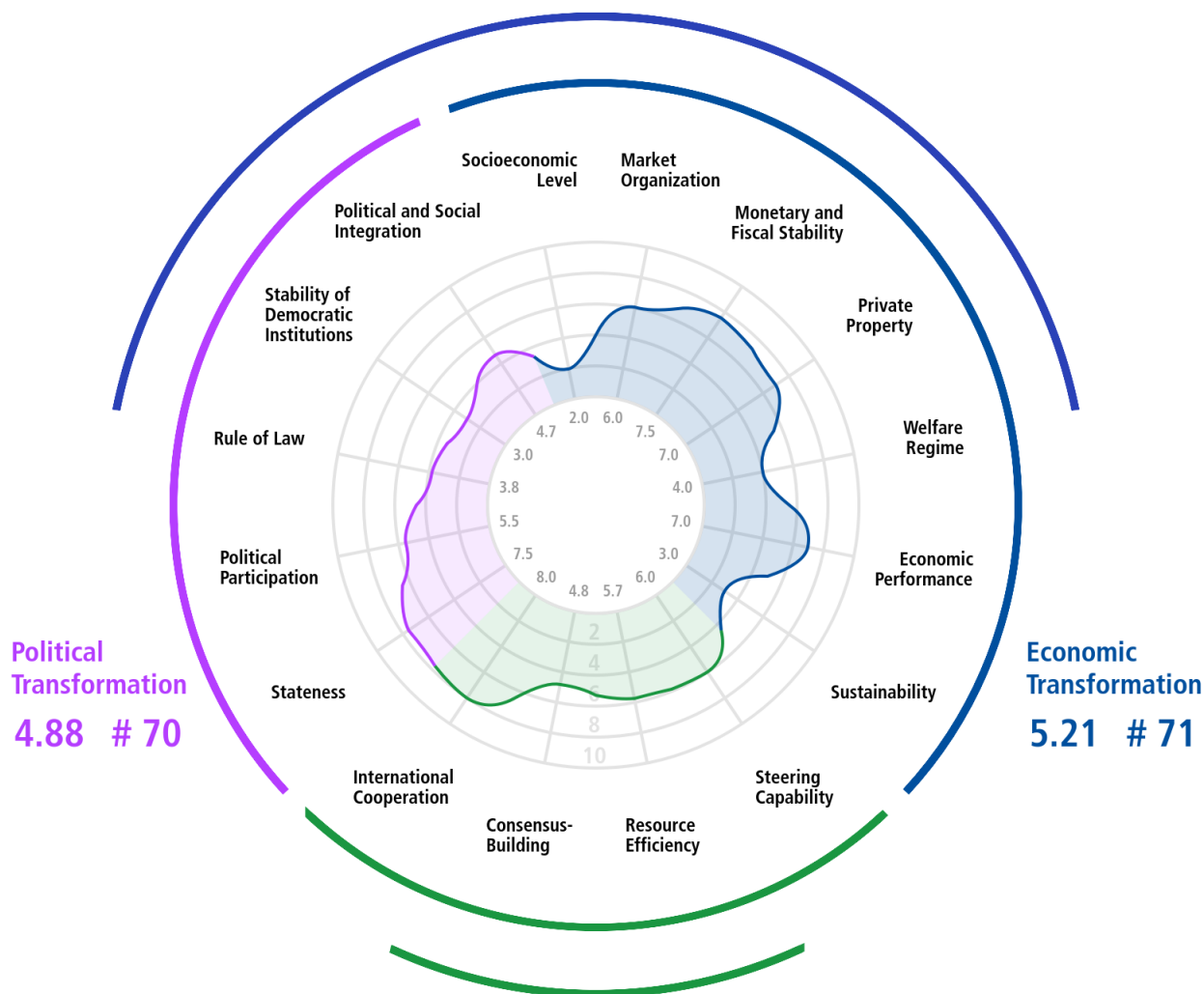


Côte d'Ivoire

Status Index

5.05 # 68

on 1-10 scale out of 137



Political Transformation
4.88 # 70

Economic Transformation
5.21 # 71

Governance Index

5.60 # 36

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2024**. It covers the period from February 1, 2021 to January 31, 2023. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Contact

Bertelsmann Stiftung
Carl-Bertelsmann-Strasse 256
33111 Gütersloh
Germany

Sabine Donner

Phone +49 5241 81 81501
sabine.donner@bertelsmann-stiftung.de

Hauke Hartmann

Phone +49 5241 81 81389
hauke.hartmann@bertelsmann-stiftung.de

Sabine Steinkamp

Phone +49 5241 81 81507
sabine.steinkamp@bertelsmann-stiftung.de

Key Indicators

| | | | | | | |
|--------------------------|--------|-------------|--------------------------------|--------------|----------------------|---------------|
| Population | M | 28.2 | HDI | 0.550 | GDP p.c., PPP \$ | 6538 |
| Pop. growth ¹ | % p.a. | 2.5 | HDI rank of 189 | 159 | Gini Index | 37.2 |
| Life expectancy | years | 58.6 | UN Education Index | 0.470 | Poverty ³ | % 39.7 |
| Urban population | % | 52.7 | Gender inequality ² | 0.613 | Aid per capita \$ | 56.5 |

Sources (as of December 2023): The World Bank, World Development Indicators | UNDP, Human Development Report 2021-22. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

During 2021 and 2022, President Ouattara managed to solidify his rule, a feat that was anything but assured in a country plagued by years of violent conflict and profound political divisions, particularly after the contentious and violent presidential elections in 2020. The reemergence of his adversary, the once-acquitted but still immensely popular former President Gbagbo, further complicated the situation. However, despite these obstacles, the Ouattara government successfully achieved a level of political stability and effectively thwarted the infiltration of Jihadism into the nation.

However, since around 2017/18, there has been a noticeable decline in the regime's commitment to democracy. It began with the enforcement of a constitutional reform that was pushed through, leading to a controversial presidential election where all opposition candidates were either excluded or chose to boycott the polls. Democratic institutions in Côte d'Ivoire remain fragile, lacking significant vertical and horizontal accountability, with neither parliament nor the courts holding much influence. There is little effort to engage societal actors or promote inclusive policymaking.

Despite these challenges, political stability has been maintained through sustained economic growth and significant investments in infrastructure development. Even amid the challenges posed by COVID-19, Côte d'Ivoire was considered one of the economies coping best in such circumstances. This was thanks to domestic reforms in administration and key economic sectors, as well as substantial public investment in rural infrastructure, education, and health care. Favorable conditions, including initially high world prices for cash crops, also contributed to this success.

Furthermore, Côte d'Ivoire has managed to attract private capital through several rounds of Eurobond sales, indicating international confidence in the country's mid- and long-term economic prospects. While the government has been active on multiple fronts, the effectiveness of some reform areas has been limited, particularly in promoting small and medium enterprises, the

informal sector, and enforcing anti-corruption policies. Additionally, a significant gender gap persists in both the political and economic sectors.

During recent global crises, the government has demonstrated its ability to swiftly implement confinement measures, combat inflation, and provide support for disadvantaged groups and sectors. This was made possible by the absence of strong opposing actors in the political system and positive relations established with the international community over the past decade. However, the government has struggled to address crucial development challenges and promote long-term structural change. Issues like achieving more sustainable land use and secure land access for the majority of citizens remain largely unaddressed.

Opportunities for regional politics and economic integration have not been fully utilized. Despite objective indicators showing a country with low levels of human development and a history of conflict, the country's economic and political elites maintain high optimism about economic transformation and Côte d'Ivoire's potential rise among the world's "emergent" economies.

History and Characteristics of Transformation

The trajectories of political and economic transformation in Côte d'Ivoire have taken different paths. After independence in August 1960, the country's first president, Félix Houphouët-Boigny, dominated the country's political life and economic decision-making. In the 1960s and 1970s, he presided over Côte d'Ivoire's emergence as one of Africa's few stable and economically successful countries. A broadly liberal economic system, actively integrated into the world market, was combined with a basically authoritarian mode of political regulation.

Côte d'Ivoire's success as an exporter of cocoa (the top producer worldwide) and coffee was a major factor in its stability, as these exports quickly enabled the country to achieve an enviable level of prosperity and social development. However, the authoritarian leadership inhibited the development of a clear notion of citizenship and ethnic political inclusion, as Houphouët-Boigny exploited ethnicity to maintain power.

When commodity prices fell in the 1980s, Côte d'Ivoire began to face serious economic and social problems. The established model of political and economic regulation, which denied political participation but guaranteed social advancement for elites and fixed producer prices for planters, had become unsustainable. Levels of popular dissent increased, and by the beginning of the 1990s, multiparty rule was introduced. Along with political liberalization came an attempt at economic reform led by a technocratic team under then-Prime Minister Alassane Ouattara. He conducted an economic reform program in the face of significant resistance from within the ruling party, the Parti Démocratique de la Côte d'Ivoire (PDCI), particularly from the president of the National Assembly, Henri Konan Bédié.

Upon Houphouët-Boigny's death in December 1993, both Ouattara and Bédié competed for succession. Bédié ultimately emerged as the winner and proceeded to consolidate his own power,

marginalizing those who were sympathetic to Ouattara. The Rassemblement des Républicains (RDR), a pro-Ouattara party, separated from the PDCI. In the 1995 presidential elections, Bedié emerged victorious, with both the RDR and the other traditional opposition party, the Front Populaire Ivoirien (FPI), boycotting the polls because the electoral code excluded Ouattara from running due to his “dubious” Ivorian nationality.

