

AFRICA RISK CONSULTING

Côte d'Ivoire Monthly Briefing April 2024

Côte d'Ivoire Summary 25 April 2024

The government on 1 April announces an increase in the producer price for cocoa from CFA 1,000 (\$1.63) to CFA 1,500 (\$2.45) per kilogramme. The move comes as world cocoa prices reach historic levels. The ruling Rassemblement des houphouëtistes pour la démocratie et la paix (RHDP) is increasingly showing signs that it will endorse the candidacy of President Alassane Ouattara (2010-present) for a fourth term bid, ahead of the 2025 presidential elections. The government is expecting delivery of four Chinese-made attack helicopters before the end of the year, as it increases its hardware and manpower capacity in the fight against cross-border crime and terrorism. International Monetary Fund (IMF) completes reviews of Côte d'Ivoire's various arrangements, stating that the country is on course for another year of high growth and moderate inflation.

Government increases the price paid to cocoa planters as world prices soar

As cocoa prices continued to increase to historic heights, the government, under pressure from planters' associations and cooperatives, announced on 1 April an increase in the producer price from CFA 1,000 (\$1.63) per kilogramme to CFA 1,500 (\$2.45) per kilogramme.¹ Planters' associations declared themselves "satisfied" with the unprecedented move, however, others thought that it was insufficient, given that planters in **Cameroon**, for instance, were paid substantially more. In March, producer prices in Cameroon hit a new record of CFA 4,225 (\$6.89) per kilogramme.² **Ghana**, Côte d'Ivoire, **Nigeria** and Cameroon produce more than 75% of the world's cocoa, with Ghana and Côte d'Ivoire accounting for more than 60% of this.³

Agriculture minister **Kobénan Kouassi Adjoumani** explained that Côte d'Ivoire had switched from a free sales system to a system of advance sales in 2011, to stabilise the market.⁴ He added that the country had already experimented with a free sales system, which did not work, and that under the new system, planters were guaranteed a better income.⁵ World cocoa prices have reached levels of more than \$11,000 per tonne. The reason for these unprecedented levels is insufficient rainfall and unseasonably high temperatures in the **West African** cocoa-producing zones, resulting in a 25% drop in production.⁶

In a related development, Ghana and Côte d'Ivoire on 17 April inaugurated the building that will house the executive secretariat of the **Côte d'Ivoire Ghana Cocoa Initiative (CIGHCI)**.⁷ In 2018, President **Alassane Ouattara** (2010-present) and his Ghanaian counterpart **Nana Akufo-Addo** (2017-present) signed the **Abidjan Declaration** launching the initiative, which committed the two countries to harmonising the cocoa policies. The CIGHCI mainly aims to improve farmers' livelihoods and defend member states' interests and is open to other cocoa-producer countries.⁸ The initiative has also been successful in the past, brokering an agreement in June 2022 with major cocoa buyers worldwide to pay cocoa farmers in Côte d'Ivoire and Ghana a **Living Income Differential (LID)** (see *ARC Briefing Côte d'Ivoire Jul 2022*). In November 2022, the two countries again banded together to

¹ Radio France Internationale, 2 April 2024

² Investir au Cameroun, 7 Mar 2024

³ Africa Business, 18 Apr 2024

⁴ Radio France Internationale, 2 April 2024

⁵ L'infodrome.com, 2 April 2024

⁶ Radio France Internationale, 2 April 2024; Afriksoir.net, 15 April 2024

⁷ Koaci.com, 18 April 2024; Connectionivoirienne.net, 18 April 2024; Afriksoir.net, 18 April 2024

⁸ From the Côte d'Ivoire Ghana Cocoa initiative website, cighci.org

boycott the **World Cocoa Federation (WCF)** meetings in protest of chocolate companies resisting measures to lift farmers' incomes.

Prime minister **Robert Beugré Mambé**, present at the inauguration with Akufo-Addo, also added that the official inauguration of the executive secretariat marks a new phase in Ghanaian-Ivorian cooperation and that the centre will aid in accelerating reforms, establishing partnerships and understanding the market:

"It is important to me to reaffirm the desire of both Ghana and Côte d'Ivoire to maintain their cooperation in order to meet the sustainability challenge of the cocoa value chain. I am convinced significant steps forward will be realised in this domain, through the Côte d'Ivoire-Ghana Initiative, which today is an institute that is recognised and listened to by all actors in the sector."⁹

RHDP increasingly puts weight behind Ouattara's fourth-term bid

The ruling **Rassemblement des houphouëtistes pour la démocratie et la paix (RHDP)** throughout April has publicly portrayed that it is now actively preparing the candidacy of incumbent president, Ouattara for the 2025 elections by having high-ranking members declare that he is "*the party's natural candidate*", organising rallies in honour of the head of state and having traditional leaders declare their support for an Ouattara candidacy.¹⁰ The main argument the party brings forward is that his track record is satisfactory and that he should be allowed to continue. Some high-ranking RHDP cadres have said so explicitly, including party secretary and **Abidjan** district governor **Ibrahima Cissé Baongo**, who told a party rally in **Treichville**, an Abidjan suburb: "*Our candidate [is] the president of our party, Alassane Ouattara. 2025 (the year of the presidential elections) is in preparation now.*"¹¹

