

## AFRICA RISK CONSULTING

### Côte d'Ivoire Briefing September 2017

#### Côte d'Ivoire Summary 28 September 2017

**President Alassane Ouattara's (2011-present) Rassemblement des Républicains (RDR) party holds its third party congress, its first since 2008. The RDR names Henriette Dagri Diabaté party president and Kandia Camara as secretary general. Ouattara meets with France's President Emmanuel Macron (2017-present) in Paris. The International Criminal Court (ICC) refuses former president Laurent Gbagbo's (2000-2011) request for temporary release.**

#### RDR holds third congress

President **Alassane Ouattara's** (2011-present) **Rassemblement des Républicains (RDR)** party held its third party congress on 9 September, the first since 2008.<sup>1</sup> The RDR, the strongest party of the ruling **Rassemblement des Houphouëtistes pour la Démocratie et la Paix (RHDP)** coalition, reshuffled its political bureau. Most notably, the party named **Henriette Dagri Diabaté** president of the RDR, replacing Ouattara.<sup>2</sup> The RDR also named **Kandia Camara** as secretary general, replacing **Amadou Soumahoro**.<sup>3</sup>

Diabaté, an 82-year-old former state justice minister under **Laurent Gbagbo** (2000-2011) and culture minister under **Félix Houphouët-Boigny** (1960-1993), was until her nomination chancellor of the **Ordre National de la République de Côte d'Ivoire** (national order of Côte d'Ivoire).<sup>4</sup> She is a **Sorbonne (Université de Paris (France))**-educated historian, and held high-level positions within the post-independence ruling party, the **Parti Démocratique de Côte d'Ivoire (PDCI)** (also a member of the RHDP), during the 1980s and early 1990s, before founding the RDR in 1994 along with Ouattara.<sup>5</sup> Diabaté today represents the RDR old guard, having already served as secretary general of the party from 1998 to 2008.<sup>6</sup> Diabaté was not the favoured candidate for the presidency of the party, however. Close advisers to Ouattara – **Adama Bictogo**, member of parliament (MP) for **Agboville (Agnéby-Tiassa Region)**, businessman and the RDR's national secretary; and **Ibrahim Cissé Bacongo**, special adviser at the presidency and MP for **Koumassi (Abidjan)** – were viewed as more likely to succeed Ouattara.<sup>7</sup> However, analysts believe that reputational concerns may have had a greater influence on the decision,

*"Yes, Diabaté is getting old and no longer has the energy she used to, but she is far less controversial than Bictogo for example. She knows the party, and intimately understands the importance of peace from now until 2020. She represents stability and continuity. There is no coincidence in this choice – yes, they are loyal, but Ouattara clearly wants to contain Bictogo and Bacongo's rise in the party."<sup>8</sup>*

A second source, and member of the RDR, confirms this sentiment,

<sup>1</sup> RFI, 9 Sept 2017.

<sup>2</sup> Jeune Afrique, 10 Sept 2017.

<sup>3</sup> Jeune Afrique, 10 Sept 2017.

<sup>4</sup> www.abidjan.net

<sup>5</sup> www.abidjan.net

<sup>6</sup> www.abidjan.net

<sup>7</sup> Source, investigator, Abidjan

<sup>8</sup> Source, analyst, Abidjan

*“When you take someone like Bictogo or Bacongo, you can see that these are people with bad reputations. [Ouattara] needs someone who has a good morality and can mediate.”<sup>9</sup>*

The local press also highlighted parliamentary president and former **Forces Nouvelles (FN)** leader **Guillaume Soro**’s absence from the RDR congress. Soro is an RDR MP for **Ferkessédougou (Tchologo Region)** since 2011 but is reportedly moving away from the party.<sup>10</sup> Soro is historically an RDR ally, choosing to support Ouattara’s party in the 2000 presidential election, despite the then ruling **Conseil National de la Sécurité Publique (CNSP)**, led by former brigadier general **Robert Guéi**, banning Ouattara from participating in the election.<sup>11</sup> Soro also acted as a running mate for Diabaté’s bid for MP in **Port Bouët** (Abidjan) in 2000.<sup>12</sup> Soro and Diabaté reportedly still have a good relationship. However, rumours of Soro’s presidential ambitions have made him appear less loyal to the RDR (see *ARC Briefing Côte d’Ivoire June 2017*):

