

AFRICA RISK CONSULTING

Côte d'Ivoire Monthly Briefing August 2024

Côte d'Ivoire Summary 21 August 2024

The government announces a series of measures to combat a surge of the mpox virus, which the World Health Organisation (WHO) declared a public health emergency on 14 August. Government announces on 29 July it signed an agreement with the World Bank to receive \$825m in funding for a water and sanitation programme. Côte d'Ivoire and Senegal's foreign affairs ministers oversee the signing of 11 new cooperation agreements during the 10th Côte d'Ivoire - Sénégal Grande Commission Mixte (grand mixed cooperation commission). United States-headquartered Fitch Ratings affirms Côte d'Ivoire's Long-Term Foreign Currency Issuer Default Rating at BB- with a stable outlook.

Government announces measures to contain the spread of the mpox virus

As of May 2024, the **World Health Organisation (WHO)** began receiving reports of a significant uptick in the occurrence of the mpox virus, particularly in the **Democratic Republic of Congo (DRC)**.¹ This prompted WHO director **Tedros Gebreyesus** to declare the increase a public health emergency of international concern, owing to the rapid spread of a new variant over the past year in the DRC.² The WHO declaration followed a similar one from the **African Centres for Disease Control**, made on 13 August, after the virus had been found not only in the DRC but also in neighbouring **Burundi**.³ Mpox is contracted by humans as a result of physical contact with wild animals and/or other infected humans.⁴

The **Institut National d'Hygiène Publique (INHP)** (national public hygiene institute) confirmed it detected six mpox cases in July (all but one in the economic capital **Abidjan**) and started taking measures in August.⁵ These include a strong recommendation to the population to avoid contact with and/or consumption of wild animals.⁶ Health authorities have further urged anyone displaying mpox symptoms to see a doctor at a health facility at the earliest opportunity.⁷

The public health ministry has also decided to activate the **Public Health Emergency Operations Centre (PHEOC)** to increase surveillance and tracing procedures in order to contain the spread of the virus.⁸ In addition, the environmental ministry has reminded the population that raising wild animals in captivity is illegal and punishable with fines of up to 100m FCFA (\$169,465) and prison sentences of up to 20 years.⁹ As of 20 August, the INHP has detected 28 cases and confirmed one death.

The World Bank announces a \$825m package for clean drinking water access

Government announced on 29 July that it and the **World Bank** signed an agreement worth \$825m on 10 July under one of the World Bank's water and sanitation programmes.¹⁰ The funds will be made available in three tranches over a period of 11 years under a programme known as **Programme**

¹ WHO External Situation Report 35, Geneva, 12 Aug 2024

² WHO news release, Geneva, 14 Aug 2024

³ Nature Africa, 16 Aug 2024

⁴ Ministère de la santé, de hygiène publique et de la couverture maladie universelle, Abidjan, 2 Aug 2024

⁵ Crisis24, 7 Aug 2024

⁶ France24, 17 Aug 2024

⁷ Crisis24, 7 Aug 2024

⁸ Crisis24, 7 Aug 2024

⁹ RFI 9 August 2024; Anadolu Agency 13 Aug 2024

¹⁰ Radio France Internationale, 31 Jul 2024

d'appui à la sécurité de l'eau et de l'assainissement (PASEA) (water and sanitation security support programme).¹¹

Sanitation minister **Bouaké Fofana** noted at the signing ceremony that this new funding comes on top of the \$200m the World Bank had already made available since 2011 for the water and sanitation sectors.¹² At the end of the programme, two million Ivorians will have access to safe and clean drinking water for the first time at home, in schools, health care centres and local enterprises.¹³

PASEA phase one will run from 2024 to 2030 and phases two and three between 2028 and 2035. Under PASEA, work will begin on restoring four major dams, constructing 30 new hydro stations and 7 purification plants, mostly in the north of the country, which faces specific water-related challenges as a result of climate change.¹⁴ More generally, water supply is under threat as a result of widespread pollution, for instance as a result of gold mining.¹⁵

In 2022, 28% of the country's rural population had access to safe and clean drinking water, up from 15% in 2011 but still well short of full coverage. In urban areas, 60% of inhabitants had access to safe and clean drinking water in 2022, up from 35% in 2011¹⁶. This means that 15.9 million Ivorians still have no such access, despite the significant progress that has been made in the last 15 years.

