

AFRICA RISK CONSULTING

Côte d'Ivoire Briefing September 2021

Côte d'Ivoire Summary 29 September 2021

Côte d'Ivoire will receive \$925m as part of the \$650 billion in Special Drawing Rights (SDRs) issued by the International Monetary Fund, and €151.1m (\$176.5m) from Team Europe, a consortium comprised of the European Union (EU), European Investment Bank (EIB) and Germany. The funds will support the government's Covid-19 response plan and economic recovery efforts. Italy-based oil major Eni and Côte d'Ivoire's state-owned hydrocarbons firm, Société Nationale des Opérations Pétrolières (Petroci-Holdings), have discovered an estimated 1.5-2 billion barrels of oil at the CI-101 offshore block in Côte d'Ivoire's deep water sedimentary basin. Côte d'Ivoire experiences its highest rate of Covid-19 cases and deaths in August. The health ministry reports it has administered almost two million Covid-19 vaccines as of 26 September.

Covid-19 support from international partners tops \$1 billion ...

Côte d'Ivoire has received over \$1 billion from international partners to support its **Covid-19** response, including \$925m as part of the \$650 billion in **Special Drawing Rights** (SDRs) issued by the **International Monetary Fund (IMF)**.¹ The government will use the IMF allocation, available from 23 August, to support its Covid-19 response and stimulate economic recovery.² The SDRs are an international reserve asset created in 1969 by the IMF to complement the official foreign exchange reserves of its member countries.³ Côte d'Ivoire received the largest funding amongst **Union Economique et Monétaire Ouest Africaine (UEMOA)** (**West African Economic and Monetary Union**) member states and the seventh highest on the continent.⁴ IMF managing director **Kristalina Georgieva** said the SDR allocation would help the “*most vulnerable member countries*” working to overcome the effects of the Covid-19 crisis but warned that it should be used “*with precaution and in full transparency*”.⁵

The government also signed four financing agreements worth €151.1m (\$176.5m) from the **Team Europe** consortium consisting of the **European Union (EU)**, **European Investment Bank (EIB)** and **Germany** on 23 September.⁶ Like the IMF allotment, the government will use the funds to support economic recovery and strengthen its health and solidarity system.⁷ It will allocate €5m (\$5.8m) to help the most vulnerable affected by the Covid-19 crisis, and €24m (\$28m) to firms through the small and medium enterprise (SME) and large business fund. A loan of €30m (\$35m) from Germany-based development bank **KfW** will go towards Côte d'Ivoire's Covid-19 relief fund.⁸ The EU and EIB also made available a technical assistance grant of €12.5m (\$14.6m) for the improvement of the health diagnostic system and gave guarantees for a further loan.⁹

¹ Agence Ecofin, 25 Aug 2021

² Agence Ecofin, 25 Aug 2021

³ FratMat.info, 25 Aug 2021

⁴ Agence Ecofin, 25 Aug 2021

⁵ Financial Afrik, 20 Aug 2021

⁶ Sika Finance, 24 Sep 2021

⁷ Sika Finance, 24 Sep 2021

⁸ Sika Finance, 24 Sep 2021

⁹ Sika Finance, 24 Sep 2021

Prime minister **Patrick Achi** welcomed the cooperation between Côte d'Ivoire and **European** partners, noting that the funding will help the government to implement its **Plan de Riposte Economique, Social et Humanitaire contre la Covid** (Covid-19 Economic, Social and Humanitarian Response Plan), which it created at the start of the crisis.¹⁰

... as Côte d'Ivoire and France conclude \$1.3 billion aid package

Côte d'Ivoire and **France** have finalised terms for the implementation of the third **Contrat de Désendettement et de Développement (C2D)** (contract for debt reduction and development), which will see France provide 750 billion FCFA (\$1.3 billion) from 2021-2025 in development aid to the Ivorian government.¹¹ The C2D is France's flagship development financing mechanism for developing countries, in terms of which it converts bilateral debt into grants to finance development projects in Côte d'Ivoire.¹² The agreement between the two parties was concluded on 11 September at the French Embassy in **Abidjan** after France's ambassador to Côte d'Ivoire, **Jean Christophe Belliard**, had outlined the modalities of the new C2D on 10 September following a three-day working session at the prime minister's office.¹³ Belliard said the pillars of the C2D, which will run from 2021-2025, will include education and training, human capital development (youth employment), inclusive development throughout the Ivorian territory, and state modernisation.¹⁴ Belliard encouraged Ivorian authorities to implement the C2D as soon as possible.¹⁵

