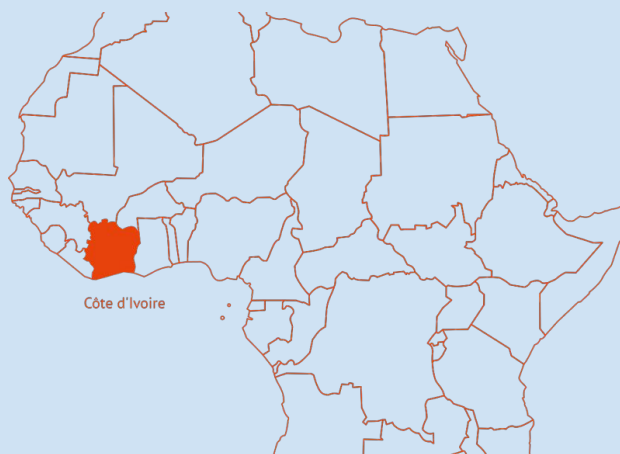




Côte d'Ivoire



Doing Business in Côte d'Ivoire





Table of Contents

Introduction.....	2
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General Information

Côte d'Ivoire Regional Hub in West Africa.....	3
Country Context	4

Key Informations and Sectors Analysis:

Energy	5
Agriculture	8
Transport	9
Logistic : Port and Airport	11
Real Estate	13
Tourism.....	14
Mining.....	16
Health.. ..	17

Contacts and Addresses in Côte d'Ivoire /Germany.....	18
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Côte d'Ivoire is Ready for Business

Côte d'Ivoire has a huge potential for companies and investors from around the world. It is a stable and dynamic country with one of the best growth rates in Africa.

Côte d'Ivoire is among the top 10 of the best reforming countries in the world improvement of the business climate (Doing Business 2019). Numerous reforms have made a business friendly climate. For example, this year the administrative way to register a company in Côte d'Ivoire has been simplified with the new online platform of the CEPICI and a registration within 24 hours is possible.

Since 7 years Côte d'Ivoire is the regional hub in West Africa and a gateway to both, English and French-speaking countries in this region. Many companies have their regional office in Abidjan, the economic capital from Côte d'Ivoire. Thus, the number of German companies settled in Côte d'Ivoire had double in less than a year from 6 in 2018 to 12 in 2019.



Jean-Claude Konan
CEO & Founder
Overseas Strategic Advisory

It is often incorrectly assumed that France is the only strong partner in Côte d'Ivoire. Today Morocco is positioned as the main foreign investor of Côte d'Ivoire and also partnerships with other countries have increased strongly (China, England, Germany, Italy, Japan, Norway, Portugal, South Korea...).

To expand and do business successfully in Côte d'Ivoire requires a profound understanding of local business, culture and language. Partnering with an expert firm and adapt to local customs is essential.

On the occasion of the “Côte d'Ivoire Day” in Hamburg, OSA presents a focus on Côte d'Ivoire, which gives companies and investors a global overview of booming sectors.



