

**AFRICA RISK CONSULTING****Côte d'Ivoire Briefing June 2019****Côte d'Ivoire Summary 14 June 2019**

*Senate president and former prime minister Jeannot Ahoussou Kouadio resigns from the opposition **Parti Démocratique de Côte d'Ivoire (PDCI)**, in order to join the ruling **Rassemblement des Houphouétistes pour la Démocratie et la Paix (RHDP)** coalition. Former president **Henri Konan Bedié (1993-1999)** has accused foreigners of fraudulently obtaining Ivorian nationality, carrying out clandestine gold mining, and stirring tensions within different communities. The Ivorian government awards France-based oil major **Total** and Italy-based **Eni** four offshore oil and gas blocks. Two days of violent inter-communal clashes in the locality of **Beoumi** leave 14 people dead, close to 100 injured, and approximately 500 people displaced.*

**Senate president Jeannot Ahoussou Kouadio quits opposition PDCI**

Senate president and former prime minister **Jeannot Ahoussou Kouadio** has resigned from the opposition **Parti Démocratique de Côte d'Ivoire (PDCI)** in order to join the ruling **Rassemblement des Houphouétistes pour la Démocratie et la Paix (RHDP)** coalition.<sup>1</sup> The decision is another blow to the PDCI, which has seen many of its top members renounce PDCI membership since the party withdrew from the ruling coalition in August 2018. The RHDP was established as a political alliance in 2005 and comprised the two largest Ivorian opposition parties at the time, the **Rassemblement des Républicains (RDR)**, led by President **Alassane Ouattara (2010-present)**, and the PDCI, led by former president **Henri Konan Bedié (1993-1999)**. However, the PDCI withdrew from the alliance due to disagreements over Ouattara's plans to form a broad-based political party and his failure to guarantee a PDCI member as the coalition's presidential candidate in 2020 (see *ARC Briefing Cote d'Ivoire August 2018*).<sup>2</sup>

Kouadio's decision – announced on 22 May while presiding over a capacity building seminar for the 33 appointed members of senate – was not unexpected. Kouadio, along with former **Assemblée Nationale** (national assembly) president **Guillaume Soro**, did not attend the RHDP congress in January. At the time, Kouadio's absence was seen as support of Bedié and the PDCI, and it was expected that Kouadio would resign from his legislative position, as Soro did on 8 February (see *ARC Briefing Cote d'Ivoire February 2019*).<sup>3</sup>

Both the RHDP and PDCI had exerted increasing pressure on Kouadio since January to make his allegiance known.<sup>4</sup> Kouadio, who has spent his whole political career in the PDCI and is one of its vice presidents, met with several PDCI officials including executive secretary **Maurice Guikahue**, who tried to convince him to declare his allegiance to the PDCI,

<sup>1</sup> RFI, 24 May 2019

<sup>2</sup> Koaci.com, 25 Jan 2019

<sup>3</sup> Jeune Afrique, 8 Feb 2019

<sup>4</sup> Jeune Afrique, 23 May 2019

reportedly suggesting that Kouadio could be named as the PDCI's 2020 presidential candidate at its upcoming congress.<sup>5</sup> However, after several meetings with President Ouattara, Kouadio formally stated he would remain a member of the RHDP.<sup>6</sup> In an interview with **France**-based pan-African weekly **Jeune Afrique**, Kouadio said that since he was elected as Senate president under the RHDP banner, it was logical that he retain the position within that party.<sup>7</sup> Kouadio said his decision was a sign of loyalty to President Ouattara, expressing his unhappiness over the PDCI-RHDP split and his desire for Ouattara and Bedié to reconcile.<sup>8</sup>

While admitting he would like to see the PDCI back in the ruling coalition, Kouadio expressed dismay at the manner in which the PDCI is being managed.<sup>9</sup> Kouadio referred specifically to the temporary expulsion of vice president **Donald Kablan Duncan** and five cabinet ministers (see *ARC Briefing Cote d'Ivoire April 2019*).<sup>10</sup> Duncan and all the PDCI cabinet ministers have already pledged allegiance to the RHDP. The PDCI disciplinary council made its decision on 4 April to punish the six party members.<sup>11</sup>