Côte d'Ivoire and Senegal sign 11 new cooperation agreements

The 10th **Côte d'Ivoire – Sénégal Grande Commission Mixte** (grand mixed cooperation commission) took place in **Abidjan** between 31 July and 2 August, in the presence of foreign affairs minister **Léon Kacou Adom** and his Senegalese counterpart **Yassine Fall**.¹⁷ The two ministers presided over the signing of 11 new cooperation agreements between their countries, with one pending, covering a wide range of sectors the two consider of strategic importance. These include agriculture, mining, hydrology, energy, trade, transport, ITC, youth and education.¹⁸ Adom said of the meeting:

*"The moment has now come to aim for an economic and commercial partnership that is mutually beneficial, making it more effective, more ambitious and more innovative...the objective has always been and continues to be to increase the trade and investment exchanges between our two countries, for the benefit of our respective populations."*¹⁹

To facilitate better economic partnerships, the two countries have agreed to intensify cooperation in the legal sphere, both civil and business-related. Two new conventions serve this purpose, one pertaining to legal procedures and enquiries, compliance with court orders, arbitration issues and more. The other covers mutual assistance when investigations into infractions are ongoing with the aim of bringing persons or entities before a court of law. To this end, the two countries have also signed extradition agreements.²⁰

Senegal and Côte d'Ivoire are the two principal economies of the **West Africa Monetary Union (WAMU)**, which has the CFA Franc as its common currency. Relations between the two are very good, a fact that was confirmed during the visit of newly elected Senegalese President **Bassirou Diomaye Faye** (2024-present) to President **Alassane Ouattara** (2010-present) at the end of May (*see ARC Briefing Côte d'Ivoire May 2024*).²¹

¹¹ Banque Mondiale press release (French), 10 Jul 2024

¹² Ministère de la Hydraulique, de l'Assainissement et de la Salubrité, Abidjan, 10 Jul 2024

¹³ Banque Mondiale press release (French), 10 Jul 2024

¹⁴ Radio France Internationale, 31 Jul 2024

¹⁵ Radio France Internationale, 31 Jul 2024

¹⁶ Data by the WHO/UNIEF Joint Monitoring Programme for Water Supply, Sanitation and Hygiene, accessed through the World Bank Group databank.

¹⁷ Xinhua, 2 August 2024; L'Informateur, 3 Aug 2024

¹⁸ Xinhua, 2 August 2024; Portail officiel du Gouvernement de Côte d'Ivoire, 1 Aug 2024

¹⁹ Koaci.com, 1 Aug 2024

²⁰ Apa News, Abidjan, 2 Aug 2024

²¹ L'Informateur, 3 Aug 2024

However, trade between the two countries has been modest, although the volume has been increasing from \$371m in 2021 to \$408m in 2023.²² During the commission meeting, the two presiding ministers encouraged the private sector in particular to play a leading role in strengthening the ties between the two economies by looking for and seizing business opportunities.²³ The 11th session of the commission will be held in Senegal at a date to be confirmed.²⁴

Fitch maintains Côte d'Ivoire's rating at BB- with the outlook 'stable'

United States-headquartered credit rating agency **Fitch Ratings** affirmed Côte d'Ivoire's **Long-Term Foreign Currency Issuer Default Rating** at BB- with a stable outlook on 2 August. The agency based this on strong growth figures (6.5% in 2023) and good fiscal management, with the fiscal deficit gradually decreasing towards the 3% of GDP convergence criterion demanded by the WAMU. The fiscal deficit currently stands at 4.5% of GDP, down from 6.8% in 2022.²⁵

The country's strong growth is being driven by, among others, the large-scale infrastructure investments partly connected with the successful **Africa Cup of Nations** football tournament earlier this year and the coming onstream of the **Baleine** oil field.²⁶ Growth is expected to average 6.5% over 2024/2025. Fitch also assessed that the country's external debt, which is currently at 58% of GDP, is sustainable. The **International Monetary Fund (IMF)** said Côte d'Ivoire's debt remains at 'moderate risk of debt distress' in its December assessment.²⁷

For the longer term outlook, there are questions about the government's ability to mobilise sufficient taxes and the country's continued high dependency on commodity exports and hence lack of control regarding price-setting.²⁸ There is broad consensus regarding the wish to see the government's revenue position improve by mobilising more taxes, as per the IMF's assessment but also the recognition that this is complicated. One possible way to achieve this is through better recovery of VAT and various levies and duties – and possibly through what Fitch terms "*expanding the coverage of property taxation.*"²⁹

Any sharp deterioration in the domestic political situation is unlikely but attention must be focussed on instability coming from across the northern borders with **Mali** and **Burkina Faso**, from where armed Islamist insurgents have staged attacks and may do so again.