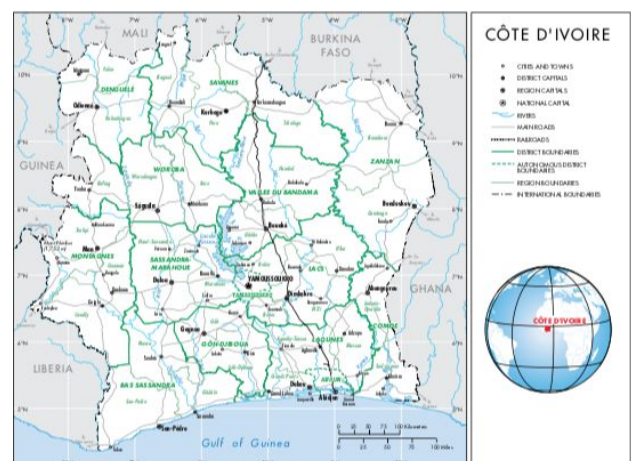
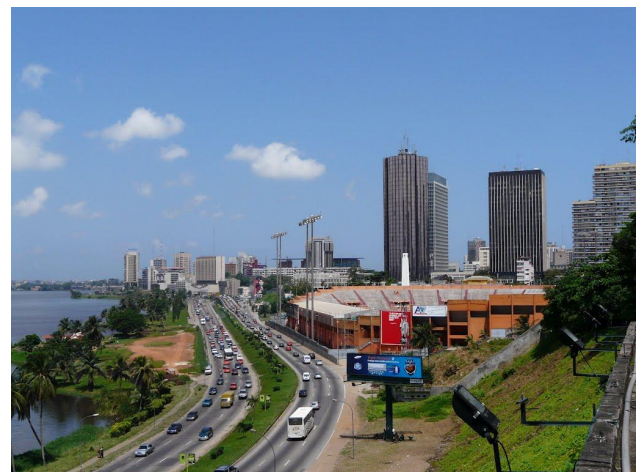
GENERAL INFORMATION

The Côte d'Ivoire is on the top ten African countries with the fastest growing economies, according to the IMF and AfDB's World Economic Outlook (2019). Côte d'Ivoire is considered the most economically stable and advanced country in West Africa. Since 2011, the government is headed by President Alassane Ouattara. Political normalisation, budget support policy, debt reduction, and reforms to strengthen the business climate have led to an impressive acceleration of economic activity in Côte d'Ivoire since 2012. Côte d'Ivoire has improved its rankings in the annual Ease of Doing Business Index, moving to the 122nd position in 2019.

CÔTE D'IVOIRE REGIONAL HUB IN WEST AFRICA

Within West Africa, Côte d'Ivoire has recently emerged as an economic power horse which is reflected in the highest regional annual GDP growth of 8.7 % between 2012 and 2018 (World Bank, 2018). In particular the agricultural and food industry enjoy a prominent regional position as they also supply the other countries of the region. According to Germany Trade & Invest (GTAI), Côte d'Ivoire is the bread basket of West Africa.

But besides being the world's largest producer of cocoa and cashew nuts, the economy also constitutes itself as a major energy exporter in the region and possesses a rapidly growing manufacturing industry. Simultaneously, commercial activity is supported by one of the best infrastructures in West Africa featuring a relatively well developed road network, a modern airport with a national airline that serves all of the major capital cities in the region and the port of Abidjan ranked in the top 5 in Africa.

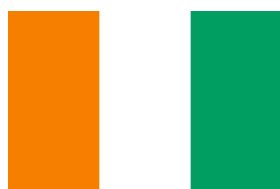


CÔTE D'IVOIRE : COUNTRY CONTEXT

- Macroeconomic stability - growth averaging 9% over past five years, low and stable inflation, contained fiscal deficit; sustainable debt
- Business friendly investment climate - sustained progress over the last four years as measured by Doing Business, Global Competitiveness, and Enabling Trade indices, single tax e-filing
- Reliable energy supply—best performing electricity system in West Africa powered by 6 hydroelectric dams and 4 natural gas fueled thermal power stations producing 2163 MW
- Quality Infrastructure—enhances Côte d'Ivoire's logistics capabilities as a gateway to landlocked countries
- Skilled and educated workforce— commitment of government to investing 5% of GDP in education, compulsory and free education for all children under 16, three centers of excellence established
- Connectivity—3 mobile network operators, 2 landline providers, 8.7 million internet service subscribers.
- Quality Infrastructure—ongoing implementation of several major infrastructure projects including Abidjan's Third Bridge and the Soubre hydroelectric dam; Abidjan Port Authority handles 87% of Côte d'Ivoire's international trade. Its goal is to be a transshipment hub for the region and land-locked countries such as Burkina Faso, Mali and Niger

Natural resources

Petroleum, gas, diamonds, manganese, iron ore, bauxite, copper, gold, nickel, tantalum, phosphates, clay, forest, cocoa beans, coffee, palm oil, hydropower