Bedié was eventually overthrown in a bloodless coup in December 1999. Initial hopes for a more thorough political democratization were soon disappointed when it became clear that coup leader General Robert Guei would stand in the 2000 elections and that the opposition party FPI had joined the PDCI in a nationalist policy stance, leading again to the exclusion of Ouattara. A popular uprising thwarted the rigged election of October 2000, and Laurent Gbagbo (FPI) was declared the winner over the protests of the RDR supporters.

The September 2002 coup attempt and the ensuing descent into civil war took the country by surprise. The mutineers swiftly took control of the entire northern half of the country, often welcomed by a local population that had felt marginalized by the previous administrations. France eventually stepped up its military presence in Côte d'Ivoire, agreeing to police the cease-fire, following a truce agreement on October 19, 2002. Several peace agreements failed in providing a durable political settlement, but after 2007 a power-sharing government with rebel leader Guillaume Soro as prime minister made the formal reunification of the country possible and cleared the way for presidential elections held in October–November 2010. However, hopes that this election would represent a first but decisive step toward solving the conflict were dashed. The results of the elections were contested, and both Gbagbo and Ouattara declared themselves to be the winner.

Following a significant political stalemate, the conflict was ultimately resolved through the military victory of the rebel forces, in collaboration with international troops (primarily from the United Nations and France), over loyalist forces. In May 2011, Ouattara finally assumed effective power, and he was subsequently re-elected in both 2015 and 2020. During his presidency, economic growth and public investment in infrastructure revitalized the economy, yet the political landscape has remained deeply divided. As of now, the aspirations for a more substantial democratization of the regime have yet to be fulfilled.

During the past years, Ouattara has adopted policies that politically marginalize southerners and undermine democracy. In a way, Côte d'Ivoire is heading back to the prewar situation.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

Following a decade of civil war and unrest, President Ouattara and his government have stabilized the country since 2011 and managed to gain full territorial control and the monopoly on the use of force until 2019. Jihadist groups carried out two isolated attacks in the northeast of Côte d'Ivoire in 2020 and 2021, but they did not seriously undermine state authorities' control over the territory.

Citizenship rights were one of the root causes of the prolonged civil conflict. For many years, important elements of citizenship have been denied to both the “northerners” and migrant workers who have resided in Côte d'Ivoire for decades. Politicians fueled the nationalistic notion of Ivoirité, promoting the belief that southerners were the true Ivorians, while xenophobic sentiments and actions targeted northerners, regardless of their Ivorian nationality.

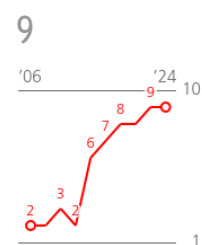
The electoral victory of a northerner in 2010/11 has partially solved the problem, as new constitutional rules weakened the Ivoirité provisions in the electoral regulations, and northerners no longer face discrimination. However, many opposition supporters still perceive Ivoirité as a sound policy and continue to question the legitimacy of the current nation-state.

The Ivorian population, in general, is very religious, and politicians are well advised to present themselves as devout Christians or Muslims. However, the separation of religion and state is protected by the secular constitution, and religious extremists do not hold any political sway.

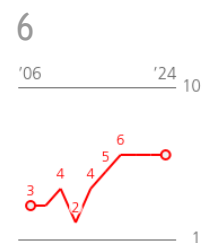
While some people in the Gbagbo administration (2000 – 2010) unsuccessfully tried to portray northern rebels as Islamist extremists, theological disputes were never a dominant feature of the north-south divide. Recent attacks by jihadists in the Ivorian northeast seem to have been a response to joint Ivorian-Burkinabe military action within Burkina Faso. A potential threat of increased Islamist presence and its implications were, however, absent from the campaigns during the electoral cycle in 2020/2021.

Question
Score

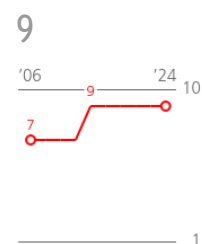
Monopoly on the
use of force



State identity



No interference of
religious dogmas



Due to continued improvement throughout the last decade, the administrative apparatus provides all basic public services throughout the country. During President Ouattara's tenure (since 2011), the government has heavily invested in public infrastructure – particularly transport, electricity and education – and especially access to electricity was improved. In 2020, 70% of the population had access to electricity. Yet, access to water (71% in 2020) and sanitation (35% in 2020) remains limited, indicating a relatively strong level of social and economic exclusion.

2 | Political Participation

After decades without elections or with heavily disputed presidential elections, all political actors today seem to accept elections as the main mechanism for access to political office, and elections are regularly held. However, Côte d'Ivoire has not yet seen a peaceful turnover of power through elections.

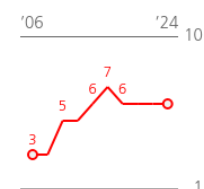
The latest electoral cycle (2020/21) again caused uproar and political frustration. The incumbent President Ouattara had earlier declared his intention to comply with existing restrictions on presidential terms. However, when the designated candidate of the ruling party eventually died three months before the elections, Ouattara decided to step in and run again. This decision was based on a controversial interpretation of the 2016 constitution. While Ouattara had apparently not intended to entrench himself in power, his candidacy and electoral victory were considered illegitimate by many, especially since his long-standing archrival Laurent Gbagbo and other promising competitors, including former Prime Minister Soro, were barred from standing in the elections for various legal reasons. Former President Bedié of the PDCI, the only remaining substantial opposition candidate, eventually withdrew his participation. As a result, the elections were marred by low participation, some violence, and a furious opposition that even declared its intention to form a parallel government the day after the election.

Not only has the role of the Constitutional Court (allowing only four out of 44 candidates to run) been contested, but also that of the electoral commission. According to a ruling of the African Court on Human and People's Rights, the legal norms governing the electoral commission did not respect international standards concerning impartiality and legal independence. However, all attempts by civil society groups to achieve a more inclusive governance of the electoral process were unsuccessful, as the government only offered minimal concessions.

Social media was highly politicized and contributed to spreading disinformation and inciting electoral violence. The ensuing parliamentary elections in 2021 were much less controversial – and confirmed a majority for the ruling party – with all parties competing and accepting the results. It remains, however, unclear whether the political elite and the electoral administration will maintain a good quality of electoral governance in a fully open and inclusive electoral race for the presidency.

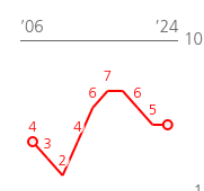
Basic administration

6



Free and fair elections

5



In principle, the elected government is capable of effectively governing the country. For many years, the strongest veto players used to come from within the security apparatus, but the effective power wielded by these actors has been diminished over the past years, and the repeated mutinies of disgruntled army elements have stopped.

When, in late 2020, former rebel leader Guillaume Soro called from exile on the Ivorian army, implicitly, to stand up against the Ouattara government, nothing happened.

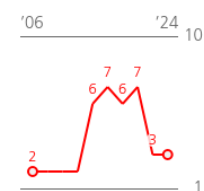
For most of the time since President Ouattara took office in 2011, the right of association has been upheld. The law provides for freedom of assembly and association, which has been generally respected – no ethnic or cultural minorities are marginalized in this regard. Advocacy groups operate freely, and union activity has also continued to be strong throughout. A vocal opposition can organize public rallies, hold conferences, and maintain their own media outlets.

In the lead-up to the hotly contested 2020 presidential elections, the situation deteriorated. After the incumbent president's announcement that he would run again, violent protests erupted, leading the government to prohibit public gatherings. Over the course of this period, civil society actors have lodged growing complaints about harassment, denials of their requests to host political assemblies, and alleged irregularities in granting permission for public gatherings.

Opposition media remain subject to occasional threats and pressures from the government, especially during electoral campaigns. The constitutional provisions for freedom of expression are therefore only partially respected in practice, and journalists remain, in principle, vulnerable to abuse by police. The public media remains firmly under the control of the incumbent government. However, there is an abundance of private media outlets that openly criticize the government. International media are also freely available in Côte d'Ivoire, and the government has never seriously considered internet shutdowns or regulations of social media – a problem given the increasing amount of hate speech on social media. The media law from December 2017 has made insulting the president a crime. Côte d'Ivoire was ranked 66th out of 180 countries in the Reporters without Borders' 2021 Press Freedom Index.

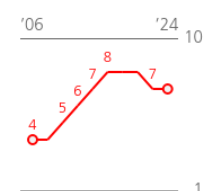
Effective power to govern

3



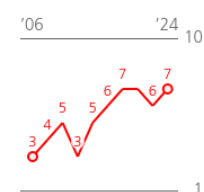
Association / assembly rights

7



Freedom of expression

7



3 | Rule of Law

Côte d'Ivoire has a long history of complete presidential control over the political process. Political liberalization during the 1990s did not result in any meaningful political empowerment of the parliament. The triumph of opposition candidates in both the presidential elections in 2000 and 2010 did not bring about a significant alteration in the logic of governance. Presidents Gbagbo and Ouattara both directed decision-making processes toward a limited group of collaborators, thereby marginalizing ministers from allied parties like the PDCI.

The parliamentary elections of March 2021 re-established a fully legitimate parliament with representation from all major parties, but it is unlikely that parliament will become an effective institution of government oversight given the decades of structural annihilation of parliamentary oversight.