The C2D will be the largest financial package Côte d'Ivoire has received from France under this framework.¹⁶ The first C2D ran from 2012-2014 and was worth 413.25 billion FCFA (\$735.5m), while the 2015-2020 C2D amounted to 737.95 billion FCFA (\$1.3 billion).¹⁷ The third C2D will play an important role in financing priority projects outlined in the **Plan National de Développement (PND) 2021-2025**, Côte d'Ivoire's short-term economic development agenda.¹⁸

The cabinet reiterated on 22 September that the PND will serve as a road map to accelerate Côte d'Ivoire's structural economic transformation.¹⁹ The Ivorian government has projected economic growth during the 2021-2025 period at 7.65%, compared to 5.9% achieved during the 2016-2020 timeframe.²⁰ PND 2021-2025 aims to increase the investment ratio from the current 23.1% of gross domestic product (GDP) to 27.1% or \$105 billion by 2025.²¹ Cabinet expressed its hope that the private sector would provide 74% of this investment (\$78 billion) with public sources providing the balance.²² The government's growth projections for 2021-2025 are more ambitious than the 6.5% estimate tabled by the IMF and **United States (US)**-based credit ratings agency **Standard & Poor's**.²³ Nevertheless, Côte d'Ivoire was among a handful of **African** countries that did not experience an economic downturn in 2020, despite the onset of the Covid-19 pandemic, due to its fairly robust and diverse economy.

¹⁰ Sika Finance, 24 Sep 2021

¹¹ AIP, 10 Sep 2021

¹² Sika Finance, 12 Sep 2021

¹³ Sika Finance, 12 Sep 2021

¹⁴ AIP, 10 Sep 2021

¹⁵ AIP, 10 Sep 2021

¹⁶ ARC Côte d'Ivoire analyst

¹⁷ AIP, 10 Sep 2021

¹⁸ Sika Finance, 12 Sep 2021

¹⁹ Agence Ecofin, 24 Sep 2021

²⁰ Agence Ecofin, 24 Sep 2021

²¹ Agence Ecofin, 24 Sep 2021

²² Agence Ecofin, 24 Sep 2021

²³ Agence Ecofin, 24 Sep 2021

Major oil discovery boosts optimism of economic recovery

Italy-based oil major **Eni** has announced its first major oil discovery in Côte d'Ivoire since 2001.²⁴ Eni and Côte d'Ivoire's state-owned **Société Nationale des Opérations Pétrolières (Petroci-Holdings)**, which manages the country's research and production of hydrocarbons deposits,²⁵ announced on 1 September discovery of oil at the **CI-101** offshore block in Côte d'Ivoire's deep water sedimentary basin.²⁶ Mines, petroleum and energy minister **Thomas Camara** said the new deposit holds crude oil reserves of an estimated 1.5 billion to 2 billion barrels.²⁷ Camara noted that the Eni and Petroci consortium had discovered associated natural gas with a projected volume of 1,800-2,400 billion cubic feet.²⁸ Recently appointed Petroci CEO **Vamissa Bamba** provided further details of the oil and gas discovery during a press conference on 2 September, noting it was found at a depth of 2,000m.²⁹

Institut Français des Relations Internationales researcher **Benjamin Auger**, an expert in the geopolitics of oil and gas in Africa, claims the CI-101 discovery is an important development for the Ivorian hydrocarbons sector and the largest such discovery since neighbouring **Ghana** found oil at the **Jubilee** offshore field in 2007.³⁰ Auger says it could take three to four years to commercially exploit the new deposits, which will help to further diversify the Ivorian economy from its heavy reliance on commercial agriculture and service sector activities.³¹

President **Alassane Ouattara** (2010-present), in a message posted on social media platform **Twitter** on 1 September, applauded the successful venture undertaken by Eni and Petroci.³² Since assuming the presidency in 2010, Ouattara has taken several steps to promote development of the country's hydrocarbons sector.³³ These include the reform of the **Code de Petrole** (Petroleum Code) in 2015, which aimed to attract more investors by introducing production-sharing contracts.³⁴ The move resulted in Eni's investment and award of the CI-101 block concession in March 2017.³⁵ In 2019, Eni and France-based oil major **TotalEnergies** (ex-Total) signed four contracts with the Ivorian government for the award of four offshore blocks.³⁶ **Canada**-based **Canadian Natural Resources** (CI-26 and CI-40 blocks) and Côte d'Ivoire-based **Foxtrot International** (CI-27 block) were also attributed offshore concession rights.³⁷

