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**INTERNATIONAL DEVELOPMENT ASSOCIATION
INTERNATIONAL FINANCE CORPORATION
MULTILATERAL INVESTMENT GUARANTEE AGENCY
COUNTRY PARTNERSHIP FRAMEWORK**

FOR

REPUBLIC OF COTE D'IVOIRE

FOR THE PERIOD FY23-FY27

November 18, 2022

**Cote d'Ivoire Country Management Unit
Western and Central Africa Region
The International Finance Corporation
IFC Region
The Multilateral Investment Guarantee Agency**

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The last Country Partnership Framework was discussed at the Board on September 29, 2015

CURRENCY EQUIVALENTS

(As of October 31st 2022)

Currency Unit = XOF

US\$1.00 = XOF 660.38155643

FISCAL YEAR

January 1 – December 31

ABBREVIATIONS AND ACRONYMS

| | |
|---------|--|
| AFD | Agence Française de Développement |
| AfDB | African Development Bank |
| ASA | Advisory Services and Analytics |
| BOAD | Banque Ouest Africaine de Développement |
| CIV | Cote d'Ivoire |
| CLR | Completion and Learning Review |
| CPF | Country Partnership Framework |
| CPSD | Country Private Sector Diagnostic |
| CSA | Climate-Smart Agriculture |
| DE4A | Digital Economy for Africa |
| DFS | Digital Financial Services |
| DPO | Development Policy Operation |
| DSA | Debt sustainability Analysis |
| EGDI | E-Government Development Index |
| EU | European Union |
| FAO | Food and Agriculture Organization |
| FCV | Fragility Conflict and Violence |
| FDI | Foreign Development Investment |
| FM | Financial Management |
| G2P | Government to Person |
| GDP | Gross Domestic Product |
| GIZ | Gesellschaft für Internationale Zusammenarbeit |
| GoCI | Government of Cote d'Ivoire |
| GUDE-CI | Guichet Unique de Développement des Entreprises de Cote d'Ivoire |
| HCI | Human Capital Index |
| HDI | Human Development Index |
| HLO | High-Level Outcome |
| IBRD | International Bank for Reconstruction and Development |
| IDA | International Development Association |
| IsDB | Islamic Development Bank |
| IFC | International Finance Corporation |
| IMF | International Monetary Fund |
| JICA | Japan International Cooperation Agency |
| LMIC | Lower Middle-Income Country |
| NGO | Non-Governmental Organization |
| MSME | Micro Small and Medium Enterprise |
| MW | Megawatt |
| OGDI | Open Government Data Index |
| PBA | Performance-Based Allocation |

| | |
|----------|--|
| PFM | Public Finance Management |
| PforR | Program for Results |
| PIU | Project Implementing Unit |
| PLR | Program Learning Review |
| PND | Plan National de Développement |
| PSGouv 2 | Programme Social du Gouvernement 2 |
| RGAP | Regional Gender Action Plan |
| SCD | Systematic Country Diagnostic |
| SDG | Sustainable Development Goals2& |
| SDR | Special Drawing Rights |
| SML | Shorter Maturity Loans |
| SSA | Sub Saharan Africa |
| SUW | Scale-Up Window |
| SWEDD | Sahel Women’s Empowerment and Demography |
| UNICEF | United Nations International Children’s Emergency Fund |
| WAEMU | West African Economic and Monetary Union |
| WBG | World Bank Group |

| | IDA | IFC | MIGA |
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**FY23-27 COUNTRY PARTNERSHIP FRAMEWORK FOR
COTE D'IVOIRE**

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FY23-27 COUNTRY PARTNERSHIP FRAMEWORK FOR COTE D'IVOIRE

I. INTRODUCTION

1. **Côte d'Ivoire's 2030 Vision aims for an economic transformation that will sustain a 7 percent real GDP growth rate per year on average, while halving poverty and attaining upper middle-income status.** This vision builds on a decade of robust economic growth, political stability regained since 2011, and gradual progress towards shared prosperity. Côte d'Ivoire is now the largest economy in the West African Economic and Monetary Union (WAEMU) and one of the fastest growing countries in the world, with a real per capita income in 2021 of about US\$2,400 (constant 2015 US\$), 50 percent above the level in 2011 in real terms. This economic success has been associated with a sharp decline in poverty, and a moderate expansion of the middle class.

2. **The World Bank Group (WBG)'s engagement in Côte d'Ivoire has been growing steadily over the past ten years.** The completed WBG Country Partnership Strategy (CPF) FY16-21 was designed to take advantage of the renewed stability and economic growth in the country following the 1999-2011 political crisis and support the Government's second National Development Plan 2016-2020 which focused on structural transformation to reduce poverty and inequality. The implementation of the closed CPF is rated as 'Moderately Satisfactory'.

3. **The proposed CPF will cover the period of FY23-FY27 and support Côte d'Ivoire's growth and poverty reduction aspirations for 2030.** While growth has been strong over the last decade and poverty has declined significantly, the level of poverty remains high, and disparities are significant. The economy also faces significant vulnerabilities from the uncertain global environment, rising regional security risks, and climate change. Sustaining strong growth and reducing poverty going forward in this context will require supporting economic and social transformation through private sector-led growth, while building human capital and reinforcing resilience. The WBG engagement is aligned with the Government's National Development Plan (PND) (2021-2025), which constitutes the first phase in the implementation of Côte d'Ivoire 2030 Vision. It addresses key development challenges that were identified in the Systematic Country Diagnostic Update (SCD) and through country consultations and draws on the lessons highlighted in the Completion and Learning Review (CLR), as well as the World Bank's regional strategy to support Africa's economic transformation.

4. **The uncertain global economic context, rising regional security risks, and a climate emergency reinforce the urgency of advancing inclusive growth and shared prosperity.** The CPF will pursue efforts to accelerate job creation through sustainable private sector-led growth. Drawing on key findings from the 2020 Country Private Sector Diagnostic (CPSD), which identified priority sectors for greater private sector investment and domestic value addition, it will prioritize value chains in agribusiness and agroindustry that will have the greatest impact on poverty reduction. Considering the strong reliance of the economy on agriculture, the CPF will seek to address the increasing impact of climate change through enhanced resilience of communities and infrastructure and sustainable management of natural capital. Last but not least, the CPF will focus on building human capital. The CPF adopts a spatial lens to reduce disparities in human development, infrastructure access, and economic opportunities. In doing so, the CPF

should contribute to strengthening the social contract between the state and citizens and to preventing fragility and insecurity.

5. **The ongoing crisis in the Sahel continues to raise the prospects of fragility in the neighboring northern regions of Côte d’Ivoire.** Côte d’Ivoire shares communities with cross-border ethnolinguistic, religious, and family ties with neighboring Mali and Burkina Faso. Border porosity coupled with migratory flows of people can lead to the spread of extremist influence and violence. So far, Côte d’Ivoire has succeeded in repelling the few terrorist attacks targeting security forces and villages in the bordering areas with Burkina Faso and Mali. To quell the spread of instability within its borders, the Government has stepped up its counterterrorism efforts and, more importantly, is expanding socio-economic programs aiming to address citizens’ needs.

6. **Côte d’Ivoire’s development path is also intrinsically linked to climate change, with significant vulnerabilities in agriculture, forests, water, infrastructure, and health systems requiring adaptation and mitigation efforts.** The country has made progress in climate-related policy and updated its Nationally Determined Contribution (NDC) in 2022 and, in the same year, launched the Abidjan Legacy Program, that aims at transforming the management of rural land, forest, and water resources. Whether or not Côte d’Ivoire can maintain its development path as set out in its National Development Plan (2021-25) and Vision 2030, and still meet the ambitions of its climate targets as set out in the NDC (2022), will be a function of the country’s ability to work with public and private partners to identify, finance and implement priority investments and reforms. The Côte d’Ivoire Country Climate Diagnostic Report (CCDR), currently in preparation, will help deepen the analysis of the interplay between the country’s development goals and climate change. It will chart the World Bank Group’s growing role in supporting this global public good in Côte d’Ivoire through analytics, adapted financing instruments, incentives and partnerships, in line with the upcoming World Bank Group's Evolution Roadmap paper.

II. COUNTRY CONTEXT AND DEVELOPMENT AGENDA

1. Social and Political Context

7. **Alongside the strong economic performance, the political and social situation in Côte d’Ivoire has continued to improve during the past decade.** The March 2021 legislative elections were hailed as the most open and inclusive in decades, with all major parties participating. The return of former President Laurent Gbagbo to Abidjan, following his acquittal by the International Criminal Court, was a positive milestone. The national political dialogue initiated by the Government made some progress in December 2021, with broad attendance from political parties and civil society organizations, to debate the electoral system and national reconciliation. While the CPF implementation will be facilitated by the continuous political stability, it could be affected by tensions prior to the presidential elections in 2025.

2. Recent Economic Developments and Outlook

8. **Since 2012, Côte d’Ivoire has been one of the fastest growing economies in sub-Saharan Africa (SSA), on the back of prudent macroeconomic policy, a commitment to reforms, and political stability.** Real gross domestic product (GDP) growth averaged 8.2 percent

per year (5.7 percent in per capita terms) over 2012–19. Although the country is yet to recover the ground lost since the 1980s, fast growth led to a 50 percent increase in real income per capita since 2012.¹

9. **Growth has been supported by political stability (after more than a decade of political crisis), improvements in the business climate, and ambitious public investment programs.**² Inflation remained low and averaged 1 percent over 2012–19, the real effective exchange rate has been in line with fundamentals, and access to international markets and increased FDI have helped to finance the external deficit. Prudent fiscal spending before the COVID-19 crisis contributed to reduce the fiscal deficit (including grants) to 2.3 percent of GDP in 2019, below the WAEMU target of 3 percent. Public and publicly guaranteed (PPG) debt has risen with the advent of COVID-19 but remains sustainable at an estimated 53.5 percent of GDP in 2021.

10. **Economic growth is expected to remain strong in the medium term, supported by the macroeconomic and structural policies pursued by the authorities, despite headwinds negatively impacting performance in the short-term.** After slowing to 2 percent in 2020, a broad-based recovery started in mid-2020 and persisted in 2021, with real GDP growth estimated at 7.0 percent (4.4 percent in per capita terms) in 2021 and projected to average 6.4 percent over 2022–25. The relative economic resilience in 2020 reflected strong pre-COVID-19 fundamentals, low dependency on remittances and tourism, and a swift government response. Growth resumed in 2021, but inflation soared to a 10-year high of 4.2 percent due to higher global food price. Real GDP growth is set to decelerate to 5.7 percent in 2022 due to inflation pressures, unfavorable terms of trade, and supply-side disruptions because of the war in Ukraine. However, growth should still average 6.7 percent over 2023–24 underpinned by the continued rollout of the National Development Plan. Oil production is expected to accelerate by about 37 percent in 2023–24 as recent large oil and gas discoveries come on stream. Inflation is expected to continue increasing to 5.5 percent in 2022 before gradually abating to the upper-bound of the regional target at 3 percent by 2024. On the external side, the current account deficit is set to increase in the short-term because of the negative terms of trade shock but converge to 4 percent of GDP by 2025.

11. **Fiscal consolidation is set to resume in the medium run, despite a deterioration in 2022 due to efforts to contain the impact of the war in Ukraine.** The overall fiscal deficit narrowed from 5.6 percent of GDP in 2020 to 5.1 percent of GDP in 2021, 0.5 percentage points lower –than expected, as improved revenue collection offset higher security and health outlays. Revenue increased from 15.0 to 15.8 percent of GDP as tax revenue collection was up from 12.3 to 13.1 percent of GDP in 2021, hitting its 10-year high, and driven by higher customs revenues (+14.5 percent y/y) reflecting increased trade, and internal tax revenues (+20.5 percent y/y) on the account of continued tax administration measures and tax buoyancy. The fiscal deficit was

¹ GDP per capita increased significantly, from US\$1,790 in 2000 to US\$2,290 in 2018, but this is only two thirds of the level in 1978. Côte d'Ivoire's GDP per capita was nearly four times that of the average for lower middle-income countries (LMICs) in the 1970s while it is almost on a par today (CEM 2021).

² Total investment increased from 18 percent of GDP in 2012 to 21 percent in 2019. Although historically investment had made only a marginal contribution to growth, it increased substantially in recent years reflecting a significant rebound in public and private investment. Public investment in particular doubled, from an average of 2.8 percent of GDP in 2000–11 to 6.7 percent in 2012–18.

adequately financed by external and domestic debt issuances and the Special Drawing Rights (SDR) allocation (US\$ 2.3 billion, 1.3 percent of GDP). It should slightly increase in 2022 to 6 percent of GDP, as the authorities mitigate the impact of higher food and fuel prices and start implementing a civil servant wage bill reform. The government is committed to reverting to the WAEMU fiscal deficit target of 3 percent of GDP by 2025, both through more efficient and contained spending and greater domestic revenue mobilization.

12. **Côte d’Ivoire is at moderate risk of external and overall debt distress.** According to the joint World Bank-International Monetary Fund (IMF) Debt Sustainability Analysis (DSA) of June 2022, Côte d’Ivoire remains at moderate risk of external and overall debt distress, but with limited space to absorb shocks. All external debt indicators remain below their corresponding thresholds under the baseline scenario, but with exports and debt service indicators breaking their thresholds under export and market-financing shocks. Public debt increased over the last few years due to higher recourse to external borrowing to sustain the development agenda and manage the debt portfolio while dealing with the COVID-19 crisis. The Public and Publicly Guaranteed (PPG) debt stock is expected to peak at 54.4 percent of GDP in 2022 and decline to 52 percent of GDP in 2025. External debt reached 33 percent of GDP - representing 62 percent of total debt in 2021.³ New external borrowing was largely covered by substantial concessional loans from multilateral creditors, a third of which from the IMF and the World Bank, increasing the share of the multilateral creditors in external debt to 29 percent compared to 22 percent in 2019. Still, commercial creditors hold the largest share of external debt; 90 percent of which is in the form of Eurobonds.

13. **The favorable medium-term outlook is, however, subject to downside risks.** Protracted inflationary pressures, and potential stagflation in advanced economies, as well as tighter-than-expected financial conditions in international markets due to a sustained increase in interest rates in the US and Europe would increase fiscal and debt sustainability risks, notably restricting financing options. Social tensions and poverty could increase after allowing for the passthrough of higher energy prices on electricity bills. While these are the greatest risks to the outlook in the short-term, other negative risks are looming. As in other countries in the region, Cote d’Ivoire remains vulnerable to further COVID-19 outbreaks given that vaccination rates are still relatively low. Heightened regional insecurity spillovers could undermine investor confidence and weigh further on the budget if additional security spending were needed. Finally, the country is also vulnerable to climate shocks (floods, droughts, and associated health hazards) which could affect key sectors such as agriculture and trigger food insecurity in rural regions. Conversely, the socio-political climate has improved following the presidential and parliamentary elections of 2020 and 2021 and should be consolidated with the pursuit of national reconciliation efforts. The PND 2021-25 paves the way for deepening structural reforms with a view to strengthening the resilience of the economy by making growth more inclusive, diversified, sustainable, and less vulnerable to external shocks.

Table 1. Selected macroeconomic indicators

³ The medium-term debt strategy 2019-2023 updated in the 2022 finance law envisaged that 64 percent of new financing would come from external sources and favor borrowing in euros and CFA francs to limit exchange rate risk (due to the peg).

| | 2019 | 2020e | 2021e | 2022 | 2023p | 2024p | 2025p |
|--|---------|---------|-----------------------------------|--------|--------|--------|--------|
| | | | | p | | | |
| Output and prices | | | <i>(Annual percentage change)</i> | | | | |
| Real GDP | 6.2 | 2.0 | 7.0 | 5.7 | 6.8 | 6.6 | 6.6 |
| Consumer prices (Annual average) | 0.8 | 2.4 | 4.2 | 5.5 | 3.5 | 3.0 | 3.0 |
| GDP deflator | 0.2 | 0.9 | 2.4 | 3.8 | 2.6 | 2.2 | 2.2 |
| Central government finance | | | <i>(As percent of GDP)</i> | | | | |
| Total Revenue and Grants | 15.0 | 15.0 | 15.6 | 15.0 | 16.1 | 16.2 | 16.2 |
| Total Expenditure | 17.3 | 20.5 | 20.7 | 21.0 | 20.9 | 20.2 | 19.2 |
| Overall balance (incl grants) | -2.3 | -5.6 | -5.1 | -6.0 | -4.8 | -4.0 | -3.0 |
| Grants | 0.8 | 0.5 | 0.4 | 0.7 | 0.7 | 0.6 | 0.2 |
| Balance of payments | | | | | | | |
| Balance of goods and services | 1.6 | 0.9 | 0.2 | -1.6 | -1.3 | -1.1 | 0.7 |
| Exports fob | 23.6 | 21.2 | 23.2 | 27.2 | 22.8 | 21.3 | 29.8 |
| Imports fob | 22.0 | 20.3 | 23.0 | 28.7 | 24.1 | 22.4 | 29.1 |
| Current transfers (net) | -3.9 | -4.1 | -4.0 | -4.0 | -3.5 | -3.0 | -4.7 |
| Current account balance (incl. grants) | -2.3 | -3.2 | -3.8 | -5.6 | -4.8 | -4.1 | -4.0 |
| Overall BOP balance | -0.7 | -1.7 | -2.0 | 0.2 | 1.6 | 0.6 | 1.1 |
| Terms of trade (annual % change) | 6.6 | 7.6 | 4.9 | -7.4 | 1.0 | -3.6 | -6.4 |
| Debt | | | | | | | |
| Public debt (external and domestic) | 41.0 | 49.4 | 53.5 | 54.4 | 53.8 | 52.8 | 52.0 |
| External debt | 28.1 | 32.3 | 33.0 | 32.6 | 31.5 | 29.5 | 29.1 |
| Memorandum items: | | | | | | | |
| Nominal GDP (CFAF Billions) | 34,299 | 35,311 | 38,841 | 42,617 | 46,693 | 50,851 | 54,776 |
| Nominal GDP (US\$ Millions) | 58539.5 | 61348.2 | 70043.3 | 76852. | 84203. | 91669. | 98711 |
| Real GDP per capita (annual % change) | 3.5 | -0.6 | 4.3 | 3.1 | 4.1 | 3.9 | 3.9 |

Source: Ivorian authorities; World Bank and IMF staff estimates and projections as of August 2022. The medium term economic growth projections of the authorities are about 0.5 ppt higher in real terms.

3. Poverty Profile

14. Following 25 years of rising poverty rates, poverty and inequality declined in Côte d'Ivoire between 2011 and 2019, but the incidence remains high. Sustained economic growth and lower inequality supported the decline in poverty rates which went from 55.3 percent in 2011, to 44 percent in 2015 and 39.5 percent in 2018/19.^[1] But this is much higher than other lower middle-income countries where the average poverty rate was only 12.8 percent.⁴ Inequality, measured by the Gini coefficient of household consumption, declined from 38.3 to 35.1 over the 2011-19 period but the average consumption of the top 20 percent of the population remains six times higher than the average consumption of those in the bottom 20 percent. According to a

^[1] Due to differences in computation methodologies and changes in survey design, poverty rate series from 1985 to 2008 are not comparable to those from 2011 to 2018-19. The 2011 and 2015 poverty rates are estimated using comparable methodology with 2018. Previous communications from government authorities have indicated poverty rates (46.3 percent in 2015 and 37.2 percent in 2018) that are slightly different from those presented in this report.

⁴ This number is also for 2018 but it is not entirely comparable. The LMIC average is based on a poverty line of US\$1.90 using 2011 purchasing power parity. The national poverty line is equivalent to US\$1.66 in current US dollars. However, the contrast remains clear.

nationally representative survey by Prindex,⁵ reported rates of tenure insecurity are also higher for lower-income vs. higher-income individuals. The relative decline in poverty and inequality has been coupled with an increase in the middle class (which grew from 34.6 percent of the population in 2015 to 36.5 percent in 2018), driven by the expansion of the service and commerce sectors.

15. **Progress has also been made in non-monetary dimensions of well-being.** Access to electricity, clean water, health, and education services has improved (but the gap between poor households and non-poor households is widening). For instance, in the health sector, data have shown a decline in the maternal death rate (per 100,000 live births) from 614 in 2012 to 385 in 2021. However, rural areas have higher rates of maternal mortality than urban areas. Regarding access to education, the average annual increase of classrooms during the period 2017-2021 was 4.5 percent for primary schools (11 percent for secondary schools) and mainly driven by new less affordable private schools (10.2 percent new private schools vs 3 percent new public schools in primary and 18 percent new private school's vs 8 percent new public schools in secondary schools)⁶. The electricity grid in Côte d'Ivoire is extensive compared with other countries in the region, covering around 80 percent of the localities that are home to 95 percent of the population. Yet the access rate remains relatively lower at about 69 percent in 2019 (from 49 percent in 2000).⁷ Similarly, ownership of assets such as mobile phones, televisions, computers, and motorcycles has significantly increased. Moreover, accessibility to roads and markets has improved over the 2015-19 period for all households, including the bottom 40 percent.

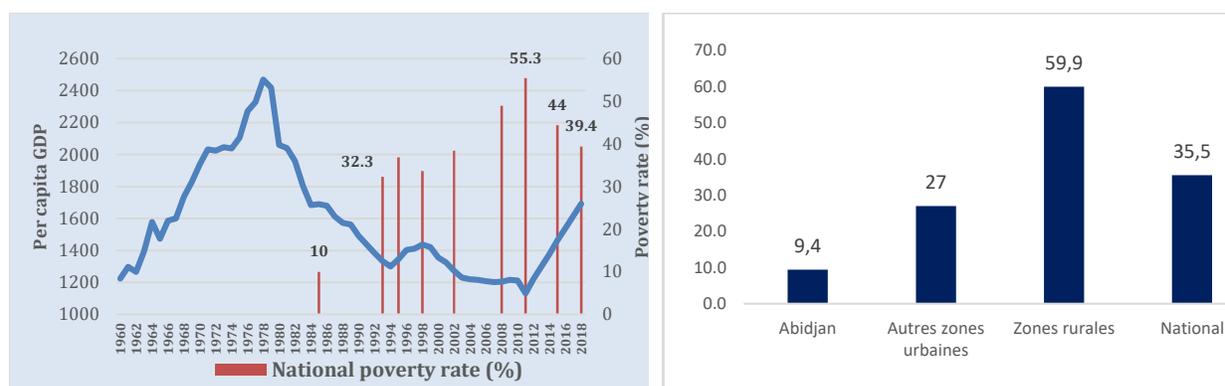
16. **The 2022 Poverty Assessment reveals significant spatial disparities.** Between 2015 and 2019, progress toward poverty reduction has been uneven across the country, with poverty incidence declining by 6.9 percentage points (from 31.6 to 24.7) in urban areas while remaining high and decreasing by only 1.7 percentage points (from 56.4 to 54.7) in rural areas. Beyond the urban-rural divide, poverty reduction has been uneven across the country. Poverty declined rapidly in the regions along the eastern border with Ghana while living conditions have significantly worsened along the western border with Liberia and Guinea. Moreover, while poverty incidence is higher in the north of the country, 40 percent of the population in extreme poverty lives in the Western regions. In some areas of the country, particularly those where cash crop production (cocoa, rubber, and palm oil) is prevalent, living conditions have worsened over the 2015-19 period. While the overall proportion of women and men who are poor is similar, there are also gender disparities in how people are exposed to poverty. During peak reproductive ages women are more likely than men to be poor, hinting at the significance of how childbearing negatively impacts women's labor force participation.

⁵ <https://www.prindex.net/data/cote-divoire/>

⁶ Annual statistic report, Ministry of National Education and Literacy, 2021.

⁷ Using the ESMAP/SE4all tracker data. GoCI uses several indicators to measure energy access: 1) 'taux de couverture' measures the percent of localities electrified (80 percent in 2020); 2) 'taux d'accès' measures the total population living in electrified localities as a percent of the national population (95 percent in 2020); and 3) electricity access rate measures the number of individuals with electricity connections as a percent of total population (58 percent in 2018) – this third indicator most closely corresponds to the ESMAP/SE4all date.

Figure 1. Per capita GDP and National Poverty Rate and Vulnerability rates within the middle class



Sources : World Bank estimates based on EHCVM2018/2019

4. Main Development Challenges

17. **The Systematic Country Diagnostic Update completed in 2022 identified several development priorities that are critical to sustain strong growth and reduce poverty going forward, building on the progress over the last decade.** The rapid growth acceleration and poverty reduction witnessed in the last decade allowed Côte d’Ivoire to catch up on the time lost during the decade of political crises. By 2018, real GDP per capita had caught up with the SSA average – for the first time since 2003. At the same time, significant structural challenges need to be addressed to sustain strong growth, reduce poverty, and promote shared prosperity. These include strengthening the country’s governance and institutions; improving agricultural productivity and sustainably; promoting economic transformation and providing more and better jobs; sustaining investment in infrastructure; and developing human capital through improved service delivery and public finance management. The SCD Update was informed by the Human Capital Diagnostic (HCD) of 2021, the Country Economic Memorandum (CEM) 2021, the Country Private Sector Diagnostic (CPSD) of 2020, the Digital Economy for Africa (DE4A) Country Diagnostic (2021) and the Poverty Assessment (2022). This was supplemented by two portfolio reviews focused on gender and jobs, plus background analyses for the upcoming Country Climate and Development Report (CCDR). Côte d’Ivoire’s progress toward shared prosperity requires looking beyond technical policies to understand how the power dynamics and citizen-state relations shape the menu of implementable reforms. Hence, reinforcing the social contract between the state and its citizens on their mutual roles and responsibilities will be key.