Kouadio's defection to the RHDP is a blow for the PDCI and creates more uncertainty within the constantly changing Ivorian political landscape. While the departure of senior party officials has given Bedié the ability to forge new alliances within the opposition, some former PDCI members believe that Bedié and president Ouattara will reconcile before the elections.<sup>12</sup> Kouadio is seen as someone who could establish a rapprochement between the two leaders,<sup>13</sup> having attempted to broker dialogue between Ouattara and Bedié in 2000, following the coup that brought General **Robert Guei** (1999-2000) to power.<sup>14</sup> However, time may be running out – opposition parties such as former president **Laurent Gbagbo's** (2000-2010) **Front Populaire Ivoirien** have already announced a desire to establish an alliance with the PDCI ahead of the 2020 elections.<sup>15</sup>

### **Bedié stirs up controversy with xenophobic political speech**

In a disturbing sign that identity politics will play a role in the 2020 presidential elections, former president Bedié has accused foreigners of fraudulently obtaining Ivorian nationality and stirring tensions within different communities.<sup>16</sup> In an address to PDCI members from the **Abidjan** commune of **Koumassi** on 5 June, Bedié blamed the Ivorian government of smuggling foreigners into the country and illegally granting them Ivorian citizenship.<sup>17</sup> Bedié claimed that the foreigners are subsequently registered to vote in upcoming elections. Bedié made the claim in reference to the **Abobo** district of Abidjan, which has a high concentration of northern Ivorians and foreigners,<sup>18</sup> and is regarded as an RHDP voter stronghold, Bedié

<sup>5</sup> Jeune Afrique, 23 May 2019

<sup>6</sup> Jeune Afrique, 23 May 2019

<sup>7</sup> Jeune Afrique, 27 May 2019

<sup>8</sup> Jeune Afrique, 27 May 2019

<sup>9</sup> Jeune Afrique, 27 May 2019

<sup>10</sup> Jeune Afrique, 27 May 2019

<sup>11</sup> FratMat.info, 4 Apr 2019

<sup>12</sup> Jeune Afrique, 27 May 2019

<sup>13</sup> RFI, 24 May 2019

<sup>14</sup> Jeune Afrique, 27 May 2019

<sup>15</sup> RFI, 25 May 2019

<sup>16</sup> Jeune Afrique, 12 Jun 2019

<sup>17</sup> Jeune Afrique, 12 Jun 2019

<sup>18</sup> RFI, 11 Jun 2019

asserted that armed foreigners were carrying out clandestine gold mining and disrupting peace in different communities:<sup>19</sup>

*“We brought foreigners here to our coffee and cocoa plantations and then people settled on their own. And today they attack Ivorian planters and even dispute ownership of land... we must react so that Ivorians are no longer strangers to their homes because currently we are making sure the Ivorian is foreign to us.”*<sup>20</sup>

Government spokesperson **Sidi Toure** released a statement on 8 June condemning Bedié’s declaration, which he had posted on the PDCI website.<sup>21</sup> Toure said Bedié’s remarks were a threat to peace, social cohesion, national unity and stability of the country:

*“The instrumentalisation of the hatred of foreigners by former president Bedié and the cleavages that resulted were at the base of the various crises the country has faced since the death of former president **Felix Houphouet Boigny** (1960-1993).”*<sup>22</sup>

Any reference to foreigners in Cote d’Ivoire, especially in a negative light, is bound to elicit strong reaction. Cote d’Ivoire has a large population of immigrant origin. Bedié created the policy of ‘Ivoirité’ or ‘Ivorianess’ in the mid-1990’s to distinguish “true Ivorians”.<sup>23</sup> These policies discriminated against communities of foreign origin and Ivorians from the north, who were perceived to be foreign. The policy was used to prevent President Ouattara from running for office, based on the belief that he was from **Burkina Faso**.<sup>24</sup> Ivoirité served as a catalyst for the socio-political crisis that engulfed Cote d’Ivoire for more than a decade and included the 1999 coup, the unsuccessful 2002 coup, the 2002-2007 civil war, and the December 2010-April 2011 post-election crisis.

PDCI executive secretary in charge of communication **Jean-Louis Billon** said that Bedié’s words had been taken out of context.<sup>25</sup> Billon reiterated that the issue of clandestine gold mining is very serious and suggested that it was a source of inter-communal conflicts (see below). Billon accused the government of not taking the matter seriously.<sup>26</sup> Bedié and the PDCI may well be tempted to use ethno-nationalist rhetoric in the lead up to the 2020 presidential election. Such a strategy would create a serious risk of violence occurring before, during and after the election period.

