) Order establishing the procedures for producing the public accounting officer's management account;

(e) Order laying down accounting procedures for cash operations;

(f) Order establishing accounting procedures for centralization and consolidation;

(g) Order revising Ministerial Order No. 007/CAB/MIN/FINANCES/2023 of March 2, 2023 establishing the organization and operation of the national network of public accounting officers;

(h) Order establishing the State’s account nomenclature;

(i) Order establishing the operating procedures for imprest account units and revenue collection units;

(j) Order establishing the procedures for the installation and service delivery of public accounting officers;

(k) Order establishing the conditions for the constitution and release of the public accounting officer's bond.

- *Deploying staff and managers to their positions in order to establish the administrative structures of the DGTCP*, in accordance with the decree amending and supplementing the 2022 decree establishing the framework and organizational structures of the DGTCP. To this end, we have finalized: (i) the first phase of deployment of collaboration and enforcement staff (categories C and D), who have been notified of their assignments to the various central units (normative directorates) of the DGTCP; and (ii) the second phase of deployment for category B managers (Division Chiefs and Office Chiefs), who were also deployed in the various central units (normative directorates) of the DGTCP in August 2025 (**structural benchmark, August 2025**). A total of 938 staff and managers, including 136 in the accounting and related administrative positions of the pilot ministries, were deployed following competitive examinations organized by an independent agency. We will ensure the continued gradual deployment of other agents at the provincial level by June 2027.

- *Making available adequate financial and material resources for the DGTCP*. For greater operational efficiency, we provided these managers and staff with offices in a building that we made available in December 2025 to the DGTCP for full operationalization in February 2026, with the use of its system by the accounting officers of the first four pilot decentralized ministries for the implementation of the 2026 budget (**structural benchmark, February 2026**). We equipped these offices with suitable furniture acquired as part of the ENCORE project. Furthermore, we undertake to put in place, by December 2025, a mechanism that will guarantee the DGTCP's adequate, stable, and predictable own financial resources.

- *Ultimately, all these efforts will enable us to maintain accounting records to produce accounting statements, journals, and balances*, in line with the Decree establishing the State's accounting standards.

- *Accelerate the implementation of the Treasury Single Account (TSA)*. In October 2024, we adopted Decree No. 24/11 of October 14, 2024 amending and supplementing Decree No. 23/17 of May 31, 2023 establishing the scope, structure, and operation of the TSA, in collaboration with the Central Bank of the Congo. Following the signing of the agreement on the maintenance of the central government Single Account in December 2024 and the order creating the steering committee to monitor the implementation of the said agreement in March 2025, the steering committee held its inaugural meeting on July 23, 2025 chaired by the Minister for Finance. The technical secretariat of the committee produced the formats for the forms required to open the accounting officers' operating accounts in the books of the Central Bank of the Congo. In line with the roadmap for implementation of the TSA, the Ministry of Finance and the BCC finalized the inventory of bank accounts of central and provincial government entities opened in commercial banks and at the BCC in September 2025. After the first census of bank accounts opened in commercial banks, the report identifies a total of 11,276 accounts. A second census was carried out by the BCC and identifies a total of 3,336 accounts. Reconciliation work will be completed at a later date in order to have a harmonized database. Based on these inventoried accounts, in October 2025 the BCC conducted a stress test on the impact of the account closure operation on the financial system, based on which we developed our bank account closure strategy in October 2025, with the support of AFRITAC Centre (**structural benchmark, October 2025**). We will also conduct an assessment of the Central Bank of the Congo's software in December 2025 with a view to making any improvements needed to properly support the TSA, with technical assistance from AFRITAC Centre.

- *Improve cash management for smoother budget execution*. To this end, we will establish a standardized classification of expenditure and adopt an interministerial order revising the organization and operation of the Cash Flow Plan Committee (CPT) by December 2025, as well as an interministerial decree on budget regulation, in order to ensure greater consistency between expenditure commitments and the availability of budget appropriations. We will strengthen coordination by systematizing weekly CPT meetings to ensure greater consistency between the cash flow plan (PTR), the budget commitment plan (PEB), and the procurement plan (PPM) through regular updates.

- *At the same time, continuing to implement the measures necessary for the transition to program-based budgeting in the medium term*, while ensuring that this reform does not delay other sufficiently advanced reforms, such as the decentralization of the expenditure authorization process, the operationalization of the DGTCP, and the establishment of the TSA. To this end, in the coming months we will approve the draft manual for the preparation and execution of program-based budgeting developed with the technical assistance of AFRITAC Centre, along with the management dialogue guide currently being prepared. We will soon also approve the draft guide on the preparation of the Budget Policy Debate for the use of the government and Parliament.

- *Accelerate the implementation of the roadmap adopted by the government in March 2025 for the transition to a fiscal framework excluding extractive sector resources,* in line with the recommendations of the IMF technical assistance mission of March 2024. In September 2025, in collaboration with technical assistance from the IMF and the Germany Agency for International Cooperation (GIZ), we adopted an Interministerial Order (Plan – Finance – Budget – National Economy – Mines – Hydrocarbons) amending and supplementing the Interministerial Order of August 9, 2006 establishing the Standing Committee for the Macroeconomic Framework (CPCM) in order to include the modelling function of the fiscal analysis of resource industries (FARI) and to strengthen the collection and centralization of extractive sector data, in collaboration with all other stakeholders (CTCPM, hydrocarbons ministries, financial authorities, EITI, etc.) (**structural benchmark, September 2025**) Following the publication of the non-mining and non-oil budget balance in the budget documents for the 2025 and 2026 fiscal years and in the medium-term budget frameworks (MTBF)) for 2025-2027 and 2026-2028, we are working to deepen the analysis of fiscal risks related to mineral price volatility, which will be the subject of an annex to the Budget Law (*see next item*) as well as to strengthen the capacity to analyze and forecast mining revenues using the Fiscal Analysis of Resource Industries (FARI) model, with technical assistance from the IMF (AFD and AFRITAC Centre), GIZ, and the participation of EITI International. Our objective remains to incorporate mining projects accounting for 80 percent of mining exports (of 2024) into the FARI model by August 2026 (**structural benchmark, August 2026**). To fully achieve this objective, we will include FARI projections in the 2027 budget and publish an annex to the 2027 Budget Law outlining the methodology. To this end, we are committed to securing the necessary prerequisites, i.e., requirements for data sharing, technical capacity building, and validation of cost and production assumptions and others, in order to guarantee the reliability and completeness of the projections.

- *Further strengthening our capacities for identifying, assessing, monitoring, and managing fiscal risks*. Over the years, we will systematize and refine the statement on fiscal risks (with a quantification of their associated budgetary costs), in the form of an annex to the Budget Law. In keeping with the IMF's technical assistance recommendations, we classify these risks into the following categories: (i) macroeconomic risks; (ii) public debt risks; (iii) risks related to public entities other than the central government; (iv) financial sector risks; (v) institutional risks; and (vi) long-term risks, particularly those related to climate change. As part of the fiscal risk statement appended to the 2026 Budget Law, we have introduced a section on the quantified analysis of fiscal risks related to climate change (**RM7, October 2025).**

- *Strengthening the transparency and efficiency of public procurement*, in line with the March 2023 decree on public procurement procedures, which outlines the legal provisions necessary to enhance the identification and disclosure of beneficial ownership information, in accordance with the recommendations of the IMF technical assistance mission. In order to increase transparency in the awarding of public contracts, we are working to eliminate delay in the full deployment of the Integrated Public Procurement Management System (SIGMAP), in accordance with Decree No. 24/13 of October 14, 2024, on the electronic management of public procurement in the Democratic Republic of Congo and Order No. 001/ME/MIN.BUDGET/2025 of March 13, 2025 establishing the digital platform for the management of public procurement in the DRC. We will therefore accelerate the implementation of the 2024-2027 roadmap adopted by the Council of Ministers on October 18, 2024, which is organized around seven (7) priority areas: (i) strengthening the regulatory framework for electronic public procurement management; (ii) carrying out tests and updating SIGMAP; (iii) production of SIGMAP and its implementation by user entities; (iv) acquisition of infrastructure and the establishment of shared service centers; (v) strengthening the security of SIGMAP; (vi) user training; (vii) and migration to the full digitalization of public procurement.

- *Strengthening our public debt management capacities, in collaboration with IMF technical assistance.* This is all the more essential given our plans to explore the issuance of a Eurobond in the next 6 to 9 months. We will therefore ensure the diligent implementation of the decree adopted by the government in April 2025 supplementing and amending Decree No. 09/61 of December 3, 2009 on the creation and organization of a government agency called "the Directorate-General of Public Debt" (DGDP). This decree aims to strengthen the organizational framework of the DGDP in order to increase its analytical, operational, and advisory capacities, while improving its governance by consolidating its role as the centralized public debt management agency, thereby enabling it to better control the scope of public debt. We will also strengthen the enforcement of (i) the Interministerial Order of December 2020 providing that the Directorate-General of Public Debt is responsible for evaluating and monitoring all new debt contracts by requiring its opinion on any new government commitments; and (ii) the Ordinance Law of September 2023, which harmonizes the legal framework for public debt management.

- *Continuing to strengthen the monitoring of the performance of state-owned enterprises (SOEs).* Our objective remains to improve the governance of state-owned enterprises in order to resolutely address their very worrying financial situations, placing a heavy burden on the State budget. We will continue to focus in particular on the main state-owned enterprises (the General Mining and Quarrying Company (Gécamines), the Bakwanga Mining Company (MIBA), the Water Distribution Authority (REGIDESO), the National Electricity Company (SNEL), the Aviation Authority (RVA), the National Railway Company of Congo (SNCC), and the Commercial Transport and Port Company (SCTP)). In line with our commitment to promote transparency in the management of SOEs, in August 2025 we published the 2024 financial statements of Gécamines on the website of the High Council of the Portfolio and will ensure that this becomes standard practice for all other SOEs. We will also make it standard practice to publish, initiated in 2024, a report on the consolidated financial position of state-owned enterprises as an annex to the Budget Law. In addition, by December 2025, we will adopt a roadmap for improving governance and restoring the financial situation of state-owned enterprises, based on the recommendations of the state portfolio review held in December 2024.

23. The government, in collaboration with the BCC, is continuing the implementation of reforms aimed at developing the public securities market. Government securities issuance operations increased sharply, with an outstanding amount rising from 0.14 percent of GDP in 2019 to 2.2 percent of GDP in September 2025. The securities market in the DRC remains shallow, however, with a predominance of fractional redemption Treasury bonds with a maturity of around 18 months (90 percent of the outstanding amount of government securities at end-2024). To deepen the market and extend maturities to further reduce refinancing risk, we will adopt by December 2025 a roadmap to improve the functioning of the government securities market, including building on the recommendations of AFRITAC Centre's recent technical assistance, focused on the following key areas: (i) strengthening the alignment between auction schedules and the annual borrowing plan consistent with the overall debt management strategy in order to improve the planning, predictability, and transparency of the issuance process; (ii) the adoption in April 2025 of a draft law amending Law No. 15/005 of March 17, 2015 on the Insurance Code, which institutes, among other things, a minimum subscription of insurance companies to public securities, in order to promote diversification of the investor base outside the banking sector (99 percent to date); (iii) promotion of the development of a secondary market, with a focus on the provision of coupons differentiated according to maturity in order to promote pricing and liquidity of securities; (iv) the submission to Parliament, in June 2025, of legislation on the common investment fund; and (v) the organization of regular training workshops on public securities accounting for the benefit of non-bank investors. Development of the government securities market would also facilitate the transition to a fiscal framework excluding extractive sector resources.

24. We are accelerating the computerization and digitalization of procedures, on which our efforts to modernize PFM will continue to be based. In line with our vision to elevate the digitalization of procedures to a strategic priority, we are staying the course in our efforts to acquire an integrated public financial management system (SIGeFiP) by September 2027. This system will include a core comprising modules for program-based budget preparation and execution, accounting, and cash management. Existing IT systems for managing taxes, public debt, public procurement, and other areas to be developed will be linked to SIGeFiP in accordance with the overall plan for digitalizing the public finance management system (POG) adopted in October 2023.

Monetary, Financial and Exchange Rate Policies

Monetary Policy

25. The BCC has eased monetary policy while remaining committed to mobilizing its available instruments to preserve stability. In early October 2025, the BCC's Monetary Policy Committee lowered the key rate, which had stood at 25 percent since August 2023, to 17.5 percent in light of the steady decline in inflation and the relative stability of the Congolese franc. The BCC is closely monitoring the inflation outlook and remains committed to mobilizing its available instruments to preserve long-term price stability. It will make its liquidity management more active and strengthen coordination with the Ministry of Finance in order to further consolidate the easing of pressures on the Congolese franc observed since the second half of 2024. The BCC will also continue to ensure that money supply growth remains broadly aligned with nominal GDP growth, including through adjustments to the reserve requirement ratio.

- The MPC has kept the reserve requirement ratio unchanged since the increase in July 2024 from 10 percent to 12 percent of the reserve ratio on demand deposits in domestic currency.

- Since September 2025, the BCC has initiated a three-phase update of the exchange rate applied to the frozen stock of required reserves held in domestic currency against foreign currency deposits: (i) from September 15 to October 14 at the rate CDF 2402.72 per dollars; (ii) from October 15 to November 14 at the rate of CDF 2,548 per dollars; and (iii) from November 15 to December 14 at the end-October rate of CDF 2247.87. The resulting liquidity drain of CDF 558.5 billion led to a sharp appreciation of the CDF relative to the USD (by nearly 27.18 percent compared to end-August 2025). We are closely monitoring developments in CDF liquidity and will ensure that we reinject as much liquidity as necessary, including by accelerating the unfreezing of the stock of required reserves held in domestic currency against foreign currency deposits. To this end, an accelerated unfreezing plan will be developed by December 2025. From CDF 2,375.6 billion in January 2022, the crystallized stock resulting from the old system was reduced by CDF 161.7 billion (5 percent) in 2024 and converted into banks' foreign currency reserve requirements in the dedicated BIS account. We will enhance transparency and communication with a view to better guiding the anchoring of economic expectations during the normalization of the framework for the constitution of reserve requirements.

- The BCC is continuing its efforts to expand its arsenal of instruments to enhance the effectiveness of its liquidity absorption operations, including by widening the ranges of BCC bills, and by raising the reserve requirement ratio on demand deposits in domestic and foreign currencies, where appropriate. In addition, in line with the recommendations of the IMF technical assistance mission of March 2024, the BCC is continuing its efforts to:

  (i) Make on-demand financing available through the permanent facility window that is open daily but at a higher rate. To this end, in June 2025 the BCC introduced a standard refinancing instrument in the form of an auction operation to reduce banks' precautionary liquidity and encourage them to trade liquidity on the interbank market **(structural benchmark, June 2025).** The BCC adapted its regulatory framework by adopting, in June 2025, with IMF technical assistance, Instructions 4 and 6 on the BCC's refinancing of banks and on eligible instruments and guarantees, respectively. IT tools were also developed to automate the processing of refinancing operations. At the same time, the BCC has abolished the short-term loan facility (7-day maturity).

