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Le Parti Démocratique de Côte d'Ivoire (PDCI) officially withdraws from the Rassemblement des Houphouétistes pour la Démocratie et la Paix (RHDP). President Alassane Ouattara (2010-present) announces amnesty for 800 persons accused of crimes related to the 2010-2011 political crisis. The World Bank releases a report predicting positive medium economic outlook for Cote d'Ivoire. The 7th Traité d'Amitié et de Coopération (TAC) (Treaty of friendship and cooperation) conference takes place in Cote d'Ivoire's administrative capital, Yamoussoukro.

PDCI quits RHDP

The **Parti Démocratique de Côte d'Ivoire (PDCI)** is withdrawing from the newly formed **Rassemblement des Houphouétistes pour la Démocratie et la Paix (RHDP)** party, formerly the ruling RHDP coalition. After months of tension and uncertainty, RHDP president and former president **Henri Konan Bedié** (1993-1999) announced on 9 August that the PDCI was removing its signature from the 12 April **Accord Politique** and ceases to be part of the RHDP.¹ Bedié made the announcement after meeting with President **Alassane Ouattara** (2010-present) on 8 August. The PDCI's decision formally dissolves the alliance between the PDCI and **Rassemblement des Républicains (RDR)**, which was created in 2005 to counter former president **Laurent Gbagbo** (2000-2010) and his **Front Populaire Ivoirien (FPI)**.² The split between Bedié and Ouattara and their respective political parties has been brewing for the past months (see *ARC Briefing Cote d'Ivoire April – July 2018*) and is not a surprise.

Ouattara's refusal to allow the PDCI to present the alliance's presidential candidate in the 2020 elections appears to be the main source of contention. The PDCI supported Ouattara in both the 2010 and 2015 elections, with the tacit expectation that Ouattara would return the favour to Bedié in 2020. Ouattara has frequently said that he did not make any promises about supporting a PDCI candidate in 2020 and that the ruling coalition candidate will be chosen during a primary. The final straw was likely the cabinet decision to remove PDCI member **Noel Akossi-Bendjo** from his position as mayor of **Abidjan** council **Plateau** on 1 August.³ Although the official reason for his removal was accusations of mismanagement and forgery, it is believed Akossi-Bendjo was a victim of the on-going disagreement between the PDCI and RDR.⁴

Bedié also denounced the fact the RHDP held its general assembly on 16 July in his absence.⁵ He claimed the responsibility of convening the meeting was his, as president of the RHDP.⁶ Bedié said the general assembly was a violation of the 12-18 month transition period

¹ Jeune Afrique, 9 Aug 2018.

² Jeune Afrique, 9 Aug 2018

³ Jeune Afrique, 1 Aug 2018.

⁴ Jeune Afrique, 1 Aug 2018.

⁵ Jeune Afrique, 9 Aug 2018

⁶ Jeune Afrique, 9 Aug 2018

following the creation of the RHDP party.⁷ All 12 PDCI cabinet ministers and heads of state institutions were present at the general assembly.⁸ Following the event, Bedié removed all these PDCI cabinet ministers from the PDCI executive secretariat.⁹ In a sign of the eventual split, PDCI secretary general **Maurice Guikahue** said the PDCI would represent itself in the upcoming local and regional elections and not under the RHDP platform.¹⁰ **Assemblée Nationale** (national assembly) president **Guillaume Soro** was absent from the RHDP general assembly, which was also notable for Ouattara's announcement that he will not run for a third presidential term in 2020.¹¹

Bedié received a delegation comprised of PDCI cabinet ministers, senate president **Jeannot Ahoussou** and economic, social and cultural council president **Charle Koffi** on 9 August in what appears to be a show of support for his decision to leave the RHDP.¹² Vice president and PDCI member **Daniel Kablan Duncan**, a supporter of the RHDP platform, was notably not part of the delegation.¹³

Bedié already appears to be seeking to build a new political alliance ahead of the local and regional elections in October. Bedié met with FPI president **Pascal Affi Nguessan** on 10 August about the possibility of forming a political alliance.¹⁴ According to Nguessan, the FPI is open to working with the PDCI, while Bedié has noted there is nothing preventing the two parties from working together.¹⁵ In addition to reaching out to the FPI, PDCI political bureau member **Jean-Louis Billon** met with imprisoned former Gbagbo minister **Charles Ble Goude** at **The Hague, Netherlands** in July. Billon and Goude discussed matters of national interest, reconciliation and the future of the country.¹⁶ This appears to be a deliberate attempt by the PDCI to reach out to Gbagbo's supporters.

