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# **AFRICAN DEVELOPMENT FUND**



## **REPUBLIC OF COTE D'IVOIRE**

### **COCOA SECTOR GOVERNANCE SUPPORT PROJECT (PAGFIC)**

#### **APPRAISAL REPORT**

**RDGW/ECGF/AHFR DEPARTMENTS**

November 2018

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*Translated Document*

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## Currency Equivalents

*July 2018*

UA 1 = XOF 784

UA 1 = EUR 1.20

UA 1 = USD 1.41

USD 1 = XOF 555

## Fiscal Year

January - December

## Weights and Measures

1 metric tonne = 2 204 pounds

1 kilogramme (kg) = 2.2 pounds

1 metre (m) = 3.28 feet

1 kilometre (km) = 0.62 mile

1 hectare (ha) = 2.471 acres

## ABBREVIATIONS AND ACRONYMS

Acronym	Description
<b>ADF</b>	African Development Fund
<b>ANADER</b>	National Rural Development Support Agency
<b>CCC</b>	Conseil de Régulation Café-Cacao (Coffee-Cocoa Regulatory Board)
<b>CNRA</b>	National Agricultural Research Council
<b>CPIA</b>	Country Policy and Institution Assessment
<b>CSP</b>	Country Strategy Paper
<b>EU</b>	European Union
<b>FIRCA</b>	Inter-Professional Fund for Research and Agricultural Council
<b>GAP II</b>	Governance Strategic Framework and Action Plan II
<b>ICB</b>	International Competitive Bidding
<b>MINADER</b>	Ministry of Agriculture and Rural Development
<b>MPD</b>	Ministry of Planning and Development
<b>NCB</b>	National Competitive Bidding
<b>PMU</b>	Project Management Unit
<b>PND</b>	National Development Plan of Côte d'Ivoire
<b>REDD</b>	Reducing Emissions from Deforestation and Forest Degradation
<b>TFF</b>	Technical and Financial Partners
<b>WB</b>	World Bank
<b>WCF</b>	World Cocoa Foundation

## Project Information Sheet

### Client's Information

<b>BORROWER:</b>	REPUBLIC OF COTE D'IVOIRE
<b>EXECUTING AGENCY:</b>	CONSEIL CAFÉ-CACAO (COFFEE –COCOA BOARD)

### Financing Plan

Source	Amount (UA)	Instrument
ADF	5 000 000	LOAN
Government	1 000 000	
<b>TOTAL COST</b>	<b>6 000 000</b>	

### Key ADF Financial Information

Loan Currency	UA
Interest Type*	1%
Interest Rate Margin*	
Commitment Fee *	0,5
Other Expenses*	0,75
Maturity	30
Grace Period	5
FRR, NPV (baseline scenario)	N.A.
ERR (baseline scenario)	N.A.

*\*if applicable*

### Timeframe – Main Milestones (expected)

Concept Note Approval	July 2018
Project Approval	November 2018
Effectiveness	December 2018
Mid-Term Review	June 2020
Last Disbursement	June 2021
Completion	December 2021

## Project Summary

<b>Programme overview</b>	<p><b>Project Name/Number:</b> Cocoa Sector Governance Support Project (PAGFIC)</p> <p><b>Geographical spread:</b> Southern Cote d'Ivoire</p> <p><b>General schedule:</b> 36 months, from October 2018 to September 2021</p> <p><b>Financing:</b> ADF loan– UA 5 million – Government: UA 1 000 000</p> <p><b>Operational instrument:</b> Institution building project</p>
<b>Needs estimation</b>	<p>The cocoa sector, which is the main source of income for Ivorian farmers, faces a number of significant challenges. In the short term, it must avoid a repeat of the 2016-2017 crisis when failures in the marketing system compelled the authorities to substantially lower the farm-gate price, while allocating significant subsidies to the sector. In the medium term, the spread of the cocoa swollen shoot virus, the aging of cocoa trees, and climate change could destroy the crop yields. At the same time, international customers are putting pressure on the sector to eliminate child labour and deforestation. The sector's management systems are still sub-optimal and in need of capacity building.</p>
<b>Target beneficiaries</b>	<p>The project covers all areas where cocoa is produced. The project will benefit primarily to cocoa farmers. Improvement of the marketing system will prevent problems that could lead to a decrease in the farm-gate price. Cooperation with Ghana will be important to control diseases that might otherwise force farmers to cut down their trees.</p>
<b>Comparative advantages and Bank's value added</b>	<p>The sector receives support from few partners. The World Bank is preparing an investment project, but wants to see an improvement in the institutional framework to ensure the effectiveness of its investment. AfDB has the capacity to react quickly and has an important portfolio in the Agric sector in Cote d'Ivoire. In addition, the Bank has historically cordial relations with the country, which is an asset for supporting a sensitive sector governance as in the cocoa sector. The Bank strategic position explains the reason why Cote d'Ivoire and Ghana authorities sought the Bank support for supporting the sustainable development of the cocoa sector in both countries.</p>
<b>Capacity building</b>	<p>The project will finance several studies that will increase the knowledge of CC senior staffs responsible for managing the sector. A strategy will be developed to help them understand the cocoa global value chain and especially the demand dynamics in consumer countries. Analysis of the viability of exporting companies will strengthen the skills of CCC staffs to monitor them better and avoid the systemic risks linked to defaulting contracts.</p>

## Results-Based Logical Framework

**Country and Project Name:** Republic of Côte d'Ivoire – Cocoa Sector Governance Support Project (PAGFIC).

**Project Goal:** The overall objective of the project is to strengthen governance of the sector in order to improve its efficiency and ensure decent income for farmers.

RESULTS CHAIN		PERFORMANCE INDICATORS			MEANS OF VERIFICATION	RISKS/MITIGATION MEASURES
		Indicator (including CSI)	Baseline	Target		
IMPACT  OUTPUTS	Incidence of poverty among producers is reduced		55% in 2016	≤ 50% in 2022	Institute of Statistics	<b>Risk (i):</b>
	Number of contracts signed with approved marketing companies and the number in default is greatly reduced	Number of contracts signed with approved marketing companies and number in default	128, of which 25% in default in 2017	70, of which < 5% in default in 2022	CCC	Maintaining the status quo in marketing management
	Output forecasting capacity is strengthened	Gap between projected and effective output	30% in 2016/2017	≤ 5% in 2020/2021	CCC	<b>Mitigation measure (i)</b>
	Component I: SUPPORT TO SECTOR STRUCTURING					This risk is mitigated by the willingness of the authorities to implement the recommendations of the 2017 audit
	<b>Output I</b> The strategic management of the sector is strengthened	I.1 Medium-term strategy and action plan.	Absence of a medium-term strategy.	Medium-term strategy and its action plan adopted in 2020	CCC	<b>Risk (ii):</b>
		II.2 Instruments establishing the Joint Committee	Absence of instruments governing cooperation between Ghana and Côte d'Ivoire	Instruments adopted latest by June 2019	CCC	Difficulty of setting up and ensuring the operationalisation of the Côte d'Ivoire-Ghana Joint Committee due to the marked difference in management of the sector in the two countries.
						<b>Mitigation measure (ii)</b>
	<b>Output II:</b> Sub-regional cooperation is strengthened	II.1 Swollen Shoot virus control strategy	Absence of a disease-control strategy	Strategy developed and adopted in 2019	CCC	Both countries have agreed to strengthen cooperation in non-sensitive areas (research and development, disease control, combating fraud, etc.) as entry points for cooperation.
	<b>Output III</b> Governance is strengthened	III.1 Regulation of the marketing system (contract monitoring, rationalisation of approvals)	Inefficient marketing system regulation in 2016/2017	Criteria for granting agreements strengthened in 2019	CCC	<b>Risk (iii):</b>
		III.2 Support for strengthening internal oversight and risk management	Inadequate internal oversight and risk management	Report on internal oversight and risk management prepared and adopted in 2019	CCC	Rising global prices would undermine interest in reforms.
					<b>Mitigation measure (iii)</b>	
					The project focuses on reforms that are achievable in the short	