*“If you talk to supporters of Soro, they are adamant that they are not RDR. Many of them would follow him if he decided to launch his own party. I hear that he is buying iPads and using other sorts of incentives to buy an electorate loyal to him.”<sup>13</sup>*

As a result, Diabaté’s appointment also reflects Ouattara’s desire to contain Soro’s efforts to undermine the RDR and launch a presidential bid,

*“Diabaté is the only person that can bring peace to the RDR. It is the only person for which Soro has respect... She can bring him home and also convince the grumbling [RDR] supporters. First, Ouattara has to put out the fire in the party, otherwise the fracture will be fatal. Moreover, the RDR is not viewed as saintly among the RHDP’s other members... Diabaté will also help to negotiate and convince these parties.”<sup>14</sup>*

Tensions around the 2020 presidential battle appear set to continue. The favourites in the battle to succeed Ouattara – who may seek to stand for a third mandate, despite health concerns (see *ARC Briefing Côte d’Ivoire April 2017*) – are Soro, prime minister **Amadou Gon Coulibaly**, and defence minister **Hamed Bakayoko**.<sup>15</sup> As one France-based political analyst states,

*“It appears evident that the subject of Ouattara’s succession in 2020 has accentuated the increase in internal tensions between RDR stalwarts and the former FN... The 2020 presidential ambitions of the ‘autochthones’ [inner RDR circle] in Coulibaly and Bakayoko and the ‘allochthones’ [outer RDR circle] in Soro are paradoxically at the heart of this discord.”<sup>16</sup>*

---

<sup>9</sup> Source, RDR member, Abidjan

<sup>10</sup> [www.cei-ci.org](http://www.cei-ci.org)

<sup>11</sup> [www.assnat.ci](http://www.assnat.ci)

<sup>12</sup> [www.assnat.ci](http://www.assnat.ci)

<sup>13</sup> Source, investigator, Abidjan

<sup>14</sup> Source, political observer, Abidjan

<sup>15</sup> Source, political analyst, Paris

<sup>16</sup> Source, political analyst, Paris

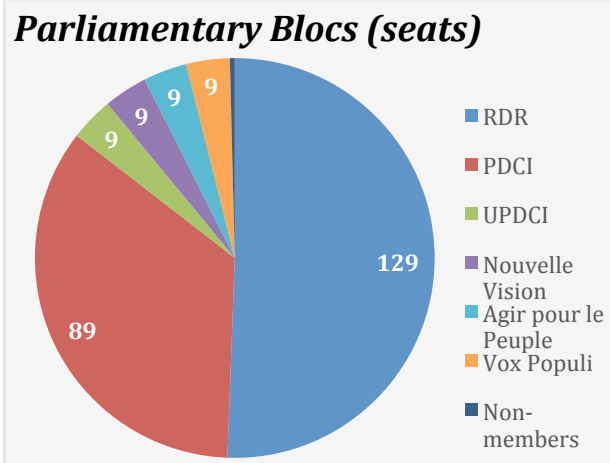


Figure 1: [www.assnat.ci](http://www.assnat.ci)

The RDR remains the single most dominant party in Ivorian politics today (see Figure 1). The RDR has an absolute majority in parliament, meaning it could operate as a standalone party, without the PDCI's support. If this is an RDR ambition, then reconciliation with Soro is paramount, as it can only maintain this majority with Soro's support base. Hence Soro manages to remain in a position of influence. His absence from the congress is characteristic of his notoriety and highly tactical politics. In a provocative statement, Soro said "fortunately, it is only a congress... there will be others."<sup>17</sup> If reports of Soro supporters' loyalty to him are accurate, then an independent RDR outside of the RHDP coalition without Soro's

backing looks unlikely. Although the level of support for Soro within RDR members is unclear, it is evident that he has enough leverage to keep Ouattara on his side. Furthermore, the RDR may have arrived at a breaking point in its relationship with the PDCI, which reaffirms the need for a conciliatory president like Diabaté. The long-term objective for Ouattara is to shift the party's image towards one that appeals to the whole electorate, not solely its historic 'northern' roots:

*"Ouattara wants to burnish the image of the party, which suffers from its reputation as the 'party of the north', an epithet which has stuck to the RDR since its creation and mined by the ethnic levelling since it came to power. Ouattara wants to give the image of someone that is modern and democratic."<sup>18</sup>*

### Ouattara meets Macron in Paris

Ouattara met with France's President **Emmanuel Macron** (2017-present) at the **Elysée Palace** in Paris on 31 August.<sup>19</sup> The meeting is the second between the two heads of state in three months, after their first meeting in June.<sup>20</sup> On this occasion, Macron and Ouattara spent several hours in private, before a joint lunch with Coulibaly and Ivorian foreign minister **Marcel Amon Tanoh** and French foreign minister **Jean-Yves Le Drian** and finance minister **Bruno Le Maire**.<sup>21</sup> Both delegations discussed priority issues of education, sustainable development and security, for which the French government has made €2 billion (\$2.36 billion) available.<sup>22</sup>

The main beneficiary for the funds is the Abidjan metro project, for which the French government will provide €1.4 billion (\$1.65 billion).<sup>23</sup> The 40-year concession was signed in July 2015 between France-based **Bouygues Construction SA** (33% stake), France-based **Kéolis SA** (25%), and **South Korea-based Dongsan Engineering Co Ltd** (9%) and **Hyundai Rotem Co** (33%).<sup>24</sup> However, the project has faced delays after Ivorian vice president **Daniel Kablan Duncan** challenged a clause that stated the Ivorian government would have to compensate the operators if there is less usage of the metro line than an unspecified threshold (see *ARC Briefing Côte d'Ivoire March 2017*). Kablan was reportedly seeking to lower the total cost of the project.<sup>25</sup> The metro line plans to repurpose and redevelop existing rail infrastructure to build a 37.5 kilometre line from the northern neighbourhood

<sup>17</sup> RFI, 9 Sept 2017.

<sup>18</sup> Source, investigator, Abidjan

<sup>19</sup> RFI, 1 Sept 2017.

<sup>20</sup> Jeune Afrique, 31 Aug 2017.

<sup>21</sup> Jeune Afrique, 31 Aug 2017.

<sup>22</sup> Jeune Afrique, 31 Aug 2017.

<sup>23</sup> Jeune Afrique, 31 Aug 2017.

<sup>24</sup> APA, 7 Jul 2015.

<sup>25</sup> La Tribune Afrique, 19 Mar 2017.

of **Anyama** to the airport on the southern side of the city in **Port-Bouët**.<sup>26</sup> In March, Ouattara had announced that he would like the French government to provide a concessional loan in order to speed up the development of the project – a request that has now been granted.<sup>27</sup> Ouattara and Macron announced that they expect construction to begin in November and to complete the project before 2020.<sup>28</sup>

Another salient issue mentioned during Macron and Ouattara’s meeting was that of the CFA franc (FCFA), the regional currency and remnant of colonial French **West Africa**.<sup>29</sup> The FCFA is pegged to the euro. The **Banque de France** (French central bank), rather than the **European Central Bank (ECB)**, meets regularly with the West and **Central African** central banks – the **Banque Centrale des Etats de l’Afrique de l’Ouest (BCEAO)** (West African central bank) and **Banque des Etats de l’Afrique Centrale (BEAC)** (Central African central bank) – to decide on monetary policy. In fact, no monetary policy decision can be made without the Banque de France’s approval.<sup>30</sup> Ouattara is a former governor of the BCEAO, and continues to play an influential role in the organisation’s operation.<sup>31</sup> In recent months, the subject of monetary independence has gained more political traction from pro-independence parties in countries using the FCFA.<sup>32</sup> Due to the pegged exchange rate, which has been fixed at FCFA 655.957 per euro since 1999, FCFA countries are dependent on the economic strength of the EU for the relative price of exports, imports and debt issuance.<sup>33</sup> Nevertheless, both Macron and Ouattara defended the continuation of the FCFA. Ouattara said that foreign currency reserves are stable, while the FCFA also has intra-regional trade benefits,