Language : French
Currency : CFA Franc
Land area : 322,462 sq. km
Coastline: 500 km
Population : 22.6 million
GDP (2018) : \$43,10 billion
GDP Growth (2018) : 7.4%
GDP per capita (2018) : \$1791,37

The Top 8 Dynamic Sectors

1. Energy
2. Agribusiness
3. Transport
4. Logistique
5. Tourism
6. Real Estate
7. Mining
8. Health



ENERGY SECTOR

Current Situation and Forecasts

Côte d'Ivoire became the first country in sub-Saharan Africa to turn to independent power producers to meet energy demand. Those private firms gave Côte d'Ivoire the ability to respond rapidly to its growing energy needs. While gas-fuelled thermal power plants accounted for 80% of production that year, plans to **boost hydropower capacity**, and upcoming **biomass and solar power projects**, will be critical to diversifying the energy mix and meeting future demand.

1772

Côte d'Ivoire's current electrical generation capacity is 1772 megawatts.

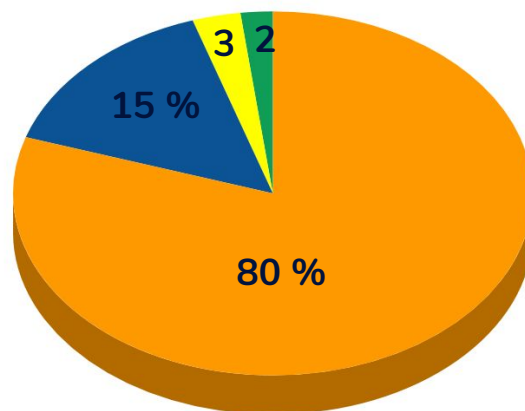


Côte d'Ivoire regularly exports electricity to its neighbors and is setting on becoming a larger exporter of energy to the sub-saharan region.

\$6,6Bn

Since 2011, the Government of Côte d'Ivoire has invested approximately \$6.6 billion in infrastructure to increase the production of electricity. The plan is to invest \$20 billion by 2030 and add 150 megawatts to the grid every year until 2020.

● Thermal Energy ● Renewables Energies
● Hydroelectric Dams ● Biomass



Côte d'Ivoire electricity production distribution, according to Datas from Le Monde and AFP



Today, there are three independent producers in Côte d'Ivoire:

AZITO ENERGIE

CIPREL
COMPAGNIE IVOIRIENNE DE PRODUCTION D'ELECTRICITE

aggreko

RENEWABLE ENERGY

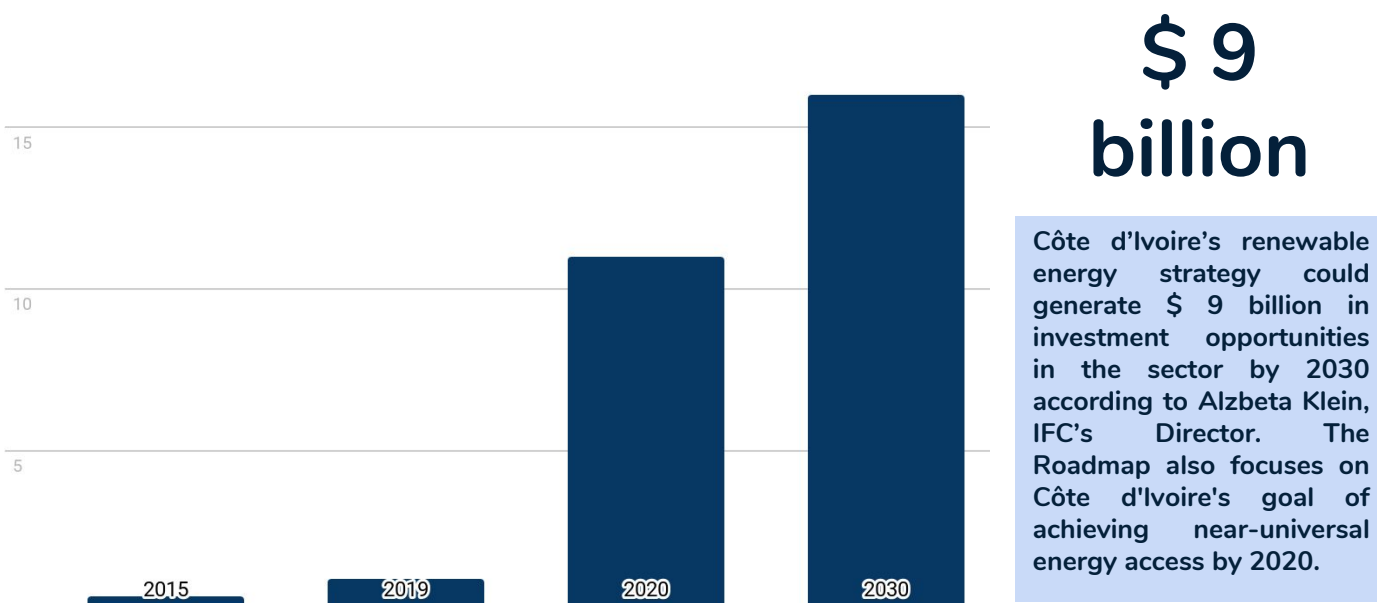
The International Finance Corporation (IFC), member of the World Bank Group, along with Côte d'Ivoire's Government have released a roadmap to achieve the **country's target of producing 42 percent of the country's power by renewable energy resources in 2030**. Renewable energy has become a key component for these efforts and a strategic shift from the nation's largely thermal generation capacity. With electricity demand climbing at an average rate of 12% per year, Côte d'Ivoire is embarking on a plan to strengthen its generation capabilities. The plans call an increasing part of the power mix to be generated from renewable sources.



“What we are looking for in all these investments is to have a constant source of electricity production and, in the long term, to consider different ways to reduce the cost of electricity.”

Alassane Ouattara, President, Republic of Côte d'Ivoire

Renewable Energies share in the Energy Mix





HYDROPOWER



Côte d'Ivoire has invested heavily in its hydropower industry since gaining independence almost 60 years ago. The country has placed an increased emphasis on hydropower plants in recent years, in part due to its commitment at the 2015 COP21 UN Climate Change Conference in Paris to reduce greenhouse gas emissions before 2030. The National Development Plan outlined two more hydroelectric plants – Tayaboui (150 MW) and Gao (150 MW).

BIOMASS



As Côte d'Ivoire is an agricultural country, the economic potential of agricultural, agroindustrial and household waste with an estimated potential of 15 million tonnes, through biomass plants to reach an installed capacity of 200 MW in 2020 and 500 MW in 2030. For example, Biomass Power generation plant running on waste from cocoa pods, which will enable Côte d'Ivoire to diversify its electricity generation sources, was among five projects to receive grants from the U.S. agency for trade and development.

SOLAR ENERGY



Solar generation is set to play an important role in bolstering renewables capacity, with several areas of Côte d'Ivoire identified as suitable for solar power generation. According to government, the private sector is set to take on most of the responsibility for the construction of new power generation. The drive to develop renewable capacity has also been encouraged by international institutions, such as the World Bank, which are supporting the development of solar power in several African countries.

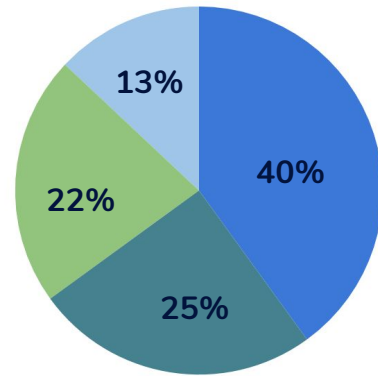
Products and services with immediate need or potential in Côte d'Ivoire include:

- Renewable Energy Solutions
- Energy Efficiency and Demand Side Management (DSM)
- Transmission and Distribution Equipment
- New Plant Equipment and Related Systems
- Process Automation and Systems Control Equipment
- Gas-to-Power Technologies

AGRICULTURE SECTOR

Current Situation and Forecasts

In Côte d'Ivoire agriculture accounts for more than 20% of the Gross Domestic Product (22,3% in 2013) and employs about half of the entire working population. A concrete example is the one of the production of cocoa, which generates revenue for 6 million people (about a quarter of the Ivorian population).