KEY ACTIVITIES	Component II: SUPPORT TO BUILD THE CAPACITY OF STAKEHOLDERS					term and have a long-term positive impact. Moreover, there is a real political will to improve the governance of the sector following price shocks suffered by the Ivorian economy in 2017.
	Output III: The CCC is provided capacity building	III.1 Monitoring/evaluation and data management	Weaknesses observed in the monitoring/evaluation and data management system (especially in production forecasts)	TA in terms of monitoring/evaluation and data management based on the evaluation of the existing system	CCC	
		III.2 Information system	Inadequate information system	Adoption of the report and implementation of the recommendations made following the evaluation of the information system	CCC	
	Output IV: Other support entities in the sector are offered capacity building	IV. 1. Rehabilitation of the information system of the Cocoa Research Centre (Divo)	Non-operational information system	Information system (Internet, website, etc.) of the Cocoa Research Station fully operational	CNRA	
		IV.2 Training of ANADER trainers	0 executive trained in 2017	250 executives by 2022 (30% of them women)	ANADER	
		IV.3 Training of ANADER trainers	0 executive trained in 2017	At least 300 executives trained by 2022 (30% of them women)	CCC	
	COMPONENTS					
Component 1 Reform support–Strengthening of the CCC regulation function; sub-regional cooperation – Estimated amount: <u>UA 3.0 million</u>					ADF Loan: UA 5 million	
					Counterpart contribution: UA 1.0 million	
Component 2. Capacity building support: capacity building for the CCC; ANADER; and CNRA: Estimated amount: <u>UA 2.3 million</u>						
Component 3. Efficient project management: The project will be managed by the CCC, which will be supported with human resources and logistics (including expertise on fiduciary matters). Estimated amount: <u>UA 0.7 million</u>						

## Project Implementation Schedule

Project activities	2018		2019				2020				2021			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>1. PRE-LAUNCH</b>														
Board Presentation														
<b>Effectiveness</b>														
Signing of Loan Agreement														
Effectiveness of Loan Agreement														
Operating Manual														
Project Launch Mission														
<b>2. Equipment and Furniture's</b>														
Bidding equipment and furniture's														
Bidding Goods														
Goods Delivery														
<b>3. CONSULTANTS</b>														
Preparation of bidding documents														
Launch; award ;														
Consultancy services														
<b>4. TRAININGS AND OTHERS</b>														
Trainings														
Operating costs														
Mid Term Review														
Monitoring and Evaluation														
Steering committee meetings														
Technical committee meetings														
<b>3. Project Management</b>														
Financial audit														
Procurement audit														



# **REPORT AND RECOMMENDATION OF BANK GROUP MANAGEMENT TO THE BOARD OF DIRECTORS CONCERNING THE GRANTING OF A LOAN TO THE REPUBLIC OF COTE D'IVOIRE TO FINANCE THE COCOA SECTOR GOVERNANCE SUPPORT PROJECT (PAGFIC)**

Management hereby submits the report and recommendations concerning the proposal to grant an ADF loan of UA 5 000 000 to the Republic of Côte d'Ivoire to finance the Cocoa Sector Governance Support Project (PAGFIC), aimed at helping the country to improve the performance of the cocoa sector and increase farmers' income.

## **I. Strategic Thrust and Rationale**

### **1.1 Project Linkages with Country Strategy and Objectives**

**1.1.1 The PAGFIC project is consistent with the strategic pillars of Côte d'Ivoire's second National Development Plan (NDP 2016-2020).** Côte d'Ivoire adopted its second National Development Plan (NDP) for the period 2016-2020 at the end of December 2016. While this plan, strongly supported by the Donor's community, is focused on infrastructure rehabilitation and development, it also target economic transformation through industrialisation (especially agribusiness) which at the center of Ivoirian authorities interest. It highlights the leading role of the private sector and emphasises the diversification of industrial production by capitalising on Côte d'Ivoire's comparative advantages. Specifically, the goal will be to improve the rate of processing of raw materials as well as the development of complete agricultural sector value chains.

**1.1.2 The five objectives of NDP 2016-2020 are to:** (i) strengthen the quality of institutions and good governance; (ii) accelerate the development of human capital and promote social well-being; (iii) accelerate structural transformations and industrialisation; (iv) develop infrastructure harmoniously throughout the country and protect the environment; and (v) strengthen regional integration and international cooperation. Therefore, PAGFIC's development objective is directly linked to the NDP strategic objectives to strengthen the quality of institutions and good governance, accelerate human capital development and promote social well-being.

**1.1.3 The envisaged institution-building project (PAGFIC) is also aligned with the Bank's country strategy and its other institutional support projects in the governance sector.** The project is consistent with the two pillars of the Bank 2018-2022 CSP which are: *(i) reinforcing transformative and governance infrastructure for economic competitiveness and investment effectiveness; and (ii) developing agro-industrial value chains for inclusive and sustainable growth*. PAGFIC project is complementary to other projects being implemented, notably the , e Industrial Sector Competitiveness Enhancement Support Project (PARCSI), which aims to upgrade industrial enterprises to enable them to increase their market share in a context of market liberalisation at the regional level (ECOWAS) and at the international level (Economic Partnership Agreement). PAGFIC also complements the Belier Region Agro-Industrial Hub Project (2PAI-Béliér), which aims to promote agribusiness by consolidating value chains and forging of partnerships between relevant stakeholders. Finally, the project is in line with the Bank Governance strategy "*GAP II*" under its second pillar "*strengthening sector governance*".

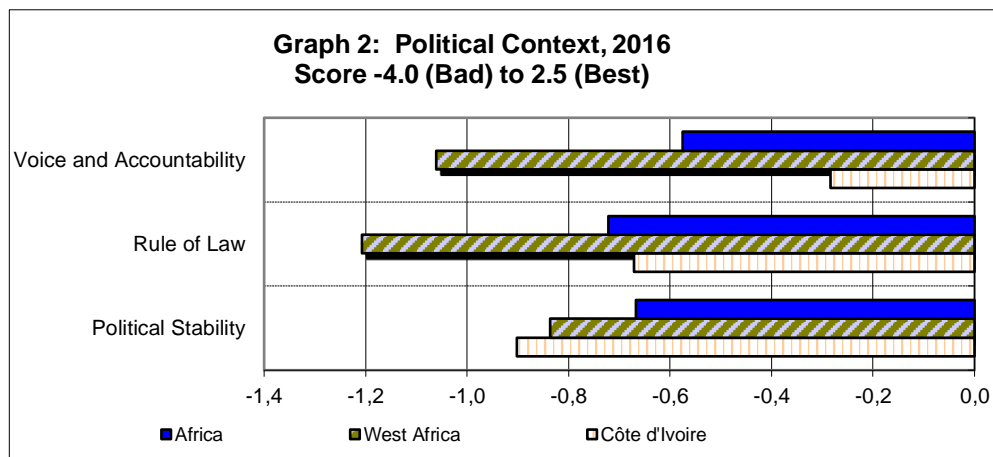
### **1.2 Rationale for the Bank's Intervention**

**1.2.1 Political context. Political governance has improved in recent years.** Presidential and parliamentary elections were held under good conditions in October 2015 and March 2016, respectively. New institutions, such as the Senate (2018), the Court of Auditors (2017) and the High Authority for Good Governance (2013) have been established. However, the prospect of the 2020

presidential elections is creating uncertainty about the future political situation in the country and delay investments in the cocoa sector.

**1.2.2 The Ivorian and Ghanaian Governments have decided to join forces to strengthen the cocoa economy.** In March 2017, they pledged to strengthen their cooperation in managing the cocoa sector, with a view to guaranteeing decent income for farmers and harmonising their marketing and farm-gate pricing policies. It is also planned to set up a joint commission to implement the strategic vision defined by the two governments. In that context, they requested the support of the Bank and other multilateral donors for investments totalling approximately USD 1.2 billion. The targeted areas: (i) combating the swollen shoot virus that attacks cocoa trees; (ii) strengthening storage and warehousing; (iii) promoting processing and local consumption of derivative products; (iv) establishing an African Cocoa Exchange; and (v) strengthening mechanisms for the stabilisation of market and farm-gate prices. However, the implementation of massive investments planned by the World Bank and the Bank risks being inefficient if governance of cocoa sector management is not strengthened. The institutional support for governance prepared simultaneously in both countries is the Bank's response to strengthening the management of the sector in both countries.