The dissolution of the alliance is a blow to Ouattara, who thought that he could strong-arm the PDCI into joining the RHDP. Ouattara's decision not to undertake a third presidential term is wise. The third presidential term raised the possibility of socio-political instability in a country where politically motivated violence has been a key feature since the death of founding president **Felix Houphouët Boigny** (1960-1993) in 1993. Abstaining from an additional term will reduce the possibility of acts of discontent from the opposition and the ruling party. While the split between the parties is a shock, the full implications will become clearer after the October elections.

Ouattara grants amnesty to 800 involved in political crisis

President Ouattara announced he would grant presidential amnesty to 800 persons who were either found guilty of or suspected of committing crimes relating to the 2010-2011 post electoral crisis.¹⁷ The crisis led to around 3,000 deaths.¹⁸ There had been rumours since

⁷ Koaci.com, 9 Aug 2018

⁸ Jeune Afrique, 17 Jul 2018

⁹ FratMatin, 20 Jul 2018

¹⁰ Jeune Afrique, 23 Jul 2018

¹¹ Jeune Afrique, 17 Jul 2018

¹² Koaci.com, 10 Aug 2018

¹³ Koaci.com, 10 Aug 2018

¹⁴ Koaci.com, 10 Aug 2018

¹⁵ Koaci.com, 10 Aug 2018

¹⁶ Koaci.com, 28 Jul 2018

¹⁷ RFI, 7 Aug 2018

¹⁸ RFI, 7 Aug 2018

2015 that Ouattara would institute an amnesty law.¹⁹ Some of the notable beneficiaries of this amnesty include former first lady **Simone Gbagbo**, **Lida Kouassi** (ex-minister of defence) and **Assoa Adou** (ex-minister of construction).²⁰ Ouattara also released **Souleymane Kamarate** (known as Soul to Soul), former chief of protocol for Guillaume Soro of charges relating to his alleged involvement in the 2017 army mutinies.²¹ Ouattara said 300 prisoners will be set free during the first phase of the amnesty. Ouattara noted that 500 beneficiaries have already received conditional release, while those in exile will have their jail sentences revoked.²² Ouattara said the amnesty would not be extended to 60 soldiers and security forces members who committed blood crimes.²³

The release of Simone Gbagbo warrants significant attention. Gbagbo was arrested in April 2011, found guilty, and sentenced to 20 years' imprisonment in March 2015 for offences against the state.²⁴ From April 2014, she was placed under supervised residence.²⁵ Gbagbo was judged not guilty of crimes against humanity and war crimes during the same trial, but the **Cour Supreme d'Abidjan** (Abidan Supreme Court) withdrew this judgement on 26 July.²⁶

Ouattara explained that the move was a sign of his attachment to peace and true reconciliation.²⁷ Gbagbo's lawyer, **Rodrigue Dadje**, admits he was not expecting such a decision.²⁸ Former president Bedié congratulated the international community, rather than Ouattara, for laying the foundation for this amnesty.²⁹ Bedié expressed his desire to see the executive order become a law so true reconciliation can be forged. FPI spokesperson **Agnes Mouret** praised the decision but insists that political prisoners are still behind bars and that steps should be taken to free them and unfreeze their bank accounts as well as allow exiles to return home.³⁰ However, **Antoine Rabecq** of the **International Human Rights Federation** believes the move is disrespectful to victims of the 2010-2011 post electoral crisis.³¹ Rabecq describes it as a sign that impunity will be tolerated for those who have enough power and influence.³²

The **European Union (EU)** published a communiqué in August accusing the Ivorian government of not fostering a true democracy, of corruption, and of not pursuing sufficient political dialogue.³³ The Ivorian government has refuted these claims.³⁴ Nonetheless, the EU statement and Ouattara's fallout with Bedié appear to have prompted Ouattara to take a decision that would allow him to generate credibility. The release of Souleymane Kamarate will help mend Ouattara's shaky relations with Guillaume Soro.

