

AFRICA RISK CONSULTING

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Côte d'Ivoire Summary 31 January 2024

Prime minister Robert Beugré Mambé inaugurates parts of vital infrastructure in the economic capital of Abidjan on 10 January. Agriculture minister Kobenan Kouassi Adjoumani opens a 20,000 ton per annum (tpa) cashew processing plant in the political capital Yamoussoukro on 8 January, part of the government agenda to have a more transformative industry in the country. United States secretary of state Antony Blinken visits Côte d'Ivoire on 23 and 24 January to discuss areas of cooperation. Government on 26 December 2023 announces a 10% price hike in electricity tariffs effective 1 January 2024. Former banker and finance expert Tidiane Thiam officially takes the helm of the opposition Parti démocratique de Côte d'Ivoire (PDCI) on 24 January.

Government pushes infrastructure development

The government of President **Alassane Ouattara** (2010-present) has been putting in major efforts to put in place the infrastructure necessary for a successful **African Nations Cup**, with prime minister **Beugré Mambé** inaugurating works worth \$665m ahead of the tournament.¹ This football tournament began on 13 January and the official inauguration of the roads, bridges and flyovers took place on 10 January, in time for the opening match.² While the ceremonies were concentrated around works connected to the projected **Abidjan Ring Road**, the media also drew attention to the important fourth bridge of Abidjan, not yet completed, that links the city centre to the populous suburb of **Yopougon**.³

The city of Abidjan is notoriously congested and works like these provide relief for local motorists and visitors alike. Mambé had this in mind when noted:

"...the president has decided to give the Abidjan district the status of a modern city, where one would like to live and make investments."⁴

This last remark was in reference to the industrial park to the north of the city, along the motorway to the political capital **Yamoussoukro**. The government completed the last stretches of motorway between these two cities in 2019, while it opened the last remaining stretch of the \$298m motorway linking Yamoussoukro to the country's second city **Bouaké**, a distance of 110 kilometres in November 2023.⁵ The **Export-Import Bank of China** financed \$268m of this road project. Finally, the government had the 350km coastal road linking Abidjan to the country's second port city and major cocoa hub of **San Pedro** fully rehabilitated for \$509m, paid for by the state.⁶ All these cities that have new or renovated road connections are playing host to football matches in the African Nations Cup and the government has been at pains to link all these road works to the tournament.

In another development, agriculture minister **Kobenan Kouassi Adjoumani** opened a cashew processing plant in Yamoussoukro on 8 January.⁷ The \$20m plant belongs to **Afcott Cashew Sarl**, a

¹ L'Essor ivoirien, 11 Jan 2024

² Fraternité Matin, 10 Jan 2024

³ Fraternité Matin, 10 Jan 2024

⁴ L'Essor ivoirien, 11 Jan 2024

⁵ Radio France Internationale 20 Nov 2023

⁶ Government of Côte d'Ivoire statement, 29 Dec 2023

⁷ L'Inter, 10 Jan 2024

subsidiary of an **Indian** company **Kewalram Chanrai**.⁸ The plant will have an initial capacity of 20,000 tonnes per annum (tpa), set to increase to 50,000 tpa in 2027.⁹

Currently, Côte d'Ivoire produces well over one million tpa, up from 400,000 tpa in 2011, but the government has ambitions to have 50% of cashews transformed in-country. Presently, up to 80% of Côte d'Ivoire's cashew production leaves the country unprocessed. Adjoumani added that in terms of export value, cashew is second only to cocoa and contributes between 8% and 9% of GDP.¹⁰ Adding value by processing will boost this figure and the new factory will create approximately 1,000 jobs.¹¹

US secretary of state Antony Blinken visits Côte d'Ivoire

Ouattara received **United States (US)** secretary of state **Anthony Blinken** on 23 January for an official visit to Côte d'Ivoire, as part of Blinken's **West African** itinerary that also included stops in **Cabo Verde, Nigeria** and **Angola**. Blinken also met with vice president **Tiemoko Meyliet Koné** and some government ministers. Blinken's audience with Ouattara concentrated on various areas of cooperation but standouts were the economy and security, namely the terrorist spillover from the three **Sahel** states **Mali, Burkina Faso** and **Niger**.¹²

At a press conference after his meeting with Ouattara, Blinken praised the Ivorian approach to the terrorist threat, which he characterised as:

*"...working with communities, listening to them, making sure that the security forces understand their needs [and] concerns. I think this can work as a strong model for other countries."*¹³

Blinken added that in addition to \$300m in funding from the US for the West African fight against insecurity, a further \$45m would be added.¹⁴ It was not immediately clear whether these funds would go to Côte d'Ivoire exclusively but the overall funding serves to reinforce the US' position in the coastal states and serve to counter growing **Russian** influence in the Sahel.¹⁵

The fact that the three Sahel states mentioned earlier all are under military government is considered a complicating factor in the containment of the terrorist threat. Blinken also commented that he believes Côte d'Ivoire could play a role in bringing the three back to constitutional rule. Developing that theme, Ouattara added that the sub-region:

*"...encounters many difficulties with the coups d'état in a number of countries neighbouring Côte d'Ivoire. And we agree that those countries should advance as rapidly as possible towards democratic rule."*¹⁶

In a later interview, Blinken returned to the theme, saying that if the coup in Niger returns to constitutional order the US is ready to lift sanctions and restore programmes the two countries had focused on security and terrorism. He mentioned the new **Alliance des États du Sahel (AES)** of Mali, Niger and Burkina Faso in passing but made it clear that he considered the AES an irrelevance.¹⁷

On the trade side, the US remains a key investor in Côte d'Ivoire, particularly in agro-business, the mainstay of the Ivorian economy. US ambassador to Côte d'Ivoire, **Jessica Davis Ba** also noted that

⁸ CommodAfrica, 10 Jan 2024

⁹ L'Inter, 10 jan 2024

¹⁰ Agence ivoirienne de press, 9 Jan 2024

¹¹ L'Inter, 10 jan 2024

¹² Radio France Internationale, 24 Jan 2024

¹³ Le Matin, 24 Jan 2024

¹⁴ L'Infodrome, 24 Jan 2024

¹⁵ Radio France Internationale, 24 Jan 2024

¹⁶ Le Matin, 24 Jan 2023

¹⁷ Video interview with The Africa Report, 25 Jan 2024. This assessment predates the unilateral announcement by the AES of its departure from ECOWAS.

the country's continued inclusion in the **Africa Growth and Opportunity Act (AGOA)** trade programme accounts for \$1 billion of Ivorian exports annually to the United States.

Tidiane Thiam now heads the opposition PDCI

The opposition **Parti Démocratique de la Côte d'Ivoire (PDCI)** elected **Tidiane Thiam** as its new leader on 23 December, with Thiam officially taking the presidency on 24 January. Thiam is a former planning and development minister whose political career was cut short by the 1999 coup d'état when he opted to not join the military government. Thiam then went on to pursue a successful career in banking, which ended in controversy at **Crédit Suisse** in 2020.¹⁸ Thiam, who had previously said that he would not pursue politics once back in Côte d'Ivoire nevertheless changed his mind when the PDCI's long-standing leader and former president **Henri Konan Bédié** (1993 – 1999) died in August 2023.¹⁹

Thiam has a reputation to defend and an uphill task. His immediate priorities are to modernise the party and turn it into an attractive political alternative. This last seems to be bearing fruit, as the party spokesman **Brédoumi Soumaïla Kouassi** claimed that after the news had broken of Thiam's election as the head of the PDCI the party had received more than 4,000 new members.²⁰

In television interviews, Thiam emphasised the social nature of the ideas he brings to the PDCI, which has always been a centrist political party. The ruling **Rassemblement des houphouëtistes pour la démocratie et la paix (RHDP)**, in keeping with Ouattara's free market thinking, has been emphasising economic growth, infrastructure and entrepreneurship as its key policy planks – and will be campaigning on the success of its approach in the 2025 elections. With the virtual disappearance of the left in Côte d'Ivoire and given that ex-president **Laurent Gbagbo** (2000-2011) will play no role of any significance in the upcoming elections, Thiam clearly feels there is ground to be gained by cultivating a social image, without alienating his conservative-centrist base in the central **Boulé**-dominated heartland of the country which encompasses the regions around the cities of Bouaké and Yamoussoukro, where the PDCI has its origins and remains its electoral base. Thiam also benefits from his status as the great-nephew of the country's first president and PDCI founder **Félix Houphouët-Boigny**.

The 2025 elections will likely be a two-way race between the RHDP's candidate, which is yet to be confirmed, and Thiam. In Thiam, the RHDP has a challenging opponent, as Thiam has both the expertise and the political instinct to make this a much harder fought race than previously expected. With the succession issue in the PDCI following the death of the former leader Bédié now over, all eyes will be on the RHDP to see whether it will be able to find a successor to Ouattara, who has hinted but not clearly said that he will not run again for what would be a highly controversial fourth term. He can rightly look at economic performance as a legacy and the country has emerged rather well from the **Covid-19** pandemic but the old mainstays of the economy, commercial agriculture and particularly cocoa are under pressure. Cashew and cocoa processing look promising, as does the budding mining sector but the new oil finds will take time to yield tangible results in time for the next election.

