EXECUTIVE BOARD MEETING

EBS/23/14
Correction 1

February 28, 2023

To: Members of the Executive Board

From: The Secretary

Subject: **Republic of Madagascar—Staff Report for the 2022 Article IV Consultation, Third Review Under the Extended Credit Facility Arrangement, and Requests for a Waiver of Nonobservance of Performance Criteria and Modification of Performance Criteria**

Board Action: The attached corrections to EBS/23/14 (2/16/23) have been provided by the staff:

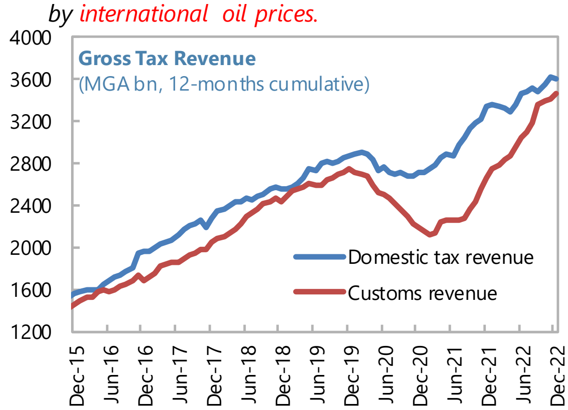
Evident Ambiguity **Page 33 ("international oil prices")**

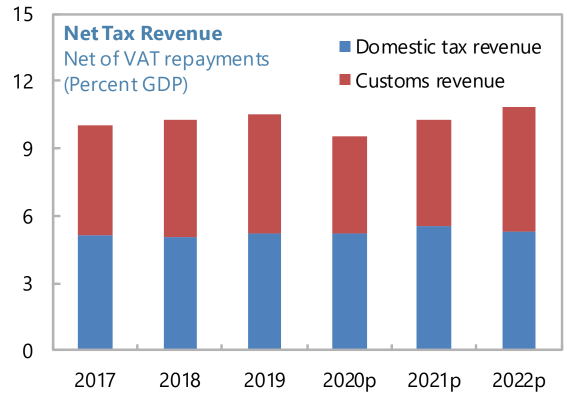
Typographical Errors **Page 33 ("were")**

Questions: Mr. Lambert, AFR (ext. 34166)
Mr. Mazraani, AFR (ext. 36123)

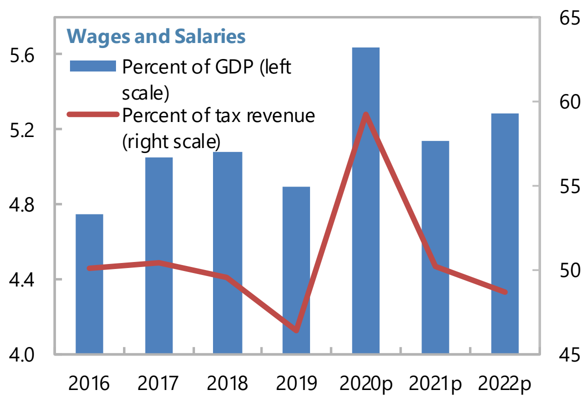
Figure 3. Madagascar: Government Revenue and Spending

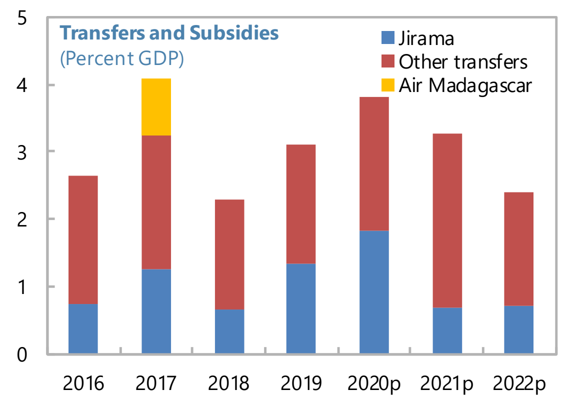
Tax revenue recovered from the pandemic shock since mid-2022 and customs revenue w~~h~~ere boosted by international oil prices.



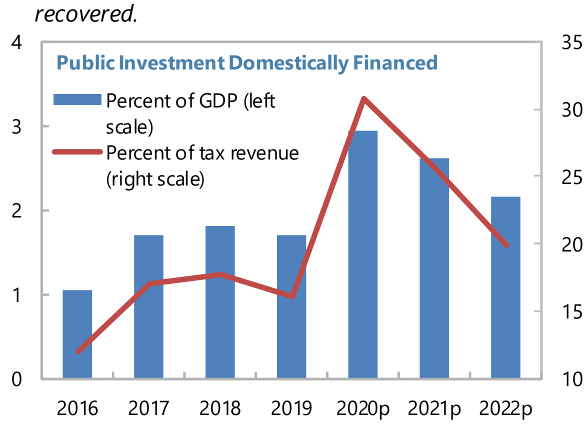


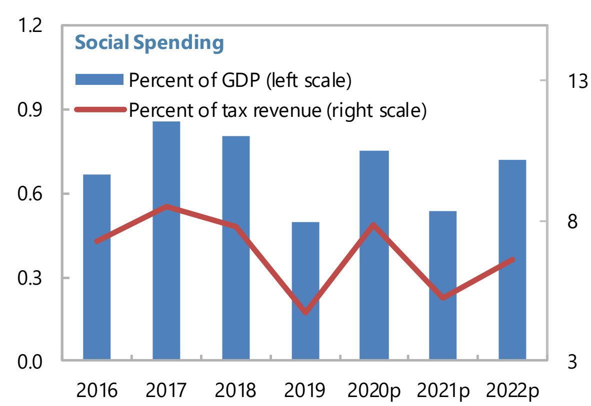
The wage bill increased to about 48 percent of tax revenue in 2022 but remains below the 2020 peak. Transfers declined starting 2021 due to lower transfers to JIRAMA.





Underexecution of domestically financed public investment persists in 2022, while social spending has recovered.





Sources: Malagasy Authorities; and IMF staff estimates.