Despite these efforts, Côte d'Ivoire remains a fairly modest oil producer, averaging 36,000 barrels per day (b/pd) in 2019, despite a 12.5% increase in output compared to 2018.³⁸ This is significantly less than the target of 200,000 b/pd by 2020, which Ouattara set during his first term in office.³⁹ Côte d'Ivoire produces less oil than Ghana, at 200,000 b/pd⁴⁰ and less than the projected 100,000 b/pd that **Senegal** is set to produce when it begins petroleum exploitation in 2023.⁴¹

²⁴ Jeune Afrique, 2 Sep 2021

²⁵ Sika Finance, 7 Aug 2021

²⁶ APA, 1 Sep 2021

²⁷ APA, 1 Sep 2021

²⁸ APA, 1 Sep 2021

²⁹ Abidjan.net, 2 Sep 2021

³⁰ TV5 Afrique, 3 Sep 2021

³¹ TV5 Afrique, 3 Sep 2021

³² RFI, 3 Sep 2021

³³ France 24, 2 Sep 2021

³⁴ Le Point, 2 Sep 2021

³⁵ Jeune Afrique, 2 Sep 2021

³⁶ France 24, 2 Sep 2021

³⁷ Jeune Afrique, 2 Sep 2021

³⁸ France 24, 2 Sep 2021

³⁹ Jeune Afrique, 2 Sep 2021

⁴⁰ Jeune Afrique, 2 Sep 2021

⁴¹ ARC Côte d'Ivoire analyst

Eni is one of the most prominent oil and gas producers in Africa, with significant assets in **Algeria, Angola, Libya and Nigeria**.⁴² The company is also developing sites in **Egypt and Mozambique**.⁴³ Eni continued its operations in Côte d'Ivoire, when its competitors, including US-based **Kosmos Energy** and the oil major duo of US-based **Exxon** and **United Kingdom (UK)-based British Petroleum (BP)**,⁴⁴ withdrew from the country in 2020.⁴⁵ In addition to C-101, Eni holds the concession rights for CI-205, CI-501, CI-504 and CI-802.

Third wave of Covid hits Côte d'Ivoire

The rate of new Covid-19 infections is currently declining after a third wave of cases hit Côte d'Ivoire at the end of August. Health minister **Pierre Dimba** blamed the spike in cases on the presence of the so-called "*Delta*" variant as well as non-respect of the government's restrictive measures.⁴⁶ Dimba reported on 2 September that Côte d'Ivoire had recorded 5,634 new infections and 112 deaths in August, an average of 182 cases and four deaths per day.⁴⁷ During a session of the **Conseil National de Sécurité (CNS)** on 9 September, Dimba highlighted an "*exponential increase*" in new cases since July, with a Covid-19 positivity rate of 7% as of 8 September, above the alert level of 5% and the average 3% positivity recorded since the start of the pandemic.⁴⁸ Dimba noted that 25% of the country's Covid-19 deaths were registered in August.⁴⁹ In a bid to curb the spread of the disease, Dimba announced on 3 September that unvaccinated individuals would not be allowed on the premises of the health ministry.⁵⁰ Travellers from abroad are required to present a "*sanitary pass*" on arrival, which entails possession of a negative PCR test, with a bar code in order to minimise fraud.⁵¹ The validity of the PCR test is reduced from five to three days.⁵²

Ivorian authorities continue to intensify their rollout of the Covid-19 vaccine and have administered almost 2 million doses at time of writing.⁵³ Côte d'Ivoire received a consignment of 108,000 doses of the US-manufactured **Johnson & Johnson** Covid-19 vaccine on 2 September.⁵⁴ Dimba said the vaccines were purchased with the help of **World Bank** funding, as well as the support of the **African Union (AU)** and **Afreximbank**.⁵⁵ Dimba noted that Côte d'Ivoire had ordered 7.8 million Covid-19 vaccine doses, but had only managed to procure 2.5 million doses.⁵⁶ These include the Johnson & Johnson vaccines as well as US-manufactured **Pfizer**, UK-manufactured **AstraZeneca** and China-manufactured **Sinopharm** vaccines.⁵⁷ Côte d'Ivoire received a donation of 373,230 doses of the Pfizer vaccine from the US government on 11 September.⁵⁸ Dimba said 3.5 million doses will be available by December and will help Côte d'Ivoire achieve its goal of vaccinating 60% of adults.⁵⁹ The health ministry has increased the number of vaccination sites from 63 to 182 and extended operating hours at the sites to 8am-6pm.⁶⁰