Whether governmental actors are subject to the law is a matter of debate. There is no effective check on the government, with the judiciary poorly equipped to balance the hegemony of the executive.

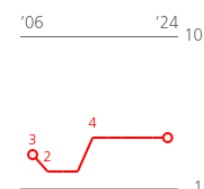
Formally, the judiciary is institutionally distinct, but its decisions and doctrine have always been subordinated to the government of the day. Both the constitutional and the regular branch are vulnerable to executive intervention, lack adequate resources, and are riddled with corruption. Judicial reforms were only partially implemented throughout the last decades. The independence of the Constitutional Court has been decisively compromised by its controversial position in the electoral crisis of November 2010 and again in the annulment of most presidential candidacies in September 2020. The judiciary's lack of independence has also been confirmed by the legal treatment of war crimes in the post-2010 decade. For a long time, human rights organizations have criticized the lack of professional expertise in the judicial sector.

There is a long tradition of financial malpractices in the country, encouraged by the absence of auditing, and each new government is implicated in a number of new scandals. The fight against corruption has never been a main priority of the Ouattara government, although it ratified all relevant international conventions. In the current environment, corrupt officeholders do not face any significant adverse publicity from civil society, the media, or opposition parties, and they are generally not subject to legal prosecution.

At times, officeholders and high-ranking officials – including close collaborators of the president – attract adverse publicity but are rarely prosecuted. On some occasions, investigative media reports indicate massive corruption without legal or political sanctions enacted.

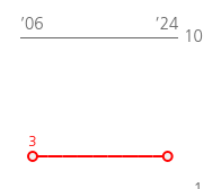
Separation of powers

4



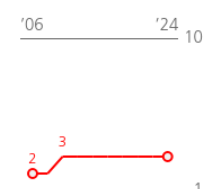
Independent judiciary

3



Prosecution of office abuse

3



According to data published by ENACT, links between state actors and international criminal syndicates continue to facilitate organized crime. These links encompass illegal gold mining and logging, contraband smuggling, money laundering, and the trafficking of children, drugs, and endangered animals.

Incidents of arms and drug trafficking among inmates at Abidjan's maximum security prison are reportedly being facilitated by current and retired officers with connections to criminal networks.

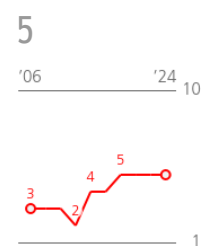
Corruption also appears to play a role in the illegal fishing market. According to an Afrobarometer survey from 2021, 38.4% of Ivorians believed that most public servants are corrupt, while an additional 50% indicated that some are corrupt. Additionally, half of the respondents expressed the belief that corruption is still on the rise. Regarding the potential consequences of whistle-blowing or simply reporting acts of corruption, 79.6% of Ivorians believed that such actions would pose significant risks for the reporters.

Since the end of the civil war in 2011, the protection of civil rights has continuously improved. However, the security sector is still regularly accused of human rights abuses, including gender-specific rights violations and sexual violence. There have also been cases of disappearance combined with a lack of police investigation and judicial prosecution, as well as cases of insufficient protection of LGBTQ+ individuals and albinos against discrimination. Additionally, there has been inadequate enforcement of legal provisions to suppress female genital mutilation, despite the inclusion of such provisions in the 2016 constitution.

With very few exceptions, the perpetrators of mass murder and serious violations of human rights committed by various regimes since the first coup in 1999 have not been brought to justice, and the general amnesty declared in 2018 sent a massive signal that violations of civil rights would only be partially sanctioned. However, over the last decade, the government has started to comply with the reporting requirements of international human rights treaties.

The death penalty was abolished with the reform of the Penal Law in 2015. The National Human Rights Commission has also been strengthened, providing representation for civil society organizations and gaining international accreditation since 2016, achieving a so-called A-Status since December 2020.

Civil rights



4 | Stability of Democratic Institutions

The constitution provides for a democratic regime; no elite actor questions the legitimacy of democratic institutions per se. Nevertheless, the extent to which the behavior of elites is primarily shaped by these institutions can be questioned, especially in light of constitutional amendments to prolong presidential tenure. While elections are regularly held, it is also unclear to what extent they truly attribute office, especially if political competition is severely curtailed through the disqualification of competitors.

Given the dominance of the presidency, relatively little friction exists. However, this reduces the functional quality of other institutions, such as parliament, and more broadly speaking, horizontal and vertical accountability. Local government has very limited competencies and resources, and it is not a meaningful dimension of political participation or vertical accountability.

Democracy has become “the only game in town.” However, all elite actors adhere to a narrow and legalistic interpretation of democracy as majority rule, lacking sufficient institutionalized mechanisms of accountability, which may have actually diminished the legitimacy of democratic institutions in the eyes of significant portions of the population.

Civil society actors are supportive of liberal democracy and often side with the opposition in claiming a more inclusive style of policymaking, including constitutional reforms or reform of the electoral commission. Yet, even with huge parliamentary majorities, both the Gbagbo- and the Ouattara-led governments have shown little inclination to open up for a more consensual decision-making.

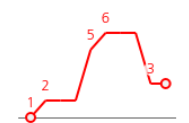
None of the key elite actors have a past record of being committed democrats, and all can, on the contrary, be held responsible for having led the country into violent conflict out of fear of losing power. Limited commitment to democratic institutions became evident in 2020 when Ouattara ran for office again in the elections. The opposition initially boycotted these elections and later declared a parallel government without any constitutional or legal mandate. Since 2021, all oppositional actors seem to have begrudgingly accepted the de facto legitimacy of Ouattara’s government.

In a similar vein, and as a departure from past practices, neither the military nor powerful economic actors can still be considered a threat to the political order.

Performance of democratic institutions

3

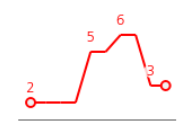
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Commitment to democratic institutions

3

'06 '24 10



5 | Political and Social Integration

volatility, partly due to regional and ethnic voting. Three political parties, the FPI, the RDR and the PDCI, have dominated Ivorian political life since the mid-1990s, with all other parties failing to exceed 5% of electoral support. Their party leaders, Gbagbo, Ouattara and Bedié, aged 77, 81 and 88 respectively in early 2023, have since then continued to dominate political. The FPI (PPA-CI) and RDR (RHDP) now compete under new names. While political polarization was one of the key factors driving the country toward civil war, the PDCI has been able to form coalitions with both the FPI and RDR.

To some extent, violent conflict has impeded the development of the party system, making it difficult for new parties to emerge. Occasionally, a few new parties have managed to come into existence, such as Guillaume Soros' political movement, but their primary and invariably futile objective has been to initiate a presidential electoral campaign.

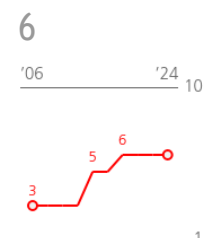
As much as both the FPI and the PDCI have a long tradition of political participation and used to be rooted in society, all parties are substantially personalized and thus clientelistic.

Many interest groups – from cocoa planters' associations to student unions – continued to exist even throughout the decade of violent conflict between 2000 and 2010. However, they cooperate only rarely and have very little influence on political processes.

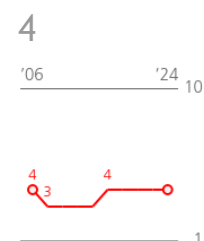
The country lacks a tradition of constructive relationships between the state and interest groups – the exception being the economically important export sectors. Additionally, there is little faith among social actors in the state's willingness to listen to them. Advocacy groups try in vain to convince the government about the virtues of a more inclusive style of policymaking, especially with regard to constitutional reforms.

Important social interests, particularly religious and ethnically cross-cutting interest groups, remain underrepresented. These groups were much more active in the 1990s. Civil society, although formally represented in many state- or donor-led schemes, has generally not been able to shape public policies – for example, in the field of land reform. However, trade unions in the public sector remain quite strong and may mobilize heavily to defend their interests, such as in the case of pension system reforms.

Party system



Interest groups



Results from the most recent Afrobarometer round, conducted in Côte d'Ivoire in 2021, reveal a generally favorable perception of democracy as the preferred form of governance (69%). However, the specific definition of democracy remains unclear. Furthermore, Ivoirians unequivocally reject military rule. These survey findings should be analyzed in the context of a historical tradition that has seen democracy characterized as a form of benign authoritarian rule known as “houphoutisme” or as exclusionary strains of nationalism, such as those represented by the FPI and Gbagbo.

Côte d'Ivoire has one of the highest demands for democracy throughout the entire African continent. Only 34% of the population, on the contrary, were very or fairly satisfied with the supply or performance of democratic institutions in the 2020 survey. Trust in the president (50%) is quite low but higher than in parliament (39%) or the judiciary (42%). Yet, it is significantly lower than trust in traditional leaders (61%).

The voter turnout rate stood at 54.6% in the 2015 and 53.9% in the 2020 presidential elections, both of which, however, were partially boycotted by opposition parties. According to survey data, turnout among young people is even lower. The turnout rate in the legislative elections of March 2021 was a meager 38%.

Unsecure access to land within ethnically mixed neighborhoods in many parts of the country, which also pits indigenous and migrant populations against each other, has been identified since the 1990s as a major root cause of social conflict. Civil war and evictions of migrant workers have aggravated the problem. Such violent clashes have ceased since 2011, yet at the local level, sporadic outbursts of conflict and violence continue to occur.

