Republic of Côte d'Ivoire

ACCELERATING 2030 AGENDA

April 2018
<table>
<thead>
<tr>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Introduction: Recent Development context</td>
</tr>
<tr>
<td>2. National Development Agenda and SDGs</td>
</tr>
<tr>
<td>3. Reforms and Measures so far</td>
</tr>
<tr>
<td>4. Key Challenges</td>
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Overview of Côte d'Ivoire

Largest Economy in WAEMU, 40% of the Regional GDP

<table>
<thead>
<tr>
<th>Credit Ratings</th>
<th>Moody’s: Ba3/ Stable</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Fitch: B+/ Stable</td>
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<tr>
<td>Area</td>
<td>322,462 km²</td>
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<tr>
<td>Population</td>
<td>22.7 mn (2014)</td>
</tr>
<tr>
<td></td>
<td>Growth Rate c.2.6% (2015)</td>
</tr>
<tr>
<td>Capital City</td>
<td>Yamoussoukro; Government seat is Abidjan</td>
</tr>
<tr>
<td>Currency</td>
<td>CFA Franc (XOF) pegged to EUR at 655.957</td>
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<tr>
<td>Nominal GDP</td>
<td>CFAF 21,438bn (2016e)</td>
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<td>c. USD 34.4bn</td>
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<tr>
<td>Real GDP growth</td>
<td>8.3% (2016e)</td>
</tr>
<tr>
<td>GDP per Capita</td>
<td>CFAF 882,700 (2016e)</td>
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<td>c. USD 1,490</td>
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<tr>
<td>Political System</td>
<td>Côte d’Ivoire is a Democratic Republic based on the separation and balance of the three powers: executive, legislative and judicial</td>
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<tr>
<td>Land / Climate</td>
<td>Climate ranges from tropical along coast to semi-arid in far North</td>
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<td>Mostly coastal plains transitioning into plateau and mountain ranges in the Northwest</td>
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<tr>
<td>Key Natural Resources</td>
<td>Cocoa Beans, Coffee, Cotton, Palm Oil, Rubber Tree, Cashew nuts, Rice, Banana</td>
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<tr>
<td></td>
<td>Gold, Diamonds, Manganese, Iron Ore, Columbite-Tantalum, Bauxite, Phosphates</td>
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<tr>
<td></td>
<td>Petroleum, Natural Gas, Hydropower</td>
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Source: Republic of Côte d'Ivoire
Overview of Côte d'Ivoire

Recent Political & Institutional Milestones

- **H.E.M. President Ouattara Sworn In:** Elected by popular vote for a 5-year term in 2010
- **End of the civil strife** which started in 2002

2010

- **Debt Forgiveness:** Côte d'Ivoire reaches Completion Point under the IMF and World Bank enhanced initiative for the Heavily Indebted Poor Countries (HIPC). Debt is reduced to 45.1% of GDP

2012

- **Peaceful Presidential Elections:** H.E.M. President Ouattara was re-elected for a second 5-year term in October 2015 following a peaceful presidential election. Next presidential election is scheduled for 2020

2015

- **New Constitution:** Adopted by referendum, held in October 2016, making the start of the Third Republic and the creation of a Senate (not yet in office). The new Constitution introduced a Vice-President position, created a Senate and amended an Ivorian nationality provision for presidential candidates
- **IMF Programme Agreed:** The IMF approved two three-year arrangements for 2016-2019 under the Extended Credit Facility (ECF) and the Extended Fund Facility (EFF) as a follow-up to previous IMF programs from 2011 to 2015
- **Legislative Elections:** Elections were held in December 2016 to elect deputies to the National Assembly. Deputies are elected in single- and multi-district elections by direct universal suffrage for 5-year terms. Next legislative elections are to be held in 2021
- **Withdrawal** of the United Nations peacekeeping troops from Côte d'Ivoire

2016

2017

Source: Republic of Côte d'Ivoire
Fastest Growing Economy in Africa

• With an estimated average growth rate of 9.2% over the 2012-2016 period, Côte d’Ivoire economy is one of the fastest growing economies in the world.

• The National Development Plan (NDP) projects an average growth of 8.7% between 2016 and 2020. Growth will be robust, inclusive, sustainable and resilient.

