

AFRICA RISK CONSULTING

Côte d'Ivoire Briefing July 2018

Côte d'Ivoire Summary 15 July 2018

President Alassane Ouattara (2010-present) dissolves the cabinet and asks prime minister Amadou Gon Coulibaly to form a new government. Le Parti Démocratique de Côte d'Ivoire (PDCI) refuses to formalise its membership of the Rassemblement des Houphouétistes pour la Démocratie et la Paix (RHDP) until after the 2020 presidential elections. The Commission Electorale Indépendante (CEI) concludes its electoral list revision amidst claims of fraud. Côte d'Ivoire receives \$136.6m and \$598m loans from the International Monetary Fund and World Bank respectively amidst increased investment in the power generation domain.

Ouattara dissolves cabinet and appoints new government

President **Alassane Ouattara** (2010-present) dissolved the cabinet on 4 July.¹ Prime minister **Amadou Gon Coulibaly** resigned but Ouattara reappointed him to the same position and asked him to form a new government.² Ouattara first mentioned the prospect of a cabinet reshuffle at the extraordinary congress of the ruling **Rassemblement des Républicains (RDR)** in May.³ Ouattara said the new cabinet would consist of members of the **Rassemblement des Houphouétistes pour la Démocratie et la Paix (RHDP)** and two members of civil society.⁴ The RHDP is the newly merged party that will host all the political parties that are members of the current presidential coalition (see *ARC Briefing Cote d'Ivoire April 2018*). Ouattara said the new government would see the inclusion of RHDP coalition parties such as **l'Union pour la Démocratie et la Paix en Côte d'Ivoire (UDPCI)**, the **Parti Ivoirien du Travail (PIT)**, and the **Mouvement des Forces de l'Avenir (MFA)**.⁵ It was uncertain whether Ouattara would retain ministers from the **Parti Démocratique de Côte d'Ivoire (PDCI)** as the party has yet to formally adhere to the new RHDP (see below).

Gon Coulibaly revealed the 40-member cabinet consisting of 35 ministers and 5 secretaries of state (rank of vice minister) on 10 July.⁶ Gon Coulibaly said the new government is made up of individuals and political parties who support the notion of the unified party.⁷ Key Ouattara allies such as **Hamed Bakayoko** (minister of state in charge of defence) did not change ministerial portfolio.⁸ Political parties that had formalised their RHDP membership obtained cabinet positions. **Abdallah Albert Toikeusse** (higher education and scientific research) and **Laurent Tchagba** (hydraulics) will represent the UDPCI in government.⁹ **Joseph Seka Seka** (environment and sustainable development) is the PTI representative, while **Siaka Ouattara**

¹ Jeune Afrique, 4 Jul 2018

² Jeune Afrique, 4 Jul 2018

³ Jeune Afrique, 29 May 2018

⁴ Jeune Afrique, 4 Jul 2018

⁵ RFI, 4 Jul 2018

⁶ Jeune Afrique, 10 Jul 2018

⁷ Koaci.info, 11 Jul 2018

⁸ Jeune Afrique, 10 Jul 2018

⁹ Jeune Afrique, 10 Jul 2018

from the MFA is the secretary of state for civic service.¹⁰ Sidiki Konate, an ex-rebel and former ally of **Assemblée nationale** (national assembly) president **Guillaume Soro**, was a surprise appointment to the handicrafts ministry.¹¹ Despite the PDCI's delay in joining the RHDP party, all eight PDCI ministers from the previous government were retained, while four additional PDCI members were appointed.¹² The PDCI claimed that Ouattara had neither consulted nor informed its leader, former president **Henri Konan Bedié** (1993-1999), in regard to the cabinet reshuffle.¹³ This is an anomaly, as Ouattara usually consults Bedié when such a scenario arises. Gon Coulibaly said the incoming cabinet's objectives will include increasing water accessibility, reducing poverty, improving the business climate and attracting more private investment.¹⁴

Portfolio ¹⁵	New cabinet minister
Prime minister, budget minister, head of government	Amadou Gon Coulibaly
Petroleum, energy and renewable energy	Thierry Tanou
Interior and security	Sidike Diakite
Economy and finance	Adama Kone
Mines and geology	Jean-Claude Kouassi
Foreign affairs	Amon Marcel Tanoh
Defence	Hamed Bakayoko
Transport	Adamou Kone
Justice and Keeper of the Seals	Sansan Kambile
Presidential affairs	Mohamed Diané
Investments and Public-Private Partnership	Gabriel Curtus
Youth empowerment and employment, assistant government spokesperson	Mamadou Toure
National education, technical education and professional training	Kandia Kamissoko Camara
Health and public hygiene	Aouélé Eugène Aka
Higher education and scientific research	Mabri Toikeusse
Sports	Paulin Danho
Administrative reform and public service innovation	Raymonde Goudou Coffie
Women, family and children	Ramata Ly Bakayako
Agriculture and rural development	Mamadou Sangafowa Coulibaly
Solidarity, social cohesion and poverty reduction	Mariatou Koné
Culture and the Francophonie	Maurice Kouakou Bandaman
Post and digital economy	Claude Isaac Dé
African Integration and Ivorians in the Diaspora	Ally Coulibaly
Construction, housing and urbanisation	Bruno Kone
Tourism	Siandou Fofana