Although numerous local peacebuilding initiatives have been implemented, and multiple reports indicate greater peacebuilding capacities within local communities, there is little evidence of widespread social capital that spans across ethnic and other identity groups in the Ivorian social fabric. According to survey data from Afrobarometer (2021), nearly 96% of the population does not perceive any issue with living alongside individuals from different ethnic or religious backgrounds as neighbors. However, the same survey reveals that 70% of respondents believe that one should generally distrust others. While there are numerous voluntary and independent civic and social associations, they suffer from limited funding and organizational deficiencies.

Approval of
democracy

n/a

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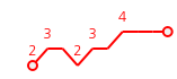
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Social capital

4

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II. Economic Transformation

6 | Level of Socioeconomic Development

While Ivorians themselves tend to consider their country the economic powerhouse of Francophone West Africa, according to empirical evidence, the country is one of the world's least developed countries. It is ranked 159 out of 189 countries on the Human Development Index 2021, with a score of 0.550. Côte d'Ivoire exhibits massive quantitative and qualitative social marginalization that is clearly structurally ingrained. There are significant socioeconomic disparities between rural and urban areas, as well as between the north and south.

Almost all relevant indicators point to severe problems.

According to World Bank data, the percentage of people living below the poverty line of \$3.65 per day has decreased since the end of the civil war from nearly 60% to approximately 40% in 2018. Gender inequality is a severe problem, and the country has one of the world's worst ratings in the United Nations' Gender Inequality Index. Inequality has remained high, with a Gini coefficient of 0.372 in 2018, and the overall loss in human development due to inequality stands at 34.9% – which is the tenth highest value worldwide.

Although some socioeconomic problems have clearly been linked to the ten years of protracted violent conflict and its consequences (that is, the lack of administrative structures and the precarious functioning of education and health facilities in the north for a couple of years), many barriers, particularly in the education sector, are structurally ingrained and are very difficult to remove.

| Economic indicators | | 2019 | 2020 | 2021 | 2022 |
|---------------------|------|---------|---------|---------|----------------|
| GDP | \$ M | 59898.5 | 62982.8 | 71811.1 | 70018.7 |
| GDP growth | % | 6.5 | 1.7 | 7.0 | 6.7 |
| Inflation (CPI) | % | -1.1 | 2.4 | 4.1 | 5.3 |
| Unemployment | % | 2.4 | 2.7 | 2.8 | 2.6 |

Question
Score

Socioeconomic
barriers

2

'06 '24 10

2

1

| Economic indicators | | 2019 | 2020 | 2021 | 2022 |
|---------------------------|----------|---------|---------|---------|-------------|
| Foreign direct investment | % of GDP | 1.4 | 1.1 | 1.9 | 2.3 |
| Export growth | % | 9.0 | 10.7 | 10.6 | 10.2 |
| Import growth | % | 2.7 | 6.1 | 13.4 | 6.8 |
| Current account balance | \$ M | -1348.8 | -1974.3 | -2874.1 | - |
| Public debt | % of GDP | 37.5 | 46.3 | 50.9 | 56.8 |
| External debt | \$ M | 19831.5 | 25107.0 | 29752.4 | - |
| Total debt service | \$ M | 3002.6 | 2453.5 | 1735.3 | - |
| Net lending/borrowing | % of GDP | -2.6 | -5.9 | -5.5 | - |
| Tax revenue | % of GDP | 11.8 | 11.8 | 12.6 | - |
| Government consumption | % of GDP | 10.3 | 10.4 | - | - |
| Public education spending | % of GDP | 3.4 | 3.8 | 3.4 | 3.5 |
| Public health spending | % of GDP | 1.0 | 1.4 | - | - |
| R&D expenditure | % of GDP | - | - | - | - |
| Military expenditure | % of GDP | 0.9 | 1.0 | 0.9 | 0.9 |

Sources (as of December 2023): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

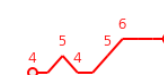
Although the country used to be hailed as a capitalist model in Africa, the institutional setting for free markets and competition has never been sufficiently developed. This is particularly true in the vital cocoa sector, where uncertainty over economic fundamentals and regulation has persisted.

The government has made significant efforts to modernize the regulatory framework, including amending the National Competition Law in 2019. However, the harmonization and transparency of private investments have not progressed. The latest World Economic Forum's Global Competitiveness Report indicates that a few market players dominate business activity in the country, and the Risk Tracker of the Economist Intelligence Unit suggests that vested interests and favoritism may contribute to unfair business practices. The average business entry density rate remains lower than that of regional peers. Recent World Bank Enterprise survey data

Market organization

6

'06 '24 10



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reveals that monopolistic and duopolistic market structures appear to be widespread in the manufacturing sector.

According to ILO figures, the informal sector dominates the economy (with 91.7%), with competition from the informal sector perceived to be an obstacle for private sector growth, especially in services.

Côte d'Ivoire's membership in the Union Economique et Monétaire Ouest Africaine (UEMOA) reduces the scope of policy action permitted at the national level, especially regarding state aid and anti-competitive practices. The UEMOA Commission would be responsible for addressing anti-competitive practices, but it lacks the resources to effectively enforce competition rules at the national level. Consequently, the National Competition Commission has opened nine cases pertaining to unfair competition and consumer protection since 2018.

The mobile telecommunications sector might be an example of three operators who have kept more or less the same market share for the last six years. This indicates that firms face little competitive pressure, and prices for mobile voice and data services are higher than in comparable countries.

The formation of monopolies and oligopolies was reformed in 2013, based on community policy norms agreed upon in the West African Economic and Monetary Union (UEMOA), the Francophone regional monetary and economic integration scheme, back in 2002. This legislation also led to the establishment of a commission to register and sanction monopolistic practices, but the commission, which took office in 2014, did not become active in the following years.

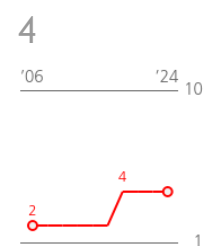
In May 2018, the government relaunched the commission, appointing ten new members – officials from relevant ministries, representatives of the private sector, unions, and consumer associations – with the task of fighting against “la vie chère” and the mandate to enact sanctions ranging from fines to the closure of businesses.

A new competition law enacted in November 2019 allows the government to determine prices for consumer goods after receiving advice from the Commission and within a set deadline. In the face of significant inflation, the government therefore established maximum consumer prices for certain essential food items in December 2022 (for a three-month duration). Apart from this, the commission is operational but has not publicly expressed any concerns related to specific industries or sectors.

The lack of effective competition is evident in several sectors of the economy, particularly in the markets for port services and fixed telephones. In contrast, there is increased competition in the mobile market, with three main operators actively participating.

An end to the monopoly on water and electricity provisions was declared in 2016. It was not until 2020, due to the state's contractual obligations spanning over long

Competition policy



periods of time, that the monopoly of the Compagnie Ivoirienne d'Electricité (CIE) in terms of electricity distribution could be terminated. However, no significant competition emerged as a direct result. The state-owned Société de Distribution d'Eau de Côte d'Ivoire (SODECI) will continue to oversee water provision until 2023.

Côte d'Ivoire is a regional hub and attracts significant trade (and investment). The cocoa and coffee trade are largely controlled by multinational companies. As the world's largest producer of cocoa, the country's economy is deeply integrated into the global economy.

Foreign trade follows nondiscriminatory principles as provided for in the West African Economic and Monetary Union (UEMOA) and Economic Community of West African States (ECOWAS) regional programs. However, in practice, the liberalization of the foreign trade regime is still constrained by domestic rules, administrative barriers, and informal interventions by officeholders. The UEMOA Commission has exclusive authority over the common trade policy of its members when it comes to interacting with third-party states. Since the late 1990s, the commission has harmonized trade policies to a significant degree, resulting in a common trade policy in various areas, including customs taxation at the border, bank domiciliation of trade transactions, and rules of origin.

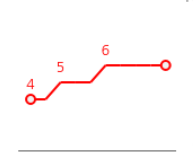
The most recent WTO trade policy reviews were conducted in 2012 and in 2017 (as a joint UEMOA review), and Côte d'Ivoire was commended for remaining open to international trade and refraining from taking protectionist measures. The reviews also requested that Côte d'Ivoire simplify its tax system further and bring its bound and applied rates into conformity with WTO provisions (in the WTO, the UEMOA member states have individually bound their customs duties and other duties and taxes). The simple average of the MFN-applied total tariffs was 12.1% in 2021. Côte d'Ivoire was one of the first African countries to ratify the WTO trade facilitation agreement in December 2015, but the cost and time required to trade across borders remain high compared to peer countries.

Côte d'Ivoire signed an interim Economic Partnership Agreement with the European Union and began implementing it in January 2019. Since 2011, the country has been eligible for the U.S. government's African Growth and Opportunity Act, and it has maintained this eligibility. However, exports to both the European Union and United States have not grown more than those to the rest of the world.

Liberalization of
foreign trade

6

'06 '24 10



A legal framework for the banking system and capital markets is in place. Further restructuring of the financial sector remains one of the government's priorities. The West African Regional Stock Exchange is located in Abidjan, with 76 listed companies as of the end of 2022, the majority of which are Ivorian. While the West African Regional Stock Exchange has experienced some growth in size due to strong economic growth, it has not yet become a major source of funding for private sector activity.