Adama Bictogo, the party's main events organiser and president of the **Assemblée Nationale** (national assembly) and mayor of the sprawling Abidjan suburb of **Yopougon**, has ruled out his own candidacy and declared that "*...he (Ouattara) has the right to be candidate [but] becoming a candidate is a personal decision and it is, therefore, his to take.*"¹² Pro-party publications have gone furthest, declaring that a major rally planned for 27 April in Abidjan and other localities around the country will be the occasion "*to thank the president, who has changed people's life circumstances*" before concluding that "*the Ivorians consider Alassane Ouattara their natural president.*"¹³ The incumbent, aged 82, has himself not made any comment regarding his candidacy.¹⁴

More dispassionate observers see in the manoeuvres around Ouattara the fear that without him the RHDP will collapse since whoever is chosen to succeed the incumbent will not enjoy universal endorsement from the entirety of the party.¹⁵ An Ouattara fourth-term candidacy also carries significant political and stability risks and may see a repeat of election violence that left more than 80 dead in October 2020 (*see ARC Briefing Côte d'Ivoire Nov 2020*). The fact that there is no clear signal concerning the matter from the incumbent himself strongly suggests that he is balancing those risks – and/or testing the response to his potential candidacy – and has not reached a definitive conclusion yet.¹⁶

Government acquires combat material to fight a possible jihadist danger

Chief of the defence staff, General **Lassina Doumbia**, tabled a proposition in April to buy four **Chinese** attack helicopters in order to increase the armed forces' hardware capacity to fight terrorism, a proposition which the **Conseil nationale de Sécurité (CNS)** (national security council), headed by

⁹ Le Mandat, 22 April 2024; L'Infodrome.com, 22 April 2024

¹⁰ L'Inter, 23 April 2024; Le Direct, 15 April 2024

¹¹ L'Inter, 23 April 2024

¹² Le Nouveau Réveil, 17 April 2024

¹³ Le Patriote, 16 April 2024

¹⁴ Connectionivoirienne.net, 12 April 2024

¹⁵ Générations Nouvelles, article redistributed by Afriksoir.net, 20 April 2024

¹⁶ ARC Briefing Côte d'Ivoire analyst

the president, approved.¹⁷ The government reportedly expects delivery of the Chinese helicopters before the end of the year.¹⁸ While the situation in the north has improved in recent years, experts warn that the terrorist threat is still very real, especially given the fact that the security situation in neighbouring **Burkina Faso**, from where attackers crossed the border, has not improved.

The latest figures from the **United Nations High Commissioner for Refugees (UNHCR)** show that there are an estimated 54,000 refugees in the north, almost all from Burkina Faso. Of this figure, at least 12,000 are hosted in refugee camps in the **Tchogolo** and **Boukani** regions. The agency notes that the reasons the refugees cite for leaving are insecurity, caused by threats or attacks on the part of terrorist/jihadist groups.¹⁹

On the diplomatic side, there have been renewed contacts between defence minister **Téné Birahima Ouattara** and his Burkinabè counterpart **Kassoum Coulibaly** - the two met on 19 April in the border town of **Niangologo** to discuss cross-border crime, and terrorism and address existing differences between their countries.²⁰ The meeting was organised after there had been shooting incidents between the two armies in late March and the arrests of armed personnel of either country on the other's territory.²¹ Both ministers came out of the meeting suggesting that issues had been addressed and expressed optimism about their renewed collaboration in the fight against terrorism.²²

High growth and moderate inflation trajectory to continue in 2024

Finance and budget minister **Adama Coulibaly** on 2 April said that the **International Monetary Fund (IMF)** has forecast that Côte d'Ivoire is on course to continue its post-pandemic high growth and moderate inflation trajectory. The announcement came while an IMF staff mission was in the country to carry out the second review of its \$3.5 billion **Extended Credit Facility (ECF)** and **Extended Fund Facility (EFF)** arrangement and the first review of its \$1.5 billion **Resilience and Sustainability Facility (RSF)** arrangement.

The IMF noted that growth figures for 2022 and 2023 were 6.2% and 6.5% respectively while inflation was held at 5.2% in 2022 and 4.4% in 2023.²³ IMF projections are that growth will be 6.5% with a further reduced inflation rate of 3.8% in 2024.²⁴ The IMF mission additionally declared itself "*satisfied*" with the progress made in Côte d'Ivoire's staff-monitored programmes, highlighting the government's continued commitment to bring the budget deficit down to 3% of GDP by 2025, partly through what it terms "*internal revenue mobilisation*" and commended the government on its "*proven track record*" of implementing IMF programmes.²⁵ The IMF, however, warned that Côte d'Ivoire is highly exposed to climate change with regard to temperatures and unpredictable rain patterns, both of which are in evidence and significantly affect - among other things - the production of cocoa.