⁴² VOA Afrique, 2 Sep 2021

⁴³ VOA Afrique, 2 Sep 2021

⁴⁴ Africa Intelligence, 21 Oct 2020

⁴⁵ Jeune Afrique, 2 Sep 2021

⁴⁶ APA, 2 Sep 2021

⁴⁷ APA, 2 Sep 2021

⁴⁸ AIP, 10 Sep 2021

⁴⁹ AIP, 10 Sep 2021

⁵⁰ APA, 4 Sep 2021

⁵¹ Gouv.ci, 9 Sep 2021

⁵² Gouv.ci, 9 Sep 2021

⁵³ ARC Côte d'Ivoire analyst

⁵⁴ APA, 2 Sep 2021

⁵⁵ APA, 2 Sep 2021

⁵⁶ APA, 2 Sep 2021

⁵⁷ Abidjan.net, 27 Sep 2021

⁵⁸ AIP, 11 Sep 2021

⁵⁹ APA, 2 Sep 2021

⁶⁰ AIP, 27 Sep 2021

As of 27 September, Côte d'Ivoire had confirmed 59,977 cases in its population of roughly 26 million, with 57,606 recoveries and 606 deaths, since recording its first case on 11 March 2020.⁶¹ From 1 March to 26 September, 1,982,168 Covid-19 vaccine doses have been administered.⁶²

Planner

8-10 Oct 2021 **Montpellier (France)** Africa Intelligence. **France-Afrique** summit

Chronology

26 Sep 2021 **Abidjan (Côte d'Ivoire)** *RFI*. Former first lady **Simone Gbagbo** launches a political movement called the **Mouvement Générations Capables (MGC)**;

24 Sep 2021 **Abidjan (Côte d'Ivoire)** *Sika Finance*. The Ivorian government has signed four convention agreements worth €151.1m (\$176.4m) that will support its **Covid-19** response efforts;

24 Sep 2021 **Abidjan (Côte d'Ivoire)** *Agence Ecofin*. Côte d'Ivoire plans to achieve average economic growth of 7.65% during the period 2021-2025, according to the new **Plan National de Développement (PND)** (national development plan);

24 Sep 2021 **Abidjan (Côte d'Ivoire)** *AIP*. Prime minister **Patrick Achi** launches urban transport activities in Côte d'Ivoire's second largest city, **Bouaké**, to be undertaken by state-owned urban transport company **Société des Transports Abidjanais (SOTRA)**;

23 Sep 2021 **Abidjan (Côte d'Ivoire)** *Financial Afrik*. Côte d'Ivoire-based financial services provider **NSIA Banque** has obtained a €50m (\$58.4m) loan from the **African Development Bank (AfDB)**, which will be used to support Ivorian small and medium-sized enterprises owned by women and youths;

23 Sep 2021 **Abidjan (Côte d'Ivoire)** *Koaci.com*. The **Société pour le Développement Minier de la Côte d'Ivoire (SODEMI)** reports it granted 414 mining titles and authorisations during the period 2016-2021;

23 Sep 2021 **Abidjan (Côte d'Ivoire)** *RFI*. Government spokesperson **Amadou Coulibaly** says poor weather caused the MI-24 helicopter crash during the night of 9-10 September in the area of **Togolokaye** near the border with **Burkina Faso**, which killed five people;

22 Sep 2021 **Abidjan (Côte d'Ivoire)** *Financial Afrik*. The **International Monetary Fund (IMF)** reports that Côte d'Ivoire's public debt rose by 3,683.1 billion FCFA (\$6.5 billion) in 2020, a 26% increase from the previous year when public debt stood at 17,676.1 FCFA (\$31.4m);

21 Sep 2021 **Abidjan (Côte d'Ivoire)** *RFI*. Prime minister **Patrick Achi** launches work on the 308 billion FCFA (\$548.1m) 353-km **San Pedro-Abidjan** highway, to be undertaken by **Razel CI**, a subsidiary of **France-based Sogea-Sotom** and Côte d'Ivoire-based **PFO Africa**;

15 Sep 2021 **Abidjan (Côte d'Ivoire)** *RFI*. Independent MP and mayor **Antoine Assalé Tiémoko** announces his intention to table a bill to parliament that would set the age limit for presidential candidatures at 75 and prevent former presidents **Laurent Gbagbo** and **Henri Konan Bédié** as well as incumbent President **Alassane Ouattara** from standing for election in the next presidential contest in 2025;

15 Sep 2021 **Abidjan (Côte d'Ivoire)** *Abidjan.net*. Commerce and industry minister **Souleymane Diarrassouba** receives a delegation of prospective **German investors** who wish to build a biodegradable bag manufacturing plant for an estimated 13 billion FCFA (\$23.1m);

