

## AFRICA RISK CONSULTING Côte d'Ivoire Briefing August 2019

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### Côte d'Ivoire Summary 13 August 2019

*Former presidents Henri Konan Bédié (1993-1999) and Laurent Gbagbo (2000-2010) have their first face-to-face interaction since the 2010 presidential elections at a meeting in Brussels (Belgium). President Alassane Ouattara (2010-present) publicly states the need to modify certain aspects of the constitution. The Assemblée Nationale (national assembly) and the Senate adopt the draft law to reform the Commission Electorale Independante (CEI) (independent electoral commission) but the opposition contests the decision. Canada-based Barrick Gold Corp. plans to sell its Tongon gold mine.*

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### Bédié and Gbagbo Brussels meeting heralds political change

Former presidents **Henri Konan Bédié** (1993-1999) and **Laurent Gbagbo** (2000-2010) met in **Brussels (Belgium)** on 29 July, their first meeting since 2010 and the post-election crisis of 2011.<sup>1</sup> The apparent rapprochement between the former heads of state foreshadows the creation of a common front against the camp of President **Alassane Ouattara** (2010-present) in the 2020 presidential elections<sup>2</sup> and adds to the volatility of Cote d'Ivoire's political scene. The leaders reportedly discussed a variety of issues related to Ivorian politics but did not establish terms for a political accord.<sup>3</sup>

Plans to organise a meeting between the two leaders had gained traction since May, following Gbagbo's acquittal by the **International Criminal Court (ICC)** in January (see *ARC Briefing Cote d'Ivoire February 2019*).<sup>4</sup> Bédié and Gbagbo had not met since the first round of presidential elections in November 2010,<sup>5</sup> at which time Bédié had supported Ouattara against Gbagbo. Gbagbo refused to admit his electoral defeat against Ouattara and more than 3,000 people were killed in the ensuing civil conflict.<sup>6</sup> Bédié and his party, the **Parti Démocratique de Côte d'Ivoire (PDCI)**, actively participated in the ruling **Rassemblement des Houphouétistes pour la Démocratie et la Paix (RHDP)** coalition until 2018. The coalition fractured because Bédié felt that Ouattara would not respect the pact to support a PDCI presidential candidate in 2020. Gbagbo received a delegation from the PDCI at his Brussels residence on 7 May to discuss the possibility of the PDCI establishing a political alliance with the Gbagbo's **Front Populaire Ivoirien (FPI)**.<sup>7</sup> Plans to host the meeting accelerated in July when Bédié arrived in **France** for his annual vacation.<sup>8</sup> The meeting took place in Brussels because Gbagbo's provisional ICC release conditions prevent him from

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<sup>1</sup> Koaci.com, 29 Jul 2019

<sup>2</sup> France24, 30 Jul 2019

<sup>3</sup> Koaci.com, 29 Jul 2019

<sup>4</sup> Jeune Afrique, 26 Jul 2019

<sup>5</sup> Koaci.com, 29 Jul 2019

<sup>6</sup> Tellerreport, 30 Jul 2019

<sup>7</sup> Jeune Afrique, 10 May 2019

<sup>8</sup> Jeune Afrique, 24 Jul 2019

leaving the Brussels region.<sup>9</sup> A communiqué released after the meeting thanked the Ivorian people for the solidarity they showed throughout the nation's turmoil and expressed condolences for all the lives lost as a result of the socio-political crisis.<sup>10</sup> Both leaders expressed their desire to participate in the national reconciliation process and help to foster sustainable and definitive peace in Cote d'Ivoire.<sup>11</sup> The communiqué also expressed dismay about growing executive interference in the activities of political parties and the number of Ivorians living in exile and incarcerated as political prisoners.<sup>12</sup> Bédié and Gbagbo called for full-scale reform of the **Commission Electorale Independante (CEI)** (independent electoral commission).<sup>13</sup> The statement was signed by Bédié and Gbagbo, as well as PDCI executive secretary **Maurice Guikane** and **Assoa Adou**, secretary general of the FPI's "*Gbagbo or nothing*" hard-line faction.<sup>14</sup>