¹⁹ Jeune Afrique, 6 Aug 2018

²⁰ RFI, 7 Aug 2018

²¹ RFI, 7 Aug 2018

²² Koaci.com, 6 Aug 2018

²³ Koaci.com, 6 Aug 2018

²⁴ Jeune Afrique, 8 Aug 2018

²⁵ Jeune Afrique, 8 Aug 2018

²⁶ Jeune Afrique, 8 Aug 2018

²⁷ RFI, 7 Aug 2018

²⁸ RFI, 7 Aug 2018

²⁹ Jeune Afrique, 7 Aug 2018

³⁰ Jeune Afrique, 7 Aug 2018

³¹ RFI, 7 Aug 2018

³² RFI, 7 Aug 2018

³³ Koaci.com, 2 Aug 2018

³⁴ Koaci.com, 9 Aug 2018

Gbagbo was a founding member and vice president of the FPI and carries significant political clout in Cote d'Ivoire. With the formation a new political configuration in Cote d'Ivoire,³⁵ she would be a useful figure for what appears to be a rejuvenated opposition.

World Bank report projects favourable mid-term economic outlook for Cote d'Ivoire

A **World Bank** report released on 12 July notes that Cote d'Ivoire's per capita GDP has increased by 40% since 2011, standing at \$1,640 per capita in 2017.³⁶ Cote d'Ivoire has also seen robust GDP economic growth, attaining 7-8% GDP growth in 2017.³⁷ Agriculture is the driving force behind this strong growth, despite the global market drop in cocoa prices since 2016.³⁸ The services sector also saw an increase in activity, particularly in the domains of transport, trade and telecommunications.³⁹ The secondary sector experienced a slowdown in activity due in large part to socio-political instability emerging from repeated army mutinies in 2017.⁴⁰ However, the private sector contribution to GDP growth has been continuously decreasing since 2015.⁴¹

Private sector contribution to GDP growth⁴²		
2015	2016	2017
10.5%	9.3%	2.9%

The reduction in private sector contribution to GDP growth has been attributed to recent socio-political uncertainty over the presidential coalition's selection of a candidate for the 2020 presidential elections, and how opposition parties will react.⁴³ The private sector appears to be taking a "wait and see approach" considering Cote d'Ivoire has a history of election-related violence.⁴⁴

The World Bank report notes that the positive growth trajectory has not been inclusive.⁴⁵ Poverty only reduced by 5% from 2011-2015 and currently stands at 46%, according to the Ivorian government.⁴⁶ The government has acknowledged it needs to address poverty.⁴⁷

The report warns Ivorian authorities about the alarming depletion of its natural resource stock, which has reduced by 26% from 1990-2014.⁴⁸ There has been an over-usage of natural resources over the time period, the main causes of which include climate change, coastal erosion and deforestation.⁴⁹ If unaddressed, the situation could affect cocoa exploitation,

³⁵ RFI, 9 Aug 2018
³⁶ World Bank, 12 Jul 2018
³⁷ World Bank, 12 Jul 2018
³⁸ World Bank, 12 Jul 2018
³⁹ World Bank, 12 Jul 2018
⁴⁰ World Bank, 12 Jul 2018
⁴¹ World Bank, 12 Jul 2018
⁴² World Bank, 12 Jul 2018
⁴³ World Bank, 12 Jul 2018
⁴⁴ World Bank, 12 Jul 2018
⁴⁵ World Bank, 12 Jul 2018
⁴⁶ World Bank, 12 Jul 2018
⁴⁷ World Bank, 12 Jul 2018
⁴⁸ World Bank, 12 Jul 2018
⁴⁹ World Bank, 12 Jul 2018

which is a source of revenue for 5 million Ivorians.⁵⁰ Moreover, coastal erosion will impact the lives of 7.5 million residents who populate the 566 km of the Ivorian coastline.⁵¹ This will also affect strategic economic activities such as the sea ports of **Abidjan** and **San Pedro, Félix Houphouët Boigny International Airport**, and **Société Ivoirienne de Raffinage (SIR)** (Ivorian oil refinery), amongst others.⁵²