  (ii) Remunerate required reserves on domestic currency deposits in order to support greater financial inclusion and promote the use of the Congolese franc. To this end, the BCC has already integrated this principle into its Instruction No. 10 and has initiated consultations with banks to encouraging them to use this remuneration as a lever to offer higher interest on deposits as well. However, the implementation of this measure will remain contingent on the financial constraints weighing on the BCC. The option will be adopted after the studies have been analyzed (January 2026). In order to encourage the use of domestic currency, the BCC is also considering introducing a much higher reserve requirement ratio for foreign currency deposits than for those denominated in domestic currency.

  (iii) Improve banks' databases to allow for rigorous analysis of their vulnerability to shocks, including CDF liquidity, USD liquidity, and exchange rate depreciation. The results of the study are expected in January 2026.

- Improve, by end-2025, the measurement of interest rates in the economy on new credit flows in order to be able to measure the effect of monetary policy decisions.

- Improve the liquidity management framework, including by further strengthening the coordination between monetary and fiscal policies To this end, the Ministry of Finance will have to provide the BCC, on a weekly basis, with the elements of the cash flow plan (PTR) needed to refine the analysis of liquidity forecast gaps and to implement a liquidity forecasting system, with technical assistance from the IMF.

Foreign Exchange Policy

26. We are committed to strengthening the external sustainability of our economy in order to enhance its resilience to potential shocks. Foreign exchange reserves reached US$7.8 billion at end-September 2025, representing an increase of around US$1.1 billion compared to end-2024 and prospective non-aid import cover of 2.5 months, which is below the recommended adequacy level. Our goal remains to achieve a cover of at least 3 months of imports by 2027. This implies an annual accumulation rate of around USD 1.5 billion, supported by increased coordination of monetary and fiscal policies against the backdrop of the anticipated rise in the prices of commodities such as copper and cobalt, as well as expected disbursements, particularly from the IMF under the ECF and RSF as well as from the World Bank's Development Policy Operation (DPO).

27. We remain firmly committed to preserving exchange rate flexibility. The exchange rate remains the primary buffer against external shocks and our exchange-rate policy continues to be guided by the objectives of accumulating foreign exchange reserves, on the one hand, and mitigating episodes of extreme exchange-rate volatility that could undermine macroeconomic stability, on the other. Pressures on the Congolese franc have eased since the second half of 2024 and the recent sharp appreciation of the Congolese franc against the USD has reinforced this trend. The BCC will enhance transparency and communication regarding the foreign exchange market, including through the daily online publication of key data to guide economic expectations. The BCC is also closely monitoring CDF liquidity developments and stands ready to inject more if needed, including by accelerating the unfreezing of stock of required reserves in domestic currencies resulting from the previous system, in line with the needs of the economy. This should help to mitigate disruptive volatilities on the foreign exchange market as much as possible, in line with the foreign exchange market intervention strategy adopted by the BCC in January 2025 (structural benchmark, January 2025). The BCC will also continue to closely track a set of indicators that can signal any episode of extreme volatility beyond the market's absorption capacity. Furthermore, the BCC will continue to strengthen its system of oversight and monitoring of foreign exchange transactions through on-site or document-based checks in order to further improve compliance with the limits on net foreign exchange positions and to boost the interbank foreign exchange market. Our objective remains to ensure that the indicative rate of the Congolese franc reflects market forces.

In the same vein, we reiterate our commitment not to (i) impose or intensify restrictions on payments and transfers for current international transactions; (ii) introduce or modify multiple currency practices; (iii) enter into bilateral payment arrangements inconsistent with Article VIII of the IMF Articles of Agreement; and (iv) impose or intensify import restrictions for balance of payments reasons.

Structural Reforms

28. We will intensify our efforts to modernize the monetary policy framework.

- The prudent conduct of monetary policy will continue to be based on the absence of monetary financing of the budget deficit, pursuant to the Organic Law on the BCC and the Law on Public Finance In this regard, we are committed to continuing to respect the ceilings on changes in net lending to the government and on the net domestic assets of the BCC set out in the IMF's ECF arrangement. The BCC will also refrain from issuing new guarantees for central government loans, in accordance with its Organic Law. In addition, collateral deposits for existing maturing loans will be transferred gradually to international reserves as they mature: thus, the last guarantee account maturing at end-March 2025 was closed and its balance transferred to the BCC's account at the BIS.

- As part of the IMF's multi-year technical assistance program, we will finalize the implementation of the Forecasting and Policy Analysis System (FPAS) by June 2026. Its organizational framework was created through Service Order No. 081/25 of April 8, 2025, which specifies its functions, its organization, and its operating procedures. Its effective implementation will take place with the technical assistance of the IMF. We will continue to take the necessary measures to improve the BCC’s economic forecasting and analysis capacities, as well as its communications.

- We remain committed to continuing to hold regular meetings of the MPC according to a pre-established schedule, and to communicating information about its decisions in a timely manner, including through a press release by the BCC and a press conference at the end of these meetings. Measures to enhance communication will also focus on the policies and reforms implemented by the BCC in an effort to increase their visibility. Similarly, we intend to start publishing methodologies for the data produced by the BCC, in particular monetary statistics and the balance of payments. In this context, the BCC website will be reviewed and improved (December 2026).

29. The government and the BCC remain firmly committed to continuing to limit cash transactions at BCC counters. The instruction issued in July 2023 by the President of the Republic resulted in a substantial decrease in cash payments in domestic currency. We also remain committed to reducing cash payments in foreign currency at the BCC counters. These efforts also meet the requirements of the Anti-Money Laundering and Financing of Terrorism Law of December 2022. To this end, we will continue to diligently implement the decree of June 20, 2024, which stipulates that no cash or bearer payments may be made on behalf of the central government and its agencies at the BCC or commercial banks, in CGF or foreign currency, in excess of the amounts specified by law.

Safeguards

30. We are working to implement the recently adopted safeguards matrix in order to strengthen the BCC's governance, accountability, transparency, internal control, and foreign reserves management mechanisms. Based on the organizational audit of the BCC completed in October 2025, the resulting decisions will be discussed during the BCC Board meeting of December 2025. We will adopt a strategic plan in December 2025. Reforms will also be initiated by December 2025 to improve the functioning of the central bank's Board of Directors.

- Following the adoption of the IFRS accounting framework by the BCC Board, in accordance with its Organic Law, the BCC is continuing its work to produce BCC financial statements compliant with the IFRS standards, with technical assistance from the IMF. It is working to publish financial statements certified in accordance with IFRS starting with 2023, by end-December 2025, as rescheduled. The BCC will also ensure that the annual audit of the BCC's accounts is conducted in a more timely manner in the future, including certification, within the set time limits, of the monetary data necessary for the assessment of the performance criteria under the ECF arrangement, starting with the 2024 financial statements. In the meantime, the accounts for the 2023 and 2024 fiscal years under the New Chart of Accounts standard were adopted by the BCC Board in August 2024 and August 2025, respectively, and published on the BCC website.

- The BCC will accelerate work on outstanding safeguards from the previous assessment that have still not seen any major progress, including: (i) the adoption of a plan to close foreign currency accounts at resident commercial banks; (ii) the strengthening of governance and control frameworks and arrangements in the areas of foreign reserve management, government payments, loans, currency management, the transmission of monetary data to the IMF via the Integrated Collection System (ICS) portal; and (iii) the launching of the BCC's compliance policy.

- The BCC and the Ministry of Finance commit to meeting their respective debt service responsibilities to the IMF in accordance with the joint BCC-Ministry of Finance TMU signed in May 2025.

Financial Sector

31. We will accelerate the implementation of recommendations to mitigate the vulnerabilities identified during the Financial Sector Stability Review (FSSR),with IMF technical assistance over the period 2023-2026, especially since the repercussions of the ongoing armed conflict in the eastern part of the country may have introduced additional vulnerabilities. In particular, the BCC remains committed to:

- Closely monitoring the quality of the loan portfolio of financial institutions operating in the eastern part of the country under illegal occupation by M23 rebels. Even though the banking system's direct exposure to the affected eastern provinces remains quite limited (5 percent of total assets), the liquidity shortage in the area continues to affect economic activity, causing a widespread increase in defaults in the affected areas. The BCC will ensure that financial institutions adequately provision loans affected by the repercussions of the conflict, in accordance with Instruction No. 44. In addition, the risks of violations of the regulation on anti-money laundering and combating the financing of terrorism (AML/CFT) could increase in the area, due to U.S. and U.N. sanctions against the rebels.

- Strengthening its supervisory capacity, by improving the risk-based supervisory framework, mainly aimed at aligning the BCC's regulation with the Basel standards. Following the conclusion of a pilot mission with IMF technical assistance, we have been continuing on-site inspections to assess credit risks since the second half of 2023. We have set up a crisis simulation (stress testing) unit within the Financial Stability Directorate to identify major risks and exposures in the financial system and make recommendations. The operational implementation of risk-based supervision is under way with the finalization of the third edition of bank ratings and the launch of the fourth edition. Work is continuing to set up a Consultative Committee on Combating Cybercrime under the leadership of the BCC, designed to strengthen the management of IT risks.

- Update Instruction No. 14, including the solvency and liquidity standards, with technical assistance from the IMF. This update to the regulatory framework aims to strengthen the requirements for the evaluation of weighted credit risk and the assessment of market risk, as well as operational risk. The same applies to the transposition of the liquidity coverage ratio (LCR – Short-Term Liquidity Ratio) under Basel III. In addition, we will move further toward aligning the "credit risk mitigation" (CRM) framework under the standard approach set out in Instruction No. 14 with that of Basel III Instruction No. 14 will be completed in December 2026. To promote the development of the securities market, however, the BCC published a decision in March 2025 adjusting downwards the weighting of sovereign risks in domestic currency. To make it more effective, the human resources of the Financial Stability Directorate (DSF) have been strengthened, and continuing education programs have been put in place.

- With the creation of the Financial Stability Directorate, make decisive progress in the establishment of the financial stability function, with the support of the IMF Resident Advisor, in accordance with the financial stability mandate, with a view to strengthening the BCC's macroprudential policies. The BCC will also continue to (i) strengthen the supervision of financial institutions covered by the banking law; and (ii) develop monitoring and early warning tools that can improve the analysis of interdependence and sectoral interconnections.

- Establish, by December 2025, an emergency liquidity support framework for solvent financial institutions facing temporary illiquidity, in line with the recommendations of the recent IMF technical assistance mission. Our objective remains to align the BCC's framework for providing emergency liquidity to solvent financial institutions facing temporary illiquidity with the international best practices;

- Adopt, by June 2026, an instruction specifying the information to be included in banks' prevention and recovery plans, including liquidity crisis scenarios and scenarios involving the loss of one or more correspondent bank relationships. Building on these plans submitted by commercial banks in May 2025, the BCC will conduct a review of cross-border cooperation agreements with all the countries of origin of the parent companies of banks established in the DRC, with a view to integrating recovery and resolution planning.

- The government undertakes to set up a deposit protection system, in accordance with Article 69 of the Law on the Activity and Supervision of Lending Institutions. A draft decree on this subject, in line with the recommendations of the recent IMF technical assistance, will be submitted to the Council of Ministers for adoption by end-2025.

32. We are continuing our efforts to improve financial inclusion and develop the financial sector.

- Thanks to the deployment of mobile phone payment solutions, the financial inclusion rate has exceeded 50 percent, marking an important step toward achieving the goal set in the 2023-2028 national financial inclusion strategy adopted by the government in July 2023 This progress is the result of a combination of initiatives, in particular (i) the strengthening of payment infrastructures with the entry into service of the national electronic payment switch and the gradual interconnection of credit institutions, microfinance institutions, and electronic money issuers; (ii) the launch in September 2025 of the "Visa Pay" platform, which improves the offer of digital services; (iii) consolidation of the regulatory framework through the publication of Instruction No. 58 on the interoperability of electronic payment systems; (iv) promotion of the MOSOLO national card issued at low cost in domestic currency to encourage the use of Congolese francs.

- Under the coordination of the committee responsible for implementing this national strategy, we will continue to implement additional measures designed to improve financial inclusion, including the implementation of an observatory to monitor the quality of financial services.

- The additional actions to be implemented in this area are linked to the establishment of the Interbank Electronic Payment Group (GMI), which is scheduled to be launched by end-March 2026, with the support of the International Finance Corporation (IFC) in order to ensure a structured deployment in accordance with technical and institutional requirements.

- We are laying the groundwork for a stock market in Kinshasa, in order to better mobilize the resources needed to finance investment and private sector development, which are key to accelerating the country's economic growth. To this end, in April 2025 the government adopted a draft law on the organization and functioning of the stock markets in the DRC. The draft law is intended to provide the country with a legal and institutional framework that is adapted to the requirements of an efficient and transparent stock exchange and commodity exchange.

Improving governance, transparency and the business environment for more inclusive, diversified, and sustainable growth

33. We are continuing our efforts to improve governance and combat corruption. To this end:

- We are working to get back on track the process of adopting the draft law on the creation, organization, functioning, and powers of the Economic and Financial Criminal Court (TPEF) and the attached National Economic and Financial Prosecutor's Office (PNEF), which the government adopted and submitted to Parliament in April 2025. The adoption of this law by Parliament, scheduled for June 2026, should make it possible to fight more effectively against corruption, illicit enrichment, and all forms of economic and financial crimes. We recognize the need to include provisions in the final version of the law that strengthen the independence of the TPEF. We will work to establish it, in collaboration with development partners and in accordance with international best practices, while ensuring that it is provided with adequate human and financial resources and enjoys appropriate independence of action. In line with its prerogatives, we will ensure that synergies are developed among the actions of the TPEF and oversight and investigation institutions such as the General Inspectorate of Finance (IGF), the National Financial Intelligence Unit (CENAREF), the Court of Auditors, and other public or independent bodies.

- *By end-June 2026, as rescheduled, we will submit to Parliament a draft anti-corruption law,* taking into account the conclusions of the workshop organized in October 2024 by the Agency for the Prevention and Fight against Corruption (APLC) with different actors in the fight against corruption and in accordance with the United Nations Convention against Corruption (UNCAC) and international best practices, in collaboration with development partners (the United Nations Development Programme (UNDP), and the United Nations Office on Drugs and Crime (UNODC)). This law will serve as the legal framework guiding all our anticorruption efforts in the future.

- *We will accelerate our efforts to develop, under the aegis of the APLC, within UNICEP and in direct collaboration with CENAREF, software for the diagnosis and prosecution of corruption, money laundering, and terrorist financing (ML/FT).* This software provides a platform for joint law enforcement and asset recovery. It will promote inter-institutional collaboration by meeting international requirements with regard to the Financial Action Task Force's (FATF) national risk assessment. It optimizes data collection and analysis for better responsiveness in the face of corruption and ML/TF cases.

- *We will provide anti-corruption institutions with adequate human and financial resources* (*including* the *Court of Auditors, the EITI, the Observatory for the Monitoring of Corruption and Professional Ethics (OSCEP), the APLC, and the Ministry of Justice's Technical Unit for Combating Corruption*), in line with our commitment to promoting transparency and good governance, as well as the United Nations Convention against Corruption (UNCAC) and international best practices. After the senior staff of the Court of Auditors and its new magistrates took the oath of office on August 31, 2022, we have continued to strengthen the resources of the Court of Auditors. The Inspectorate-General of Finance (IGF), whose operational capacity continues to be strengthened, is resolutely pursuing its control missions, including for the a-priori control of the expenditure of public institutions and special funds.