• Growth remains resilient with 8.5% growth rate expected in 2017. The IMF and rating agencies support Authorities and expect solid growth in 2017.

GDP Growth Far Outpaces Regional and Sub-Saharan Average(%)  

- 2016 growth reached 8.8% driven by the secondary and tertiary sectors.
- Despite exogenous shocks in 2016, including a 35% drop in cocoa prices. The Primary Sector remains supported by a diverse agricultural mix.
- Resilient growth is supported by investment (private and public) and consumption.
- Private consumption represented 65% of internal demand supported by favorable demographics.

All data sourced from the Republic of Côte d’Ivoire, IMF World Economic Outlook (April 2017)
Structural Reforms, Industrialisation and Infrastructure Projects are Transforming the Economy

<table>
<thead>
<tr>
<th>One of the Fastest Growing Economies in the World</th>
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</thead>
<tbody>
<tr>
<td>• <strong>3rd Fastest Growing Economy in the World:</strong> 8.3% Real GDP Growth in 2016. Av. growth of 9.2% 2012 - 2016, well above the Sub-Saharan Africa average</td>
</tr>
<tr>
<td>• <strong>An Economic Powerhouse in West Africa:</strong> Largest economy in WAEMU, representing c.40% of the region’s GDP</td>
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<tr>
<td>• <strong>Positive Long Term Growth Outlook:</strong> Ambitious investment agenda promoting economic diversification into the high value-added secondary sector</td>
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<tr>
<td>• <strong>Stable Macroeconomic Environment:</strong> As a member of the West African Economic and Monetary Union (WAEMU), Côte d’Ivoire benefits from a stable exchange rate in the CFA Franc zone and low inflation</td>
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<thead>
<tr>
<th>Abundant Natural Resource Endowment</th>
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<tbody>
<tr>
<td>• <strong>Global Agricultural Leader:</strong> #1 cocoa producer globally, representing &gt; 1/3 of world production (2015), #1 cashew nuts producer, quite diversified agricultural production</td>
</tr>
<tr>
<td>• <strong>Focusing on Transformation:</strong> National Programme for Agriculture Investment (PNIA) focuses on food security and developing agricultural value chain</td>
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<tr>
<td>• <strong>Developing Massive Potential in Mining Sector:</strong> Developing potential of vast oil and gas resources, metals and minerals. The new mining code helps drive increased Foreign Direct Investment (FDI)</td>
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<table>
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<tr>
<th>Wise Economic Management</th>
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<tr>
<td>• <strong>Creating Fiscal Space for Investment:</strong> Budget deficit of 3.9% of GDP in 2016, forecast at 4.5% in 2017 with gradual consolidation to 3.0% by 2019</td>
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<tr>
<td>• <strong>Revenue Generation is a Policy Priority:</strong> Focus on domestic revenue generation to support investment. Average growth of 10.6% per annum since 2012</td>
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<tr>
<td>• <strong>Manageable Debt Levels:</strong> Medium-Term Debt Strategy (MTDS) focuses on public debt sustainability. Debt/ GDP projected to remain below 42.8% of GDP and is one of the lowest among peers</td>
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<tr>
<th>Sound External Accounts and Structural Trade Surplus</th>
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<tbody>
<tr>
<td>• <strong>Large Trade Surplus Supports External Position:</strong> Largest trade surplus in WAEMU - 8.7% of GDP in 2016</td>
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<tr>
<td>• <strong>Diversified and Resilient Export Base:</strong> export base is highly diversified with increasing value-added contributions from agri-exports and the mining sector</td>
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<tr>
<td>• <strong>Structural Dynamics Support Balance of Payments:</strong> Current account deficit one of the lowest in Africa with history of being in balance (1.1% GDP, 2016). FDI fully covers current account and is growing, supported by economic competitiveness gains. Côte d’Ivoire is the 7th most competitive economy in Sub-Saharan Africa (World Economic Forum Global Competitiveness Survey)</td>
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<tr>
<th>National Development Plan Harnessing Economic Potential</th>
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<tbody>
<tr>
<td>• <strong>NDP 2016- 2020 Builds on Côte d’Ivoire’s Competitive Advantages and Promotes Industrialisation:</strong> Aim to become a middle income economy by 2020 and substantially reduce poverty, accelerating path to emergence</td>
</tr>
<tr>
<td>• <strong>Capitalising on Côte d'Ivoire's Strategic Geographic Position:</strong> Infrastructure projects designed to unlock constraints to growth and will be supported by private sector-led investment</td>
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<td>• <strong>Multilateral Support:</strong> In addition to IMF support, significant increase in concessional funding from World Bank and AfDB is expected in the next 2 years.</td>
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<tr>
<th>A Strong Structural Reform Agenda Underway</th>
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<td>• <strong>Recognised as One of the Top Reforming Countries Globally (World Bank 2015 &amp; 2016):</strong> Reforms have supported notable progress in macro economic performance</td>
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<tr>
<td>• <strong>Transformational Reform Agenda:</strong> Reform agenda will improve the business environment and enable private sector investment to become engine for growth</td>
</tr>
<tr>
<td>• <strong>IMF Supporting Structural Reform Agenda:</strong> Two 3-year ECF and EEF agreements within the IMF 2016-2019 program for a combined USD 658.9mn will provide technical and funding support for the reform agenda</td>
</tr>
</tbody>
</table>
National Development Plan 2012-2015: Achievements

