



1. Project Data

Project ID

P161368

Project Name

CEMAC -Institutional Strengthening

Country

Western and Central Africa

Practice Area(Lead)

Finance, Competitiveness and Innovation

L/C/TF Number(s)

IDA-62290,IDA-D3030

Closing Date (Original)

04-Jul-2023

Total Project Cost (USD)

28,628,012.80

Bank Approval Date

04-May-2018

Closing Date (Actual)

30-Jun-2025

	IBRD/IDA (USD)	Grants (USD)
Original Commitment	35,000,000.00	0.00
Revised Commitment	31,579,764.80	0.00
Actual	30,945,605.34	0.00

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2. Project Objectives and Components

a. Objectives

As per the Financing Agreement (FA) on page 5, "the Project Development Objective (PDO) is to strengthen the capacity of selected Central African Economic and Monetary Community (CEMAC) regional financial institutions to implement their mandates in the areas of financial stability, inclusion, and integrity". The PDO statement in the Project Appraisal Document (PAD) on page 9 was identical and was unchanged during the period of project implementation.



In the context of the January 26, 2023 project restructuring, the results framework was revised, with three PDO indicators and targets measuring financial inclusion being dropped, one of them arising from the Bank Management instruction to discard all indicators related to the Doing Business performance measurement scheme. At that time, new, equivalent or better PDO indicators were identified to measure project performance, particularly in relation to financial inclusion. Consequently, a split assessment of the project's efficacy will not be conducted, and the project's efficacy will be assessed against the new and improved 2023 results framework, in line with the ICR approach. Indeed, efficacy performance could not be assessed using yardsticks discarded by WB management.

To assess efficacy performance, the PDO was unpacked as follows:

- PDO-1: To strengthen the capacity of selected CEMAC regional financial institutions to implement their mandates in the areas of financial stability.
- PDO-2: To strengthen the capacity of selected CEMAC regional financial institutions to implement their mandates in the areas of financial inclusion.
- PDO-3: To strengthen the capacity of selected CEMAC regional financial institutions to implement their mandates in the areas of financial integrity.

b. Were the project objectives/key associated outcome targets revised during implementation?

Yes

Did the Board approve the revised objectives/key associated outcome targets?

Yes

Date of Board Approval

26-Jan-2023

c. Will a split evaluation be undertaken?

No

d. Components

Component 1. Strengthening the Capacity of Bank of Central African States (BEAC) and Central African Banking Supervision Agency (COBAC) to Implement their Financial Stability Mandate (Amount at appraisal of SDR 8.4 million, US\$12 million equivalent)

- **Subcomponent 1.1. Strengthening BEAC Capacity to Identify and Mitigate Macro-Financial Risks and Improving the Analytical Tools to Support Better Monetary Policy Decision-Making Process.** This subcomponent intended to strengthen BEAC's capacity for risk analysis and macroprudential decision-making by developing a stress-testing tool to simulate macroeconomic shocks. It was to operationalize the Economic, Monetary, and Financial Database (EMFD) through data collection, IT upgrades, and capacity building for BEAC and National Statistical Institutes. Additionally, the project was to support the development of short-term indicators and a Composite Index of Economic Activity (CIEA) to improve business climate assessment and policy effectiveness across the Central African Economic and Monetary Community (CEMAC) region.



- **Subcomponent 1.2. Strengthening the Capacity of COBAC to Improve Banking and Microfinance Regulation and Supervision.** This subcomponent aimed to reinforce COBAC's regulatory and supervisory capacity to enhance financial sector resilience and crisis preparedness. It was to finance technical assistance to implement risk-based supervision, strengthen stress-testing and AML/CFT frameworks, and build staff skills. It was also to support the operationalization of the regional deposit guarantee fund (FOGADAC) by improving governance, monitoring systems, and public awareness. The subcomponent was further to strengthen COBAC's oversight of the microfinance sector—critical for financial inclusion yet weakened since 2014—through a sector diagnostic, updated prudential standards, risk-based supervision, and deployment of IT systems such as SPECTRA and SYSCO-EMF. It intended also to finance capacity-building for MFIs in governance, reporting, and risk management to bolster stability and protect vulnerable depositors. Finally, the project was to support BEAC's transition to IFRS and modernization of its internal audit function, including technical assistance, software acquisition, and capacity building. These reforms aimed to enhance transparency, improve financial reporting quality, strengthen risk management, and reinforce overall institutional governance and financial stability.
- **Subcomponent 1.3. Implementation of International Financing Reporting Standards (IFRS) Accounting and Auditing Standards by BEAC to Improve the Quality of Financial Information.** The project intended to support BEAC's transition to International Financing Reporting Standards (IFRS) and modernization of its internal audit function by financing expert assistance, software, and staff capacity-building to strengthen financial reporting, transparency, and risk-based internal auditing. These reforms were to enhance the quality of financial information, improve risk management, and strengthen overall governance within BEAC.

Component 2: Strengthening the Capacity of BEAC and COBAC to Implement their Financial Inclusion Mandate (SDR 9.8 million, US\$ 14 million equivalent).

- **Subcomponent 2.1. Payment Systems Infrastructure and Oversight.** This subcomponent intended to modernize the CEMAC payment ecosystem by upgrading BEAC's aging payment systems infrastructure, strengthening the legal and regulatory framework, and improving oversight. The project aimed to enhance core regional systems (SYGMA and SYSTAC), integrate SWIFT solutions, and deploy SCOPE software to improve transaction monitoring. It was also to assess and update payment systems regulations—particularly on e-money, digital financial services, and settlement finality—and develop a regional payment systems strategy aligned with the Payment Aspects of Financial Inclusion (PAFI) framework to expand access, interoperability, and usage of electronic and mobile payment services. The project was to strengthen BEAC's payment systems oversight by developing an oversight framework, training staff on PFMI-based assessments, building capacity to supervise mobile money providers, and supporting BEAC–COBAC cooperation. It was also to assess the government debt market to identify reforms in market structure, trading practices, and collateral management. These interventions intended to help build a more inclusive, resilient, and well-regulated financial sector in the CEMAC region.
- **Subcomponent 2.2: Promotion of Stable and Sustainable Financial Inclusion.** This subcomponent was to support regional authorities, led by BEAC, in developing a regional financial inclusion strategy and a framework to systematically measure and monitor financial inclusion, addressing the region's low access to financial services and persistent data gaps. It was also help launch the strategy, implement priority actions to expand access and innovation, and operationalize a monitoring system with tracked indicators to guide policy and supervision.
- **Subcomponent 2.3. Modernization of BEAC's Public Credit Registry.** This subcomponent was to support reforms to modernize and centralize the CEMAC public credit registry (PCR) to improve