18. **The social contract⁸ needs to be strengthened both in the wake of the COVID-19 pandemic and on the heels of spatial disparities which have structurally affected certain regions and/or demographics.** It is even more important in the current context of an increasing sense of fragility risks particularly in the north. The plan to build a better sense of national solidarity (“Côte d’Ivoire Solidaire”) recognizes the need to place citizens at the heart of government policy, with the resulting social contract aiming to achieve a substantial improvement to service delivery and the living conditions for all. This commitment is embodied in the Social

⁸ See Annex 4 - Cote d’Ivoire Social Contract Approach: Context, Strategic Priorities, and Implementation

Program of the Government (PSGOUV2), the government's main instrument to bolster the social contract through strong tangible actions prioritizing the drivers of fragility in northern and western Côte d'Ivoire; enhancing service delivery in education, health, and social protection; ensuring water security for all usages; and increasing opportunities for youth and women.

19. **Human capital development through improved service delivery and better social spending is a priority for inclusive growth.** Human capital outcomes in Côte d'Ivoire have improved over the last decade, leading to an increase in the country's human capital index (HCI) score from 0.30 to 0.38 between 2010 and 2020 (a child born in Côte d'Ivoire today will be 38 percent as productive when she grows up as she could be if she enjoyed complete education and full health). However, Côte d'Ivoire ranks 149 out of 157 countries globally, which is lower than the average for Sub-Saharan Africa and lower-middle-income countries. Côte d'Ivoire's place on the HCI is lower than predicted by its income level, largely driven by low education performance, low adult survival rate, and high stunting. Although the average child will get 8.1 years of schooling, this drops to 4.8 effective years of learning when adjusted for the quality of education. In 2020, only 2 out of 3 15-year-old Ivorians could expect to celebrate their 60th birthday, among the worst performances on the continent. The HCD found that maternal mortality, HIV/AIDS, and unintentional injuries were the main drivers of this high mortality. Improving human capital and living standards will be essential and should include (1) continued investments in infrastructure to improve access to education and health services and water, sanitation, and hygiene; (2) prioritizing the quality-of-service delivery through governance reforms in these two sectors; and (3) expanding social safety nets to ensure that growth is inclusive and more resilient.

20. **While some progress has been achieved in gender equality in recent years, further efforts are required to fully unleash the potential economic gains of addressing continuing gaps.** The recent SCD Update finds that: 1) while much progress has been made addressing gender gaps in education and health through investments in infrastructure (school and health clinic construction), there remains much room for further progress, including by better addressing demand-side issues related to social norms around the value of educating girls, early marriage and early childbearing; 2) while government programs helped reduce the gender gap in agricultural productivity by a third between 2008-2016, the gains mostly accrued to women farming export crops who benefited from increased access to non-labor inputs, with the gender gap in productivity remaining large for women food crop farmers for whom gaps in access to labor are more important; 3) while women are increasingly economically active, those working in urban areas and outside of agriculture tend to participate through low productivity household microenterprises, with weak prospects for accessing the volumes of financing or other inputs they would need for transformational growth; and 4) although there are no legal restrictions on women's ability to own or transact land, women continue to face social and economic constraints to accessing and registering land. The overall significance of gender gaps in Côte d'Ivoire is highlighted by the estimate in the recent Poverty Assessment that gender equality would increase the economic growth rate by 2.4 percentage points and reduce poverty by 2.7 percentage points.

21. **Sustaining the growth acceleration will require strengthening the process of structural transformation and increasing the share of higher value-added sectors that can absorb the young labor force.** Total Factor Productivity (TFP) has been a driver of growth in Côte d'Ivoire in the last ten years: it contributed 3.7 percentage points (ppts) to growth in 2012-18, compared to -0.2 ppts in the previous decade. However, gains partly reflect improved use of

existing capital in the post-crisis period, and its contribution to growth has declined since 2015. These trends reflect the partial changes in the structure of the Ivorian economy, despite considerable shifts in sectoral employment in the last decade. Agriculture's share of total employment fell from 60 percent in 2008 to about 48 percent in 2018. However, the bulk of labor shed by agriculture moved to low-productivity activities. In fact, labor productivity levels are the lowest in agriculture and informal commerce, where most employment is. In contrast, the structure of output has changed more slowly. For example, agriculture still contributes 20 percent of GDP, down from a quarter a decade earlier; and manufacturing contributes 13 percent of GDP, a little above the SSA average of 10 percent, but has experienced a gradual decline in the last decade. Going forward, creating the conditions for the development of higher-productivity sectors – in services, agriculture, and manufacturing – will require removing the barriers which constrain their development. Chief among them are barriers to the efficient allocation of resources towards the most productive firms and sectors, through greater product market competition (CEM 2021). These changes will be crucial for the jobs agenda.

22. Jobs continue to be seen as one of the main development challenges and the government's target in the PND is to create 5 million jobs by 2025. With an urbanization rate of 50 percent in 2018, Côte d'Ivoire is one of the most urbanized countries in SSA after Ghana and Cameroon. But urbanization has not been accompanied by the structural transformation of the economy, limiting the creation of productive employment to absorb the young labor force. Over the next two decades, it is estimated that between 350,000 and 400,000 young people will join the working-age population each year, with the share of the working-age population (15–64-year-olds) projected to increase from 58 percent of the population in 2019 to almost 65 percent in 2040. The demographic dividend could potentially be large but will only be achieved if the youthful population can be productively employed.⁹ The most binding constraints in Côte d'Ivoire on the jobs agenda are on the supply-side (limited human capital and skill mismatches) and on the demand side, a weak regulatory and business environment, and a lack of financing for workers and businesses. A second tier of constraints includes: low level of economic diversification and weak structural transformation, low capacities of firms, weak or non-existing markets, social norms, and under-investment in public services.

23. Growing fiscal vulnerabilities will require choosing the right policy options to harness growth opportunities while maintaining macroeconomic stability. As the country emerges after the 2020-22 global external shocks with increasing economic vulnerabilities – with limited fiscal space and higher public debt - and facing greater global uncertainties, maintaining macroeconomic stability should remain at the core of its development strategy. Keeping a prudent borrowing strategy, rebuilding the fiscal space through a greater focus on reducing spending inefficiencies and increasing domestic revenue, and greater economic competitiveness to reduce external vulnerabilities, is warranted.

24. Good governance is a key foundation of growth and a prerequisite for the successful implementation of reforms. Since 2015, the government has implemented legal and regulatory reforms to promote the digitalization of public administration. As part of the implementation of the National Plan for Good Governance and the Fight against Corruption, the Government set up

⁹ Cote d'Ivoire Jobs Diagnostic (2017)

in 2013, the High Authority for Good Governance, an administrative body responsible for the prevention and repression of acts of corruption and related offences. In addition, the Government created in 2021, a Ministry dedicated to good governance and the fight against corruption. Going forward, public policy coordination and general capacity—financial and in terms of skills—need further strengthening. Reform implementation is slow or uneven, and mechanisms for monitoring, evaluation, and auditing should be reinforced to improve implementation of public policies (including Public Financial Management (PFM) reforms). A crucial contributor would be to strengthen Domestic Resource Mobilization (DRM) through effective tax policy and tax administration reforms aiming to widen the tax base. More power for decentralized authorities could ensure that policies effectively meet local needs. This should entail legal empowerment, but also greater funding and quality human resources. To increase trust in government administration and foster social cohesion and strengthen the social contract, controls and accountability must be strengthened, and transparency enhanced.

25. To achieve the country’s growth ambition, the private sector must become the primary engine of development - as acknowledged in the Government’s third PND (2021-2025). To do so, the Côte d’Ivoire Country Private Sector Diagnostic (CPSD), conducted jointly by IFC and the World Bank in 2020, identified structural reforms for the post-crisis recovery in the context of a changing economic landscape in which domestic value creation and digital transformation will play a pivotal role. Existing constraints to private sector growth arise from a generally poor investment climate, despite significant progress over the last decade, and the limited access to land and markets (in particular transport and logistics), finance, and market-relevant skills.

- Access to land and markets: Logistics services are still too costly, slow, and often low in quality. Access to land, one of the root causes of conflicts in Côte d’Ivoire, remains problematic for business and agriculture. The Government has invested in industrial zones, but progress needs to be accelerated, notably by streamlining investment promotion policies and zone management. Ongoing reforms in the areas of affordable housing and industrial zone development will be critical to foster a favorable investment climate.
- Access to finance: Despite a reasonable number of banks and relatively more developed financial markets, access to finance remains a binding constraint, particularly for Micro, Small and Medium Enterprises (MSMEs) and in the agriculture sector. The expansion of digital financial services, but also reforms in the regulation of banking and nonbanking financial services, could help deepen local and subnational bank and capital markets.
- Business environment: While acknowledging the remarkable progress achieved in the last decade, there is a need to simplify cumbersome procedures such as land acquisition processes, regulations, and uneven taxation weigh down on enterprise competitiveness, as do the weaknesses in competition policies and reduce the large share of informality in the economy. Ongoing reforms, such as the operationalization of the new Ivorian SME one-stop shop (*Guichet Unique de Développement des Entreprises*, GUDE-CI), should improve the enabling environment for small and medium-sized companies and facilitate access to markets and to financing.

26. The CPSD identified agriculture, agro-processing and agri-based light manufacturing as sectors with high growth potential. With the fast rate of deforestation, persistent use of child labor and vulnerabilities from climate change, it is imperative for Côte d’Ivoire to both diversify its agriculture production beyond cocoa and other agricultural

commodities (cotton, cashew nuts, rubber) with greater focus on higher value added agro-processing, fresh horticulture exports, and related manufacturing for domestic, regional, and global markets. Local processing of raw materials is a powerful factor in reducing the costs of transit to major regional, European, and American markets, by creating shorter, more sustainable value chains that meet growing demand for traceability of quality products from farmers to end-consumers. The CPSD identified promising value chains such as horticulture, cotton, cashew, palm oil and rubber (notwithstanding the need for diversification), and IFC conducted a follow-up “Deep Dive” Diagnostic on Horticulture. In addition, the tourism and health sectors have significant growth and job creation potential but face specific challenges.

27. Agriculture could help drive inclusive growth, but productivity gains and rural development are held back by gaps in value chain integration, access to markets, skills, and financing. Agriculture provides employment to a large share of the population and is a key contributor to exports, but the sector faces multiple constraints. First, limited access to markets (including infrastructure, storage, inputs) is linked to weak rural infrastructure and low aggregation, which necessitates more investment, but also more effective territorial development policies. Second, productivity is constrained by small farm size, undocumented land rights, limited skill levels, and slow technology take-up among farmers – fueling unsustainable extraction of the agriculture natural base and use of child labor, while public support functions have limited capacity and expertise to provide extension services. This highlights the need for improving funding, capacity-building, and institutional reforms in the sector. Third, limited access to financing among farmers is a key constraint to productivity and rural job creation in farm and nonfarm activities. Fourth, inadequate water services and lack of water security due to an increasing impact of climate change will also negatively affect sustainable agriculture. Digital skills and fintech solutions have helped close some of these gaps, especially among women entrepreneurs and farmers, but this needs to be reinforced and scaled up. Likewise, new lending instruments and formal credit expansion would also help. Developing a customized approach that combines the deployment of risk-sharing facilities, technical assistance, and advisory services to partner commercial banks designed to promote digital finance solutions in support of cooperatives involved in key value chains such as cocoa, cashew and horticulture, will be critical.

28. Another key factor to enable continuous strong economic growth is to sustain infrastructure investments and improve their resiliency. For instance, while Côte d’Ivoire has one of the most developed electricity sectors in West Africa and is a major energy exporter to the sub-region, recent supply shortages show that challenges remain to achieve security of supply and electrification of all localities by 2025. Maintaining the financial viability of the sector is key to enabling the public and private investments needed - estimated at US\$7.2 billion until 2030 - to keep up with electricity demand growing at 8 percent per year, increase renewable generation, and achieve universal access. Hence, additional investments in power generation, transmission and distribution are essential. For generation, this includes adding new solar and wind energy to an energy mix relying mostly on gas and hydropower. For access, delivering on the Government’s “Electricity for All” program (*Programme Électricité Pour Tous, PEPT*) which aims at connecting low-income households by reducing the upfront connection charges for the most vulnerable customers, is critical.

29. The digital economy in Côte d'Ivoire has been growing rapidly. The recent IFC report "e-Conomy Africa 2020" points out that the digital economy could contribute as much as 10

percent of the country's GDP by 2050 and the WB Digital Economy for Africa (DE4A) Diagnostic shows similar potential, including for digitalization of public services. However, to harness these potential gains, the country should address key challenges and build a solid foundation around the five digital pillars: digital infrastructure, digital platforms, digital financial services, digital entrepreneurship, and digital skills. Strengthening digital infrastructure networks (especially in rural areas) and supporting a more competitive telecommunications sector will contribute to the development of the digital economy. The country has invested over the past years to digitize several public services, enhance the legal digital framework, as well as on building digital skills. Moreover, the development of the National Digital Development Strategy 2021 -2025 has created a roadmap for the country. Nevertheless, the country still lacks the digital governance foundations and requires more efforts to enhance the quality and availability of user-centric digital services. Also, despite the implementation of some open data initiatives, the country still ranks low in the Open Government Data Index (OGDI) 2020, needing bigger and more coordinated efforts to ensure the availability and reusability of government data. Finally, the areas of digital governance, institutional coordination, interoperability of public digital platforms, and creation of a more open and stronger online trust environment, will be critical to leapfrogging Côte d'Ivoire's digital development.

30. The transport and logistics sector in Côte d'Ivoire is one of the most developed in West Africa, with a large network road, rail, port, and air transport infrastructure. However, physical connectivity is a major factor driving the persistent disparities between and within regions in the country. Public and private investments have been steadily increasing for more than a decade, to improve/renovate transport infrastructure left unattended due to the prolonged political crisis. Côte d'Ivoire's infrastructure network is also important for its neighboring landlocked countries, such as Mali and Burkina Faso, for imports and exports transit. However, the country's competitiveness remains hampered by high transport costs. The impact of investments in roads remains limited due to poor maintenance and weak controls of overloading, leading to premature deterioration of infrastructure and high operating costs. Transport services are also marked by various inefficiencies, including distortions in freight management in the absence of formalization. These inefficiencies and the high costs of transport and logistics weigh heavily on delivery times of products, particularly agricultural products for which the country is a major player.

31. While Abidjan is experiencing rapid urbanization accompanied by significant economic development, the same trend is not true for the secondary cities of Côte d'Ivoire, particularly those in the Northern region of the country. Côte d'Ivoire is among the most urbanized countries in Sub-Saharan Africa, with an estimated 50.3 percent of its population living in urban areas. Yet years of political crisis and lack of investments in key infrastructure have kept cities and urban areas in the North less efficient and prosperous. Further improvement in access to basic services such as safe water, sanitation, and waste management is needed for the sustainable development of the cities in the north. Most cities, including Korhogo, the country's fifth largest city with 260,000 inhabitants, do not have wastewater treatment plants. Stormwater drainage is a big issue and the drainage system, where it exists, becomes clogged with garbage. Cote d'Ivoire needs to prioritize investments in cities in its lagging regions, especially along the borders with Guinea, Mali, and Burkina Faso, all characterized by low per capita GDP, high poverty rates, and a low Human Development Index (HDI). Furthermore, these regions are more affected by the Sahel Crisis.

32. **The impacts of climate change affect various parts of the country differently, and disproportionately lagging areas and already vulnerable communities.** While the southern part of the country is more prone to floods and coastal erosion, these are also striking northern cities such as Korhogo in 2007. Cities in the north are ill-prepared to cope with floods, while the alternance of heavy rainfall events and drought episodes, along with declining traditional vegetation, creates the conditions for landslides. Further, temperatures are expected to increase, which will pose risks for urbanization, including public health, infrastructure, and buildings. These factors render the north's largely agricultural economy even more vulnerable to shocks, exacerbating food and water insecurity. Water storage is thus essential for a better adaptation to climate change and the Build Back Better approach after the COVID-19 pandemic.

33. **Côte d'Ivoire's greenhouse gas (GHG) emissions are among the lowest in the world and are largely from the land use sector.** GHG emissions in 2018 were 5 percent that of Brazil, Turkey, or South Africa. Over half of the national GHG emissions are caused by land-use change and deforestation. Between 2000-2019, these activities contributed 51 percent of the emissions. The country has lost significant forest cover, from 24 percent nationally (7.8 million ha) in 1986 to 9 percent (2.9 million ha) in 2021. This has translated into the loss of natural capital per capita by about 22 percent between 2000 and 2018, equivalent to the average in SSA as a whole over the same period. Land-use change due to agriculture expansion is the main driver of deforestation (62 percent). Other drivers include illegal exploitation for timber, fuelwood, and charcoal production to meet energy demands (18 percent), urbanization (10 percent) and illegal small-scale mining (8 percent).

34. **The Gulf of Guinea region—Benin, Côte d'Ivoire, Ghana, and Togo—is increasingly becoming vulnerable to external fragility factors—chiefly, the spillover of fragility, armed conflict, and violence (FCV) risks from the Sahel.** The Sahel is one of the world's most fragile and risk-prone subregions that suffers from chronic vulnerabilities (including entrenched poverty, impacts from climate variability and change, and underdevelopment), exacerbated in recent years by the virulent growth of extremist and armed groups that have instrumentalized intercommunity tensions and local grievances (especially among excluded youth to gain recruits) to spread across the porous borders. Since January 2012, there has been persistent violence and instability in Mali that has continued to radiate outward, rapidly metastasizing to the neighboring countries—Burkina Faso, Niger, and Chad. The Gulf of Guinea region (including Côte d'Ivoire) is highly vulnerable as it shares some of the FCV dynamics such as low territorial development, and security challenges, including poor civil-military relations, corruption, a lack of means and equipment, and poor border control, compounded by climate change impact. More than poverty and underdevelopment; exclusion or the perception of exclusion rooted in unequal access to opportunity and discrimination of territories or groups in the northern Gulf of Guinea region have crystallized into frustrations and ethno-religious tensions. Guided by the WBG FCV Strategy¹⁰, the program proposed under the CPF embraces a preventive approach, aimed to support the Government in addressing the drivers and impacts of fragility, conflict and violence, through strengthening the resilience of communities and bridging the development gaps in the Sahel bordering and other lagging areas.

¹⁰ World Bank Group Strategy for Fragility, Conflict, and Violence 2020–2025

35. **The ability of violent extremist groups to exploit inter-community tensions and structural fragilities to expand their operations is posing an increasing security challenge for the bordering Gulf of Guinea countries that face serious threat of southward transmission of the rapidly escalating Sahel conflict.**¹¹ Extremist groups operating in the Sahel have repeatedly tried to expand their operations and attacks into the Gulf of Guinea,¹² particularly given the significant financial and strategic incentives to move into the coastal states, such as access to ports, piracy operations, new illicit revenue streams, and the potential to stage attacks on Western interests.¹³ With extremist armed groups increasing their attacks in Burkina Faso,¹⁴ there has been a rise of violent incidents at the border with the north of the Gulf of Guinea region.¹⁵ All four countries have learned from the experience of the Sahel and have developed a coordinated security response that is combined with national actions to support socioeconomic development in those areas under threat.

36. **The Bank has articulated a framework to support territorial development, starting with the lagging regions of the North and the South-West of the country.** Interventions will focus on energy and digital access; road connectivity; secondary towns; water supply and sanitation, and community and local development. The program covers nationwide social protection, basic health, and basic education programs. In addition to the national programs and investments in the north to address urgent needs at the local level and to improve the social contract and social cohesion, the Bank also supports the Government in regional dialogues with neighboring countries of the Gulf of Guinea who are facing a similar set of FCV challenges. Enhancing relevant data, knowledge, and harmonized actions seeks to contribute to better preventing risks and to promoting integrated territorial development in the north. Several challenges will have to be addressed in preparing and implementing these projects: (i) coordination within the government to clarify who will be the leading institution; (ii) engagement and delegation to local authorities; (iii) implementation leadership / capacity for multi-sectoral programs; (iv) accessing reliable security information; and (v) working across countries. The CPF will invest US\$1.2-1.5 billion to address spatial disparities.

II. WORLD BANK GROUP PARTNERSHIP FRAMEWORK

5. Government Program and Medium-term Strategy

37. **The Government's PND covering the five-year period 2021-2025 builds on previous political, economic, and social achievements and aims to foster structural transformation to**

¹¹ Afrobarometer. 2021. *Violent Extremism in Africa Citizen Perspectives from the Sahel Epicenter and Periphery*.

¹² Crisis Group 2019.

¹³ Blake, J. 2020. *West Africa Increasingly Vulnerable to Terrorist Groups*. Foreign Policy. For example, Côte d'Ivoire experienced such an attack in March 2016 when three *Al-Qaïda au Maghreb Islamique* (AQMI) gunmen opened fire at a popular beach resort in Grand-Bassam, killing 19 and injuring 33 others.

¹⁴ World Bank. 2020. *Regional Risk and Resilience Assessment for the Sahel*.

¹⁵ For the North of Côte d'Ivoire, the main point of concentration is the Comoé National Park and at the border with Burkina Faso, extremist infiltration seems to be a real threat. For examples of recent attacks, see attack at Kafolo, Côte d'Ivoire in June 2020: <https://www.france24.com/en/20200611-about-10-dead-in-jihadist-attack-on-i-coast-border-post>. Some more maps of conflict events in the West Africa region are available on Armed Conflict Location and Event Data (ACLED) website.

build an emerging economy. It constitutes the first phase of Côte d’Ivoire Vision 2030, which aims to achieve a doubling of per capita income in ten years and cutting the poverty rate in half. The PND anchors around six pillars which are aligned with the WBG’s corporate goals of good governance, youth employment, human capital, social cohesion and combating climate change. The pillars of the Government’s programs are:

- (a) **Structural transformation of the economy is accelerated by the development of economic clusters and industrialization.** This will be achieved through strengthening public partnership with the private sector and increasing investments in industrial clusters and niches of growth on the basis of regional economic potentials. The key sectors identified for this cluster strategy are in agroindustry, pharmaceuticals, textile, digital economy, tourism, and creative industries.
- (b) **Human capital is developed to train a qualified and competent labor force to create decent jobs and promote entrepreneurship.** The program aims to ensure adequate education for all Ivorians, and in particular young people, in order to better equip them to master modern technologies, contribute to growth and employment and thus increase incomes and improve living conditions. It also means preserving human capital to ensure its longevity through health and social protection policies.
- (c) **Private sector is developed through leading sectors of the national economy.** The program aims to promote private sector development and investments, and this involves in particular local processing of raw materials, the strengthening of sustainable infrastructure and the promotion of national champions in order to create jobs for young people and women.
- (d) **Inclusion, national solidarity, and social action are strengthened to promote equity and well-being.** This pillar will promote the participation of all citizens in economic development and improve access for all to essential economic and social services. Particular attention will be paid to the most vulnerable people (women, young, disabled people, the elderly...).
- (e) **Balanced territorial development is effective while preserving the environment and fighting climate change.** This pillar will deal with the optimal development of the territory as a whole and the economic development of the potentialities of the regions, with a balance between the regions, urban and rural areas. The program will also support the protection of the environment, the natural heritage, with a view to respecting nature, fight against global warming, and promote sustainable development.
- (f) **Governance, modernization of the State and cultural transformation.** This pillar focuses on consolidating peace, ensuring security, justice, and social harmony. The State will play a more active role to ensure the development of economic and social public services, and strengthen the process of planning, programming, budgeting, execution, and monitoring of development programs. The plan also aims to transform the culture and practices within government and private institutions, to foster values and attitude that are conducive to development.

38. **Additionally, The Government has launched several reforms and initiatives on climate change and natural capital.** Those include the adoption of the coastal law in 2017 and the participation in the World Bank-supported initiative against coastal erosion (West Africa Coastal Areas Resilience Investment Program- WACA-ResIP, 2017); the adoption of a new forest strategy along with a renewed legal and regulatory framework (Forest Code in 2018, with related

decreases). More recently, Côte d'Ivoire updated in June 2022 its National Determined Contribution (NDC) with ambitious targets including 98.95 percent reduction in GHG emissions and a carbon neutral economy by 2030 NDC, adopted in March 2022, a National Sustainable Cocoa Strategy (SNCD, 2022) and the launch of the Abidjan Legacy Program during the UNFCCC COP, enhancing its strategies to tackle deforestation and achieve 20 percent forest cover of the national territory by 2030.

6. Proposed WBG Country Partnership Framework

39. **The design of the WBG engagement in Côte d'Ivoire capitalizes on the findings of thorough analyses:** the Systematic Country Diagnostic (SCD) Update, which was mostly fed by the Human Capital Diagnostic, the Country Private Sector Diagnostic, the Digital Economy for Africa Country Diagnostic, and the Sustainable Cities Review. Other analytical inputs and lessons were also drawn from the Completion and Learning Review (CLR); as well as the gender review, the job portfolio review; the Country Economic Memorandum (CEM); the Poverty assessment; the Pandemics Preparedness Diagnostics and the 2022 country opinion survey complemented by country-wide national consultations.