1st NDP 2012 – 2015 Laid the Foundations for Emergence; Restoring Peace and Social Cohesion and Delivering Sustained, Inclusive Growth

**Economic Growth & Welfare**
- **Lasting Growth**
  - Recovery of real income per inhabitant by nearly 25% between 2012 – 2015
  - Decrease in the poverty rate from 49% in 2008 to 46% in 2015
  - Improvement of diplomatic relations and reinforcement of economic diplomacy
  - Achieved 9.1% economic growth over the period

**Investment & Job Creation**
- **Steady Increase**
  - The recovery of real income per inhabitant by nearly 25% between 2012 and 2015
  - Investments rose from 9% of the GDP in 2011 to 20% in 2015
  - FDIs on the rise for 2013 with an 11.4% increase from 2012

**Infrastructure**
- **Key Projects Completed**
  - Abidjan: 3rd bridge interchange over VGE
  - Northern Freeway / New Roads (Abobo-Anyama Boundiali-Tengrela Abidjan-Grand Bassam)
  - Singrobo-Yamoussoukro highway
  - Marahoue Bridge, Henri Konan Bedie, Bouafle, Jacqueville
  - 500km of rural roads rehabilitated
  - Abidjan Port extension
  - San Pedro port project

**Energy**
- **Increasing Capacity**
  - 251 MW increase (Azito/CIPREL) H1 2015
  - 369 MW CCGT Abatta in 2016
  - 275 MW Soubré hydroelectric project in 2017
  - Rural electrification: 800 villages connected

**Agriculture**
- **Transforming the Sector**
  - Structuring of Cashew Nuts and Cotton Sector
  - 48.9% increase rice output in 2012-2014f further to National Rice Development Plan

**Education**
- **Continued Improvements**
  - Primary Gross Education Rate improved to 94.7% in 2013-2014
  - University Felix Houphouët-Boigny of Abidjan was refurbished and re-opened in 2013
  - 9291 primary education classes created and 3500 secondary education classes created
National Development Plan: Harnessing Potential

- National Development Plan (NDP) 2016 - 2020 will Transform Côte d'Ivoire into an Emerging Economy by Reducing Poverty, Improving Living Standards of the Population

**Strategic Objectives**

- Achieve robust, sustainable, equitable, and inclusive growth
- Increase the share of value added in the processing of commodities
- Become a driving force for sub-regional and African integration
- Be a force for good governance and combating corruption
- Join lead group of countries in terms of human development indices
- Establish one of the best business environments in Africa and in the world

**Structural Reforms**

- Competitiveness
- Improved Governance
- Debt, Justice, Institutional Management Capabilities
- National Plan for the Development of Education / Vocational Training

**Specific Sectoral Plans**

- Four Sources of Growth Identified Based on Comparative Advantages
  - Agriculture & Agri-business
  - Mining, oil, gas and electricity
  - Transportation and commerce
  - Telecommunications