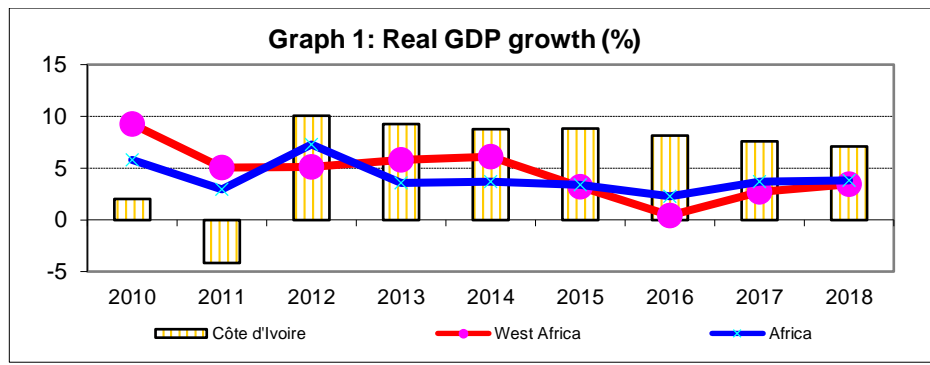
**1.2.3 Governance: Côte d'Ivoire has made significant progress in the area of economic governance.** The progress is evidenced by the improvement of its ranking in respect of all regional and global indicators. For example, Côte d'Ivoire is among the countries that have made the strongest qualitative improvement on the Mo Ibrahim Index of African Governance (IIAG), rising from the 44<sup>th</sup> position in 2012 to the 22<sup>nd</sup> in 2017 (with a score that went from 46 in 2012 to 54.5 in 2017). On the Corruption Perception Index (CPI), the country has significantly improved its score from 29/100 in 2012 to 36/100 in 2017 (ranking 103<sup>rd</sup> out of 180 countries in 2017 compared to 130<sup>th</sup> out of 174 countries ranked in 2012). In the AfDB Country Policy and Institutional Assessment (CPIA), Côte d'Ivoire's overall rating increased from 3.1 in 2012 to 3.7 in 2017. For the governance component, the country's score rose from 3.1 in 2012 to 3.8 in 2016, ranking it among the 10 best performers in Africa.



*Source:* African Development Bank – Statistics Department, 2018

**1.2.4 Recent economic developments: Côte d'Ivoire's growth rate has exceeded the average in sub-Saharan Africa since 2012.** The return to political stability and investments in the energy, road and construction sectors have led to robust growth exceeding 8% on average over the past five years. The growth rate stood at 7.8% in 2017, a slight decrease compared to 2016 (8.3%), despite the difficulties related to the fact that the world prices of cocoa (the main export crop) dropped by

about 40% in 2017. The medium-term growth projection is 7% on average (2018-2021). Technical annex C presents a detailed description of the cocoa sector in Cote d'Ivoire.



*Source:* African Development Bank- Statistics Department, 2018

**1.2.5 Côte d'Ivoire has been the biggest producer of cocoa since 1977/78 and accounts for about 40% of world exports.** Its production was around 1.3 million tonnes between 2000 and 2010, but has increased significantly since then, reaching 2 million tonnes in 2016/17. These exports accounted for 43% of goods exports in Côte d'Ivoire in 2016 and for more than 10% of GDP. Cocoa is also an important source of tax revenue - around 10% of the total in 2016. There are about one million cocoa farmers in the country, mostly smallholders. They are concentrated in the South, and increasingly in the South-West.

**1.2.6 Despite cocoa's significance in the economy, the proportion of poor cocoa farmers remains very high.** More than half (55%) of farmers live below the poverty line. The average age of farmers is rising because many young people prefer to move to the city or to grow more profitable crops such as rubber trees. At the same time, growth in production in Côte d'Ivoire and Ghana had a negative impact on world prices in 2016/17, to the extent that the Ivorian authorities had to lower the farm-gate price by 41% for the 2017 short season. The authorities went further to announce in 2018 that they will stop distributing plants, at least temporarily. Improvement of sector management, in terms of regulation, stabilisation and development, will make it possible not only to secure and increase farmers' income, but also to continue efforts to transform and raise local and regional consumption.

**1.2.7 The 2017 crisis has revealed persistent weaknesses in the sector management.** The default, illustrated by non-compliance with forward sales contracts by a significant number of accredited cocoa marketing companies. This demonstrates the need to strengthen the regulation of these companies' activities. Similarly, the record production exceeding 2 million tonnes for the 2016/2017 crop year was not anticipated (the projection was around 1.5 million tonnes), with the result that the sharp drop in world prices caused by the roughly 30% increase in Côte d'Ivoire's supply was also not anticipated by the Coffee-Cocoa Board. In addition, the internal control and risk management system urgently needs to be strengthened. Lastly, owing to the absence of formal cooperation with Ghana on marketing and pricing, viral disease control and research/development, the two countries that account for more than 60% of world production cannot maximise their gains in the global cocoa value chain and effectively fight cross-border smuggling.

**1.2.8 The 2017 audit of the forward sales system (PVAM) has revealed that cocoa sector has important governance issues.** They include weak regulation of private entities responsible for marketing the cocoa bean; failure to meet the criteria for granting marketing accreditations and monitoring accredited companies; weak internal control and risk management capacity of the Coffee-Cocoa Board; collection of sector data; and production forecasting. Several of these issues

were identified in a 2017 audit and the Coffee-Cocoa Board has started implementing its recommendations.

### **1.3 Aid Coordination**

**1.3.1 Development partners' activities in the country and donor coordination mechanisms:** **The Bank is part of the World Bank Group and African Development Bank Joint Cocoa Initiative for the development of the cocoa industry.** This initiative overall objective is to revitalise the cocoa sector in Côte d'Ivoire and Ghana in order to improve sustainability, increase farmers' income and ultimately capture a greater share of the overall value added of the cocoa market. PAGFIC is part of the division of responsibilities in support of the sector in both countries. The World Bank recently approved a USD 15 million project to combat deforestation (including in cocoa production areas). It proposes a major investment project for 2019. In addition, Germany and the European Union support capacity building of cooperatives and the industry actors. Several private international companies are financing projects to improve productivity and sustainability in the sector. The World Cocoa Foundation (WCF) coordinates their efforts.

## **II. Project Description**

### **2.1 Project Objectives**

**2.1.1 The overall objective of the project is to strengthen sector management governance, with a view to improving efficiency and ensuring a decent income for farmers.** The specific objectives of the project are to: (i) support reforms aimed at strengthening the structuring of the cocoa sector, including the operationalisation of the Côte d'Ivoire-Ghana Joint Committee; (ii) build the capacity of entities responsible for cocoa sector management to enable them to fulfil their responsibilities effectively.

### **2.2 Project Components**

**PAGFIC, which focuses on strengthening governance of the cocoa sector,** has three components: (i) support for structuring of the sector; (ii) support for stakeholder capacity building; and (iii) project management. The technical annex B.3 presents the project detailed activities.

**Table 1: Project Components and Sub-components**

	Component	Cost in UA (000)	Description of Components
<b>I.</b>	<b>Component I</b>	<b>3,000.00</b>	<b>Support for structuring of the sector</b>
I.1	Support for the Joint Cocoa Commission		Support the development of instruments for the official establishment of the Commission; preparation of a strategy, an action plan and a procedures manual; specific studies on market intelligence; strengthening of research cooperation.
I.2	Cocoa strategy		Evaluation of the implementation of sector reform policies; development of a medium-term strategy and action plan for the cocoa sector.
I.3	Strengthen governance		Strengthen sector regulation (granting and monitoring of sales accreditations, etc.); improve internal oversight and risk management. Improvement of traceability and certification; fight against child labour; implementation of a environmental and social management system.
I.4	Strengthening logistical capacity		Procurement of IT and office equipment; management software and production forecast.
<b>II.</b>	<b>Component II</b>	<b>2,300.00</b>	<b>Support for stakeholder capacity building</b>
II.1	Research		Support the rehabilitation of the DIVO CNRA station in charge of cocoa research (computerisation, logistical support, etc.); Specific studies (sector financing, local consumption, etc.); feasibility study of a regional laboratory specialized on viral diseases.
II.2	Training		Various training courses for CCC, ANADER; FIRCA and CNRA executives.
II.3	Information systems and forecasting		Evaluation and strengthening of the CCC's information system; support for data management (generation of statistics on the sector, harvest/production forecasting); Procurement of IT hardware.
<b>III.</b>	<b>Component III</b>	<b>700.00</b>	<b>Project management</b>
	Project management		Staff and equipment for the Project Coordination Unit
	<b>Total Project Cost</b>	<b>6,000.00</b>	

### 2.3 *Technical Solutions Adopted and Alternatives Explored*

**Programme based operations (PBO) may be more effective instrument for implementing governance reforms in the cocoa industry.** However, the Bank, through the Economic Governance and Growth Support Programme (PAGEC) has supported reforms aiming to identify governance issues with the audit of the forward sales system and implementation of its recommendations. The institutional support is hence an adequate tool for implementing activities aiming to strengthen the sector governance and build actors' capacity. Another option would have been to combine the activities of this project with investments planned under a project to be funded by the World Bank. However, that project will not be ready before next year. It was also deemed important that institutional support in both countries be provided simultaneously.