14 Sep 2021 **Abidjan (Côte d'Ivoire)** *Gouv.ci*. Good governance promotion minister **Zoro**

⁶¹ AIP, 28 Sep 2021

⁶² AIP, 28 Sep 2021

Epiphane Ballo announces that investigations under the “*Coup de Poing*” anti-corruption drive have revealed acts of corruption in ministries associated with education, health, transport and justice;

12 Sep 2021 **Abidjan (Côte d'Ivoire)** *Anadolu Agency*. Army chief of staff **Gen. Lansana Doumbia** reports five people were killed in the crash of an Ivorian army MI 24 attack helicopter near the town of **Togolokaye**, close to the Ivorian-**Burkinabè** border;

11 Sep 2021 **Abidjan (Côte d'Ivoire)** *AIP*. Côte d'Ivoire receives a donation of 373,230 doses of **United States (US)**-manufactured **Pfizer Covid-19** vaccine from the US government;

11 Sep 2021 **Abidjan (Côte d'Ivoire)** *Sika Finance*. Côte d'Ivoire and **France** conclude negotiations relating to the third **Contrat de Désendettement et de Développement (C2D)** (contract for debt reduction and development), which sees France provide 750 billion FCFA (\$1.3 billion) from 2021-2025 in development aid to the Ivorian government;

10 Sep 2021 **Abidjan (Côte d'Ivoire)** *Financial Afrik*. The **Direction Générale du Trésor et de la Comptabilité Publique (DGTCP)** (general directorate of the treasury and public accounts) has raised 33 billion FCFA (\$59.4m) on the **West African Economic and Monetary Union (WAEMU)** regional financial market;

10 Sep 2021 **Abidjan (Côte d'Ivoire)** *Koaci.com*. Exiled former minister **Charles Blé Goudé** is seeking compensation amounting to €819,300 (\$968,627) from the **International Criminal Court (ICC)** following his acquittal in March on charges of crimes against humanity due to insufficient evidence

9 Sep 2021 **Abidjan (Côte d'Ivoire)** *Abidjan.net*. During a session of the **Conseil National de Sécurité (CNS)** (national security council), Ivorian authorities pledge to vaccinate all persons considered most exposed to **Covid-19** before 15 October

5 Sep 2021 **Abidjan (Côte d'Ivoire)** *Abidjan.net*. The **Arab Bank for Economic Development in Africa (ABEDA)** signs a 25 billion FCFA (\$45.2m) loan agreement with the Ivorian government for the construction and equipping of the **Centre Hospitalier Universitaire (CHU)** (university teaching hospital) **d'Abobo** in Abidjan;

2 Sep 2021 **Abidjan (Côte d'Ivoire)** *Abidjan.net*. State hydrocarbons corporation **Petroci Holding** director general **Vamissa Bamba** says the firm has invested \$3 billion in petroleum-related activities since 2011

2 Sep 2021 **Abidjan (Côte d'Ivoire)** *Koaci.com*. **European Union (EU)** resident representative in Côte d'Ivoire **Stéphane Brossard** says the country will receive a 26.2 billion FCFA (\$47.4m) subsidy from the **FISH4ACP** programme, an initiative of the **Organization of African, Caribbean and Pacific States**, which aims to promote fishing and aquaculture activities;

1 Sep 2021 **Abidjan (Côte d'Ivoire)** *APA*. Mines, petroleum and energy minister **Thomas Camara** says **Italy**-based oil major **Eni** and state-owned hydrocarbons firm **Petroci Holding** have made an oil discovery in the sedimentary basin of Côte d'Ivoire, estimated at around 1.5 to 2 billion barrels of crude oil;

1 Sep 2021 **Abidjan (Côte d'Ivoire)** *Africanews*. The **World Health Organization (WHO)** says the initially confirmed **Ebola** case in Côte d'Ivoire was a false positive and there is no evidence that the disease is present in the country;

26 Aug 2021 **Abidjan (Côte d'Ivoire)** *APA*. Côte d'Ivoire intends to host the second edition of the **Rencontre des Entrepreneurs Francophones (REF)** (Francophone Entrepreneurs Meeting) in 2022, following the conclusion of the first edition in **Paris (France)** from 24-25 August;

25 Aug 2021 **Abidjan (Côte d'Ivoire)** *Agence Ecofin*. Côte d'Ivoire will receive \$925m from the **International Monetary Fund (IMF)** to support its **Covid-19** economic recovery efforts;

24 Aug 2021 **Abidjan (Côte d'Ivoire)** *Financial Afrik*. Côte d'Ivoire raises 66 billion FCFA (\$119.1m) through the issue of an obligations de relance (ORD) (stimulus bonds) on the **West African Economic and Monetary Union (WAEMU)** regional financial market;

About Africa Risk Consulting

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