**New impetus to development policy**

**On-going monitoring of implementation**
NDP 2016 – 2020 Accelerates the Path to Emergence

Strategic Pillars Guide Policy Making Over the Period

☑ Strengthening the quality of institutions and proper governance
☑ Accelerating the development of human capital and social well-being
  ☑ Improve the living conditions of the population
  ☑ Improve the quality of education – Multi-sectoral nutrition plan
  ☑ Develop the country’s potential
  ☑ Rural electrification
☑ Accelerating the structural transformation of the economy through industrialization
☑ Developing infrastructure equitably spread throughout the country and protecting the environment
☑ Strengthening regional integration and international cooperation

Private Sector Led Transformation (%)

The total investments to be made over the 2016-2020 period is 30,000 billion CFA francs (50 billion US dollars) with 60% expected from the private sector

Implementation of the NDP is Targeted to Achieve Quantifiable Economic Gains

1. Average 8.7% growth projected between 2016 and 2020 driven primarily by secondary and tertiary sectors
2. Rise in investment rate from 19.3% in 2015 of GDP to 24.5% in 2020 with significant contribution from private sector
3. Low and stable inflation under the +3% WAEMU countries convergence target
4. Increase in total revenues and donations, primary fiscal, from CFAF 3,917bn to CFAF 6,492bn (average annual growth rate of 10.6%)
5. Improvement in budget deficit, fiscal consolidation from 2.9% of GDP in 2015 to 1.9% in 2020
NDP 2016 – 2020: Structural Transformation of the Economy through Industrialisation

Secondary Sector Share of the Economy Set to Rise to 40% by 2020

![Chart showing the increase in the secondary sector share of the economy from 29.5% in 2016 to 40% in 2020.]

Strategic Focus for NDP Industrialisation Plan

### Processing of commodities and Development of complete value chains

**Agri-foods is the primary industrial activity:**
- Goal to increase cocoa processing rate to 50% by 2020
- State as an enabler, working on removing barriers, facilitating access to financing, marketing campaigns etc
- The World Bank has extended a loan to transform agricultural production, build technological capacity through tax incentives, export premiums and support to companies

### Vocational Training and Corporate Accountability

**Strategy has a strong contribution from private sector as a key focus:**
- 60% of overall investment under the PND is expected to come from the private sector, including through public-private partnerships
- Private investment rate is expected to increase from 10.7% in 2015 to 15.5% in 2020

### Capitalize on competitive advantages to diversify industrial production

**Focus on key sectors:**
- Non-agricultural natural resources
- Structuring industries
- Consumer products
- Light manufacturing industries
Creating an Enabling Environment for Private Sector Investment

The Government has Introduced Structural Reforms Focusing on Investment Promotion to Achieve Inclusive and Sustainable Economic Growth, Driven by the Development of the Private Sector

Increased Private Investment Contribution is Critical to the sustainability of the Development Plan

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<thead>
<tr>
<th>Breakdown of Nominal GDP in terms of Expenses (CFAF bn)</th>
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<tr>
<td><strong>Stock Variation</strong></td>
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<tr>
<td>2012: 449</td>
</tr>
<tr>
<td>2016f: 388</td>
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<tr>
<td><strong>Public Investment</strong></td>
</tr>
<tr>
<td>2012: 750</td>
</tr>
<tr>
<td>2016f: 1,408</td>
</tr>
<tr>
<td><strong>Net External Demand</strong></td>
</tr>
<tr>
<td>2012: 572</td>
</tr>
<tr>
<td>2016f: 644</td>
</tr>
<tr>
<td><strong>Private Investment</strong></td>
</tr>
<tr>
<td>2012: 1,001</td>
</tr>
<tr>
<td>2016f: 2,980</td>
</tr>
<tr>
<td><strong>Private Consumption</strong></td>
</tr>
<tr>
<td>2012: 1,685</td>
</tr>
<tr>
<td>2016f: 9,149</td>
</tr>
<tr>
<td><strong>Public Consumption</strong></td>
</tr>
<tr>
<td>2012: 2,723</td>
</tr>
<tr>
<td>2016f: 13,295</td>
</tr>
</tbody>
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Structural Measures are Boosting Private Sector Investments

- **New Investment Code**: Encourages the flow of foreign capital, lowers investment caps and provides longer-term guarantees
- **Competition Law**: To prevent cartels and abuse of dominant position
- **Legal System Reforms**: Include recognition of arbitration judgements and creation of commercial courts which will issue decisions within 90 days
- **Corporate Tax Reduction**: From 35% to 25%
- **Reducing Set Up Costs**: Costs for company creation reduced by 72% and time reduced from 32 days to 24 hours