The meeting did not see the establishment of a political agreement between the leaders and their respective political formations, but both sides took pains to point out that the creation of a political alliance was not on the meeting's agenda.<sup>15</sup> Bédié's chief of cabinet, **Pierre Narcisse N'dri Kouadio**, said:

*"The time has not yet come for an alliance between the FPI and PDCI, but there is the intention to establish a broad-based political platform."*<sup>16</sup>

N'dri Kouadio said no timetable had been outlined, but added:

*"Bédié wants the establishment of a non-ideological political platform comprised of all Ivorian social and political forces, which would not necessitate the absorption of political parties."*<sup>17</sup>

Bédié announced on France-based **Radio France Internationale (RFI)** on 1 August that the opposition platform would include former president of the **Assemblée Nationale** (national assembly) and ex-vice president of the ruling **Rassemblement des Republicains (RDR)** **Guillaume Soro**.<sup>18</sup> Soro has not made any official statement since the Bédié-Gbagbo meeting.<sup>19</sup>

Prominent members of the ruling RHDP presidential coalition downplayed the significance of the Brussels meeting. RHDP spokesperson **Kobeman Adjouemni** called the meeting "*a non-event*" while RHDP executive director **Adama Bictogo** described it as an event that should concern the opposition rather than the RHDP.<sup>20</sup> Bictogo added that the RHDP has control of 130 municipal councils and 24 regional councils and has sufficient national representation to win the 2020 presidential elections.<sup>21</sup> There were rumours that President Ouattara attempted to prevent the meeting from taking place and sent emissaries to Brussels to

<sup>9</sup> Jeune Afrique, 26 Jul 2019

<sup>10</sup> Koaci.com, 29 Jul 2019

<sup>11</sup> Koaci.com, 29 Jul 2019

<sup>12</sup> Koaci.com, 29 Jul 2019

<sup>13</sup> Koaci.com, 29 Jul 2019

<sup>14</sup> Koaci.com, 29 Jul 2019

<sup>15</sup> RFI, 30 Jul 2019

<sup>16</sup> RFI, 30 Jul 2019

<sup>17</sup> RFI, 30 Jul 2019

<sup>18</sup> RFI, 1 Aug 2019

<sup>19</sup> RFI, 1 Aug 2019

<sup>20</sup> Jeune Afrique, 29 Jul 2019

<sup>21</sup> Jeune Afrique, 29 Jul 2019

dissuade Gbagbo from going ahead with the plans.<sup>22</sup> In an interview with France-based weekly publication **Jeune Afrique**, Ouattara denied the rumours.<sup>23</sup>

The meeting between Bédié and Gbagbo adds to an eventful year in Ivorian politics and changes the political landscape in the lead up to the October 2020 presidential contest. Bédié and Gbagbo's communiqué may send a positive signal to Ivorians that they are ready to turn a page on their past political antagonism. Although there is a concerted desire to form an anti-Ouattara opposition political platform, several issues may hamper its relevance, if it even sees the light of day. The decision by many high-profile PDCI members to remain in the RHDP deprives Bédié of significant political capital. The FPI is also divided, as Gbagbo's return to the forefront has led the government-recognised FPI secretary general, **Pascal Affi N'Guessan**, to be sidelined in favour of hard-line Gbagbo loyalist Assoa Adou in that position. This may create friction within the FPI. In addition, Gbagbo does not appear to be keen to work with Soro, who was his former prime minister, but whom he blames for many of the health issues he was subjected to while imprisoned in **Korhogo** following his arrest in April 2011.<sup>24</sup> Ouattara may also be tempted to defy the growing coalition against his rule and his party, and run for another term, despite the constitution stating that he has exhausted the two-term limit.

President Alassane Ouattara has stated the need to change certain aspects of the constitution<sup>25</sup> without giving details about which parts of the constitution need modification.<sup>26</sup> There is growing speculation he may try to amend the document in order to run for a third presidential term in 2020. During an interview with state broadcaster **Radio Television Ivoirienne (RTI)** on the eve of Cote d'Ivoire's 59<sup>th</sup> anniversary, Ouattara said the new constitution, which was established in 2016, allows him to run for another two terms.<sup>27</sup> Ouattara claims that the new constitution does not take into account the presidential terms under the old constitution.<sup>28</sup> Ouattara also alluded to the positive state of his health, which he said would allow him even at the age of 78 to carry out presidential functions.<sup>29</sup> Ouattara said he would take the decision on whether to stand for another presidential mandate in 2020, a stance he has taken since the RHDP congress in January (see *ARC Briefing Cote d'Ivoire January 2019*).<sup>30</sup>