Despite these warnings, the World Bank projects favourable economic growth for Cote d'Ivoire:

Cote d'Ivoire Projected GDP Growth⁵³			
2018	2019	2020	2021
7.4%	7.2%	7.0%	7.0%

This growth will be generated from the agriculture and services sectors, but industrial transformation of primary products such as cashew nut and cocoa will also contribute significantly.⁵⁴ The modernisation of port and urban transport infrastructure will also be crucial in fostering forecast growth rates.⁵⁵ In order to improve the private sector contribution to GDP growth, there is a need to further improve the business climate.⁵⁶ This entails simplifying administrative procedures and protecting intellectual property. Modernisation of economic infrastructure and the implementation of a coherent industrial policy are also important measures.⁵⁷ Public-Private-Partnerships (PPPs) will need to be accelerated to enable the private sector to become involved with government-supported projects.⁵⁸

Cote d'Ivoire continues to be an attractive investment destination despite certain challenges. Prospective investors could look at areas that have been highlighted as sectors with high potential (agriculture, industrial transformation and services). PPP projects are ideal avenues through which business ventures can be pursued in Cote d'Ivoire.

Seventh TAC conference sees strengthened ties with Burkina Faso

The **7th Traité d'Amitié et de Cooperation (TAC)** (friendship and cooperation treaty) conference took place in the Ivorian administrative capital of **Yamoussoukro** from 23-27 July.⁵⁹ The TAC forum aims to strengthen bilateral relations between **Burkina Faso** and Cote d'Ivoire. The seventh edition marked ten years since the inception of the event.⁶⁰ Previous conferences have seen a total of 83 bilateral accords signed and 13 major decisions taken between the neighbouring nations.⁶¹ President Ouattara and Burkinabe president **Roch Christian Kabore** (2015-present) co-presided over the 2018 TAC conference.⁶² Burkinabe

⁵⁰ World Bank, 12 Jul 2018

⁵¹ World Bank, 12 Jul 2018

⁵² World Bank, 12 Jul 2018

⁵³ World Bank, 12 Jul 2018

⁵⁴ World Bank, 12 Jul 2018

⁵⁵ World Bank, 12 Jul 2018

⁵⁶ World Bank, 12 Jul 2018

⁵⁷ World Bank, 12 Jul 2018

⁵⁸ World Bank, 12 Jul 2018

⁵⁹ FratMatin, 19 Jul 2018

⁶⁰ Fasozine, 29 Jul 2018

⁶¹ Le Pays, 23 Jul 2018

⁶² FratMatin, 19 Jul 2018

foreign affairs minister **Alpha Barry** established the main issues for deliberation during the conference, including the construction of the **Yamoussoukro-Ouagadougou** highway, rehabilitation of the **Abidjan-Ouagadougou-Kaya** (Burkina Faso) railway, and its extension to **Tambao** (Burkina Faso).⁶³ Increasing hydrocarbons and electricity provision as well as strengthening trade along the Abidjan-Ouagadougou corridor were also on the agenda.⁶⁴ Ouattara noted that work has already started on the Yamoussoukro-**Tiebissou** stretch of the Abidjan-Yamoussoukro highway.⁶⁵ However, Ouattara expressed his disappointment at the slow pace of the railway rehabilitation venture.⁶⁶ The project spans 1,300 km and will reportedly cost €1.83 billion (\$2 billion).⁶⁷ **France**-based **Groupe Bolloré** is undertaking the railway project at a cost of €400m (\$471m), shared equally by Burkinabé and Ivorian governments.⁶⁸ The next TAC conference will take place from July 2019 in Ouagadougou.⁶⁹