Fitch upgraded Côte d'Ivoire's rating from B+ to BB- in July 2021 and has since been affirmed at BB- several times, indicative of Côte d'Ivoire's economic and political stability. Fitch notes that an improvement in GDP per capita, sustained improvement in governance indicators, improvement in its level of international reserves and continued decreasing debt levels could lead to an upgrade. However, with the upcoming 2025 election and increased spending, this is unlikely.

Planner

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

2025 (Côte d'Ivoire) Presidential elections

Chronology

19 Aug 2024 **Abidjan (Côte d'Ivoire)** *APA News*. **Canada's** foreign affairs minister, **Mélanie Joly**, signs a memorandum of understanding (MoU) within the framework of the **Canadian Commercial Corporation (CCC)** with minister delegate to the foreign affairs minister **Wautabouna Ouattara**

²² Agence Écofin, 2 and 5 Aug 2024

²³ Koaci.com, 1 Aug 2024

²⁴ Radio Television sénégalaise (RTS), 2 Aug 2024

²⁵ Fitch Rating Action Commentary, 2 Aug 2024

²⁶ Fitch Rating Action Commentary, 2 Aug 2024

²⁷ IMF, 12 Dec 2023

²⁸ Fitch Rating Action Commentary, 2 Aug 2024; Sika finance, 8 Aug 2024

²⁹ Fitch Rating Action Commentary, 2 Aug 2024

18 Aug 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. Statistics institute reports annual inflation slowed to 4% in July, down from 4.1% in June

16 Aug 2024 **Abidjan (Côte d'Ivoire)** *APA News*. Government announces that in consultation with **Morocco**, it has initiated procedures to reinstate entry visa requirements for Ivorians travelling to Morocco in a bid to curb an influx of irregular migrants through Morocco claiming Ivorian citizenship

11 Aug 2024 **Abidjan (Côte d'Ivoire)** *Agence Ecofin*. **Canada**-headquartered **Allied Gold** says load shedding prevented it from producing an additional 8,625 ounces of gold in the second quarter, a loss of approximately \$20.9m

9 Aug 2024 **Abidjan (Côte d'Ivoire)** *Jeune Afrique*. A coalition of 11 political parties and two civil society organisations release a joint statement calling for reforms to the electoral system ahead of the October 2025 presidential election;

6 Aug 2024 **Abidjan (Côte d'Ivoire)** *Sika Finance*. **United States**-based **Global Fire Power** ranks Côte d'Ivoire, **Mali** and **Niger** as the top three military powers in the **West African Economic and Monetary Union (WAEMU)**;

2 Aug 2024 **Abidjan (Côte d'Ivoire)** *APA News*. Côte d'Ivoire and **Senegal** sign 11 agreements at the end of their **Joint Cooperation Commission**

2 Aug 2024 **Abidjan (Côte d'Ivoire)** *Fitch*. **United States**-headquartered **Fitch Ratings** affirms Côte d'Ivoire's Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'BB-' with a stable outlook

30 Jul 2024 **Abidjan (Côte d'Ivoire)** *APA News*. **Senegal's** foreign affairs minister, **Yacine Fall**, arrives in Abidjan to take part in the 10th session of the **Côte d'Ivoire-Senegal Joint Cooperation Commission**

29 Jul 2024 **Abidjan (Côte d'Ivoire)** *Jeune Afrique*. **Agence de régulation des télécommunications (ARTCI)** (telecommunications regulatory authority) imposes a penalty of 13 billion FCFA (\$21.54m) on the main three telecoms operations – **Orange**, **MTN** and **Moov** – for failing to meet their quality of service obligations in 2022

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Please contact us by email info@africariskconsulting.com or call + 44 (0) 20 7078 4080

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