

AFRICA RISK CONSULTING

Côte d'Ivoire Briefing November 2019

Côte d'Ivoire Summary 20 November 2019

Cote d'Ivoire state lawyers file an application at the Appeals Chamber of the International Criminal Court (ICC) against lifting the conditions of former president Laurent Gbagbo's (2000-2011) provisional release from prison, following his acquittal by the ICC in January. If successful, the application will curtail Gbagbo's attempts to return to Cote d'Ivoire and play an active political role in the lead-up to the 2020 presidential elections. Cote d'Ivoire attempts to attract Russian investment in its hydrocarbon and gas sectors. Energy minister Abdourahmane Cisse will put up 18 oil blocks for sale by tender but will prioritise the sale of five blocks located in shallow water. Cote d'Ivoire improves its ranking in the World Bank's 2020 Doing Business Report by 12 places, moving from 122 to 110 out of 190 countries.

ICC to decide Gbagbo's fate again ...

Ivorian state counsels **Jean-Paul Benoît** and **Jean-Pierre Mignard** have filed an application at the **International Criminal Court (ICC) Appeals Chamber** against lifting the conditions of former president **Laurent Gbagbo's** (2000-2011) provisional release from prison. Their attempt to prevent Gbagbo from returning to **Cote d'Ivoire** may determine whether he will be able to join the slate of candidates running in the 2020 presidential elections.

Gbagbo was the first former head of state to stand trial at the ICC. He and his aide, **Charles Blé Goudé**, faced charges at the ICC of crimes against humanity allegedly committed in 2010 and 2011, over a wave of violence following disputed elections in 2010.¹ The ICC acquitted Gbagbo on 15 January, with parole conditions including that he is not allowed to leave the **Brussels (Belgium)** region.² Since his acquittal, he has resided in Brussels with his second wife, **Nady Bamba**.³ ICC chief prosecutor **Fatou Bensouda** appealed on 15 September to have Gbagbo's January acquittal reversed.⁴ Her decision is based on the grounds that legal and procedural errors took place during the trial that led to the acquittal verdict.⁵

Gbagbo's lead counsel, **Emmanuel Altit**, lodged an appeal at the ICC's Appeals Chamber on 7 October requesting that the institution enact Gbagbo's "*immediate and unconditional release*".⁶ Altit claims that Gbagbo's parole conditions prevent him from fully enjoying his civil and political rights. These restrictions include that Gbagbo must reside in an ICC member state and must not interact with witnesses or talk about his case in the media.⁷ Altit argued that:

"The maintenance of the restrictive regime of freedom would have in this context, the effect of forbidding Gbagbo to play a role in public life and in the reconciliation of his country. This could prohibit him for example, from participating in one way or another in the forthcoming presidential election."⁸

¹ ICC press release, 16 Jan 2019

² RFI, 2 Feb 2019

³ Jeune Afrique, 2 Feb 2019

⁴ Jeune Afrique, 16 Sep 2019

⁵ Jeune Afrique, 29 Oct 2019

⁶ Jeune Afrique, 8 Oct 2019

⁷ RFI, 2 Feb 2019

⁸ Jeune Afrique, 8 Oct 2019

Altit also claims that the Ivorian state is acting in bad faith, as they are “*neither a party nor participant*” in the case and therefore do not have the legal capacity to act or intervene at any stage of the proceedings.⁹

State lawyers Benoît and Mignard provided a seven-page document to the ICC on 25 October, supporting the ICC’s restrictions on Gbagbo.¹⁰ The state lawyers said they were willing to provide a more detailed report to support their call to uphold Gbagbo’s conditional release.¹¹ Benoît denied that Gbagbo’s personal rights were being violated.¹²

Gbagbo has become increasingly involved in Ivorian political affairs without violating the restrictions placed on him by the ICC. He has reasserted himself as leader of the opposition **Front Populaire Ivoirien (FPI)** and sidelined the party’s erstwhile government recognised leader, **Pascal Affi N’Guessan** (see *ARC Briefing Cote d’Ivoire August 2019*). In August, a face-to-face meeting between Gbagbo and his former political foe, ex-President **Henri Konan Bédié** (1993-1999), the first since 2010, led them to announce that they were committed to fostering reconciliation in Cote d’Ivoire.¹³ This was followed by the formalisation of a political alliance between Gbagbo’s FPI and Bédié’s opposition **Parti Démocratique de Côte d’Ivoire (PDCI)** in September (see *ARC Briefing Cote d’Ivoire September 2019*).¹⁴ The alliance intends to run against the ruling **Rassemblement des Houphouëtistes pour la Démocratie et la Paix (RHDP)** in next year’s election.¹⁵