data quality, expand coverage, and enhance its use for credit risk analysis, prudential regulation, and macroprudential surveillance. It was to provide technical assistance for a regional PCR strategy, data validation, risk-analysis tools, strengthened oversight by BEAC and COBAC, and capacity-building for financial institutions and national authorities.

Component 3: Strengthening Capacity of the Task Force Against Money Laundering in Central Africa (GABAC) to implement its Financial Integrity Mandate (SDR 2.7 million, US\$ 4 million equivalent).

- **Subcomponent 3.1. Launch the second Round of Mutual Evaluations of Member States' Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Regimes.** This subcomponent intended to strengthen GABAC's capacity to conduct and follow up on mutual evaluations (MEs) of member states' AML/CFT regimes in line with the revised FATF standards. It was to support the development of a trained pool of assessors, implementation of the ME calendar—including pre-assessment training, on-site visits, and peer review—and the organization of follow-up processes to monitor countries' progress on ME recommendations.
- **Subcomponent 3.2. Implementation of Technical Assistance Activities for Member States.** This subcomponent was to strengthen GABAC's capacity to help CEMAC member states implement a risk-based AML/CFT framework by providing technical assistance to deepen understanding of ML/FT risks through typology studies and national risk assessments using the World Bank methodology. It was also to support awareness-raising, targeted training for key AML/CFT institutions, and improved coordination among FIUs, regulators, and regional authorities through enhanced cooperation mechanisms.

Component 4: Supporting selected reforms through results-based financing (SDR 1.3 million, US\$ 2 million equivalent)

- The project will use results-based financing to incentivize BEAC to implement key reforms that address financial stability and financial access gaps, with funds disbursed upon verified achievement of disbursement-linked indicators (DLIs). DLIs have independent, time-bound targets, and disbursements will be made annually based on verified results, monitored by the PIU, in line with the reform priorities outlined in the CEMAC FSA and IMF recommendations.

Component 5: Project Implementation (SDR 2.1 million, US\$3.0 million equivalent)

- This component was to fund the operational costs of the regional PIU, including TA, coordination, procurement, Financial Management (FM), communications, and M&E supervision.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project Cost. Actual cost of the project is US\$30.9 million or 88.3 percent of the approved amount of US\$35.0 million equivalent. The undrawn balance was canceled.



Financing. The project was funded by one International Development Association (IDA) credit in the amount of US\$25 million equivalent and one IDA grant in the amount of US\$10 million equivalent.

Dates. The project was approved on May 04, 2018, and made effective on October 24, 2019, and was to close on July 04, 2023. A Mid-Term Review mission took place during June 2022. The project was restructured four times on (i) January 26, 2023, (ii) June 22, 2024, (iii) December 20, 2024, and (iv) June 13, 2025. and closed on June 30, 2025, 24 months after the original closing date. A Mid-Term Review took place during October 2021.

Restructurings:

- The January 26, 2023 restructuring intended to (i) extend the project closing date by 12 months to June 28, 2024; (ii) reallocate funds from Category 2 (matching grants) to Category 1 (goods, services, training, and operating costs); and (iii) update the project's M&E framework to align with implementation progress and new priority activities, and particularly in dropping indicators related to discarded Doing business indicators scheme.
- The June 22, 2024 restructuring assumed that all activities would be completed by June 28, 2024, except two BEAC/COBAC systems delayed by global shortages of specialized hardware. Delivery was now expected in September 2024, leading BEAC to request a closing-date extension to December 30, 2024. The extension was needed to fully achieve the development objectives.
- The December 20, 2024 restructuring moved the closing date of the project from December 30, 2024, to June 30, 2025. The implementation schedule will be revised to reflect the new closing date and ensure the timely completion of all remaining activities.
- The June 13, 2025 restructuring brought in the only change to request a reduction in project cost and financing by US\$1 650 000 to recognize the project cost savings.

3. Relevance of Objectives

Rationale

The PDOs were highly relevant to the development priorities of the individual CEMAC member countries throughout the period of project implementation until the project closure (see ICR Annex 10). Private sector development was a core objective of Country Partnership Frameworks (CPFs) and Country Partnership Strategies (CPSs) across the CEMAC region, with a strong emphasis on strengthening the financial sector as a prerequisite for growth. Country strategies in Cameroon, Chad, the Republic of Congo, and Gabon consistently identified limited access to effective financial services, weak regional institutions, and insufficient regional integration as key constraints to private sector-led growth. In response, the World Bank Group prioritized financial sector reforms—including anti-money laundering—and regional institutional strengthening, in line with the CEMAC 2015 Financial Sector Assessment Paper (FSAP) and the Finance, Competitiveness & Investment (FCI) strategy. Given the regional nature of these constraints, a regional lending approach with regional institutions as primary beneficiaries was appropriate and well aligned with strategic objectives. For instance, the NDS-30 for Cameroon identified nine priority sectors essential to achieving this ambition. These include energy, agro-industry, and digital technology, as



well as the forestry, wood, textile, clothing, leather, mining, metallurgy, steel, hydrocarbons, petrochemicals refining, chemicals, pharmaceuticals, and construction, professional, scientific, technical services sectors.