- We will strengthen OSCEP's operational capacity, ensuring that it is provided with adequate financial and logistical resources, including with support from the World Bank in the context of the expected increase in resources for the ENCORE project. We fully appreciate the importance of this strengthening, in particular to enable it to ensure effective applicability of Decree No. 25/15 of April 9, 2025 on the regime for declaration of the assets and interests of public employees of the State and members of their immediate families and to deploy its branches in the remaining 14 provinces. These efforts should contribute to more effective prevention of illicit enrichment and conflicts of interest, promote public integrity, and punish related violations.

- *We will ensure regular monitoring of the implementation of the priority action plan of the National Anti-Corruption Strategy* adopted in October 2022 following the approval of the National Judicial Reform Policy (PNRJ). This monitoring is carried out by the Ministry of Justice, the APLC, the OSCEP, and other institutions, in collaboration with development partners.

- We will activate all the implementing measures provided for by Law No. 16/012 of July 15, 2016 on the creation, organization, and functioning of the notary profession by end-June 2026.

- *We will continue the work, with the offices and jurisdictions, to finalize by June 2026 the extension of the coverage of data compilations on corruption cases to the 15 other provinces*, with technical assistance from the National Institute of Statistics and building on the experience gained in August 2023 in 10 pilot provinces.

34. We will continue our efforts to improve transparency in the mining sector and in public procurement:

- The government is working to find a mechanism capable of providing more adequate and consistent financial support to the EITI so that it can better carry out its missions. While the DRC's validation, finalized on October 13, 2022, showed a high overall score with respect to the EITI requirements, it also underlined the need for progress in strengthening transparency and publishing the beneficial owners of mining contracts.

- In line with our commitment to publish all new contracts (**continuous structural benchmark**), in accordance with the Mining Code and the requirements of the EITI standard, including renegotiated contracts, in March 2025 we published amendments (4 and 5) to the Kipushi zinc mine contract, four farmout agreements concluded by GECAMINE, one farmout agreement signed by MIBA as well as a contract for the assignment of four operating permits for the KISENGE gold mine.[3] In addition, Gécamines' 2023 financial statements, including the auditors' comments, were published in April 2025. We are committed to doing the same in 2026 for the 2024 financial statements.

- *We will step up efforts to promote transparency in public procurement*, including through the computerization and digitalization of procedures, in collaboration with the World Bank (see point 22). By adapting the full operationalization of SIGMAP, we commit to resuming systematic online publication of public procurement contracts in December 2025.

35. We are vigorously pursuing the implementation of the action plan agreed upon with the Financial Action Task Force, in order to exit the list of jurisdictions under enhanced monitoring, supported by the technical and financial assistance of numerous development partners, including the European Union's Global Facility on AML/CFT, the World Bank, the Financial Services Volunteer Corps (FSVC) (U.S. Embassy project), GIZ, and UNODC.

[3] According to Law No. 18/001 of March 9, 2018 amending and supplementing Law No. 007/2002 of July 11, 2002 on the Mining Code, mining contracts, their annexes and amendments are published in the Official Journal and on the Ministry of Mines website within 60 days of the date of signature.

- *Our strategy for AML/CFT is guided by the revision of the AML/CFT Law (Law No. 22/068)* of December 27, 2022, enacted on July 1, 2025. It remains focused on the following priorities: (i) the extension of the application of AML/CFT measures to the financial sector (beyond banks); (ii) the prohibition of anonymous bank accounts; (iii) strengthening wire transfer verification measures for politically exposed persons (PEPs); (iv) the establishment of basic requirements for correspondent banking customer due diligence; and (v) strengthening the procedures for declaring the assets of PEPs.

- *During the discussion on our 7th progress report discussed in Tanzania in April 2025, the progress made in the implementation of the action plan, which is almost 75 percent executed, was welcomed*. The main additional elements of progress noted since the previous reports include: (i) the development of surveillance plans for documentary and on-site inspections, sectoral guidelines, training and awareness-raising plans for the three supervisory and regulatory (or oversight) authorities, namely CENAREF for Designated Non-Financial Businesses and Professions (DNFBP), the BCC for lending institutions, and the Insurance Regulatory and Supervisory Authority (ARCA) for insurance companies; (ii) the full and effective deployment of the TRANSACTUS application for the receipt, processing, dissemination, and exchange of information among stakeholders; (iii) the operationalization in April 2025 of the platform of the National Committee for the Implementation of Targeted Financial Sanctions (CONASAFIC) (www.conasafic.cd) to allow regulated entities to have access to information on the lists of designated persons and entities; and (iv) the government's submission of the draft law amending Law No. 22/068 of December 27, 2022 on anti-money laundering and combating the financing of terrorism and proliferation (AML/FTP) to the National Assembly for the correction of the shortcomings identified in Recommendations 5, 6, 10, 11, and 20 of the FATF.

- *Our ultimate goal is to be removed from the gray list following the 9th progress report, whichwas submitted on November 17, 2025 and discussed in January 2026 at the face-to-face meeting in Lisbon, Portugal*. In our July 2025 submission of the 8th progress report, we corrected the main residual weaknesses identified during the previous mutual evaluation, in particular by: (i) enacting, on July 1, 2025, Law No. 25/048 amending and supplementing Law No. 22/068 of December 27, 2022 on combating money laundering and the financing of terrorism (AML/CFT); (ii) introducing provisions into this law concerning the criminalization of terrorist financing and the independence of CENAREF to exchange information with other Financial Intelligence Units (FIUs); (iii) presenting cases ranging from investigations to prosecutions, convictions, and enforcement of sentences; and (iv) presenting the supervision plans and onsite supervision reports prepared by the three supervisory and regulatory authorities (CENAREF, BCC, and ARCA). *We also expect our membership to join the Egmont Group to be approved by January 2026*. Following the postponement of approval at the June 2024 Plenary Meeting in Paris for technical compliance reasons, we have addressed the main weakness that was raised by introducing into Law No. 25/048, enacted on July 1, 2025 and amending Law No. 22/068 of December 27, 2022 on AML/CFT, provisions providing CENAREF with independence to exchange information with other FIUs.

36. We will accelerate reforms aimed at improving the business environment, with a view to strengthening the private sector's role as a driver in promoting stronger, inclusive, diversified, and sustainable economic growth. In keeping with the strategic priority set by the government for this project since mid-2024, we are working to finalize, by April 2026, the development of the Strategic Business Climate Plan for Structural Economic Transformation, which we launched in March 2025. In this regard, we:

- *Will adopt, by September 2025, an updated roadmap for the streamlining of tax regulations, accompanied by a credible implementation action plan,* to better protect taxpayers from possible tax harassment and to streamline corporate tax compliance procedures as much as possible. In particular, this will focus on: (i) streamlining non-tax revenue-generating acts, including revision of the nomenclature of central and provincial duties, taxes, and fees, which has been ongoing since mid-2025; and (ii) systematically publishing the schedule of audit missions to be conducted by the financial authorities. With regard to nontax revenue, we will complete, by end-December 2025, the work of codifying the government property revenue of the Ministries of Mines, Environment, Hydrocarbons, Urban Development, and Housing. The technical commission will finalize the codification of judicial and participations revenues of the land affairs ministries by December 2025.

- *By March 2026, as rescheduled, we will adopt a roadmap to streamline parafiscal charges* (collected by entities other than tax authorities), based on the inventory of parafiscal charges and subsidiary entities (budget annexes, public institutions, and expenditure departments) completed in June 2023, as well as on the recommendations of the IMF's technical assistance. To this end, in early September 2025, the Prime Minister launched the work of the Permanent Interministerial Commission for Optimization of Parafiscal Taxation (COPIRAP) created by Interministerial Orders No. 003ME/BIN.BUDGET/ABS/2025 and No. 020/CAB/MIN/FINANCES/2025 of May 5, 2025. COPIRAP is responsible for monitoring, evaluating, reforming, and optimizing Congolese parafiscal taxation. Moreover, by end-January 2026 we will adopt a decree reclassifying the auxiliary bodies according to the categories of the LOFIP **(structural benchmark, January 2026).** We will ensure that the creation of new special accounts is as limited as possible since the introduction of parafiscal measures to finance them would thwart our strategic objective of improving the business environment and further formalizing our economy.

- *By March 2026, as rescheduled, we will adopt an action plan to improve the functioning of the VAT credit refund mechanism*, based on the recommendations of IMF technical assistance. Specifically, we will ensure that we: (i) continue the differentiated monthly treatment of reimbursement requests based on risks; (ii) avoid as far as possible systematic ex-ante control of low-risk enterprises; (iii) limit the application of deferred payment of VAT on imports (or reverse charge VAT) to low-risk businesses that frequently have VAT credits due to the nature of their business; and (iv) regularly certify the stock of VAT credit requests, beginning with a certification mission in July 2026. In addition, in March 2025 we adopted a comprehensive strategy on the reimbursement of the stock of VAT credits, taking into account the streamlining of exemptions, the simplification of refund procedures, and the improved use of economic data. We will ensure that we implement the strategy in 2026, taking the fiscal space into account.

- *By end-March 2026, as rescheduled, we will adopt a roadmap for the introduction of online procedures* (e-filing, e-payment of taxes), starting with large companies (subject to VAT) and mediumsized companies; and we will gradually roll out the use of mobile payment for taxes and charges for small taxpayers, starting in January 2027.

- *In June 2025, we adopted a draft law revising the 2017 law on subcontracting*. We will ensure that the final version of this law clarifies the concept of "subcontractor" and defines its scope in order to mitigate any difficulties of application related to potential confusion (between the contracting authority and the main contractor; between subcontractor and supplier, etc.).

- *Systematically publish all judicial decisions in commercial matters on the official website of the Ministry of Justice, create commercial chambers within the courts of appeal and continue to revitalize the Single Window for Business Creation*, *and we will work to clear payment arrears* (audited and validated) according to the mutually agreed schedules, while accelerating efforts to avoid the accumulation of new payment arrears, which are major factors in the financial suffocation of the private sector and in turn a threat to the stability of the financial sector.

- *In September 2025, we created a National Tax Mediation Commission (CNMF) within the Ministry of Finance*. The purpose of the CNMF is to be a consultative, joint, and independent body responsible for providing advice to the Ministry of Finance with a view to resolving persistent disputes between taxpayers and the tax authorities before they are referred to the courts with jurisdiction. We are working to make the CNMF operational by end-July 2026.

- *We will accelerate reforms to strengthen controls and the management of disputes*, including through improved risk assessment (for instance, with respect to declared import values or exemptions), better coordination within and among financial authorities, enhanced control frameworks to ensure uniform application of the law, and the deployment of a mechanism to monitor the quality and effectiveness of controls. More specifically, we will ensure stricter enforcement of the law on the status of career civil servants and the decree-law establishing the code of conduct for government officials, as well as the introduction of specific codes of ethics and professional conduct for revenue agency employees, accompanied by sanctions in case of violations.

- We will also strengthen the operational capacities of internal and external inspections and ensure that the rules governing the management of disputes (including the incentive schemes of the financial authorities) do not encourage behavior contrary to objective of maximizing fiscal revenues. We commit to strengthening the operationalization of the Observatory for the Monitoring of Corruption and Professional Ethics (OSCEP), whose missions and the ongoing anti-corruption reforms specify penalties in cases of infringements and contribute to effort to prevent and combat corruption and promote public integrity. The same applies to the technical and financial support provided by the government, in collaboration with the World Bank as part of the ENCORE project, for the implementation of Decree No. 25/15 of April 9, 2025 on the regime for declaring the assets and interests of public employees and members of their immediate family, which aims to strengthen transparency and prevent illicit enrichment and conflict of interest, while strengthening the duty of accountability and integrity of public employees, by putting in place tools to sanction breaches and all forms of antivalues related thereto.

D. Structural Reforms Under the RSF Arrangement

37. We have already completed two of the twelve reform measures (RMs) and we are continuing our efforts to implement the other RMs underpinning the RSF arrangement. We implemented an RM that was due during this review, relating to the inclusion in the annex to the 2026 draft Budget Law of a quantified analysis of fiscal risks related to natural disasters (RM7), in collaboration with technical assistance from the IMF. We also implemented, ahead of schedule, RM8 on the development of the National Natural Disaster Management Policy, which clarifies the institutional responsibilities between the Ministry of Interior and Ministry of Social Affairs and Humanitarian Action, in line with international best practices. For the RMs not yet due during this review, the priority will continue to be to ensure the provision of technical assistance and the adoption of strategies for the effective implementation of each measure, accompanied by well-calibrated roadmaps, to ensure close monitoring of progress and clarification of responsibilities. Some technical assistance from development partners, including the IMF, has already been provided.

Reform Area 1: Promote Forest Protection and Sustainable Mining Exports

38. The government will strengthen the governance of forest preservation policies. Strengthening forest management remains essential to curb deforestation rates and to achieve the government's ambitious climate change mitigation and adaptation goals. The government is planning a comprehensive package of reforms to address these challenges. It will: (i) promote the systematic (biennial) collection and publication of geospatial data on forest cover, deforestation, greenhouse gas (GHG) emissions, and forest concessions (RM3); (ii) strengthen the legal framework by addressing the weaknesses of the Forest Code with regard to: (a) safeguards and compensation measures; and (b) mechanisms to ensure transparency in the process of allocating logging concessions, and forest concessions from local communities (RM1); (iii) improve accountability in the sector through the publication of a performance audit by the Court of Auditors of the National Forest Fund (FFN), responsible for channeling revenues from forest concessions to reforestation efforts (RM2), followed by an action plan with a timetable prepared by the FFN in response to the challenges identified, which will in turn be audited (RM6). Committees have been set up for the implementation of all these measures. The first publication of forest geospatial data, relating to RM3, has been completed. By the end of 2025, the government will adopt the national forestry policy, a prerequisite for amending the Forest Code (RM1). Roadmaps for measures 1, 2, and 3 have been adopted. For RM2, the Court of Auditors has launched fieldwork to implement the audit strategy.

39. The government will strengthen environmental and social guarantees in the mining sector to actively manage its impact on forests and the most vulnerable populations. The mining sector's contribution to deforestation and greenhouse gas emissions is significant and expected to increase due to the projected increase in the supply of critical and strategic minerals, and the expansion of mining supply chains, which could amplify future deforestation pressures. The government will seek to mitigate these pressures by (i) strengthening the legal framework to set forest protection norms (RM4) and (ii) requiring the timely publication of environmental and social impact studies (ESISs) and ex-post environmental audits of mining projects (RM5). A committee composed of experts from the Ministry of Environment (ACE) and the Ministry of Mines (DPEM) has been established to implement the measures. We will adopt, by December 2025, the roadmaps for the implementation of these two measures with detailed steps and a definitive clarification of the roles and responsibilities of each of the two institutions concerned.

40. The government will encourage clean cooking by promoting the large-scale adoption of liquefied petroleum gas (LPG) as an alternative to biomass and wood. More than 90 percent of households in our country use biomass and wood as cooking fuels, making them a major driver of deforestation in peri-urban areas. LPG is the alternative chosen by the government (2022 Energy Policy). It has health and gender equality benefits and has a lower carbon footprint overall. Affordability is an issue, however – the cooking equipment needed to use LPG involves an upfront cost that is out of reach for most households. Market research recommends lowering barriers to entry, i.e., subsidizing starter kits, rather than subsidizing LPG. In the medium term, the Ministry of Hydrocarbons will formulate a program to make clean cooking equipment more affordable for the most vulnerable households, to ensure widespread adoption of LPG.