There are rumours in Ivorian media that the ICC will rule on Bensouda’s appeal within “*a matter of weeks*”.¹⁶ President **Alassane Ouattara** (2010-present) will no doubt keep a close watch on the case.¹⁷

Cote d’Ivoire puts 18 offshore oil blocks up for sale

Cote d’Ivoire has demonstrated its ambition to develop its hydrocarbons industry by putting up 18 oil blocks for sale by tender.¹⁸ During the **Russia-Africa Economic Forum** held in **Sochi (Russia)** from 22-24 October, President Ouattara encouraged Russian investors to invest in Cote d’Ivoire’s energy sector.¹⁹ Meetings took place between energy minister **Abdourahmane Cissé** and representatives of Russia’s energy department and local private sector actors, such as oil and gas firm **Lukoil** and majority state-owned natural gas company **Gazprom**.²⁰ During the meetings, Cissé presented opportunities available in the Ivorian hydrocarbons sector and indicated Cote d’Ivoire’s intention to sell the 18 oil blocks. He suggested the possibility of fostering greater cooperation with the Russians in order to develop the nascent Ivorian gas sector.²¹

Cissé and President Ouattara took further steps to promote investment in the hydrocarbons sector during **Africa Oil and Gas Week** from 5-8 November in **Cape Town (South Africa)**.²² Cissé specified that the five priority oil blocks to be put up for sale would include **CI-800, CI-801, CI-802, CI-102 and CI-503**, located in south-east Cote d’Ivoire, towards the **Ghanaian** border. These blocks are located in shallow water, unlike the other blocks, which are in deep water.²³ The Ivorian delegation referred to the reforms the government has instituted during the past five years. These include the development of the **1996 Oil Code** and the revision of the Production Sharing Contracts (PSCs) to adapt them to the

⁹ Jeune Afrique, 29 Oct 2019

¹⁰ Jeune Afrique, 29 Oct 2019

¹¹ Africanews, 29 Oct 2019

¹² Jeune Afrique, 29 Oct 2019

¹³ Koaci.com, 29 Jul 2019

¹⁴ Jeune Afrique, 14 Sep 2019

¹⁵ Jeune Afrique, 14 Sep 2019

¹⁶ Jeune Afrique, 29 Oct 2019

¹⁷ Jeune Afrique, 29 Oct 2019

¹⁸ Jeune Afrique, 8 Nov 2019

¹⁹ 225invest.ci, 23 Oct 2019

²⁰ FratMat.info, 29 Oct 2019

²¹ FratMat.info, 29 Oct 2019

²² Jeune Afrique, 8 Nov 2019

²³ Jeune Afrique, 8 Nov 2019

new requirements of the sector.²⁴ These have led to 47 signed PSCs, including four contracts in the ultra-deep offshore, the realisation of several seismic campaigns, as well as exploration drilling with discoveries of hydrocarbons showings, some of which are being evaluated.²⁵ The delegation also underlined the improvement of the governance of the hydrocarbons sector through effective monitoring of contractual obligations.²⁶

Cote d'Ivoire is not a large producer of oil.²⁷ The hydrocarbons sector contributes 15% of its exports and 4% of GDP growth.²⁸ Government spokesperson **Sidi Toure** said oil production stood at 38,000 barrels per day (bpd) in 2018,²⁹ a reduction from the 45,000 bpd production rate in 2016.³⁰ The drop in output is attributed to the loss of oil reserves that were ceded to Ghana following the resolution of a maritime boundary dispute in 2009.³¹ Only four oil blocks are currently in production, although, companies such as **France-based Total**, **United Kingdom (UK)-based Tullow Oil** and **Italy-based Eni** are involved in the development of Cote d'Ivoire's sedimentary basin.³² Lukoil and UK-based **Enquest** have likewise expressed interest in sector development activities.³³ Cote d'Ivoire also provides 213 million cubic feet per day of natural gas.