- **The SCD Update carried out in 2022 identified three main pathways to shared prosperity and poverty reduction.** These include: (1) improving agricultural productivity and rural incomes; (2) creating jobs through private sector-led growth; and (3) enhancing service delivery and public spending to accelerate human capital development. Strengthening governance and institutions was identified as a foundational priority required for inclusive growth. The SCD Update also identified a series of crosscutting challenges/opportunities for shared prosperity and poverty reduction, including women's empowerment, climate change, digitalization, and fragility risks. As such, there is complete alignment with the proposed CPF.
- **The CLR of the previous WBG CPF identified eight important lessons learned that will strengthen the design of the proposed CPF.** The first one is to continue focusing on land registration and good governance, which are unlikely to produce short-term results but are two key prerequisites for poverty reduction and investment promotion. These will require dedicated advocacy as well as persistence from both the WBG and the government. The CPF will have more investments through PforR operations and support complex reforms through DPOs and focused technical assistance. Second, the need to continue engaging in areas where the WB has comparative advantage, namely supporting difficult reforms and in sectors with no alternative funding from other partners; this will mean greater selectivity in the area of infrastructure. Third, PFM and quality of service delivery are strictly inter-connected, which explains the integration of PFM interventions into the human capital agenda in the proposed CPF. Fourth, multisector projects need to be designed differently to improve their chances of success. Fifth, the transfer of project execution into Ministries should be pursued gradually to improve accountability. A hybrid arrangement combining Project Implementing Units (PIUs) and Ministries will remain for complex multisectoral projects. Sixth, budget support requires accompanying technical assistance to prepare and implement reforms, at least for critical ones that will lead to social and economic transformation. Seventh, the necessity to better design the results framework to focus on projects already operational at the start of the CPF and avoid targets which go well beyond the potential impact of WBG interventions. Macroeconomic and

governance targets need particular attention to ensure they are well supported by investment operations, DPOs and ASAs. All identified targets and objective indicators will be well-defined during project preparation, with an emphasis on realism, clear measurement, and regular monitoring. The CPF will also have more gender-disaggregated indicators beyond the human capital areas, especially in agriculture and economic productivity. And eight, rapid portfolio expansion in an environment of weak administrative capacity within both the government and the private sector poses a risk to portfolio quality. This will require mitigation measures on due time.

- **A gender review of the Portfolio also suggests important lessons with regards to the integration of gender equality and women’s empowerment in future operations.** First, there is the need to build on success in closing gender gaps through basic infrastructure provision (schools, health centers, etc.) to address some of the underlying social norms and outcomes related to these norms that have so far proven more difficult to shift (e.g., to be addressed through the Sahel Women’s Empowerment and Demographic Dividend (SWEDD) among other activities). Second, the need to focus on increased access to finance for women outside of the agriculture sector, including for women operating low productivity household-based microenterprises. Third, the need to apply a more consistent gender lens across the portfolio, as suggested by the volatile gender tag performance.
- **The Jobs portfolio review provided recommendations on how to further the jobs agenda within the portfolio.** First, use the three dimensions of Jobs (jobs creation, jobs quality and jobs access) as well as intermediary outcomes during project design, implementation, and monitoring. Second, future projects can give more attention to the higher-level macro interventions related to improving access to finance and providing a favorable business environment for firms and businesses to operate, grow and create jobs (job creation outcomes). Third, comprehensive efforts are needed across multiple sectors to induce faster structural transformation that allows workers to move to more productive off-farm jobs to improve earnings and livelihoods (job quality outcomes). And finally, additional interventions are required to alleviate issues surrounding socio-cultural norms and care duties, ideally as a cross-cutting topic for operations touching upon improving economic opportunities for women (jobs access).
- **The FY21 country opinion survey found a more positive outlook about the country’s future than the one in FY18.** Respondents have expressed the view that economic opportunities are increasing, and this higher level of optimism can present an environment that is more open to reform and progress. Opinion leaders highlighted that education, jobs, health, agriculture, and the fight against corruption are the key development priorities and concerns in the country. Corruption has been identified as the top contributor to failed and/or slow reform. Stakeholders in the FY21 Country Survey report a significantly higher level of familiarity with the Bank Group than those in FY18, which gave a more positive view about the World Bank Group’s work on the ground. This included support to sectors, speed of disbursement, the overall speed of decision-making, and the way it brings discipline and effective supervision to implementation of investment projects, ostensibly leading to better results on. Implementation support is seen as the greatest value that the Bank Group brings to the country. The findings related to familiarity and collaboration suggest that strategic engagement to broaden and deepen relationships with key audiences

Hence, the proposed HLOs will remain in line with the three pathways of the updated SCD and contribute to all six pillars of the Government’s PND (2021-2025). The WBG’s expansive coverage of all the pillars of the PND is an illustration of the multisectoral and regional features of several ongoing and planned operations. Realizing Côte d’Ivoire’s long-term vision will also require an intensive engagement on building a stronger foundation for growth (see Annex 9) and an upstream policy and institutional reform agenda across a number of areas and a strong dialogue on which national programs and priorities the WBG chooses to support through targeted analytics and large-scale financing.

| | HLO 1: Improved Human Capital | HLO2: Reduced Spatial Disparities and Strengthened resilience | HLO3: Jobs created through private sector led growth |
|---------------------------|---|--|--|
| SCD Update | <input checked="" type="checkbox"/> Pathway 3 Improve human capital and living standards by prioritizing the quality-of-service delivery through governance reforms, while expanding social safety nets and access to health care and education with continued investment in infrastructure. | <input checked="" type="checkbox"/> Pathway 1 Improving agricultural productivity and rural incomes: i) agricultural productivity; ii) agri-value chains integration; iii) boosting non-farm incomes | <input checked="" type="checkbox"/> Pathway 2 Job creation through private sector-led growth: i) manufacturing and diversification; ii) services, self-employment, and SMEs |
| Côte d’Ivoire Vision 2030 | <input checked="" type="checkbox"/> Human capital - Raise the Quality of Education & Health care - Empower Women with Better Human Capital and Economic Opportunities - Improve Youth Employability - Develop the Skills for the Digital Economy - Ensure Affordability to Democratize Digital Services - Bridge Education and Health disparities between Rural and Urban Regions - Address Urban Pollution (to enhance health) | <input checked="" type="checkbox"/> Sustainable Economic capital - Invest in Infrastructure to Link Global and Regional Connector Cities - Protect Forests and Coastal Areas (green infrastructure) | <input checked="" type="checkbox"/> Sustainable Economic capital - Upgrade Transport Infrastructure and Operations - Improve Logistics Infrastructure and Performance - Promote Development of a Regional Digital Infrastructure, especially through increased regulatory harmonization - Invest in Infrastructure to Link Global and Regional Connector Cities <input checked="" type="checkbox"/> Private capital - Increase Competition in the Business Sector - Broaden Access to Finance - Deepen Integration into Global Value Chains - Promote Competition among Digital Operators to Foster Innovation - Raise Agricultural Productivity |
| PND 2021-2025 | <input checked="" type="checkbox"/> Develop human capital <input checked="" type="checkbox"/> Expand social protection | <input checked="" type="checkbox"/> Promote territorial development <input checked="" type="checkbox"/> Address climate change | <input checked="" type="checkbox"/> Accelerate economic transformation <input checked="" type="checkbox"/> Promote private sector investment |

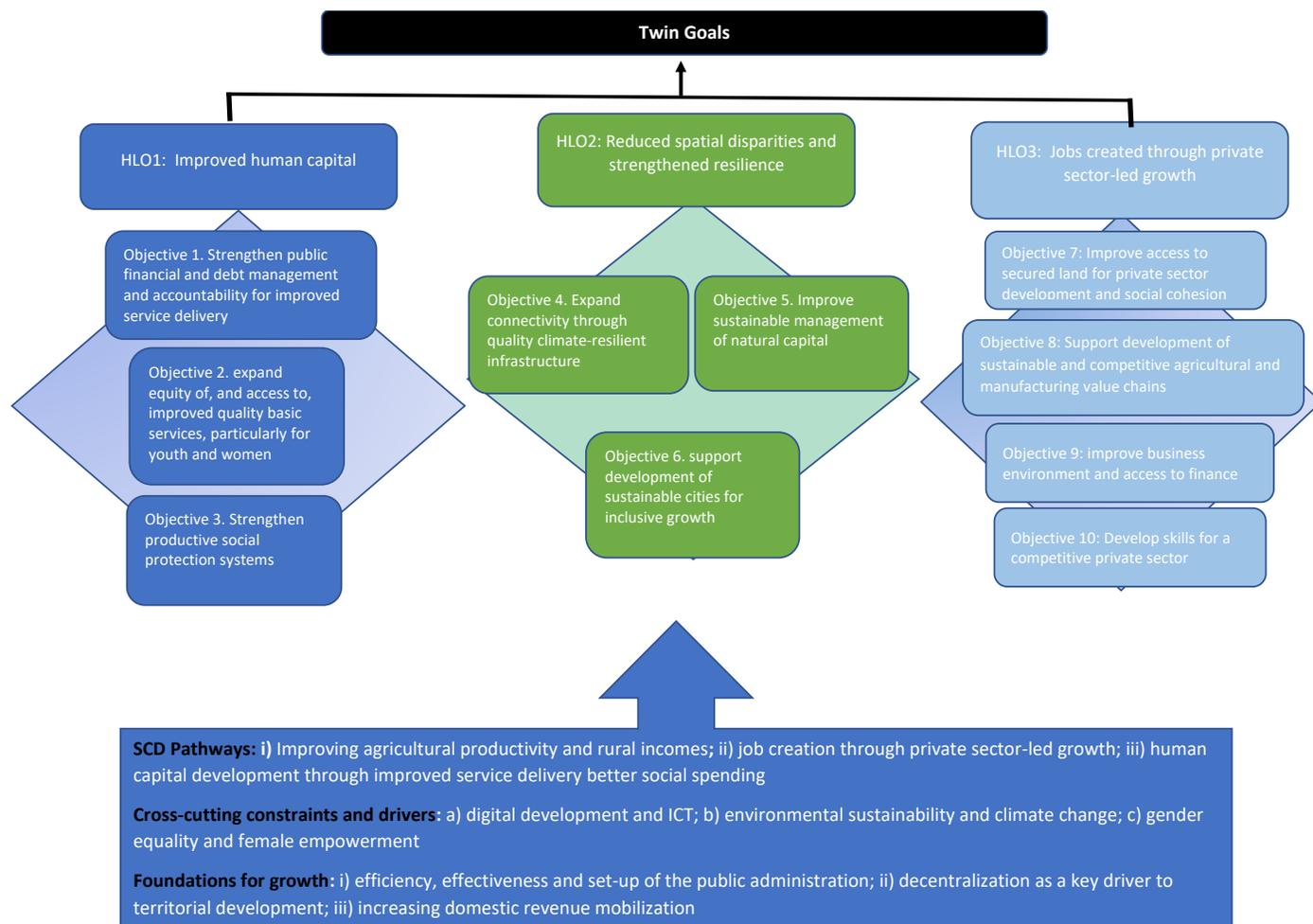


Figure 3: CPF HLOs, Supporting Objectives and Selection Logic

42. **The CPF’s first HLO – Improved human capital aims to help Côte d’Ivoire make tangible progress at the national level in human capital development and strengthening the social contract.** All PFM objectives that formed the third focus area in the previous CPF are integrated into the first HLO of the new CPF to enhance the impact of public finance management on human capital development. The two other objectives will continue to expand access to, and equity of, higher quality basic services, particularly for youth and women, and strengthen productive social protection systems. The emphasis on rebuilding the social contract through better and effective basic service delivery will become more prominent.

Objective 1: Strengthen public financial and debt management and accountability for improved service delivery

43. **This objective highlights the importance of better public financial management and debt sustainability for the delivery of social services.** It emphasizes the need for greater efficiency in current levels of public spending, recognizing that this involves both improved public administration, decentralization, and greater accountability. This must be accompanied by a gradual expansion in available finances, through domestic resource mobilization by increasing the tax revenues-to-GDP ratio to 13.6 percent by 2025. Interventions will also promote the broadening

of tax base, which is key to strengthening revenue collection while promoting tax fairness. It also entails prudent debt management so that interest payments do not crowd out development spending. This will be measured by the external debt service-to-revenue ratio which should decrease to 15.5 percent by the end of the CPF. This objective builds on the three objectives of the third focus area in the previous CPF but links them to service delivery as recommended in the CLR.

Objective 2: Expand equity of, and access to, improved quality basic services, particularly for youth and women

44. **As central as human capital development is to the reduction of non-monetary poverty in the short run and economic growth in the long run, it has trailed macroeconomic success in Côte d’Ivoire, largely as a result of the decade lost to conflict.** The Government has been keen to recover lost ground to a decade of instability but has suffered a temporary setback with the COVID-19 pandemic. Under-investment in public services is a key constraint to improving human capital and labor market outcomes. This constraint is particularly binding for young girls and women in the Ivorian context. This objective covers a wide range of educational challenges, from early childhood development through to university training. It also supports improved health services, as well as clean water, which can be the single most important determinant of health and education outcomes especially for girls (leading to lower school enrolment). This objective will further support the implementation of ambitious reforms and the strengthening or change of government systems in the education and health sector for a sustainable and large-scale impact on the population.

Objective 3: Strengthen productive social protection systems

45. **Arguably the most immediate way to respond to shocks, such as pandemics or climate change, and to reduce poverty is through an effective and adaptive safety nets system.** Despite considerable progress in the development of the safety nets system over the last five years, with the development of the productive cash transfer program at the national level, the system in place is still limited. This objective will support the government’s national program to strengthen the safety net through important investments in institutions and systems. The priorities are to make the safety nets system more inclusive and adaptive. This objective will support the development and use of the Unique Social Registry for poor and vulnerable, the setting up of a foundational identification platform to provide a universal and free, unique ID, increase the coverage of the national productive cash transfer program (PTMP – Programme de Transferts Monétaires Productifs), increase access of women as recipients of the cash transfers and economic inclusion measures, and operationalize a mechanism to provide quick and relevant support to shock-affected population.

46. **The CPF’s second HLO - Reduced spatial disparities and strengthened resilience aims to help Côte d’Ivoire reduce regional disparities and promote resilience, through infrastructure and sustainable natural capital.** This HLO builds on the first focus area of the previous CPF, “Accelerating sustainable private sector-led growth”, especially its second objective, “strengthen economic infrastructure”. This new HLO particularly reflects a stronger focus on green, resilient, and inclusive development for infrastructure and natural capital. The objectives will emphasize the expansion of connectivity through quality, climate-resilient

infrastructure, enhancement of community resilience to climate shocks especially in lagging regions, improvement of sustainable management of natural capital, and the development of cities for inclusive growth. Inclusion and access to infrastructure will help close territorial disparities, which could also be exacerbated if depletion of natural resources continues over time. Given the growing challenge of climate change, the WB will adjust its intervention to support a Green, Resilient and Inclusive Development (GRID) agenda, including through knowledge and operations undertakings in the infrastructure, agriculture and urban sectors aimed at increasing the resilience of people and assets. The proposed program will step up Bank engagement with upstream support to the Government in better planning, budgeting, and implementing climate-related policies and investments, aiming also to strengthen the social contract. This will be supported through the new DPO series, which in turn will be informed by the findings of the ongoing Country Climate and Development Report (CCDR) for Côte d'Ivoire.

Objective 4: Expand connectivity through quality climate-resilient infrastructure

47. **Infrastructure is the backbone of Côte d'Ivoire's economic growth, but continuous investments are required to keep up with economic development and reach the more isolated regions.** Infrastructure investments accelerated as the political situation stabilized from 2011 and enabled the subsequent strong growth. In terms of transport and logistics, it seems essential to better target investments, which should be based on (i) a national logistics master plan, integrating both the international and domestic dimensions, and (ii) a rural connectivity strategy. Additional investments in rural connectivity would be essential to correct regional disparities, strengthen the rural supply chain in support of agricultural productivity and improve job outcomes. More emphasis should also be placed on the maintenance of invested capital, especially roads, to avoid premature degradation. The operational efficiency of the sector should be improved. At the port of Abidjan, it is essential to reduce transit times for goods and waiting times for ships and trucks. On land transport corridors, the reduction of transport costs requires a reform of freight management and transport professions.

48. **Energy production has supported the development of domestic industries, enabled a remarkable increase in access, and often generated surplus electricity for export.** Digital access provides a unique opportunity for the country to accelerate economic growth and connect citizens to services and jobs and bridge urban-rural gaps. However, investments need to continue and more extreme weather due to climate change calls for greater attention to resiliency. This objective builds directly on objective 2 of the previous CPF, with a new and strong focus on climate change impact. Key results will be measured by increased access to electricity (from 55 percent in 2020 to 80 percent in 2026 with a vision for universal access by 2030), the percentage of population with unique mobile-broadband subscriptions (from 42 percent in 2021 to 54 percent in 2026) and additional rural population with access to an all-season road within 5km in the 6 northern regions (from 0 to 450,000 in 2026).

Objective 5: Improve sustainable management of natural capital

49. **Natural capital has been central to Côte d'Ivoire's success as the largest agricultural exporter in Sub-Saharan Africa.** But it was taken largely for granted. As just one example, its forest reserves were important in earlier times but have been badly depleted. Now soil fertility is also suffering from increasing population pressure and environmental degradation. Going

forward, the country will need to ensure that its management of natural resources protects their viability for the long term. The focus on natural capital is new, though the previous CPF did emphasize good farming practices and increasing yields in its agriculture portfolio. New interventions will build on ongoing projects, which will be consolidated through Additional Financing of scaled-up and new multisectoral operations using a spatial development approach (e.g., landscape and watershed, etc.). Key results will be assessed by the number of people with climate resilience assets/services (number of farmers with Climate-Smart Agriculture (CSA) skills and/or assets, targeted forest-dependent community members with increased access to income sources derived from sustainable forest management, household members in targeted coastal areas with less exposure to climate-related risks), and carbon emission reduction.

Objective 6: Support development of sustainable cities for inclusive growth

50. **Half of the Ivoirian population now lives in urban areas, and this share will inevitably grow, and grow quickly, in the coming years.** Much of this growth has been in Abidjan, and it will need continued investment to maintain its role as the economic engine. But it must not become the single, dominant agglomeration. Côte d'Ivoire has a network of secondary cities which offer the potential for balanced growth, enabling all regions to contribute to, and benefit from, national economic progress. This will also be critical to give everyone a stake in the national project, strengthening social cohesion and providing a buttress against internal and external sources of instability. This too is a new objective, though secondary cities became a theme of the previous CPF after its mid-term review. The program will build on an already strong WB engagement on resilient cities and recent analytical work and will be deployed in a phased approach starting with a limited number of cities in the northern and western regions to counter the spillover effects of the Sahel security crisis. The approach will follow a comprehensive territorial framework linking interventions in urban areas with community support in rural areas as well as other infrastructure projects. The program will be gradually and flexibly extended to other lagging regions based on demand, readiness, and opportunity for complementarity and/or consolidation of other government programs. Key results will be assessed by the number of people provided with improved urban services, access to improved solid waste services, access to all season urban roads, and the number of people protected from floods and /or covered by an early warning system.

51. **The CPF's third HLO – Jobs created through private sector-led growth – aims at helping Côte d'Ivoire promote private investment for economic transformation and job creation.** With a weak manufacturing base and lagging human development indicators, the country can do more to foster an inclusive, private sector-driven growth model. Private investment will increase productivity in the agricultural sector and economic transformation towards manufacturing and formal services. Objectives supporting the HLO will then focus on improving secure access to land, developing sustainable and competitive value chains, removing barriers to private sector investment, and skills development. Interventions in the land sector are key, as they will contribute to social cohesion and business development and clearly demarcate forest boundaries to support forest cover monitoring and facilitate traceability in cocoa and other key agricultural value chains.

52. The WBG has also launched the preparation of the Côte d'Ivoire Country Climate Diagnostic Report (CCDR), which will deepen the analysis of the interplay between the country's development goals and climate change, in the context of the Paris Agreement. The CCDR will

further strengthen the alignment of the WBG's engagement to its objectives, including through Development Policy Financing (DPF) operations.

Objective 7: Improve access to secured land for private sector development and social cohesion

53. **Among key reforms, those related to land are some of the most intractable.** The SCD highlighted the fundamental nature of this constraint, and the previous CPF took up the challenge. It was recognized that farmers needed security of tenure if they were to invest in the improvement of their land. Similarly, the complexities around urban land ownership were impeding new investors; indeed, local, and foreign investors need similar security of land tenure for investments and to secure financing. Importantly, the land policy project (approved in 2018) has already supported the government to substantially achieve the key infrastructure, institutions, and capacity reforms needed to scale up rural land registration nationwide and to more than double the number of land certificates delivered in the first twenty years of land reform. This objective continues the work initiated under objective 4 of the previous CPF and aims to support pending legal and procedural reforms to further simplify land registration procedures and substantially scale up rural land registration. The program will support improvements to the land administration system through a land reform implementation project focusing on the sustainability of agricultural value chains in rural areas and the completion of rural land policy reform and land rights registration, as well as cross-cutting engagement in other operations. Key results will be measured by the number of women and men with registered land use or ownership rights, the average reduction in time for an investor to be assigned industrial land, and average time to get land title.

Objective 8: Support development of sustainable and competitive agricultural and manufacturing value chains

54. **Côte d'Ivoire has promoted a variety of agricultural value chains since independence, often with considerable success.** While it is best known for cocoa, the range of export crops is much wider, and includes cotton, palm oil, rubber, coffee, cashew, pineapple, bananas, and other horticulture. For the domestic market, roots, and tuber such as cassava and yams, rice, and livestock, including aquaculture, have figured prominently. All these products face stiff competition internationally, for exports, or domestically, from imports. As is the nature of such commodities, it is necessary to continually invest in quality and productivity to remain competitive. Where economically viable, processing or consumer-ready packaging of fresh produce can add value. The diversification of the economy also calls for the development of manufacturing value chains beyond agri-business, such as textiles and apparel, recyclable plastics, and pharmaceuticals. This objective is a direct follow-up to the first objective of the previous CPF, expanded to include manufacturing, and complements objective 5 as successful agricultural value chains cannot happen in the absence of depleted natural capital. Hence, the program will support agriculture and agri-business competitiveness in selected value chains, through accelerating processing (cottage as well as agro-industrial processing), facilitating investments in access to markets, provision of technology and training of smallholders, and governance reforms. Promoting agricultural value chains will help shift labor to off-farm economic opportunities, enable new firms to enter the sector, create jobs and spur economic transformation. Key results will be measured by installed raw cashew nut (RCN) processing capacity in dedicated industrial zones, increase in the real value of products marketed in food crops value chains and increase in average real value of gross sales (domestic and foreign) by farmers and firms in value chains supported by the program.

Objective 9: Improve business environment and access to finance

55. **If the private sector is to lead economic growth, continued improvement in the investment climate and access to finance will be required.** Progress has been made, but Côte d’Ivoire remains a challenging environment – particularly for small and medium-sized enterprises and other underserved segments such as women-led cooperatives. Regulations and tax administration are often cumbersome. Surveys consistently identify access to finance as one of the key binding constraints, notably for small enterprise. Capital markets need development, especially in the area of digital financial services. This objective is basically the same as objective 3 of the previous CPF. Access to finance will contribute to firms’ growth, ventures into new markets and creation of more productive jobs. Key results will be assessed by the amount of private investments leveraged into the seed, early stage and venture capital facility, the number of loans introduced in the partial portfolio credit guarantee by participating financial institutions, the number/volume of MSME outstanding loans, private investment catalyzed in industrial and special economic zones, private investment generated in cashew-dedicated agro-industrial zones and private investment generated in targeted food crops value chains production, agro-processing and related activities.

Objective 10: Develop skills for a competitive private sector

56. Addressing the jobs agenda requires providing youth with the skills needed in the private sector, however the ability of the private sector to drive economic growth will depend partly on the availability of skilled labor. Employers in the country (established and new firms alike) report that lack of skilled workers is an impediment for sustaining and growing business. Lack of work experience, business and behavioral skills and lack of skills transferability are some of the constraints among workers in the private sector firms. This objective builds on the previous CPF objective 5. Building on the successful Youth Employment Project, the program will address more systemic issues such as the mismatch between the training provided by the education system and the country’s needs. It will also support improvement in the relevance, quality and performance of the education and vocational training systems to ensure better insertion and integration of youth into the labor market. Promotion of productive employment and increased earnings capabilities will focus on increasing productivity in self-employment and micro-enterprises where most of the poor work. Key results will be measured by the increase in profits for women receiving personal initiative training, the number of students graduated from TVET centers and the percentage of existing programs in public universities with at least an increase of 10 percentage points in graduates’ employment rates.

8. Cross-cutting themes

Climate change

57. **There is an urgency to promote healthy coastal and terrestrial ecosystems, such as forests.** Côte d’Ivoire remains vulnerable with impacts at various levels regarding the environment and climate change. Even though the rate of deforestation has recently reduced thanks to government reforms, the country is still suffering from hazards associated with increasing exploitation of its natural resources, loss of biodiversity, as well as air, water, and soil pollution

by domestic, industrial, agricultural, mining, and maritime activities. To remedy the situation, the Government needs to foster measures to promote better environmental protection and promotion of sustainable development, as well as to better promote renewable energy. Consequently, Government will maintain and increase its focus on terrestrial and aquatic biodiversity conservation services. These provide ecosystem services critical for resilience, such as watershed protection, and for sufficient water supply for climate change adaptation in the agriculture sector, which will need to be transformed from mostly rainfed to irrigated. But forests are also important for mitigation, being the most efficient system for removing CO₂ from the atmosphere. Côte d'Ivoire is also to benefit from mitigation finance through a forestry conservation program.