The PDOs were consistent with the WBG strategies in the CEMAC member countries and at regional level by the closing period. The project was highly relevant at both the country and regional levels, aligning closely with the CPFs of all CEMAC member states—Cameroon, CAR, Chad, Republic of Congo, Gabon, and Equatorial Guinea—by supporting their goals of economic stability, good governance, and sustainable growth through strengthened regional financial institutions. At the regional level, it was fully consistent with the RIAS 2021–2023, which prioritizes regional connectivity, market integration, human capital development, and resilience. By enhancing institutional capacity, the project directly contributed to these strategic objectives, fostering competitiveness, economic integration, and improved governance across the CEMAC region. Specifically, the PDOs were consistent with the policies aimed at expanding digital technology in the country. Within the FY25–FY29 CPF for Cameroon, Objective 8 intends to contribute to the broader strategic agenda of improving private-sector competitiveness and financial inclusion. This objective was to be supported by the ‘Strengthening the Capacity of Regional Financial Institutions in the CEMAC Region’ (P161368), which directly enhanced financial stability, integrity, and inclusion across the region. Similarly, Objective 4 of the FY23–FY27 CPF for Gabon focuses on improving the enabling environment for private investment in the non-oil sector. As part of this effort, it supports the expansion of mobile money and digital financial services provided by Airtel, helping to strengthen the digital economy and promote greater financial inclusion.

At approval, the project was well aligned with longstanding World Bank Group priorities on regional financial integration in Central Africa. The 2003 Central Africa and 2008 Sub-Saharan Africa RIAS identified financial sector integration as critical to strengthening CEMAC’s economic cohesion, a view reinforced by the 2011 progress report highlighting its role in promoting economies of scale and regional value chains. At appraisal, a related World Bank project (P126663) was under implementation, supporting improvements in the business environment by strengthening OHADA’s capacity, including in corporate financial reporting. The two operations were complementary and creating synergies. The earlier project closed in 2022 with a Moderately Satisfactory outcome rating

At closing, achieved outputs and outcomes continued to be relevant and sustained in the WBG interventions in the CEMAC countries. The project’s relevance at closure was reinforced by ongoing World Bank efforts to expand financial access—through the CAR Investment and Business Competitiveness Project (P176274) and forthcoming operations in Congo and Cameroon—as well as BEAC’s 2026–2030 strategy emphasizing stronger payment systems, interoperability, and digital financial transformation. Building on this momentum, the Bank has been preparing a follow-on regional financial inclusion project to capitalize on the infrastructure and reforms established under the original operation.

The PDOs remained highly relevant throughout implementation until closure, aligning closely with national development priorities in all CEMAC countries and supporting key sectors such as digital technology and financial modernization. They were also consistent with World Bank Group strategies at both country and regional levels, contributing to goals on economic stability, governance, and regional integration. At closing, the project’s outcomes continued to support ongoing WBG operations and BEAC’s 2026–2030 strategy, informing preparation of a follow-on regional financial inclusion project.

Rating



High

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To strengthen the capacity of selected CEMAC regional financial institutions to implement their mandates in the areas of financial stability.

Rationale

Theory of change

A theory of change was developed in the 2019 PAD and discussed in the ICR on page 4. This review summarizes below the results chain presented in the and the PAD and the ICR by which the identified activities were to contribute to the unchanged project development objectives.

Key activities aimed to enhancing the capacity of selected CEMAC regional financial institutions to implement their mandates in the areas of financial stability were as follows: (i) to strengthen BEAC capacity to identify and mitigate macro-financial risks and improve the analytical tools to support better monetary policy decision-making process, (ii) to strengthen the capacity of COBAC to improve banking and microfinance regulation and supervision, and (iii) to implement International Financing Reporting Standards (IFRS), and Accounting and Auditing Standards by BEAC to improve the quality of financial information.

Expected outputs toward increased financial stability included the following: (i) enhanced financial oversight tools (BEAC), (ii) better statistics and financial information (BEAC), (iii) enhanced tools for regulation and supervision of banks and MFIs (COBAC and FOGADAC). Expected outcomes toward increased financial stability were as follows: (i) better understanding of macro-prudential risks, (ii) improved analytical tools and systems to support monetary policy decision making, and (iii) enhanced regulation and supervision of the banking and MFI sectors. PDO indicators measuring the achieved performance toward financial stability were generally robust and informative as illustrated in the efficacy assessment below.

The underlying assumption identified at approval and in the ICR to achieve its overall objectives was that the activities and outputs would be carried out successfully. This review adds that sustainability of achieved outcomes would depend upon tackling squarely political, governance risks, fiscal, financial and institutional risks identified under Section 7, and maintaining a sustained technical capacity building. Moreover, the ICR did not discuss the attribution mechanism of the achieved outcome. Overall, there was a logical chain linking the identified activities and the expected outputs and outcomes, as well as their indicators, and there was a consistency between this theory of change and the M&E discussed under Section 9.

Below is the project efficacy performance when compared to the RF adopted in the context of the 2023 revised results framework.

Outputs



- The target for the Composite Index of Economic Activity computed based on data from 6 countries and published on a quarterly basis was fully achieved. The project introduced the Composite Index of Economic Activity (ICAE), now regularly produced for all six CEMAC countries, providing a timely measure of economic performance.
- The target for BEAC to prepare financial statements in compliance with IFRS standards by year 2 was fully achieved.
- The target for the updated regulations for issuing and processing e-money by year 2 was fully achieved.
- The target to implement BEAC internal audit automation system CAPBEAC was fully achieved, as CAPBEAC has been operational since April 2025.
- The target for developing and implementing stress test methodologies and monitoring systems was fully achieved by May 2025
- The number of COBAC staff trained on banking supervision amounted to 40, achieving the target set at restructuring.
- The target of operationalizing new centralized securities depository is unknown, although all legal instruments were ready and that negotiations to create the Central depository were going on by end June 2025.
- The target for the adoption of FOGADAC new regulatory framework was fully achieved and will play an important role as the regional deposit guarantee scheme. The final text was formally adopted by COBAC's Board on June 24, 2025, and approved by the CEMAC ministerial council on the 12th of December 2025. The formal approval of the regulations will allow FOGADAC to operate with modernized regulations and will be a key instrument of the financial sector safety net.
- The target for the number National Risk Assessments carried out in CEMAC member countries was fully achieved, reaching the targeted 6 assessments.
- The target to implement BEAC internal audit automation system CAPBEAC was fully achieved, as CAPBEAC has been operational since April 2025.