Weaknesses of the financial sector (with a total of 28 banks) include insufficient equity and strong exposure to a small number of borrowers. The level of non-performing loans has remained under control, at 8.2% of total gross loans in 2022, much below the UEMOA average. Since the mid-2010s, UEMOA has initiated reforms to incorporate the Basel II and III standards into the regulatory framework. The Ivorian law, which strengthens prudential standards, became effective in January 2018, but diversifying the lending clientele will require time, and risks continue to be high as existing loans mature. According to figures from the Banque Centrale des Etats de l'Afrique de l'Ouest, the average bank capital adequacy ratio, which stood at the UEMOA minimum requirement of 8% by the end of 2016, increased to 11.2% in 2021. Ivorian banks have also increased their exposure to government securities, which carries high risks in the event of an (unlikely) default by Côte d'Ivoire on its short-term maturities.

The remaining public banks, which comprise the financially weakest segment of the financial sector, are undergoing restructuring. The government is implementing its National Financial Inclusion Strategy (2019 – 2024) to increase banking penetration, which rose to 37.9% according to BCEAO data from 2022. The financing of small and medium enterprises (SMEs) continues to be a contentious issue between banking institutions and Ivorian small companies and entrepreneurs, as private banks lack sufficient presence in rural areas.

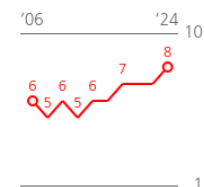
8 | Monetary and fiscal stability

As a member of the CFA franc zone, Côte d'Ivoire cannot pursue an independent policy regarding currency and foreign exchange rates. The currency is pegged to the euro, and the Central Bank of West African States – the Banque Centrale des Etats de l'Afrique de l'Ouest – is fully independent with priority given to targeting inflation.

With some exceptions, such as a spurt of inflation after the CFA franc was devalued in 1994 (and a temporary peak of 6.3% in 2008 due to the surge in international food prices), this has led to relatively low inflation rates (between 0.7 and 5% throughout the last decade; -1.1 in 2019) – that remain way below the 3% target of the West African Economic and Monetary Union (WAEMU). The pandemic and the Russian invasion of Ukraine led to an increase in inflation, which stood at 4.1% in 2021 and is estimated to reach 5.1% at the end of 2022.

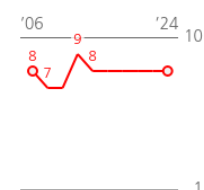
Banking system

8



Monetary stability

8



Since 2013, there has been a slight upward trend in the debt-to-GDP ratio, which increased significantly during the last two years (from 38.4% in 2019 to 52.1% in 2021). The International Monetary Fund (IMF) perceives a moderate risk of debt distress, but with very limited space to absorb future shocks. In 2021/22, Côte d'Ivoire's sovereign ratings also improved to historically high levels (Fitch has rated BB-), despite this rising debt.

Côte d'Ivoire had a negative fiscal balance of -2.3% of GDP in 2019, according to the IMF, which further increased in 2020 to -5.9% of GDP due to a COVID-related reduction in revenues and additional spending. The overall fiscal deficit reached 5.1% of GDP in 2021, lower than anticipated. The authorities introduced a COVID-related fiscal package estimated to be worth about 2.4% of GDP cumulatively for 2020 and 2021. Measures to contain the impact of the Russian invasion in Ukraine, such as gasoline price caps, are expected to carry a fiscal cost of slightly over 1% of GDP during 2022.

The IMF remains optimistic about public financial management and macroeconomic policies. The government has released more budgetary resources for infrastructure investment and priority spending by following strict civil service recruitment guidelines, limiting transfers to public enterprises, strengthening customs collection and tax efforts, and enhancing public financial management.

Notwithstanding the ambitious public investment – including in education and health policies – government consumption has remained modest from a comparative perspective, accounting for 10.0% of GDP in 2021.

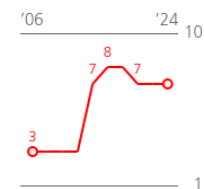
9 | Private Property

Property rights in Côte d'Ivoire are adequately defined but cannot be considered satisfactorily safeguarded by law, according to the World Bank. However, the country has made enormous progress since 2011 in terms of protecting property rights and acquiring property. Additionally, local culture generally supports property rights.

The biggest problem with property rights remains land tenure, especially the ability of domestic and foreign-born migrants to secure property rights to the land they farm. The relevant legislation of 1998, which reserved land ownership to indigenous people, has not yet been fully implemented. Very little land is actually titled; the legal provisions have apparently remained unknown, the procedures have been too costly for many citizens, or the requests have been simply unsuccessful. Ivorians might also be reluctant to pay the land tax once they have obtained their land title. Additional legal provisions from 2011, 2015 and 2019 aimed to provide mechanisms for dispute settlement and offer the possibility of land contracts even in the absence of certification. The government finally introduced the Agence foncière rurale in 2017 to strengthen communication, capacity-building, and enforcement of the regulations, and to facilitate commercialization and agribusiness in the long run. Yet, providing secure access to land remains an enormous challenge.

Fiscal stability

7



Property rights

6



Private companies represent the backbone of the economy. The government encourages foreign investment, including in the privatization of state-owned and public firms, although in most cases the state reserves an equity stake in the new company (54 companies). Currently, there are 28 fully state-owned companies.

Entrepreneur associations continue to complain about high domestic production costs, especially those related to electricity, poor transportation infrastructure, and the banking sector. The International Monetary Fund (IMF) has repeatedly expressed concern about the poor operating environment for business, but the country has significantly improved administrative procedures, created a new investment code, and concentrated competencies in a single authority, the Guichet unique de formalité d'entreprises. However, other aspects of business activity, such as dealing with construction permits or paying taxes, continue to pose greater challenges.

Since 2016, the establishment of a specific Commercial Court has resulted in a reduction of time required for business-related rulings. Furthermore, the government has approved new investment and mining codes that are business-oriented and offer significant incentives to private investors.

In 2014, the government proposed a program to privatize a quarter of public enterprises, including 15 public or semi-public enterprises, banks, and the sugar company Sucrivoire. By 2016, the Ivoirian state had ceded its shares in Sucrivoire, CIDT, and the SIB bank, and by the end of 2017, Versus Bank and BHCI. However, the privatization of BHCI had to be canceled in 2020 (and is still on the agenda). In January 2019, the government announced that, due to budgetary reasons, it was examining the possibility of further partial privatization of 26 public firms, including CNCE, BNI and Petroci, as well as ceding state assets in 54 additional companies. According to official data from the government, since 2013, 9 of these partial privatizations have been completed, with 20 processes ongoing.

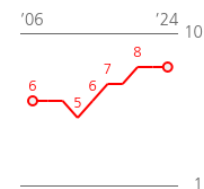
10 | Welfare Regime

The government has committed itself to poverty alleviation, but social protection remains incomplete. Life expectancy stood at 58.1 years in 2020 – one of the lowest values worldwide. The government has invested a lot in free public education, including free materials for elementary school. However, many children between 6 and 11 years of age remain outside the school system.

Public expenditure for health stood at 1.0% of GDP in 2019. The government would need to invest much more to meet health-related SDGs. At the same time, the level of Côte d'Ivoire's health performance – incidence of malaria, tuberculosis, and HIV prevalence – remained similar to that of the least developed countries, despite its higher level of development.

Private enterprise

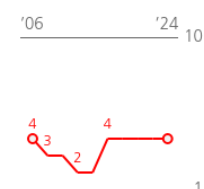
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Social safety nets

4



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Employees in the public sector still maintain access to a relatively well-developed social security system, but only a small portion of the population falls under this category. The significant informal sector plays a role in reducing poverty, although the extent of its impact remains unknown.

Following the development of a National Strategy of Social Protection in 2013, the government implemented the Couverture Maladie Universelle (Universal Health Coverage) in December 2014. This fee-based, publicly-supported universal health insurance scheme was intended for both citizens and migrants residing in Côte d'Ivoire; however, it only existed on paper for several years. In April 2017, the government initiated a pilot phase for students in public and private universities, and in 2019, the scheme was officially launched with a limited range of health care services. As of December 2021, a total of 3.17 million Ivoirians had eventually registered, with 2.1 million of them having obtained the necessary insurance card.

During the pandemic, the government had introduced a fund directed at vulnerable households (Fonds Spécial de Solidarité COVID-19), primarily consisting of targeted direct cash transfers. Additionally, approximately one million households had their electricity and water bills covered by the government for three months in 2020. In 2022, to curb food price inflation and ensure food security for the most vulnerable, price caps and export permits for essential food staples were implemented, along with a customs duty exemption on wheat for a three-month period.

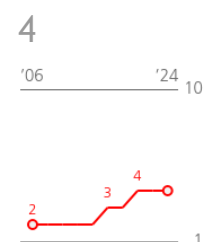
PsGouv2, the main national social policy document, plans to spend 2.3% of GDP (2022 – 2024) in five main axes, with half of it dedicated to improving living conditions through housing programs, supporting women's empowerment, improving health care, access to drinking water, electricity, and roads.

Women lack adequate access to public office and educational institutions, as shown for example, by the low percentage of women in parliament (14.2% in the parliament elected in 2021, despite a gender quota applied) and a lower female literacy rate (86.7% among women compared to 93.1% for men). Female enrollment in the education system still faces many challenges, especially in rural settings, although the situation has improved over the last years (the ratio of female to male enrollment at the primary level is 0.9% and 0.8% at the secondary level). Women also form only 41.0% of the labor force.

