

# Côte d'Ivoire's Future: Next Steps in Development and Democracy

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Chair: James Duddridge MP

UK Minister for Africa (2014-16)

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## Introduction

The following is a transcript of a speech by HE Amadou Gon Coulibaly, Prime Minister of the Republic of Côte d'Ivoire, at a meeting held at Chatham House on 14 September 2017. The meeting was chaired by James Duddridge MP, and was held on the record.

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## HE Amadou Gon Coulibaly

Your Excellencies, Ladies and Gentlemen,

It is an honour to be at the Royal Institute of International Affairs, Chatham House, for this fringe meeting of the second London Economic Forum for Trade and Investment in Côte d'Ivoire. On behalf of the President of the Republic of Côte d'Ivoire, HE Mr Alassane Ouattara, I would like to sincerely congratulate the British Government for the quality of the diplomatic and economic relations between our two countries.

I would like to commend Chatham House for the interest shown in Côte d'Ivoire through the invitation extended to President Alassane Ouattara to speak from this same platform, on 27 July 2012. Before an assembly of distinguished figures from the worlds of finance, business, diplomacy, science, technology and sports, the Ivorian Head of State addressed the theme of 'Stability and Economic Prosperity in West Africa: Côte d'Ivoire's Contribution.' Five years later, Côte d'Ivoire has come a long way, with the support of all our bilateral and multilateral partners. She was able to regain her rightful place in the community of nations.

Your Excellencies, Ladies and Gentlemen,

The economic development option favoured by Côte d'Ivoire since its accession to independence has been to build a compassionate and outward-looking liberal economy, named 'State capitalism.' As is the case in most African countries, agriculture has long been a pillar of our economy, namely with the cocoa-coffee combination. The agricultural sector has diversified with time, and constituted the backbone of Côte d'Ivoire's successful economy during the 1960-1970 decade. This success which was referred to as the 'Ivorian economic miracle' was characterised by institutional and political stability, strong economic growth averaging seven percent, and an investment rate averaging 25 percent of GDP. Côte d'Ivoire was able to build a prosperous economy, create an industrialisation based on agro-industry, and develop important socio-economic infrastructure, namely roads, ports, airports, sanitation, education, running water and housing.

During the 1980-90 period, the country entered a phase of structural and sectoral adjustments to offset the combined effect of the drastic fall of the prices for our main commodities and the public debt crisis. The devaluation of the CFA Franc, the common currency for the eight West African Economic and Monetary Union (WAEMU) member-states, occurred in January 1994 and paved the way for economic recovery. Unfortunately, the decade of socio-political crisis experienced by the country (2000-10) had an adverse effect on the recovery initiated between 1995 and 1999. Nevertheless, since the end of this socio-economic crisis, and HE Mr Alassane Ouattara's entry to the Supreme Office in 2011, the country has made swift progress in relation to the major issues of peace and security, national reconciliation and social cohesion, reconstruction and economic recovery.

At the level of peace and security, the President of the Republic established the Conseil National de Sécurité – CNS (National Security Board) in 2012. It is chaired by his good self. Since its inception, the CNS has overseen a wide-ranging process of reforms in the security sector, which began with the programme for the Disarmament, Demobilisation and Reintegration (DDR) of former combatants. The process is ongoing and is being strengthened with the adoption of legislation related to the programming of Defence and Security Forces with a view to improving their operational capacities. The result of this process is the improvement of the security index overtime. On the basis of the UN security index, the security situation in Abidjan can be likened to that of cities such as Geneva and New York.

The institutional and political stability of the country has been completely restored for the last five years, as evidenced by the re-election of President Ouattara in 2015. The presidential and parliamentary elections of October 2015 and December 2016 were held in a peaceful climate. This was again the case in 2016 with the adoption of the country's new Constitution following a popular referendum which was attended by all the opposition parties. This new Constitution further reinforces political stability, the rule of law and democracy, as well as the respect of civil liberties and justice.

At the economic level, the profound structural and sectoral reforms undertaken have helped to rebuild investor confidence and boost the economy. These reforms are implemented through various national as well as international programs such as:

- The US Government's Millennium Challenge Corporation: Côte d'Ivoire is eligible to the compact programme which stems from the reforms;
- The British initiative known as the Open Government Partnership (OGP) of which the country is a member since December 2015;
- The Extractive Industries Transparency Initiative (EITI): Côte d'Ivoire meets the requirements for this initiative since 2013.

Côte d'Ivoire is also eligible to the G20 Global Compact program, the German Government's bilateral Compact and the IDA-18 private sector Window.