Outcomes

- The target for the increased capacity of BEAC to produce reliable financial, monetary and economic statistics on a monthly basis was exceeded. BEAC's capacity to produce timely, reliable, and comprehensive economic and financial statistics has been significantly strengthened through major upgrades to the BEAC Economic, Monetary, and Financial Database (EMFD), improved data collection methodologies, and expanded sectoral coverage. The project also introduced the Composite Index of Economic Activity (ICAE), now regularly produced for all six CEMAC countries, providing a timely measure of economic performance. These improvements enhance BEAC's ability to monitor economic trends and support more informed regional monetary policy decisions.
- The target for the increased capacity of COBAC to supervise banks under new risk-based supervision framework was fully achieved. COBAC strengthened its institutional capacity and regulatory framework through the development of the SPECTRA supervisory IT system, adoption of risk-based supervision manuals, alignment with Basel II Pillar 2 and AML/CFT rules, enhanced staff training, and the introduction of micro-prudential stress tests. It also advanced regulations for FOGADAC, now formally adopted in 2025 as the regional deposit guarantee scheme. These reforms improved financial



sector oversight, contributed to a decline in NPLs, reduced the number of non-compliant banks, and equipped COBAC with modern tools to supervise CEMAC's financial system more effectively.

Additional achievements which are not part of the RF are as follows.

- BEAC's ability to assess macroprudential risks has been significantly strengthened through the development of new methodologies, acquisition of stress-testing platforms, and the adoption of a comprehensive risk cartography covering six major risk families, including sovereign exposure and cyber threats. The new SYRIAS system automates liquidity and solvency assessments through stress scenarios, enabling a shift from judgment-based monitoring to data-driven analysis. With staff trained in macroprudential stress testing, BEAC can now more accurately evaluate the impact of macroeconomic shocks on regional financial stability and support timely policy action.
- BEAC has significantly improved the quality and transparency of its financial information by transitioning from local standards to full IFRS compliance, supported by extensive staff training, certification, and expert assistance in upgrading its accounting system. This transition enabled the creation of a coherent, modern accounting framework and contributed to a substantial increase in net earnings—from XAF 19 billion in 2019 to XAF 354 billion in 2024. The IFRS-compliant system is now fully functional and managed internally, strengthening BEAC's financial governance and reporting capacity. Moreover, BEAC strengthened its internal audit function by automating key tasks and adopting a risk-based approach enabled by CAPBEAC, a project-financed platform that maps institutional risks and supports Governance, Risk, and Compliance across all regional operations.
- BEAC and COBAC significantly strengthened their capacity and oversight of the regional payment system through a comprehensive modernization of the regulatory framework and payment infrastructure. They adopted new regulations aligned with global PAFI guidelines, expanded e-money issuance beyond banks, introduced interoperability rules, and established a robust framework for digital financial services. These reforms enabled the rapid growth of electronic payments, with GIMAC PAY processing over FCFA 600 billion in 2023, the emergence of seven licensed PSPs, and PSP balance sheets expanding nearly ninefold between 2022 and 2024. Additional regulations improved cross-border payments, fraud prevention, and oversight of PSPs. Although major upgrades to the regional payment systems (SYSTAC and SYGMA) progressed, implementation delays and technical challenges have postponed full deployment to 2026, leaving this activity partially achieved
- BEAC strengthened foreign exchange management and regional financial market infrastructure through key reforms and system upgrades. The adoption of the new regional foreign exchange regulation in 2018 and the deployment of the SCOPE system improved monitoring and compliance, contributing to the rebuilding of foreign exchange reserves—from 2.3 months of imports in 2018 to 4.8 months in June 2025. The project also advanced the creation of a Unified Central Securities Depository (CSD) to support the merged regional stock exchange and enhance transparency, security, and efficiency in financial market operations. Although the CSD's establishment has been delayed, major milestones were achieved, including adoption of the shareholders' agreement in June 2024 and BEAC's authorization of its capital contribution in 2025, paving the way for its operationalization.

In a nutshell, BEAC and COBAC achieved major institutional strengthening through the project—surpassing targets in statistics, risk-based supervision, and regulatory modernization—while advancing digital finance, foreign-exchange management, and regional market infrastructure, contributing to greater financial stability across CEMAC.



Rating

High

OBJECTIVE 2

Objective

To strengthen the capacity of selected CEMAC regional financial institutions to implement their mandates in the areas of financial inclusion.

Rationale

Theory of change

Key activities aiming at enhancing the capacity of selected CEMAC regional financial institutions to implement their mandates in the areas of financial inclusion included the following: (i) to modernize CEMAC payment Systems Infrastructure and Oversight by upgrading BEAC's aging payment systems infrastructure, strengthening the legal and regulatory framework, and improving oversight, and (ii) to promote Stable and Sustainable Financial Inclusion, and (iii) modernize BEAC's Public Credit Registry.

Expected outputs toward enhanced financial inclusion included the design and implementation of a financial inclusion strategy, the setup of a financial inclusion database, and have in place an improved capacity to implement financial inclusion policies. Expected outcomes included an increased capacity of BEAC to manage digital and instant payments through the implementation of a new automatic clearing house and ensure that BEAC and COBAC have significantly strengthened their capacity and oversight of the regional payment system through a comprehensive modernization of the regulatory framework and payment infrastructure. However, the RF was modified during the January 2023 restructuring aimed to align with implementation progress and new priority activities, and particularly in dropping indicators related to the discarded Doing business indicators scheme.