Côte d'Ivoire GDPs repartition,
Source: World Bank last Report

● Service ● Industries ● Agriculture ● Others



The agricultural sector generated about 8,6 Billion Euros of revenue for farmers in 2015. This represents a growth rate of 68% comparing to 2012.



1st Producer of Cocoa
with 30% of the
world production



Between 2012 and 2017, 1.27 Million jobs
were created in the
sector

16Bn €

Investment via the
National Agricultural
Investment Program
(2018-2025)



TRANSPORT SECTOR

Current Situation and Forecasts

Côte d'Ivoire invested remarkably in its transport system. The Transport infrastructures are much more developed than in most of the others West African countries. Côte d'Ivoire has a well developed road network, a modern airport with a national airline that serves all of the major capital cities in the region. The neighboring countries (Burkina Faso, Mali, Niger and Guinea) still have to rely heavily on Côte d'Ivoire's road infrastructure for their imports and exports within the region.



“The transportation sector generates between 7 and 12% of the country's GDP.”

Benjamin Soro, Cabinet Director of the Ministry of Transportation

65M€ That is the budget established by the Ivorian government to rehabilitate and expand several roads in Abidjan. One of the most frequented road of the city, the Marseille Boulevard, will thereby be expanded on more than 13km with an improvement on the connexion with the adjacent roads.



The flow of goods will also enjoy these developments, with more fluidity in terms of transportation and commercial trades with neighboring countries (Burkina Faso, Libéria, Ghana, Guinea).



A Fourth bridge is under construction to connect the most populated areas in town (Plateau, Adjamé and Yopougon). The bridge, will help reducing drastically traffic jam.

Paris of West Africa

500M€



The African Bank of Development is financing Côte d'Ivoire with a budget of 500M€ to **modernise Abidjan**, with the objective of building the « Paris of West Africa »:

- Improve fluidity of traffic
- Reduce road accidents
- Improve air quality while reducing greenhouse gas

The SOTRA (society of abidjanaise transports) plans on increasing its current bus fleet, as well as their Boat-bus fleet. The project will help improving circulation in the city. 50 more boats are planned for 2020, as well as 2000 new buses.

This should result in 70 000 passengers per day on the boat-buses

Abidjan's Tramway

Until then, the population should be able to rely on a brand new infrastructure: **Abidjan's Metro/Tramway**. This ligne of 37,5Km will contain 20 stations, 21 rail bridges, 1 viaduc on the Ebrié lagoon. The North and the South parts of the city will then be connected, and the travelling time in Abidjan will be reduced drastically. The Ivorian metro should allow the transportation of « 530 000 persons per day, 180M of travelers per year between the north and south of Abidjan », according to Alassane Ouattara. 1,4 BN€ will be financed by France for a project that should mobilise 2000 workers. The Government has also recently announced that it is working on a second line of tramway linking the two most popular townships.



French President Macron visiting Alassane Ouattara for the inauguration of the tramway plan

LOGISTIC AND PORT SECTOR

Current Situation and Forecasts

According to Amadou Koné, Minister of Transports, there are a lot of opportunities in the airport, port and train sector in Côte d'Ivoire. For example the rehabilitation of the Abidjan-Kaya trainline (valued at 400M€), the expansion of the port and the plan of development of the airport (2 million passengers annually), constitute a strong potential off investment.