### Draft law to reform local electoral commission adopted

The national assembly and senate have adopted a draft law to reform the Commission Electorale Independante (CEI) amid opposition criticism.<sup>31</sup> Opposition claims that the CEI is not independent and impartial may call into question the legitimacy of the upcoming presidential elections. The national assembly voted on 30 July to adopt the draft law to reform the CEI with 124 votes to 74.<sup>32</sup> The senate adopted the draft law on 2 August.<sup>33</sup>

<sup>22</sup> Jeune Afrique, 5 Aug 2019

<sup>23</sup> Jeune Afrique, 29 Jul 2019

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

<sup>25</sup> Le Point, 7 Aug 2019

<sup>26</sup> Jeune Afrique, 6 Aug 2019

<sup>27</sup> Le Point, 7 Aug 2019

<sup>28</sup> Le Point, 7 Aug 2019

<sup>29</sup> Le Point, 7 Aug 2019

<sup>30</sup> Le Point, 7 Aug 2019

<sup>31</sup> RFI, 31 Jul 2019

<sup>32</sup> RFI, 31 Jul 2019

<sup>33</sup> Jeune Afrique, 6 Aug 2019

The rationale for CEI reform was a November 2016 judgement by the **African Court on Human and Peoples Rights (AfCHPR)** that the CEI lacks the necessary independence and impartiality to organise free and fair elections and recommended that a more balanced membership be instituted.<sup>34</sup> The complaint was lodged by local civil society organisation (CSO) **Association pour la Promotion des Droits de l'Homme (APDH)** (association for the promotion of human rights).<sup>35</sup> The new law provides that the CEI will consist of 17 members, an increase from the previous membership of 15.<sup>36</sup> The ruling party and opposition parties will henceforth have three members each, while six members will come from CSOs.<sup>37</sup> The judiciary, presidency and ministry of justice will each have one representative at the commission.<sup>38</sup>

Although the law will ensure more balanced CEI representation, various opposition groups did not support the move, claiming there would be too many commissioners who bear allegiance to the government.<sup>39</sup> Opposition **Rassemblement des Republicains (Rassemblement)** MP **Alain Lobognon** says the CEI is a challenge to democratic gains while **Vox Populi** opposition parliamentary group president **Yasmina Ouegnin** said not enough time was given to examine the draft law, as it was only provided a day before the vote.<sup>40</sup> Opposition political parties had complained in January and March that they were not being properly consulted on the matter.<sup>41</sup> ADPH president **Arsene Nene Bi** claims the new law contains contentious elements, notably the presence of a presidential representative, even though the president is always the head of the ruling party.<sup>42</sup> Rassemblement, PDCI and Vox Populi filed an appeal at the **Cour Constitutionnelle** (constitutional court) against the state for the adoption of the law.<sup>43</sup> The motion was supported by 66 MPs who accused the state of non-compliance with its obligation to create an independent and impartial electoral body.<sup>44</sup> The constitutional court rejected the opposition's complaint on 5 August.

Additional controversy related to the CEI is Ouattara's apparent desire to retain **Yousouf Bakayoko** as head of the CEI, a position he has held since 2010.<sup>45</sup> Bakayoko's mandate expired in 2016 and the opposition claims he is not impartial.<sup>46</sup> However, the government appeared to believe that reconfiguring the composition of the CEI was sufficient to meet the judgement of the AfCHPR.<sup>47</sup> President Ouattara has said he will enact the law and that debate surrounding the matter should end.<sup>48</sup> PDCI MP **Marius Konan** says the opposition is prepared to approach the AfCHPR once more on the matter despite the constitutional court's rejection of the appeal and Ouattara's firm intention to enact the new CEI law.<sup>49</sup> If the government does not address opposition calls for reform, this could call into question the

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<sup>34</sup> ICJR, 7 Dec 2016

