

AFRICA RISK CONSULTING

Côte d'Ivoire Monthly Briefing October 2024

Côte d'Ivoire Summary 24 October 2024

Côte d'Ivoire's cocoa and coffee campaign begins on 1 October, with increased producer prices for farmers. Côte d'Ivoire and Ghana reinforce their collaboration in two key areas, commercial agriculture and security. Floods continue to cause widespread damage in many parts of the country and are likely to impact exports and endanger food security. Tensions between Côte d'Ivoire and Burkina Faso continue to deepen.

Cocoa and coffee campaigns have begun with increased producer prices

The cocoa and coffee campaigns officially began on 1 October, with the government announcing what the producer price will be for the coming campaign season. Agriculture minister **Kobenan Kouassi Adjoumani** said on 30 September that the government was increasing the producer price by 20%, setting it at the record price of 1,800 FCFA (\$2.96) per kilogramme produced.¹ The move comes in response to unprecedented price increases on the world market, caused by climate change-induced decreases in production.²

The price setting follows world market prices with some delay, as the country uses an advance sale mechanism where the state sets the price, allowing it to absorb possible shocks.³ The price increase was met with mixed reactions, including that from **Thibeaut Yoro**, the secretary general of the main agriculturalist union in Côte d'Ivoire - **Centrale Syndicale Agricole de Côte d'Ivoire** - who told a press conference, "we are satisfied but it's a moderate satisfaction."⁴

Some producers said they had wanted 2,000 FCFA (\$3.29) per kilogramme as a minimum.⁵ Simultaneously, the government has set the coffee producer price at 1,500 FCFA (\$2.47) per kilogramme, up from 900 FCFA (\$1.48) the year before, although Adjoumani qualified the news by saying that the coffee had to be well-dried, de-husked and selected.⁶ Similar criteria will apply to cocoa, per leaflets distributed by the state regulator, **Conseil du Café-Cacao** (coffee and cocoa council).⁷ Cocoa remains a key export for Côte d'Ivoire, with Adjoumani confirming that cocoa has earned the country 22 trillion FCFA (\$37.35 billion) since 2012

Côte d'Ivoire and Ghana reinforce cooperation

Ghana's President **Nana Akufo-Addo** (2017-present) and President **Alassane Ouattara** (2010-present) met in **Abidjan** on 11 October, first heads of state meeting within the framework of the **Strategic Partnership Accord** between the two countries.⁸ The accord, signed in **Accra** (Ghana) in August 2017, aims to harmonise policies in areas where the two countries have shared interests, including the economy, defence and security and the environment.⁹

¹ Government announcement, 30 Sep 2024; Le Monde, 1 Oct 2024

² Pulse.ci, 30 Sep 2024; koaci.com, 30 Sep 2024

³ Le Monde, 1 Oct 2024

⁴ Le Monde, 1 Oct 2024

⁵ Le Monde, 1 Oct 2024

⁶ Abidjan.net, 30 Sep 2024

⁷ Abidjaneconomie.net, 30 Sep 2024; koaci.com, 30 Sep 2024

⁸ RFI, 12 Oct 2024

⁹ Le360 Afrique, 13 Oct 2024

Of particular concern is the cocoa sector - Ghana and Côte d'Ivoire jointly produce 60% of the world's unprocessed cocoa, with Côte d'Ivoire on its own being responsible for 45%.¹⁰ A major issue is the long-standing problem of cocoa smuggling, caused by the different producer prices the respective governments of the two countries offer to farmers, late payments by state buyers and logistical problems in bringing the cocoa to market.¹¹

While there are no explicit plans to align producer prices, both countries have agreed to increase said prices to the equivalent of 1,800 FCFA per kilogramme, in order to stop the clandestine trade, which not only happens between the two countries but also includes **Liberia, Togo, Mali and Burkina Faso** among its destinations.¹² Like Ghana, Côte d'Ivoire intends to intensify border surveillance and make use of the military in order to combat illegal cross-border transports.¹³ The other challenge the two presidents committed to is ensuring value is added in-country, which means they will promote the transformation of cocoa locally and diminish the export of raw cocoa.¹⁴

Regarding security, the two countries agreed to intensify the exchange of intelligence, vital in their joint struggle against terrorism. They also will hold joint military exercises, principally aimed at preventing and, if necessary, containing terrorist attacks coming from Mali and Burkina Faso.¹⁵

Widespread floods cause physical and economic damage

As the rainy season is supposed to be tapering off in October, severe floodings continue to affect large parts of the country. The 2024 rainy season has not only caused loss of life, with at least 30 deaths between April and August, but also material damage that is threatening agriculture production and with it, external exports and domestic food security.¹⁶