Reform Area 2: Building Resilience to Climate-Induced Natural Disasters

41. The DRC is one of the few countries without a legal framework organizing the management of natural disaster risks. In order to put in place an improved response to natural disaster risks, we have mobilized internal resources to expedite the development of the national disaster risk management policy (RM8), taking into account the recommendations of development partners (World Bank and UNDRR). This policy (RM8), which we adopted in November 2025, clarifies the respective institutional responsibilities of the Ministry of the Interior and the Ministry of Social Affairs. Our capital, Kinshasa, is the largest urban agglomeration in the French-speaking world, and its urban poor are particularly vulnerable to climate change. The government plans to make urban planning climate-responsive, through the adoption of (i) an Urban Planning and Building Code, which sets out provisions for risk-informed urban planning with its implementing decree, as well as (ii) a climate-sensitive urban reference plan for Kinshasa, which regulates construction in high-risk areas and the preservation of green areas. In addition, the Ministry of Budget has strengthened the management of climate-related fiscal risks by including, in an annex to the 2026 draft Budget Law submitted to Parliament in September 2025, a quantified analysis of the fiscal costs associated with natural disasters in the section devoted to the declaration of fiscal risks (RM7), in collaboration with IMF technical assistance.

42. Slash-and-burn agriculture is one of the main drivers of deforestation in our country. The underdeveloped agricultural sector is also one of the main factors in the high vulnerability of populations to climate hazards. The government will adopt a national land use plan, which will serve as a basis for stimulating agriculture in anthropogenic savannahs and degraded forests, while ensuring the protection of forests.

Reform Area 3: Integrating the climate agenda into public investment management

43. The government plans to integrate climate considerations into its public investment management. To this end, we will adopt, by January 2026, a ministerial order revising the public investment management procedures manual, to which will be added a chapter setting out the methodology for incorporating climate considerations into the evaluation of public investment projects (RM10), with technical assistance from the IMF. The adoption of this order should ensure that all public investment projects (including those funded by extrabudgetary funds) take these impacts into account and that assessments are made public before a budget allocation is received (RM12). We will adopt a detailed roadmap for the implementation of the financing and the publication of these assessments by February 2026. The government will also update the legal and regulatory framework for public-private partnerships, mainly the PPP Law, with a view to including a reference to climate analyses, covering resilience or projects, as well as their impact on greenhouse gas emissions (RM9). A roadmap for the implementation of this measure was adopted with IMF technical assistance in December 2024. In addition, an interinstitutional committee of experts responsible for preparing the preliminary draft amending law was set up in July 2025, in collaboration with technical assistance from the African Legal Support Facility (ALSF). The government is committed to implementing its 2021 Nationally Determined Contribution (NDC), and will publish a list of priority projects selected and integrated into the PIP. The costs of this list of projects will be quantified. The government will allocate the necessary budgetary appropriations (RM11). An initial list of priority investment projects, along with their costs, has been included in the PIP annexed to the 2026 draft Budget Law.

E. Capacity Development and Improvement of Statistical Data

44. We are continuing to develop the capacities of the government and public entities with the support of development partners. We remain committed to continuing the diligent implementation of the recommendations of the various technical assistance missions from which we have benefited, including the FSSR, PIMA, Tax Administration Diagnostic Assessment Tool (TADAT), and the World Bank's Country Climate and Development Report (CCDR), as well as that of the IMF, which made it possible to conduct a comprehensive diagnosis of governance weaknesses. We appreciate the support of the two resident experts in Kinshasa in the field of PFM and taxation, financed by the Belgian agency for international cooperation (Enabel) and who work in close collaboration with the IMF's technical assistance teams, as well as the support made available to the BCC since October 2023 by the IMF's Monetary and Capital Markets Department for the operationalization of the BCC's Financial Stability Unit. We would also welcome renewed funding from the Japanese government to replace the resident expert from the IMF's Fiscal Affairs Department, whose term has come to an end.

45. In September 2025, we adopted the draft Ordinance-Law ratifying the African Charter on Statistics, to which the DRC acceded in June 2022. This ordinance-law should make it possible to harmonize the national statistical system and ensure the autonomy of the INS's resources.

46. We completed the pilot census mapping in May 2025 with a view to carrying out the general population and housing census, including with the support of development partners. We plan to finalize the national census mapping by end-June 2026, after which we will launch the general population census, with technical and financial support from development partners (UNFPA, World Bank, AfDB).

47. We remain committed to improving our statistical data and their dissemination in order to enhance the quality of monitoring of ECF- and RSF-supported programs.

- After publishing the new revised GDP series up to 2019 according to the 1993 System of National Accounts (SNA), with 2005 as the base year, we updated the series of accounts up to 2022 and 2023 (provisional), with the technical assistance of AFRITAC Centre. These accounts were published in June 2025. We are continuing the work on the rebasing of GDP according to the 2008 SNA with 2022 as the base year. Work on the implementation of activity and product classifications, as well as the initialization of the ERETES database (tool for the compilation of national accounts), was carried out in 2023 and the processing of sources started last year is under way. The preparation of the accounts will be completed by end-December 2026.

- We are continuing discussions with the IMF to ensure rigorous implementation of the recommendations of its recent technical assistance mission aimed at correcting methodological weaknesses identified in the compilation of balance of payments data. The implementation of these recommendations could lead to a substantial downward revision of imports of goods, due to inadequate accounting for temporary and transit imports of goods. A partial offsetting is expected through an upward revision of imports of services and repatriation of FDI dividends.

- We will consolidate the quarterly transmission of financial soundness indicators to the IMF, initiated in March 2023 by the BCC, with a view to their publication. In addition, the BCC is committed to producing improved and updated monetary data, through better coordination among the staff involved and in close collaboration with the IMF's recent technical assistance.

- We will continue to support the National Statistics Institute and the other institutions responsible for producing official statistics data in fulfilling their missions and improving institutional coordination, in close cooperation with technical and financial assistance from our development partners. Priorities at this level continue to focus on debt data, for state-owned enterprises and provinces in particular, enhancing the quality and frequency of data transmission by the BCC, and improving the reliability of economic indicators.

- After improving our fiscal statistics through the preparation and regular publication of the Table of Government Financial Operations (TOFE) in the GFSM 2014 format, prepared until now on the basis of the version of the TOFE in the GFSM 1986 format for the IMF statistical yearbook, we now aim to improve the quality of our output by soon producing a TOFE that complies with the GFSM 2014 format, but based directly on detailed primary data. Our continued efforts are focused on using the General Balance of Treasury Accounts (BGCT) as the main source of the TOFE in the GFSM 2014 format, through the implementation of the new accounting system.

- We will continue to improve the quality and dissemination of public debt statistics, including through a gradual expansion of the scope of debt coverage to state-owned enterprises and by improving the reporting of statistical data to the quarterly public debt database co-managed by the World Bank and the IMF (QPSD).

- With the support of the IMF Statistics Department, we have been able to make progress in the electronic dissemination of statistical data and metadata (e-GDDS/National Summary Data Page (NSDP)). We have started disseminating 13 out of the 15 recommended data categories under the Enhanced General Data Dissemination System (e-GDDS). We have started to publish our data on the NSDP page, with technical assistance from the IMF, which made it possible, among other things, to prepare metadata describing current practices in the production and dissemination of macroeconomic statistics on the NSDP.

F. Monitoring the Performance of ECF- and RSF-Supported Programs

48. The performance of the ECF-supported program is satisfactory overall despite the repercussions of the ongoing armed conflict in the eastern part of the country.

- All the quantitative performance criteria at end-June 2025 have been met (Table 1).
- The indicative targets were also met, except for those relating to the floor on social spending and the ceiling on expenditure under emergency procedures, mainly due to the surge in exceptional security spending linked to the ongoing armed conflict (Table 1).
- Progress on structural reforms has been much more pronounced, with all the structural benchmarks set for the first review having been met (Table 2), one of them with a slight delay (publication of quarterly tables of expenditures under emergency procedures).

49. Quantitative performance criteria and structural benchmarks (Tables 1 and 2) were proposed for the remainder of the year and beyond. The fourth review is scheduled to be completed on November 15, 2026, based on end-June 2026 as the reference date for periodic performance criteria. Under the RSF, monitoring will be done through the reform measures which are presented in Table 3. The performance criteria, indicative target, and key concepts and indicators are set out in the attached Technical Memorandum of Understanding (TMU), which also specifies the nature and frequency of data and information to be provided for monitoring the performance of the ECF-supported program. Under the leadership of the Minister of Finance, the Minister of Budget, and the Governor of the BCC, a technical troika chaired by the Ministry of Finance and comprising the Ministry of the Budget and the BCC is responsible for monitoring implementation of the program. The Technical Committee for Reform Monitoring and Evaluation will provide for coordination, technical secretariat functions, and liaison with the IMF for the transmission of information to IMF staff, in accordance with the TMU.

Table 1. Democratic Republic of the Congo: Quantitative Performance Criteria and Indicative Targets Under the 38-Month Extended Credit Facility Arrangement

	2024				2025													2026			
	End-December				End-March				End-June				End-September				End-	End-March	End-June	End-	End-
	PC				IT				PC				IT				PC	IT	PC	IT	IT
	CR No. 25/023	Adjusted	Actual	Status	CR No. 25/023	Adjusted	Actual	Status	CR No. 25/195	Adjusted	Actual	Status	CR No. 25/195	Adjusted	Actual	Status	CR No. 25/195	CR No. 25/195	Proposed	Proposed	Proposed
Quantitative Performance Criteria																					
Floors on changes in net international reserves of the BCC (US$ millions)	800	720	893	Met	0	0	195	Met	400	33	508	Met	400	327	600	Met	800	0	400	400	800
Ceilings on changes in net BCC credit to central government (CDF billions) 1/	0	228	-957	Met	0	-66	252	Not met	513	1,558	255	Met	513	440	-689	Met	513	0	0	0	0
Ceilings on changes in net domestic assets of the BCC (CDF billions)	-1,518	-1,290	-1,811	Met	-603	-669	-119	Not met	0	1,045	-1,273	Met	0	-159	517	Not Met	560	0	0	0	0
Floors on the domestic fiscal balance (cash basis, CDF billions)	-522	69	-1,639	Not met	-501	1,208	-1,595	Not met	-2,000	-2,062	-1902.7	Met	-1,000	-42	-2,376	Not Met	-3,283	-1,600	-2,000	-2,000	-3,326
Continuous Performance Criteria																					
Ceilings on the accumulation of external payment arrears (US$ millions)	0		0	Met	0		0	Met	0		0	Met	0		0	Met	0	0	0	0	0
Ceilings on the levels of foreign currency assets of the BCC held with domestic correspondents (US$ millions) 2/	200		352	Not met	200		146	Met	200		200	Met	200				200	200	200	200	200
Ceilings on contracting or guaranteeing of new external debt by the public sector (present value, US$ millions)	3,000		717	Met	3,000		308	Met	3,000		722	Met	3,000		1,072	Met	3,000	3,000	3,000	3,000	3,000
Indicative Targets																					
Floors on revenues of the central government (CDF billions)	25,100		26,200	Met	4,900		5,723	Met	12,600		13,409	Met	20,700		21,944	Met	27,100	7,844	15,358	23,532	31,377
Floors on social spending (CDF billions)	115		81	Not met	27		0	Not met	80		37	Not met	134		96	Not met	156	35	92	150	167
Ceilings on the accumulation of wage arrears of the central government (US$ milli	0		0	Met	0		0	Met	0		0	Met	0		0	Met	0	0	0	0	0
Ceilings on the wage bill (CDF billions)	9,169		9,167	Met	9,442		2,610	Met	9,715		5,459	Met	10,597		8,763	Met	12,046	3389	6777	10166	13554
Ceilings on central government expenditures executed under emergency procedures (in percent of total domestically financed expenditures)	10%		15%	Not met	10%		15.6%	Not met	10%		20.9%	Not met	8%		15.6%	Not met	8%	8%	8%	8%	8%
Adjustors																					
Budget support (US$ millions)	311		156		23		0		716		0		716		698		1,097	142	480	622	1,170
External debt service payments (US$ millions)	201		203		49		37		116		125		154		219		305	98	232	299	426
Domestic arrears payments (CDF billions)	-1,230		-1,022		-326		-5		-60		-122		-500		173		-230	-100	-300	-900	-1,200
Domestically-financed investment, excluding SICOMINES (CDF billions)	3,611		3,103		1,458		496		900		1,126		2,582		2,268		2,857	1003	1,604	3,008	4,011
Central government revenues (CDF billions)	26,449		26,200		5,191		5,723		14,000		13,481		22,000		21,944		28,968	8,257	15,853	24,771	33,028
Memo items																					
Central government expenditures executed under emergency procedures excluding security spending (in percent of total domestically financed expenditures)				54%			10%				2.10%				3%						
Memo: end of period exchange rate 2024: US$1 = CDF 2850																					

Sources: Congolese authorities and IMF staff estimates.

1/ Ceilings are positive to account for a some operations pending regularization at end December 2024

2/ The ceiling on foreign-currency balances that the BCC holds with domestic correspondents must remain below the threshold with a five-day grace period per breach.