The government is unsuccessful in enforcing the legal prohibition of female genital mutilation, even though it is enshrined in the new 2016 constitution. Nonetheless, it remains a prevalent practice in certain rural areas (38% countrywide, 80% in the northwest).

While equality of opportunity is protected by the constitution and other legal norms, minorities – such as albino individuals and people from the LGBTQ+ community – face discrimination and lack legal protection.

Equal opportunity



11 | Economic Performance

Côte d'Ivoire has recovered well from the decade of political-military crisis and division of the country from 2002 to 2011. It benefited from the sound structural base built up in the three decades after independence. High cocoa prices and oil exploration in the Gulf of Guinea – sectors that remained largely untouched by the conflict – triggered economic growth. Since 2011, most macroeconomic indicators have shown quite positive prospects. The growth rate stood at an average of 8.1% in the period from 2012 to 2019, making Côte d'Ivoire one of the fastest-growing economies in Africa. The country thus coped relatively well with the COVID-19 shock, experiencing 7% growth in 2021, and the fallout from the Russian invasion in Ukraine. GDP per capita has continuously increased to \$5,940 (PPP, 2021).

Public debt has increased over the last three years, but debt risk remains manageable, according to IMF projections.

The government announced success in its efforts to reduce unemployment, and the official unemployment rate stood at 3.5%. This figure should be treated with caution, mainly due to the relative importance of the informal sector. The overall potential for further economic growth is perceived to be strong. For instance, this can be achieved through strengthening the tax base (12.0% of GDP), increasing productivity in the agricultural sector, and further attracting foreign direct investment (which has been moderate so far in terms of GDP ratio).

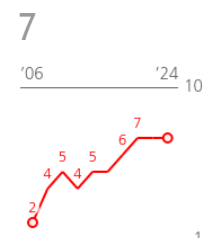
12 | Sustainability

Sustainable or green growth receives sporadic consideration. The country has only recently started to build up a framework for environmental policymaking required for the formulation of nationally determined contributions (NDCs) and, with regard to the formal mechanism, to monitor sustainable development goals (SDG) objectives.

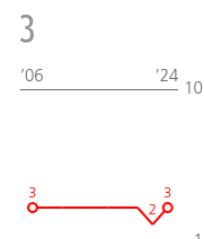
There is also a limited public awareness of environmental concerns. The country was ranked 138th out of 180 countries on the Environmental Performance Index 2021, with a score of 32.8, and there are many concerns about the country's climate policy (rank 155). Although ambitious goals to reduce emissions have not been reached so far, the government has recommitted itself to increasing the share of renewable energy to 45% by 2030. In 2022, the government launched the Abidjan Legacy Program, aiming to enhance long-term sustainability across major value chains while protecting and restoring forests and lands, as well as improving communities' resilience to climate change.

The country still relies on commodity exports, but the fiscal squeeze passed on to producers for decades has led them to employ extensive cultivation methods, resulting in the near-complete destruction of the stock of virgin forest, despite the existence of strict regulations that restrict commercial logging and agricultural

Output strength



Environmental policy



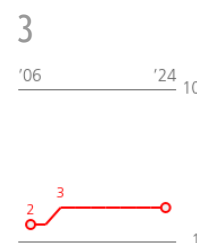
encroachment since the 1990s. Approximately 40% of smallholder cocoa production occurs in protected areas. In 2018, an initiative called the “Initiative cacao et forêt” was created by producer associations and the global cocoa industry. This initiative utilizes satellite pictures to uncover cocoa production in protected forest areas. Additionally, the Ivorian government enacted new legal regulations in October 2019 that aim to provide stronger protection for the remaining stock of virgin forest, while still permitting agro-industrial use of the protected areas that have already been destroyed. Though enforcing environmental regulation poses challenges, recent data from the Global Forest Review of the World Resources Institute suggest that deforestation is not currently ongoing.

In terms of educational infrastructure, Côte d'Ivoire has a poor record. Since independence, the country has placed more emphasis on importing skilled individuals than on developing its own training capacities. Expenditure on education has never been low, averaging about 4.6% of GDP over the past decade and standing at 3.4% in 2020. The literacy rate has experienced significant growth in recent years, and the U.N. Education Index for Côte d'Ivoire has improved to 0.470. However, this progress also highlights the numerous challenges that the country still faces in promoting universal quality education.

Many schools lack basic infrastructure such as drinking water, electricity, toilets, and teaching materials. Additionally, the state continues to spend a disproportionate amount on administration compared to equipment and physical infrastructure. There is a significant gender inequality in education, as evidenced by lower literacy rates among women and lower enrollment rates across all sectors (see the section on equal opportunity for further information).

The state does not invest in research and development. The universities have not recovered from the ten years of the political-military crisis, and there is very little space and capacity for research.

Education policy /
R&D



Governance

I. Level of Difficulty

It is difficult to distinguish between constraints that are structural and those that are man-made and result from the political leadership's actions, especially as the same men have been governing the country for the last 30 years.

In 2011, the Ouattara government inherited an already impoverished country with low human development, a shrinking educated labor force, a highly polarized political process, and violent social conflicts. One of the reasons for the violent escalation of the conflict had been the scarcity of land and the unsustainable agricultural strategy. However, with over a decade of political stability now, the war legacy has started to be less relevant for political decision-making.

Côte d'Ivoire had the most developed economic infrastructure in Francophone West Africa before the civil war. The fact that production in the cocoa sector rapidly increased in comparison to the pre-2002 period shows that the country is still benefiting from favorable climatic, geographical and structural conditions. Additionally, the country has only just started to exploit its mineral resources, such as oil and gas.

Global pandemics had relatively mild effects on Côte d'Ivoire, both in relation to Ebola and COVID-19.

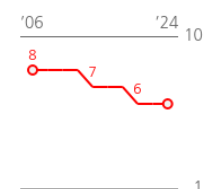
Traditions of civil society were always weak and weakened further over the course of the protracted civil conflict from 2002 to 2011. The landscape of voluntary organizations is concentrated within the economic sector, where independent planter associations have existed since colonial times. However, these activities generally lack a component of civic or public engagement.

The climate of intimidation and the militarization of public life since 1999 have effectively crushed the potential for stronger civic participation in public life. Elements of civil society, such as student unions, themselves became drivers of polarization and confrontation.

Throughout the last decade, the framework conditions for civil society activism have clearly improved, but the number of active civic associations remains quite low.

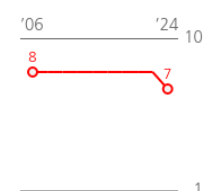
Structural constraints

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Civil society traditions

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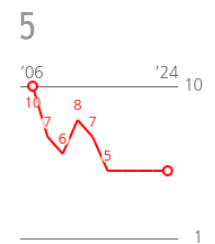


There are more than 50 ethnic groups in Côte d'Ivoire. After years of social harmony and the promotion of migrant work by citizens of neighboring countries – first by colonizers and then by the late President Houphouët-Boigny – successor governments have exploited ethnic resentments to gain political advantage.

Ultimately, the country plunged into a violent conflict with an explicit ethnic dimension. Although open military conflict was halted in late 2004, violence between communities continued to occur, especially in the villages of the western cocoa belt. A new period of massive violent conflict ensued after the electoral crisis of 2010/11. While open violence has ceased since 2018 – with the exception of some isolated incidents during the presidential electoral campaign in August 2020 – Côte d'Ivoire remains a divided society where one segment of the population has attempted to use its political dominance to establish a populist-nationalistic regime based on the idea of citizenship restricted to southerners. While Gbagbo and FPI cadres have all returned by now and have rejoined the political process, the division of the political elite remains as pronounced as ever, as the Ouattara government did not make any attempt to be more inclusive than its predecessors.

In contrast to the political class, ethnic divisions are less pronounced among the broader population, and there is no open mobilization along ethnic lines.

Conflict intensity



II. Governance Performance

14 | Steering Capability

During the past few years, the Ouattara government has focused on economic reform and social policies. The broader strategy has aimed to strike a fair balance between promoting private investment, addressing the reorganization of key sectors, and giving due attention to long-neglected priorities such as physical infrastructure, education, and basic health services.

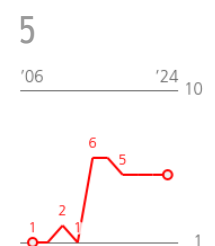
Overall, the government has developed a coherent agenda with the support of the international community, which was confirmed in its handling of the COVID-19 crisis and the response to inflation following the Russian invasion of Ukraine. In 2020, the government acted swiftly to introduce a lockdown but also utilized its strong connections with the international community to establish a comprehensive support package for diverse economic actors and vulnerable households. This package was fully operational by July 2020, just in time for the electoral campaign.

The government is also aware of promoting local value chains in the cocoa sector, thereby reducing dependence on the export of mostly unprocessed cash crops. So far, the strategic priority has, however, focused on achieving better prices for cocoa by bargaining with multinationals, which certainly helps in the short term.

The government has certainly not prioritized addressing politically conflictive issues, apparently hoping that economic growth and improved infrastructure will lower grievances – a calculus that somehow proved to be correct, although there was no

Question
Score

Prioritization



level playing field in the elections. Governmental strategies during the second tenure of President Ouattara, from the constitutional reforms in 2016 to the management of the 2020 presidential elections, reveal a clear commitment to strengthen the winner-takes-all character of the political system and entrench the interests of the president and the ruling party, rather than transforming the political regime toward a fully democratic system.