The government increases electricity tariffs by 10% as of 1 January

Energy minister **Mamadou Sangowafa Coulibaly** on 26 December 2023 announced a 10% price hike for all subscribers to Côte d'Ivoire's electricity utility, **Côte d'Ivoire Énergies**, effective 1 January 2024.²¹ The minister explained that the electricity sector is financially unstable, mainly because it sells its electricity below production cost. That cost is situated at \$0.15 per kilowatt hour (KwH) but

¹⁸ Tv5monde, 23 Dec 2023

¹⁹ Le Nouveau Reveil, 24 Jan 2024

²⁰ Le Nouveau Reveil, 22 Jan 2024

²¹ Koaci, 26 Dec 2023

the electricity utility sells its product currently at \$0.13 per Kwh.²² As a result, the utility is accumulating debts, which stood at \$209.5m at the end of 2023. This is down from \$266m in mid-year, when the government effected the first partial price increase, which only targeted 11% of subscribers.²³

The reason for the disparity, explained the minister, is the increase in fuel prices, particularly gas, as a result of the Russian invasion of **Ukraine**. While the government is working on as yet unspecified measures to protect the most vulnerable households, Coulibaly also emphasised that Côte d'Ivoire had achieved an electricity coverage of 87% with a target of 100% in 2025.²⁴ He also said that electricity tariffs in the country were still among the lowest in the region, a point that was later reinforced by Ouattara, in remarks during his new year's speech.²⁵

Planner

13 Jan – 11 Feb 2024 (**Côte d'Ivoire**) Africa Cup of Nations (Afcon2023)

2025 (**Côte d'Ivoire**) Presidential elections

Chronology

27 Jan 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. **Japan** donates 3.5 billion FCFA (\$5.78m) to help boost local rice production;

25 Jan 2024 **Abidjan (Côte d'Ivoire)** *APA News*. **National Assembly** president **Adama Bictogo**, currently leading a delegation to **Belgium** to help strengthen cooperation, holds a high-level meeting with **European Parliament** president **Roberta Metsola**;

25 Jan 2024 **Abidjan (Côte d'Ivoire)** *APA News*. National carrier **Air Côte d'Ivoire** announces it will soon launch a new flight to **Paris (France)** as it seeks to expand its coverage;

23 Jan 2024 **Abidjan (Côte d'Ivoire)** *The Africa Report*. **United States** secretary of state **Anthony Blinken** concludes a visit to Côte d'Ivoire during which he met with President **Alassane Ouattara** to discuss the implementation of the **Millenium Challenge Account** and security in the region;

20 Jan 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. **Canada**-headquartered **Fortuna Silver Mines** reports that gold production at its **Séguéla** mine reached 2.22 tonnes between June and December 2023, with production planned to double in 2024;

15 Jan 2024 **Abidjan (Côte d'Ivoire)** *Agence Ecofin*. President **Alassane Ouattara** confirms Côte d'Ivoire will issue a **Eurobond** next week, its first since February 2021;

15 Jan 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. **Canada**-headquartered **Awalé Resources** confirms it has made a significant gold and copper discovery at its Belt Basin Margin (BBM) prospect;

11 Jan 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. Director general of taxes **Ouattara Abou Sié** reports that taxes collected in 2023 amounted to 3.76 trillion FCFA (\$6.2 billion) exceeding the target of 3.68 trillion FCFA (\$6.07 billion);

²² Koaci, 26 Dec 2023

²³ Sikafinance, 27 Dec 2023

²⁴ Sikafinance, 27 Dec 2023

²⁵ L'Infodrome, 4 Jan 2024

4 Jan 2024 **Abidjan (Côte d'Ivoire)** *Qatar Peninsula*. **National Assembly** president **Adama Bictogo** meets **Qatar's** ambassador to Côte d'Ivoire, **Mubarak bin Hussein Al Marri**, to discuss bilateral cooperation relations;

1 Jan 2024 **Abidjan (Côte d'Ivoire)** *APA News*. President **Alassane Ouattara** says that oil production will reach 200,000 barrels per day by 2027 compared to the 30,000 Côte d'Ivoire is currently producing;

31 Dec 2024 **Abidjan (Côte d'Ivoire)** *Agence Ecofin*. President **Alassane Ouattara** says in his **New Year's** address that economic growth is projected to reach 7% in 2024;

27 Dec 2023 **Abidjan (Côte d'Ivoire)** *Jeune Afrique*. Côte d'Ivoire will deliver 50 million litres of gasoline to **Guinea** which is recovering from an explosion at its main fuel depot on 18 December;

26 Dec 2023 **Abidjan (Côte d'Ivoire)** *BNN*. The **Russian** diplomatic mission in Côte d'Ivoire announces that Russia will open its embassy in **Ouagadougou (Burkina Faso)** on 28 December with current Russian ambassador to Côte d'Ivoire, **Alexey Saltykov**, to oversee the new mission in Ouagadougou until a new ambassador is appointed;

17 Dec 2023 **Abidjan (Côte d'Ivoire)** *Sika Finance*. **Institut National de la Statistique de Côte d'Ivoire (INS)** (national institute of statistics) reports that annual inflation eased to 3.7% in November;

16 Dec 2023 **Abidjan (Côte d'Ivoire)** *Le Monde*. An Abidjan court cancels the congress of opposition party **Parti démocratique de Côte d'Ivoire (PDCI)**, during which the PDCI was set to elect a new president, citing that it may cause unrest to public order;