Table 2. Democratic Republic of the Congo: Prior Action and Structural Benchmarks Under the ECF Arrangement			
Measures	**Objective**	**Deadline**	**Status**
equest for an ECF arrangement			
Issue an interministerial order on the expenditure procedures manual, where the latter revise the procedures and govern the nature of eligible exceptional expenditures.	Strengthen adherence to normal expenditure chain procedures.	Prior action	Met
Continuous			
Publish a detailed quarterly report on the execution of expenditures by emergency procedure (simplified procedure), including regularization amount of the previous quarter.	Strengthen adherence to normal expenditure chain procedures.	Continuous (3 months after the end of the quarter)	Met
Publish a detailed quarterly report on the execution of expenditures by volume, type, and institution, distinguishing between expenditures carried out through different procedures.			Met
Publish mining contracts.	Improve the transparency of mining contracts.	Continuous	Met
First Review			
I. Prior Action			
Issue revised 2025 spending plans in line with the revised program and administrative tools to support agreed changes in policy.		Prior action	Met
II. Structural Benchmarks			
Adopt an FX intervention policy.	Increase the effectiveness of foreign exchange market interventions.	January 2025	Met
Adopt a roadmap for the transition toward a resource-based framework, in line with the recommendations of the IMF technical assistance.	Reduce the countercyclicality of expenditures.	March 2025	Met
Adoption by the government of the three decrees necessary to restore the accounting function in the expenditure chain (see MEFP, ¶22).	Strengthen adherence to normal procedures in the expenditure chain.	April 2025	Met

Table 2. Democratic Republic of the Congo: Prior Action and Structural Benchmarks Under the ECF Arrangement (Continued)			
Measures	**Objective**	**Deadline**	**Status**
Second Review			
The BCC should create a standard refinancing instrument ready for use in the form of an auction operation, eliminate the short-term lending facility, (MEFP, ¶25).	Strengthen the transmission of monetary policy.	June 2025	Met
Finalize and activate the expenditure chain software in four pilot line ministries (MEFP, ¶22)	Decentralization of the expenditure authorization process.	June 2025	Met
Deploy accountants in the four pilot ministries. (MEFP, ¶22).	Decentralization of the expenditure authorization process.	August 2025	Met
Deploy agents and managers to their positions of employment (MEFP ¶22) to establish the administrative structures of the DGTCP, in accordance with the decree amending and supplementing the 2022 decree establishing the framework and organizational structures of the DGTCP.	– Decentralization of the expenditure authorization process.	August 2025	Met
Conduct a stress test on the impact of account closures and develop the accounts closure strategy.	Establishment of the TSA.	October 2025	Met
Generalize the use of the standardized VAT billing system to all companies subject to VAT.	Raise the ratio of taxes to GDP.	September 2025	Not met (implemented with delay)
Adopt a revenue mobilization plan, including VAT-related tax expenditures, in a coordinated manner among the various revenue collection departments.	Improve the mobilization of domestic revenues.	September 2025	Met
Revise the interministerial order establishing the CPCM to include the FARI modelling function, and strengthen the collection and centralization of extractive sector data, in collaboration with all stakeholders. (MEFP, ¶22)	Improve the forecasting of natural resource revenues.	September 2025	Met

Table 2. Democratic Republic of the Congo: Prior Action and Structural Benchmarks Under the ECF Arrangement (Concluded)

Measures	Objective	Deadline	Status
Third Review			
Operationalize the interfaced expenditure chain in the four pilot ministries, notably through the acquisition of the necessary equipment and office space and the opening of operational accounts.	Installation of accountants	Feb-26	*(Proposed SB)*
Make the DGTCP operational as of January 1, 2026, by completing the prerequisites for the installation of its deployed staff and the use of its accounting system for the pilot ministries, with a view to producing the balance of accounts (including acquisition of equipment and office space for all deployed DGTCP staff) (MEFP, ¶22).	Operationalization of the DGTCP	Feb-26	*(Proposed SB)*
Adopt in the Council of Ministers the Decree on the Reclassification of Auxiliary bodies.	Improve budgetary control and transparency	Jan-26	*(Proposed SB)*
Publish, on a quarterly basis, the payments made by investment project, distinguishing between those included in the budget law and those that are not (MEFP, ¶19)	Improve public investment management	Mar-26	
Fourth Review			
Incorporate into the FARI model mining projects representing 80% of mining exports.	Enhance forecasting of mining revenues	Aug-26	
Accountants in the four pilot ministries must each produce, for the first quarter of 2026, a balance generated by the new system, presenting their budgetary and accounting operations. The DGTCP must produce a consolidated trial balance presenting the operations of the four pilot ministries.	Operationalize the decentralization of authorization	Jun-26	*(Proposed SB)*
Operationalize the interfaced expenditure chain in the five other pilot ministries, notably through the acquisition of the necessary equipment and office space and the opening of operational accounts.	Installation of accountants	Sep-26	*(Proposed SB)*

Table 3. Democratic Republic of the Congo: Reform Measures under the RSF (2025-2027)

Pillar	Reform measure	Diagnostic	Expected outcome	Implementing partner	Technical assistance	Date	Status	Prospective BOP Risk Reduction
Promote forest protection and sustainable mining exports	**RM1. Forest exploitation concessions.** The government will adopt amendments to the forest law to define the process to allocate concessions (forest, conservation and community forest concessions) specifying (i) social and environmental safeguard and compensation measures, (ii) mechanisms to guarantee the transparency of the allocation process and monitoring of the implementation of environmental and social management plans.	CCDR, CCIA	Government defines protection rules for forests in DRC's laws. Complete information - on concession award processes, concessions awarded, and environmental and social management plans - is published. This allows citizens to hold the government and concession holders accountable for how they manage forests.	Ministry of Environment and Sustainable Development (MEDD)	WB CAFI AFD	March 2026	In Progress	*Improved fiscal and external sustainability.* - Enhances transparency of forestry and mining sector, attracting more external investment and promoting net exports. - Contains impact of natural disasters on fiscal, external and real sectors
	RM2. Governance in the forest sector. The Court of Accounts will publish a performance audit that evaluates the reforestation operations financed by the National Forestry Fund (FFN).	DRC Governance Diagnostic, C-PIMA, CCIA	Public institutions are held accountable for the climate results they deliver. Enhanced reforestation efforts given the mandate of the FFN.	Court of Accounts (CDC) FFN	INTOSAI Development Initiative (IDI)	June 2026	In Progress	

Table 3. Democratic Republic of the Congo: Reform Measures under the RSF (2025-2027) (continued)

Pillar	Reform measure	Diagnostic	Expected outcome	Implementing partner	Technical assistance	Date	Status	Prospective BOP Risk Reduction
	RM3. Geo-monitoring of forests. The Ministry of Environment and Sustainable Development will publish (i) geospatial forest monitoring data on the state of the forest, that is updated at minima on a biennial basis, (ii) maps and databases on forest concessions drawn from a digitalized forest cadaster.	CCDR	DRC has the second-most important forest worldwide after the Amazonas, and deforestation is worrying. Government establishes a - regularly updated - official data source on state of the forest, deforestation and related GHG, and on forest concessions.	MEDD - Directorate of the Forest Cadaster (DCF), Directorate of the Forest Inventory and Use (DIAF)	FAO AFD WRI	November 2026	In Progress	
	RM4. Mining norms. The government will align the mining regulation to the mining code regarding environmental and forest protection norms, and notably to specify safeguard and compensation measures.	WB climate-smart mining diagnostic DRC (CEM), CCDR, C-PIMA, CCIA	DRC has rules to protect the most valuable forest zones (virgin forests/peatlands) from mining activities. DRC as a solutions country provides transition critical minerals at an affordable human and environmental cost.	MEDD - Congolese Environment Agency (ACE) Ministry of Mines – Directorate for Protecting the Mining Environment (DPEM) National Fund for Social Promotion and Service (FNPSS)	CAFI GIZ	March 2027	In Progress	

Table 3. Democratic Republic of the Congo: Reform Measures under the RSF (2025-2027) (continued)

Pillar	Reform measure	Diagnostic	Expected outcome	Implementing partner	Technical assistance	Date	Status	Prospective BOP Risk Reduction
	RM5. Mining norms. The government will systematically publish the environmental and social impact assessments of all approved mining projects, accompanied by their management plans and summary reports, as well as ex-post environmental audits.	CEM, CCDR, C-PIMA, CCIA	DRC has rules to protect the most valuable forest zones (virgin forests/peatlands) from mining activities. DRC as a solutions country provides transition critical minerals at an affordable human and environmental cost.	ACE DPEM FNPSS	CAFI GIZ	September 2027	In Progress	
	RM6. Governance in the forest sector. The FFN drafts a reform action plan in response to the audit, whose implementation will be revised by the Court after one year.	DRC Governance Diagnostic, C-PIMA, CCIA	Public institutions are held accountable for the climate policy results they deliver. Enhanced reforestation efforts given the mandate of the FFN.	FFN CDC	IDI	September 2027	In Progress	

Table 3. Democratic Republic of the Congo: Reform Measures under the RSF (2025-2027) (continued)

Pillar	Reform measure	Diagnostic	Expected outcome	Implementing partner	Technical assistance	Date	Status	Prospective BOP Risk Reduction
Build resilience to climate natural disasters	**RM7. Climate fiscal risks.** Starting with the 2026-2028 fiscal risk statement (FRS), the Ministry of Budget will integrate a quantified analysis of natural disasters in the FRS published in annex to the budget law.	C-PIMA, CCIA	Natural disasters have an important impact on DRC's public finances, and their analysis supports better fiscal planning. Quantification of risks will better inform risk management by the Government.	Ministry of Budget – Directorate General for Budget Planning and Programming (DGPPB)	FAD	October 2025	Met	*Improved external and fiscal resilience to natural disasters.* - Reduces ex-ante exposure to disaster risks, limiting potential financial losses while supporting investor confidence and attracting new investments (including FDI) - Reduces fiscal costs when climate risks materialize, lowering external financing needs. - Reduces reconstruction needs and associated import demand. - Reduces risks of negative impact on mining sector due to flooded mines and roads, safeguarding mining exports and associated government revenues.
	RM8. Disaster risk management. The government will adopt by decree a policy to clarify institutional responsibilities for disaster risk management at the Ministry of Interior and the Ministry of Social Affairs and Humanitarian Action, in line with the roadmap of the 2024 disaster risk reduction strategy.	CCDR, CCIA	DRC ceases to be amongst the minority of countries to not have a DRM law that organizes its disaster risks response.	Ministry of Interior and Security Ministry of Social Affairs and Humanitarian Action	UNDP UNDRR WB	November 2025	Met – Initially scheduled for Second RSF Review	

Table 3. Democratic Republic of the Congo: Reform Measures under the RSF (2025-2027) (continued)

Pillar	Reform measure	Diagnostic	Expected outcome	Implementing partner	Technical assistance	Date	Status	Prospective BOP Risk Reduction
Integrate the climate agenda into public investment management	**RM9. Preparation of PPPs.** The Ministry of Planning will table draft amendments to the PPP law to require an appraisal of climate risks during the preparation of PPPs and publish a methodological manual to operationalize this requirement.	C-PIMA	PPPs are analyzed for their climate change impacts to ensure their resilience and that effects on GHGs are known.	Ministry of Planning – Unit for the Coordination of PPPs (UC-PPP)	FAD	June 2026	In Progress	*Improved fiscal and external sustainability.* - Reduces contingent liabilities and/or fiscal costs following adverse climate related shocks, supporting debt sustainability and reducing the need for external financing. - Regulatory certainty promotes investment, including external capital flows. - Climate resilient infrastructure facilitates resilient transport needed for trade.

Table 3. Democratic Republic of the Congo: Reform Measures under the RSF (2025-2027) (concluded)

Pillar	Reform measure	Diagnostic	Expected outcome	Implementing partner	Technical assistance	Date	Status	Prospective BOP Risk Reduction
	RM10. Preparation of public investment projects. The Ministry of Planning will adopt by decree a methodology for climate change impact screening of relevant projects to assess their impacts on GHGs, and their exposure to natural disasters.	C-PIMA, CCIA	All public investment projects are screened for their climate change effects before they receive budget funding.	Ministry of Planning MEDD	FAD	June 2026	In Progress	
	RM11. Implementation of the NDC. The Government will (i) publish an investment plan that costs high priority projects under the NDC by 2025, (ii) allocate identifiable budget funding to these in the finance laws.	C-PIMA, CCIA	The 2021 NDC gets implemented, by defining the investment projects needed to achieve it, and by a commitment from authorities to finance them.	Ministry of Planning Ministry of Budget	FAD	January 2027	In Progress	
	RM12. Preparation of public investment projects. The Ministry of Planning will update the annual public investment circular instructing line ministries to share climate appraisals, based on the adopted methodology, when submitting projects for budget funding. The government will finance and publish these appraisals, including for extrabudgetary funds (ACGT, BCECO).	C-PIMA, CCIA	All public investment projects are screened for their climate change effects before they receive budget funding.	Ministry of Planning Congolese Agency of Great Works (ACGT) Central Bureau for Coordination (BCECO)		April 2027	In Progress	

Attachment II. Technical Memorandum of Understanding

1. This **Technical Memorandum of Understanding (TMU)** contains definitions and adjusters that clarify the measurement of quantitative performance criteria and indicative targets in Tables 1 and 2, which are attached to the Memorandum of Economic and Financial Policies. Unless otherwise indicated, all performance criteria and indicative targets will be evaluated in terms of cumulative flows from the beginning of each calendar year.

A. Definitions

2. In the TMU, **exterior** and **interior** are defined on the basis of residence.

3. **Institutional coverage**: Central government comprises all units of government that exercise authority over the entire economic territory. However, unless otherwise specified in this memorandum, the central government does not include non-profit organizations controlled and financed by it. The banking system consists of the Central Bank of the Congo (BCC) as well as deposit institutions.

4. The **program exchange rates** for the TMU are as follows (indicative BCC rates as of December 31, 2024):

- The variables denominated in U.S. dollars will be converted into Congolese francs (CDF) using the program exchange rate of XX CDF per one US dollar.
- The variables denominated in SDRs will be valued at the program exchange rate of CDF XX per SDR.
- The variables denominated in euros will be valued at the program exchange rate of XX CDF per euro.
- Variables denominated in currencies other than the U.S. dollar, SDR, or euro will first be converted to U.S. dollars at the official exchange rate on December 31, 2024, USD/currency (taken from *IMF International Financial Statistics*) and then converted to Congolese francs using the CDF/USD program exchange rate.

5. The **quantitative performance criteria** (PCs) included in the program, as defined below, refer to the net international reserves of the BCC, the foreign currency assets of the BCC held with domestic correspondents, the net credit of the BCC to the government, the net domestic assets of the BCC, external payment arrears, subscriptions or guarantees of new external debt by the public sector, and the domestic fiscal balance (cash basis). Performance criteria are set for end-December 2025 and end-June 2026, while new indicative targets are set for end-March 2026, end-September 2026 and end-December 2026.

6. In addition to the specific PCs listed in paragraph 5, as with any arrangement of the Fund, **Continuous PCs** also include the non-introduction of exchange restrictions and multiple currency practices. In particular, ongoing conditionality covers: (i) not imposing or intensifying restrictions on making payments and transfers for current international transactions; (ii) not to introduce or modify multiple currency practices; (iii) not to enter into bilateral payment agreements inconsistent with

Article VIII; and (iv) not imposing or intensifying import restrictions for balance of payments reasons. In view of their non-quantitative nature, these continuous PCs are not included in the PC table appended to the MEFP.

B. Quantitative Performance Criteria and Adjusters

Floors on Changes in the BCC's Net International Reserves

7. Definition: **Net international reserves** (NIR) are defined as the difference between the BCC's **gross international reserves** and its total **foreign liabilities**, excluding SDR allocations.

8. Definition: **Gross international reserves** are defined in accordance with the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6), as the sum of the following: (i) the BCC's monetary gold holdings held abroad; (ii) SDR holdings held abroad; (iii) foreign exchange cash holdings; and (iv) convertible claims on non-residents, such as foreign deposits and foreign securities. The following items are excluded from the definition of gross international reserves: foreign currency claims on residents, assets in nonconvertible currency, assets whose availability is subject to conditions, and assets that are in any manner encumbered or pledged, including without limitation, reserve assets used as pledges or guarantees for third-party external liabilities and swap transactions.

9. Definition: **External liabilities** are all BCC liabilities in foreign currency to nonresidents, including the IMF, but excluding SDR allocations.

10. The following **adjustments** will apply to NIR floors:

- **Balance of payments support** (BPS, budget support): NIR floors will be adjusted upward by an amount equivalent to 50 percent of the surplus of BPS over programmed levels (corresponding to budget support, including from the IMF). The NIR floors will be adjusted downward by an amount equivalent to 50 percent of the shortfall collected compared to the programmed levels.
- **External debt service payments:** NIR floors will be adjusted, either (i) upward by an amount equivalent to the underpayment of external debt service compared to programmed amounts, or (ii) downward by an amount equivalent to the excess of external debt service payments compared to the programmed amounts.
- **Proceeds from privatizations in convertible foreign currency** (PPDC): the NIR floors will be adjusted upward by an amount equivalent to 50 percent of the total surplus of the PPDC over programmed levels. There will be no downward adjustment in the event of a shortfall.