¹⁰ Jeune Afrique, 10 Jul 2018

¹¹ Jeune Afrique, 10 Jul 2018

¹² Jeune Afrique, 11 Jul 2018

¹³ Koaci.info, 11 Jul 2018

¹⁴ Koaci.info, 11 Jul 2018

¹⁵ APANews, 27 May 2018

Portfolio ¹⁵	New cabinet minister
Equipment and road maintenance	Amédé Kouakou
Commerce, industry and SME promotion	Souleymane Diarrassouba
Plan and Development	Nialé Kaba
Employment and social protection	Abinan Kouakou Pascal
Communication, media and government spokesperson	Sidi Tiémoko Touré
Public Service	Issa Coulibaly
Environment and sustainable development	Joseph Séka Séka
Cities	Albert François Amichia
Water and forestry	Alain Richard Donwahi
Handicrafts	M. Paulin Danho
Hydraulics	Sidiki Konaté
Sanitation & cleanliness	Anne Désirée Ouloto
Animal resources and fishery	Kobenan Kouassi Adjoumani
Minister in the presidency in charge of relations with the Republic's institutions	Gilbert Koné Kafana
Special adviser	Abdourahmane Cisse

Political considerations were clearly the primary criteria for executive appointments. As Gon Coulibaly noted, the cabinet comprises mainly RHDP members.¹⁶ It also appears to be a cabinet of convenience:

"Ouattara would be shooting himself in the foot if he did not reappoint the PDCI members."¹⁷

The current cabinet will undertake campaigning for the upcoming local elections. Ouattara will do his utmost to ensure cohesion exists within the ruling camp in the months ahead. Following the first cabinet meeting, Ouattara denied claims of dissent within the coalition and urged cabinet members to embrace tolerance and dialogue to strengthen the peace Cote d'Ivoire has achieved since the end of the post-electoral violence in 2011.¹⁸ There are rumours that another cabinet shuffle will take place after local elections.¹⁹

PDCI delays allegiance to RHDP until 2020

The PDCI political bureau held a meeting in **Abidjan** on 16 June to examine the political accord signed on 12 April for the formation of the RHDP party.²⁰ The main outcome of the meeting was the PDCI's decision to delay formally joining the RHDP until after the 2020 presidential elections.²¹ PDCI spokesperson **N'Dri Kouadio Narcisse** said the PDCI will join the RHDP after it has gained control of the presidency in 2020.²² The PDCI has also cancelled its ordinary congress until after the 2020 presidential elections.²³ This would have been the platform at which PDCI members would have formalised the party's membership of the

¹⁶ Koaci.info, 11 Jul 2018

¹⁷ Political analyst Sylvain Nguessan quoted in RFI, 4 Jul 2018

¹⁸ Reuters, 11 Jul 2018

¹⁹ Jeune Afrique, 10 Jul 2018

²⁰ FratMat.info, 17 Jun 2018

²¹ RFI, 18 Jun 2018

²² RFI, 18 Jun 2018

²³ Koaci.info, 17 Jun 2018

RHDP party.²⁴ As a result of the cancellation, the political bureau extended the mandates of PDCI officeholders, including leader Henri Konan Bedié.²⁵ The political bureau has tasked Bedié to lead negotiations with the ruling RDR over the PDCI joining the RHDP.²⁶ The PDCI's decision to delay formalising membership of the RHDP goes against Ouattara's plans.²⁷ Ouattara wants to host an RHDP congress in September, followed by a 12-18 month transition period during which modalities for the new party will be formalised.²⁸