Economic growth has been strong with a 9.2 percent average annual rate during the 2012-2016 period. It is expected to reach 8.5 percent in 2017 and is forecasted at an annual average of 8.2 percent for the 2018-2020 period. Investment, which is one of the main drivers of this growth, has gone from less than 8.9 percent of the GDP in 2011 to more than 20.5 percent of the GDP in 2016. The outlook for 2020 is 24 percent of GDP. The rapid improvement of the economy's competitiveness was also underpinned by important investments in the rehabilitation and development of infrastructure. The main assets include roads and highways, as well as works of art such as the Henri Konan Bédié toll bridge, ports, airports, electricity networks, ICTs, running water, sanitation.

These assets have bolstered a robust policy for the local processing of our raw materials. It is worth mentioning that Côte d'Ivoire is the world's first producer of cocoa, cashew nuts and cola nuts, as well as a great producer of many other products such as bananas, mangoes, natural rubber, palm oil and cotton. The country also abounds in important mining resources, including gold, manganese, bauxite, nickel, nickel-copper and iron. Thanks to these potentialities, this sector is the second pillar of the Ivorian economy and offers tremendous business opportunities. The new mining code, which was drafted in an open process, has contributed significantly to an increase in the sector's output.

One of the priorities of the President of the Republic and the Ivorian Government is to make growth more inclusive with a view to reducing substantially the level of poverty in the population. To this end, important actions have been carried out in key social areas. These are namely:

- education through the development of infrastructure and training of teaching staff for primary and secondary schools, as well as for higher, technical or vocational education;
- health through the reinforcement of basic infrastructure, the upgrading and building of hospitals and local care centres, as well as the reinforcement of technical platforms and the training of human resources;
- nutrition with the adoption of the Multisectoral National Plan, in the framework of the Scaling Up Nutrition (SUN) program;
- electrification and running water for all, which aims to provide electricity and running water at the national level, in the poorer rural areas;
- the redistribution of wealth for the benefit of the rural zones by guaranteeing that farmers receive at least 60 percent of the CIF price for commodities such as coffee, cocoa, cotton and cashew nut;
- the social housing policy to address the deficit in this area (estimated at 500,000 homes).

In summary, the President of the Republic's vision, as implemented by the Government, emphasises the development of domestic human capital as well as the development of competencies. These substantial achievements have taken place in a context marked by an efficient management of public finances, based on optimizing fiscal potential and controlling public expenditure. The controlled borrowing policy has ensured debt sustainability. Côte d'Ivoire's public-debt-to-GDP ratio currently stands at 42 percent, one of the lowest levels in the WAEMU. It is well below the Union's standard level of 70 percent.

Your Excellencies, Ladies and Gentlemen,

The vision of the President of the Republic, HE Mr Alassane Ouattara, is to 'turn Côte d'Ivoire into an emerging country by 2020.' Building on from what has already been achieved, the Ivorian Government has undertaken the structural transformation of the economy through the implementation of an ambitious 2016-2020 National Development Plan (PND – Plan national de Développement), which is estimated at 30,000 billion FCFA (42 billion pounds sterling). This plan aims to:

- maintain the pace of the reforms with a view to ensuring good governance and macroeconomic stability, consolidating public finances and increasing the budgetary margins of the State, to address the numerous challenges of development;
- continue to invest in economic infrastructure to support the momentum for strong and sustained growth;
- promote the local processing of our commodities, namely cocoa and cashew, and;
- reassert the inclusive dimension of growth, namely through the massive creation of employment, the implementation of the universal health coverage.

This plan is backed by an important portfolio of private investment projects and large-scale public-private projects, in promising and profitable sectors. Funding by domestic and international private sectors is expected to reach 62 percent.

Our goal of achieving a more inclusive growth goes beyond the boundaries of Côte d'Ivoire. Indeed, Côte d'Ivoire is the first economy in the WAEMU, a Union which comprises eight countries with a population of 100 million inhabitants. Our country is the third economy in ECOWAS, a community of 15 countries and 300 million inhabitants. As such, our country plays a central role in the economic and social

development of the West African sub-region, 24 percent of whose nationals live on our soil. Côte d'Ivoire is the country which has more trade links with the rest of the continent, given an intra-continental trade rate of 34 percent, against 10 to 12 percent for the continent as a whole. From this point of view, structuring infrastructure contributes to the development of interconnected logistics platforms which aim to reinforce Abidjan's position as a sub-regional industrial hub and one of the main sub-regional gateways. Likewise, in the energy sector, by seeking to increase our installed power capacity, the Government aims to satisfy the needs of our economy as well as sustain Côte d'Ivoire's position as an energy hub.

Your Excellencies, Ladies and Gentlemen,

At the bilateral level, British-Ivorian relations offer real potentialities which have yet to be fully tapped into. The Ivorian Government stands ready to examine any new instrument which would make our cooperation more dynamic. The second Economic Forum on Trade and Investment in Côte d'Ivoire which will take place tomorrow, Friday 15 September 2017, here in London, will no doubt reinforce the diplomatic and economic cooperation between Côte d'Ivoire and the United Kingdom.

I thank you for your kind attention.