Cote d'Ivoire-based Société Ivoirienne de Raffinage (SIR) (oil refinery) and **SITARAIL** (railway), pledged to work with state owned Burkina Faso-based **Société Nationale Burkinabe des Hydrocarbures (SONABHY)** (Burkinabe hydrocarbons) to increase hydrocarbons provision from 175,000-400,000 tonnes per year.⁷⁰ The arrangement will last for the next five years and is renewable.⁷¹ The Ivorian government also agreed to increase its electricity supply to Burkina Faso.⁷² Cote d'Ivoire currently supplies Burkina Faso with 73 megawatts (MW) of electricity but will raise the total to 90MW by January 2019.⁷³

The TAC conference demonstrates that the Ivorian and Burkinabe governments are taking concrete steps towards boosting sustainable and diversified economic cooperation between the countries. The establishment of the **SKBO Special Economic Zone (SEZ)** in May was another indication of this desire (see *ARC Briefing Cote d'Ivoire June 2018*). In 2016, trade between the two countries amounted to \$346m. If the projects outlined during the TAC conference materialise, this will certainly increase.⁷⁴ The projects present investment opportunities for businesspeople who want to become involved in the projects or in the domains such as transport and energy to which they are directly related.

Planner

2020 (**Côte d'Ivoire**) *Abidjan.net*. Scheduled presidential elections

October 2018 (**Côte d'Ivoire**) *Jeune Afrique* Scheduled municipal and regional elections

9-11 Oct 2018 **Abidjan (Côte d'Ivoire)** *Jeune Afrique*. 2nd **Ecovas Mining and Petroleum Forum**

July 2019: **Ouagadougou (Burkina Faso) Traité d'Amitié et de Cooperation (TAC) conference;**

⁶³ Le Pays, 23 Jul 2018

⁶⁴ Le Pays, 23 Jul 2018

⁶⁵ Jeune Afrique, 31 Jul 2018

⁶⁶ Jeune Afrique, 31 Jul 2018

⁶⁷ Jeune Afrique, 31 Jul 2018

⁶⁸ Jeune Afrique, 18 May 2018

⁶⁹ Faszine, 29 Jul 2018

⁷⁰ Faszine, 28 Jul 2018

⁷¹ Faszine, 28 Jul 2018

⁷² Faszine, 29 Jul 2018

⁷³ Faszine, 29 Jul 2018

⁷⁴ Jeune Afrique, 18 May 2018

Oct 2018 (**Côte d'Ivoire**) *Abidjan.net*. The **Conseil Café-Cacao** (coffee and cocoa board) makes its pre-season cocoa farmgate price policy announcement;

Chronology

9 Aug 2018 **Abidjan (Côte d'Ivoire)** *Jeune Afrique*. Former president **Henri Konan Bedié** announces withdrawal of the **Parti Démocratique de Côte d'Ivoire** from the **Rassemblement des Houphouétistes pour la Démocratie et la Paix (RHDP)**;

7 Aug 2018 **Abidjan (Côte d'Ivoire)** *RFI*. President **Alassane Ouattara** announces amnesty for 800 people suspected of crimes related to the 2010-2011 political crisis;

3 Aug 2018 **Abidjan (Côte d'Ivoire)** *Koaci.com*. Prime minister **Amadou Gon Coulibaly** inaugurates Cote d'Ivoire's first car assembly plant;

30 Jul 2018 **Abidjan (Côte d'Ivoire)** *Agence Ecofin*. Construction of the fourth Abidjan bridge launched;

19 Jul 2018, **Yamoussoukro (Côte d'Ivoire)** *FratMatin*. Seventh **Traité d'Amitié et de Coopération** conference will take place from 23-27 July;

17 Jul 2018 **Abidjan (Côte d'Ivoire)** *Jeune Afrique*. President **Alassane Ouattara** elected president of **Rassemblement des Houphouétistes pour la Démocratie et la Paix (RHDP)** at the party general assembly;

12 Jul 2018 **Washington DC (United States)** *Press Release*. **World Bank** releases *La Côte d'Ivoire face au Changement Climatique (Tomorrow Never Dies: Côte d'Ivoire and Climate Change)*, which projects favourable mid-term economic outlook for Cote d'Ivoire;

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