*“We cover three quarters of our monetary issuances, and the central bank has at least five months of import cover, so foreign currency is not a concern. The common currency we have is a currency that helps the **African** people.”<sup>34</sup>*

Macron admitted that there are challenges to the common currency, which would require reform, but highlighted the stability benefits of the FCFA,

*“Today, the FCFA zone offer monetary stability, but it isn’t without some challenges. There is political tension among some. We share, I believe, a common vision on the benefit of the zone. But I think we should modernise it, open a new path with a lot of pragmatism.”<sup>35</sup>*

In an apparent bid to counter the anti-French sentiment at home, Ouattara suggested an expansion of the FCFA, such that all members of the **Economic Community of West African States (ECOWAS)** use the same currency.<sup>36</sup> At the moment, the extent of political will and support for an ECOWAS common currency is unclear. If a common ECOWAS monetary policy were to materialise, it would appear likely that more autonomy would be devolved to the regional central bank(s).

Côte d’Ivoire remains one of France’s closest allies in the West African region, both politically and economically. However, for opposition members in Côte d’Ivoire, Ouattara’s closeness with Macron and France represents a continuation of alleged post-colonialism under Houphouët,

*“Ouattara was the first Francophone African president to be received by Macron at the Elysée. He has been received twice already by Macron. It seems like he is negotiating his third term with*

<sup>26</sup> APA, 7 Jul 2015.

<sup>27</sup> APA, 20 Mar 2017.

<sup>28</sup> Jeune Afrique, 31 Aug 2017.

<sup>29</sup> Jeune Afrique, 31 Aug 2017.

<sup>30</sup> [www.banque-france.fr](http://www.banque-france.fr)

<sup>31</sup> Jeune Afrique, 31 Aug 2017.

<sup>32</sup> Jeune Afrique, 31 Aug 2017.

<sup>33</sup> [www.banque-france.fr](http://www.banque-france.fr)

<sup>34</sup> RFI, 1 Sept 2017.

<sup>35</sup> RFI, 1 Sept 2017.

<sup>36</sup> Jeune Afrique, 31 Aug 2017.

*France; everybody knows this. If France wants it, Ouattara will stay for a third term. It's fishy - he wants to take the place of Houphouët in **Françafrique**.*<sup>37</sup>

Since France appointed **Gilles Huberson** as new ambassador to Côte d'Ivoire in August (see *ARC Briefing Côte d'Ivoire August 2017*), a shift in French Ivorian policy appears evident.<sup>38</sup> However, the recent meeting between Ouattara and Macron reaffirms the continuation of strong economic ties between the two countries, not least through lending and joint monetary policy. In light of a tense political environment domestically, Ouattara will seek to leverage his relationship with Macron to spur investment and lending from France in order to maximise the RDR's or RHDP's chances of re-election in 2020. The Abidjan metro project, especially if completed before the 2020 presidential election, would afford Ouattara significant political gains. France's priority in maintaining close ties with West Africa is to protect its own security by containing the threat of militancy in the region. France's relationship with Côte d'Ivoire appears to be the starting point for successful implementation of this strategy.

### ICC refuses Gbagbo's temporary release

The **International Criminal Court (ICC)** on 27 September refused Gbagbo's request for temporary release.<sup>39</sup> Gbagbo remains under detention in **The Hague (Netherlands)** since November 2011, and on trial since January 2016 for alleged crimes against humanity in the post-electoral crisis of 2010-2011 that led to the death of 3,000 people.<sup>40</sup> This was Gbagbo's 11<sup>th</sup> request for temporary release since then.<sup>41</sup> The ICC judges deemed that the defendant's lawyers had not provided sufficient evidence to justify a temporary release.<sup>42</sup> Moreover, the judges said that Gbagbo could employ a 'network of supporters' to obstruct or endanger trial proceedings.<sup>43</sup> The former armed forces chief of staff under Gbagbo, **Philippe Mangou**, testified to the court on 26 September, alleging that Gbagbo threatened to kill him for suggesting that he step down.<sup>44</sup> Local commentators believe that if Gbagbo is released and returns to Côte d'Ivoire, the security risks will be significant,