As late as 21 October, **Alépé (La Mé Region)** and its surroundings were flooded.¹⁷ On the same day, **Cavally Region** regional council head **Anne-Désirée Ouloto** promised assistance to those who lost their homes and belongings in severe floodings as a result of excessive rainfall in all major population centres throughout the region. Cavally is located along the border with Liberia, which is home to an estimated 700,000 people.¹⁸ Various parts of the economic capital Abidjan were also subjected to flooding.¹⁹

While the country as a whole is not in a situation of food stress, studies have found that certain parts (especially in the north and the west) can be said to experience a certain amount of food pressure.²⁰ Excessive precipitation has been reported from the entirety of West Africa, which, combined with high prices for basic commodities on the local markets, leads to families experiencing food shortages. Hence the assistance promised by government representatives like Ouloto to one of the severely affected regions.

Tensions with Burkina Faso deepen

Tension between **Burkina Faso** and Côte d'Ivoire has continued to intensify over the last month, culminating in a diplomatic spat between the neighbouring countries. Burkina Faso's junta has repeatedly accused Côte d'Ivoire of engaging in activities designed to destabilise Burkina Faso, with the latest such accusation released on 23 September. The Burkinabè foreign affairs ministry then on 30 September summoned a high-ranking member of the Ivorian embassy staff in Ouagadougou,

¹⁰ Xinhua.net, 23 Oct 2024; Le Monde, 1 Oct 2024

¹¹ Agence Ecofin, 17 Sep 2024

¹² Agence Ecofin, 17 Sep 2024; Le Monde, 1 Oct 2024

¹³ Abidjan.net, 30 Sep 2024

¹⁴ RFI, 12 Oct 2024

¹⁵ RFI, 12 Oct 2024

¹⁶ Africanews, 13 Aug 2024

¹⁷ Koaci.com, 21 Oct 2024

¹⁸ Agence ivoirienne de presse, 21 Oct 2024

¹⁹ Yeclo.com, 16 Oct 2024

²⁰ Réseau d'information sur la sécurité alimentaire, report covering June through August 2024

Justine Gosse, to explain “*the silence of the Ivorian authorities*” in response to these accusations.²¹ The Ivorian government has rejected these accusations.

While relations are fragile and under threat, there is no question of their abrupt end. Talk of the withdrawal of all Burkinabè diplomatic personnel from Côte d’Ivoire, which was circulated on social media, was contradicted and dismissed.²² The Ivorian government stated that it had not been notified of any suspension of diplomatic relations.²³ However, following the convocation of Gosse, reports resurfaced stating that Ouagadougou did recall some of its diplomats for “*consultation*”, following these renewed accusations, which in this case named former ministers and ex-military exiled in Côte d’Ivoire.²⁴

The political fallout inside Côte d’Ivoire has been non-trivial, but a presumed candidate for the presidency, former president **Laurent Gbagbo** (2000-2010), has frequently expressed sympathy for the military juntas in Mali, **Niger** and Burkina Faso. On 16 October he repeated that he looked favourably upon the military juntas “*who have come into power using the means at their disposal*” and promised that if elected, relations between Côte d’Ivoire and the three juntas “*would improve*”.²⁵ In parallel with this, there is some concern following reports of a group of young Ivorians who were allegedly sent to Burkina Faso to be trained militarily and carry out destabilisation operations in Côte d’Ivoire. Ivorian intelligence flagged the men and reported they were being led by **Lama Fofana**, a close ally of former prime minister **Guillaume Soro**, who is friendly to the juntas and hostile to Ouattara.²⁶

Côte d’Ivoire is Burkina Faso’s second-largest supplier, after **China**, with petrol products and electricity as the principal exports. Four million Burkinabè live and work in Côte d’Ivoire and the end of formal relations between the two countries could have serious financial, administrative and practical repercussions on their lives and those of their families in Burkina Faso itself, many of whom rely on remittances from their relatives to survive.²⁷

Planner

27 Nov – 2 Dec 2024 **Abidjan (Côte d’Ivoire) Salon International des Ressources Extractives & Énergétiques** (international exhibition of extractive and energy resources)

2025 **(Côte d’Ivoire) African Development Bank (AfDB) annual meetings**

Oct 2025 **(Côte d’Ivoire) Presidential elections**

Chronology

19 Oct 2024 **Abidjan (Côte d’Ivoire) Reuters**. **Canada**-headquartered **Endeavour Mining** announces it is targeting 200,000 ounces of gold per year from 2025 from its **Lafigue Mine** in Côte d’Ivoire;

18 Oct 2024 **Abidjan (Côte d’Ivoire) Ecofin Agency**. **Australian** miner **Turaco Gold** announces that it is raising AUD 35m (\$23m) for the development of its **Afema** gold project located in the southeast of Côte d’Ivoire;