## 2.4 Project Type

PAGFIC is an institution-building project aimed at improving the performance of the cocoa sector in Côte d'Ivoire, with particular emphasis on the Coffee-Cocoa Board. It supports both institutional reforms and capacity building, including coordination with Ghana. It is part of a broad support programme to both countries funded by the AfDB Group and the World Bank.

## 2.5 Project Cost and Financing Arrangements

The total project cost is UA 6.0 million including UA 5 million of the Bank's contribution from the African Development Fund (ADF) and UA 1.0 million representing the counterpart contribution. Tables 2 to 5 show the estimated project cost by component and sub-component, source of financing, expenditure category, and year. A detailed cost table is presented in Technical Annex B3.

**Table 2: Estimated Cost by Component (in 000'UA)**

Component	Cost in Foreign Exchange	Cost in Local Currency	Total Cost	% in Foreign Exchange
Support for institutional reforms	2,137.50	712.50	2,850.00	75
Support for capacity building	1,638.75	546.25	2,185.00	75
Project management	133.00	532.00	665.00	20
<b>Total base cost</b>	<b>3,909.25</b>	<b>1,790.75</b>	<b>5,700.00</b>	<b>69</b>
Provision for contingencies/price escalation	225.00	75.00	300.00	75
<b>Total project cost</b>	<b>4,134.25</b>	<b>1,865.75</b>	<b>6,000.00</b>	<b>69</b>

**Table 3: Sources of Financing (in 000'UA)**

Source of Financing	Cost in Foreign Exchange	Cost in Local Currency	Total Cost	% of Total
ADF	4,034.25	965.75	5,000.00	83
Government	100.00	900.00	1,000.00	17
<b>Total cost</b>	<b>4,134.25</b>	<b>1,865.75</b>	<b>6,000.00</b>	<b>100</b>

**Table 4: Project Cost by Expenditure Category (in 000'UA)**

Expenditure category	Cost in foreign exchange	Cost in local currency	Total cost	% in foreign exchange
Goods	1,026.00	0	1,026.00	100
Services	3,013.88	1,005.50	4,018.50	75
Operation	26.87	628.63	655.50	4
<b>Total basic cost</b>	<b>3,909.25</b>	<b>1,790.75</b>	<b>5,700.00</b>	<b>69</b>
Provision for contingencies/price escalation	225.00	75.00	300.00	75
<b>Total cost of project</b>	<b>4,134.25</b>	<b>1,865.75</b>	<b>6,00.00</b>	<b>69</b>

**Table 5: Project Cost by Expenditure Category (in 000'UA) – ADF LOAN**

Expenditure category	Cost in foreign exchange	Cost in local currency	Total cost	% in foreign exchange
Goods	846.00	0.00	846.00	100
Services	2,638.88	879.62	3,518.50	75
Operation	361.87	23.63	388.50	94
<b>Total basic cost</b>	<b>3,864.75</b>	<b>903.25</b>	<b>4,750.00</b>	<b>81</b>
Provision for contingencies / price escalation	187.50	62.50	250.00	75
<b>Total cost of project</b>	<b>4,034.25</b>	<b>965.75</b>	<b>5,000.00</b>	<b>81</b>

**Table 6: Expenditure schedule by component (in 000'UA)**

Component	2018	2019	2020	2021
Support for institutional reforms	150.00	1,000.00	1,665.00	40.00
Support for capacity building	150.00	660.00	660.00	880.00
Project management	70.00	170.00	175.00	80.00
<b>Total base cost</b>	<b>370.00</b>	<b>1,930.00</b>	<b>2,500.00</b>	<b>1,000.00</b>

## 2.6 *Project's Target Area and Beneficiaries*

**The project covers all areas where cocoa is where cocoa is grown.** The project will benefit cocoa farmers in particular. Improvement of the marketing system will prevent problems that could lead to a decrease in farm-gate prices. Cooperation with Ghana will be important to control diseases that might otherwise force farmers to cut down their trees.

## 2.7 *Participatory Approach for Project Identification, Design and Implementation*

During the preparation and appraisal missions, the project team met with officials from the ministries involved in the sector's management, the CCC, the Exporters Group (GPEX), ANADER, FIRCA and CNRA. It also consulted the World Cocoa Foundation, which represents the private sector, and coordinated with the World Bank.

## 2.8 *Consideration of the Bank Group's Experience and Lessons Learned in the Project Design*

**2.8.1 As of October 31, 2018, the Bank portfolio in Cote d'Ivoire had 23 operations totalling net commitments of UA 1.19 billion.** The portfolio is mainly oriented towards transport infrastructure and energy. The sectoral breakdown indicates a large predominance of transport infrastructure (65%), followed by energy (24%); agriculture (9%); and governance (2%).

**2.8.2 The portfolio review conducted in April 2018 concluded that the portfolio performance is satisfactory (with a score of 3 on a scale of 1 to 4).** The performance indicators show a rejuvenation of the portfolio whose average age dropped from 2.5 years in 2018 versus 6.6 years in 2011, thanks to the recent approvals of eight (8) new operations and the closure of five (5) old projects. The portfolio disbursement rate increased to 20% at the end of October 2018 (11% for national projects, 20% for regional projects; and 54% for private sector projects). There is no project at risk and the monthly Flagship report showed that 62% of projects are satisfactory and only 17% are flagged.

**2.8.3 Significant improvement of the portfolio will require overcoming some remaining challenges.** The main challenges identified during the review were: (i) delays in forming or reconstituting project teams; (ii) instability of project management structures; (iii) weak capacities of local firms and individual consultants in project implementation; (iv) delays in the procurement process due to inadequate understanding and knowledge of the Bank's rules and procedures; (v) inadequate monitoring of the project work plan and procurement plan; (vi) long delays in the issuance of no objection opinions; (vii) late disbursement of counterpart funds; (viii) inadequate project coordination; and (ix) weak monitoring-evaluation arrangements.

**2.8.4 A new Portfolio Performance Improvement Plan (PPIP 2018) has been prepared and validated with all stakeholders.** Based on lessons learned from the 2017 PPIP implementation, a new PPIP for 2018 (see Annex 5) has been prepared to strengthen portfolio performance. The plan identified the main institutional and fiduciary difficulties encountered by projects. Measures will be taken in accordance with a specific schedule, and their implementation is expected to remove obstacles to the proper implementation of operations.

**2.8.5 The project design builds on lessons from implementing the Bank's institutional support in Côte d'Ivoire,** the foremost of which highlight the importance of: (i) selectivity in the different areas of support; (ii) synergy with other technical and financial partners; and (iii) strengthening government capacity in project monitoring and evaluation.

**Table 7** : Stock taking of lessons learned

<i>Lesson learned</i>	<i>Measure adopted by PAGFIC</i>
Design institutional support projects on the basis of sound sector challenges knowledge	PAGFIC was prepared in a collaborative manner with the World Bank within the Joint Initiative Framework for the development and sustainability of the cocoa sector in Cote d'Ivoire and Ghana. The recent KPMG audit report (2017) provides also a good presentation of the governance challenges the cocoa industry is facing in Cote d'Ivoire.
Enhance projects quality at entry by anticipated implementation of the project management unit.	The ministry of Planning and Development and the Coffee-Cocoa Board have agreed that the Executing Agency should be within the CCC. A project Coordinator was appointed in April 2018. The appraisal mission conducted in July concluded that the CCC capacity to implement the project was satisfactory.
Necessity to have a strong political commitment for successfully implementing institutional support projects aiming to modernize public finance management.	The government contributes to PAGFIC financing in a tune of UA 1 million, representing 16.7% of the project total costs.