58. Côte d'Ivoire's development path is intrinsically linked to climate change, with significant vulnerabilities in agriculture, forests, water, infrastructure, and health systems, that increase the need for focusing on adaptation and resilience. Its geographic, climatic, and socioeconomic conditions make it highly vulnerable to the impacts of climate change and other environmental hazards, making adaptation and resilience high priorities. More specifically, the country is both experiencing and prone to higher temperatures, droughts, floods, sea level rise, and coastal erosion, with major impacts on economic activities, food security, natural landscapes, and public health. It ranks 142 among 181 countries in most extreme climate vulnerability (181 being the most vulnerable), amplified by its weaknesses in adapting to the negative impact of climate change, and its limited ability to attract investments in climate adaptation. The SCD update (2022) highlighted that climate change has become a more important development constraint for Côte d'Ivoire in the last 5 years, given the country's dependence on agricultural commodities, coastal exposure, and large share of vulnerable populations. Rising temperatures are expected to render certain agricultural areas less suitable or even completely unsuitable for their current crops. Production patterns will have to shift, and alternative crops will need to be identified. Droughts are expected to become more frequent and severe and increase the risk of food insecurity. Flooding because of sea level rise is threatening coastal communities and their agricultural production. These risks cannot easily be managed through infrastructure, with some notable exceptions such as dams. The SCD update also noted that the country's public health situation is likely to be affected by climate change because the population is exposed to many diseases that are influenced by climate parameters. This includes malaria, which is the leading cause of morbidity and mortality.

59. Under HLO 1 (Improved human capital), the WBG program would increase community resilience through focus on adaptive safety nets as the way to alleviate the impacts of climate change, strengthening government's national safety nets system to be able to provide quick and relevant support to shock-affected population. Upstream technical assistance will be provided to Government for better consideration of climate change in the government development strategies, key programs, including in planning and budgeting through the CCDR and follow up actions, as well as better understanding and mobilization of carbon finance.

60. Under HLO 2 (Reduced spatial disparities and strengthened resilience), which is climate-centered, the WBG program will support the development of resilience of infrastructure projects, focusing on their adequate design, funding, and implementation to factor in the impacts of adverse weather. It will also work with Government and other stakeholders to tackle land use change (extensive agricultural practices, deforestation and ill-planned expansion of cities) which is the greater source of emissions for Côte d'Ivoire, through support to conservation of remaining

natural forest, adoption at scale of climate smart agricultural (CSA) practices and technologies (including agroforestry), and acceleration of the government program for formal land use rights as incentive to preserve soil health and improve productivity.

61. **Under HLO 3 (Jobs created through private sector-led growth)**, the WBG will support the resilience of food systems through adoption of climate smart technologies along the targeted value chains. This HLO will also support skills development and training provision for selected agricultural and industrial value chains to meet the growing needs of the private sector investment for skilled workers/entrepreneurs.

Digital Development and ICT

62. **The telecom sector in Côte d'Ivoire has expanded steadily in the last few years, contributing around 3 percent of GDP, 3,000 direct jobs and 100,000 indirect jobs.** However, there are major rural-urban and gender gaps in usage. On the fixed broadband market, penetration is around 5 percent of households (similar to the Sub-Saharan African average) and mainly for the most affluent urban population. An improving enabling environment has enhanced coverage and quality of services, but digital connectivity remains expensive and download speeds are slow. There is a strong potential for digitalization to enhance the efficiency of public services in Cote d'Ivoire. The first National Digital Development Strategy, adopted in December 2021, will help accelerate the country's digital transformation and establish it as a regional hub for digital transformation by 2025.

63. **The PND 2021-2025 (Pillars 3 & 4) will support structural digital infrastructure investment and digital inclusion programs.** A largely paper-based and highly bureaucratic public sector has affected Côte d'Ivoire's competitiveness¹⁶. The relationship between competitiveness and the implementation of ICTs in government has been well-established. Digital technologies are essential to reduce costs, facilitate government transactions, and generate benefits in terms of inclusion, efficiency, and innovation. Red tape is a cost for businesses and citizens. Inadequate procedures in the public sector add extra costs to operating a business and may become a deterrent for entrepreneurs. Such time-consuming procedures are even more onerous for the vulnerable populations and low-income families who lose income due to the time and money spent in transportation and waiting to access public services. The government has made the development of digital Government a priority; a transformation which will be supported by the "e-Gouv" project aiming to improve the efficiency of the public administration and enhance digital services for citizens and businesses.

64. **Despite advances in the legislative framework for digital development, further strengthening and enforcement is necessary to promote the usage of digital data.** A robust legislative framework is essential to create a trust ecosystem for digital transactions and the use of digital data. This is the case of cybersecurity and data privacy legislation, which are not sufficiently

¹⁶ Although the country moved in the E-Government Development Index (EGDI), from 172nd in 2018 to the 139th in 2020, Cote d'Ivoire still scores below the world average and other Western African countries like Ghana and Cabo Verde on the digitalization of its public services.

enforced or implemented yet. Through the development of an open data initiative and by joining the Open Data Partnership, the country has shown its intention to enhance transparency and promote the availability and usage of public data as a channel to inform public policies and incentivize innovation. Nevertheless, the country will need to solidify its data governance framework and ensure the coordination of all the initiatives and actors across the government.

65. **Under HLO 1 (Improved human capital)**, the WBG program will provide investments in digital services to enhance government effectiveness to provide public services, enhancing the quality and availability of open data to enhance transparency, strengthen the delivery of basic and higher education services as well as social services, and support the implementation of a foundational ID to the population.

66. **Under HLO 2 (Reduced spatial disparities and strengthened resilience)**, the WBG program will focus on supporting the extension of digital connectivity in underserved and lagging regions, as well as for targeted beneficiaries (mobile coverage, connectivity of public administrations, installation of Wi-Fi hotspots on university campuses, etc.), enhancing government efficiency through the digitalization of public services for citizens and businesses reaching more effectively urban and rural population, and enhance the digital skills of beneficiaries (population, public sector workers, etc.). Digital Financial Services (DFS) are vital for enabling e-commerce and government-to-person (G2P) payments and will continue to be an essential enabler for the digital economy – by facilitating increased numbers of financial transactions in digital platforms, access to finance for new businesses and business models, and the adoption of digital technologies.

67. **Under HLO 3 (Jobs created through private sector-led growth), digitalization has the potential to boost firm productivity and job creation.** Digital platforms, in particular, leverage powerful network externalities, data, and disruptive technologies to enable market efficiencies, increase welfare for consumers, and boost productivity for businesses. However, their growth in Côte d'Ivoire remains constrained by several barriers, including the availability of affordable quality digital connectivity, concerns with privacy and cybersecurity, and the need to strengthen local venture capital and financial technologies. Key areas of intervention will include regulations that facilitate the sharing and reuse of data through interoperability standards for data platforms and open-access rules – for example, enabling the public use of government data subject to the necessary safeguards. WB intervention will also promote digital literacy and advanced digital skills to leverage new job opportunities and help mitigate potential negative impacts on labor markets created by digital technologies.

Gender: Empowering women and girls for social cohesion and shared prosperity.

68. **Gaps around gender equality and female empowerment are identified as cross-cutting constraints and will be integrated throughout the CPF, including with specific indicators and targets in the results framework.** The contribution of individual gender gaps as constraints to poverty reduction and shared prosperity are set out in the previous section (Main Development Challenges). The CPF's understanding of these constraints and the integration of gender into the portfolio is informed by the gender analysis presented in the 2022 Poverty Assessment as well as in the SCD Update. The rationale for having gender as a cross-cutting issue is clear: to achieve the ambition of the Government of Cote d'Ivoire to take the country to upper middle-income status by

the year 2030, economic growth will need to be even higher than its impressive level of recent years and such an achievement is much less likely if the country fails to invest in and leverage the productive potential of women and girls who represent around half its population. Indeed, using an overlapped generation model, the recent Poverty Assessment for Cote d'Ivoire finds that a pro-growth government program focused on increasing gender equality in the marketplace, education, and bargaining power would increase the economic growth rate by 2.4 percentage points annually and reduce poverty by 2.7 percentage points¹⁷.

69. **The specific activities addressing gender gaps will support progress under all four of the thematic priorities of the new AFW Regional Gender Action Plan (F723-27)**¹⁸. There is a particularly strong focus on the RGAP themes of closing gender gaps in earnings and supporting reproductive choice. And within these focuses there is particular attention to women and girls in lagging and rural areas, where gender gaps tend to be widest, and on supporting women's earnings in agriculture and agribusiness value chains. The CPF will also address the 'frontier issues' of gender norms and gender gaps in digital tools and skills that the RGAP covers.

70. **Under HLO 1 (Improved human capital)**, the WBG program will combine the investments in infrastructure, such as school construction, that have supported gains in girls' access to schooling and women's access to health care in recent years, with an increasing focus on demand side issues, especially those related to social norms and those that impact adolescent girls in the poorest households. This includes social and behavioral change activities around issues such as girls' schooling, violence in schools, early marriage/childbearing, family planning, and the respective childcare roles of mothers and fathers (e.g., SWEDD; Human Capital project; Multisectoral Nutrition and Child Development Project; Education Service Delivery Enhancement Project; SPARK-Health; Productive Social Safety Net). To complement this bottom-up focus on influencing behaviors via norms, there is also support for more of a top-down approach via support to legal frameworks and their implementation (e.g., SWEDD). Significantly, given their particularly high levels of vulnerability, much of the support to gender equality in human capital is going beyond targeting girls who are in school to targeting girls who have already dropped out, including with literacy, numeracy, life skills, and reproductive health related trainings delivered via safe spaces. The portfolio also addresses demand for girls' education by addressing household financial constraints that evidence shows have a disproportionate impact on parents' investments in girls' schooling, such as through the provision of free school supplies to girls which will substantially lower the cost of schooling for girls from poor families (Education Service Delivery Enhancement Project). In the area of social protection, the CPF will continue to target women with productive cash transfers given the promise this has already shown under the previous CPF for

¹⁷ This model assumes the following pro-gender and pro-development policies: a) 1 percentage point increase in spending on education as a share of GDP, financed by a cut in unproductive spending; b) 1 percentage point increase in investment in infrastructure as a share of GDP, financed by a cut in unproductive spending; c) across-the-board increase in the degree of efficiency of public spending on infrastructure and education, from 0.47 to 0.6; d) reduction of gender bias in the marketplace, which translates into an increase from 0.5 to 0.8; e) autonomous increase in women's bargaining power, by 10 percent; f) autonomous reduction in family bias against girls' education, by 10 percent.

¹⁸ The FY23-27 AFW RGAP includes four thematic priorities: (1) close earnings gaps; (2) support reproductive choice; (3) increase gender parity in education; (4) reduce levels of gender-based violence. The RGAP also lists 3 frontier issues, where the evidence base on how to address the gaps is at an earlier stage of development: social norms; policy reforms; and gender gaps in digital tools and skills.

increasing investments in household human capital and increasing women's agency through their participation in household budgeting, while increasing the focus on ensuring men's support and reducing the chance of a backlash against empowering women with communication strategies and sensitization and awareness-raising campaigns that purposefully include husbands and other men (Social Safety Nets System Strengthening). Finally, support to improved water, sanitation and hygiene will be designed to reach female beneficiaries and is expected to have positive impacts on women's domestic work burden; health outcomes, particularly maternal and menstrual health; and school enrolment and attendance for female students.

71. Under HLO 2 (Reduced spatial disparities and strengthened resilience), the overall focus on reducing spatial disparities is highly relevant to gender equality and women's empowerment, given that some of the most critical gender gaps in Cote d'Ivoire, such as rates of adolescent fertility and early childbearing, are considerably wider in lagging regions. Given that these wider gender gaps in lagging regions are partly driven by higher poverty and inferior infrastructure, efforts under this HLO to address these issues should also contribute to reducing gender gaps in the longer term. For example, gender-informed investments in key infrastructure (should alleviate some of the disproportionate time burden women face due to their unequal domestic roles (e.g., under Electricity Transmission and Access Project; Northern Electricity and Digital Access (NEDA) project; Northern Cote d'Ivoire Inclusive Connectivity and Rural Infrastructure Project; Cote d'Ivoire Urban Water Supply and Sanitation Project). There will also be a more direct focus on gender equality and women's empowerment under this HLO, including through support to women's skills, assets, and information around sustainable agricultural practices, thus addressing the high vulnerability of rural women in the face of weather shocks and climate change, given the gender gap in agricultural productivity that persists among the least productive food crop farmers. This will include support to ensure that climate-smart agricultural practices are designed with women's needs in mind and do not inadvertently disadvantage women, for example by disproportionately increasing their workload, as has been found in countries across the region. For example, mechanized equipment can be adapted to women's needs.

72. Under HLO 3 (Jobs created through private sector-led growth) the CPF recognizes that the impact of the portfolio can be maximized by addressing the constraints women face in earning incomes and contributing to job creation. The gender-specific efforts under this HLO include those that address women's constraints related to ownership and control over assets and productive inputs, skills, access to digital tools, and unequal domestic work burden. Given the legacy activities in the ongoing portfolio, there is a particularly strong focus on these constraints for women in agricultural value chains but there may be opportunities during the implementation of the new CPF to increase the focus on women in urban areas, especially the many urban women who manage low productivity household-based microenterprises and could benefit from support to either scale up and boost the productivity of those businesses (e.g. through larger volumes of financing) or support to enter the wage sector.

73. In terms of support to women's ownership and control over assets, the CPF will address women's land rights under the Land Policy Improvement and Implementation Project, which is supporting women's property rights through a national rural land tenure security program and registration of customary land rights in rural areas. As part of this, the Africa Gender Innovation Lab is testing two interventions to strengthen women's property rights:

(i) a land reallocation intervention, whereby husbands are shown an informative video to encourage them to certify one plot of their land in their wife's name, and (ii) a marriage upgrading intervention, whereby customarily married couples are shown a similar video and assisted in entering into civil marriage under a community of property regime. The CPF will also support women-owned businesses' access to finance and formalization (e.g., Infrastructure for Urban Development and Competitiveness of Second Cities).

74. **Across the portfolio the focus on women's skills includes both financial literacy skills and training in non-cognitive skills:** (e.g., Infrastructure for Urban Development and Competitiveness of Second Cities; E-Agriculture Project for the former and Agri-Food Sector Development Project; and CVJET for the latter). There will also be a focus on giving women access to digital skills and tools, such as increasing informal sector women's use of digital financial accounts (Enhancing Government Effectiveness for Improved Public Services AF) and supporting women farmers through e-extension videos that allow them easier access to extension services and through ICT-based applications to provide women with market information or to connect women farmers to farm labor or to owners of labor-saving equipment (E-Agriculture Project). There is also a focus on giving women the skills and experience they need to succeed in traditionally male-dominated sectors, such as the transport (e.g., Abidjan Urban Mobility Project), energy, and digital sectors (e.g., NEDA) through sensitization programs as well as internships and scholarships in relevant higher education and professional qualifications. Finally, through SWEDD there is a specific focus on the economic empowerment of out-of-school adolescent girls via support to training. Reaching girls at this age and key life stage is expected to be particularly impactful in term of empowering young women to take control of decisions around the timing of marriage and childbearing and setting them on a more productive path in life.

75. **Finally, the portfolio will have a strong focus on supporting access to childcare which is well-established as a constraint to women's participation at the extensive and intensive margins.** This will include support to proven community-based childcare models (e.g., CVJET) and provision of grants/stipends for childcare services (Youth Employment and Skills Development Project). These investments are complemented by gender-informed investments (under HLO 2) in key infrastructure that should alleviate women's domestic work burden.

76. **Across the CPF's focus on gender there will also be a strong emphasis on learning and evidence generation.** Project teams are collaborating with the Africa Gender Innovation Lab on active impact evaluations (e.g., SWEDD, Land Policy and Improvement Project) with further potential impact evaluations identified (e.g., PEJEDEC). These efforts will contribute to a greater understanding of what works to close specific gender gaps in the context of Cote d'Ivoire.

9. Implementing the CPF

77. **Cote d'Ivoire would receive from the World Bank an indicative envelope of IDA Performance-Based Allocation (PBA) and Scale Up Window with Shorter-Maturity Loans**

of SDR1.35 billion ^[2] or US\$1.73 billion equivalent (October 31, 2022 spot exchange rate) on IBRD terms over the CPF period. Under IDA 20 (FY23, FY24 and FY25), CIV's indicative PBA envelope amounts to SDR809.6 million (US\$1.04 billion). CIV is currently eligible to access additional resources from the [Regional Window](#), [Crisis Response Window](#), and [Private Sector Window](#)^[3]. In FY23, SDR1.1 billion (US\$1.6 billion equivalent) of operations are in preparation including both PBA and SUW funding. Future lending volumes for FY24-FY27 will depend on the country's performance, reform implementation, IBRD's lending capacity and global economic developments. IFC and MIGA financial commitments are not predetermined given the market-driven nature of their investments.

78. **Subject to a satisfactory creditworthiness assessment, CIV could be expected to shift to a “blend country” status.** The creditworthiness assessment would be conducted once an official request is received from the Government and is expected to last from 6 to 9 months thereafter.

79. **The new CPF program builds largely on the existing lending program** and carries over many activities in the areas of human capital development, territorial resilience and development and private sector job creation. The active portfolio represents a total commitment of nearly US\$3.67 billion with 20 operations. The new program (FY23-FY27) will consolidate key achievements in previous years and will support the Government's digital, youth, climate change agenda and governance reforms to strengthen social cohesion and sustain CIV's strong economic path. (Annex 3: Detailed portfolio). New lending and the investment portfolio will be complemented by a strong analytics package comprising “core” World Bank ASAs, as well as targeted sectoral analyses aiming to guide public policy and reforms, as well as to underpin new engagements.

^[2] References to future IDA volumes are indicative. Actual country allocations (PBA) are determined annually at the beginning of each fiscal year, based on: (i) the total amount of IDA resources available for the FY; (ii) the number of IDA-eligible countries; (iii) the respective country's performance rating, GNI per capita, and population; and (iv) the performance and other allocation parameters of other IDA borrowers.

^[3] Subject to meeting the criteria for each window.

Table 2: WBG selected Advisory and Analytics (FY2021-FY2026)

| HLO | FY23-FY27 |
|---|---|
| HLO1: IMPROVED HUMAN CAPITAL | Improving Resource Mobilization and Effectiveness for Health Quality (2024) |
| | Public Expenditure Review (2023) |
| | Poverty, Equity and Gender Programmatic Approach (2023) |
| | Local Governance (2023) |
| HLO2: REDUCED SPATIAL DISPARITIES AND STRENGTHENED RESILIENCE | Towards a more productive and resilient urban informal sector (2024) |
| | Country Climate and Development Report (2023) |
| | Local Governance (2023) |
| | The future of urbanization (2025) |
| HLO3: JOBS CREATED THROUGH PRIVATE SECTOR-LED GROWTH | Youth Employment and Adolescent Girls and Women Empowerment (2025) |
| | Economic Updates (annual) |

80. **The existing arrangement combining World Bank procedures and country systems will continue.** Internal and external control rules and guidelines are functional but must be strengthened. The national and external audit function is developing but continues to face challenges, including insufficient resources and capacity, limited application of international standards, and limited coordination of several control entities. The GoCI has taken significant steps to address weaknesses in public procurement, but some priorities still need to be addressed. While some progress has been made, there is a need to strengthen and modernize the public procurement system. The World Bank will continue to support the GoCI to improve the fiduciary framework through governance projects. In addition, the use of country systems will continue when the national arrangements are acceptable (FM and Procurement procedures). Lastly, the increase in the number of projects under PforR is an opportunity to further promote the use of country systems.

81. **Strong implementation arrangements and effective citizen engagement will lead to sustainable results on the ground, namely in more fragile regions.** Overall, projects will be overseen by a strategic steering committee composed of representatives of sectoral ministries. They will be responsible for providing strategic guidance, validating projects' annual objectives, and approving annual work plan and budget. At the technical and operational level, project implementing units will be maintained and be responsible for project execution in close collaboration with technical departments of sectoral ministries. The program will ensure effective capacity building and institutional strengthening, which are critical elements and determining factors in the success of the program. Particularly in fragile regions, strengthening institutions and their management of public resources will be critical to restore the social contract and build resilience. Interventions will be done through training and dialogues to/with institutions at the local, regional, and national levels, not only to enhance their participative local development planning and implementing capacities, but also conflict resolution skills for sustaining peace. These will help foster a more visible and positive state presence—which is key to building sustainable resilience in communities. Besides, the availability of improved delivery system tools,

operational manuals, strong M&E tools are also important and innovative approaches will also be explored.

82. **Citizen engagement will be key in implementing the program.** It will support outreach and communication activities to inform citizens and raise awareness. This will be instrumental in strengthening ownership of interventions and social capital building. Assessments will be carried out regularly to measure beneficiaries' satisfaction or concerns, which will be addressed under a proactive and strengthened Grievance Redress Mechanism (GRM). GBV complaints will also be secured, recorded, and addressed in a timely manner.

83. **Partnerships and donor coordination will continue to be strengthened.** In support of the Government's PND, the WBG will continue to collaborate with multilateral and bilateral development organizations, the private sector and other key development stakeholders in the strategic areas of reforms and program financing. Close coordination has been especially relevant for DPFs and programs-for-results. While very few lending operations in Cote d'Ivoire use co-financing, parallel financing and close coordination among donors will continue. The World Bank, the French Development Agency and the UN coordination office have taken the lead in reviving formal donor coordination mechanisms and have convened regular meetings with the heads of all main bilateral and multilateral agencies working in the country. Technical sectoral groups meet also on a regular basis to exchange, discuss pressing sectoral issues and propose corrective measures.

84. **The WBG itself will draw more effectively on synergies among IDA, IFC and MIGA to maximize financing for development to solve key country problems.** Building on the reforms supported by the CPF, IFC and MIGA will leverage private sector financing for key sectors of strategic importance for job creation and growth. As part of its new corporate strategy (IFC 3.0) and strategic engagement in Côte d'Ivoire, IFC will continue to focus on creating markets and mobilizing the private sector to address remaining development gaps. This includes (i) catalysing private investment, foreign and domestic, in agribusiness and agro-industrial value chains, (ii) accelerating financial inclusion (particularly for MSMEs) and capital markets development, and (iii) strengthening sustainable infrastructure such as transport and logistics, energy (including renewable energies), and ICT. Other areas where IFC can complement WB engagement and mobilize private capital exist in affordable housing, healthcare, and education / vocational training. IFC will further scale up its engagement in closing gender, spatial and digital gaps in its operations – for instance by providing tailored skills-enhancing programs for women entrepreneurs and promoting gender inclusion in infrastructure. MIGA will engage closely with the IFC downstream to identify eligible cross-border opportunities to support investments in projects that promote green and inclusive development. MIGA sees opportunities to mobilize foreign investments particularly in finance, digital and physical infrastructure, agribusiness, manufacturing, and services (including health and tourism). MIGA's support to promote FDI in these high development impact projects is in line with its Business and Strategy Outlook (FY21-FY23), which aims to scale up green and inclusive development.

85. **Flexibility, adaptability, and scope for adjustments.** In recognition of Cote d'Ivoire's fluid political and social environment, namely towards the second half of the CPF implementation, the CPF will be a living strategy that incorporates learning by doing and constantly adapts to

unforeseen or changing country circumstances and emerging Government priorities. This will also help adjust to potential conflict and violence spillovers from the Sahel region.

86. **Identified performance issues will be addressed with sustainable corrective measures to achieve a greater impact on the ground.** The Côte d'Ivoire portfolio performance has been affected by lower disbursement ratios in past years due to cumbersome administrative public procedures, limited institutional capacities, the difficulty for the Government to sustainably ensure social compensation for displaced populations affected by investment projects and political economy issues. With an expected growing portfolio under this new CPF, the WBG will work more effectively with the Government to establish coordinated policies and build linkages and synergies across government entities; the use of P4R will increase over time to target and maximize results on the ground facilitated by simplicity and clarity of project design, which should adequately reflect political economy factors and reality on the ground; the issue on compensation will require strategic dialogue with the authorities with a view to systematically integrating it into their budget lines.

III. MANAGING RISKS TO THE CPF PROGRAM

87. **The overall risk rating for implementing the CPF is moderate (Table 3).** The four categories of risks that are rated substantial are: (i) Political and Governance; (ii) Institutional capacity for implementation and sustainability; (iii) Environmental and Social and (iv) Other related to security.

88. **Political and Governance risks.** Côte d'Ivoire's recent history has been marked by the dynamics and relationships between three main political leaders. The first years of the CPF implementation will likely benefit from the peaceful political dialogue between those three leaders, which started in mid-July 2022 to establish reconciliation and a steady political climate. Risks of tensions could, however, increase closer to the presidential elections in 2025. Historically, the political cycle has had an impact on the effective implementation of the CPF. Mitigation measures call for very close monitoring of the country situation and proactive actions and high-level dialogue with key stakeholders to not jeopardize the implementation of the PND and CPF.

89. **Institutional capacity for implementation and sustainability risks.** Given the increasing use of innovative financial instruments, such as the PforR and the gradual integration of WB operations into Ministries, implementation and project outcome sustainability will require close monitoring, accompanying measures and institution-building. The increasing number of WB operations supporting the development of the Northern part of CIV, where sources of social tensions and violence could grow, will be designed to address potential risks of implementation failures. Capacity-building programs of local authorities will be developed to strengthen their ownership. Inclusive participation of local populations in designing program interventions will also be key and supported by a strong communication plan.