### **Italy-based Eni and France-based Total obtain four offshore oil and gas blocks**

The Ivorian government has awarded **France**-based oil major **Total** and **Italy**-based **Eni** four offshore oil and gas blocks in line with the government’s goal to use the hydrocarbons sector as a means to diversify the economy. Government spokesperson Sidi Toure announced on 22 May that the government had adopted a “communication regarding talks on four contracts to share production with companies Total and Eni”.<sup>27</sup> According to the terms of the agreement, Total and Eni will each control two blocks and have a 90% controlling stake.<sup>28</sup> The remaining

<sup>19</sup> RFI, 11 Jun 2019

<sup>20</sup> Jeune Afrique, 12 Jun 2019

<sup>21</sup> Jeune Afrique, 12 Jun 2019

<sup>22</sup> Jeune Afrique, 12 Jun 2019

<sup>23</sup> Jeune Afrique, 12 Jun 2019

<sup>24</sup> Jeune Afrique, 12 Jun 2019

<sup>25</sup> Jeune Afrique, 11 Jun 2019

<sup>26</sup> Jeune Afrique, 11 Jun 2019

<sup>27</sup> Reuters, 22 May 2019

<sup>28</sup> Oil Review Africa, 5 Jun 2019

10% will be held by state-owned oil company **Petroci**.<sup>29</sup> Total and Eni will spend \$185m during the exploration period, with Total paying \$90m and Eni \$95m.<sup>30</sup> The blocks are among 20 that were made available for purchase at the end of 2018 and cover an area of 911 square kilometres.<sup>31</sup>

Cote d'Ivoire currently has an oil production capacity of 70,000 barrels of petroleum per day.<sup>32</sup> In 2016, Petroci CEO **Ibrahima Diaby** stated that Cote d'Ivoire aims to reach a production capacity of 200,000 barrels per day.<sup>33</sup> This would enable Cote d'Ivoire to diversify its source of exports which is currently dominated by commercial agriculture products such as cocoa, coffee, cashew nut and rubber.<sup>34</sup> The Ivorian oil and gas sector has suffered from a lack of investment due to socio-political instability and political infighting.<sup>35</sup> However, since Ouattara became president, the situation has improved. The resolution of the maritime dispute between Cote d'Ivoire and **Ghana** in 2018 will open up new areas of exploration.<sup>36</sup>

### Inter-communal violence rocks Beoumi

Two days of violent inter-communal clashes in the locality of **Beoumi** have left 14 people dead, close to 100 injured and around 500 people displaced.<sup>37</sup> The incident raises the spectre of politically motivated violence in the lead up to the 2020 presidential elections. According to Beoumi mayor **Jean-Marc Kouassi**, clashes took place on 15 and 16 May as a result of an altercation between a motor-taxi driver and a public transport vehicle operator.<sup>38</sup> Beoumi is located 60 km west of Cote d'Ivoire's second largest city, **Bouake**.<sup>39</sup> The taxi driver belonged to the **Baoule** ethnic group while the public transport vehicle operator is a **Malinke**.<sup>40</sup> The taxi driver was admitted to hospital after the fight, and a rumour spread that he had died.<sup>41</sup> The rumour sparked clashes between the two communities, with antagonists attacking law enforcement officers who tried to intervene and destroying shops and market stalls.<sup>42</sup> A curfew was imposed in Beoumi and security reinforcements deployed from Abidjan, Bouake and the capital, **Yamoussoukro**.<sup>43</sup> Police and gendarmes undertook joint patrols with military support across neighbourhoods and villages in Beoumi. In total, 300 soldiers were deployed in order to prevent retaliation attacks from taking place.<sup>44</sup>

Although the immediate cause of the violence was the altercation between the two individuals, a variety of longstanding and deeply engrained issues underlie the situation. Increasing competition in the local transport sector has seen the involvement of Baoule youth in a domain previously dominated by the Malinke community.<sup>45</sup> The increasing Baoule