<sup>35</sup> ICJR, 7 Dec 2016

<sup>36</sup> RFI, 31 Jul 2109

<sup>37</sup> RFI, 31 Jul 2109

<sup>38</sup> RFI, 31 Jul 2109

<sup>39</sup> RFI, 31 Jul 2109

<sup>40</sup> RFI, 31 Jul 2109

<sup>41</sup> Jeune Afrique, 3 Mar 2019

<sup>42</sup> Jeune Afrique, 31 Jul 2019

<sup>43</sup> Jeune Afrique, 6 Aug 2019

<sup>44</sup> Jeune Afrique, 6 Aug 2019

<sup>45</sup> Jeune Afrique, 30 Jul 2019

<sup>46</sup> Jeune Afrique, 30 Jul 2019

<sup>47</sup> RFI, 31 Jul 2109

<sup>48</sup> Le Point, 7 Aug 2019

<sup>49</sup> RFI, 8 Aug 2019

credibility of elections in 2020 and possibly lead to the kind of violence seen during the local elections in October 2018.

### **Barrick set to sell stake in Tongon Gold mine**

**Canada-based Barrick Gold Corp** is looking to sell the **Tongon** gold mine<sup>50</sup> as part of a plan to dispose of assets it acquired following its \$6.5 billion purchase of **South Africa-based Randgold Resources Ltd** in September 2018.<sup>51</sup> Barrick is currently working with Canada-based **Bank of Nova Scotia (Scotiabank)** to identify potential buyers, and plans to start a formal process soon for all or part of its stake.<sup>52</sup> Barrick has a 90% stake in the Tongon gold mine, while the remaining 10% is owned by the Ivorian government and local investors.<sup>53</sup> The mine is located 682 km from Abidjan and employs 1,723 individuals.<sup>54</sup>

Barrick president and CEO **Mark Bristow** first announced the decision to put Tongon up for sale in May.<sup>55</sup> Bristow indicated that Barrick would offload assets to the value of \$1.5 billion and Tongon was one of the assets identified to be sold.<sup>56</sup> The decision to sell Tongon appears to contradict Bristow's earlier statement that Barrick intended to increase investments at the mine and establish a programme that would expand the life of the mine.<sup>57</sup> Tongon produced 230,000 ounces in 2018 and this is set to increase to 250,000-270,000 ounces in 2019.<sup>58</sup> However, during the first quarter of 2018, Tongon lost 22 billion FCFA (\$22m), due in large part to work stoppages related to strike action (see *ARC Briefing Cote d'Ivoire May 2018*).<sup>59</sup>

Barrick's decision to sell the Tongon gold mine is likely to attract significant investor interest. **United States (US)**-based investment banking company **Goldman Sachs** predicts that the gold price will rise to \$1,600 per ounce over the next six months due to an unfavourable global economic climate and trade tensions between **China** and the US that have boosted gold's appeal as a hedge against financial turmoil.<sup>60</sup>

Prime minister **Amadou Gon Coulibaly** has said the government wants the mining sector to become a pillar of the Ivorian economy.<sup>61</sup> The mining sector currently contributes 2% of Cote d'Ivoire's GDP.<sup>62</sup> Since the introduction of a new mining code in 2014, the government had granted 178 mining research permits and 16 industrial licences by the end of 2018.<sup>63</sup> Cote d'Ivoire's industrial gold production has seen a substantial increase from seven tonnes in 2009 to 25 tonnes in 2018,<sup>64</sup> following a 3.57% drop in production from a record output of 26 tonnes in 2017.<sup>65</sup> Côte d'Ivoire experienced an 11% increase in mining revenue from \$907m in 2016 to \$1 billion in 2017. Profits from the sector are encouraging. Government spokesperson **Sidi Toure** said gold exploitation generated \$991m in profit in 2018,