18 Oct 2024 **Abidjan (Côte d’Ivoire) Bloomberg**. Higher prices for cocoa and rising exports have helped Côte d’Ivoire attain a higher credit rating upgrade from **United States**-based **S&P Global Ratings**, which raised its rating to BB from BB-, two levels from investment-grade level with a stable outlook;

²¹ L’Infodrome, 7 Oct 2024

²² Voxsahel.com, 23 Sep 2024

²³ L’Infodrome, 7 Oct 2024

²⁴ Koaci.com, 8 Oct 2024; Deutsche Welle, 17 Oct 2024; Le Monde, 27 Sep 2024

²⁵ Africaradio.com, 21 Oct 2024

²⁶ Le Monde, 27 Sep 2024

²⁷ Deutsche Welle, 17 Oct 2024

17 Oct 2024 **Abidjan (Côte d'Ivoire)** *Ecofin Agency*. Council of ministers approves four decrees granting mining research permits – three for gold and one for lithium – to Ivorian companies **Smart Mineral Explorer SARL, Africa New Geological Technologies Côte d'Ivoire SARL, Occidental Gold SARL** and **Global Energy & Minerals SARL**;

16 Oct 2024 **Abidjan (Côte d'Ivoire)** *Bloomberg*. **United States (US)**-based **JPMorgan Chase & Co.** has opened representative offices in **Kenya** and Côte d'Ivoire to help the bank expand in **East Africa** and **West Africa**;

12 Oct 2024 **Abidjan (Côte d'Ivoire)** *Ecofin Agency*. The **International Monetary Fund (IMF)** announces it will reduce the rates applied to loans and allow eight countries, including Benin, Côte d'Ivoire, **Senegal** and **Gabon**, to no longer pay additional fees related to exceeding their share from next November;

12 Oct 2024 **Abidjan (Côte d'Ivoire)** *RFI*. President **Alassane Ouattara** and his **Ghanaian** counterpart, **Nana Akufo-Addo**, agree to strengthen cooperation in the military and agricultural sectors, especially in the cocoa sector;

10 Oct 2024 **Abidjan (Côte d'Ivoire)** *AFP*. Former president **Laurent Gbagbo's** party, **Parti des peuples africains – Côte d'Ivoire (PPA-CI)**, alleges that the ruling **Rassemblement des houphouëtistes pour la démocratie et la paix (RHDP)** is approving illegal and arbitrary arrests of political opposition;

7 Oct 2024 **Abidjan (Côte d'Ivoire)** *Nairametrics*. **Economic Community of West African States (ECOWAS)** announces that construction of the 288m bridge over the **Cavally River**, which will link Côte d'Ivoire and **Liberia**, has begun;

7 Oct 2024 **Ouagadougou (Burkina Faso)** *Jeune Afrique*. Diplomatic sources report that Burkina Faso has recalled its diplomats from **Côte d'Ivoire** as bilateral relations continue to deteriorate;

7 Oct 2024 **Abidjan (Côte d'Ivoire)** *Agence Ecofin*. **Canada's Montage Gold** announces it launched a \$8m drilling campaign at its **Koné** gold project in September in a bid to identify new resources on targets already identified

5 Oct 2024 **Abidjan (Côte d'Ivoire)** *APA News*. A delegation of **Tunisian** investors arrives in Abidjan for a prospecting mission in the real estate sector;

1 Oct 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. **Conseil du Café-Cacao** (coffee and cocoa council) announces the purchase price of cocoa for the 2024/2025 campaign, which starts today, is 1,800 FCFA (\$3.06) per kilogramme;

30 Sep 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. Council of ministers announces the 2025 budget has been set at 15.33 trillion FCFA (\$26.03 billion) compared to 13.72 trillion FCFA (\$26.29 billion) in 2024, its highest budget ever;

29 Sep 2024 **Abidjan (Côte d'Ivoire)** *RFI*. In a joint statement, cocoa-producing countries – Côte d'Ivoire, **Cameroon, Ghana** and **Nigeria** – ask the **European Union (EU)** for at least two more years to comply with the EU's **Deforestation Regulation**, which is set to come into force on 30 December;

29 Sep 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. Agriculture minister **Kobenan Kouassi Adjoumani** says cocoa has earned Côte d'Ivoire 22 trillion FCFA (\$37.35 billion) since 2012;

25 Sep 2024 **Abidjan (Côte d'Ivoire)** *Agence Ecofin*. Bilateral **United States (US)** foreign aid agency **Millennium Challenge Corporation (MCC)** and government agree to a \$322.5m regional electricity deal to increase the net amount of energy that Côte d'Ivoire exchanges in the regional electricity market and to help strengthen regional energy security in **West Africa**;

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