<sup>29</sup> Oil Review Africa, 5 Jun 2019

<sup>30</sup> Usine Nouvelle, 22 May 2019

<sup>31</sup> Oil Review Africa, 5 Jun 2019

<sup>32</sup> World Oil, 25 Mar 2019

<sup>33</sup> The Africa Report, 12 Mar 2019

<sup>34</sup> World Oil, 25 Mar 2019

<sup>35</sup> Petroleum Economist, 12 Jan 2018

<sup>36</sup> World Oil, 25 Mar 2019

<sup>37</sup> Jeune Afrique, 3 Jun 2019

<sup>38</sup> Jeune Afrique, 17 May 2019

<sup>39</sup> Jeune Afrique, 17 May 2019

<sup>40</sup> Jeune Afrique, 17 May 2019

<sup>41</sup> Jeune Afrique, 17 May 2019

<sup>42</sup> RFI, 17 May 2019

<sup>43</sup> Jeune Afrique, 17 May 2019

<sup>44</sup> RFI, 17 May 2019

<sup>45</sup> Jeune Afrique, 17 May 2019

involvement in the transport domain is due in large part to the fall in cashew nut prices, which has led the Baoule to seek opportunities in other economic sectors.<sup>46</sup> Access and ownership of land have also been areas of conflict.<sup>47</sup> Altercations took place between Baoule and Malinke in the neighbouring locality of **Marabadiassa** in October 2018 due to a disagreement over the land demarcation between two villages.<sup>48</sup>

Kouassi noted that longstanding political differences between the two communities have also contributed to clashes. Violence broke out between supporters of the opposition PDCI and the ruling RHDP coalition during the October municipal and regional elections.<sup>49</sup> The PDCI is perceived to have a large support base from the Baoule in this area, while Malinkes are seen to be aligned with the RHDP.<sup>50</sup> The municipal election saw the victory of the independent candidate Kouassi (a Baoule) as mayor, who pledged allegiance to the PDCI, over the RHDP candidate, **Yacouba Toure**.<sup>51</sup> Despite the history of inter-communal conflict between these communities, the incidents in May were the first time that such actions led to loss of life and significant damage to property.<sup>52</sup>

In the aftermath of the attacks, state mediator **Adama Toungora** called on the opposing sides to *“favour dialogue in the settlement of conflict”*.<sup>53</sup> Toungora encouraged traditional, religious and community leaders to listen to local stakeholders and sensitise them on the need to promote peaceful and harmonious co-habitation.<sup>54</sup> Government spokesperson Sidi Toure sent a delegation to Beoumi on 17 May, which included mines minister **Jean-Claude Kouassi** and transport minister **Amadou Kone**, in a bid to advocate for dialogue and an end to violence.<sup>55</sup> Toure called on local representatives to present their grievances and describe how they had contributed to the violence.<sup>56</sup> Mayor Kouassi said the main issues discussed related to land and the transport sector, but there was also focus on promoting *“reconciliation, forgiveness and the notion of living together”*.<sup>57</sup> Following the meeting, the **Comité d’Ecoute et de Dialogue** (listen and dialogue committee) was established to foster social cohesion in the community.<sup>58</sup> The **Conseil National des Droits de l’Homme (CNDH)** (national human rights council) also condemned the violence and called on the population to cultivate a spirit of peaceful co-habitation.<sup>59</sup> The CNDH encouraged residents to use legal mechanisms established by the state to resolve differences.<sup>60</sup>

President Ouattara instructed defence minister **Hamed Bakayoko** to ensure that all involved in the violence be identified.<sup>61</sup> General **Alexandre Toure** led the security operation to track suspected culprits.<sup>62</sup> The deployment of security forces led to the initial arrest of 18 people

---

<sup>46</sup> RFI, 2 June 2019

<sup>47</sup> Jeune Afrique, 17 May 2019

<sup>48</sup> Jeune Afrique, 17 May 2019

<sup>49</sup> RFI, 17 May 2019

<sup>50</sup> Jeune Afrique, 17 May 2019

<sup>51</sup> RFI, 2 June 2019

<sup>52</sup> RFI, 2 June 2019

<sup>53</sup> FratMat.info, 17 May 2019

<sup>54</sup> FratMat.info, 17 May 2019

<sup>55</sup> RFI, 19 May 2019

<sup>56</sup> RFI, 19 May 2019

<sup>57</sup> RFI, 19 May 2019

<sup>58</sup> Jeune Afrique, 24 May 2019

<sup>59</sup> FratMat.info, 20 May 2019

<sup>60</sup> FratMat.info, 20 May 2019

<sup>61</sup> Jeune Afrique, 24 May 2019

<sup>62</sup> Jeune Afrique, 24 May 2019

allegedly connected to the attacks, but the total increased to 22 after audiences were concluded with 60 witnesses.<sup>63</sup> Security forces established a crisis cell to disarm members of the population in possession of traditional rifles and other weapons that were used during the attacks. The opposition **Front Populaire Ivoirien (FPI)** criticised the government's steps, with FPI interim secretary general **Odette Sauye** blaming Ouattara for the outbreak of hostilities and describing the incidents as a failure of attempts at national reconciliation.<sup>64</sup>