90. **Environmental and social risks.** Expansion and consolidation of the portfolio would heighten the environmental and social risks. Indeed, the average size of WBG supported investment is consistently increasing notably in the infrastructure (urban, transport, energy/digital) and natural capital related projects (e.g., agriculture, water, land, and forest sectors). In a context

of weak Environmental and Social (E&S) implementation capacity, this will require a systematic approach to dealing with risks in the management and implementation of land acquisition and involuntary resettlement, labor and working conditions - including the use of child labor in informal and agriculture, community health and safety, stakeholder engagement, resource efficiency, and pollution prevention among others. E&S Framework (ESF) requirements will be challenging, in particular in the regions of the country potentially facing insecurity threats. Limited Environmental and Social capacity of some line sector ministries and weaknesses in technical support to beneficiary communities, particularly in remote areas, may make it difficult to monitor implementation performance, and agreed E&S due diligence instruments. The CPF will take a holistic approach to this, drawing on the lessons from the ongoing E&S PASA and other World Bank projects by: (i) Improvement of the regulatory framework for Environment and Social Risk Management (ESRM) in projects; (ii) Cross-institutional coordination and collaboration on Environmental and Social Risk Management; (iii) Capacity strengthening of key institutions and individuals tasked with ESRM relevant mandates; and (iv) portfolio level assessment of projects in high risk sectors. Through the ESF, a portfolio-wide approach will be adopted to ensure persons with disabilities and other disadvantaged groups are included as active participants and beneficiaries of WB-financed projects. With regards to gender and sexual minorities, the WBG will work to mitigate risks through collaboration and dialogue with government, development partners and civil society, on the importance of inclusion in the WBG programs, and the continued application of the ESF.

- *The preparation and implementation of resettlement and compensation instruments* are not always satisfactory due to several difficulties, in particular the mobilization of dedicated funds by the Government, delaying project implementation with significant disbursement lags. Strategic dialogue with the authorities will be enhanced to facilitate the systematic integration of these funds into their budget lines. The Ivorian legislation is generally well developed in terms of environmental and social management, with several texts covering many aspects. It provides an overview of the policy and legal framework and a profile of the various key institutions and their role in managing environmental and social aspects. Provisions for the preservation of the environment and the living conditions of the people affected by projects are made, to preserve the environment against any form of pollution, to keep it healthy and to compensate the people whose property is impacted by works. The most used legislative text is the Law n° 96-766 of October 3, 1996, on the Environment Code which has been revised to include the social dimension of projects. However, difficulties lie in the effective adherence to the measures recommended during project implementation. The National Agency for Environment (*Agence Nationale de l'Environnement-ANDE*) which is mandated by the government to enforce environmental and social compliance in Côte d'Ivoire does not always manage to fulfil its missions. The Agency is being provided with technical assistance under the Second Forest Investment Project (FIP2) to upgrade its capacities and improve its performance.

- The fight against child labor* is a government priority; as such, several operational actions have been carried out in this area under the aegis of the First Lady of the Republic of Côte d'Ivoire. Platforms have been established, such as the National Monitoring Committee for Actions to combat trafficking, exploitation, and labor of children. The Government intends to go beyond its usual efforts to resolutely commit to the total eradication of this phenomenon. Taking lessons from a recent assessment of initiatives to address child labor in various sector across the world (see BOX 1), key actions underway are the facilitation of access for the producers and their families to the social protection system and the strengthening of actions under the national action plan, including support through the ongoing DPO series to implementing a traceability system in the cocoa sector. At project level, specific actions to address child labor are also included in projects' Labor Management Procedures (LMP) prepared when relevant, and which also address other labor-related risks, including community health and safety.

BOX 1- Lessons learnt from assessments of Child labor initiatives relevant to the CPF- The WBG commissioned a review of lessons learned in addressing child labor risks and implementation of mitigation measures in various sectors. The objective was to generate lessons that can be operationalized into the Bank's operations, with specific orientation to investments in value chains preparation in Cote d' Ivoire and Ghana. The review assessed initiatives to address child labor in various sectors in 28 countries across the globe by governments, private sector, and non-government organizations. Identified initiatives focused on the following six areas: (a) educational infrastructure; (a) informal producers, (c) Gender; (d) Livelihoods, (e) Governance and (f) Cash transfer. The review summarized key finding per intervention area, identified implementing challenges and explored opportunities and recommendation for scalable impacts under a framework of 9-points: (i) Cash transfers, (ii) Certifications, (iii) Child Labor Free Zones (CLFZ), (iv) Education Initiatives, (v) Child Labor Monitoring and Remediation Systems (CLMRS), (vi) Technical and Vocational Education Training (TVET); (vii) Livelihood Diversification, (viii) Microfinance, and (ix) Awareness Raising and Trainings.

Sources: ERGON - Addressing child labor in cocoa production in West Africa Building on lessons learned from child labor interventions. April 2020

91. **Other risks – Security threats from the North.** Fragility and insecurity spilling over from the Sahel region, as described earlier, constitute another source of risk, which could affect both implementation and supervision. As part of the mitigation measures, project design in the North will be flexible and adaptable to allow quick results on the ground. However, this needs to be accompanied by regular monitoring of the Northern situation in close coordination with the Government who needs to establish a clear mechanism on the leading institution that would be responsible for the Northern area. Besides, it will be crucial to have access to reliable security information and the implementation of a strong communication strategy to protect the interests of the population and beneficiaries.

Table 3. Systematic Operations Risk-Rating Tool (SORT) including overall and sub-ratings

| Risk category | Rating (L, M, S, H) | If High or Substantial, please explain shortly why and mitigation measures to be implemented |
|---|---------------------------|---|
| 1. Political and Governance | S | <p>There are four sources of political and governance risks:</p> <ul style="list-style-type: none"> • Côte d'Ivoire's recent history has been marked by the dynamics and relationships between three main political leaders who are all present and politically active in the country. • The 2025 presidential elections will occur mid-course during the implementation of the CPF. Historically the political cycle has had an impact on the effective implementation of the CPF • Fragility and security risks in the north of the country could constrain effective supervision. |
| 2. Macroeconomic | M | <ul style="list-style-type: none"> • Government's commitment to macroeconomic stability provides the basis for a continued adequate macroeconomic policy framework. • The economy remains vulnerable in face of uncertainty surrounding COVID-19 and the impact of the war in Ukraine on global food and fuel prices. |
| 3. Sector Strategies and Policies | M | |
| 4. Technical Design of Project or Program | M | |
| 5. Institutional Capacity for Implementation and Sustainability | S | <ul style="list-style-type: none"> • Capacity building of key institutional stakeholders to increase ownership and improve outcomes |
| 6. Fiduciary | M | <ul style="list-style-type: none"> • <u>Procurement</u>: Not enough attention is paid to implementing procurement audit recommendations regularly conducted by the regulatory authority. The implementation of the reform on E-procurement is not taking place at the anticipated pace. An action plan aiming to ensure that audit recommendations are implemented should be put in place. • <u>The GoCI Public Financial Management (PFM)</u> regulations provide a distinct segregation of duties between the public accountant, the financial controller, and the Internal Auditor, and clearly describe the budgeting, accounting, and reporting chain procedures. In line with the Use of Country Systems stipulated in Côte d'Ivoire decree n° 475 governing donor-financed projects, a financial controller (Ministry of budget), and a public |

| | | |
|-----------------------------|----------|--|
| | | accountant (Ministry of Finance) are assigned to projects. In addition, Projects internal audit function is managed by the General Inspectorate of Finance (IGF: Inspection Générale des Finances). |
| 7. Environmental and Social | H | <ul style="list-style-type: none"> Ensuring that Labor Management plans (including Child labor issues) are properly designed and managed in WB supported operations will be key and that ANDE's capacity is built to undertake proper regulatory supervision. |
| 8. Stakeholders | L | |
| 9. Other | S | <ul style="list-style-type: none"> Security: Strengthen social contract and increase investments in lagging regions to help mitigate social discontent and security related risks |
| OVERALL | M | <p>Rationale for the overall rating</p> <p>Only one risk category is rated as High and mitigation measures are being taken in this area.</p> |

Annex 1: Cote d'Ivoire FY23-FY27 Results Matrix

| High Level Outcome 1 (HLO 1) – Improved human capital | | |
|--|--------------------|---|
| <p>This HLO builds on Focus Areas 2 (Building Human Capital) and 3 (Strengthening PFM) of the previous CPF. Strengthening trust between citizens and the state is key to promote inclusive development. Improving quality service delivery, in an inclusive manner, will strengthen the social contract and drive human capital development. While WB interventions may not be able to shape social contracts, by injecting resources, expert advice, and support into contested spaces, they will inevitably have an impact on internal bargaining dynamics and development outcomes.</p> | | |
| High-level Outcome Indicators | Data source | Current value¹⁹ |
| Human Capital Index | World Bank | 0.38 (2020) Disaggregated by gender (Boys: 0.38 – Girls: 0.38) |
| <p>High Level Outcome description</p> <p>Rationale: After a long period of underinvestment in basic social services, Côte d'Ivoire has expanded its public spending over the past decade. The intent of the Government to build human capital through quality basic service delivery is embodied in its series of social programs PSGouv for 2019-2020 and the upcoming PSGouv2 that will cover the 2022-2024 period. Côte d'Ivoire still lags less developed countries in terms of human capital outcomes. This is due in large part to the low efficiency of public spending, which fails to transform additional resources into outcomes. Côte d'Ivoire also needs to spend more on social sectors by strengthening its domestic resource mobilization (DRM) which is low compared to peers and has made little progress in recent years. The failure to improve human capital is a major risk to the country's Vision 2030 ambition to join the club of emerging countries. By improving access to and quality of basic social services, <i>and ensuring inclusive and responsive processes for citizen engagement</i>, the Government will strengthen the social contract it has with its citizens and build the healthy and competitive workforce it needs to power its economy into the digital age. In addition, a specific focus on reducing the gender gap in access to basic services will not only enable the government to make faster improvements in <i>overall</i> human capital but will also empower women to improve their future livelihoods, autonomy, and their control over their own family planning thus supporting a potential demographic dividend. The CPF interventions under this HLO aim to support the Government in that effort. SDGs associated:</p> <ul style="list-style-type: none"> • SDG 1 – End poverty in all its forms everywhere • SDG 3 – Ensure healthy lives and promote well-being for all at all ages • SDG 4 – Ensure inclusive and equitable quality education and promote life-long opportunities for all • SDG 5 – Achieve gender equality and empower all women and girls • SDG 6 – Ensure availability and sustainable management of water and sanitation for all <p>Knowledge gaps: It has been a long time since a public expenditure review has been conducted in Côte d'Ivoire. One is now underway and will focus on human capital.</p> | | |
| CPF Objective 1: Strengthen public financial and debt management and accountability for improved service delivery | | |
| <p>This Objective builds on Focus Area 3 in the previous CPF: “Strengthening Public Financial Management and Accountability”. Public expenditure management,</p> | | |

¹⁹ CPFs track the trajectories of HLO indicators but do not formulate target values.

domestic resource mobilization and debt sustainability were already among the objectives of Focus Area 3, and we now propose to highlight their importance in improving service delivery.

Intervention Logic

Rationale: Tax revenue collection in CIV is among the weakest in the region (12.3% of GDP). Public expenditure remains constrained due to limited resources and efficient public spending remains crucial. Boosting domestic resource mobilization and strengthening public financial management are essential to deliver quality public services while keeping debt sustainable.

Lessons learned and new knowledge: Broadening tax base is key to strengthen revenue collection while promoting tax fairness.

| CPF Objective Indicators | Supplementary Progress Indicators | WBG Program |
|---|--|---|
| <p>Indicator 1.1: tax revenues to GDP ratio (4-year average)</p> <p>Baseline: 12.4% (2018-2021) Target: 13.6% (2022-2025) Source: TOFE https://data.worldbank.org/indicator/GC.TAX.TOTL.GD.ZS?locations=CI</p> <p>Indicator 1.2: debt sustainability as measured by: projected external debt service to revenue ratio (%)</p> <p>Baseline [projected 2022-2025 average based on 2022 DSA]: 17.0% Target [projected 2026-2029 average based on 2026 DSA]: 15.5% Source: DSA</p> <p>Indicator 1.3: Production of annual performance reports for all ministries, publicly accessible within 6 months after approval by the Parliament (Number of Ministries).</p> <p>Baseline (2020): 0 Target (2025): 40 Source: PAGDS P4R</p> | <p>SPI 1.1: Number of taxpayers Baseline 2021: 130,000 Target 2025: 170,000 Source: PAGDS/DGI</p> <p>SPI 1.2: Domestic capacity to generate and collect tax revenue as measured by: direct and indirect tax revenue/total revenue (%) Baseline [2020]: 57% Target [2025]: 64% Source: TOFE</p> <p>SPI 1.3: Complete quarterly debt bulletin publications on designated website (4 per year and measured at end-year) Baseline [2021]: 1 Target [2025]: 4 Source: new website being created as part of SDFP PPA currently: https://www.tresor.gouv.ci/tres/wp-content/uploads/2021/05/Bulletin-Statistique-de-la-Dette-Publique-T1-2021-vf.pdf</p> | <p>Ongoing Financing World Bank P169265, Harmonizing and Improving Statistics in West Africa P164302, Enhancing Government Effectiveness for Improved Public Services</p> <p>Financing Pipeline: P176882, Enhancing Government Effectiveness for Improved Public Services - AF, P78064, DPO1 FY23, 2 DPFs</p> <p>Ongoing ASA: P177976, CI - Local Governance P177350, Cote d'Ivoire Public Expenditure Review, P177422, Cote D'Ivoire Economic Update FY22, P171609, Cote d'Ivoire Poverty Assessment and West Africa Poverty Monitoring, P177988, Poverty, Equity and Gender Programmatic Approach for Cote d'Ivoire, Benin, Togo, and Guinea</p> <p>ASA Pipeline:</p> |

| | | |
|---|--|--|
| | | DeMPA Country Economic Memorandum Decentralization ASA |
| CPF Objective 2: Expand equity of, and access to, improved quality basic services, particularly for youth and women | | |
| <p>This Objective builds on Focus Area 2 in the previous CPF: “Building human capital for economic development and social cohesion” and merges Objectives 5 and 7 of the previous CPF into one objective for increased synergy across sectors. Access to high quality education (from early childhood to university), health, and water services are combined into this objective as they are highly complementary in the production process of human capital. There is a specific focus on closing gender gaps in the support to these services, including via interventions that specifically target women and girls (especially those in underserved areas where gender gaps tend to be wider) and the supply and demand-side constraints they face. In promoting equity for a stronger social contract (especially in lagging northern areas in), the objective also entails building local capacities and inclusive processes to promote the active engagement of women and youth for more effective identification, prioritization, and delivery of basic services.</p> | | |
| <p>Intervention Logic</p> <p>Rationale for the CPF objective and WBG engagement: Côte d’Ivoire has one of the lowest HCIs in the world mainly because of systemic issues in basic service delivery which lead to high stunting, low under-five survival, low learning outcomes, and a high mortality rate especially for women and adults. The COVID-19 pandemic has also eroded some of the gains made over the previous decade. Education is critical for the economic transformation sought by the Government, and for ensuring that benefits from growth are equitably shared and reach the poorest. As pointed out in the SCD, Côte d’Ivoire’s education system suffers from weak governance, lack of a clearly defined mission, and poor linkages with private sector stakeholders and labor market needs. Given its income level, health indicators in Côte d’Ivoire are among the weakest in the region. The key binding constraints to health service utilization are access, affordability, and availability. The COVID-19 pandemic has also exposed severe gaps in the health system preparedness to confront systemic shocks. The WBG program proposes to support Government’s implementation of its health policy, which aims to improve the quality of health services, improve maternal and child health services; and strengthen the system. Other objectives are to increase access to health services by generalizing <i>Couverture Maladie Universelle</i>, the universal health insurance scheme, and strengthen nutrition programs. To complement the efforts on health services, WBG’s interventions to expand water supply and sanitation services will improve living conditions, reduce public expenses for water-borne diseases and increase income-generation activities, particularly for women. The previous CPF was successful in the water sector and this CPF aims to consolidate and reinforce that performance and sharply expand access to water and sanitation. The SCD pointed out that access to and quality of health care will require considerable changes in resource allocation in the sector, as well as institutional reforms and strengthening governance and accountability, and that better access to drinking water is of particular importance in improving health outcomes. Coordination with the number of donors active in the health, nutrition and population sector in Côte d’Ivoire will be essential, including AFD, EU; UNFPA; Global Fund for malaria; USAID; and UNICEF.</p> <p>To address the lack of voice and representation as highlighted in the SCD, the CPF proposes to enhance the voices of youth and women for more equitable service outcomes. The World Bank will strengthen local stakeholder capacities (e.g., local authorities) to promote the inclusion and representation of youth and women in local development processes, as well as empower them as active agents to promote social cohesion, particularly in the northern lagging regions. This will also help address grievances, build social resilience; as well as prevent the spillover of conflict (particularly from the Sahel) and infiltration of violent extremism. This is also aligned to the Côte d’Ivoire 2018 Risk and Resilience Assessment to reinforce social cohesion and rebuild state-citizen trust for a stronger social contract.</p> | | |

In Côte d'Ivoire, analysis suggests that more than 2 million adolescent girls between 10-19 years old (roughly 80 percent of the total population of adolescent girls) are exposed to at least one of three major risks, child marriage; teenage pregnancy and early school dropout. These are life events that significantly curb development and opportunity. Girls and young women living among the rural poor are most likely to face the steepest hurdles for change as poverty and social norms expose girls and young women to ongoing discrimination. Adolescent fertility in some rural areas is almost 3 times higher than in urban areas. The gap between girls of different wealth quintiles who complete secondary school is also huge. Addressing the multiple constraints faced by girls and women underpins the delivery of the Africa Human Capital Plan and the AFW Strategy. The Africa Human Capital Plan aims among other objectives to empower women and support demographic change including by reducing adolescent fertility rates, focusing on 20 high fertility countries including Côte d'Ivoire.

| CPF Objective Indicators | Supplementary Progress Indicators | WBG Program |
|--|--|---|
| <p>Indicator 2.1: Number of deliveries attended by skilled health professional Baseline: 489,149 (2019) Target: 3,182,938 (2025) Source: PDO indicator SPES Program (P177800) - results framework page 41</p> <p>Indicator 2.2: Percentage of Grade 3 children meeting minimum competency threshold for reading Baseline: 18.9% (2020 – EGRA) Target: 43% (2025 - EGRA) Source: PDO indicator SPES Program (P177800) - results framework page 41 - SPES is the new Edu PforR</p> <p>Indicator 2.3: Number of children aged 0 to 5 years benefiting from an integrated package of monthly early years nutrition, stimulation and learning activities Baseline: 269 156 (2020)</p> | <p>SPI 2.1: Number of poor and vulnerable supported by the CMU Baseline: 31,872 (2019) Target: 12,879,217 (2025) Source: CVJET</p> <p>SPI 2.2: Number of villages/neighborhoods providing an integrated package of monthly early years nutrition, stimulation and learning activities for children aged 0 to 5 years. Baseline: 263 (2020) Target: 2 865 (2025)</p> <p>SPI 2.3: Annual increase of citizen satisfaction on service delivery in education and financial inclusion sectors (Percentage) Baseline: TBD²⁰ in 2022 Target: at least 15% by 2025 (Citizen satisfaction, as measured through annual survey has increased</p> | <p>Ongoing Financing World Bank Education Service Delivery Enhancement (P163218) Higher Education Development Support (P160642)</p> <p>Strategic Purchasing and Alignment of Resources & Knowledge in Health (P167959) COVID-19 Strategic Preparedness and Response (SPRP) (P173813) Multisectoral Nutrition and Child Development (P161770) Sahel Women's Empowerment and Demographics (P150080) Urban Water Supply and Sanitation Project (P156739) Gulf of Guinea Northern Regions Social Cohesion Project (P175043)</p> |

²⁰ Four training sessions citizens' satisfaction have been conducted for 40 CSOs in 2022 and the CSOs have conducted a survey to determine citizens' satisfaction on service delivery in education and financial inclusion sectors in 2022.

| | | |
|--|--|---|
| <p>Target: 1 450 000 (2025) Source: Multisectoral Nutrition and Child Development Project (P161770), Secrétariat Exécutif du CONNAPE</p> <p>Indicator 2.4: Number of people provided with improved access to safely managed water services Baseline [2020]: 480,150 Target [2026]: 1,800,000 Source: Urban Water Project and Water Security Project Gender disaggregated Female beneficiaries (Percentage): 48.7 % Source: Beneficiary survey</p> <p>Indicator 2.5: Percentage of adolescent girls and women who benefited from safe spaces and who have adequate knowledge of child marriage, early pregnancy and birth spacing</p> <p>Baseline: 72% (2019) Target: 90% (2024) Source: SWEDD</p> <p>Indicator 2.6: Percentage of retention of adolescent girls in secondary schools in targeted areas, who benefited from schooling interventions</p> <p>Baseline: 96.4% (2019) Target: 98% Source: Ministry of National Education</p> | <p>by +5% vis-à-vis prior year, in 2023, 2024 and 2025, respectively). Source : PPRC (<i>Programme Pays Pour le Renforcement des Capacités</i>)</p> <p>SPI 2.4: Additional hours of work (average weekly) by women receiving childcare services provided through the project (Number) Baseline: 0 Target: 4 Source: CVJET</p> | <p>Financing Pipeline: Human Capital Project (P177800) P172800 Covid-19 Strategic Preparedness and response AF Resilience & Social inclusion Health/SPARK project AF</p> <p>ASA: AFCF2 Africa Human Capital Project (P172250) Improving Resource Mobilization and Effectiveness for Health Quality in Côte d'Ivoire (P172424) Health and Education Service Delivery Indicators (SDI) P177350, Cote d'Ivoire Public Expenditure Review</p> |
| <p>CPF Objective 3: Strengthen productive social protection systems</p> | | |
| <p>This Objective builds on Focus Area 3 in the previous CPF: “Building human capital for economic development and social cohesion”</p> | | |
| <p>Intervention Logic The 2020 response to COVID-19 highlighted some weaknesses of the Ivorian health and social protection system to respond to shocks and to prevent a deterioration in human capital. It is likely that the occurrence and impact of shocks will increase in the short to medium term, making the resilience of households and the adaptability of the system essential. Poor people are almost always more vulnerable to shocks, such as pandemics or climate change. Recurrent shocks weaken households, which increases their probability of falling into chronic poverty and in turn makes new generations more vulnerable. The progress of the government in implementing cash transfer programs is a step in the right direction but is not enough: extension in coverage and improvement in delivery are needed. Key building blocks of an adaptative social protection system need to be set up. The social protection system should rely on tools that</p> | | |

empower the government to deliver benefits quickly and to the right people. The CPF aim is to support the government to (i) operationalize the Social Registry and ensure adequate coverage and regular update; (ii) set up a Foundational ID platform to provide a universal and free unique ID number to facilitate access to services, regardless of legal or migratory status; and (iii) develop standard policies and procedures to manage emergency cash transfers programs that can be easily adapted in case of shocks. ry. Working with UNICEF, WFP and selected NGOs, the World Bank Group will play a key role in addressing the gap in longer-term and institutional systems for social protection and safety nets. There will also be a specific focus on targeting women within households (e.g., with cash transfers and productive inclusion) which can have positive impacts on the intrahousehold agency as well as on investments in children’s human capital.

| CPF Objective Indicators | Supplementary Progress Indicators | WBG Program |
|--|--|---|
| <p>Indicator 3.1: Number of unique PTMP beneficiary households (cumulative) Baseline: 227,000 (2022) Target: 527,000 (2025) Source: P4R safety nets system strengthening program</p> <p>Indicator 3.2: Percentage of recipients of cash transfers who are women within the 6th cohort of the national productive cash transfer program Base: 45% (3rd cohort) Target: 75% (6th cohort) Source: P4R safety nets system strengthening program</p> | <p>SPI 3.1: Share of PTMP beneficiaries who participated in the entrepreneurship training who are women Base: 55% (2022) Target: 85% (2025)</p> <p>SPI 3.2: Shock response institutional arrangements texts, and tools in place and operational Base: None (2022) Target: Texts and tools are operational (2026).</p> <p>SP 3.2: Number of social programs using the Unique Social Registry (RSU) Base: 0 (2022) Target: 5 (2026)</p> | <p>Ongoing Financing Productive Social Safety Net Project; Social Protection and Economic Inclusion (P143332, P167623) P150080, Sahel Women's Empowerment and Demographics Project P161329, Social Safety Nets System Strengthening Program for Results (P175594) P175043, Gulf of Guinea lagging regions social cohesion project P175594, Cote d'Ivoire Productive Social Safety Nets program</p> <p>West AFR. Unique Identification for Reg Integration and Inclusion (WURI) P169265, Harmonizing and Improving Statistics in West Africa</p> <p>ASA Towards a more productive and resilient urban informal sector (P176507)</p> <p>Financing Pipeline: P177800, CIV Human Capital Program</p> |

High Level Outcome 2 (HLO 2) – Reduced spatial disparities and strengthened resilience