11. Definition: **BPS** includes all external grants and loans disbursed to the central government, excluding those related to projects.

12. Definition: **Payments for servicing the external debt** of central government are defined as payments of principal and interest owed to external creditors (excluding the IMF).

13. Reference period: For each year, the quantitative performance criterion on net international reserves is assessed from end-December of the previous year through the test date of the current year (measured on a year-to-date basis).

Ceilings on the Levels of BCC Foreign Currency Assets Held with Domestic Correspondents

13. Definition : The BCC's **foreign currency assets held with domestic correspondents** are defined as BCC assets: (i) of any denomination other than the Congolese franc; (ii) held with institutions or subsidiaries domiciled in the Democratic Republic of the Congo; (iii) but excluding BCC deposits used as guarantee/collateral for central government borrowing (as defined in §14). The ceiling on the BCC's foreign currency assets held daily with domestic correspondents must remain below the threshold specified in the table of quantitative performance criteria, with a tolerance of five working days should this be exceeded.

14. Definition: **BCC deposits used as guarantee/collateral for central government loans** is defined as the sum of deposits that serve as guarantee, in one form or another, for loans contracted by the central government. Their change is defined as the difference in the amount of such deposits between the test date and the previous year-end.

Ceilings on Changes in BCC Net Domestic Assets

15. Definition: **BCC net domestic assets** (NDA) of are defined as the monetary base (see §16) minus net international reserves (see §7) minus external assets excluded from the international reserves, minus **the Treasury securities payable to the BCC** (§19), minus, as of December 2022, the reserve requirements of deposit-taking institutions. Based on this definition, the BCC's NDA include: (i) net credit to the government (central government (see §17); (ii) credit to the private sector; (iii) credit to public enterprises; (iv) credit to commercial banks; (v) other claims on the rest of the economy (on other financial institutions and other nonfinancial institutions); and (vi) other net assets.

16. Definition: **Monetary base**, strictly defined, is the sum of (i) currency in circulation; (ii) bank cash balances; (iii) bank deposits at the BCC; (iv) nonbank private sector deposits at the BCC; and (v) deposits of public enterprises with the BCC.

17. The following adjustments will be made to the NDA ceilings:

- **BPS**: The NDA ceilings will be adjusted downward by an amount equivalent to 50 percent of the total BPS in excess of the programmed level. The NDA ceilings will be adjusted upward by an amount equivalent to 50 percent of the shortfall in the amount collected compared to the programmed levels.
- **External debt service payment**: the NDA ceilings will be adjusted (i) downward by an amount equivalent to the underpayment of debt service compared to the programmed amounts; and (ii) upward by an amount equivalent to the excess of external debt service payments over the programmed amounts.

Ceilings on Changes in Net BCC Credit to the Government (NCG)

18. Definition: **BCC net credit to the government** (NCG) is defined as the difference between BCC's gross claims on the central government and the central government's deposits at the BCC. Government deposits include those related to the agreement on the distribution of SDRs between the government and the BCC. For program monitoring purposes, government deposits related to externally financed projects, as well as **Treasury securities in favor of the BCC,** are excluded from the NCG.

19. Definition: **Treasury securities payable to the BCC** are interest-bearing securities issued by the Treasury to recapitalize the BCC or to regularize past BCC claims on the government, and to cover past operating losses, unsecured operating losses from 2011 and subsequent years, overdue interest payments for securities related to the BCC's operating losses and foreign currency conversion losses. These securities include in particular the Treasury bonds redeemable *in fine* provided for in *the Memorandum of Understanding between the Government and the Central Bank of Congo on the regularization of its claims on the Public Treasury* of December 2021, and its April 2022 amendment. This definition excludes non-interest-bearing loans from the BCC to the government, non-interest-bearing Treasury securities, and advances from the BCC to the Treasury.

20. The following **adjustments** will apply to the NCG ceilings.

- **BPS**: the NCG ceilings will be adjusted downward, by an amount equivalent to 50 percent of the surplus of BPS over the programmed level. In the event of a shortfall, the NCG ceilings will be adjusted upward by an amount equivalent to 50 percent of the shortfall relative to the programmed levels.
- **External debt service payments:** The NCG ceilings will be adjusted (i) downward by an amount equivalent to the underpayment of debt service relative to programmed amounts, or (ii) upward by an amount equivalent to the external debt service overpayment relative to programmed amounts.
- **Proceeds from privatizations**: The NCG ceilings will be adjusted downward by an amount equivalent to 50 percent of the total surplus of privatization proceeds over the programmed levels. There will be no upward adjustment for shortfalls.

Floors on the Domestic Fiscal Balance

21. Definition: The **domestic fiscal balance** (cash basis) is defined as domestic revenue minus domestically financed expenditure. **Domestic revenue** is defined as total revenue and grants minus grants. **Domestically financed expenditure** is defined as total expenditure minus **externally financed investment** (loans and grants) minus foreign interest payments plus the **net accumulation of domestic arrears.**

22. The **following adjustments** will apply to the floors on the domestic fiscal balance:

- **Net domestic arrears payment:** The floors on the domestic fiscal balance will be **adjusted** downward (higher deficit) by the equivalent of the amount of net domestic arrears repayments made in excess of the programmed amount; symmetrically, they will be adjusted upward (lower deficit) by the equivalent of the amount of net domestic arrears repayments made below the programmed amount.

- **Domestically financed investments:** The floors on the domestic fiscal balance will be adjusted upward (lower deficit) by the equivalent of the amount of domestically financed investments made below (less than) the programmed amount.
- **Central government revenue**: The floors on the domestic fiscal balance will be adjusted upward by an amount equivalent to 80 percent of the surplus in central government revenues over the programmed level. They will be adjusted downward by an amount equivalent to 50 percent of the central government's revenue compared to the programmed level.

23. Definition: **Domestic arrears** are defined as obligations to domestic public suppliers that have not been paid by the due date according to the contractual provisions with a delay of at least 60 days, including also VAT credits due but not refunded, and which have been certified and validated by the government.

24. Definition: **Externally financed investment** is defined as disbursements from bilateral and multilateral creditors to the central government for specific project expenditure.

Ceilings on the Accumulation of External Payment Arrears

25. Definition: **External payment arrears** are defined as central government external debt service obligations (interest and principal) that have not been paid by the due date according to the contractual provisions. The ceilings on new external payment arrears apply **continuously** throughout the period covered by the Extended Credit Facility. They do not apply to external payment arrears that are in the process of being renegotiated, or to those for which the creditor has agreed to a suspension of payments pending the outcome of negotiations. For the purposes of this continuous PC, which is monitored continuously, the government will immediately report any new external arrears it accumulates to Fund staff.

Ceilings on the Present Value of Contracts or Guarantees of New External Debt by the Public Sector

26. Definition: **The public sector** comprises the central government (State), local governments, the central bank (BCC), public enterprises, 17 decentralized territorial entities (DTEs), as well as public institutions controlled and financed by the central government.

27. Definition: **Debt** is defined in accordance with paragraph 8(a) of the Guidelines on Public Debt Conditionality in Fund Arrangements attached to Executive Board Decision No. 16919-(20-103), adopted on October 8, 2020. External debt is deemed to be incurred when all parties have signed the debt contract. For the purposes of the program, external debt is measured on a gross basis using the residency criterion.

28. Definition**:** The **guarantee** of a debt arises from any explicit legal obligation of the public sector to repay a debt in the event of default by the debtor (payments in cash or in kind), or from any implicit legal or contractual obligation of the public sector to finance all or part of any shortfall in payment by the debtor.

29. Definition: The **present value** (PV) of new external debt is calculated by discounting all scheduled disbursements and debt service payments (principal and interest), on the basis of a program discount rate of 5% and taking into account all conditions of the loan, including projected disbursements, maturity, grace period, payment schedule, entry fees, and management fees. The PV is calculated using the IMF "DSA template", which is based on the loan amount and the aforementioned parameters. In the case of loans for which the grant element is zero or below, the present value is equal to the face value.

30. Definition: **Ceiling.** As of March 2022, a performance criterion applies to the PV of new external debt (i.e. debt owed to nonresidents), contracted or guaranteed by the public sector with original maturities of one year or more. The ceiling applies to commitments entered into or guaranteed for which no value has been received. It excludes the use of Fund resources and normal import credits with a maturity of less than one year.18

31. Reference period: For each year, the ceiling on new external debt contracted or guaranteed by the State (PPG) is monitored on a cumulative basis from end-December of the previous year up to the test date of the current year (year-to-date measurement).

32. Definition: **Reporting requirement.** The authorities will inform IMF staff of any planned external borrowing, and the terms thereof, before loans are contracted or guaranteed by the government, and will consult with IMF staff on any potential debt management operations.

C. Indicative Targets

Floors on Central Government Revenues

33. Definition: **Central government revenue** is defined according to the Government Finance Statistics Manual (GFSM 2001) but on a cash basis, excluding grants. Revenue is an increase in the net worth of the central government (including its units in the provinces and agencies) resulting from a transaction.

- Central government revenue includes taxes and other compulsory transfers imposed by the central government, property income from the ownership of assets, sales of goods and services, social contributions (excluding pension contributions received by the central government), interest, fines, penalties and forfeitures, and voluntary transfers, other than subsidies, received from non-government authorities. The definition, for program monitoring, excludes grants and other non-compulsory contributions received from foreign governments and international organizations. These transfers between central governments would be eliminated in the consolidation of fiscal reports and would not be recorded as revenues. Receipts from the sale of nonfinancial assets (e.g., privatization and bonuses for signing natural resource contracts) and transactions in financial assets and liabilities, such as borrowings but excluding interest payments, are also excluded from the definition of income. The transfer of profits from the BCC to the Treasury is also excluded from the definition of revenue. Revenues from the special accounts and annexed budget are also excluded.

- Revenues should be recorded on a cash basis, and flows should be recorded when cash is received. Exceptional advance payments will be treated as if they had been received on the normal due date.

Floor on Social Spending

34. Definition: **Social expenditure** is central government expenditure (excluding wages) defined as the sum of:

- Health spending

  - Reproductive, maternal, newborn, child, and adolescent health (RMNCAH) and primary health care expenditures
  - Disbursements of GAVI-supported vaccine co-financing and traditional vaccines procurement
  - Disbursements of tuberculosis/malaria/HIV/AIDS co-financing

- Social spending includes: (i) interventions aimed at promoting social action centers (social service centers) to strengthen the provision of social services, protect vulnerable groups, and build shelters for children separated from their families; and (ii) the expansion of the Unified Social Registry for vulnerable individuals.

- Education and humanitarian spending

  - Education spending includes expenditure related to providing schools across the country with desks and benches, as well as the acquisition of these materials.
  - Humanitarian spending includes the pre-positioning of humanitarian kits in high-risk provinces most affected by conflict, internal displacement, and related crises.

Ceilings on the Accumulation of Central Government Wage Arrears

35. Definition: **Wage arrears** are defined as approved wages and salaries that are 60 days past due. Wages and salaries include the total compensation paid to public service employees, including permanent benefits. These arrears will be assessed on a cumulative basis as from July 1, 2021.

36. Definition: **Public service employees** are civilian, police and military personnel, either statutory civil servants or under contract with the central government.

Ceilings on the Wage Bill

37. Definition: The **wage bill** is defined as the total remuneration paid to public service employees (see §34), including permanent benefits.

Ceilings on Central Government Expenditures Executed under Emergency Procedures

38. Definition: **Central government expenditures executed under emergency procedures** is expenditure that has not been executed in accordance with the normal expenditure chain procedures.

39. Definition: The **ceiling** is defined quarterly as the percentage of central government expenditure executed under emergency procedures relative to total central government expenditure from own resources and budget support.

D. Data to be Reported for Program Monitoring Purposes

40. The DRC authorities will provide IMF staff with the information required for program monitoring within the prescribed deadlines, as shown in the table below.

Table 1. Democratic Republic of the Congo: Overview of Data Required to be Reported by the Authorities

	Data description	Institution in charge	Data frequency (Reporting frequency, if different)	Submission deadline (business days)
1	**Exchange rates and foreign exchange market statistics** Including rates and volumes submitted by commercial banks, foreign exchange bureaus and the BCC; the official exchange rate (indicative rate); parallel market exchange rates; BCC interventions; BCC foreign exchange auctions; the supply of and demand for foreign exchange as reported by commercial banks.	BCC (Directorate of Banking Operations and Markets (DOBM); Directorate of Research and Statistics (DRS)	Daily (Weekly)	1
2	**BCC foreign assets and liabilities** Disaggregated by category and currency; NIR and GIR according to program definition.	BCC (Directorate of Banking Operations and Markets (DOBM))	Daily (Weekly)	1
3	**Monetary policy instruments and interventions** BCC bills, swap facility, emergency lending facilities, interbank market (rates and volumes, by bank)	BCC	Daily (Weekly)	1
4	**Depository institutions' reserves at the BCC** Required and excess reserves	Financial Intermediaries Supervision Directorate (DSIF)	Daily (Weekly)	1
5	**Depository institutions survey** Situation of the central bank and other depository institutions.	BCC	Monthly	10
6	**Detailed monetary survey:** Standardized report forms 1SR & 2SR	BCC	Monthly	10

Table 1. Democratic Republic of the Congo: Overview of Data Required to be Reported by the Authorities (continued)				
7	**Government deposits with the BCC and commercial banks:** By type, entity, and currency	BCC	Monthly	10
8	**BCC guarantees** Promissory notes, term deposits, insured deposits, or any other type of guarantee contracted by the BCC with local commercial banks (by bank, category, terms, and currency); for guarantees, detailed information on payments related to guaranteed loans, and terms of such loans and associated guarantees.	BCC	Monthly	10
9	**BIS 2D BIS USD statement of account** Statement of account (downloadable electronic data format) provided by the BIS for the two-day deposit account in USD opened in the books of the BCC to record IMF-related disbursements.	BCC	Monthly	10
10	**Monitoring of monetary criteria** Net international reserves, BCC net credit to the government, BCC net domestic assets, BCC foreign currency assets held with domestic correspondents.	BCC	Monthly	15
11	**Monetary Data** Monetary survey and detailed Net credit to government	BCC	Bi-weekly	3
12	**BCC cash payments** BCC and government cashier operations, by currency and execution procedure	BCC	Monthly	10
13	**BCC local currency budget**	BCC	Monthly	3
14	**Commercial bank balance sheets** Detailed tables of assets and liabilities, for each depository institution and aggregated, broken down by national currency and foreign currency.	Financial Intermediaries Supervision Directorate (DSIF)	Monthly	10
15	**Financial soundness indicators (FSI)** Capital adequacy, asset quality, profitability, liquidity, sensitivity to market risks.	Financial Intermediaries Supervision Directorate (DSIF)	Monthly	10
16	**Interest rate term structure** Deposit-taking institutions and the BCC	Financial Intermediaries Supervision Directorate (DSIF)	Monthly	10

Table 1. Democratic Republic of the Congo: Overview of Data Required to be Reported by the Authorities (continued)