The PDCI political bureau decision has come with notable consequences. While anti-RHDP protagonists such as former commerce and industry minister **Jean-Louis Billion** expressed satisfaction at the decision, there has been opposition from other PDCI actors.²⁹ Pro-RHDP PDCI members met with Bedié in an attempt to convince him to change his mind.³⁰ Bedié's refusal has led animal and water resources minister **Adjoumani Koberan** to establish a movement called "*Sur les Traces du Président Félix Houphouët-Boigny*" (in the footsteps of President **Félix Houphouët-Boigny** (1960-1993)).³¹ The movement is comprised of PDCI ministers favourable to the idea of the party joining the RHDP as soon as possible.³² Koberan says the movement's values are peace, unity and dialogue, and it will be officially launched by the end of July.³³ Koberan insists the movement is not a political party and that it intends to work with Bedié to advance the notion of joining the RHDP.³⁴ Political analyst **Kag Sanoussi** says the decision by some PDCI ministers to create this movement is an attempt to save their positions in the wake of the cabinet reshuffle Ouattara announced in May (see above and *ARC Cote d'Ivoire Briefing May 2018*).³⁵

The PDCI announced a disciplinary council for 5 July in response to the creation of the movement.³⁶ RDR president **Henriette Diabate** and RDR secretary general **Kandia Camara** met Bedié at his **Daoukro** residence on 6 July to discuss the PDCI's stance towards the merged party.³⁷ The RDR hosted a political bureau meeting on 9 July in which it asked Ouattara to take over the presidency of the RHDP, which Bedié currently occupies.³⁸ The RDR also decided to proceed with formation of the RHDP without the PDCI.³⁹

The PDCI-RHDP saga has several implications. It is a blow for Ouattara, who tried to impose his will on the PDCI. It appears Bedié listened to his party members and held out on the decision to join the RHDP.⁴⁰ However, the internal divisions rocking the PDCI will play to the advantage of the RDR and pro-RHDP proponents. If the PDCI decides to no longer cooperate with the RDR and RHDP, it could form an alliance with the opposition **Front Populaire**

²⁴ RFI, 18 Jun 2018

²⁵ Koaci.info, 17 Jun 2018

²⁶ Koaci.info 18 Jun 2018

²⁷ RFI, 19 Jun 2018

²⁸ Jeune Afrique, 29 May 2018

²⁹ RFI, 18 Jun 2018

³⁰ Jeune Afrique, 5 Jul 2018

³¹ Koaci.info, 3 Jul 2018

³² Koaci.info, 3 Jul 2018

³³ Jeune Afrique, 5 Jul 2018

³⁴ Koaci.info, 3 Jul 2018

³⁵ AllAfrica.com, 7 Jul 2018

³⁶ Koaci.info, 3 Jul 2018

³⁷ Koaci.info, 6 Jul 2018

³⁸ Koaci.info, 9 Jul 2018

³⁹ Koaci.info, 9 Jul 2018

⁴⁰ Koaci.info, 18 Jun 2018

Ivoirien (FPI) during the upcoming elections.⁴¹ The PDCI could also team up with Guillaume Soro, who has had a tenuous relation with the RDR and who has stated his presidential ambitions for 2020.

Claims of fraud dog CEI electoral list revision exercise

Commission Electorale Indépendante (CEI) (independent electoral commission) president **Youssef Bakayoko** kicked off Cote d'Ivoire's electoral list revision exercise on 18 June, as announced in May (see *ARC Briefing Cote d'Ivoire May 2018*).⁴² The exercise was set to run from 18-24 June, with the provisional electoral list to be available from 19-23 July, while the final list will be published by September.⁴³ The revision exercise took place at 10,500 centres across the country.⁴⁴ According to the CEI, it has registered 428,233 new voters.⁴⁵ CEI vice president **Gervais Coulibaly** says the figures are provisional but he is satisfied with the number registered.⁴⁶ Coulibaly notes 3,000,000 eligible voters have not enrolled, possibly due to the short timeframe for the registration exercise as well as the opposition's call to boycott the process.⁴⁷

There were allegations of fraud during the revision exercise.⁴⁸ The PDCI alleged that additional and unauthorised voting centres were being set up and submitted evidence to the CEI in this regard.⁴⁹ Civil society organisation **Groupe de Plaidoyer d'Actions pour une Transparence Electorale (GEPATE)** also made claims of electoral fraud.⁵⁰ GEPATE president **Abraham Yourobat** says many voters were registered outside of their place of residence and called on the CEI to sort out the irregularities before elections in October. CEI spokesperson **Victoire Alley** said the CEI is investigating the complaints.⁵¹

The allegations of voter fraud have once again highlighted the issue of CEI reform. At a press briefing on 13 June, FPI leader of the "*Gbagbo or nothing*" faction **Abouramane Sangare** called on the CEI to pursue dialogue to promote reform of the CEI.⁵² Sangare called on the CEI to act on the November 2016 decision of the **African Court of People and Human Rights (AfCHPR)** to ensure that the CEI is able to host transparent and credible elections (see *ARC Briefing Cote d'Ivoire June 2018*).⁵³ If the CEI is unable or unwilling to reform and further allegations of fraud arise during the local elections, this could lead to violence, especially if the opposition decides to participate. The fact that complaints about voter fraud have also come from the PDCI, a member of the ruling coalition at least for now, further attests to the gravity of fraud claims.