Key 2017 – 2018 Structural Reforms

- **Company Creation**: Increased online services and decentralizing delivery of business licenses & permits
- **Contract Execution**: Reducing enforcement timeframes for court decisions to 90 days and rendering operational the judicial activities module of the Commercial Court
- **Insolvency Settlement**: Creation of an online platform for insolvency information and online auctions
- **Investor Services**: Establishing a single portal for investor services
- **Payment of Taxes and Duties**: Implementing online payments

Source: Republic of Côte d’Ivoire.
An Emerging Model for Good Governance and Competitiveness

Transparency International: 2016 Corruption Perception Index Ranking

Rank (Out of 177 countries, rank 1 is the highest)

Control of Corruption, Government Effectiveness and Political Stability and Absence of Violence and Terrorism, score -2.5 to +2.5*, Côte d’Ivoire, 2005 to 2015

Source: World Governance Indicators, The World Bank

Initiatives to promote transparency and freedom of the press through the creation of “Observatoire de la Presse” and “Open Government Partnership”

Côte d’Ivoire ranks 7th in Sub Saharan Africa and 99th globally in the World Economic Forum Global Competitiveness Index 2016 - 2017
Focus on Business Climate Reforms is Strengthening the Role of the Private Sector as the Engine of Growth and Provider of Jobs

Enhancing the Private Sector and SMEs

- The Government has adopted an ambitious strategy to develop and support the growth of a culture of entrepreneurship and innovation
- The Government has adopted the "PHOENIX" program designed to promote high-performing SMEs expected to contribute to the creation of jobs and wealth in the long-term

Goals

- SMEs to represent 20% of GDP, 12% of national investment, and to employ 23% of active working population
- Facilitate the creation and development of SMEs, that could amount to between 100,000 and 120,000 enterprises by 2020
- Created credit information bureaus and developed tools such as leasing agreements (to help finance SME production / equipment)
- Create a guarantee fund alongside the World Bank and other financial institutions for banks to increase the global amount allocated to financing SMEs

Employment Revival Strategy

General Measures

1. Improvement of the Business Climate
2. Launch of Major Infrastructure Projects with strong job potential for creation

Specific Measures

1. First-job provision in the new Labor Code
2. Targeted youth and women programs
3. Regional job creation strategies
4. Access to public contracts for SMEs

Assistance Measures

1. Accelerating the Technical Education and Vocational Training
2. Improving current tax provisions to promote employment
3. Improving the information about the job market

Significant Improvement in Ease of Doing Business Ranking

(Out of 183 countries, rank 1 is the highest)

- 2010: 168
- 2016: 139

Inclusive Economic Growth through Job Creation driven by the Private Sector

Source: Republic of Côte d'Ivoire, World Bank Ease of Doing Business
Côte d'Ivoire is the Gateway to WAEMU, Building Capacity as a Regional Hub

- Development of Infrastructure is Unlocking Côte d'Ivoire’s Potential as a Regional Hub for the Broader WAEMU, Acting as a Transshipment Hub for Landlocked Countries and Developing Commodity Export Systems

Upgrading Logistics Infrastructure

ABIDJAN PORT PROJECT: Positioning as one of the largest ports in Africa

- Abidjan Port handles 87% of Côte d'Ivoire’s international trade. Ongoing work to expand port and increase capacity will transform it into one of the largest ports in Africa
  - Work to extend and deepen port entrance has begun
  - Construction of 2nd container terminal initiated. Project estimated to cost CFAF 500bn and to complete in 3.5 years
  - Concession of the grain terminal

Other Projects to Support the Commodities Export Sector

- Extension of San Pedro Deep Sea Port
- Rail project to create an integrated system for regional mineral mining
- Rehabilitation of Abidjan-Kaya line started in 2015. Expected completion by 2020
- Construction of San Pedro-Bamako railway to enhance transport for regional iron ore, nickel, manganese and bauxite mining
- Construction Man-Nzérékoré (Guinea Conakry) railway (181km) for joint mining of Guinea’s iron ore