*"If they release Gbagbo, it will be hell. The tension between the PDCI and RDR is bad enough. We don't need Gbagbo back in the picture."*<sup>45</sup>

Gbagbo's **Front Populaire Ivoirien (FPI)** party is weak in his absence. The date of the final judgment of the ICC trial is currently unclear. However, if Gbagbo is found not guilty of crimes against humanity, his release would be likely to heighten political and security tensions in the run-up to the 2020 presidential election.

### Planner

22 Apr 2018 (**Côte d'Ivoire**) *Abidjan.net*. The **World Cocoa Conference** begins in **Berlin (Germany)**;

29 Nov 2017 **Abidjan (Côte d'Ivoire)** *Abidjan.net*. The **EU-Africa Summit** begins;

28 Oct 2017 **Abidjan (Côte d'Ivoire)** *Eventbrite*. The **Environnement Startup 2017** conference begins;

12 Oct 2017 **Abidjan (Côte d'Ivoire)** *Koaci*. The **Pharmafrica Expo 2017** begins;

10 Oct 2017 **Abidjan (Côte d'Ivoire)** *Eventbrite*. The **Africa CyberSecurity Conference 2017**

<sup>37</sup> Source, opposition supporter, Abidjan

<sup>38</sup> *Jeune Afrique*, 25 Jul 2017.

<sup>39</sup> AFP, 27 Sept 2017.

<sup>40</sup> AFP, 27 Sept 2017.

<sup>41</sup> AFP, 27 Sept 2017.

<sup>42</sup> AFP, 27 Sept 2017.

<sup>43</sup> Reuters, 27 Sept 2017.

<sup>44</sup> AFP, 27 Sept 2017.

<sup>45</sup> Source, business owner, Abidjan

begins;

3 Oct 2017 **Abidjan (Côte d'Ivoire)** *Abidjan.net*. The **Salon de l'Architecture et du Bâtiment** (architecture and construction conference) begins;

Oct 2017 **(Côte d'Ivoire)** The **Conseil Café-Cacao** (coffee-cocoa board) announces its 2017/2018 season cocoa farmgate price;

### Chronology

27 Sept 2017 **Abidjan (Côte d'Ivoire)** *APA*. Unidentified armed individuals attack a police station in the **Abobo Baoulé** neighbourhood of Abidjan;

26 Sept 2017 **(Côte d'Ivoire)** *Jeune Afrique*. The **International Criminal Court** rejects former President **Laurent Gbagbo's** request for release;

26 Sept 2017 **Abidjan (Côte d'Ivoire)** *Notre Voie*. Telecommunications sector regulator, the **Autorité de Régulation des Télécommunications de Côte d'Ivoire**, issues fines totalling FCFA 4.97 billion (\$8.95m) to **Orange, Moov** and **MTN** for network quality deficiencies;

25 Sept 2017 **(Côte d'Ivoire, Ghana)** *Reuters*. The Ivorian government accepts the **International Tribunal for the Law of the Sea's** ruling in its dispute with Ghana over its maritime boundary;

25 Sept 2017 **Luanda (Angola)** *AIP*. Côte d'Ivoire President **Alassane Ouattara** arrives in Luanda ahead of President **João Lourenço's** inauguration;

23 Sept 2017 **(Côte d'Ivoire, Ghana)** *Citi FM*. The **International Tribunal for the Law of the Sea** rules in favour of Ghana, following a three-year dispute with Côte d'Ivoire for delineation of their respective maritime border;

20 Sept 2017 **Abidjan (Côte d'Ivoire)** *Press Release*. An **International Monetary Fund** delegation arrives in Abidjan for a staff visit;

20 Sept 2017 **(Côte d'Ivoire, Ghana)** *Graphic Online*. Ghana and Côte d'Ivoire will reportedly appeal to the **African Development Bank** for a \$1.2 billion loan to build cocoa warehouses and value-added manufacturing facilities;