<sup>50</sup> Reuters, 8 Aug 2019

<sup>51</sup> Reuters, 24 Sep 2018

<sup>52</sup> Reuters, 8 Aug 2019

<sup>53</sup> Bloomberg, 7 Aug 2019

<sup>54</sup> Bloomberg, 7 Aug 2019

<sup>55</sup> Mining.com, 5 Aug 2019

<sup>56</sup> Mining.com, 5 Aug 2019

<sup>57</sup> La Tribune Afrique, 10 Aug 2019

<sup>58</sup> Reuters, 8 Aug 2019

<sup>59</sup> Cotedivoire-economie.com, 3 May 2018

<sup>60</sup> Bloomberg, 7 Aug 2019

<sup>61</sup> La Tribune Afrique, 12 May 2019

<sup>62</sup> Cotedivoire-economie.com, 20 Apr 2018

<sup>63</sup> La Tribune Afrique, 12 May 2019

<sup>64</sup> La Tribune Afrique, 12 May 2019

<sup>65</sup> Jeune Afrique, 11 Apr 2019

compared to \$917m in 2017.<sup>66</sup> In 2019, **Australia-based Perseus Mining**<sup>67</sup> and Canada-based **Endeavour Mining Group**<sup>68</sup> have both carried out large-scale investments in the Ivorian gold sector (see *ARC Briefing Cote d'Ivoire May 2019*).

### Planner

2019 (TBA) **Abidjan (Cote d'Ivoire) Parti Démocratique de Côte d'Ivoire (PDCI)** Ordinary Congress;

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

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

### Chronology

10 Aug 2019 **Abidjan (Cote d'Ivoire) Jeune Afrique. COJEP**, the political party of former minister **Charles Blé Goudé**, will host its congress on 17 August in Abidjan;

7 Aug 2019 **Abidjan (Cote d'Ivoire) Bloomberg. Canada-based Barrick Gold Corp** intends to sell its **Tongon** gold mine;

7 Aug 2019 **Abidjan (Cote d'Ivoire) Al Jazeera**. President **Alassane Ouattara** says Cote d'Ivoire and **Ghana** will not sell cocoa from the 2020-2021 crop for less than \$2,600 per tonne;

6 Aug 2019 **Abidjan (Cote d'Ivoire) La Tribune Afrique**. The 18th **African Growth and Opportunity Act (AGO)** summit concludes in Abidjan;

6 Aug 2019 **Abidjan (Cote d'Ivoire) Jeune Afrique**. President **Alassane Ouattara** in an interview with state broadcaster **RTI** expresses his desire to modify the 2016 constitution;

5 Aug 2019 **Abidjan (Cote d'Ivoire) Agence Ecofin. Morocco-based** medical infrastructure and equipment company **Agentis** will construct a \$50m **Centre Hospitalier Régional** (regional hospital centre) at **Adzope**;

2 Aug 2019 **Abidjan (Cote d'Ivoire) Jeune Afrique. China Harbour Engineering Company** commences work on the extension of the **Akoupe-Zeudji** industrial zone in Abidjan, which will last 18 months and cost €80.5m (\$89.5m);

2 Aug 2019 **Abidjan (Cote d'Ivoire) RFI**. Former president **Henri Konan Bedié** announces that an opposition alliance will be established and will include himself, former president **Laurent Gbagbo** and **Guillaume Soro**;

Aug 1 2019 **Ouagadougou (Burkina Faso) Koaci.com. Burkina Faso and Cote d'Ivoire** sign 11 bilateral accords during the 8th **Traite d'Amité et Cooperation** (treaty of friendship and cooperation);

30 Jul 2019 **Abidjan (Cote d'Ivoire) Jeune Afrique**. The **Assemblée Nationale** (national assembly) adopts a new electoral code;

29 Jul 2019 **Brussels (Belgium) RFI**. Meeting takes place between former presidents

<sup>66</sup> Jeune Afrique, 11 Apr 2019

<sup>67</sup> Mining Weekly, 26 Apr 2019

<sup>68</sup> La Tribune Afrique, 12 May 2019

**Henri Konan Bedié** and **Laurent Gbagbo** for the first time since 2010 elections;

26 Jul 2019 **Abidjan (Cote d'Ivoire)** *Agence Ecofin*. The **Agence Nationale Sénégalaise des Statistiques et de la Démographie (ANSD)** (Senegalese national statistics and demography agency) reports Cote d'Ivoire was the largest foreign investor in Senegal during the first quarter, investing 13.51 billion FCFA (\$23m) in Q1 2019;

25 Jul 2019 **Abidjan (Cote d'Ivoire)** *Jeune Afrique*. The **Azito** gas plant will receive a 170 billion FCFA (\$290.6m) investment from a consortium of nine financial institutions;

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