**2.8.6 PAGFIC is an institutional support project aimed at strengthening the effectiveness and efficiency of cocoa sector management.** The activities are concentrated mainly around supporting the Coffee-Cocoa Board (CCC), whose mission is to manage the sector. Support to other entities will be limited mainly to training. PAGFIC will support CCC capacity building and implementation of the recommendations of an already adopted audit, among others. The project is selective in the choice of activities that will be supported and remains focused on governance issues



to create an enabling environment for implementing larger investment projects and programmes in the sector.

## 2.9 *Key performance indicators*

The results-based logical framework provides details on the key indicators. A summary is presented below.

### **Box 1: Key Performance Indicators**

<i>Outcome Indicators</i>	
•	Medium-term strategy and its action plan adopted in 2020
•	Instruments establishing the Joint Committee adopted
•	Report on internal oversight and risk management developed and adopted
•	Report on the harvest forecasting system adopted and implemented
•	Licensing criteria strengthened by 2019
•	250 ANADER executives trained by 2021 (30% of whom women)
•	300 CCC, CNRA and FIRCA executives trained by 2021 (30% of whom women)
<i>Output Indicators</i>	
•	Number of companies licensed to export $\leq 70$
•	Number of contracts in default $<5\%$
•	Divergence of annual production compared to forecasts $<5\%$
<i>Impact Indicators</i>	
•	Reduction of the level of poverty among cocoa farmers from 55% to $<50\%$

## III. **Project Feasibility**

### 3.1 *Economic and Financial Performance*

As PAGFIC is an institutional support project, the rate of return analysis does not apply. Nevertheless, the project is expected to have a positive economic impact. Better governance of the sector will prevent drastic cuts in farm-gate prices as happened in 2017. A new strategy and capacity building could improve the effectiveness of productivity and quality support programmes. This will have a positive impact on both farmers' income and central government fiscal revenue.

### 3.2 *Environmental and Social Impact*

3.2.1 *Environment: The project finances only investments in equipment and services.* No adverse effect on the environment is envisaged. However, it is true that the expansion of cocoa production has had a negative impact on forests in Côte d'Ivoire. The Government has signed an action plan under the Cocoa and Forest Initiative. Under this action plan, it has undertaken, along with private companies in the chocolate industry, to ban and prevent cocoa sector activities that cause or contribute to further deforestation and degradation of national parks and reserves, gazetted and protected forests, and to restore and preserve them over the long term. The World Bank recently approved a project to promote the implementation of this policy action plan.

**3.2.2 Climate change: The project's activities do not have negative impacts on climate change since they are geared towards building human and institutional capacity.** The action plan for the Cocoa and Forest Initiative mentioned above is in line with the REDD+ national strategy. The new strategy to be developed under the PAGFIC project will take into consideration the impact of climate change, which is already being felt in the cocoa sector in Côte d'Ivoire.

**3.2.3 Gender: In 2009 Côte d'Ivoire adopted an equal opportunity, equity and gender policy** This policy aims to reduce or even eliminate gender disparities in access to and control of resources. The promotion of gender and equity is restated in the National Development Plan 2016-2020. Constitutional amendments introduced in 2016 incorporated parity in the promotion of women's political rights and in the labour market. In the rural sector, issues linked to access to land and financing for women are the main factors of gender inequity. These problems cannot be resolved within the framework of a specific sub-sector institutional support project but at the national level. Many donors' (including the Bank) are supporting the Government in the reforms of access to land and financing.

**3.2.4 Social: The cocoa sector has a problem with children working on farms.** The Government has undertaken to discourage this practice and to eliminate extreme cases of forced labour. Efforts in this regard have been going on for several years, but the problem persists. A challenge that also concerns Ghana, it has been identified as an issue that will be addressed as part of the cooperation between the two countries and supported by the proposed project. The action plan of the Cocoa and Forests Initiative also calls for upholding farmers' rights by identifying and reducing social risks, and implementing actions to minimise potential adverse impacts.

**3.2.5 Involuntary resettlement:** No population displacement is envisaged during this project's implementation. However, the action plan to combat deforestation linked to the expansion of cocoa will require the resettlement of certain farmers, at least in cases where cocoa trees are affected by a disease. The project mentioned above and financed by the World Bank will deal address this issue.

## **IV. Implementation**

### **4.1 Implementation Arrangements**

**4.1.1 Executing Agency:** PAGFIC will be under the supervisory authority of the Ministry of Agriculture and Rural Development (MINADER). As indicated above, the project will be implemented by the CCC, whose capacity to ensure fiduciary management of Bank resources (procurement and financial management) was assessed and judged acceptable by the Bank. The Government shall also set up a Coordination Committee comprising the Ministry of Planning and Development; the Ministry of Agriculture and Rural Development; the Ministry of Economy and Finance; the Ministry in charge of the Budget; and professional groups in the sector.

**4.1.2 Disbursements:** Bank withdrawals will be made using the special account method (mainly for operating expenses), the direct payment method (for procurement of goods and services and other relatively large expenditures), and the reimbursement method in the case of pre-financing by the counterpart of the expenditures chargeable to the Bank "after prior notification by the Bank". The Public Treasury will make disbursements of counterpart funds in accordance with the normal procedure for the settlement of expenditures.

### **4.1.3 Financial Management**

**4.1.3.1** Côte d'Ivoire has issued the Decree No. 2015-415 in July 2015, which organizes the preparation, execution and closure of projects co-financed with technical and financial partners (PTFs) which will apply for the implementation of the PAGFIC. The decree is part of the Paris

Declaration on Aid Effectiveness, including the use of the recipient's national procedures. The project budget will be integrated into the budget of the Cocoa Coffee Council and transcribed in the central government budget. It will be executed according to the simplified expenditures procedure. The project's commitment accounting will be maintained on the SAGE 1000 software available at the CCC for project management. Internal control will be provided by the internal services of the CCC including the internal audit service and the management control department, with the development of a manual of procedures adapted to the management of the project. The quarterly monitoring reports and the annual financial statements will be produced by the project and submitted to the Steering Committee for approval and to the Bank.

4.1.3.2 The project resources will be disbursed according to the methods of reimbursement, direct payment and working capital, which must have a special account opened by the Ivorian authorities. Matching funds will be paid into a project account open to the public treasury for this purpose. All accounts will operate under the single signature of the Accountant who is personally responsible for the funds entrusted to him. He must be sworn in and deposited a guarantee to the Treasury before entering into service.

4.1.3.3 Finally, an independent auditor will be recruited by call for tenders to carry out the annual audit of the project accounts. The auditor will be recruited on terms of reference approved by the Bank for a maximum of three years, and the validation of his first report will trigger the pursuit of his service. The audit fees will be paid by the bank after the validation of the audit reports. Audit reports must reach the bank no later than six (6) months after the end of the financial year.

#### **4.1.4 Procurement arrangements:**

4.1.4.1 All procurements of goods and services of consultants and non-consultants financed by the Bank's resources shall be in accordance with the Procurement Policy for Bank Group-financed Operations ("Procurement Policy"). AfDB ), October 2015 edition and according to the provisions mentioned in the Financing Agreement. In application of this policy and following the various evaluations conducted, it was agreed that:

4.1.4.2 (a) Acquisitions of the following Goods and services of consultants and non-consultants: (1) **Goods**: acquisition of computer and office equipment; (2) **Non-consulting services**: internet connection at the Divo station and (3) **Consulting services**: the missions of realization of (i) guide and manual of internal control and risk management, (ii) study on the financial and economic ratio specific to the cocoa sector, (iii) staff performance appraisal system, (iv) study on strengthening the supervision and financing of cooperatives, (v) study on the risks related to the financing of cocoa production .

4.1.4.3 (b) All other acquisitions not mentioned under (a) above shall be in accordance with the Bank's procurement system ("AfDB System").

4.1.4.4 (c) **The use of the National System for a transaction group improves efficiency through, inter alia, the following actions:** (i) better ownership of the procurement system to be used by the Executing Agency; (ii) a saving of time with the absence of a second control (after that of the national entities) that represents, the a priori review of the Bank. However, the Bank reserves the right to ask the borrower to return to the use of the Bank System if: (a) the legal framework of Ivorian public procurement changes to evolve towards a system unsatisfactory for the Bank; (b) the provisions in force were not complied with by the Executing Agency or (c) the special safeguard measures related to the use of the National System and described in Paragraph B.5.7.1 of the Technical Annex were not respected.

**4.1.4.5 Procurement Implementation Organization:** Implementation of project procurement will be done by the Coffee Cacao Board (CCC). The Coffee Cocoa Board (CCC) will appoint a dedicated procurement specialist whose qualifications will be acceptable to the Bank.