17	**Foreign exchange budget**	BCC (Directorate of Banking Operations and Markets (DOBM)	Weekly	5
18	**Statistical digest** Main productions	BCC	Monthly	15
19	**Commodity exports and imports** Value and volume	BCC	Monthly	15
20	**Transactions on the capital and financial accounts of the balance of payments**	BCC	Quarterly	15
21	**GDP estimates and forecasts**	CESCN	Quarterly	45
22	**Expenditures executed under emergency procedures** Amounts approved by the Emergency Expenditures Commission and amounts paid and regularized by the BCC.	Emergency Committee	Quarterly	15
23	**Customs and excise revenues** Including mining, by category	Directorate General of Customs and Excise (DGDA)	Monthly	40
24	**Revenues from direct and indirect taxes**	DGI	Monthly	40
25	**Revenues from the mining sector** By nature	DGI	Monthly	40
26	**Subscriptions to corporate income tax (IBP)**	DGI	Annually	20
27	**Nontax revenue** Excluding provinces, including revenues from the mining sector	Directorate General of Administrative, Judicial, State, and Participation Revenue (DGRAD)	Monthly	20
28	**Proceeds of privatization**	DGRAD	One-off, for asset sales	15
29	**Indicators of national production**	National Institute of Statistics (INS)	Monthly	15
30	**Consumer price index**	INS	Weekly	5

Table 1. Democratic Republic of the Congo: Overview of Data Required to be Reported by the Authorities (continued)

31	**Estimation of the fiscal cost of the fuel pricing policy**	Ministry of Economy (validation by the Ministry of Finance)	Quarterly	40
32	**External arrears** Discounted amounts	Ministry of Finance (Directorate General of Public Debt (DGDP))	Monthly	15
33	**External debt service** Interest and principal, detailed by creditor	Ministry of Finance (Directorate General of Public Debt (DGDP))	Monthly	10
34	**Central government domestic debt** Debt stock and debt service, by category and creditor	Ministry of Finance (Directorate General of Public Debt (DGDP))	Quarterly	15
35	**Public external debt contracted** Including by central or local governments, public enterprises (Gécamines, Sicomines, SNEL, MIBA) and the BCC; Details on the associated guarantees/collateral.	Ministry of Finance (Directorate General of Public Debt – DGDP)	Ad hoc, where a loan contract is signed	15
36	**Public external debt stock** Including that of central or local governments, public enterprises (Gécamines, Sicomines, SNEL, MIBA) and the BCC; associated amortization schedules.	Ministry of Finance (Directorate General of Public Debt – DGDP)	Annually	30
37	**Status of natural resource revenue collection**	Ministry of Finance (Technical Committee for Monitoring and Evaluation of Reforms (CTR))	Quarterly	20

Table 1. Democratic Republic of the Congo: Overview of Data Required to be Reported by the Authorities (concluded)

38	**Government cash flow plan** Execution and projections	Ministry of Finance (Directorate General of the Treasury and Public Accounts (DGTCP)	Weekly	5
39	**Treasury bills and bonds** Issuance amounts, maturities, and interest rates; amortization	Ministry of Finance (Securities Committee)	Weekly	3
40	**Mining exports** By mineral and company, with annual projections	Ministry of Mines (Technical Mining Coordination and Planning Unit – CTCPM)	Monthly and quarterly	10
41	**Budget arrears** Up-to-date stock	Ministry of the Budget (Budgetary Control Directorate – DCB)	Annually	15
42	**Budget monitoring statement**	Ministry of Budget (Directorate General of Budgetary Policy and Programming – DGPPB)	Monthly	10
43	**Wage arrears** Stock, including details by category	Ministry of the Budget (Payroll Directorate)	Monthly	60
44	**Projected expenditure commitment plan**	Ministry of the Budget (Budgetary Control Directorate – DCB)	Quarterly	10
45	**Economic situation report** **Prepared for the weekly meeting with the Prime Minister**	Ministry of Planning (Macroeconomic Studies Directorate – DEME)	Weekly	3

Criteria and data for the RSF. With regard to the RSF, the authorities will provide IMF staff with all of the documents (legal texts, manuals, methodologies, etc.) referred to in each reform measure. Table 2 below provides the criteria for interpreting reform measures.

Table 2. Democratic Republic of Congo: Overview of Information to be Provided by the Authorities Under the RSF

Reform Measure	Interpretive Criteria
RM1.	Adoption of the Code by the Government and transmission to Parliament. Preliminary stage: this measure will take place after the adoption of the forestry policy (expected in early 2025).
RM2.	Performance audit report published on the Court's website, including observations on the efficiency and effectiveness of public policy and reform recommendations (in line with INTOSAI auditing standards). Preliminary stage: The Committee includes the audit in the 2025 Annual Work Plan (PAT).
RM3.	The SNSF's geospatial data covers deforestation data, forest degradation data, and National Forest Inventory data. They are updated at least every two years and published by the government on the official SNSF web portal according to different spatial scales (national and provincial), forest types and management methods (exploitation concessions, conservation concessions, CFCL, protected areas, etc.). Measurement for the SNSF involves an initial release (first quarter of 2025) and at least one subsequent data update.
RM4.	Adoption of the revised mining regulation by the Government and publication of the new text in the Official Journal The new regulation will clarify the institutional arrangements, procedures and standards governing the protection of the environment and forests, including safeguards and compensation measures.
RM5.	The revised Mining Regulations (RM4) will specify the government entity responsible for publishing studies, plans, reports and audits at a government site. All mining projects approved after the end of RM4 will have a study with its management plan and the synthesis report previously published. As ex post audits are lagged, publication will cover all audits due after RM4.
RM6.	Action plan in response to the audit (in line with INTOSAI's auditing standards) prepared by May 2026 at the latest. The FFN states that it can draw up this plan in three months. Court's report on the review of implementation published.

RM7.	Chapter with quantified data on natural disasters in the 2026–2028 DRB, published as part of the budget documentation for the 2026 budget law. In case of limitations in the availability of data on natural disasters, an action plan will be adopted to improve data collection.
RM8.	Policy formally adopted by a published decree.
RM9.	Amendments to the PPP Act adopted by the Government and tabled in Parliament. PPP methodological guide developed in line with international best practices, published (on the UC-PPP website) and formally adopted (with formal presentation to the Council of Ministers for endorsement). Chapter 4.5 of the *November 2023 Public Investment Management Procedures Manual* (Order No. 210 /CAB/MINET/PLAN/ JST/2023 of November 15, 2023) is amended to include a reference to the PPP methodological guide.
RM10.	The Ministry of Planning will revise the November *2023 Decree on the Public Investment Management Procedures Manual* (Decree No. 210 /CAB/MINET/PLAN/ JST/2023 of November 15, 2023) to include an annex that explains the climate assessment methodology that details the principle set forth in Chapter 4.4.1 of the said Manual. The term "relevant" will be defined by the methodology, i.e., it will differentiate which type of analysis will be applied to which type of project.
RM11.	A plan was published on the Ministry of Planning or MEDD website listing and quantifying the costs of priority climate projects. These projects will have been included (in an identifiable manner) in the PIP appended to the LFI and will have received budget appropriations by 2027. For mature projects, they should already be included in the 2026 budget law.
RM12.	Planning ministry circular issued January 2026. The government will pay, for each fiscal year, expenditures relating to project evaluations to be included in the budget for fiscal year n+1. A report showing the execution rate of appropriations allocated to finance project evaluations is published. Assessments are published by April 2027.

INTERNATIONAL MONETARY FUND

DEMOCRATIC REPUBLIC OF THE CONGO

December 5, 2025

SECOND REVIEW UNDER THE EXTENDED CREDIT FACILITY ARRANGEMENT, REQUESTS FOR A WAIVER OF NONOBSERVANCE OF A PERFORMANCE CRITERION, MODIFICATION OF QUANTITATIVE PERFORMANCE CRITERIA, AND FINANCING ASSURANCES REVIEW; AND FIRST REVIEW UNDER THE RESILIENCE AND SUSTAINABILITY FACILITY ARRANGEMENT AND REQUEST FOR REPHASING OF ACCESS

WORLD BANK ASSESSMENT LETTER FOR THE RESILIENCE AND SUSTAINABILITY FACILITY

This first update to the RSF Assessment Letter—DRC (dated November 25, 2025) highlights relevant changes that have occurred since the RSF Assessment Letter issuance.

Background. On January 15, 2025, the IMF Executive Board approved a new 3-year Extended Credit Facility (ECF), for US$1.73 billion, and a 3-year climate-focused Resilience and Sustainability Facility (RSF), for US$1.04 billion. The RSF program is designed to help the DRC advance its climate adaptation and mitigation agenda and strengthen its role as a "solution country" in the global transition to a low-carbon economy. The RSF's main objectives are to integrate climate considerations into public policy and investment, strengthen disaster risk reduction and management, promote green finance, and protect forests through sustainable land use. Specifically, the program supports reforms that embed climate risks into fiscal planning, improve climate-sensitive budgeting and investment, develop green finance markets, and implement the National Strategy for Reducing Deforestation and Forest Degradation (REDD+). The RSF leverages World Bank technical assistance and financing, drawing on the DRC Country Climate and Development Report (CCDR, 2023) to inform its priorities. Overall, the RSF aims to build resilience to climate shocks, mobilizeclimate investments, and help the DRC meet its climate commitments. This letter is the first update to the World Bank's assessment of DRC's climate policies and commitments provided in January 2025, highlighting government policies and commitments for climate change adaptation and mitigation.

DRC's climate context and program were summarized in the World Bank's RSF Assessment letter in January 2025 and remain relevant.

1. The World Bank has an active portfolio of financing and technical assistance that is helping DRC implement its climate commitments.

Active Operations:

- The **Emission Reduction Program Agreement** ("ERPA" P160320) and its companion technical assistance (Support to the operationalization of the Emission Reductions Payment Agreement under the Maï-Ndombe ER Program P170835) are supporting the MEDD. In June 2025, DRC received US$19.47 million for reducing 3.89 million tons of carbon emissions through efforts to protect and restore forests in the Mai-Ndombe province. The payment comes from the World Bank's Forest Carbon Partnership Facility (FCPF) and marks the first under a broader agreement that could unlock up to US$55 million for reducing 11 million tons of emissions. A significant share of the funds will go to local communities and Indigenous Peoples who are helping lead forest conservation efforts on the ground. Besides the credits paid for by the World Bank, the DRC will receive 1.7 million credits that are available for the government to bring to the market as high-quality carbon credits. This offers a valuable opportunity to attract private buyers, expand successful activities, and further advance DRC's climate and development goals. Further, in July 2025, DRC accelerated the operationalization of the Carbon Market Regulation Authority (ARMCA) through a presidential ordinance. Although not yet fully active, ARMCA was established to regulate and manage the country's emerging carbon credit market, enhance oversight, and attract investment.

- The **Kananga Emergency Urban Resilience Project** ("PURUK", P179292) aims to safeguard lives, jobs, critical infrastructure, such at the airport and schools, and housing affected by gully erosion in Kananga. The project not only invests in anti-erosion infrastructure works, but it also addresses the root causes of gully erosion, landslides, and flooding in Kananga by promoting an integrated and resilient model of urban development.

- The **Kinshasa Multisectoral and Urban Resilience Project** ("Kin Elenda", P171141) aims to improve the resilience of key infrastructure such as water, energy, and drainage infrastructure. The project also strengthens the capacity of the city-province of Kinshasa to manage urban systems, including disaster risk management (DRM).

- The **DRC Urban Flood Resilience Project** ("PRIUR", P508410) aims to strengthen the climate and DRM capacity in the country and reduce flood risks in Kinshasa and Kalemie. This will be achieved through the development of key DRM reforms, management tools, and operational plans for early warning and emergency preparedness via an inclusive, multi-stakeholder process, and through the rehabilitation climate-resilient infrastructure to manage flood and erosion risks.

- The **Forest and Savanna Restoration Investment Program** (P178642) supports land use planning, agroforestry, forest value chain, clean cooking and the Measurement, Reporting and Verification (MRV) of forest data and climate results. The program addresses deforestation, rural poverty, and environmental risks, while promoting gender and youth inclusion and resilient community development.

2. ***Operations under preparation:*** The World Bank is preparing the following complementary projects that contribute to strengthening DRM and climate change adaptation.

- The **Kinshasa Urban Transformation and Jobs program** ("Kin La Belle", P512210) a multi-phase programmatic approach (MPA) that aims to improve the infrastructure and institutional capacity to transform Kinshasa into a clean, connected, and competitive city.

- The **Regional Emergency Preparedness and Access to Inclusive Recovery** ("REPAIR", P513341) is a regional program which aims to strengthen the financial and operational preparedness of participating countries against natural disasters and other shocks. The program improves both financial preparedness and operational preparedness.

- The **Sustainable Congo Basin Forest Economies Program** ("SCBFE", P505923) is a multi-country initiative, aiming to scale up sustainable forest landscape management, forest value chains, and livelihood opportunities across Congo Basin countries, including the DRC.

- The DRC government is working with the World Bank on operationalizing the tools available under the Crisis Preparedness and Response Toolkit, in particular the **Rapid Response Option** (RRO), which would allow a quick response to climate emergencies by reallocating undisbursed resources across the World Bank's portfolio.

Analysis and Technical Assistance:

- The **Disaster Risk Financing (DRF) Diagnostic** provides a comprehensive assessment of the financing gaps in the DRF system in DRC and proposes solutions to address them. The Diagnostic was developed in close collaboration with national stakeholders.

- The "**Leveraging Natural Capital Accounting and Climate Finance for the Congo Basin Forests**" (P180767) delivers two complementary DRC outputs: a Strategic Roadmap to accelerate forest-sector carbon finance, and the country's first Forest Ecosystem Accounts quantifying, in physical and monetary terms, the economic value of the country forests.

3. **The World Bank DRC Development Policy Financing (DPF) series and the RSF for DRC are complementary** – particularly in the sector of renewable energy, with a common focus on the forest. The DPF series (P507861) supports the strengthening of the energy sector with the improvement of the performance and financial viability of the public electricity service (SOE SNEL) as well as promoting energy transition through the Liquefied Petroleum Gas (LPG) development, which also supports combatting deforestation. It also promotes private investment and private capital enabling. The RSF reforms on the other hand focus on integrating the climate agenda into the preparation of public-private partnerships (PPPs); and on supporting mitigation and adaptation efforts by promoting forest protection and implementing the NDC. The latter builds on the previous DPF series (P179141) for DRC that tackled compliance of forest concessions with applicable law, the amount of financing mobilized to implement the National Strategy for Reducing Deforestation and Forest Degradation (REDD+), and the number of carbon projects registered. DRM Reforms under the Cat DDO are likely to be integrated into the forthcoming DPF series, which can be delivered as combined policy matrix and would enable access to the RRO.

Statement by Mr. Regis N'Sonde, Executive Director,
Mr. Mbuyamu Matungulu, Alternate Executive Director,
and Ms. Mwanza Nkusu, Senior Advisor to the Executive Director,
on the Democratic Republic of the Congo
December 19, 2025

On behalf of our Congolese authorities, we extend our appreciation to the Executive Board, Management, and staff for the Fund's steady support to the Democratic Republic of the Congo (DRC). Our authorities thank staff for their close engagement and productive policy dialogue, including during the recent discussions in the context of the second review under the Extended Credit Facility (ECF) and the first review under the Resilience and Sustainability Facility (RSF). The authorities broadly concur with staff's evaluation of performance under the ECF- and RSF-supported programs and appreciate the pertinence of related policy recommendations.