The government has successfully implemented most of its reform agenda, addressing the reorganization of key sectors and prioritizing the implementation of large infrastructure projects – especially roads and electricity – education, and health. It has shown notable progress in terms of improving access to electricity and increasing the literacy rate. Additionally, the government has effectively mobilized and allocated additional funds to combat the consequences of COVID-19, with all four special funds operational within three months of the pandemic's onset on the continent. With nearly 12 years in power, the government apparatus appears to be functioning effectively, extending state power to the peripheral regions of the country in the west and north that have historically been marginalized and heavily impacted by civil war and territorial separation.

The government has also apparently become more effective in managing the security apparatus after many years of mutinies and conflicts within the army. This was confirmed in the run-up to the presidential elections when former rebel commander and disqualified presidential candidate Soro requested the army withdraw their loyalty from the government without success.

Other areas that required more reform, such as judicial reform, decentralization, or the fight against corruption, were not a priority and thus not thoroughly implemented due to the technical complexity of the issues as well as the political resistance of key actors within the government.

Within the government apparatus, it would be difficult to clearly identify reform drivers and status quo defenders. The broader economic reform agenda has no clear opponents within the cabinet. With the departure of Soro, it seems that the government also has a more coherent position on security matters.

The country has been governed by the same president, accompanied by a key group of technocrats, for over a decade. These elite individuals have maintained their authority by successfully adjusting to evolving conditions. However, it remains uncertain to what degree policy learning and innovative approaches are fostered within the policymaking process, as well as where institutionalized mechanisms can be found to support such policymaking innovation.

The government has shown a pragmatic approach, clearly also learning from evaluations of prior reforms. For example, in the cocoa, cotton, and cashew sectors, this has led to a reassessment of the state's role in managing the cocoa market and price regulation.

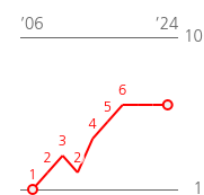
Implementation

7



Policy learning

6



15 | Resource Efficiency

As President Ouattara has been at the helm of the government since 2010 and has relied on a stable core team of ministers and advisers, there is relatively little turnover among top government officials, especially compared to other African states.

Budget policies and their transparency have been lauded by the IMF, and most observers agree that budgetary consolidation will most likely succeed – even in the face of pandemic- and war-related dynamics.

The management of cocoa markets has seen successful coordination with neighboring Ghana, officially launched in March 2018 by both presidents. The objective was to extract a surplus paid by global market actors to producers in both countries. Additionally, the Ivorian government forwarded the “living income differential” to local farmers at the beginning of the 2020/21 harvesting season. This was accompanied by a significantly increased minimum farmgate prize, albeit in the context of the presidential electoral campaign.

Decentralization is not a priority of the current government, but the country has a very weak tradition of decentralized governance. This presents a challenge not only in terms of increasing demand-driven local governance but also in developing a more coherent strategy of economic development and transformation that aligns with the Sustainable Development Goals (SDGs). Currently, 80% of economic activity occurs in the capital city of Abidjan, highlighting the government’s inefficient utilization of the economic potential beyond the capital.

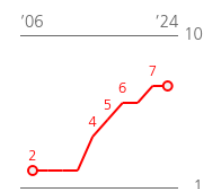
The government has apparently managed over the last few years to adopt a more centralized style of policy coordination, which might also reflect the strong personalization within the presidential system of Ouattara and his growing capacity to marginalize competing networks. The government seems to be a quite efficient machinery, and conflicts between different departments rarely reach the public.

Coherence in policymaking might, however, result more from the concentration of policymaking in the hands of the president and a technocratic team advising him – rather than from any more formalized coordination mechanism.

The severe economic downturn during the years of political-military conflict led to higher levels of generalized corruption – both petty and bureaucratic corruption – and venality at all levels of public administration, especially in the case of judicial proceedings, contract awards, and customs and tax issues. The highly publicized corruption-related arrests of top managers within the cocoa sector or of public officials in the context of the toxic waste scandal during the 2010s certainly did not result from any systematic anti-corruption policies. In some of these cases, the state was even unable to present sufficient evidence, and the accused had to be released without charge.

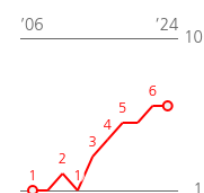
Efficient use of assets

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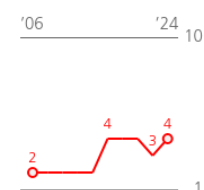
Policy coordination

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Anti-corruption policy

4



Initially, it seemed as if the fight against corruption featured more prominently on the agenda of the Ouattara government. The president, previously the only person obliged by law to declare his interests and assets, forced his ministers to sign an anti-corruption oath but was soon accused of hiring his own close family members to top positions in the government. In 2014, a presidential decree extended the declaration of assets to all top politicians at the national level, including parliamentarians, district governors, mayors, and top managers of public companies and institutions (later even included as Art. 41 in the 2018 constitution). While approximately 4,600 persons were concerned, it remains unclear what the consequences of such declarations might be in the absence of any public transparency and control over any property changes during the tenure of public officials. It also appeared that some officeholders did not declare their assets as required. In any case, as the declarations remain confidential, watchdog organizations indicated that this might only increase the accountability of these individuals to the president.

A National Plan on Good Governance and the Fight Against Corruption was launched in 2013, along with a new institution, the High Authority for Good Governance, which has been in operation since 2014. The legal proceedings in the first corruption process prepared by the High Authority for Good Governance were initiated in December 2019 in Abidjan. Since 2020, the authority has become more active and is dealing with approximately 100 cases per year.

The additional institutions meant to oversee the use of public funds – the Inspecteur General des Finances and the Cour des Comptes – are understaffed and therefore ineffective in preventing abuse and corruption. Consequently, investigative journalists are the primary actors in exposing misconduct, implicating both current and former ministers. However, in most instances, this does not result in legal or political consequences. According to the law, political parties are required to submit annual financial reports to the Cour des Comptes, but the enforcement of these reports' publication, as mandated by law, is lacking.

The effectiveness of the government's anti-corruption policies and institutions remains unclear. The High Authority for Good Governance is involved in official investigations and publishes annual reports about its activities in the field of prevention, awareness-raising and investigation. However, it is not a judicial body that could effectively sanction corrupt practices. Watchdog organizations have criticized the government for the lack of political mobilization around the need to fight corruption. With the government reshuffle in April 2021, a new Ministry for Good Governance, Capacity-Building, and the Fight against Corruption was created. Subsequently, a new National Strategy for Fighting Corruption for 2022 to 2025 was elaborated.

According to the 2021 Afrobarometer data, 60.3% of the population believes that the government needs to do much more. However, it is unclear whether the government truly considers the fight against corruption a top priority.

16 | Consensus-Building

The political leadership that has been ruling the country since 2011 has a general commitment to democratic and economic transformation. However, the implementation of this agenda does not reflect a broad political consensus. The previous Gbagbo government was not anti-democratic in its ideology; however, the debate over Ivoirité (nationalism) started from the conflict between different notions of democracy. On one side, there was a narrow and exclusionary notion based on descent, the rights of autochthonous Ivoirians, and the majoritarian principle. On the other side, there was a more tolerant and inclusionary notion of citizenship. At least part of the FPI and Gbagbo loyalists still adhere to this narrow understanding, driven by the idea that Ouattara is not Ivoirian and that the state has been captured by foreigners. Once in power, the Ouattara side has largely continued the legacy of interpreting democracy purely in majoritarian terms, although not based on ethnicity. As a result, the hopes for a more inclusionary interpretation of democracy have been disappointed.

The recent electoral cycle (2020 – 2021) – with term limit evasions, electoral violence, and the formation of parallel governments – puts some doubt on whether democracy, even in its most narrow version, is truly accepted by all elite actors.

The Ouattara government is considered a staunch defender of a liberal economy, but its policies have become quite mainstream and have strengthened state intervention. This is evident in several areas, including the cocoa sector, large infrastructure investment projects, the strong promotion of public health and basic public education, and certainly their response to the COVID-19 pandemic.

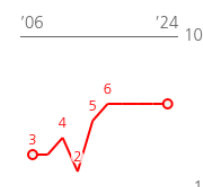
The opposition has not been vocal on economic policies, and there is a significant consensus on economic development and the strategies to move forward.

Although democracy as a long-term objective is not contested and the Ouattara government has shown at least a partial reform agenda, there might still be a number of actors in Côte d'Ivoire who could challenge the supremacy of elected officeholders. Arguably, the more radical opposition parties seem now to have accepted defeat in the elections, albeit grudgingly, and can thus be considered to have been successfully co-opted into the political system after many years when people expected violent rebellion.

There is still some uncertainty about the extent to which military actors would accept the supremacy of a different government; however, the army has not behaved as an anti-democratic actor during the past two years. Although there have been isolated jihadist attacks in the northeastern part of the country, no local jihadist movement has emerged thus far to challenge the democratic order.

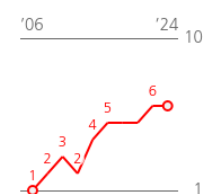
Consensus on goals

6



Anti-democratic actors

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Both the former Gbagbo government and the present Ouattara government have done little to depolarize existing cleavages. Côte d'Ivoire comes close to a textbook example of the violent politicization of ethnicity. Between 2001 and 2006, people were harassed or killed due to ethnic and linguistic affiliation by death squads that were tolerated or even armed by the government. The subsequent drop in levels of killings and ethnic violence was primarily related to the massive international military presence in the country, rather than to any change in the political management by Ivorian actors.