This is a new HLO. However, it builds on the previous CPF focus area one “Accelerating sustainable private sector-led growth”, especially its objective 2 “strengthen economic infrastructure”. The new HLO particularly reflects a stronger focus on green, resilient, and inclusive development for infrastructure and natural capital, with targeted interventions aimed at closing spatial imbalances in development, enhancing management of natural capital (specifically forests, water, and land), and contributing to the country goal of reducing GHG emissions under its NDC. It supports the Pillar of the Government ‘National Development

| Plan (PND-2020-2025) - Regional development through competitive economic poles, growth supporting infrastructure and conservation and addressing climate change. | | |
|---|-------------|--|
| High-level Outcome Indicators | Data source | Current value |
| <ol style="list-style-type: none"> 1. Nationally Determined Contribution (98.95 % emissions reduction by 2030/2012) 2. Reduce inequality in development opportunities across the country | | <p>83 millions de tonnes d'émissions d'équivalent CO2 (2012)</p> <p>Gini index 35.1 (2018)</p> |
| <p>High Level Outcome Description</p> <p>Although poverty has substantially declined between 2015-18, it remains high, and inequality and spatial disparities remain key concerns. Indeed, progress toward poverty reduction has been slow in rural areas with poverty incidence decreasing by only 1.7 percentage points (from 56.4 to 54.7) in rural areas against 6.9 percentage points in urban areas, declining (from 31.6 to 24.7), with the lion's share of the progress concentrated in Abidjan. Poverty is especially prevalent in rural areas, and notably the North and West of the country, although the largest number of poor are concentrated in the Southern and Western regions. Furthermore, living conditions have significantly worsened along the western border with Liberia and Guinea and in the southern cocoa growing regions. There is also a gender aspect to spatial disparities, with poverty and inadequate infrastructure exacerbating gender gaps in lagging areas (e.g., see wide variation across regions on outcomes such as adolescent fertility and gender gaps in secondary schooling).</p> <p>Côte d'Ivoire has built its economic development on infrastructure - notably energy and transport - and natural resources - particularly forests and agricultural land - and this has been a highly successful strategy up to now. Agriculture accounts for about 23 percent of GDP and over 50 percent of exports. Close to 50 percent of the employed population is in agriculture. Cote d'Ivoire is traditionally a hub for regional electricity exports and its transport facilities, notably its port, play a key role in the agricultural exports and in overall trade in the sub-region.</p> <p>Large investments in energy, transport, and digital infrastructure helped make possible Cote d'Ivoire's rapid economic growth in the last decade. To sustain further economic growth, continuous investment in infrastructure is required in an inclusive, green, and resilient manner. This is also necessary to reduce spatial disparities, connect lagging regions through more equitable access to electricity, transport networks, and digital solutions. Connectivity for individuals as well as small and large businesses will be crucial to remain relevant in a competitive economic environment. Several countries in the sub-region also rely on Cote d'Ivoire for part of their electricity, and for access to ports and international markets.</p> <p>For natural capital, past economic development was unfortunately based on extensive exploitation and severe degradation. Uncontrolled logging and extension of cultivated areas led to rapid loss of forest cover and biodiversity, and land degradation. Coastal erosion, air and water pollution, and degradation of the urban environment have also increased. It is estimated that the value of Cote d'Ivoire's stock of natural capital per capita has decreased by 26 percent between 1995 and 2014.</p> <p>Moreover, the impact of climate change is already apparent in the country, with rainfall becoming more unpredictable and heavy downpours leading to flooding and soil erosion, testing the resilience of infrastructure. So far, the volume of rainfall has declined by over 20 percent in some parts of the country, with shorter rainy seasons and longer and more frequent dry spells. Droughts are expected to increasingly impact the semi-arid northern savannah region of the country as well as hydropower generation capacity. Climate change scenarios predict a continued increase in rainfall variability and, although less consistent, generally a decrease in annual precipitation (except in the Southwest), along with rising sea levels. Projections anticipate an average increase in temperature in the range of 1.5°–2.5°C, depending on location.</p> | | |

There is a consensus that climate change will have a deep impact on Cote d'Ivoire's economic and social development through various channels²¹: decreased agricultural outputs and risk to food security, reduction in areas suitable to cash crops, floods and landslides leading to heavy loss of life, and the forced relocation of numerous families and economic activities. Infrastructure is affected and new resilience measures are necessary to ensure they can remain accessible and safe to domestic and business users. There is likely to be a gender aspect to the impacts of climate change, with the lower agricultural productivity of women food crop farmers rendering them less able to cope with shocks.

Overall, the country needs to strengthen its economy after the COVID-19 crisis using a more sustainable pathway that will reverse the depletion of its natural capital, improve productivity, and reduce spatial disparities via efficient and equitable infrastructure deployment, and enhance resilience of the infrastructure and economy and people to climate change and natural disasters.

SDGs associated:

SDG 1 - End poverty in all its forms everywhere

SDG 2 - Zero Hunger, achieve food security and improved nutrition, and promote sustainable agriculture

SDG 6 - Ensure availability and sustainable management of water and sanitation for all

SDG 7 - Ensure access to affordable, reliable, sustainable, and modern energy for all

SDG 9 - Build resilient Infra & promote inclusive and sustainable Industrialization and foster innovation

SDG 11- Make cities and human settlements inclusive, safe, resilient, and sustainable.

SDG 13 - Take urgent action to combat climate change and its impacts

CPF Objective 4: Expand connectivity through quality climate-resilient infrastructure

This is a modified CPF Objective that builds on the previous objective to “strengthen economic infrastructure”. The evolution since the last CPF reflects the enhanced awareness of climate change impacts and commitment to climate resilience. Connectivity needs have also increased, particularly in the digital sector, and feature prominently in Government plans including the National Development Plan (NDP) for 2021-2025. The CPF will foster inclusion in access to quality and resilient infrastructure, particularly energy, digital, and transport, while narrowing the territorial disparities.

Intervention Logic: Efficient and continuous investment in infrastructure is required to sustain economic growth. This helped make possible Cote d'Ivoire's rapid economic growth in the last decade and will be needed going forward, although in a more inclusive, green, and resilient manner.

Ensuring access to affordable, reliable, and resilient energy and digital services for households and enterprises is needed to improve quality of life, productivity, and entrepreneurship. A focus on access expansion will target further equity and inclusion, particularly in lagging regions. The lack of access roads, unavailability of adequate storage to hold post-harvest products, and unreliable supply of power and water for irrigation continue to directly affect farmers and households. Developing quality, reliable, local, and regional energy and transport systems, and overall logistics infrastructure to facilitate trade will be key to allowing all actors, including in agriculture, to access targeted markets at competitive costs.

The CPF will draw upon WBG's global experience and comparative advantage through innovative, multisectoral, and regional approaches to tackle key infrastructure issues. WBG will use a combination of investment lending, policy reforms, and convening power to leverage funding and meet infrastructure

²¹ References: WB Climate Knowledge Portal; Cote d' Ivoire Climate Smart Agriculture Investment Plan (CSAIP-2017); Cote d' Ivoire 7th Economic Update, 2018) ; West Africa Coastal Areas Resilience Project; Urban Resilience and Solid Waste Management Project, 2020)

development needs.

The WBG will coordinate its assistance with other financiers and donors, including EU, AfDB, AFD, China, India, BOAD, AIIB, and IsDB, around investments and the enabling environment. The provision of essential infrastructure and logistic services will help strengthen economic competitiveness of the country, while reducing spatial disparities through growth poles beyond the capital and reducing disparities in lagging regions.

IFC will scale up investment in power generation, transmission, and distribution, leveraging the West Africa Power Pool project, while also investing in least-cost renewable under the Scaling Solar project, in gas supply and other renewable energies. In transport, IFC will explore opportunities to finance railway upgrades, a second container terminal for the Abidjan Port, Bus Rapid Transit (BRT) solutions as well as road PPP schemes. IFC will place renewed emphasis on enhancing digital infrastructure through support to MNO rural expansion, independent data centers, and commercialization of ANSUT fiber. MIGA will collaborate with the IFC to support engagements in the energy and digital sectors.

| CPF Objective Indicators | Supplementary Progress Indicators | WBG Program |
|---|--|---|
| <p>Indicator 4.1: People with access to electricity (%)²² Baseline [2020]: 55% Target [2026]: 80% Source: [ANARE-CI reports]</p> <p>Indicator 4.2: Unique' mobile-broadband subscriptions per 100 inhabitants" (% of population) Baseline [2021]: 42% Target [2026]: 54% Source: DE4A scorecard dashboard</p> <p>Indicator 4.3: Percentage of the population of GAA able to access the Plateau within 60 minutes during rush hour by public transport (%) Baseline [2021]: 27% Target [2026]: 52%</p> | <p>SPI 4.1: Price of a 2Gb of mobile broadband basket as a percentage of Gross National Income per capita (GNI p.c.) Baseline [2021]: 2.58 Target [2026]: 1.5 Source: DE4A scorecard dashboard</p> <p>SPI 4.2: Number of trucks stationed in informal parking in the Abidjan Port area: Baseline (2022): 1,300 Target (2025): 300 Source: Abidjan port authority</p> | <p>Ongoing financing World Bank P157055, Cote d'Ivoire - Electricity Transmission and Access Project P159697, GREATER ABIDJAN PORT - CITY INTEGRATION PROJECT P160418, CI: Cote d'Ivoire E-Agriculture Project P167401, Abidjan Urban Mobility Project P167569, Regional Electricity Access and BEST Project P168308, Urban Resilience and Solid Waste Management Project P171613, Cote d'Ivoire Agri-Food Sector Development Project P175043, Gulf of Guinea lagging regions social cohesion project</p> <p>IFC Atinkou, Azito, Ciprel, West Africa power</p> |

²² As defined in ANARE-CI report under « Taux de desserte = nombre de ménages ayant l'électricité /nombre total de ménages »

| | | |
|--|--|---|
| <p>Source: Household survey data for poor and nonpoor individuals using public transport.</p> <p>Indicator 4.4: Additional rural population with access to an all-season road (all-weather passable road within five kilometers) in the 6 Northern Regions</p> <p>Baseline [2021]: 0 Target [2027]: 1.500.000 Source: AGEROUTE Road database</p> | | <p>(601998) Azito Advisory Program (604859) Scaling Solar (603389)</p> <p>MIGA Azito Thermal Power Plant (Phase III /IV) Henri Konan Bédié Bridge</p> <p>ASA P176507, Côte d’Ivoire – Towards a more productive and resilient urban informal sector</p> <p>Financing Pipeline World Bank P176776, CI Northern Electricity and digital access NEDA P178362, Northern CI inclusive connectivity and rural infrastructure P177062, Sustainable and inclusive Northern cities Project Ghana-Cote d’Ivoire interconnection</p> <p>IFC PEPT / CI Energies, Touton ING</p> |
| <p>CPF Objective 5: Improve sustainable management of natural capital</p> | | |
| <p>Cote d’Ivoire is highly dependent on its natural capital (forest, land and soil, water resources) for growth, with economies/sources of livelihood and exports largely based on natural resources. With different levels of gravity, natural capital (forests, agriculture/soil fertility, rivers, and costal/marine resources) is experiencing rapid depletion and unsustainable growth pathways, due to environmental degradation, human pressure, rapid and uncontrolled urbanization, and extreme events. COVID-19 has added to the challenges, further exacerbated by climate change, driving additional conflict, fragility, and poverty.</p> | | |
| <p>Intervention Logic: Cote d’Ivoire has a unique opportunity to follow a different development trajectory. Such a trajectory should reconcile nature and growth, redress imbalances in territorial development, and accelerate access to basic services and economic opportunities for the neediest, while shielding the economy and the people from climate change and natural disaster. Deploying the WBG Next Generation Africa Climate Business Plan, the CPF would support the country’s own development strategy (PND 221-2025) through (i) Increasing productivity of rural areas without unsustainable degradation of their natural capital (forests, oceans, water, and soil); (ii) Supporting urban development while avoiding unplanned growth that locks cities in inefficient, polluted, and climate-risky trajectories; (iii) Boosting a shared and inclusive prosperity that empowers women, builds trust between all citizens and government, and reduces the root sources of conflict in the region; and (iv) Preparing more resilient communities for natural disasters today and the more frequent and intense climate shocks</p> | | |

to come. The CPF Program will build on extensive analytical work on natural capital and climate change carried out recently in Cote d'Ivoire²³, and will be informed by a comprehensive Country Climate and Development Report planned in FY23. The Program will be rolled out building on ongoing projects, which will be consolidated through additional financing of scaled-up and new multisectoral operations using a spatial development approach (landscape, watershed, etc.). There will be a specific focus on women, to ensure sustainable/climate-smart practices are equally accessible to them and do not disproportionately burden them (e.g., through disproportionate additional time burden given the gender division of labor). *The World Bank will also support the effective management of natural capital that is people-centered, by leveraging on local climate diagnostics and knowledge to promote participatory climate-smart local development processes.*

| CPF Objective Indicators | Supplementary Progress Indicators | WBG Program |
|---|---|---|
| <p>Indicator 5.1: Number of people with climate resilience assets/services Baseline [2022]: 23,000 (of which 4600 women) Target [2026]: 897000 (of which 300,000 women) Gender disaggregated</p> <ul style="list-style-type: none"> - 5.1a: Number of farmers with CSA skills and/or assets (gender disaggregated) Baseline [2022]: 0 Target [2026]: 340,000 Gender desegregated (170,000) Source: PDC2V - 5.2b: Targeted forests dependent communities' members with increased access to income sources derived from sustainable Forest management Baseline [2022]: 484 (FIP1) Target [2026]: 300,000 (MTR FIP2) Source: FIP1 / FIP2 DGM/ (Tai ERP) - 5.2c Household members in targeted coastal areas with less exposure to climate-related risks Baseline [year]: 0 Target [year]: 7636 Source: WACA | <p>SPI 5.1: Number of hectares under sustainable management Baseline [2021]: 8,797 (FIP1) Target [2026]: 2,000,000 ha (of which 1,000,000 ha in Gazetted forests) Source: FIP2/Landscape Project</p> <p>SPI 5.2: Additional Volume of water stored at water basin level Baseline 2022: 0 Target 2026: 10 million cubic meters</p> <p>SPI 5.3: Shoreline with targeted coastal erosion measure Baseline (2022): 0 Target 13 km</p> <p>SPI 5.4: Number of Land Tenure Certificates Delivered with World Bank Support Baseline [2020]: 0 Target [2025]: 68,000 Source: PAMOFOR/PRESFOR</p> | <p>Ongoing financing World Bank P156739, Cote d'Ivoire Urban Water Supply and Sanitation Project P162789, Forest Investment Program P170309, Tai national park area emission reductions payments project P171613, Cote d'Ivoire Agri-Food Sector Development Project (PDC2V) P162337, West Africa Coastal Areas Resilience Investment Project P175982, Forest Investment Project, phase 2 P157206, Cote d'Ivoire Land Policy Improvement and Implementation Project (PAMOFOR)</p> <p>P175043, Gulf of Guinea Northern Regions Social Cohesion project</p> <p>Financing pipeline P77118, Water security and sanitation Project</p> |

²³ *Climate Smart Agriculture Investment Plan 2018; Cocoa Policy Assessment-2021; West Africa Climate Migration report-2021; Cote d' Ivoire -Country Forest Note-2021; CIV Water Sector Review-2020, Water Security Strategic Plan-2022, Northern Cities, etc.*

| | | |
|---|--|---|
| <p>- 5.2d: Number of people with land use or ownership rights recorded as a result of World Bank support Baseline [2022]: 22500 (20% women benefiting) Target [2026]: 250,000 (30% women benefiting) Source: PAMOFOR/PRESFOR</p> <p>Indicator 5.2 - Emission Reduction Baseline (2019): 672,000Tco2eq Target (2027): 29Mtco2eq Source (FIP1/FI2/Tai ERP)</p> | <p>- 5.4a: Proportion of land certificates registered in the name of one or more females with World Bank support (gender disaggregated) Baseline [2020]: 0% Target [2025]: 30% Source: PAMOFOR/PRESFOR</p> | <p>P178064- CIV DPO1 Rural Landscape & Community Resilience Program (proposed) P179338, Cote d'Ivoire Rural Land Tenure Management Strengthening Project (PRESFOR)</p> <p>ASA pipeline CCDR (proposed) Forest Taxation Policy (proposed)</p> |
| <p>CPF Objective 6: Support development of sustainable cities for inclusive growth</p> | | |
| <p>This is a new CPF Objective compared to the previous CPF. Although poverty in Cote d' Ivoire has substantially declined in the decade before the COVID-19 crisis, it remains high and inequality and regional disparities remain key concerns. A great share of the progress in poverty reduction appears to have been concentrated in Abidjan, the economic hub of the country. Evidence shows that countries with strong secondary cities, rather than a single megacity, tend to have lower regional disparities in addition to having higher national productivity and greater per capita income. A development approach centered on secondary cities can play a key role in reducing disparities in living standards throughout the territory, further reducing risks to fragility and violence. In the context of Cote d'Ivoire, this approach presents an important opportunity to reduce the economic and social gaps between Abidjan and the lagging regions and reduce the risks of social unrest in northern regions bordering the Sahel. This objective of the CPF will support Pillar 4 - Enhancing Social Inclusion and National Cohesion, and Pillar 5 - Balanced territorial development, Preservation of the Environment and Tackling Climate Change, of the country's new National Development Plan (2021-2025) and present a great opportunity for moving forward the decentralization agenda, partnering with municipalities and regional councils.</p> | | |
| <p>Intervention Logic</p> <p>An integrated spatial approach bringing together territorial development and inclusive cities is proposed to diagnose development gaps, identify reform interventions, and prioritize investments. Previous World Bank experience suggests that the territorial development approach—informing the design of locally tailored, coordinated packages of complementary interventions to be delivered in specific places—can help choosing the most appropriate response to achieving economic efficiency alongside spatial inclusion. Similarly, Bank experience shows that the inclusive cities approach—which brings together inclusion through spatial, social, and economic lenses—fits in the context of areas prone to or struggling with fragility, as it supports people-based investment, ensuring sustainability and resilience. The CPF program will build on an already strong WB engagement on resilient cities and recent analytical work, and will be deployed in a phased approach starting with a limited number of cities in the Northern regions to prevent the spillover effects of the Sahel security crisis, and under a comprehensive territorial framework linking interventions in urban areas with community support in rural areas (Gulf of Guinea Northern Regions Social Cohesion Project, Social Protection Program, Agricultural value chains projects) as well as other infrastructure projects (water and sanitation, road and digital connectivity). The program will be gradually and flexibly extended to other lagging regions based on demand, readiness (available knowledge and preparedness of involved institutions) and opportunity for complementarity and/or consolidation of other Government programs.</p> | | |

| CPF Objective Indicators | Supplementary Progress Indicators | WBG Program |
|---|--|--|
| <p>Indicator 6.1.: Number of people provided with improved urban services Baseline [2022]: 0 Target [2027]: 3,013,000 Of which women, 1,506,500 Of which out of Greater Abidjan 863,000 Source: PARU and PVS (Resilient and Inclusive Secondary Cities)</p> <ul style="list-style-type: none"> - 6.2a: Number of people protected from floods and/or covered by an early warning system (number) Baseline [2022]: 0 Target [2027]: 800,000 Gender desegregated (400,000) - 6.3b: Number of people provided with access to improved solid waste services (number) Baseline [2022]: 0 Target [2027]: 1,645,000 Gender desegregated (822,000) - 6.3b: Number of people provided with other urban services (number) Baseline [2022]: 0 Target [2027]: 568,000 Gender desegregated (284,000) <p>Indicator 6.2: Number of people with access to all season urban roads in the areas served by projects (number) Baseline [2022]: 0 Target [2027]: 100,000 Source: PARU and PDVS (sustainable and inclusive secondary cities)</p> | <p>SPI 6.1 Number of additional municipalities with studies for resilient urban planning (detailed urban plans, sanitation, and storm water masterplans) Baseline [2022]: 0 Target [2027]: 12</p> <p>SPI 6.2. Number of Solid waste management infrastructure built and functional (sanitary landfill, transfer station) Baseline [2022]: 0 Target [2027]: 15</p> <p>SPI 6.3. Hectares of Green spaces and leisure areas created including Nature-Based Solutions for flood and erosion control Baseline [2022]: 0 Target [2027]: 15</p> <p>SPI 6.4. Drainage network rehabilitated/built (km) Baseline [2022]: 0 Target [2027]: 40</p> <p>SPI 6.5. Urban roads rehabilitated/constructed (Km) with climate-sensitive design Baseline [2022]: 0 Target [2027]: 70</p> | <p>Ongoing financing World Bank</p> <p>P168308, Urban Resilience and Solid Waste Management Project P158810, Cashew Value Chain Competitiveness Project P171613, CIV Agri-Food Sector Development Project</p> <p>P175043, Gulf of Guinea lagging regions social cohesion project</p> <p>Financing Pipeline P176776, CI Northern Electricity and digital access NEDA P178362, Northern CI inclusive connectivity and rural infrastructure Project P177062, Sustainable and inclusive Northern cities Project Water Security and Sanitation Project</p> <p>ASA P174829, Roads for inclusive and resilient access to basic socio-economic facilities in northern Cote d'Ivoire P175630, Northern Cities Territorial Development Review</p> |
| <p>High Level Outcome 3 (HLO 3) – Jobs created through private sector-led growth</p> | | |
| <p>CIV aspires to reach upper middle-income status by 2030. This HLO builds on the previous CPF focus area, accelerating sustainable private sector-led growth. With a weak manufacturing base and lagging human development indicators, the country can do more to foster an inclusive, private sector-driven growth model. Private investment will increase productivity in the agricultural sector and economic transformation towards manufacturing and formal services sector. Furthermore, more export diversification (outside of cocoa and cashew) is needed to maintain growth.</p> | | |

Creating more and better jobs in Côte d'Ivoire will require investment in human and physical capital; integration externally (into global value chains) and internally (urban-rural; coastal-inland); and inclusivity. Most critically, it will require sectoral transformation, reallocating resources from less to more efficient businesses; job-creating activities across farms and firms; including through product diversification and specialization linked to trade; and participation in global supply chains.

| High-level Outcome Indicators | Data source | Current value |
|--|-------------------|------------------------------|
| 3. Private investment as % of GDP | World Bank | Overall: 15.9% (2020) |

High Level Outcome Description
 IFC and MIGA's role in mobilizing catalytic investments for a broad spectrum of engagement in finance, digital and physical infrastructure, agribusiness, manufacturing, and services (including health and tourism), is expected to be fundamental for successful delivery of the next CPF – by contributing to job creation and domestic value addition. As part of its strategic engagement in CIV, IFC will continue to pursue its three key priorities, namely: (i) Agribusiness value chains: agro-processing facilities (including logistics and storage capacity), digitization of agri-based value chains (such as cashews) and agri-finance products (such as agriculture Risk Sharing Facilities, RSFs), farmers' adoption of adequate technologies and practices to improve productivity and compliance to food safety and ESG norms; (ii) Access to finance and capital market development: supporting partner bank and non-bank financial institutions, with loans, RSFs, bond issuances and securitization – including possible support to privatize banks. IFC will also scale-up support to digital financial services providers to increase financial inclusion, local currency bond issuances and local currency financing (sourcing CFAF to fund projects through swaps with local banks), and capital markets development. IFC will provide advisory services to the Agence UMOA Titres (AUT) and the Conseil Régional de l'Epargne publique et des Marchés financiers (CREPMF) and promote commodity exchange development. Other IFC priorities include Affordable Housing, where IFC will look into funding developers and homebuyers via financial institutions and work with banks to create demand (RSFs for mortgages, rent-to-own solutions), including for the informal sector. MIGA will explore other opportunities to mobilize foreign private investments in strategic sectors such as digital, trade finance, health and energy, prioritizing projects that promote green and inclusive development.

SDGs associated:
SDG 1- End poverty in all its forms everywhere
SDG 8 – Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all
SDG 9 - Build resilient Infra & promote inclusive and sustainable Industrialization and foster innovation

CPF Objective 7: Improve access to secured land for private sector development and social cohesion

This objective is being carried over from the previous CPF. Improving access to secured land will reduce social tensions and improve private investments. As noted in the SCD, implementing land reforms to clarify and secure land rights remains critical to the country's transition toward peace and stability and to its ambition to accelerate sustainable private sector-led growth. The Government has requested World Bank support to scale up its systematic rural land registration program nationwide based on high levels of landholder demand in a World Bank-financed pilot. The Government's rural land registration program has not only clarified farmers' customary land use and ownership rights, thereby reduced land conflicts and contributing to social cohesion, but also demonstrated the value of clearly demarcating private forest boundaries to support forest cover monitoring and traceability in cocoa and other key agricultural value chains. The Government has streamlined the land registration process and introduced innovative, cost-efficient technologies through partnerships with the World Bank and other development partners, in particular the EU and AFD, as well as with global cocoa companies via the World Cocoa Foundation. The

program also considers ways to improve women's land rights registration with the support of the Gender Innovation Lab.