Traffic flow of the Abidjan port establishes itself at 22,5 millions of tonnes, against 21,7 millions of tonnes in 2016. This represents a growth of 3,8%



1,7Bn€

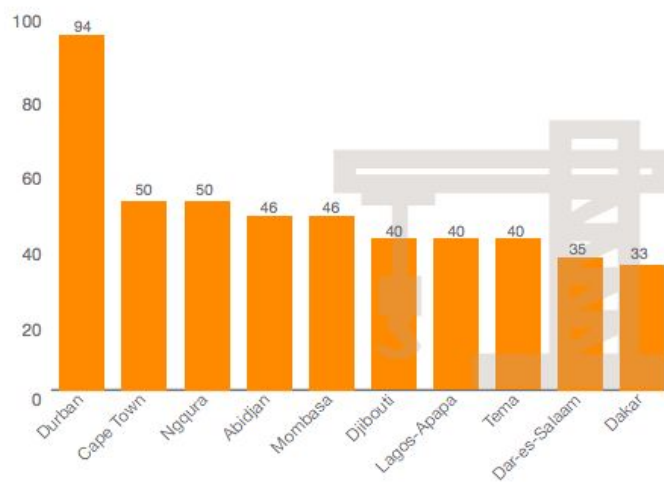
Côte d'Ivoire is investing 1,7BN in the modernisation plan of the Port of Abidjan, to support its emerging economy.



Abidjan is number 4 in terms of attractivity among the Sub-saharan African hubs.

«Strengthening Africa's gateways to trade» a study by Pwc, measures factors of activity in african ports and analyze their contribution to the GDP's objectives:

- An improvement of 25% of the port performances in the region would raise the GDP of Sub-saharan countries by **2%**.
- This would translate to at **least \$510M per year** added to the GDP's growth.
- **\$2.2BN could be saved** every year in logistic costs, if the average capacity of the principal ports in Sub-Saharan Africa doubled.



By comparison, the Port of Rotterdam achieves a hub attractiveness score of 421

THE AUTONOMOUS PORT OF ABIDJAN

770 ha

West Africa's
largest container port



First tuna Port in
Africa

60%

Percentage of the country
industry sheltered in the port

The Autonomous Port of Abidjan is a public establishment of the Ivorian State and **ranked in the top 5 in Africa**. Its traffic contributes 90% of the country's customs revenue and 60% of state revenue. With the San-Pédro Port, they possess modern equipment that allows them to supply the landlock countries of the region. Abidjan has been ranked number one in terms of container stacking capacity. With a rate of 5.2, Côte d'Ivoire and South Africa share the best rate for the quality of Port Infrastructure.



AIRPORTS ABIDJAN, YAMOUSSOUKRO, BOUAKÉ

Côte d'Ivoire has 3 international airports located in Abidjan, Yamoussoukro, and Bouaké. The Airport of Abidjan covers 90% of the air traffic of Côte d'Ivoire and generates 95% of the overall profits. It is operated by a private company (Aeria) created with the Commerce Chamber of Marseilles.

A program set by Amadou Koné, Minister of Transport, aims at expanding the Abidjan Airport from a capacity of **2 millions** in 2017, to **8 million passengers**. For him, this project has to go along with a development on every transportation sector, in order to meet the demand of economic growth.



The Airport of Abidjan traffic mainly encompasses European aeronautical companies (Air France, Brussels Airlines) and some African firms (Kenya Airways, South African Airways).



TOURISM SECTOR

Current Situation and Forecasts

The tourism in Côte d'Ivoire is growing strong and presents great opportunities for investments. While tourism's contribution to GDP stood at just 0.6% in 2011, in April 2017 Côte d'Ivoire Tourism, the body in charge of promoting the tourism sector, announced that by 2016 this proportion had risen to reach 7.5%, up from 4.8% in 2015.