Developing Other Regional Infrastructure Links

- Aerocite Projects
  - Abidjan Airport Zone will offer a range of amenities including commerce, hotels and housing
  - Aerocite in San Pedro also contemplated with tender to construct international airport at San Pedro launched
  - Abidjan – Lagos road project (financed by World Bank)

Developing Industrial Zones

- Creation of 2 new industrial zones under development to create a regional development centre and increase labour sector’s potential
  - PK24 site industrial zone to be finalized by end 2017. 37 companies have acquired plots
  - Renovation of Yopougon industrial Zone (645 Ha) nearing completion
Infrastructure Projects Addressing Constraints to Growth

**Projects Focused on Resolving the Infrastructure Deficit**

<table>
<thead>
<tr>
<th>Improvements Evident since 2012 with Several key road projects completed</th>
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<tbody>
<tr>
<td><strong>Rivera-Marcory Bridge, Abidjan</strong></td>
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<tr>
<td><strong>Construction of Abobo-Anyama Road</strong></td>
</tr>
<tr>
<td><strong>Construction of the Baoundaiiali-Tengrela road</strong></td>
</tr>
<tr>
<td><strong>Jacqueville bridge – inaugurated in 2015</strong></td>
</tr>
</tbody>
</table>

**Transport Infrastructure is a Key Priority**

2016-2020 CFAF 3,760bn National Road Development Plan Underway

- Road development supported by CFAF500bn financing from AfDB
- 3,916km of interurban asphalt roads to be renovated at a cost of CFAF 1,246bn between 2017 and 2020
- Construction of the Tiébissou-Bouaké section of the Yamoussokro-Bouaké highway - completion expected between 2017 and 2020
- Construction of Abidjan-Dabou section on Abidjan-San Pedro highway at an est. cost of CFAF 90bn
- 5th bridge of Abidjan expected to be completed by 2019

**Abidjan Metro Project**

- Abidjan Rail Transport Company along with a consortium of Korean and French companies granted public service concession for design, financing, completion and operation of Line 1 of Abidjan Metro
- The 37.5km line will have capacity to transport ~300,000 people a day
- Expected to be operational by Dec 2019
Investment in Power Infrastructure is a Key Supportive Element to the Industrialisation Plan

Critical Power Projects to Increase Capacity to 4,000MW by 2020

Aim of Government strategy for the sector is to reinforce existing sites as well as explore new inputs including biomass, to improve the transportation and distribution network and satisfy growing demand

- Investments of CFAF 5,300bn between 2012-2030
- Projects financed by both State and private Sector with state share <15%

Electricity Production Improving (GWh)

- Côte d’Ivoire currently produces more electricity than it uses and exports to the region

Generation Mix Supported by Domestic Fuel Sources

- Power sourced from 6 hydroelectric dams and 4 thermal plants fuelled by gas sourced primarily from Côte d’Ivoire
- Energy mix remains dominated by thermal sources. However there is increased reliance on domestic fuel sources
Côte d'Ivoire has a Highly Diversified Economy

In 2016 the diverse agricultural mix supported growth despite the fall in cocoa production: food crops supported an overall agricultural growth of 7.4%. The share of the primary sector in the GDP is declining as the economy moves towards industrialisation. However, agriculture remains an important backbone of the economy.

The secondary sector is the fastest growing sector of the economy at 15.2% in 2016, driven by the significant growth in mineral extraction (+18.1%), sustained energy production (+37.9%) and the strong performance in building and public works (+22.1%)

Contribution of Services to GDP is increasing due to investments in the telecommunications sector for national fiber optic coverage, investments in ports and airports, the commissioning of new hotels, the organization of the “Jeux de la Francophonie” and the revival of maritime traffic, in connection with cocoa and oil product exports.