Intervention Logic:

Formalizing and enhancing access to land for people and business is a priority and key to stability, reduction in fragility, and development. The Government considers land tenure security a prerequisite for the modernization of the agriculture sector. Registered land rights and informed land transactions are an incentive for both smallholders and private investors and a key prerequisite for shared growth. Access to industrial land with adequate infrastructure is in high demand from new investors. Improving the governance of urban land is especially important to the Ivorian urban population, which continues to grow rapidly. Land rights formalization is crucial for the gradual implementation of a documented land market that provides confidence to stakeholders and facilitates reliable business transactions. A transparent land market will be conducive to investment, traceability, and increased productivity. Responding to the SCD's emphasis on the importance of land reform, the CPF will support improvements to the land management system through a Land Reform Implementation Project focusing on the sustainability of agricultural value chains in rural areas and the completion of rural land policy reform and land rights registration, as well as crosscutting engagement in other operations. Support will be coordinated through the thematic working group on rural land that is co-led by the EU and the WB, and includes AfDB, AFD, GIZ and FAO. There is a specific focus on testing different approaches to strengthening women's property rights and the effects of these are being measured through Gender Innovation Lab impact evaluations.

| CPF Objective Indicators | Supplementary Progress Indicators | WBG Program |
|---|--|---|
| <p>Indicator 7.1: Number of people with land use or ownership rights recorded as a result of World Bank support Baseline [2020]: 0 Target [2025]: 250,000 Source: PAMOFOR/PRESFOR projects</p> <p><i>Of which women</i> Baseline [2020]: 0 Target [2025]: 75,000 (30%) Source: PAMOFOR/PRESFOR projects</p> <p>Indicator 7.2: Land for which the usage and ownership rights are recognized in Bouake and San Pedro (percentage of total) Baseline (2021): 0 Target (2024): 80% Source: PIDUCAS</p> <p>Indicator 7.3: Average reduction in time for an investor to be assigned industrial land following request (Days)</p> | <p><i>SPI 7.1 Land parcels with use or ownership rights recorded as a result of World Bank support</i> Baseline [2020]: 0 Target [2025]: 68,000 Source: PAMOFOR/PRESFOR projects</p> <p><i>Of which: recorded in the name of one or more females as a result of World Bank support</i> Baseline [2020]: 0 Target [2025]: 20,400 (30%) Source: PAMOFOR/PRESFOR projects</p> | <p>Ongoing Financing World Bank P157206, Cote d'Ivoire Land Policy Improvement and Implementation Project (PAMOFOR) P171613, Cote d'Ivoire Agri-Food Sector Development Project P151324 Infrastructure for Urban Development and Competitiveness of Secondary Cities Project</p> <p>IFC Unique land identifier Project Identification of Local and Regional Market Opportunities and End-Market Consumption of Cocoa-Based Products for Cote d' Ivoire and Ghana (LMC International, 2020)</p> <p>Financing Pipeline P179338, Cote d'Ivoire Rural Land Tenure Management Strengthening Project</p> |

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|---|---|--|
| <p>Baseline: 0 Target: 7</p> <p>Indicator 7.4 Average time to get land title (days) Baseline (2021): 160 Target (2025): 100 Source: CVJET</p> | | <p>(PRESFOR) P177062, Sustainable and inclusive Secondary Cities Project P158810, Cashew Value Chain Competitiveness Project</p> <p>ASA P169519, Impact Evaluation of Cote d'Ivoire Land Policy Improvement & Implementation Project. P168499 CIV Cocoa Value Chain Policy Assessment</p> |
| <p>CPF Objective 8: Support development of sustainable and competitive agricultural and manufacturing value chains</p> | | |
| <p>This objective is embedded in the first pillar of the previous CPF. It aims at accelerating the economic transformation in rural areas and connected secondary cities, focusing on forward segments and ancillary activities of agriculture value chains to drive productivity and generate jobs in the agriculture and food systems. Beyond agricultural production, activities along and around the value chains (inputs, logistics, marketing and distribution and related services) will yield better jobs and promote economic transformation. Selected manufacturing sectors will also be supported.</p> | | |
| <p>Intervention Logic</p> <p>For Côte d'Ivoire to reduce extreme poverty much of its incremental growth will need to come from the agriculture sector as farmers and smallholders are most touched by poverty. The SCD analysis shows that agricultural growth will require measures to improve yields but also to reduce inefficiencies in agribusiness value chains. It also underlines the need to develop the manufacturing sector. Côte d'Ivoire wants to promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work in agriculture, manufacturing, and selected services. To help the country reach its potential, the CPF program proposes to address low productivity in agriculture, agribusiness, and manufacturing, which is caused by shortfalls in skills and technology. There will be a specific focus on women's agricultural productivity and integration in value chains, including through specific support to women's access to assets, finance, and skills. Such efforts include engaging men (and couples) to tackle gender norms, increase women's role in investment planning, and reduce the chance of backlash to women's empowerment efforts. Productivity-focused support will target the value chain in staple or cash crops - cocoa, cashew nuts, palm oil, horticulture, and livestock products – as well as certain manufacturing sectors to be selected after an analysis of their potential (e.g., textiles and apparel, plastics, rubber, pharmaceuticals). This will be underpinned by interventions in other objectives, such as infrastructure services connecting agriculture to urban economies and ports. Sustainability issues and climate change challenges in the commodity-oriented sub-sectors will be targeted, through approaches to climate-smart agriculture. CPF interventions, based on the IFC-WB Joint Agribusiness Strategy, will support agriculture and agri-business competitiveness in selected value chains, through access to markets, provision of technology and training of smallholders, and governance reforms. A series of IFC productivity-focused actions will cover elements of the value chains in cocoa, cotton, cashew nuts, palm oil, rubber, horticulture products and aquaculture. These interventions will be complemented by support for staple crops productivity and environmental sustainability and build on synergies and partnerships with other donors on crop productivity; agribusiness; sector governance; and capacity building, with Canada, EU, GiZ, AfDB, JICA and France.</p> | | |
| <p>CPF Objective Indicators</p> | <p>Supplementary Progress Indicators</p> | <p>WBG Program Ongoing financing</p> |

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| <p>Indicator 8.1: Installed RCN processing capacity in dedicated industrial zones Baseline [2021]: 0 Target [2026]: 80,000 tons Source: PPCA/CCA</p> <p>Indicator 8.2: Increase in the real value of products marketed in food crops value chains targeted by projects Baseline [2021]: 0 Target [2026]: 20% Source: PDC2V</p> <p>Indicator 8.3: Increase in average real value of gross sales (domestic and foreign) by farmers and firms in value chains supported by the project (Percentage) Baseline (2021): 0 Target (2025): 12.0 Source: CVJET <i>By women farmers and women-owned/led firms</i> Baseline (2021): 0 Target (2025): 12.0 Source: CVJET</p> | <p>SPI 8.1: Private co-investment generated by investment mechanisms (US\$) Baseline (2021): 0 Target (2025): US\$20,000,000 Source: CVJET</p> <p>SPI 8.2: Increase in yields in targeted food crops value chains:</p> <ul style="list-style-type: none"> • Cassava: Baseline [2021]: 20 ton/ha Target [2026]: 35 ton/ha • Tomatoes Baseline [2021]: 10 ton/ha Target [2026]: 20 ton/ha • Aquaculture Baseline [2021]: 5 tons Target [2026]: 20 tons <p>Source: PDC2V</p> | <p>World Bank P172425, Competitive Value Chains for Jobs and Economic Transformation Project P158810, Cashew Value Chain Competitiveness Project (PPCA) P171613, Cote d'Ivoire Agri-Food Sector Development Project (PDC2V) P175043, Gulf of Guinea lagging regions social cohesion project P157206, Cote d'Ivoire Land Policy Improvement and Implementation Project (PAMOFOR)</p> <p>IFC BACI Agri RSF (41606) MicroCred CI SL (37772) SLGP SIB RSF II (41091) BOA CI SME RSF (41367) BBG LCY MCF BBCI (42986) AMEF-P1 NSIA CI (45047) SLGP RSF NSIA CI (42304) Africa Safety food program (601759) Agro CI (36031), IPS (1022), Sipra (31422), Gaselia (42552/ 42553) CIDT (45030) Olam Cocoa Cote d Ivoire (601116) CI agri (women smallholder farmers) Staple Food Cooperatives Advisory Services (602062) Olam Cotton Cote d'Ivoire – Irrigation (603237) Cargill Phase 2 Cote d'Ivoire (603558) CIDT AS (606501)</p> <p>Financing Pipeline World Bank P168499, Cocoa Integrated Value Chain</p> |
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| | | <p>Development Project P180040, Cashew Value Chain Sustainable Development Project P179338, Cote d'Ivoire Rural Land Tenure Management Strengthening Project (PRESFOR)</p> <p>IFC IFC COIC CIDT SG Agro</p> <p>ASA P163814, Côte d'Ivoire Economic Inclusion into Value Chains</p> |
| CPF Objective 9: Improve business environment and access to finance | | |
| To achieve the country's growth ambitions and economic transformation, and considering the limited fiscal space, the private sector will have to become the primary engine of development. Based on the 2020 Country Private Sector Diagnostic (CPSD) and the 2022 SCD Update, private sector development requires addressing the constraints associated with the limited access to infrastructure and finance and strengthening the business climate. This objective builds on the previous CPF Objective 3 (Improve business regulatory framework and access to finance). | | |
| <p>Intervention Logic</p> <p>Rationale and lessons learned during the previous CPF period: The policy dialogue on economic growth in Cote d'Ivoire revealed that the current level of investment is not consistent with the country's ambition to double GDP per capita by 2030. Since fiscal constraints limit the potential role of public investment, private investment needs to become the primary engine of growth during this CPF.</p> | | |
| CPF Objective Indicators | Supplementary Progress Indicators | WBG Program |
| <p>Indicator 9.1: Private investments leveraged into the Seed, Early Stage and Venture Capital Facility (USD) Baseline: 0 Target: US\$20,000,000 Source: CVJET</p> <p>Indicator 9.2: Loans introduced in the Partial Portfolio Credit Guarantee (PPCG) by participating financial institutions (Number) Baseline: 0</p> | <p>SPI 9.1: Average time for customs clearance (Days) Baseline: 5.7 Target: 2.0 Source: CVJET</p> <p>SPI 9.2: Green projects financed by the LTIF contribution to climate mitigation or adaptation (Number) Baseline: 0</p> | <p>Ongoing financing World Bank P172425, Competitive Value Chains for Jobs and Economic Transformation Project P158810, Cashew Value Chain Competitiveness Project P171613, Cote d'Ivoire Agri-Food Sector Development Project P151324, CI-Infrastructure for Urban</p> |

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| <p>Target (2024): 1,000 Source: PIDUCAS</p> <p>Indicator 9.3: Number/Volume of new SME loans disbursed Baseline: #0 / US\$0 Target: #950 / US\$158,000,000 Source: IFC's MSME Survey (run by FIG in partnership with CDI) and portfolio data from IFC clients</p> <p><i>Of which loans to women - owned businesses</i> Baseline: #0 /US\$0 Target: #50 / US\$9,500,000 Source: IFC's MSME Survey (run by FIG in partnership with CDI) and portfolio data from IFC clients</p> <p>Indicator 9.4: Private investment generated in cashew-dedicated agro-industrial zones Baseline [2021]: 0 Target [2026]: USD 77 million Source: PPCA</p> <p>Indicator 9.5: Private investment generated in targeted food crops value chains production, agro-processing and related activities Baseline [2021]: 0 Target [2026]: USD 130 million Source: PDC2V/SOGEDI/CEPICI</p> | <p>Target: 15</p> | <p>Development and Competitiveness of second cities P164302, Enhancing Government Effectiveness for Improved Public</p> <p>IFC Advans, RSF SIB, BCP, BOA Bridge bank, NSIA Banque FCTC NSIA Banque Orange Bank Africa Digital MSME Financing (607020) AMIFA (AMIFA) ABI SME finance (603630) Abidjan-Ouaga Corridor Project (603918) Cote d'Ivoire Legislative Reform for Women's Economic Inclusion (606415) SME Ventures IPAE II Advisory (602417) J-CAP WAEMU (603724) Leadway Cote d'Ivoire Women Insurance Program (604308) Ivory Coast Secured Transactions and Collateral Registry (602074)</p> <p>MIGA Kasada Hospitality Fund Financing Pipeline World Bank P168499, Cocoa Integrated Value Chain Development Project Cashew Competitiveness II</p> <p>IFC BICICI, Orange Bank Africa, Wave, Janngo Capital Start Up Fund</p> <p>ASA P168393, Increasing access to markets</p> |
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| | | and finance for women-led cooperatives and enterprises in Cote d'Ivoire |
| CPF Objective 10: Develop skills for a competitive private sector | | |
| Addressing the job crisis requires providing youth with the skills needed in the private sector, as the public sector has very limited capacity to absorb labor. The ability of the private sector to drive economic growth will depend partly on the availability of skilled labor. This objective builds on previous CPF Objective 5 Improve Education Service Delivery and Youth Employability. | | |
| <p>Intervention Logic</p> <p>Improving youth employability will require close collaboration between institutions in charge of skill development, labor market policies, financial institutions, and the private sector to address the multiple constraints to higher productivity in key economic sectors. The Government's employment policy aims to encourage job creation in the private sector by supporting specialized training, calls for universal quality primary education, youth training consistent with labor market needs; and expansion of vocational training to improve labor productivity. Building on the successful Youth Employment Project, the WBG will expand its support to address more systemic issues such as the mismatch between the training provided by the education system and the country's needs. The CPF will support improvement in the relevance, quality and performance of the education and vocational training systems to ensure better insertion and integration of youth into the labor market. Promotion of productive employment and increased earnings capabilities should focus on increasing productivity in self-employment and micro-enterprises where most of the poor work. This will be especially important for women for whom household-based microenterprises are a key source of incomes outside of the agriculture sector. In its support, the World Bank Group will rely on the complementary approach to regional support and synergies developed with AFD and MCC on the promotion of youth employment and support to the informal sector. IFC will look into supporting private participation and innovation in TVET, to increase access, affordability, efficiency, and quality, where feasible and in line with market needs (e.g., e-education).</p> <p>Several lessons have been learned through World Bank projects during the previous CPF period.</p> <ol style="list-style-type: none"> 1. Jobs and skills development projects can be remarkably successful in post-conflict countries, especially when project designs adapt to a changing country environment and the flexibility of World Bank support and procedures are fully exploited. 2. Labor-intensive public works programs that include training and savings opportunities are important for providing economic integration of vulnerable groups. 3. Entrepreneurship training and seed funds are critical for new entrepreneurs to begin and sustain their businesses, as individual savings are often insufficient. 4. Two factors can be critical to the success of internship and apprenticeship programs: (i) payment of participants to offset their indirect/opportunity costs and compensation of companies for taking the participants on board; and (ii) impact evaluations and tracer studies to assess program effectiveness. 5. Ensuring the existence of a sound regulatory framework is essential for addressing weaknesses in the vocational education and training system. | | |
| CPF Objective Indicators | Supplementary Progress Indicators | WBG Program |

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| <p>Indicator 10.1: Increase in profit of women receiving personal initiative training through the project (Percentage) Baseline: 0 Target: 25 % (2027) Source: Competitive Value Chains for Jobs and Economic Transformation Project</p> <p>Indicator 10.2: Share of graduates from rehabilitated TVET centers that have a minimum level of market-relevant skills including digital and socio-emotional skills Baseline: 0 Target: 60% (2027) Source: PDO indicator PEJEDEC Project (P172800) - results framework page 45</p> <p>Indicator 10.3: Increase in the monthly average income of all Project beneficiaries 12 months after program graduation Baseline: 0 Target 20% (2024). Source: PDO indicator PEJEDEC Project (P172800) - results framework page 45</p> <p>Indicator 10.4: Number of adolescent girls and women that have been beneficiaries of at least one intervention for economic empowerment (professional training, credit, productive asset grant). Baseline: 1 231 (2019) Target: 10 000 Source: SWEDD</p> | <p>SPI 10.1: Farmers or workers trained (Number) Baseline: 0 Target: 1500</p> <p>SPI 10.2: Women trained in financial literacy (We-Fi project) Baseline:0 Target: 50 Source: We-Fi</p> <p>SPI 10.3: Share of female among the graduates scoring a minimum of 60 percent Baseline: 0 Target: 50% (2027)</p> <p>SPI 10.4: Percentage of existing Higher Technician Certificate (BTS) programs revised Baseline: 0 Target: 70% (2024)</p> | <p>On-going financing World Bank P172800 -Youth Employment and Skills Development Project - Phase 3 P160642 - Higher Education Development Support Project P172425, Competitive Value Chains for Jobs and Economic Transformation Project</p> <p>IFC Energy2Equal (603419)</p> |
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Annex 2: Cote d'Ivoire Completion and Learning Review Report

**Document of
The World Bank**

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**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
INTERNATIONAL FINANCE CORPORATION
MULTILATERAL INVESTMENT GUARANTEE AGENCY**

**COMPLETION AND LEARNING REVIEW
OF THE COUNTRY PARTNERSHIP FRAMEWORK**

**FOR
REPUBLIC OF CÔTE D'IVOIRE
FOR THE PERIOD FY16-FY21**

March 22, 2022

**Côte d'Ivoire Country Management Unit
West and Central Africa Region
The International Finance Corporation
Africa Region
The Multilateral Investment Guarantee Agency**

This document is being made publicly available prior to Board consideration. It may be updated following Board consideration and the updated document will be made publicly available in accordance with the Bank's policy on Access to Information.

FISCAL YEAR

January 1 to December 31

CURRENCY EQUIVALENTS

(As of March 21, 2022)

Currency Unit = CFA Franc

US\$1.00 = CFAF 593

ABBREVIATIONS AND ACRONYMS

| | |
|--------|---|
| AfDB | African Development Bank |
| ASA | Advisory Services and Analytics |
| BRVM | Regional Stock Exchange |
| BCEAO | Central Bank of West African States |
| CFAF | West African Franc |
| CIV | Côte d'Ivoire |
| CLR | Completion and Learning Review |
| CPF | Country Partnership Framework |
| CPS | Country Partnership Strategy |
| DEMPA | Debt Management Performance Assessment |
| DGDI | Governance and Institutional Development |
| DPO | Development Policy Operation |
| DSA | Debt Sustainability Analysis |
| ECF | Extended Credit Facility |
| ECOWAS | Economic Community of West African States |
| EITI | Extractive Industry Transparency Initiative |
| EU | European Union |
| FAO | Food and Agriculture Organization |
| GDP | Gross Domestic Product |
| GiZ | Deutsche Gesellschaft für Internationale Zusammenarbeit |
| GoCI | Government of Côte d'Ivoire |
| HAGG | High Authority for Good Governance |
| HIPC | Heavily Indebted Poor Countries |
| HLO | High-Level Outcome |
| IFC | International Finance Corporation |
| IMF | International Monetary Fund |
| MIGA | Multilateral Investment Guarantee Agency |
| MSME | Micro, Small and Medium Enterprise |
| MDRI | Multilateral Debt Relief Initiative |
| MTDS | Medium-Term Debt Strategy |
| NAPRA | National Procurement Regulatory Authority |
| NDP | National Development Plan |
| NGO | Non-governmental Organization |
| OBI | Open Budget Index |
| OECD | Organization for Economic Co-operation and Development |

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|--------|---|
| OGP | Open Government Partnership |
| PEMFAR | Public Expenditure Management and Financial Accountability Review |
| PBF | Performance Based Financing |
| PFM | Public Financial Management |
| PLR | Performance and Learning Review |
| PPP | Public Private Partnership |
| SCD | Systematic Country Diagnostic |
| SME | Small and Medium Enterprises |
| SUF | Scale-up Facility |
| TA | Technical Assistance |
| UNDP | United Nations Development Program |
| WAEMU | West Africa Economic and Monetary Union |
| WBG | World Bank Group |
| WFP | World Food Program |
| WGI | Worldwide Governance Indicators |

| | World Bank | IFC | MIGA |
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CÔTE D'IVOIRE FY16-21 COMPLETION AND LEARNING REVIEW

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CÔTE D'IVOIRE FY16-21 COMPLETION AND LEARNING REVIEW

I - INTRODUCTION

1. **The Côte d'Ivoire Country Partnership Framework (CPF) for FY16-19 (Report No. 96515-CI) was discussed at a Board meeting on September 29, 2015.** A Performance and Learning Review (PLR) (Report No. 122566) was finalized in April 2018. It was decided to extend the period of the CPF by two years to align implementation with the duration of the Government's National Development Plan 2016-2020, as well as the electoral cycle which called for presidential elections in October 2020 and legislative elections in March 2021. The purpose of this Completion and Learning Review (CLR) is to draw lessons from the implementation of the CPF in order to inform the next country strategy. It also serves as a tool of accountability.

2. **The CPF was designed to take advantage of renewed stability and economic growth in Côte d'Ivoire after an extended period of instability between 1999 and 2011.** The WBG proposed to accelerate and scale-up its engagement with the country. It built on the lessons learned in the previous Country Partnership Strategy, and the analysis of the Systematic Country Diagnostic, completed in 2015. The latter emphasized the importance of land reform and good governance as prerequisites for inclusive and sustainable growth. It then focused on creating better jobs and building human capital. The CPF was also aligned with the Government's new National Development Plan 2016-2020 which was already well-advanced in 2015, with a focus on structural transformation to reduce poverty and inequality.

3. **The CPF was guided by a set of principles.** The first principle was giving priority to the WBG's comparative advantage. This was understood to mean harnessing global knowledge, policy dialogue and technical assistance to advance reform implementation. It also included the Bank's capacity to mobilize large financing packages for major infrastructure, and IFC's role in mobilizing catalytic investments. Other guiding principles were i) alignment with national programs and ownership by stakeholders, ii) multi-sectorality and selectivity to overcome fragmentation and promote bold programs, iii) donor partnerships and coordination, iv) conflict prevention, and v) testing innovative financing mechanisms.

4. **The PLR proposed several adjustments to align with IDA18 priorities and increase the focus on economic and social inclusion.** These included several financing innovations: i) a 50 percent increase in performance-based allocations, ii) increased use of the Scale-up Facility and IBRD resources, and iii) piloting the Maximizing Finance for Development approach. There would also be an increased focus on capacity-building, gender, and climate change. The PLR committed to greater support for larger projects that addressed cross-cutting challenges such as urbanization, agricultural value chains, and public service delivery. Climate change would figure more prominently in projects and advisory services and analytics (ASA). The PLR reinforced the need to reduce inequality by prioritizing programs for the poor, women, rural areas, and secondary cities.

5. **Substantial changes were made to the results indicators, to reflect the two-year extension of the CPF and progress made on existing and new projects.** Of the 20 original indicators, 12 were dropped, while 19 new ones were added. Seventeen of the 33 supplementary indicators were dropped and replaced by 10 new ones. As a result, there were more new indicators (29) than original ones (24). Three of the targets for the dropped indicators were achieved at the time of the PLR, but 10 of the 19 supplementary targets had been achieved.

6. **Côte d'Ivoire made impressive economic progress until the COVID-19 pandemic.** GDP growth averaged 6.9 percent from 2016 to 2019, the first four years of the CPF. This was second only to Ethiopia in sub-Saharan Africa. The COVID-19 pandemic hit in March 2020, reducing growth to an estimated 2.0 percent, but this remained one of the best performances in the region. A strong rebound to 6.2 percent is estimated for 2021 and economic growth is expected to reach about 6.5 percent in 2022 and 2023. The fiscal deficit was reduced to 2.3 percent of GDP in 2019 before rising to 5.6 percent in 2020 due to extra spending to address COVID-19. Public debt has risen to 50 percent, which remains lower than for most regional peers. However, the risk of debt distress is moderate, due to relatively low domestic resource mobilization. The poverty rate has fallen from 44.4 percent in 2015 to 39.4 percent in 2018.

7. **Political and social stability has been more problematic.** The country suffered from military mutinies, terrorist attacks, civil service strikes and electoral violence. Regional disparity between the north and south of the country remains high, as does inequality between rural and urban areas. Conflicts around land are a major concern, notably in the Western region, where the most recent wave of cocoa expansion into previously forested areas has led to disputes among indigenous communities, migrant cocoa farmers, and state authorities. Demobilization of armed groups remains a source of tension. Youth are frustrated by the lack of jobs in spite of rapid economic growth. For almost a decade, political stability was challenged by the trial, and eventual release, of the former President at the International Criminal Court. The decision by the current President to seek a third term when he had vowed not to but faced with exceptional political circumstances, exacerbated tensions. With many of these stresses evident in 2018, the PLR raised the overall risk rating from Moderate to Substantial.

II- PROGRESS TOWARDS CPF DEVELOPMENT OUTCOMES

8. **The overall performance of the CPF is rated as 'Moderately Satisfactory'.** The first focus area was 'accelerating sustainable private-sector led growth'. Overall performance of its four CPF objectives is rated as 'Moderately Satisfactory'. Outcomes were best in the area which also benefited from the largest financing – strengthening economic infrastructure – where all targets were met. Performance was mixed under objectives 1 and 3: improve productivity in ag/agribusiness value chains and improve the business regulatory framework and access to finance. Progress was weakest under objective 4 – formalize and enhance access to land for business and agriculture – but the government has established the necessary prerequisites to complete the outcomes targeted.

9. **Performance in the second focus area was also mixed and rated as ‘Moderately Satisfactory’.** “Building human capital for economic development and social cohesion” was most successful in pursuing the third objective of “improving the delivery of quality health and water services” where two targets were exceeded, and other health outcomes were also achieved. Significant progress was made in developing the social safety net, but the authorities’ ownership of the program could have been strengthened. The World Bank was successful in youth skills development, and in supporting preschool education and improving learning outcomes in primary schools (not specifically covered in the results framework). A higher education project encountered serious problems.