IMF staff reached a staff-level agreement with authorities on its reviews, and Côte d'Ivoire can shortly expect disbursements worth \$574m to address climate change effects, consolidate macroeconomic stability and continue the country's trajectory towards becoming an upper middle-income country by 2026.²⁶

¹⁷ L'Inter, 16 April 2024

¹⁸ L'Infodrome.com, 16 April 2024

¹⁹ Reliefweb, 27 March 2024

²⁰ Koaci.com, 22 April 2024

²¹ L'Infodrome.com, 19 April 2024

²² L'Infodrome.com, 16 April 2024

²³ Connectionivoirienne.net, 2 April 2024

²⁴ IMF Country Report, April 2024

²⁵ IMF press release, Abidjan, 8 April 2024

²⁶ IMF Country Report, April 2024; IMF press release, Abidjan, 8 April 2025; Afriksoir.net, 21 April 2024

Planner

2025 (Côte d'Ivoire) Presidential elections

Chronology

24 Apr 2024 **Abidjan (Côte d'Ivoire)** *Presse Côte d'Ivoire*. **Assemblée Nationale** (national assembly) president **Adama Bictogo** arrives in **Turkey** for a friendship and working visit at the invitation of his Turkish counterpart, **Numan Kurtulmus**;

22 Apr 2024 **Abidjan (Côte d'Ivoire)** *Confectionary News*. A **Community Development and Forest Conservation** investigation finds that some cocoa beans exported from Côte d'Ivoire to the **European Union (EU)** originate from deforested land in **Liberia**, which would violate the EU's incoming regulations on trade in raw materials;

22 Apr 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. **French** treasury data indicates that Côte d'Ivoire joined France's top three trading partners in **sub-Saharan Africa** in 2023, with trade estimated at \$2.55 billion;

21 Apr 2024 **Accra (Ghana)** *BFT Online*. President **Nana Akufo-Addo** calls on regulators in the cocoa sector in Ghana and **Côte d'Ivoire** to come up with new strategies to cope with volatile global prices;

17 Apr 2024 **Abidjan (Côte d'Ivoire)** *APA News*. Government spokesperson **Amadou Coulibaly** confirms that a **Burkinabe** soldier and **Volontaires pour la défense de la patrie (VDP)** member were arrested in Ivorian territory and that a meeting between the two countries would soon take place to discuss border issues, as borders are not sufficiently delineated;

17 Apr 2024 **Abidjan (Côte d'Ivoire)** *APA News*. Prime minister **Robert Mambé** arrives in **Ghana** for the inauguration of the headquarters of the **Ivory Coast-Ghana Cocoa Initiative (ICCIG)**;

16 Apr 2024 **Abidjan (Côte d'Ivoire)** *Jeune Afrique*. National assembly president **Adama Bictogo** says the "natural candidate" for the ruling **Rassemblement des houphouëtistes pour la démocratie et la paix (RHDP)** in the upcoming 2025 presidential election is **Alassane Ouattara**;

15 Apr 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. **China**-headquartered **Zhaojin Mining** increases to \$475m its buyout offer of the **Abujar** gold mine, owned by **Australia's Tietto Minerals** after Tietto Minerals rejected an offer of \$399m

14 Apr 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. **China's** ambassador to Côte d'Ivoire, **Wu Jie**, confirms that trade between the two increased by 21% to \$5.28 billion in 2023, its highest level;

11 Apr 2024 **Abidjan (Côte d'Ivoire)** *APA News*. **Ukraine** inaugurates its embassy in Abidjan;

8 Apr 2024 **Abidjan (Côte d'Ivoire)** *IMF*. **International Monetary Fund (IMF)** reaches a staff-level agreement with authorities on the second review of Côte d'Ivoire's **Extended Fund Facility (EFF)** and **Extended Credit Facility (ECF)** arrangements and the first review of the **Resilience and Sustainability Facility (RSF)**, allowing for a total disbursement of \$574m;

8 Apr 2024 **Abidjan (Côte d'Ivoire)** *APA News*. President **Alassane Ouattara** meets with **French** foreign minister **Stéphane Séjourné** to discuss bilateral relations and regional issues, including what Séjourné calls the role that Côte d'Ivoire has to play in the stability of the **Economic Community of West African States (ECOWAS)**;

3 Apr 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. Energy, mines and oil minister **Mamadou Sangafowa Coulibaly** says Côte d'Ivoire aims to produce 678MW of solar energy by 2030 and by 2040, 1,686MW;

2 Apr 2024 **Abidjan (Côte d'Ivoire)** *Confectionary News*. Agriculture ministry increases the farmgate price of cocoa beans by 50%, from 1,000 FCFA (\$1.64) to 1,500 FCFA (\$2.46)

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