The political-military division of the country, although it formally ended in 2009, was a physical manifestation of sociocultural cleavages. The post-electoral crisis of late 2010 and early 2011 saw a new wave of ethnically motivated killings, with both sides – and their allied militias – involved.

The administration of President Ouattara has not systematically fueled ethnic tensions. However, it has done little, if anything, to depolarize cleavages. Ethnic cleavages remain salient in most parts of the country – also due to the contested land regime. Elections in 2015/16 and 2020 have not led to a new major outbreak of violence, but few local observers think the government is concerned with strengthening a broader societal consensus.

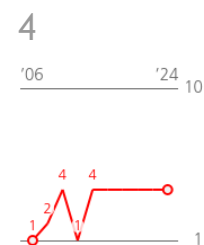
The government restricts civil society's involvement in the policymaking process as much as possible. In 2016, constitutional reform took place with the participation of hand-picked academics and influential personalities, but without the broader consultation of civil society. In 2019/20, when the government was compelled to reform the electoral commission, civil society fruitlessly urged the government to engage in a comprehensive discussion of institutional reforms. Subsequently, all non-governmental actors involved rejected the minimal reform steps.

Civil society has been unable to find a role in the fight against corruption. With the exception of trade unions, the current government – if not directly pushed from outside, as in the case of the accreditation of the National Human Rights Commission or with the Extractive Industries Transparency Initiative (EITI) – does not proactively involve civil society actors.

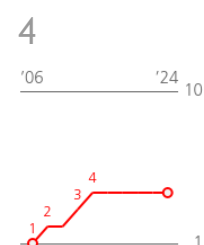
From the government's perspective, reconciliation has been achieved, most visibly by the return of former President Laurent Gbagbo and many FPI cadres to Côte d'Ivoire. "Reconciliation" meetings took place between Ouattara and Gbagbo in 2022. Earlier, in 2018, the president had pardoned 80 former FPI politicians, including Simone Gbagbo, the former president's wife, who was convicted of war crimes and imprisoned for up to 20 years.

In many ways, elites might have found ways to resolve their differences. It is much less clear how the many human rights violations that occurred between 2002 and 2011 have been addressed. The work of the National Reconciliation Commission,

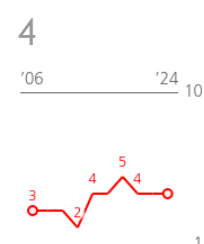
Cleavage /
conflict
management



Public
consultation



Reconciliation



chaired by former PDCI Prime Minister Charles Konan Banny (2012 – 2014), remained contested. The National Commission for the Reconciliation and Compensation of Victims and the National Program for Social Cohesion worked between 2015 and 2017 to identify victims of past violence and provide reparations. However, victims complained about the small sums made available and the government's assumption that reconciliation had been successfully completed.

The general perception in Côte d'Ivoire is that the Ouattara government, instead of engaging seriously in reconciliation, imposed severe punishments on the “former enemies” due to widespread human rights violations and subsequently granted them pardons – a move that has drawn protest from many human rights defenders in Côte d'Ivoire.

17 | International Cooperation

The government has managed its relationships with the international community well, with the president having worked for the IMF in the past. International funding has contributed toward reaching the objectives set by the government in the National Development Strategy (2016 – 2020), although most of the external funding occurred on a non-concessional basis.

As Côte d'Ivoire aspired to become an “emergent economy,” both the previous and current National Development Strategy (2021 – 2025) do not rely heavily on concessional development loans but on mobilizing private capital. Major infrastructure gaps could thus be filled throughout the last five years by making use of the country's international reputation.

The government has clearly prioritized good relations with donor organizations – dominated by Western actors – while other international actors, such as China, were more important as trade or investment partners.

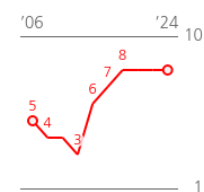
The current president, as well as the core ruling team, is well aware that the international community (especially the United Nations and France) was essential in securing access to office, and that the country's stability will depend on the government's capacity to maintain international trust and reputation. This does not exclude the possibility of inconsistent policymaking or cases of rent-seeking within the administration.

President Ouattara (as well as his prime ministers) has been considered a reliable partner by the international community. International trust in the economic reform program is certainly much greater than in the capacity of the government to promote a more inclusive democratization agenda. Ouattara's decision to stand for a third term in the 2020 elections was a severe blow to his credibility, not only at home but also in the international environment.

The country's relationship with France has undergone various stages. The former colonial power remains Côte d'Ivoire's main economic partner and bilateral donor, and maintains a permanent military base in Abidjan. The current government is on

Effective use of support

8



Credibility

8



good terms with France, and given the instability in the region, Côte d'Ivoire's strategic importance for Western powers and France is likely to increase even more.

In terms of international legal obligations, the government has made some effort to comply with the requirements of reporting to the various human rights protocols that the country had signed and ratified in the past, and it has so far fulfilled all requirements. It has ratified the WTO Trade Facilitation Agreement but has never been actively involved in dispute settlement.

In 2017, Côte d'Ivoire accepted a decision by the International Tribunal for the Law of the Sea to award a disputed maritime area, where gas reserves are explored, to neighboring Ghana. Côte d'Ivoire was the only African country to accede to the Rome Statute after 2010 (in 2013). However, the International Criminal Court had a significant impact on the country, as former President Gbagbo and his militia leader Blé Goudé faced trial in The Hague. (They were eventually acquitted in early 2019).

Regional arrangements such as the Union Economique et Monétaire Ouestr Africaine (UEMOA) and the Economic Community of West African States (ECOWAS) play a prominent role in Ivorian politics. Both regional organizations were influential in bringing down the Gbagbo government in 2011, and Gbagbo's nationalist policies had concerned leaders in the Sahel countries with large emigrant communities in Côte d'Ivoire – though his anti-French stance won him some friends in neighboring Ghana.

ECOWAS welcomed Ouattara's victory, even naming him ECOWAS chairman in his first year of office. Since then, Ouattara has sought to play an active and constructive role in regional politics and maintain good relationships with neighboring countries. ECOWAS also refrained from commenting on Ouattara's third-term bid and congratulated him on his successful re-election in November 2020. In 2018, a member of Ouattara's government became Chairman of the ECOWAS Commission, making a more critical stance unexpected.

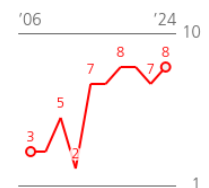
President Ouattara played a key role in advocating for ECOWAS military intervention in Mali and has a strong interest in promoting military cooperation with neighboring governments in Burkina Faso and Mali in their efforts to combat jihadist groups. Côte d'Ivoire was widely seen as the primary advocate for ECOWAS economic sanctions against the military regime in Mali. In 2022, the Malian government took approximately 50 Ivorian soldiers, who were intended to serve in the U.N. mission, hostage, alleging that they were mercenaries.

Relations with Ghana and Liberia were temporarily strained due to the apparently tolerated presence of former top FPI officials in these countries and the continued influx of militias – in the case of Liberia. However, since 2014, bilateral relations have greatly improved with both neighbors.

Côte d'Ivoire has maintained a relatively low profile within the African Union (AU). The Ivorian government has rejected the decision of the African Court on Human and People's Rights to view the Ivorian Electoral Law as a violation of human rights.

Regional cooperation

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Strategic Outlook

In recent years, Côte d'Ivoire's trajectory has further solidified and is expected to continue along this path. However, hopes for comprehensive political institution reforms have been dashed, and the regime has become more centralized, with little likelihood of inclusive power-sharing or substantial decentralization. The president and his party maintain significant control over opposition leaders and political movements, facing few constraints from constitutional veto players, social actors, or the once powerful security apparatus. Despite challenges like pandemic emergencies and price hikes from the Russian invasion of Ukraine, major protests have not occurred. There is a broad consensus on fighting jihadist forces entering the country from Burkina Faso.

At the age of 81, the president runs a one-man show, empowered by the 2016 constitutional reform. The political landscape remains dominated by long-standing figures like Ouattara, Bedié, and Gbagbo, who have shown little inclination toward conflict de-escalation or development-oriented governance. The lack of elite rejuvenation raises uncertainty about the mid-term prospects of this type of political regulation. It remains unclear whether the political elites can organize open political competition without resorting to violence.

The strong economic growth was achieved through efficient and technocratic policymaking, backed by the president and the international community. However, the economy still heavily relies on unsustainable cocoa production and other agricultural exports. Despite progress, poverty and low human development persist, necessitating continued massive investments, especially in health and education. Addressing corruption will also be crucial to strengthening the legitimacy of the political system and fostering social cohesion.

The government upholds key principles of a market economy while simultaneously striving to build a developmental state, with strategic state control over prices in key agricultural sectors and partial privatization of production and services. Future economic and political prospects hinge on a favorable regional and international environment. Neighboring Sahelian states, such as Mali and Burkina Faso, are grappling with limited state control and prolonged violent conflicts. Maintaining intense economic and social relationships with these neighbors will pose a significant governance challenge, protecting Côte d'Ivoire from the impact of war economies, criminal networks, violent conflicts in the region, and anti-Western propaganda diffusion.