Cote d'Ivoire had set a production target of 200,000 barrels per day by 2020.³⁴ While the country is not likely to attain this threshold, production is sure to increase as a result of the recent steps taken to develop the hydrocarbons sector.

Cote d'Ivoire improves 12 places in World Bank Doing Business report

The **World Bank's 2020 Doing Business Report** indicates that Cote d'Ivoire has improved its ranking by 12 places, moving from 122 to 110 out of 190 countries.³⁵ The rankings are an annual barometer that uses a variety of indicators to assess the business environments of World Bank member states.³⁶ These indicators include starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency.³⁷

Cote d'Ivoire registered a score of 60.7 out of 100 in the 2020 rankings, a 2.7-point improvement from the 58.0 that Cote d'Ivoire attained in 2019.³⁸ However, it was not among the top ten global business environment reformers in 2020, as was the case in 2019 and 2014/15.³⁹ Nonetheless, it has moved into the position of having the **West African Monetary Union's (WAEMU)** second-best business climate, leapfrogging Ghana but trailing **Togo**.⁴⁰ These results will relay a positive message to current and prospective businesses that Cote d'Ivoire is taking steps towards facilitating its activities and improving its business environment.

²⁴ Agence Ecofin, 7 Nov 2019

²⁵ Agence Ecofin, 7 Nov 2019

²⁶ Agence Ecofin, 7 Nov 2019

²⁷ Agence Ecofin, 7 Nov 2019

²⁸ Agence Ecofin, 31 Oct 2018

²⁹ Agence Ecofin, 7 Nov 2019

³⁰ Agence Ecofin, 31 Oct 2018

³¹ Agence Ecofin, 31 Oct 2018

³² FratMat.info, 29 Oct 2019

³³ Jeune Afrique, 8 Nov 2019

³⁴ Agence Ecofin, 31 Oct 2018

³⁵ World Bank, 24 Oct 2019

³⁶ World Bank, 24 Oct 2019

³⁷ World Bank, 24 Oct 2019

³⁸ World Bank, 24 Oct 2019

³⁹ World Bank, 31 Oct 2018

⁴⁰ World Bank, 24 Oct 2019

World Bank Doing Business Report		
	2019 Ranking	2020 Ranking
Togo	137	97
Cote d'Ivoire	122	110
Ghana	114	118
Senegal	141	123
Nigeria	146	133
Niger	143	132
Mali	145	148

One of the areas in which Cote d'Ivoire has done exceptionally well is starting a business. It achieved a score of 93.70 in this category, and as a result is classified 26th globally.⁴¹ Cote d'Ivoire also stood out in the domain of paying taxes, where its score improved from 46.0 in 2019 to 68.0 in 2020.⁴² However, although Cote d'Ivoire placed above the average score for **sub-Saharan African** countries, it performed below average in the category of trading across borders, scoring 52.4 (regional average 53.6).⁴³ It is an area that the government earmarked for improvement in 2019 and this coming year will provide an opportunity for Cote d'Ivoire to improve in this domain.

Category	Cote d'Ivoire 2019 Score	Cote d'Ivoire 2020 Score	Sub-Saharan Africa 2020 Score
Starting a Business	93.70	93.70	80.1
Dealing with Construction Permits	59.37	57.4	58.5
Getting Electricity	56.23	59.2	50.4
Registering Property	58.03	58.6	53.6
Paying Taxes	46.0	68.0	57.8
Getting Credit	70.0	70.0	45.2
Protecting Minority Investors	40.0	42.0	38.5

The Ivorian government has demonstrated that it is serious about attracting investors by improving the business climate. Cote d'Ivoire has improved 29 places (from 139 to 110) since 2018 in rankings. This sends a positive signal to individuals and organisations that are interested in pursuing activities in Cote d'Ivoire.