**4.1.4.6 Procurement Risk and Capacity Assessment (ERCA):** In order to take into account the specificities of the project, the Bank assessed: (i) risks at national, sectoral and project levels; and (ii) the capacities of the executing agencies. The results of these assessments resulted in a "Moderate" level of risk for procurement and were used to guide the decision on the choice of procurement system (Borrower, Bank,) used for specific activities and allowed to determine the appropriate mitigation measures proposed in the PERCA action plan identified in paragraph B.5.9. of the Technical Annex B5. The resources needed to implement these measures are either already available or have been secured at the level of Bank financing.

## **4.2 Monitoring**

**The project evaluation mission has specified the appropriate mechanisms for monitoring project implementation.** The mechanism selected will be integrated into the CCC monitoring and evaluation mechanism which is under the responsibility of the. Public-Private Partnership Platform of the Coffee-Cocoa Sector (PPPP) set up on May 21, 2013. The organizational mechanism for the implementation of the operational plan is to develop, implement in a participatory manner, and to monitor and evaluate programs and projects that are in line with the national plan for sustainable development of the coffee-cocoa sector. The implementation of the activities of the program is carried out through an annual action plan submitted to the approval of the Board of Directors of the Coffee-Cocoa Board and involves either the Coffee-Cocoa Board for the implementation of the activities under the sole responsibility of the State and / or the private sector. The technical follow-up of the activities of the action plan is the responsibility of the Technical Secretariat of the platform in relation with the different Thematic Groups. Finally, the project will be subject to periodic supervision (twice yearly, on average) and a mid-term review (2020). The CCC, which is responsible for project implementation, will prepare quarterly implementation reports and an external firm will prepare annual audit reports. At the end of the project, a completion report will be produced.

**Table 8: Monitoring Milestones and Feedback Loop**

Schedule	Milestones	Monitoring Activities/Feedback Loop
November 2018	Loan approval by the Board	Notification to the Government
December 2018	Loan effectiveness	Signing of the loan agreement
December 2018	Fulfilment of conditions precedent to first disbursement	Opening of the special account, setting up of the Project Implementation Unit and choice of staff members
January 2019	Launching mission	Training of project staff
January 2019	Start-up of initial activities	Preparation of the work programme
2019-2021	Implementation of activities	Bi-annual progress reports
2019-2021	Supervision mission and annual audits	Mission and audit reports
June 2020	Midterm review mission	Midterm report
December 2021	Project completion	Project completion

### 4.3 Governance

The decisions of project managers will be guided by the administrative, accounting and financial procedures manual. In addition, the Bank will monitor procurement processes through no-objection notifications at all stages (including the evaluation of technical and financial proposals, draft contracts, etc.). The project will maintain separate accounts for ADF and counterpart resources in order to facilitate the monitoring of resource utilisation. The project's financial statements will be audited annually. A financial monitoring report will be produced quarterly by the project and forwarded to the Bank within one month of its preparation. Project audit reports will be submitted to the Bank within six (6) months of the end of the fiscal year, or latest 30th June of the following year.

### 4.4 Sustainability

The Ivorian State has a long experience in cocoa sector management. Although serious problems have occurred from time to time, the authorities have been able to rectify the situation and draw the necessary lessons. The institutional framework has been stable since 2012 and has worked well except during the sharp drop in world cocoa prices at end-2016. Even then, the sector was able to absorb the financial costs using the stabilisation fund, and without touching the reserve fund. The authorities are implementing the recommendations of the audit that was commissioned following this crisis, and have undertaken to conduct regular and more general audits from now on. The reforms and capacity building supported by the new PAGFIC project will ensure even greater sustainability.

### 4.5 Risk Management

The project will be implemented in a country that is no longer fragile, as it has made remarkable progress over the past six years. The overall risk is moderate and the following table identifies significant risks and the mitigation measures.

**Table 9: Potential Risks and Mitigation Measures**

<b>Risks</b>	<b>Level</b>	<b>Mitigation Measures</b>
Maintenance of the status quo in marketing management.	Average	This risk is mitigated by the willingness of the authorities to implement the recommendations of the 2017 audit and to continue regular audits.
Difficulty in setting up and operationalising the Côte d'Ivoire-Ghana Joint Committee due to the marked difference in management of the sector in the two countries.	Average	Both countries have agreed to strengthen cooperation in non-sensitive areas (research and development, disease control, combating of fraud, etc.) as entry points for cooperation.
Rising world prices that might undermine interest in reforms.	Average	The project focuses on reforms that are achievable in the short term and have a long-term positive impact. Moreover, there is a real political will to improve the governance of the sector following the price shocks suffered by the Ivorian economy in 2017.

### 4.6 Capacity Building

**The project will finance several studies that will increase the knowledge of executives responsible for managing the sector.** A strategy will be developed with these executives to help them better understand the cocoa global value chain and notably the demand dynamics in the consuming countries. Analysis of the viability of export companies will help the CCC to better

monitor the exporting companies and thus avoid the systemic risks linked to defaulting contracts. In addition, a lot of training will be organised for the CCC, ANADER, CNRA, and FIRCA staffs.

## **V. Legal Framework**

### **5.1 Legal Instrument**

The proposed financial instrument is a loan of UA 5 million from the African Development Fund (ADF). The Loan Agreement between the Republic of Côte d'Ivoire and the African Development Fund (referred to as "the Bank") will be signed by the parties concerned.

### **5.2 Conditions Associated with the Bank's Intervention**

*5.2.1 Conditions precedent to effectiveness of the loan agreement:* The effectiveness of the ADF Loan will be subject to fulfilment of the conditions set forth in Section 12.01 of the Bank's General Conditions Applicable to Loan Agreements and Guarantee Agreements.

*5.2.2 Conditions precedent to first disbursement of the loan:* Apart from effectiveness of the loan agreement, the Bank shall proceed with the first disbursement only after the Borrower must have fulfilled the following conditions to the Bank's satisfaction:

- (i) Provide evidence that the Coffee Cocoa Board (CCC) has appointed a dedicated procurement specialist whose qualifications are acceptable to the Bank.*

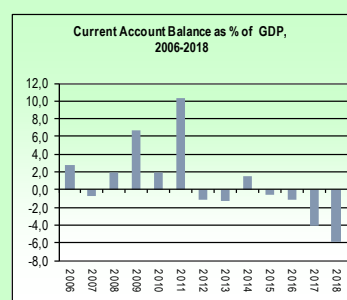
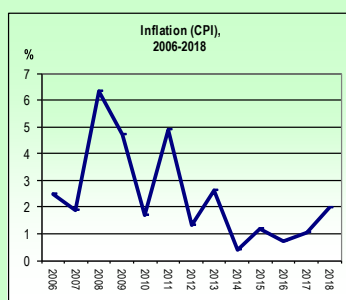
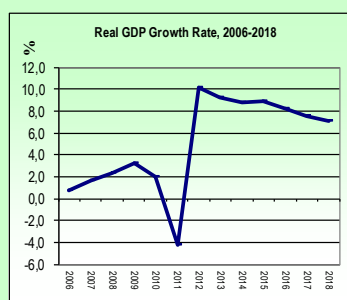
## **VI. RECOMMENDATION**

Management recommends that the Board of Directors approve the proposal to award a Loan of UA 5 million (from ADF resources) to the Republic of Côte d'Ivoire to finance the Cocoa Sector Governance Support Project (PAGFIC) and under the conditions set out in this report.