⁴¹ Le Pays, 18 June 2018

⁴² FratMat.info, 18 Jun 2018

⁴³ FratMat.info, 24 Jun 2018

⁴⁴ RFI, 27 Jun 2018

⁴⁵ FratMat.info, 26 Jun 2018

⁴⁶ FratMat.info, 26 Jun 2018

⁴⁷ RFI, 27 Jun 2018

⁴⁸ Koaci.info, 27 Jun 2018

⁴⁹ Koaci.info, 27 Jun 2018

⁵⁰ RFI, 7 Jul 2018

⁵¹ RFI, 7 Jul 2018

⁵² Koaci.info, 13 Jun 2018

⁵³ Koaci.info, 13 Jun 2018

IMF grants \$136.6m loan amidst positive medium-term economic outlook

The **International Monetary Fund (IMF)** announced on 18 June that it will grant Cote d'Ivoire a \$136.6m loan.⁵⁴ The loan is intended to support the Ivorian budget and forms part of the three year Extended Credit Facility (ECF) totalling \$917.8m, which Cote d'Ivoire signed with the IMF in December 2016.⁵⁵ The IMF praised the Ivorian government for exercising fiscal prudence and undertaking necessary economic reforms at state-owned petroleum company **Société Nationale d'Opérations Pétrolières de la Côte d'Ivoire (Petroci)** and state-owned refinery **Société Ivoirienne de Raffinage (SIR)**.⁵⁶ According to the IMF, Cote d'Ivoire's budget deficit is currently at 3% and in 2017, it experienced a 7.75% GDP growth rate,⁵⁷ despite the fall in the price of cocoa, Cote d'Ivoire's largest export. Cote d'Ivoire's medium-term economic outlook is positive, as it is expected to generate 7% GDP growth from 2018-2023.⁵⁸ However, the IMF has suggested Cote d'Ivoire undertake further reforms to improve its business climate, in order to attract more private investment and promote inclusive and sustainable growth.⁵⁹

Cote d'Ivoire is ranked 139th on the 2018 **World Bank Doing Business Rankings**. This puts it behind regional counterpart **Ghana** (120), but ahead of **Senegal** (140), **Mali** (143), **Nigeria** (145) and **Burkina Faso** (148).⁶⁰ However, Cote d'Ivoire is ranked fifth in **sub-Saharan Africa**, with respect to starting a business, with only **Niger** (1) in a better position regionally.⁶¹ These statistics as well as the growth projections from the IMF, indicate that Cote d'Ivoire is an attractive **West African** investment environment. However, as the IMF noted, more reforms need to be carried out in order to ensure Cote d'Ivoire meets its full economic potential.⁶²

Cote d'Ivoire receives foreign investment and support in the energy domain

The World Bank, through the **International Development Association (IDA)**, approved a \$598m loan for projects in the infrastructure and energy domains on 29 June.⁶³ The **Projet d'appui a la Compétitivité du Grand Abidjan (PAGOCA)** (project to support competitiveness in Greater Abidjan) will be allocated \$315m.⁶⁴ These funds will go towards improving operations at the **Port Autonome d'Abidjan** so it can become a regional hub for trade and logistics. In addition, the IDA will provide \$283m to **CI-Energies**, which carries out electricity production, transport and distribution in Cote d'Ivoire. The loan will go towards restructuring the institution's debt.⁶⁵ This will enable CI-Energies to have access to capital markets and finance and pursue medium to long-term investments in the electricity production sector.⁶⁶ Cote d'Ivoire has the third largest electric network in the **Economic**

⁵⁴ IMF, 18 Jun 2018

⁵⁵ IMF, 18 Jun 2018

⁵⁶ IMF, 18 Jun 2018

⁵⁷ IMF, 18 Jun 2018

⁵⁸ IMF, 18 Jun 2018

⁵⁹ IMF, 18 Jun 2018

⁶⁰ World Bank Doing Business Report 2018

⁶¹ World Bank Doing Business Report 2018

⁶² IMF, 18 Jun 2018

⁶³ Agence Ecofin, 6 Jul 2018

⁶⁴ Agence Ecofin, 6 Jul 2018

⁶⁵ Agence Ecofin, 6 Jul 2018

⁶⁶ Agence Ecofin, 6 Jul 2018

Community of West Africa (ECOWAS).⁶⁷ However, Cote d'Ivoire is taking steps to increase production capacity and diversify sources of power generation.