⁴¹ World Bank, 24 Oct 2019

⁴² World Bank, 24 Oct 2019

⁴³ World Bank, 24 Oct 2019

Planner

21 Dec 2019 **Abuja (Nigeria)** *Jeune Afrique*. **Economic Community of West African States (ECOWAS)** summit;

9-10 Mar 2020 **Abidjan (Cote d'Ivoire)** *Jeune Afrique*. **African CEO Forum**;

24-25 Mar 2020 **Accra (Ghana)** *Togonews*. **Invest West Africa Forum**;

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

Chronology

21 Nov 2019 **Abidjan (Cote d'Ivoire)** *Jeune Afrique*. **France's** President **Emmanuel Macron** will delay his visit to Cote d'Ivoire, initially planned from 10-11 December, to a later date;

18 Nov 2019 **Abidjan (Cote d'Ivoire)** *Agence Ecofin*. Abidjan-based private equity firm **Janngo Capital** will receive \$16.5m from the **European Investment Bank**;

16 Nov 2019 **Abidjan (Cote d'Ivoire)** *RFI*. The **Gendarmerie Nationale** seizes 200 kg of fake medication from pharmacies across Abidjan;

13 Nov 2019 **Abidjan (Cote d'Ivoire)** *Sika Finance*. The Ivorian government has reached an agreement to take over the **Banque Habitat de Cote d'Ivoire (BHCI)** from **Canada-based WestBridge Mortgage Reit**;

12 Nov 2019 **Abidjan (Cote d'Ivoire)** *RFI*. Ivorian government requests **United Nations** to supervise presidential elections in 2020;

9 Nov 2019 **Abidjan (Cote d'Ivoire)** *Agence Ecofin*. **United Kingdom**-based oil producer **Tullow Oil** awards **China-based Sinopec Geophysical** a contract for 2D seismic surveys that will cover seven contiguous exploration licences along a 1,500 km stretch;

8 Nov 2019 **Abidjan (Cote d'Ivoire)** *Jeune Afrique*. **Egypt-based African Export-Import Bank (Afreximbank)** will finance the \$300m Abidjan industrial park;

7 Nov 2019 **Abidjan (Cote d'Ivoire)** *RFI*. The **Procureur Générale de la Cour d'Appel d'Abidjan** (Abidjan court of appeal prosecutor general) says it will try former minister **Charles Blé Goudé** for crimes against humanity allegedly committed during the 2010-2011 post-election crisis;

4 Nov 2019 **Abidjan (Cote d'Ivoire)** *RFI*. The **United States** threatens to place an embargo on Ivorian cocoa imports, due to allegations of child labour and abuse in the Ivorian cocoa industry;

31 Oct 2019 **Abidjan (Cote d'Ivoire)** *Agence Ecofin*. **France-based SETAO Bouygues and Morocco-based Agentis** have been awarded contracts worth a total of 62 billion FCFA (\$105m) for the rehabilitation and construction of public hospitals in Cote d'Ivoire;

30 Oct 2019 **Abidjan (Cote d'Ivoire)** *La Tribune Afrique*. The **African Development Bank (AfDB)** board of governors approves a 125% increase in general capital, from \$93 billion to \$208 billion, the largest capital increase in the AfDB's history;

29 Oct 2019 **Abidjan (Cote d'Ivoire)** *RFI*. Ivorian state lawyers have filed a petition to the office of the **Appeals Chamber of the International Criminal Court (ICC)** against former president **Laurent Gbagbo** for allegedly violating the conditions of his provisional release;

23 Oct 2019 **Abidjan (Cote d'Ivoire)** *RFI*. Floods have displaced an estimated 4,300 people in **Grand Bassam**;

23 Oct 2019 **Abidjan (Cote d'Ivoire)** *Agence Ecofin*. Telecommunications regulatory authority **Autorité de Régulation des Télécommunications de Côte d'Ivoire (ARTCI)** reports the telecommunications sector earned \$373m in revenue during the first semester of activities in 2019,

a 1.94% drop compared to 2018;

23 Oct 2019 **Abidjan (Cote d'Ivoire) Agence Ecofin**. The Cote d'Ivoire-based **Conseil du Café-Cacao (CCC)** (cocoa and coffee council) and the **Ghana Cocoa Council (Cocobod)** agree to implement the Decent Income Differential (DRD) of \$400 per tonne of cocoa from the 2020/21 harvest season;

22 Oct 2019 **Abidjan (Cote d'Ivoire) Jeune Afrique**. Colonel **Frederic Gauthier**, commander of the **Forces Françaises en Côte d'Ivoire (FFCI)** (French forces in Cote d'Ivoire) announces there will be an amendment of the defence agreement between Cote d'Ivoire and France;

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