The violence in Beoumi has cultural, historical, socio-economic and political roots. Beoumi is located in a region that demarcates the predominantly Malinke north and majority Baoule centre.<sup>65</sup> Following the failed coup attempt in 2002 and the civil war that followed from 2002 to 2007, the Malinke were accused of supporting rebel forces.<sup>66</sup> If the government and local stakeholders do not take serious measures to resolve the deep-seated issues, there is a risk that violence will reoccur with respect to the 2020 presidential elections. As the 2018 local elections demonstrated, the split between the PDCI and the RHDP has renewed tensions between these groups, and political parties and politicians may use identity politics to drum up support in the 2020 presidential elections.

### Planner

21-22 Jun 2019 **Abidjan (Cote d'Ivoire) Guinea-Cote d'Ivoire Economic Forum 2020 (Côte d'Ivoire)** *Abidjan.net*. Scheduled presidential elections;

### Chronology

13 Jun 2019 **Abidjan (Cote d'Ivoire)** *Africanews*. Global cocoa industry stakeholders accept the minimum price of \$2,600 per tonne set by Cote d'Ivoire and **Ghana**;

29 May 2019 **Abidjan (Cote d'Ivoire)** *Agence Ecofin*. **Morocco-based Menara Holding**, which operates in construction, real estate, energy and automotive, announces the opening of two subsidiaries in Côte d'Ivoire;

27 May 2019 **Abidjan (Cote d'Ivoire)** *La Tribune Afrique*. Tourism minister **Siandou Fofanale** announces that 480 billion FCFA (\$817m) will be invested in the south-west region of Cote d'Ivoire, to boost the tourism sector;

24 May 2019 **Abidjan (Cote d'Ivoire)** *Jeune Afrique*. A reported 11 persons have been arrested in relation to inter-communal violence in the locality **Beoumi**, just outside of **Bouake**, which left 11 people dead and 90 injured;

23 May 2019 **Abidjan (Cote d'Ivoire)** *Agence Ecofin*. Government spokesperson **Sidi Toure** announces that the Ivorian government has mobilised \$609m for its social spending programme, **PSGouv**;

23 May 2019 **Abidjan (Cote d'Ivoire)** *Koaci.com*. The opposition **Front Populaire**

<sup>63</sup> Jeune Afrique, 3 June 2019

<sup>64</sup> Koaci.com, 17 May 2019

<sup>65</sup> Jeune Afrique, 17 May 2019

<sup>66</sup> RFI, 2 June 2019

**Ivoirien (FPI)** and opposition **Parti Democratique de Cote d'Ivoire (PDCI)** agree in principle to establish a political alliance for the 2020 presidential elections;

22 May 2019 **Abidjan (Cote d'Ivoire)** *Koaci.com*. Senate president **Jeannot Ahoussou Kouadio** defects from the opposition PDCI to join the presidential coalition **Rassemblement des Houphouétistes pour la Démocratie et la Paix (RHDP)**;

22 May 2019 **Abidjan (Cote d'Ivoire)** *Reuters*. The Ivorian government awards four new offshore oil and gas blocks, two to **France**-based oil major **Total** and two to **Italy**-based **ENI**;

19 May 2019 **Abidjan (Cote d'Ivoire)** *Jeune Afrique*. A reported 10 people have been killed as a result of inter-communal violence in the locality of **Beoumi**, just outside of **Bouake**;

17 May 2019 **Abidjan (Cote d'Ivoire)** *La Tribune Afrique*. **Conseil du coton et de l'anacarde** (cotton and cashew nut council) president **Adama Coulibaly** announces Cote d'Ivoire will process 130,000 tonnes (18%) of its estimated cashew nut harvest of 730,000 tonnes for 2019;

17 May 2019 **Abidjan (Cote d'Ivoire)** *Agence Ecofin*. **FDI Intelligence** reports Cote d'Ivoire has experienced a 68% rise in Greenfield Foreign direct investments in 2018, the highest in **Africa** and the **Middle East**;

17 May 2019 **Abidjan (Cote d'Ivoire)** *RFI*. Inter-community violence erupts in **Bouake**;

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