The underlying assumption identified at approval and in the ICR was that the project would achieve its overall objectives if the activities and outputs were carried out successfully. This review adds that sustainability of achieved outcomes would depend on tackling squarely political, governance risks, fiscal, financial and institutional risks identified under Section 7, and maintaining a sustained technical capacity building. Moreover, the ICR did not discuss the attribution mechanism of the achieved outcome. Overall, there was a logical chain linking the identified activities and expected outputs and outcomes, and there was a consistency between this theory of change and the RF discussed under Section 9.

Below is the project efficacy performance toward financial inclusion when compared to the RF adopted in the context of the 2023 revised results framework.

Outputs

- The target of adopting the CEMAC regional financial inclusion strategy and its governance framework was fully achieved, providing BEAC with a clear mandate and structure to advance financial inclusion.
- The target of 100 percent of women among COBAC staff trained on banking supervision was fully achieved.



- The target for the updated regulations for issuing and processing e-money by year 2 was fully achieved.
- The target of having the regional financial inclusion task force created by year 2 was fully achieved.
- The target of adopting a credit bureau law by year 2 was fully achieved.
- The target for selecting a private credit bureau operator by year 4 was fully achieved.

Outcomes

- The target of increased capacity of BEAC to manage digital and instant payments through the implementation of a new automatic clearing house was fully achieved. BEAC and COBAC significantly strengthened their capacity and oversight of the regional payment system through a comprehensive modernization of the regulatory framework and payment infrastructure. They adopted new regulations aligned with global PAFI guidelines, expanded e-money issuance beyond banks, introduced interoperability rules, and established a robust framework for digital financial services. These reforms enabled the rapid growth of electronic payments, with GIMAC PAY processing over FCFA 600 billion in 2023, the emergence of seven licensed PSPs, and PSP balance sheets expanding nearly ninefold between 2022 and 2024. Additional regulations improved cross-border payments, fraud prevention, and oversight of PSPs. Although major upgrades to the regional payment systems (SYSTAC and SYGMA) progressed, implementation delays and technical challenges have postponed full deployment to 2026, leaving this activity partially achieved.
- BEAC modernized its credit information system by creating a new regional credit registry, replacing the outdated platform and mandating banks and MFIs to report through the upgraded system starting in 2024, thereby improving the accuracy and timeliness of credit risk data across CEMAC. In parallel, a private credit bureau was introduced under the 2018 BIC regulation, with Creditinfo Afrique licensed in 2025 and currently testing its regional platform to extend credit information coverage to the adult population in all member countries.

Additional achievements which are not part of the RF were as detailed below.

- The CEMAC Regional Financial Inclusion Strategy and its governance framework were formally adopted, providing BEAC with a clear mandate and structure to advance financial inclusion, which has already risen from 32% in 2021 to 45% in 2025. A comprehensive monitoring framework with 51 indicators was established, and BEAC is developing an internal tool and allocating resources to track progress and update data in 2026.

Toward enhanced financial inclusion in CEMAC, BEAC strengthened the region's digital payments ecosystem, advanced financial inclusion and credit information reforms, and supported rapid growth in electronic transactions, although targeted inclusion outcomes could not be fully assessed due to the absence of specific tracking indicators.

Rating
Substantial

OBJECTIVE 3



Objective

To strengthen the capacity of selected CEMAC regional financial institutions to implement their mandates in the areas of financial integrity.

Rationale

Theory of change

Key activities aimed at enhancing the capacity of selected CEMAC regional financial institutions to implement their mandates in the areas of financial integrity included the following: (i) to launch the second round of mutual evaluations of member states' anti-money laundering/combatting the financing of terrorism (AML/CFT) regimes, and (ii) to implement of technical assistance activities for member states.

Expected outputs toward strengthened financial integrity included the installation of strengthened payment infrastructure (BEAC/COBAC), while expected outcome was to have in place an enhanced payment systems and oversight. PDO indicators measuring the achieved performance toward financial integrity were generally robust and informative as illustrated in the efficacy assessment below

The underlying assumption identified at approval and in the ICR was that the project would achieve its overall objectives if the activities and outputs were carried out successfully. This review adds that sustainability of achieved outcome would depend on tackling squarely political, governance risks, fiscal, financial and institutional risks identified under Section 7, and maintaining a sustained technical capacity building. Moreover, the ICR did not discuss the attribution mechanism of the achieved outcome. Overall, there was a logical chain linking the identified activities and expected outputs and outcomes, and there was a consistency between this theory of change and the RF discussed under Section 9.

Below is the project efficacy performance toward financial integrity when compared to the RF adopted in the context of the 2023 revised results framework.

Outputs

- The number of staff trained to carry out mutual evaluations by year 2 reached 20, exceeding the target of 15.
- The target to implement BEAC internal audit automation system CAPBEAC was fully achieved, as CAPBEAC has been operational since April 2025.
- The target for developing and implementing stress test methodologies and monitoring systems was fully achieved by May 2025
- The number of COBAC staff trained on banking supervision amounted to 40, achieving the target set at restructuring.
- The target for the number National Risk Assessments carried out in CEMAC member countries was fully achieved, reaching the targeted 6 assessments.

Outcomes

- The target for the increased capacity of GABAC to comply with the FATF membership requirements was achieved, despite remaining shortcomings. GABAC strengthened its AML/CFT capacity and sustained its FATF associate membership by launching the second cycle of Mutual Evaluations across all six CEMAC countries and training 20 new assessors under the FATF methodology. With



project support, it produced comprehensive ME Reports and completed National Risk Assessments for all member states between 2020 and 2023, enabling countries to better identify and mitigate AML/CFT risks. These efforts improved legal and institutional alignment with FATF standards, enhanced coordination among national agencies, and reinforced regional compliance, even though effectiveness remains uneven due to persistent capacity gaps and exposure to ML/TF risks linked to corruption, illicit trade, and fragile security conditions.

- The target for the increased capacity of COBAC to supervise banks under new risk-based supervision framework was fully achieved. COBAC strengthened its institutional capacity and regulatory framework through the development of the SPECTRA supervisory IT system, adoption of risk-based supervision manuals, alignment with Basel II Pillar 2 and AML/CFT rules, enhanced staff training, and the introduction of micro-prudential stress tests. It also advanced regulations for FOGADAC, now formally adopted in 2025 as the regional deposit guarantee scheme. These reforms improved financial sector oversight, contributed to a decline in NPLs, reduced the number of non-compliant banks, and equipped COBAC with modern tools to supervise CEMAC's financial system more effectively.