Source: Republic of Côte d'Ivoire
Transforming Natural Resources to Move up the Value-Chain

- Agri-processing and manufacturing are adding value to an already powerful agricultural production
- Côte d’Ivoire has the most diversified agriculture in Africa

### National Agriculture Investment Programme to Develop Processing Capacity

- Established in 2011, the PNIA aims at restoring agriculture growth to 9% a year, creating 2.4 mn jobs, promoting food security and reaching a rate of 50% processing by 2020
- The first phase of PNIA helped Côte d’Ivoire achieve record production results and up tiered processing: the country became the world #1 grinder of cocoa
- 2017-2021 PNIA goals are focused on local processing, an integrated way of addressing production questions with full water control, agricultural mechanization, professional training and marketing

### Maintaining Leadership in Cocoa While Diversifying Agri-export Base (in %)

- #1 producer and exporter of cocoa beans: Cocoa production is expected to rebound by 10.1% to 1.8mn tonnes in 2017 after challenges in 2016
- Agriculture is still dominated by cocoa with increased exposure to broader agricultural markets
- Now #1 producer and exporter of cashew nuts
- Resilience will be further enhanced via development of agro-processing with an aim to process 50% of agricultural output by 2020
- At the end of 2016, 32.6% of cocoa and 6.2% of cashew nut production were currently processed in country

### Take-off in Agri Processing in Côte d’Ivoire (% Cocoa Production Processed)

Aim to achieve 50% by 2020

Source: Republic of Côte d’Ivoire
## INTEGRATING SDGs IN NATIONAL DEVELOPMENT PLAN

<table>
<thead>
<tr>
<th>SUSTAINABLE DEVELOPMENT GOALS (SDG) 2016-2030</th>
<th>NATIONAL DEVELOPMENT PLAN (NDP) 2016-2020</th>
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<tbody>
<tr>
<td>SDG 11 : Sustainable cities and communities</td>
<td>Strategic Pillar 1 : Enhancement of the quality of institutions and governance</td>
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<tr>
<td>SDG 16 : Peace, justice and efficient institutions</td>
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<td>SDG 17 : Partnerships for the goals</td>
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<tr>
<td>SDG 1 : No poverty</td>
<td>Strategic Pillar 2 : Acceleration of human capital development and promotion of social well-being</td>
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<tr>
<td>SDG 2: No hunger</td>
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<td>SDG 3: Good health and well-being</td>
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<td>SDG 4 : Quality education</td>
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<td>SDG 5 : Gender equality</td>
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<td>SDG 14 : Life below water</td>
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<tr>
<td>SDG 8 : Good jobs and economic growth</td>
<td>Strategic Pillar 3 : Acceleration of structural transformation of the economy through industrialization</td>
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<tr>
<td>SDG 12 : Responsible consumption and production</td>
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<td>SDG 6 : Clean water and sanitation</td>
<td>Strategic Pillar 4 : Development of infrastructure harmoniously distributed throughout the country and environmental preservation</td>
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<td>SDG 7 : Clean energy at affordable cost</td>
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<td>SDG 9 : Industry, innovation and infrastructure</td>
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<td>SDG 13 : Climate action</td>
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<td>SDG 10 : Reduced inequalities</td>
<td>Strategic Pillar 5 : Enhancement of regional integration and international cooperation</td>
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<td>SDG 17 : Partnerships for the goals</td>
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Government intent to promote sustainable jobs specially for youth. In this perspective, youth employment agency has been established in 2015 to coordinate all actions targeting jobs creation.

Youth employment agency is provided with 90 million USD fund to create job opportunities.

Technical education and professional training have been reviewed to fit with the needs of economy, education system and private sector partnership has been reinforced with this respect.

In addition, Government have been promoting entrepreneurship at school in order to provide future graduates with the necessary skills set to start a business and boost own employment.

Government Established since 2015 of free and compulsory school for every child until 16. The net education rate went from 68% in 2012 up to 87% in 2016.
Others key social reforms include

(i) Universal health care insurance launched with progressive registration;

(ii) Social safety nets program is going on targeting most vulnerable households in rural areas of the country and;

(iii) Unique Identification Number Project under the World Bank Identification for Development program (ID4D).