# ANNEX I: SELECTED MACROECONOMIC AND SOCIAL INDICATORS

## Côte d'Ivoire Selected Macroeconomic Indicators

Indicators	Unit	2000	2013	2014	2015	2016	2017 (e)	2018 (p)
<b>National Accounts</b>								
GNI at Current Prices	Million US \$	10 571	28 974	32 349	33 825	35 346	...	...
GNI per Capita	US\$	640	1 340	1 460	1 490	1 520	...	...
GDP at Current Prices	Million US \$	10 420	31 274	35 373	33 148	36 565	39 567	45 167
GDP at 2000 Constant prices	Million US \$	10 420	13 256	14 419	15 694	16 974	18 261	19 558
Real GDP Growth Rate	%	-4,6	9,3	8,8	8,8	8,2	7,6	7,1
Real per Capita GDP Growth Rate	%	-6,8	6,6	6,1	6,2	5,6	5,0	4,6
Gross Domestic Investment	% GDP	10,8	20,7	19,7	20,1	20,1	21,6	23,6
Public Investment	% GDP	2,8	7,6	7,2	6,9	6,7	7,3	8,1
Private Investment	% GDP	8,0	13,1	12,5	13,2	13,4	14,3	15,5
Gross National Savings	% GDP	7,8	19,4	21,2	19,5	19,6	19,9	21,1
<b>Prices and Money</b>								
Inflation (CPI)	%	2,5	2,6	0,4	1,2	0,7	1,0	2,0
Exchange Rate (Annual Average)	local currency/US\$	709,9	493,9	493,6	591,2	593,1	582,1	558,1
Monetary Growth (M2)	%	-29,4	9,4	10,3	15,6	7,8	12,1	...
Money and Quasi Money as % of GDP	%	16,0	26,5	25,9	26,7	26,0	27,4	...
<b>Government Finance</b>								
Total Revenue and Grants	% GDP	17,1	19,7	18,9	20,0	19,3	19,8	19,4
Total Expenditure and Net Lending	% GDP	18,3	21,9	21,0	22,8	23,1	24,3	25,0
Overall Deficit (-) / Surplus (+)	% GDP	-1,2	-2,2	-2,2	-2,8	-3,9	-4,6	-5,6
<b>External Sector</b>								
Exports Volume Growth (Goods)	%	-0,9	2,8	3,0	6,8	-10,0	8,8	8,9
Imports Volume Growth (Goods)	%	-15,7	5,3	4,2	19,7	5,8	5,7	2,8
Terms of Trade Growth	%	-17,0	1,8	8,4	7,7	24,2	1,3	-9,7
Current Account Balance	Million US \$	-293	-423	511	-201	-424	-1 614	-2 680
Current Account Balance	% GDP	-2,8	-1,4	1,4	-0,6	-1,2	-4,1	-5,9
External Reserves	months of imports	2,3	4,2	3,1	3,2	3,0	3,4	3,9
<b>Debt and Financial Flows</b>								
Debt Service	% exports	1,4	12,6	8,3	10,3	13,5	14,6	15,0
External Debt	% GDP	173,2	40,0	35,7	40,6	38,6	42,4	44,8
Net Total Financial Flows	Million US \$	715	3	1 108	1 817	773	...	...
Net Official Development Assistance	Million US \$	351	1 273	925	653	658	...	...
Net Foreign Direct Investment	Million US \$	235	407	439	430	481	...	...



Source : AfDB Statistics Department; IMF: World Economic Outlook, April 2018 and International Financial Statistics, April 2018;

AfDB Statistics Department: Development Data Portal Database, April 2018. United Nations: OECD, Reporting System Division.

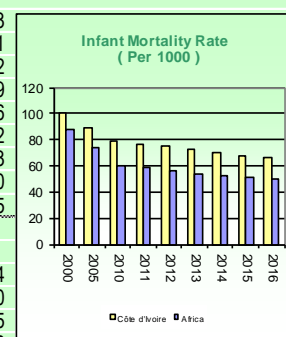
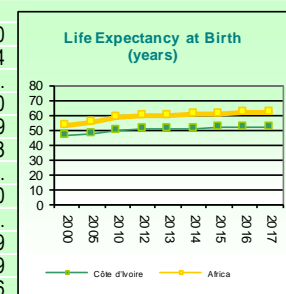
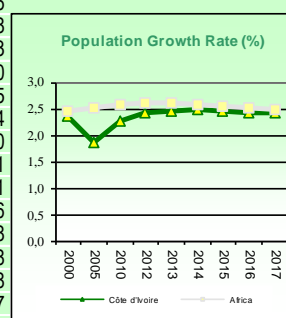
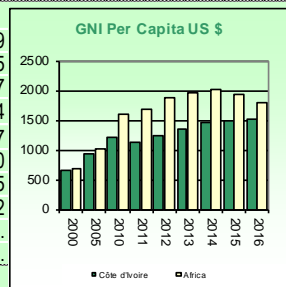
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Last Update: May 2018

# Côte d'Ivoire

## COMPARATIVE SOCIO-ECONOMIC INDICATORS

	Year	Côte d'Ivoire	Africa	Developing Countries	Developed Countries
<b>Basic Indicators</b>					
Area ( '000 Km²)	2017	322	30 067	80 386	53 939
Total Population (millions)	2017	23,8	1 184,5	5 945,0	1 401,5
Urban Population (% of Total)	2017	51,9	39,7	47,0	80,7
Population Density (per Km²)	2017	74,9	40,3	78,5	25,4
GNI per Capita (US \$)	2016	1 520	2 045	4 226	38 317
Labor Force Participation *- Total (%)	2017	67,1	66,3	67,7	72,0
Labor Force Participation **- Female (%)	2017	52,6	56,5	53,0	64,5
Sex Ratio (per 100 female)	2017	103,2	0,801	0,506	0,792
Human Develop. Index (Rank among 187 countries)	2015	171	...	...	...
Popul. Living Below \$ 1.90 a Day (% of Population)	2015	27,9	39,6	17,0	...
<b>Demographic Indicators</b>					
Population Growth Rate - Total (%)	2017	2,4	2,6	1,3	0,6
Population Growth Rate - Urban (%)	2017	3,5	3,6	2,6	0,8
Population < 15 years (%)	2017	42,1	41,0	28,3	17,3
Population 15-24 years (%)	2017	20,4	3,5	6,2	16,0
Population >= 65 years (%)	2017	3,0	80,1	54,6	50,5
Dependency Ratio (%)	2017	82,5	100,1	102,8	97,4
Female Population 15-49 years (% of total population)	2017	23,6	24,0	25,8	23,0
Life Expectancy at Birth - Total (years)	2017	52,6	61,2	68,9	79,1
Life Expectancy at Birth - Female (years)	2017	53,6	62,6	70,8	82,1
Crude Birth Rate (per 1,000)	2017	36,4	34,8	21,0	11,6
Crude Death Rate (per 1,000)	2017	12,9	9,3	7,7	8,8
Infant Mortality Rate (per 1,000)	2016	66,0	52,2	35,2	5,8
Child Mortality Rate (per 1,000)	2016	91,8	75,5	47,3	6,8
Total Fertility Rate (per woman)	2017	4,8	4,6	2,6	1,7
Maternal Mortality Rate (per 100,000)	2015	645,0	411,3	230,0	22,0
Women Using Contraception (%)	2017	20,5	35,3	62,1	...
<b>Health &amp; Nutrition Indicators</b>					
Physicians (per 100,000 people)	2008	14,3	46,9	118,1	308,0
Nurses and midwives (per 100,000 people)	2008	47,9	133,4	202,9	857,4
Births attended by Trained Health Personnel (%)	2012	59,4	50,6	67,7	...
Access to Safe Water (% of Population)	2015	81,9	71,6	89,1	99,0
Access to Sanitation (% of Population)	2015	22,5	51,3	57	69
Percent. of Adults (aged 15-49) Living with HIV/AIDS	2016	2,7	39,4	60,8	96,3
Incidence of Tuberculosis (per 100,000)	2016	153,0	3,8	1,2	...
Child Immunization Against Tuberculosis (%)	2016	95,0	245,9	149,0	22,0
Child Immunization Against Measles (%)	2016	77,0	84,1	90,0	...
Underweight Children (% of children under 5 years)	2012	15,7	76,0	82,7	93,9
Prevalence of stunting	2012	29,6	20,8	17,0	0,9
Prevalence of undernourishment (% of pop.)	2015	15,4	2 621	2 335	3 416
Public Expenditure on Health (as % of GDP)	2014	1,7	2,7	3,1	7,3
<b>Education Indicators</b>					
Gross Enrolment Ratio (%)					
Primary School - Total	2016	96,7	106,4	109,4	101,3
Primary School - Female	2016	91,3	102,6	107,6	101,1
Secondary School - Total	2016	46,1	54,6	69,0	100,2
Secondary School - Female	2016	38,8	51,4	67,7	99,9
Primary School Female Teaching Staff (% of Total)	2016	28,0	45,1	58,1	81,6
Adult literacy Rate - Total (%)	2014	43,9	61,8	80,4	99,2
Adult literacy Rate - Male (%)	2014	50,7	70,7	85,9	99,3
Adult literacy Rate - Female (%)	2014	36,8	53,4	75,2	99,0
Percentage of GDP Spent on Education	2015	4,8	5,3	4,3	5,5
<b>Environmental Indicators</b>					
Land Use (Arable Land as % of Total Land Area)	2015	9,1	8,6	11,9	9,4
Agricultural Land (as % of land area)	2015	64,8	43,2	43,4	30,0
Forest (As % of Land Area)	2015	32,7	23,3	28,0	34,5
Per Capita CO2 Emissions (metric tons)	2014	0,5	1,1	3,0	11,6



Sources : AfDB Statistics Department Databases; World Bank: World Development Indicators;

last update :

May 2018

UNAIDS; UNSD; WHO, UNICEF, UNDP; Country Reports.