Additional achievements which were not part of the RF are as follows:

- BEAC and COBAC significantly strengthened their capacity and oversight of the regional payment system through a comprehensive modernization of the regulatory framework and payment infrastructure. They adopted new regulations aligned with global PAFI guidelines, expanded e-money issuance beyond banks, introduced interoperability rules, and established a robust framework for digital financial services. These reforms enabled the rapid growth of electronic payments, with GIMAC PAY processing over FCFA 600 billion in 2023, the emergence of seven licensed PSPs, and PSP balance sheets expanding nearly ninefold between 2022 and 2024. Additional regulations improved cross-border payments, fraud prevention, and oversight of PSPs. Although major upgrades to the regional payment systems (SYSTAC and SYGMA) progressed, implementation delays and technical challenges have postponed full deployment to 2026, leaving this activity partially achieved
- BEAC strengthened foreign exchange management and regional financial market infrastructure through key reforms and system upgrades. The adoption of the new regional foreign exchange regulation in 2018 and the deployment of the SCOPE system improved monitoring and compliance, contributing to the rebuilding of foreign exchange reserves—from 2.3 months of imports in 2018 to 4.8 months in June 2025. The project also advanced the creation of a Unified Central Securities Depository (CSD) to support the merged regional stock exchange and enhance transparency, security, and efficiency in financial market operations. Although the CSD's establishment has been delayed, major milestones were achieved, including adoption of the shareholders' agreement in June 2024 and BEAC's authorization of its capital contribution in 2025, paving the way for its operationalization.

The project strengthened financial integrity, banking supervision, and market infrastructure in CEMAC by enhancing GABAC's FATF compliance, equipping COBAC for risk-based supervision, and modernizing regional payment systems. These reforms improved oversight, bolstered external reserves, and contributed to a more integrated and resilient financial system.

Rating
Substantial



OVERALL EFFICACY

Rationale

The project significantly strengthened financial stability, inclusion, and integrity in CEMAC. BEAC modernized statistical systems, deployed the ICAE, enhanced macroprudential tools, and completed its transition to IFRS, while COBAC operationalized risk-based supervision through SPECTRA, advanced Basel II and AML/CFT alignment, and progressed on the regional deposit guarantee scheme. Both institutions modernized digital finance regulations, supported rapid growth in electronic payments, and advanced reforms in FX management and market infrastructure. Financial inclusion also improved through a new automated clearing house, over FCFA 600 billion in GIMAC PAY transactions in 2023, adoption of the Regional Financial Inclusion Strategy, and modernization of credit information systems. However, targeted financial inclusion was limited, following change in the PDO indicators focusing on this aspect of the project.

Overall Efficacy Rating

Substantial

5. Efficiency

Cost-benefit analysis

The analysis showed that the project used the most cost-effective approach to achieve its goals. To reach this conclusion, the team compared different options: (i) they looked at how costs would change depending on who funds the project—such as the IMF, the African Development Bank, or the World Bank—and who receives the support, whether national government agencies or regional financial institutions< (ii) they also compared different ways of providing technical assistance. One option was a close partnership between institutions (“twinning”). Another was a mix of activities like trainings, workshops, expert visits, research studies, and internships, and (iii) they then examined factors that might slow down or speed up the project. These included staying on schedule with procurement, keeping the economy stable, and ensuring security in the region. Changes in any of these areas could affect how efficiently funds are used.

The cost-effectiveness analysis established that the activities of the project constitute the least-cost method of achieving the desired PDOs. The project team reached this conclusion after comparing costs in several different ways: (i) they compared scenarios where the donor was the IMF or the African Development Bank instead of the World Bank, and where support went to national government agencies versus regional financial institutions, (ii) next, they compared different ways of delivering technical assistance. One option was a “twinning” partnership between institutions. The other option was a mix of activities such as trainings, workshops, seminars, expert missions, on-site visits, peer reviews, research studies, and internships for statisticians, and finally (iii) they also carried out a sensitivity analysis to see which factors might slow down or speed up the project—and affect the value of the World Bank’s funds. The key factors were staying on schedule with procurement, having a stable economy, and maintaining security in the region. At the project’s midpoint



review, the team looked again at the different options and checked whether any of these key factors had changed. Based on this, they adjusted project activities as needed.

The coordinated regional initiative to payment systems reforms across the six CEMAC countries achieved significant value for money and generated major cost efficiencies (ICR, p 18-20). This approach resulted in cost savings of approximately US\$30 million, nearly matching the total project allocation of US\$33.35 million when compared to similar reforms in individual countries (see ICR Annex 4). The modernization of payment infrastructure, establishment of regional credit registry, SPECTRA regulatory platform, stress testing, and development of a regional financial inclusion strategy further contributed to cost efficiencies. Compared to similar investments in individual countries such as Sierra Leone, The Gambia, and Liberia, the regional strategy proved markedly more cost-effective, leveraging economies of scale and the central role of regional institutions like BEAC.

Administrative and Operational efficiency.

The regional IPF enabled a single institution to drive reforms across six countries efficiently. A regional IPF in CEMAC supported about 20 reforms per country (120 total), far more cost-effectively than if the same results had been pursued through multiple country-level DPF operations—estimated to cost around USD 600 million.

Operational delays have moderately impacted the efficiency of the project. The project closing date was extended three times—by a total of two years—due to COVID-19 travel restrictions, leadership changes, and global supply chain delays that affected delivery of payment systems equipment. Although the software was developed and tested in the cloud, final acceptance required testing in BEAC’s physical environment after equipment installation. Despite these delays, only minimal additional costs were incurred, limited to payments for two consultants and some extra World Bank supervision.