The authorities have continued to implement their economic and financial reform agenda despite the challenges from heightened global economic uncertainty and the war in eastern provinces of the country, with large territories occupied by hostile forces. In addition to the high civilians' death toll, the war has exacerbated the humanitarian plight for over 7 million internally displaced people. Despite the difficult context, the authorities continued to prioritize prudent macroeconomic management and advance the implementation of their structural reform agenda.

Our Congolese authorities remain committed to further enhancing macroeconomic management and steadfastly implementing the structural reforms under their ECF- and RSF-supported programs. They are confident that using policies and measures underpinning the two Fund-supported programs as anchors for the government's policy actions will help preserve macroeconomic stability, strengthen resilience, advance the structural transformation of the economy, and address the climate-related vulnerabilities the DRC faces. These policies and measures are consistent with the Government Action Program for 2024–2028 (PAG 2024–2028) that aims to foster stronger, sustainable, and inclusive growth to improve the people's living standards.

RECENT DEVELOPMENTS AND PROGRAM PERFORMANCE

Recent Developments

The authorities' sound macroeconomic management is delivering positive outcomes. Economic activity has remained resilient, with real GDP growth of 6.1 percent in 2024. Notwithstanding a weakening of activities relative to 2023, the extractive sector remains the main driver of this robust expansion. At 3.1 percent, growth of the non-extractive sector in 2024 was over a quarter of a percentage point lower than a year earlier, reflecting slower growth in the services and construction sectors while manufacturing growth accelerated. Preliminary production data as of September 2025 suggests that GDP growth for 2025 would remain strong but decelerate to 5.6 percent as normalization of the extractive sector growth continues after the 20 percent growth spike reached in 2023. On the inflation front, reflecting the tight monetary policy stance of the *Banque Centrale* *du Congo (BCC)* and subdued pressures on the exchange rate, inflation has decelerated significantly. From 23.8 percent at end-December 2023, year-on-year inflation declined to 11.7 percent at end-December 2024 and further to 7.8 percent at end-September 2025. It has since fallen to below the central banks' 7 percent target, supported by the notable appreciation of the Congolese franc (CDF) that followed the September 2025 initiation of the planned three-phase update of the exchange rate applied to frozen required reserves in CDF on foreign currency (FX) deposits. At end-November inflation reached 2.2 percent (y-o-y) and is projected at 4.3 percent for end-December. Consistent with the decline in inflation, at its October meeting, the Monetary Policy Committee (MPC) lowered the policy rate from 25 percent since August 2023 to 17.5 percent.

Outcomes in the fiscal and external sectors have diverged. The illegal fiscal activities in occupied eastern provinces and heightened security-related spending pressures have weighed on fiscal performance while the current account balance has improved markedly owing primarily to stronger mining export proceeds. Government revenue excluding payments from the SICOMINES contract remained at 12 percent of GDP in both 2023 and 2024 and is projected to fall to 11.4 percent of GDP in 2025, notably reflecting the loss of revenue from the illegally occupied territories. The somewhat subdued revenue performance, together with the increase in security-related spending since the escalation of the war in eastern provinces in the last quarter of 2024, have contributed to a deterioration of fiscal balances. Indeed, the overall fiscal deficit increased from 1.6 of GDP in 2023 to 2.1 and 2.4 of GDP in 2024 and 2025, respectively. The revised external current account figures show a narrowing of the deficit by about 0.6 percentage point of GDP a year over the period 2023–2025, falling from 5.3 percent of GDP in 2023 to 3.6 percent of GDP in 2025. The improved current account balance helped boost official FX reserves to US$6.7 billion (10.1 weeks of imports) in 2024, from US$5.4 billion in 2023 (8.4 weeks of imports). The FX reserves target for end-2025 under the program is set at US$8.3 billion, equivalent to 11.7 weeks of imports).

Performance under the ECF and RSF Programs

Performance under the ECF-supported program was broadly satisfactory. The authorities met all end-June 2025 quantitative performance criteria (QPCs) but missed the continuous performance criterion (PC) on the non-introduction or modification of multiple currency practices (MCPs), as a result of the change the BCC introduced in the determination of the reference exchange rate in reaction to the speculation-driven exchange rate volatility. The authorities also met all but two indicative targets (ITs). The missed ITs relate to the ceiling on spending executed under emergency procedures and the floor on social spending. Exceptional security spending caused by the continued pressures of the war in eastern provinces explains most of the spending overrun under emergency procedures. The authorities are committed to strengthening adherence to the expenditure chain as strictly as possible to limit such outlays. With regard to structural reforms underpinning the ECF arrangement, all the structural benchmarks (SBs) set for the second review have been met, except for the one related to the standardized VAT invoicing system, though its implementation has progressed well. The rollout phase was launched on August 1, 2025, and continued with a mandatory date of December 1, 2025.

The authorities have taken corrective actions to address the missed PC on the non-introduction of MCPs. The BCC has, since October 17, 2025, returned to the methodology of using prior day's market-weighted average rate as the reference rate, abandoning the use of the lowest bid of the prior day as the reference rate. Further, the BCC will adopt a new mechanism that will make the calculation of the reference rate automatic and transparent using market data from the Bloomberg platform.

Performance under the RSF-supported program has been satisfactory. The authorities successfully implemented the reform measure (RM) due for the first RSF review (RM7), which consisted of including a quantified analysis of fiscal risks related to natural disasters in the annex to the 2026 draft Budget Law. They also developed and completed, ahead of schedule, the National Disaster Risk Management Policy (RM8), originally scheduled for adoption in April 2026 as a second review measure.

OUTLOOK AND RISKS

The outlook remains broadly favorable. Real GDP growth is expected to decelerate slightly to 5.3 percent in 2026 and stabilize at 5.5 percent during 2027–2030. It would be sustained by the buoyancy of activities in the non-extractive sector, which is expected to grow by an average 6.5 percent during 2027–2030, more than double the projected growth rate for 2025. Consumer price inflation is projected to pick up to about 6 percent at-end 2026 and then stabilize around the BCC's target of 7 percent afterwards. The domestic fiscal deficit is projected to increase in 2025 relative to 2024 by half-a-percentage point of GDP, to 1.3 percent of GDP. The deterioration reflects both a decline in revenue and an increase in spending arising mainly from increased security outlays. A targeted stronger revenue effort will allow for the stabilization of the domestic primary deficit at 0.7 percent of GDP over the medium term in the context of higher capital spending associated with the planned expansion of the public investment program. Public debt would be under 20 percent of GDP at end-2030 and remain sustainable, with a moderate risk of debt distress. The current account deficit is projected to narrow significantly in 2026 and widen over the medium term reflecting mostly larger imports of capital goods. The projected increase in private capital is expected to facilitate a buildup of FX reserves to US$14.3 billion (over 14.5 weeks of imports) by 2030.

The generally favorable outlook is subject to domestic and external risks, with the balance tilted to the downside. *Domestic downside risks* include escalation of the war in eastern provinces and their fiscal and humanitarian repercussions as hostilities have been exacerbated despite the recently signed Washington peace agreement between the DRC and Rwanda ; the outbreak or persistence of the effects of M-pox or Ebola viruses that necessitate that the government steps up its intervention in a context of dwindling support from external partners; and extreme climate events that could damage infrastructure and disrupt supply chains. *External downside risks* include a sudden reversal of currently high prices of the DRC's main mineral exports, notably copper and cobalt; a weakening of global demand due to possible negative repercussions of trade tensions and heightened uncertainty; and a sharper-than-anticipated reduction in aid flows would further weaken the provision of health services and force the government to step in, thereby putting pressures on the budget. *Upside risks* could arise from an eventual rapid cessation of hostilities in eastern provinces as a result of the effective implementation of the Washington peace agreement, together with the related prospect of significant investment under the proposed mining agreement between the DRC and the United States.

POLICIES AND REFORMS FOR THE REMAINDER OF 2025 AND BEYOND

Our Congolese authorities remain committed to preserving macroeconomic stability while deepening structural reforms to promote strong and inclusive growth and enhance resilience to climate shocks. To these ends, they are determined to build on the current reform momentum and continue closely adhering to the policies and reforms underpinning the ECF- and RSF-supported programs. Retained policies and reforms aim at improving fiscal outcomes to strengthen buffers and create fiscal space for development spending; preserving price and financial stability; improving the business environment to support private sector development and job creation; and reducing the country's vulnerability to climate shocks.

Fiscal Policy and Reforms

Fiscal consolidation supported by both revenue and expenditure measures is a key element of the authorities' policy agenda. The 2026 draft Budget Law that the Government submitted to Parliament is consistent with the objectives of the ECF-supported program. It includes strong measures based on the recently adopted revenue mobilization plan aimed at increasing short- and medium-term revenue performance. Specific measures include the generalized mandatory use of the standardized VAT invoicing system; the continued implementation of the traceability system for products subject to payment of excise duties; an increase in excise duties on vehicles from 10 percent to 15 percent; the acceleration of the strengthening of the operational capacities of the mineral analysis laboratory set up by the General Revenue Directorate (*Direction Générale des impôts, DGI*) to curb exports underpricing and related revenue losses; stricter import valuation controls by the General Directorate of Customs (*Direction Générale des Douanes et Accises, DGDA*); and the optimization of tax expenditure. On the expenditure side, the authorities are committed to containing non-priority spending over the medium-term, further curb fuel subsidies, and improve the efficiency of spending.

The authorities are committed to advance the implementation of strong fiscal structural measures to further bolster fiscal performance and contain fiscal risks. The focus is on efforts to improve public financial management (PFM), including by strengthening adherence to the expenditure chain as strictly as possible, accelerating the implementation of the Treasury Single Account (TSA), and finalizing the operationalization of the Directorate-General of Treasury and Public Accounting (*DGTCP*). Other areas of priority include determined actions to improve cash management for smoother budget execution and accelerate the implementation of the March 2025 government-adopted roadmap for the transition to a fiscal framework excluding extractive sector resources. The authorities plan also to continue strengthening the governance and performance of state-owned enterprises (SOEs) to contain the fiscal risks these entities pose.

Monetary, Financial Sector, and External Sector Policies

The BCC remains committed to price stability while maintaining exchange rate flexibility to absorb shocks and strengthening the FX reserves buffer. The monetary authorities will continue their data-driven policy management, aiming to anchor inflation expectations and keep inflation within the BCC's inflation target of 7 percent. With inflation currently far below this target, the BCC has signaled that there is scope for further easing after the MPC reduced the policy rate by 750 basis points in October 2025 to 17.5 percent. The BCC will intensify its efforts to improve liquidity management by using all tools at its disposal and modernize its monetary policy framework. On exchange rate management, the BCC will continue to ensure that the indicative exchange rate for the CDF remains consistent with relevant market conditions. It will pursue its gradual accumulation of FX reserves to further enhance external resilience. If needed, the central bank would intervene in the FX market, in line with its FX intervention strategy adopted in early 2025, to smooth out excess exchange rate volatility.

The authorities will continue the efforts on course to strengthen financial stability and to improve financial inclusion. They will pursue reforms to enhance banking and financial sector supervision underpinned by the 2022 banking law. In this context, the authorities will accelerate the implementation of recommendations of the Financial Sector Stability Review (FSSR) to mitigate the vulnerabilities identified in the review and strengthen surveillance and compliance with financial sector regulations, with IMF technical support. The authorities will continue efforts to improve the financial inclusion rate and develop the domestic financial market. The financial inclusion rate has recently increased to 50 percent, helped by the deployment of mobile payment technologies. Additional measures to further improve financial inclusion include the implementation of an observatory to monitor the quality of financial services.

Other Structural Reforms

The authorities intend to build on the momentum of the past several years to implement a broad range of reforms to address structural bottlenecks that hamper private sector development and support strong, sustainable, and inclusive growth. The focus is on improving the business climate, strengthening transparency, and improving governance and fighting corruption. Efforts are ongoing to reset in motion the process establishing the legal and regulatory framework to facilitate the fight against corruption and other forms of economic and financial crimes more effectively, notably through the effective functioning of the Economic and Financial Criminal Court (TPEF). Also, the government will strengthen the capacity of anti-corruption institutions through the provision of adequate human and financial resources. The authorities are confident that improvements in the business climate, as well as enhanced health and education, together with the development of basic infrastructure, will help boost private investment, bolster human capital and productivity, advance economic diversification, and promote inclusive growth. Transparent use of expected revenues from the renegotiated SICOMINES contract offers an opportunity to further develop transformative infrastructure in key sectors.

The strengthening of the Anti-Money Laundering and Combatting the Financing of Terrorism (AML/CFT) framework to improve its effectiveness will continue. With technical and financial assistance from several development partners, the authorities are vigorously pursuing the implementation of the action plan agreed upon with the Financial Action Task Force (FATF). During the discussion of the DRC's seventh progress report, participants welcomed that 75 percent of the plan had been executed. The eighth progress report, submitted in July 2025, addressed residual weaknesses identified in the previous report. The government's goal is to exit the FATF's grey list of jurisdictions under enhanced scrutiny following the discussion of the ninth progress report scheduled for January 2026 in Lisbon.

Climate-related Reforms

The authorities remain determined to advance the implementation of their climate agenda and reinforce the DRC's status as a "solution country" in the global energy transition efforts. To this end, they are committed to rigorously implement all the RMs under their RSF-supported program. The RSF-supported program is off to a good start after two RMs were implemented, including one realized ahead of schedule, and progress has been made towards the implementation of several other RMs, including the development of relevant roadmaps. Advances are made on RMs pertaining to the three pillars of the RSF-supported program: promote forest protection and sustainable mining exports, build resilience to climate-induced natural disasters, and integrate the climate agenda into public investment management.

The authorities' ambitious climate agenda will require substantially large financial resources in addition to the funds needed to address the country's other daunting development challenges. The DRC's 2021 Nationally Determined Contribution (NDC) estimates the cost of financing investment under the climate agenda at about US$48 billion, almost 90 percent of the DRC's 2021 GDP. Access under the RSF amounts to about US$1.1 billion. The authorities expect that the DRC, as a nation-solution to global climate challenges, will attract adequate additional funding from other external stakeholders to advance critical components of its climate agenda for the benefit of humanity. Fund catalytic and advocacy role will be instrumental in this regard. The authorities expect the Fund to proactively play this role.

CONCLUSION

Our Congolese authorities have demonstrated strong commitment to sound economic and financial policies and structural reforms under the DRC's current ECF and RSF arrangements. The satisfactory performance under the ECF in a challenging context of heightened insecurity and occupation of large swaths of territories in eastern province is a testimony to such commitment. The authorities have taken corrective actions to address the only missed PC for the period under review, related to the non-introduction of MCPs. Regarding the RSF program, the authorities secured the timely implementation of the RM due for the first review, implemented a second review measure ahead of schedule, and made significant progress on other RMs.

In view of the authorities' satisfactory program performance and their commitment to the objectives of the two programs to preserve hard-won macroeconomic stabilization gains, accelerate the implementation of their structural reforms and climate agendas, we would appreciate Executive Directors' support for the conclusion of the second review under the ECF and the first review under the RSF, as well as the approval of related decisions.