Population related issues especially Demographic Dividend is fully integrated in the National Development Plan. The National Population Policy has been approved by the Government in September 2015 with key goals:

(i) Fasten the demographic transition pace and bring fertility rate from 5 to 4 by 2025;

(ii) Increase the contraceptive use rate from 14% in 2012 to 45% in 2025; and

(iii) Fasten maternal death reduction.
Special actions have been taken to empower women:

- 8 million USD Fund to help women undertake Income Generating Activities: 40,000 women have benefited so far.
- Implementation of a special training plan for girls out of normal schooling consistent with the needs of the economy and focusing on entrepreneurship;
- Appointing more women in leadership position (political, Government level)
- Government encourages women to serve as teacher specially in secondary school by imposing quotas in recruiting process.
(i) Maintaining social peaceful and stable environment;
(ii) Addressing new security threats like terrorism;
(iii) Addressing youth employment;
(iv) Managing the demographic transition;
(v) Make Structural transformation effective to be less dependent on raw materials.
Resilient Cocoa Sector

Cocoa Production and Export Volumes Remain Robust Despite Weather Related Challenges in 2016

Recent Price Volatility have been Absorbed Due to Prudent Government Management of the Sector

Restructuring of the Sector Since 2011 Establishes Proper Regulation and Buffers Against Cyclical Risks

- Coffee-Cocoa council established in January 2012 with responsibility for management, regulation, development and stabilization of prices
- Established marketing mechanism which includes forward contracts, forward sales of export licenses and price guarantees to cocoa growers
  - Anticipated Forward Sales Program ensures farmers receive at least 60% of the CIF export price. Mechanism based on 80% forward sale of the crop with 20% sold at spot
  - This mechanism guaranteed a minimum price of CFAF 1,100 per kg for the main 2016-2017 season. In recent weeks, market prices for cocoa have seen some improvements, rising off the lows
- Two stabilization/reserve funds were created, acting as buffers for the sector:
  - The Stabilisation Fund of CFAF 70 bn fund housed at BCEAO and
  - The Technical Reserve Fund of CFAF 170 bn to cover risks resulting from the price guarantee system. This fund was partly used in Q1 2017 to support producer prices from the decline in international market prices
- At the Maputo Summit in Mozambique in 2003, African countries pledged to devote at least 10% of their national budget to the agricultural sector (agriculture, livestock and fisheries)
- Côte d’Ivoire and Ghana announced in April 2017 a deepening in their coordination of cocoa production via their respective regulators, the Conseil du Café-Cacao and Cocobod. The decision has been highlighted as credit positive for both sovereigns by Moody’s and is expected to decrease cocoa price volatility in the future

Source: Republic of Côte d’Ivoire, Bloomberg
Côte d'Ivoire is leveraging its diverse and abundant natural resource endowment via a structured plan to grow the mining sector.

### Metals Mining

- More than doubled since 2012 but full potential is yet to be realized.
- In addition to large gold deposits, Côte d'Ivoire has one third of the West Africa’s Birimian greenstone belt, an estimate 4 bn tons of iron ore, 50 mn tons of nickel-platinoid copper ore reserves and 260 mn tons of laterite nickel.
- Introduction of new Mining Code in 2014 has led to increased investment in the sector (159 exploration permits granted as at the end of 2016).
- A new Petroleum Code has raised potential of hydrocarbon sector with buoyant exploration trends.
- Proven oil reserves stand at 280 mn barrels of oil and 1,825 bn cubic feet of natural gas (at the end of 2016).
- Large international companies are present in Côte d'Ivoire.
- Côte d'Ivoire has been a signatory of the Extractive Industries Transparency Initiative since April 2012.

### Côte d'Ivoire Hydrocarbon Map

Source: Republic of Côte d'Ivoire

### Oil & Gas Production

**Oil Production (mn barrels)**

- 2011: 12.4
- 2012: 10.8
- 2013: 9.1
- 2014: 6.9
- 2015: 10.7
- 2016: 15.4

**Gas Production (bn cubic meters)**

- 2011: 1.6
- 2012: 1.8
- 2013: 2.1
- 2014: 2.1
- 2015: 2.2
- 2016: 2.4

**Source:** Republic of Côte d'Ivoire
Fiscal Policy Creates Space for Investment

**Budget Deficit Reflects Increased Spending on security, Health and Education**

Fiscal consolidation policy aims at reducing fiscal deficit in 2018 to 3.7% and decline further to the WAEMU budget criteria of 3.0% by 2019.

**Buoyant Budget Revenue Growth Allows for Investment**

Budget revenues including grants have multiplied 1.6x between 2012 – 2016 and represent 19.3% of GDP in 2016.

Compounded Annual Growth Rate: 9.6%

**Reduced Current Expenditure Creates Fiscal Space for Capital Expenditure (% of total expenditure)**

Thank You