Overall, the project was delivered efficiently, with operational shortcomings though, achieving significant economies of scale, minimizing costs relative to alternative approaches, and sustaining value for money despite implementation delays. The regional architecture and flexible TA model proved critical in delivering results at a fraction of the cost of comparable national-level interventions. Efficiency was on balance substantial.

Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable



* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

The PDOs remained highly relevant throughout implementation, aligning with CEMAC priorities and WBG strategies while informing BEAC's 2026–2030 agenda and a follow-on inclusion project. Achieved efficacy was overall substantial, as the project strengthened financial stability and integrity through BEAC's statistical modernization, ICAE deployment, macroprudential improvements, and IFRS transition, and through COBAC's risk-based supervision, Basel II progress, and AML/CFT alignment. Digital-finance reforms and electronic-payment growth improved inclusion, though targeted inclusion lagged. Regional delivery generated substantial efficiency and economies of scale, resulting in an overall Satisfactory outcome rating, with moderate shortcomings

a. Outcome Rating

Satisfactory

7. Risk to Development Outcome

Overall, while some of the developed systems and infrastructures in the CEMAC region will generate revenues (payment systems, credit registry and credit bureau) and that regulatory reforms are permanent, some risk factors might reduce the impact of achieved efficacy and compromise the long-term sustainability of pursued efficiency.

Political and governance risks: In some of the CEMAC members, there is a lack of political consensus (for instance in Cameroon and CAR), and there are potential civil unrests and terrorist attacks that have been going on or looming around. Political and security instability are fiscally expensive and economically disruptive, thus affecting the functioning and profitability of financial institutions in general and CEMAC financial institutions in particular.

Fiscal and financial risks: The weak budget positions of several beneficiary institutions may threaten the long-term sustainability of key infrastructure financed under the project. While GABAC was financially fragile prior to the project, it has since adopted a viable business model in which member countries' contributions are automatically transferred from their BEAC accounts. Despite this progress, AML/CFT monitoring activities remain costly, and GABAC's regular budget will continue to face pressures in the near term—though from a more solid baseline than at project inception. COBAC's fiscal situation, however, remains vulnerable, with no clear improvements expected in the short or medium term. This could affect the medium- and long-term sustainability of the IT equipment financed by the project.

Institutional risks: CEMAC regional institutions suffer from inadequate institutional capacity and frequent staff rotations, which can affect the sustainability of achieved outcome. The BEAC IT Department is understaffed, and each project manager handles about ten projects. Costly, non-revenue activities, including field data collection for ICAE, follow-up surveys, and financial inclusion reporting, require significant time, coordination, and resources because they involve frequent data gathering from many stakeholders.



8. Assessment of Bank Performance

a. Quality-at-Entry

Quality at entry was grounded in solid analytical work, effective donor coordination, and lessons learned from the previous CEMAC operation. The project demonstrated high strategic relevance and was closely aligned with the CPFs, RIAS, FSAP recommendations, and priorities of the CEMAC institutions. The design benefitted from global experience with regional institutions and from proactive engagement with the IMF, which helped avoid duplication and ensure complementarity.

However, the project's ambition ultimately exceeded the implementation capacity of some counterparts. Although the team recommended a more focused operation, management opted for a broader program to address the region's systemic challenges (ICR, para 76). The theory of change, M&E framework, and risk mitigation measures were rigorously developed and validated with the client.

Project preparation incorporated key lessons from the previous operation by narrowing the number of beneficiary institutions, consolidating activities along core financial-sector themes, and enhancing coordination across institutions. Implementation arrangements leveraged a PIU with a proven track record, supported by a strategic Steering Committee and Technical Monitoring Committee. Despite initially strong coordination with donors, particularly the IMF, alignment became more challenging during implementation, requiring periodic adjustments in activities. Risks were appropriately identified, and overall implementation risk at entry was rated Substantial.

Quality at entry was technically strong, grounded in solid analytics, strategic alignment, and well-structured implementation arrangements. However, the project's broad scope exceeded the capacity of several counterparts, revealing that a more focused design would have better supported effective implementation.

Quality-at-Entry Rating

Moderately Satisfactory

b. Quality of supervision

The World Bank (WB) provided effective coordination with the PIU, which delivered strong performance characterized by professionalism and sound fiduciary management. Nonetheless, the PIU encountered challenges in activity execution and record-keeping, largely attributable to the project's regional complexity. Performance across beneficiary institutions varied considerably. Several entities experienced delays driven by limited managerial engagement, burdensome internal procedures, and chronic understaffing—particularly within COBAC and IT departments. Furthermore, complex regional IT procurements faced repeated delays despite mitigation measures, ultimately constraining the timely delivery of several IT-intensive components during the project period.



Bank supervision was proactive and technically robust. It benefited from stable task leadership, regular implementation support missions (including during the COVID-19 period), and timely issuance of non-objections. The Bank provided substantive technical expertise across all thematic areas and collaborated closely with IFC on the credit bureau DLI. The team demonstrated responsiveness in addressing implementation bottlenecks, ensuring fiduciary compliance, and safeguarding the sustainability of major IT investments. However, the Bank's performance also exhibited shortcomings. Most notably, the first restructuring was initiated later than warranted, despite clear indications at mid-term that adjustments were necessary. An earlier restructuring would likely have mitigated delays more effectively and enhanced overall implementation efficiency.

In summary, while Bank support was proactive and technically robust, the delayed restructuring reduced opportunities to address emerging challenges earlier, limiting overall implementation efficiency.

Quality of Supervision Rating

Moderately Satisfactory

Overall Bank Performance Rating

Moderately Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The project's M&E system was appropriate for its purpose but faced structural challenges typical of technical assistance operations. While the system benefited from guidance from global practice experts, developing a results framework that could meaningfully capture the impact of TA activities proved difficult, as such impacts often materialize beyond the duration of a standard IPF cycle.

To address these constraints, the project relied primarily on output-based intermediate indicators and designed PDO indicators to reflect improvements in institutional capacity. These design choices were reviewed and endorsed by World Bank leadership at approval and were considered suitable for monitoring implementation progress. In hindsight, PDO indicators to monitor changes toward financial inclusion were revised to account for management advice and to adjust to ground realities.