Cote d'Ivoire plans to build a 60-70 MW biomass power generation plant, which will run on cocoa pod waste.⁶⁸ The plant will be located in the **Divo** region in the southern cocoa-producing region.⁶⁹ Cote d'Ivoire is the world's largest cocoa producer, with an annual output of close to 2 million tonnes per year, and thousands of tonnes of cocoa pods end up being discarded, left to rot or burned after harvest.⁷⁰ The project is receiving financial and technical support from the **United States Trade and Development Agency (USTDA)**. USTDA will provide \$996,238 to the **Société des Energies Nouvelles (SODEN)** to carry out the project.⁷¹ Cote d'Ivoire aims to increase biomass power generation capacity to 424 MW by 2030.⁷²

Prime minister Amadou Gon Coulibaly launched the **Projet de développement et de rehabilitation du reseau électrique de Cote d'Ivoire (PRODECI)** on 7 July.⁷³ The project will see the construction of 1,685 km of high-tension electric lines, the installation of 11 high-tension electric posts and the rehabilitation of five existing posts.⁷⁴ China will cover 95% of the \$825m cost of PRODECI. The project will be carried out in the Northeast, Centre-North, Centre-West and Western regions of the country, which have approximately 4 million inhabitants.⁷⁵

Cote d'Ivoire currently produces 2,275 MW of electricity and aims to increase its installed capacity to 4,000MW by 2020. Increasing power production will allow Cote d'Ivoire to increase industrial activity, especially in the areas of agricultural transformation and the mining sector. Furthermore, these investments will enable Cote d'Ivoire to become a net exporter of electricity as it already has the third largest electricity network in the ECOWAS region. The World Bank currently ranks Cote d'Ivoire 13th in sub-Saharan Africa in getting access to electricity.⁷⁶ This is better than its regional counterparts including Ghana (16th), Mali (23rd), **Liberia** (37th) and Burkina Faso (40th). The developments indicate that there is room for investors who wish to get involved in the Ivorian energy domain.

Planner

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

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

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

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

⁶⁷ Agence Ecofin, 6 Jul 2018

⁶⁸ Reuters, 2 Jul 2018

⁶⁹ Reuters, 2 Jul 2018

⁷⁰ Reuters, 2 Jul 2018

⁷¹ USTDA, 2 Jul 2018

⁷² Reuters, 2 Jul 2018

⁷³ Agence Ecofin, 9 Jul 2018

⁷⁴ Agence Ecofin, 9 Jul 2018

⁷⁵ Agence Ecofin, 9 Jul 2018

⁷⁶ Agence Ecofin, 6 Jul 2018

Chronology

9 July 2018 **Abidjan (Côte d'Ivoire)** *Jeune Afrique*. President Alassane Ouattara appoints a 40-member cabinet;

7 July 2018 **Abidjan (Côte d'Ivoire)** *Abidjan.net*. Prime minister Amadou Gon Coulibaly launches \$828m **Projet de développement et de rehabilitation du reseau electrique de Cote d'Ivoire (PRODECI)** electricity development and rehabilitation project;

4 July 2018 **Abidjan (Côte d'Ivoire)** *Jeune Afrique*. President **Alassane Ouattara** dissolves cabinet;

2 July 2018 **Abidjan (Côte d'Ivoire)** *Koaci.info*. **United States** secretary of commerce **Mike Ross** undertakes two-day visit to Côte d'Ivoire;

29 June 2018 **Abidjan (Côte d'Ivoire)** *Agence Ecofin*. **World Bank** provides Côte d'Ivoire with a \$598m loan to support energy and infrastructure projects;

19 June 2018 **Abidjan (Côte d'Ivoire)** *VOA Afrique*. Flooding in Abidjan leads to 19 deaths;

18 June 2018 **Abidjan (Côte d'Ivoire)** *International Monetary Fund*. Côte d'Ivoire receives \$136.6m loan from the IMF as the IMF projects 7% GDP growth from 2018-2023;

15 June 2018 **Toulouse (France)** *Airbus*. Airbus signs MOU with Ivorian government to help develop Ivorian aerospace industry;

18 June 2018 **Abidjan (Côte d'Ivoire)** *FratMat.info*. **Commission Electorale Indépendante (CEI)** commences electoral list revision exercise;

18 June 2018 **Abidjan (Côte d'Ivoire)** *Koaci.info*. **Parti Démocratique de Côte d'Ivoire (PDCI)** hosts political bureau meeting;

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