14 Sept 2017 **Abidjan (Côte d'Ivoire)** *APA*. Vice president **Daniel Kablan Duncan** announces that government has achieved an average budget deficit of less than 3% of GDP over the 2012-2016 period, which should rise to 4.5% of GDP in 2017;

14 Sept 2017 **Accra (Ghana)** *Reuters*. The **Ghana Cocoa Board** will reportedly maintain its current farmgate cocoa price at 7,600 cedis (\$1,720) per tonne, or 33.3% higher than neighbouring **Côte d'Ivoire**;

13 Sept 2017 **(Côte d'Ivoire)** *RFI*. NGO **Mighty Earth** publishes a report criticising cocoa traders for buying cocoa derived from protected forests in Côte d'Ivoire;

12 Sept 2017 **(Côte d'Ivoire)** *Press Release*. President **Alassane Ouattara** begins a state visit to **Portugal**;

10 Sept 2017 **Abidjan (Côte d'Ivoire)** *Jeune Afrique*. President **Alassane Ouattara** claims to have proof of alleged attempts of former President **Laurent Gbagbo** supporters plotting to destabilise the country;

10 Sept 2017 **Abidjan (Côte d'Ivoire)** *RFI*. The **Rassemblement des Républicains** party names **Henriette Dagri Diabaté** president of the party, replacing President **Alassane Ouattara**, and **Kandia Camara** secretary general;

9 Sept 2017 **Abidjan (Côte d'Ivoire)** *RFI*. The **Rassemblement des Républicains** holds its third congress, without the attendance of former rebel leader **Guillaume Soro**;

6 Sept 2017 **(Côte d'Ivoire, Ghana)** *Graphic Online*. The **International Tribunal for the Law of the Sea** will rule on 23 September on the maritime border delineation dispute between Côte d'Ivoire and Ghana;

31 Aug 2017 **(Côte d'Ivoire)** *RFI*. President **Alassane Ouattara** meets with **French** President **Emmanuel Macron** at the **Elysée** palace in **Paris**;

29 Aug 2017 **Abidjan (Côte d'Ivoire)** *Jeune Afrique*. President **Alassane Ouattara's** **Rassemblement des Républicains** party will hold its third ordinary congress on 9 to 10 September;

### About Africa Risk Consulting:

**Africa Risk Consulting (ARC)** is a pan-African consulting company that provides timely, relevant information and advice that enables its clients to take informed investment decisions and to safeguard their reputations.

**ARC's** core consulting services include integrity due diligence and corporate investigations, political advisory and country assessments, opportunity monitoring and reputation risk management. Most relevant to private equity firms is ARC's integrity due diligence and corporate investigations capability. Specifically, ARC offers pre-deal integrity checks to highlight red flags before negotiations start; full detailed multi-jurisdictional reputation due diligence; and supplier and senior hire vetting and repeat due diligence for compliance programmes. ARC is unique in that it offers a 10-day delivery for a routine integrity due diligence. ARC also offers a suite of corporate investigations services from immediate investigation, evidence gathering, e-discovery, forensic accounting and whistleblower support on one end to crisis media management and regular monitoring on the other.

[www.africariskconsulting.com](http://www.africariskconsulting.com)

### About ARC Briefing:

**ARC Briefing** is ARC's essential online business information service.

Companies at any stage in their Africa expansion, whether building or communicating an Africa strategy, investing directly, expanding current operations, financing other investors, doing the legal leg-work or researching the Africa growth trend, need ARC Briefing.

**ARC Briefing** is an online information service keeping you:

- Up to date with Country Chronologies of business-critical events
- In the know via Country Briefings on political, economic, business and operating trends. Written in-country, ARC experts analyse and comment
- Ahead with Country Planner which details future elections, budgets, regulatory changes etc.

[www.briefing.africariskconsulting.com](http://www.briefing.africariskconsulting.com)

### Getting in touch

Please contact us by email [info@africariskconsulting.com](mailto:info@africariskconsulting.com) or call + 44 (0) 20 7078 4080

Follow us on Twitter: [@ARCBriefing](https://twitter.com/ARCBriefing)