Overall, the Results Framework indicators were relevant and measurable, though ambitious at the outset. Gender-disaggregated data were incorporated to a limited degree. Despite inherent limitations, the M&E system enabled consistent and effective tracking of project performance.

b. M&E Implementation

The team revised the M&E framework to align with new project priorities and to better reflect the complexity and implementation pace of certain activities. While the results framework was initially relevant, measurable, and included a gender-tagged indicator, adjustments were needed for activities



that evolved more slowly (e.g., payments, financial inclusion) or that became new areas of focus (e.g., capital markets development).

The PDO indicator on the regional credit registry—originally based on Doing Business data—had to be replaced following managerial guidance discontinuing the use of these indicators (see paragraph 17 and Annex 7). Another PDO indicator was refocused within the same thematic area to avoid attribution challenges related to TA provided by the IMF and AFRITAC.

Data collection and reporting were led by the PIU. The performance indicators were straightforward to monitor. In October 2019, the PIU hired an M&E specialist to establish methodologies, guidelines, and tools for systematic data collection. The three beneficiary institutions provided the necessary data, and the PIU submitted detailed progress updates to the World Bank twice a year. These reports—validated by the Steering Committee—covered (i) activity reports assessing implementation progress and performance indicators, and (ii) technical, financial, and procurement monitoring reports.

c. M&E Utilization

The ICR did not discuss M&E utilization. However, the M&E function was effective in providing the required feedback information to the project stakeholders and was used to adjust implementation to ground condition.

Overall, the M&E function was substantially effective, as it informed decision-making throughout the project implementation. There were some shortcomings at deisgn. Indicator adjustments made with the client improved granularity and better reflected implementation realities, enabling more responsive and accurate monitoring. The M&E system provided systematic, reliable updates and remained a key tool for guiding implementation and ensuring accountability amid external disruptions.

M&E Quality Rating

Substantial

10. Other Issues

a. Safeguards

This was a technical assistance (TA) project, and it did not trigger any environmental or social safeguards or policies during the design and implementation phases.

b. Fiduciary Compliance

Procurement: The project used a centralized procurement system within the PIU to support all three CEMAC institutions. Procurement performance and compliance were rated *Satisfactory* throughout implementation. The World Bank provided regular training, and annual Procurement Post Reviews found



no cases of mis-procurement. Minor delays in uploading documents to STEP were resolved before project closure.

Financial Management (FM): Financial management performance was uneven, with periods of moderately unsatisfactory ratings due to weak record-keeping by the PIU, which complicated expenditure justification. With extensive World Bank fiduciary support, all missing documentation was eventually recovered, allowing the project to return to compliance and close with a Moderately Satisfactory FM rating. FM risk remained substantial throughout implementation. Despite the documentation issues, annual external audits—including the final audit—consistently issued unqualified opinions, and financial monitoring reports were submitted on time and judged satisfactory.

c. Unintended impacts (Positive or Negative)

The project helped catalyze the merger of the region’s two stock exchanges, the establishment of an independent central securities depository (CSD), and capital markets development. By linking project support to the consolidation of the region’s two stock exchanges, the project successfully catalyzed their merger and enabled the creation of an independent central securities depository. This reform momentum also opened the door to additional World Bank technical assistance that advanced capital markets development across CEMAC.

The project helped stop the issuance of a cryptocurrency, Sango coin by CAR in violation of regional treaties. The project helped preserve regional monetary stability by supporting BEAC and regional authorities in responding to the Central African Republic’s introduction of the Sango coin, which violated CEMAC monetary treaties. Through technical analysis and assistance in regional negotiations, it helped prevent monetary fragmentation and protected the FCFA’s integrity and its peg to the euro.

d. Other

There were no other unintended impacts.

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	
Bank Performance	Moderately Satisfactory	Moderately Satisfactory	
Quality of M&E	High	Substantial	shortcomings in M&E design



Quality of ICR

Substantial

12. Lessons

The ICR identified several findings and lessons (p.28-29). This review highlights three lessons which are rephrased and summarized below.

Effective implementation of regional projects depends primarily on the engagement and capacity of institutional leadership and departments, making early capacity assessment and proactive management essential to avoid delays. Effective delivery of regional projects depends on strong leadership and consistent departmental engagement, yet performance varied across institutions due to uneven managerial capacity and limited human resources. Strengthening early capacity assessments, regular monitoring, and proactive management of leadership changes is essential to prevent delays and ensure steady implementation.

Complex regional IT projects require early, rigorous planning because delays in procurement, logistics, and software integration can derail implementation. Complex regional IT infrastructure projects require rigorous early planning and generous time buffers, as delays stemming from procurement, logistics, and software development can jeopardize overall implementation—especially in multi-institutional settings requiring integration, training, and live testing. Close monitoring throughout execution, supported by timely technical reinforcements and early IT diagnostics before project approval, is essential to identify risks early and maintain project momentum.

A well-designed single regional Investment Project Financing (IPF) can achieve impacts across multiple countries simultaneously. For harmonized regional reform agendas, a single regional IPF is often more efficient, cost-effective, and impactful than running multiple country-level DPF operations. Regional IPFs can lower borrowing costs by avoiding multiple separate loans, reduce transaction costs through unified preparation and supervision, accelerate harmonization when policy content and implementation platforms are shared, and create economies of scale via joint systems, capacity building, and technical assistance. However, there are potential political, economic and financial risks that may affect sustainability of outcomes, as well as technical risks that might impact IT systems sustainability.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR is comprehensive, thorough, and evidence based. Key strengths of the ICR include (i) a thorough storyline covering the project design, implementation and achieved results, (ii) an in-depth analysis of the project's efficacy and efficiency performance, and (iii) a selection of relevant lessons and recommendations.



However, the internal consistency could have been improved if the Annex 1 of the ICR was updated to reflect the efficacy main text.

Overall, the quality of the ICR is rated as Substantial.

a. Quality of ICR Rating
Substantial