10 Good Reasons to visit Côte d'Ivoire

- 1) Legendary Hospitality
- 2) Diversified Cuisine
- 3) Cultural Richness
- 4) 4 UNESCO World Heritage sites
- 5) Largest Basilica in the world
- 6) 6 National Reserves
- 7) 520 kilometers of coast
- 8) Mysterious Bridges
- 9) Sunny Weather
- 10) One Click Visa



Côte d'Ivoire is the 3rd destination for business tourism in Africa, after Nigeria and Maroc



21000 Jobs created in 2017 in the Tourism sector



Seeing strong potential in the country's natural beauty, culture of hospitality and demographic youth bulge, **the government has chosen tourism as one of its priority sectors.** Côte d'Ivoire, currently holding the **12th place for the Best tourist destinations in Africa**, is aiming to get to the 5th place, by 2025.

Siandou Fofana, Minister of Tourism, has developed together with McKinsey & Company a new strategic Plan to put in place, « Sublime Côte d'Ivoire ». This project of 5,2 BN€ has been initiated to turn the Tourism sector into the **3rd pole of development** of Côte d'Ivoire by 2025.

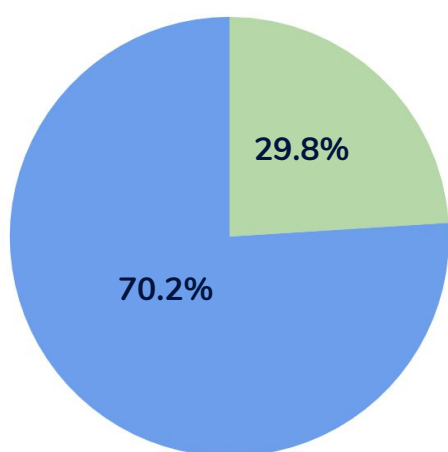
This vision articulates itself around some major points:

- Realisation of High-End hotels
- Creation of Tourist circuits in Abidjan and the region
- Construction of amusement parks
- Become a tourist medical hub the sub-region
- Development of accessible domestic leisure tourism



Côte d'Ivoire top five in terms of booking demand in Afrika

Abidjan is one of the main hotel business hub in West Africa, thanks in large part to the city welcoming a number of international business events such as the Africa CEO Forum and Africa Telecom People. Most of the developments to hotel infrastructure in recent years have taken place in Abidjan, meaning that hotel infrastructure in other parts of the country remains relatively underdeveloped.



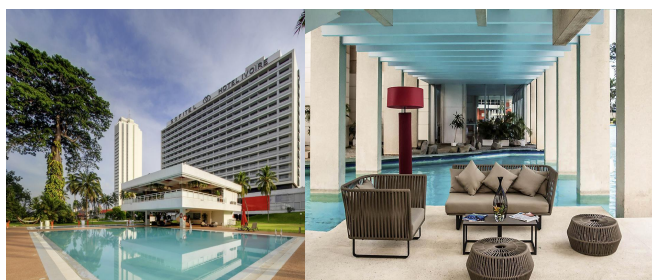
● Leisure spending ● Business spending

World Travel & Tourism Council, 2017



The growth in the numbers of business visitors has brought with it a flurry of investment activity in the hotel segment, with many of the world's major hotel chains moving in to build in the country. Official figures note that the number of hotels in the country almost doubled between 2000 and 2015, and the government has been **targeting the addition of a further 5000 new or renovated rooms to total supply by 2020.**

Major hotel chains are also contributing to the number of construction and renovation of hotel rooms (the French multinational hotel group Accor Hotels investing in the Sofitel Abidjan Ivoire Hotel, Novotel, Pullman Hotel, Ibis Plateau and Ibis Marcory).



Sofitel Hotel, Abidjan



Pullman Hotel, Abidjan



REAL ESTATE SECTOR

Current Situation and Forecasts

The real estate demand in Côte d'Ivoire is very high, surpassing existing offerings in most, if not all, segments, from housing to industrial, office space and retail. As Côte d'Ivoire continues to recover from the instability of the previous decade, construction remains a key driver of growth.