Note : n.a. : Not Applicable ; ... : Data Not Available. \* Labor force participation rate, total (% of total population ages 15+)

\*\* Labor force participation rate, female (% of female population ages 15+)





## **ANNEX II : Bank portfolio in Cote d'Ivoire as of October 31, 2018**

### **4.1 NATIONAL PROJECTS**

Sector / Operation		Approval Date	Approved Amount (UA Million)	Disb. Amount (UA Million)	Disb. Rate	Disbursement Deadline
<b>ENERGY</b>  Light up & power Africa Eclairer & électrifier l'Afrique						
1	Power Transmission and Distribution Grid Reinforcement Project (PRETD) - AfDB	16-Nov-16	113.86	17.75	15.5%	31-Dec-20
	<b>Sub-Total</b>		<b>114.38</b>	<b>12.16</b>	<b>10.6%</b>	
<b>AGRICULTURE</b>  Feed Africa Nourrir l'Afrique						
2	Indénié-Djuablin Region Agricultural Infrastructure Support Project (PAIA-ID) – ADF	01-March-12	21.60	16.04	74.0%	28-Feb.-19
3	Bélier Region Agro-industrial Pole Project (2PAI-BELIER) - AfDB	25-Jan-17	53.17	3.64	7.0%	31-Dec-22
	ADF (Loan)	25-Jan-17	26.04	1.48	5.7%	31-Dec-22
	ADF (Grant)	25-Jan-17	3.40	0.84	24.8%	31-Dec-22
4	PPF – Enable Youth Côte d'Ivoire – ADF	07-July-16	1.00	0.10	10.5%	31-Dec-18
5	Indénié – Djuablin Region Value Chains Development Project in (PDC-ID) - NTF	21-Oct-16	4.00	0.09	0.2%	30-June-20
	<b>Sub-Total</b>		<b>109.45</b>	<b>19.22</b>	<b>17.5%</b>	
<b>TRANSPORT</b>  Integrate Africa Intégrer l'Afrique						
6	Abidjan Urban Transport Project (PTUA) - AfDB	16-Dec-16	196.3	0.7	0.4%	31-Dec-21
	GEF-Global Environment Facility	16-Dec-16	5.1	0.03	1.0%	31-Dec-21
	Urban Transport Project Abidjan – Phase II	16-Oct-18	261.49	0	0.0%	31-Dec-21
7	Air Côte d'Ivoire Project - AfDB	8-Nov-17	42.46	41.16	96.9%	31-Dec-23
	ADF (Guarantee)	8-Nov-17	14.15	0.00	0%	31-Dec-23
	ADF (Loan)	8-Nov-17	3.55	0.00	0%	31-Dec-23
	<b>Sub-Total</b>		<b>523.05</b>	<b>41.89</b>	<b>8.0%</b>	
<b>GOVERNANCE</b>  Improve the quality of life for the people of Africa Améliorer la qualité de vie des populations en Afrique						
8	Support Project for Strengthening Competitiveness of the Industrial Sector (PARCSI) - ADF	30-Sep-15	10.00	1.7	17.0%	30-Nov-19
9	Economic and Financial Management Support Project - ADF (Loan)	30-March-17	6.55	0.87	13.2%	31-Dec-19
	ADF (Grant)	30-March-17	0.21	0.00	0%	31-Dec-19
	TSF (Loan)	30-March-17	9.61	0.13	1.3%	31-Dec-19
	TSF (Grant)	30-March-17	0.03	0.02	95.3%	31-Dec-19
	<b>Sub-Total</b>		<b>26.40</b>	<b>2.72</b>	<b>10.3%</b>	
<b>WATER AND SANITATION</b>  Improve the quality of life for the people of Africa Améliorer la qualité de vie des populations en Afrique						
11	Support project for liquid waste treatment and employment promotion in Bouake and Katiola (AWF)	4-Sep-13	1.04	0.31	29.4%	31-Dec-18
	<b>Sub-Total</b>		<b>1.04</b>	<b>0.31</b>	<b>29.4%</b>	
<b>TOTAL</b>			<b>773.80</b>	<b>84.58</b>	<b>10.98%</b>	




\* Source: SAP-PS April 2018

## 4.2 REGIONAL PROJECTS

Sector / Operation		Approval Date	Approved Amount (UA Million)	Disbursed Amount (UA Million)	Disb. Rate	Disbursement Deadline
<b>ENERGY</b> 						
1	CLSG- Cote d'Ivoire-Transco Interconnection -ADF	6-Nov-13	26.17	2.64	10.1%	31-Oct-20
2	CLSG - WAPP- Cote d'Ivoire - ADF	6-Nov-13	0.72	0.43	59.5%	31-Oct-20
3	CLSG – Rural Electrification Project - ADF	06-Nov-13	6.10	3.11	50.9%	31-Oct-20
	<b>Sub-Total</b>		<b>32.99</b>	<b>6.18</b>	<b>18.7%</b>	
<b>TRANSPORT</b> 						
4	Road Development and Transport Facilitation Programme - Mano River Union (PARFT/UFM) - ADF (initial)	18-Dec-14	41.5	9.56	22%	30-June-20
	TSF (TSF)	18-Dec-14	22.82	5.02	22%	30-June-20
	ADF (Additional Loan)	3-June-15	31.18	6.89	22%	30-June-20
5	CI - Transport Development and Facilitation Project on the Bamako-Zantiebougou Corridor – AfDB	26-Nov-15	42.58	8.81	21%	30-June-21
	ADF	26-Nov-15	30.00	4.44	14.79%	30-June-21
	<b>Sub-Total</b>		<b>169.22</b>	<b>34.54</b>	<b>20.4%</b>	
<b>TOTAL</b>			<b>202.21</b>	<b>40.72</b>	<b>20.1%</b>	

\* Source: SAP-PS April 2018

## 4.3 PRIVATE SECTOR OPERATIONS

Sector / Operation		Approval Date	Approved Amount (UA Million)	Disbursed Amount (UA Million)	Disburs. Rate	Disbursement Deadline
<b>ENERGY</b> 						
1	Power Plant Extension Project (CIPREL)-AfDB	24-July-13	41.18	41.18	100%	13-Aug-28
	TSF	24-July-13	12.44	0.00	0%	13-Aug-28
2	AZITO Power Plant Extension Project - AfDB	19-Dec-12	25.53	25.53	100%	27-Feb-20
3	Hydroelectric Power Plant Construction Project of Singrobo - AfDB	06-Dec-17	41.49	0.0	0%	01-Jan-22
	<b>Sub-Total</b>		<b>120.64</b>	<b>66.71</b>	<b>55.3%</b>	
<b>FINANCE</b> 						
4	Equity Participation in MCI - FAPA	16-Apr-10	0.70	0.59	84.5%	31-May-18
	<b>Sub-Total</b>		<b>0.70</b>	<b>0.59</b>	<b>84.5%</b>	
<b>TRANSPORT</b> 						
5	Air Côte d'Ivoire Project Private - ADF	8-Nov-17	35.20	0.00	0%	19-Jan-21
6	Henry Konan Bédié Toll Bridge - AfDB	01-March-12	46.06	46.06	100%	28-June-27
	TSF	4-Nov-15	8.76	0.00	0%	28-June-27
7	Riviera Toll Bridge Stand By - AfDB	1-March-12	2.07	2.07	100%	28-June-27
	TSF	4-Nov-15	0.63	0.00	0%	28-June-27
	<b>Sub-Total</b>		<b>92.72</b>	<b>48.13</b>	<b>51.9%</b>	
<b>TOTAL</b>			<b>214.06</b>	<b>115.43</b>	<b>53.9%</b>	

\* Source: SAP-PS April 2018

### **ANNEX III: MAP OF CÔTE D'IVOIRE**

