Djibouti

Fiscal Year 2026

Capacity Development Activities

Government Finance Statistics and Public Sector Debt Statistics

Advancing GFSM 2014 Migration and Strengthening Fiscal Reporting Systems (January 11–15)

METAC, in collaboration with the IMF Statistics Department and MCD, conducted a field-based technical assistance mission in Djibouti to support the migration of the Budgetary Central Government (BCG) Statement of Operations (TOFE) from the GFSM 1986 framework to GFSM 2014. The mission advanced the TOFE migration, clarified key source-data requirements, and reviewed FY2024 monthly submissions with data providers. Standardized reporting formats and updated templates were proposed to improve compilation efficiency, traceability, and quality assurance. Compensation operations between the BCG and major SOEs were reviewed, and guidance on their treatment under GFSM 2014 was provided. The GFSM 2014 bridge tables were finalized and tested, enabling the preparation of a draft annual and monthly TOFE for FY2024. The mission also provided input on functional classification and supported the establishment of a GFS steering committee to strengthen coordination and sustain progress in line with GFSM 2014 standards.

Public Debt Management

Strengthening the Institutional Framework for Public Debt Management

In September, METAC supported the Ministry of Budget in strengthening the institutional framework for public debt management by supporting the National Committee of Public Debt (CNEP) and improving coordination. The mission assisted the authorities in drafting a procedures manual and identifying practical steps to make the CNEP and its technical commission fully operational for effective debt management decisions. The mission also trained staff to interpret financial terms, assess loan costs and risks, and evaluate concessionality.

MTDS Formulation and Implementation

A joint METAC/World Bank/UNCTAD mission in October trained staff from the debt management directorate within the ministry of budget on the use of the medium-term debt management strategy (MTDS) framework and its Analytical Tool, and the interpretation of the outputs and results. It trained participants in data preparation for the Analytical Tool, the use of forward-looking debt portfolio risk analysis and exploring feasible alternative financing options and cost-risk tradeoffs. It also assisted the authorities in developing a debt management strategy for the first time.

Strengthening Debt Management Operational (March 9-12)

With the support of METAC, Djibouti's Ministry of Budget significantly strengthened the authorities' capacity to formulate a medium-term debt management strategy (MTDS). Building on a joint METAC–World Bank mission in October 2025, which trained staff of the Public Debt Directorate on the MTDS framework, analytical tool, and debt portfolio risk analysis, the subsequent METAC engagement provided hands-on support to translate this analytical work into Djibouti's first formal debt management strategy. The assistance enhanced the authorities' ability to assess cost–risk trade-offs, evaluate alternative financing options, and align debt management with the fiscal framework. This support was instrumental in enabling the preparation of the FY2026–28 MTDS and in advancing a key policy commitment.

Revenue Administration

Customs Law Reform: METAC Hybrid Support

METAC provided hybrid support to Djibouti's General Directorate of Customs and Indirect Taxes (DGDDI), focusing on modernizing the country's customs legislation. The initiative included: (i) a review of the existing 2011 Customs Code against international good practices; (ii) preparation of a comprehensive draft for new primary customs legislation; and (iii) outline of next steps for consolidating the draft before submission to the Ministry of Finance. Key gaps were identified and discussed during a collaborative in-person workshop in Djibouti (September 28–October 2, 2025), where draft legislative texts and an action plan were developed with DGDDI.

Tax Policy

Annual Tax-Expenditure Report

A METAC remote mission between June and September continued work on tax expenditures, aiming to help the authorities improve the annual tax-expenditure report to be annexed to the draft 2026 Budget bill, including updated information and a more precise assessment.

Tax Expenditure Reporting (February 23-March 1)

METAC support played a key role in strengthening Djibouti's capacity to produce a credible and sustainable Tax Expenditure Report. The mission helped consolidate the institutional and technical framework for preparing the report, following earlier tax policy engagements in 2025. the mission supported effective collaboration among a newly formed working group and focal points across institutions, improving coordination, data sharing practices, and the validation of estimation methodologies. Targeted hands-on training enhanced analytical skills and improved the consistency and transparency of tax expenditure estimates, while the development of detailed methodological guides laid the foundation for the autonomous and timely preparation of future reports.