Opportunities in the Real Estate sector

13%

In 2016, the Real Estate sector in Côte d'Ivoire represented 13% of the 12.166 companies created that year.



It is the 3rd sector providing the more employment, about 11.000 per year, so 12% of job creation.



Real Estate generates about 6% of the GDP. Those numbers all show the general health of the real estate and construction sector.



The Ivorian government seeks to provide home financing through real estate projects, including the Housing Support Fund and the Housing Mobilisation Account.

- The accumulated loss in terms of housing is of **more than 400.000**, with a 10% increase every year and a **potential demand of 50.000 housings/year** on the country's territory.
- Cement shortage these past few years. In 2017, the government had to import more than **150.000 tonnes of cement** to satisfy the national need
- Côte d'Ivoire is in a strong need of cement plans to increase national production

MINING SECTOR

Current Situation and Forecasts

Côte d'Ivoire is seeking to diversify their economies by mining precious metals and is emerging as one of Africa's premier destinations for gold mining investment. The recent stability over the past few years combined with advances in technology has kickstarted a Gold rush and a boom in the mining sector.



The mining sector announced a sales revenue of 821M€ in 2017, compared to 736M€ in 2016. Côte d'Ivoire's mining sector turnover rose by 11.5 percent in 2017, an increase achieved mainly via exports of Gold, Manganese and Nickel.



In 2017, Côte d'Ivoire exported five shipments of diamonds worth 11,156 carats in total, earning 1,8M€. Gold production almost doubled between 2013 and 2015 alone, jumping from 13 to 23.5 tonnes of gold.



Manganese output increased by a whopping 146 percent, reaching 510,000 tonnes in 2017. Gold output rose to 25.395 tonnes in 2017, 2.15 percent higher than in 2016. Nickel production, which started in 2017, was at 379,766 tonnes.



- Côte d'Ivoire may have received the award for the **best 'mining code'** in the world.
- Gold mining is now a big industry in Côte d'Ivoire.
- The Tongon mine alone employs thousands of workers and produces about 7.5 tonnes of gold annually.
- That production only begins to touch the surface.



HEALTH SECTOR

Current Situation and Forecasts

For the 2018-2020 period, the Ivorian government decided to invest 1,26B€ to finance the Health sector. Those investments will mostly be affected to building infrastructures and recruiting the necessary human resources to ensure better quality health services, closer to International standards.



“Life expectancy in the country went from 50 years in 2010 to 54 years in 2015, thanks to investment in the Health sector realized these last years”

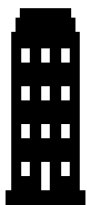
Alassane Ouattara, President, Republic of Côte d'Ivoire



According to the Minister of Health and public hygiene, the 1,26B€ budget allocated for 2018-2020 represents an increase of more than 400 M€ compared to the 2013-2016 budget



In 2013-2016, 823M€ were invested in financing construction work, rehabilitation and equipment of Health establishments. Numerous projects are being studied or on the way, for an additional cost of 450M€



The planned investment will notably help with:

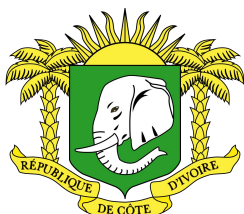
- Building 3 military hospitals in Korhogo, Bouaké and Daloua.
- Construction of general hospitals in Abobo, Adjamé, Grand-Bassam and Yopougon-Attié
- Construction of 12 hospitals in the center and north of Côte d'Ivoire.



President Ouattara inaugurating the Dominique Ouattara Mother-Child Hospital, in Bingerville, (March 2018)

In terms of Human resources, the Government proceeded to the revalorisation of the Wage index, by 400 points for senior managers and 150 points for other agents. There is also a reform of Public health Pharmacy with notably the doubling of stock capacity, improvement of service quality and the return of confidence from suppliers and partners.

IMPORTANT CONTACTS IN CÔTE D'IVOIRE AND GERMANY



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Overseas Strategic Advisory

Connecting People & Business in Africa