10. **The third focus area – strengthening public financial management and accountability – is rated as ‘Moderately Satisfactory’.** Most targets under this focus area were met (or partially met) although in some instances the choice of the indicators could have been strengthened to assess the objective. Despite the fact that this focus area received relatively little financial support and suffered setbacks in some variables (debt service), the Government has demonstrated some progress, such as the increase of the taxpayers’ base, with tax revenues increasing from 10.9% of GDP in 2015 to 13.0% of GDP in 2021.

Table 1: Summary of CPF Development Outcome Indicator Ratings

| CPS Outcomes | Overall Outcome Rating | Outcome Indicator Ratings | | | | Total Number of Indicators |
|--|------------------------|---------------------------|-----------------|--------------------|--------------|----------------------------|
| | | Achieved | Mostly Achieved | Partially Achieved | Not Achieved | |
| Pillar 1: Accelerating Sustainable Private Sector-Led Growth – Moderately Satisfactory | | | | | | |
| 1. Improve productivity in ag/agribusiness value chains | Partially Achieved | | | 2 | 2 | 4 |
| 2. Strengthen economic infrastructure | Achieved | 3 | | | | 3 |
| 3. Improve business regulatory framework and access to finance | Partially Achieved | 2 | | 1 | 1 | 4 |
| 4. Formalize and enhance access to land for business and agriculture | Partially Achieved | | | 1 | 1 | 2 |
| Pillar 2: Building Human Capital for Economic Development and Social Cohesion – Moderately Satisfactory | | | | | | |
| 5. Improve education service delivery and youth employability | Mostly Achieved | 1 | | | 1 | 2 |
| 6. Expand affordable social protection system | Mostly Achieved | 2 | | 1 | | 3 |
| 7. Improve the delivery of quality health and water services | Achieved | 2 | | 1 | | 3 |
| Pillar 3: Strengthening public financial management and accountability – Moderately Satisfactory | | | | | | |
| 8. Improve allocative efficiency and quality of expenditures | Achieved | 2 | | | | 2 |
| 9. Increase domestic revenues and debt sustainability | Partially Achieved | 1 | | | 1 | 2 |
| 10. Increase accountability and transparency in public expenditures | Partially Achieved | | | 2 | | 2 |
| Total | | 13 | | 8 | 6 | 27 |

11. **These mixed results can be attributed to a variety of factors.** Certainly, the COVID-19 pandemic dealt a serious blow starting in early 2020, as expenditures rose to cope with the

impact while revenues suffered from reduced economic activity. In particular, pandemic-related restrictions considerably delayed the start of land registration field activities (objective 4). Overall, however, up to late 2021, its impact was less than anticipated as the economy continued to grow. In several cases, staff underestimated how quickly results could be achieved after the PLR, even with a two-year extension. Some key projects were still at early stages of implementation in 2021. This was true in the case of rural connectivity (under objective 1), land registration (objective 4), and higher education (under objective 5). Indicators were sometimes too broad, extending well beyond the feasible impact of any WBG-financed interventions.

9.1 Focus Area 1: Accelerating Sustainable Private Sector-Led Growth

12. Focus area 1 had four objectives: i) Improve productivity in ag/agribusiness value chains, ii) strengthen economic infrastructure, iii) improve business regulatory framework and access to finance, and iv) formalize and enhance access to land for business and agriculture. Out of 13 targets, five were achieved, four were partially achieved and four were not achieved. The second objective pertaining to economic infrastructure is judged to have been fully achieved, as all three targets were met, and other significant outcomes were achieved. The key infrastructure, institutions, and capacity needed to meet the CPF outcomes under the fourth objective on access to land were substantially achieved, and the land policy project expects to fully achieve its targeted outcomes. Two important operations which were originally in the CPF (PSAC and WAP) would have contributed substantially towards achieving the target of this focus area. However, they were not reflected in the revised results framework at the time of the PLR.

Strategic Objective 1: Improve productivity in ag/agribusiness value chains: Partially Achieved

13. This objective was originally supported by the *Agriculture Sector Support Project (P119308)* which focused on key export crops with a wide geographic coverage: cocoa (southwest), rubber and oil palm (southeast), and cotton and cashew (central and northern). This held the promise of healing some of the wounds of civil strife through diversified economic growth, especially the cotton/cashew component with its central and northern geographic focus. The project was particularly successful in raising cotton production, but closed relatively early in the CPF cycle, in 2018. Throughout the CPF period, IFC has provided advisory services to professionalize smallholder farmers in the cocoa value chain which also facilitated SHFs access to finance (Cargill-SIB Cocoa Coop Leasing RSF, Project # 36149).

14. This project was followed by the *Cashew Value-Chain Competitiveness Project IBRD Enclave (P158810)* and IFC advisory services in the cashew sector. The cashew project was the second largest project in the country portfolio and the only IBRD-financed one. It was designed to increase yields, cashew nuts quality and domestic processing, and all three have improved during project implementation. Cashew production has been one of the big success stories in Côte d'Ivoire, and national output has continued to expand. This has helped reduce the sense of marginalization in the central and northern parts of the country where production is concentrated. In Partnership with Olam, IFC implemented an advisory project to increase the reliability and the professionalism of Ivorian cocoa, coffee, cotton and cashew cooperatives and

producer associations as they grow and become more complex in Olam's supply chain, by benchmarking their performance and refining their business management skills. The Project enables professionalized cooperatives to access commercial input and asset financing.

15. However, promoting cashew processing has proven challenging initially, given the competitive advantage of India, Vietnam, and Brazil. The government has imposed a modest tax of FCFA 30 per kilogram of raw cashew nuts exports to support processing. Part of these tax proceeds are used to finance research and extension services for increased productivity as well as rural roads rehabilitation for improved access to markets. The assumption is that higher productivity will more than compensate for the lower farmgate price resulting from the export tax. Higher incomes for workers employed by processors constitute another benefit for rural communities.²⁴ As of the time of this CLR, Cote d'Ivoire has made substantial progress in positioning itself as a major global player in the cashew industry. The share of the harvest which is processed has increased moderately. However, it is not clear how much is attributable to the WB project, since many of its activities to promote processing were only getting started in 2021.

16. The e-Agriculture Project (P160418) was the other major agriculture operation post-2018. It was also innovative as it combined agriculture and telecommunications connectivity, as well as rural roads. However, it has had a slow start following multiple changes in leadership at the line ministry, project coordination unit and Bank task team levels from mid-2018 through mid-2020. It was then restructured in 2021 in response to the Government's request for help in dealing with the effects of COVID-19 on farmers and processors. No progress had been made on improving farmer connectivity by 2021. The digital agriculture platform has been developed and is pending operationalization across selected value chains actors, including smallholder farmers. The procurement process for the deployment of digital rural connectivity was launched in October 2021 and contracts are expected to be awarded by April 2022.

17. IFC developed a customized approach leveraging risk-sharing facilities (RSFs) and advisory services with partner banks to support agricultural diversification (outside of cocoa), export promotion and digitization of selected agricultural value chains (cashew, cotton, horticulture). IFC also partnered with leading commercial agriculture players to offer a combination of capacity building and financing solutions, reaching over 150,000 farmers, including gender sensitization and professionalization of cooperatives. Lately, IFC has promoted warehouse receipt financing with commercial banks using a new regulatory framework to facilitate the financing of cooperatives in the cashew sector.

²⁴ In 2020, domestic processors faced a crisis when world prices fell after they had purchased their stocks of raw cashews. Domestic processors compelled to buy at the official farm-gate price of CFAF 400/kg, had to stop buying from farmers and suspend their processing activities, putting at risk thousands of jobs. The project was restructured to provide a subsidy to local processors in order to: (i) secure the purchase at the official farm-gate price of raw cashew nuts stocked at farms; and (ii) avoid a disruption of domestic cashew processing by providing operators with the means to operate.

Strategic Objective 2: Strengthen economic infrastructure – Achieved

18. This was decidedly the most important area supported by the CPF in terms of financing. This objective covered a wide range of activities, including electricity, rural and urban roads, the port, drainage and flood prevention, and sanitation, as well as reforms in transport services and trade facilitation. The electricity sector has long been a priority in the WBG portfolio, and it continued to attract the most resources. It was supported by both investment projects (*Urgent Electricity Rehabilitation*, P112573, *Electricity Transmission and Access – SUF*, P157055), guarantees (*CI-Energies Guarantee*, P164145) and DPFs (*Fiscal Management, Education, Energy and Cocoa Reforms*, P158463, P163284, P166388) and IFC investments. The *Electricity Transmission and Access SUF (ETAP)* was the largest operation in the portfolio with IDA financing of US\$325 million. Recently, two regional projects have been approved (*Regional Electricity Access and BEST*, P167569, *West Africa Regional Energy Trade DPF*, P171225).

19. The electricity sector had been a significant financial drain on the national budget and resulting arrears in payments to private energy suppliers had discouraged needed investment. Consequently, a major focus of WBG support has been to strengthen the financial situation of CI-Energies, the state-owned enterprise managing the sector. Its net income improved from virtually nil in 2016 to CFAF57.4 billion in 2019, though this is still less than the target (CFAF70 billion). Commercial and technical losses were reduced in part thanks to the ETAP project, while the collection rate on domestic consumers improved, in both cases exceeding targets. Arrears were brought down dramatically, though not completely eliminated, in large part due to a refinancing of CI-Energies' debt with long-term international and local financing, which would not have happened without the support of the IDA guarantee (P164145). Capital indirectly leveraged from private investments in electricity generation supported by the WBG has amounted to US\$629 million in the last four years.

20. IFC investments and mobilization (about US\$800 million) in Azito 4 (2019) and Ciprel 5 (2020) will add 643 MW of new generation capacity. It also helped increase the resilience of Cote d'Ivoire's power sector through upstream, coordinated WBG engagement to improve the sector's financial sustainability. IFC further supported the development of renewable energy generation programs with CI-Energies under a first "Scaling Solar" project (Touba), and discussions are ongoing on wind power.

21. A MIGA guarantee (US\$115 million) contributed to improvement in transport connectivity while reducing travel time and congestion in Abidjan. The guarantee covers the design, construction, and operation of the Henri Konan Bédié Toll Bridge (HKB Bridge), over the Ebré lagoon. The bridge has reduced congestion and pollution, while lowering carbon dioxide emissions due to lower fuel consumption. In addition, the project has boosted trade and tourism while providing important demonstration effects for future investment initiatives in the transport sector. Direct and indirect jobs were created during the construction phase and more jobs (direct and indirect) have been created in the current operational phase.

22. In the energy sector, MIGA’s support for the expansion of the Azito Thermal Power Plant will help meet growing energy demand in Côte d’Ivoire. Phase III included the addition of a steam turbine generator and heat recovery systems, as well as the facilities and equipment required to connect the generator to the plant’s 225 kV substation. Phase IV, which benefited from a MIGA guarantee in FY20, will add 253 MW of capacity to the existing plant for a total plant installed capacity of approximately 680 MW. The project will provide increased affordable, reliable, and efficient baseload power to meet domestic energy demand while increasing Côte d’Ivoire’s capacity to export electricity to neighboring countries.

23. The *Emergency Infrastructure Renewal Project (124715)* became the largest project in the portfolio once counterpart funds were included as the IDA allocation of US\$160 million was more than matched by another US\$260 million from the Borrower. It was initially designed in 2011 to rehabilitate the full range of urban infrastructure (including schools and health centers) as well as rural roads, after years of neglect during the period of political instability. By covering secondary towns throughout the country, in addition to Abidjan, it helped support lagging regions and reduce inequality. It met its objective of providing access to all-season roads in urban areas and exceeded a similar objective for rural areas. The project was also successful in expanding access to electricity. Further road rehabilitation was undertaken in the *Infrastructure for Urban Development and Competitiveness of Second Cities (P151324)* operation, and the *Greater Abidjan Port-City Integration Project (P159697)*, which is also making major investments to improve access to the port. Another major project, *Urban Resilience and Solid Waste Management (P168308)* was approved in 2020 to finance flood prevention and improved sanitation systems in the Abidjan region as well as in secondary towns in the center and north of the country.

24. Transport services and trade facilitation with Burkina Faso were supported through the *Transport Sector Modernization and Corridor Facilitation Project (P156900)*, and the earlier, innovative *Regional Trade Facilitation and Competitiveness DPO (P129282, P158333)* which experimented with joint budget support to two countries dependent on a common set of reforms. These projects succeeded in significantly reducing the transit time between the port of Abidjan and the border with Burkina Faso. However, a large component intended for modernization of the truck fleet had to be cancelled. IFC helped upgrade the country’s trade facilitation procedures, through operationalization of the Single Window for Foreign Trade, in addition to the West Africa Corridor Trade Facilitation program (Abidjan-Ouagadougou).

Strategic Objective 3: Improve business regulatory framework and access to finance: Partially Achieved

25. This objective was pursued by IFC initiatives as well as two IDA financial inclusion TA programs and two IDA-financed projects. The *Infrastructure for Urban Development and Competitiveness in Second Cities Project (P151324)* focused on SME financing and land registration (in addition to roads). It had not made progress on its three main PDO indicators by

July 2021. The *Enhancing Government Effectiveness for Improved Public Services Project* (P164302), approved in 2019, has one component on financial inclusion which supported the overall regulatory framework for the financial sector, the collateral registry, financial information for consumers, and the digitization of various government payment systems. The main effort to promote financial inclusion was made through two technical assistance programs.

26. IFC launched a number of advisory services and projects to improve the investment climate. One, begun in 2013, promoted business climate reforms (ID:588607) including business licensing and inspection. It closed in 2016, with limited success. A second one helped establish a regional credit bureau for WAEMU countries. This is the first time anywhere that a regional bureau is operational. IFC also implemented the Côte d'Ivoire Secured Transactions and Collateral Registry project (AS 602074): this advisory service aimed to increase access to credit for MSMEs in Côte d'Ivoire, by developing an appropriate institutional framework for movable assets-based lending in line with OHADA standards. The project consisted in the conceptual design of a web-based centralized registry. The system was launched in December 2020.

27. IFC focused on deepening financial inclusion and lessening the risk of on-lending to MSMEs and underserved segments – such as agri-cooperatives, smallholder farmers, and women entrepreneurs. It did so by deploying risk-sharing facilities with local banks, pioneering financial innovation and product sophistication through digitization, and promoting local capital markets development. In addition to client-focused activities, IFC also supported sector-wide initiatives, including: (i) support to microfinance institutions, through stress-testing and capacity building; (ii) strengthening resilience of banking institutions through risk management programs; and (iii) developing Digital Financial Services programs for cooperatives. IFC also sought to develop a viable leasing market in Cote d'Ivoire under the Afrileasing program. The project focused on strengthening the legal and regulatory instruments that govern the leasing market while providing advisory services to leasing operators.

28. Under the COVID-19 emergency response, IFC swiftly deployed working capital financing solutions to address liquidity shortages in partner banks and support continued lending to cash-strapped MSMEs. As part of the COVID Response, in partnership with financial institutions, IFC conducted a series of non-financial services webinars at the market level, aiming to provide tips and tools for MSMEs, and to support them in sustaining and growing their business operation through the COVID-19 crisis. IFC further supported the Government's economic response package by helping operationalize the private sector support funds and the SME guarantee fund in line with best practices, by ensuring a robust governance framework (including private sector representation in boards) and establishing operating guidelines – in order to guarantee transparency of disbursements.

Strategic Objective 4: Formalize and enhance access to land for business and agriculture: Not Achieved

29. The *Land Policy Improvement and Implementation Project* (P157206) was the main instrument supporting this objective. It was approved in 2018 and elicited strong demand for

land rights registration. The pandemic intervened immediately after the contracts with the land registration operators were signed, and more landowners opted for individual rather than group land certificates than expected, so only partial progress was made on the related CPF target by June 2021. However, the pace of certificate delivery increased ten-fold between June and November 2021, and the number of certificates delivered by the project so far equals the total number delivered in the first 18 years following the 1998 Rural Land Law adoption. The project is expected to fully achieve its targets. Also, the government substantially expanded the scope of the digital Land Information System (LIS) to serve as a project management information system for all rural land registration operations and has implemented regulatory and procedural reforms to streamline the land registration process, which delayed completion of the LIS. The LIS is currently being rolled out, and the CPF outcome indicator will eventually be achieved. The *Infrastructure for Urban Development and Competitiveness in Second Cities Project* (P151324), approved in 2017, also had an activity to update information on surveyed land within the cities of Bouaké and San Pedro through a fiscal land registry (or cadaster) but the implementation of this activity has faced significant delays and had not achieved results by end-FY21. Land reform has proven very difficult and will need further support.

30. IFC has been active in promoting access to industrial land through the PK24 industrial zone project and joining forces with the World Bank to facilitate affordable housing development. It has supported real estate developers through financing solutions and advisory tools, leveraging policy reforms related to land tenure and construction permits. IFC developed the Côte d'Ivoire Housing Program (CI Housing Program # 41841) focusing on supporting both housing supply and demand. Under the two-phase program, IFC committed to providing a financing package of up to US\$100 million to selected housing developers through participating banks. In addition, the Program is expected to provide long-term financing for on-lending as mortgage loans to eligible clients. The program is helping commercial banks provide suitable mortgage solutions to landowners (including rent-to-own solutions).

2.2 Focus Area 2: Building Human Capital for Economic Development and Social Cohesion

31. The second focus area had three objectives: i) improve education service delivery and youth employability, ii) expand affordable social protection system, and iii) improve the delivery of quality health and water services. Out of 8 targets, 5 were achieved, 1 was partially achieved and 2 not achieved. Only the third objective is considered to have been fully achieved.

Strategic Objective 5: Improve education service delivery and youth employability: Partially Achieved

32. This objective reflected the goals of the *Emergency Youth Employment and Skills Development Project* (P122546) which was launched in 2011, and the *Higher Education Development Support Project* (P160642). The first one was designed to respond to the employment crisis among youth with little or no education after 12 years of civil unrest. It received additional funding in 2015 to double in size. Its training program reached its target of

achieving employment for 75 percent of graduates within six months. The higher education project was only approved in 2019 and has had a difficult start. After discussion with the authorities about priorities, and the need to free up funds to cope with COVID-19, the project was restructured and substantially downsized. Little progress had been made by 2021.

33. Additional support to education was provided through the *Education Service Delivery Enhancement Project (P163218)*, and the *Enhancing Government Effectiveness for Improved Public Services Project (P164302)*. The first focused on preschool education and improving learning outcomes in primary schools. It had already surpassed its target for learning outcomes two years before closure. Unfortunately, no indicator captured this successful performance. The second project aims to improve the efficiency of textbook distribution and education governance more broadly. Further support was provided through the DPF series, *Fiscal Management, Energy, Education and Cocoa Reforms*. All the DPF education targets were exceeded: reduced primary school repetition rates, increased lower secondary completion rates, and greater recruitment of teachers in under-staffed primary schools.

Strategic Objective 6: Expand affordable social protection system: Mostly Achieved

34. The World Bank began to support the social safety net in 2011 through labor-intensive public works under the *Emergency Youth Employment and Skills Development Project (P122546)*. With additional funding in 2015, this project continued until 2020. In 2015, the Bank also approved the *Productive Social Safety Net Project (P143332)* which helped the authorities launch a cash transfer program. After additional financing was made available in 2019, the total budget stands at US\$150 million. The Government committed to financing a fourth cohort of 100,000 households, which represents 44 percent of the eventual total (227,000). Their contributions began in 2020. The project met its targeted number of households receiving a cash transfer by 2021 but fell short on the provision of accompanying measures. It greatly exceeded its target for female-headed households benefiting from safety net programs. The government's full ownership of the social safety net project could be strengthened by institutionalizing it as a national program and by ensuring its sustainability.

35. Social protection was also supported through the *First Sustainable and Inclusive Growth DPO*. Particular attention was paid to the development of a Unique Social Registry and its utilization by a growing number of programs in addition to the cash transfer scheme.

Strategic Objective 7: Improve the delivery of quality health and water services: Achieved

36. The relevant health and water projects exceeded their targets. The water objective was supported by the *Urban Water Supply and Sanitation Project (P156739)* and the *Emergency Infrastructure Renewal Project (P124715)*, which have been successful in raising access to clean water in urban areas. The *Health Systems Strengthening and Ebola Preparedness Project (P147740)* achieved all five of its main PDO indicators by the time of project closure in 2020. One of the CPF indicators for this objective focused on pro-poor social sector spending by government. This is not considered to be appropriate as it includes education and social

protection, in addition to health, and excludes water supply. It is also not a good measure of CPF performance as it goes well beyond the role of the WBG. Therefore, it was excluded when assessing this objective.

2.3 Focus Area 3: Strengthening public financial management and accountability

37. **The third focus area had three objectives:** i) improve allocative efficiency and quality of expenditures, ii) increase domestic revenues and debt sustainability, and iii) increase accountability and transparency in public expenditures. Most targets were met but more could have been done through reforms in DPOs and the *Enhancing Government Effectiveness for Improved Public Services Project* (P164302). Out of six indicators, three targets were met, two were partially met and one was not.

Strategic Objective 8: Improve allocative efficiency and quality of expenditures: Achieved

38. **Both targets were achieved.** However, limited analytical work was carried out to assess allocative efficiency and challenges associated with quality of public expenditures (which could have helped to further strengthen results indicators at the PLR stage) until a Public Expenditure Review was initiated in 2021. DPO prior actions supporting this area focused on domestic resource mobilization, procurement, and efficiency of education and social protection spending.

Strategic Objective 9: Increase domestic revenues and debt sustainability: Partially Achieved

39. **This objective was aligned with WBG support, but the indicators could have been more focused.** The FY16-19 DPO series did focus on expanding the tax base. However, the intended outcome was an increase in tax revenues which the first indicator for this objective should have measured. In fact, the number of registered taxpayers increased, with tax revenues increasing from 10.9% of GDP in 2015 to 13% of GDP in 2021. Debt sustainability was certainly an objective of the WBG, supported by Debt Sustainability Analyses, but the second indicator was broad, as it depended on a wide variety of external factors, including the performance of exports. The level of debt service as a share of export revenues has deteriorated steadily.

Strategic Objective 10: Increase accountability and transparency in public expenditures: Partially Achieved

40. **The main project providing direct support in this area was the DPO series, dealing with financial management, education, energy, and cocoa reforms.** The earlier *Governance and Institutional Development Project* (P107355) made some contributions, but it closed in 2016. In 2019, a new project was approved, *Enhancing Government Effectiveness for Improved Public Services* (P164302), a Program for Results (PforR). The DPO series covered several challenging sectors and the financial management component supported reforms in the area of corruption and transparency. The new PforR helped the authorities develop a system of publicly available annual performance reports for all ministries, as well as strengthening oversight by Parliament and the Court of Accounts. It also included components to improve procurement, private

education subsidies, and road maintenance contracts. The indicators chosen for the CPF were more ambitious and extended beyond the scope of World Bank-financed initiatives. They also lacked recent data.

III - WORLD BANK GROUP PERFORMANCE

41. The WBG performance in designing and implementing the CPF is rated as 'Fair'. The CPF was well-aligned with the priorities of the Côte d'Ivoire National Development Plan 2016-2020. However, it lacked selectivity and the results framework could have been designed more effectively. There was a reasonable link to the 2015 Systematic Country Diagnostic in the design, but this was weakened during implementation.

3.1 CPF design

42. The program was wide-ranging but generally focused on the areas of comparative advantage for the WBG. There was a particularly strong emphasis on economic infrastructure with large financing requirements. However, some of the more standard infrastructure projects might have been left to other partners to improve selectivity within the portfolio.

43. Focus areas were generally well-formulated and appropriate. The first focus area was 'accelerating sustainable private sector-led growth'. Given that the Ivorian economy was growing at a fast pace in 2013-15, averaging about 9.0 percent per year, it was overly ambitious to aim for an acceleration. In fact, GDP growth gradually slowed down to a still-respectable 6.2 percent in 2019 before COVID-19 hit. The other two focus areas were clearly appropriate to the economic and social context of Côte d'Ivoire and to the goals of the WBG.

44. The CPF objectives were well-aligned to the focus areas. Agriculture, and especially agricultural exports, are central to Ivorian economic growth. Improving economic infrastructure, business regulations, and access to finance and land are key to supporting agriculture, industry, and services. Education, health, and social protection are the standard three pillars of human capital development. The additional focus on practical training for youth employment, and access to safe water for better health, was well-founded. Improving the efficiency, quality, transparency, and accountability of public expenditures are essential for better service delivery and overall fiscal management, as are revenue mobilization and debt management. The one notable absence is the environment, and particularly climate change which was identified as an emerging challenge in the PLR.²⁵ However, the scope of the program was already extensive and needed to be selective.

45. The link between objectives and interventions was sometimes weaker. Support on the business regulatory framework and access to credit was largely limited to IFC activities with little

²⁵ Only a small project in forest investment (US\$15 million) and a component of a regional coastal erosion project were planned and approved.

IDA involvement beyond TA on financial inclusion. The operations on transport services and trade facilitation might have fit more logically in this component rather than under economic infrastructure. Objective 4 on access to land was only supported by one main project,²⁶ which was only approved in 2018, leaving little time to achieve a substantial impact on land registration given the significant regulatory, procedural, and institutional reforms needed to streamline the process. The third focus area had the weakest support, depending primarily on DPOs and analytical work. The one relevant IPF was approved in 2019, too late to have a substantial impact.

46. Many indicators were drawn from IPFs, but some were too broad and ambitious. The macroeconomic and governance indicators often depended on factors well beyond the control of WBG-financed interventions. This is particularly true of the corruption perception index, and the ratio of debt service to exports, but most of the indicators were only weakly linked to WBG-financed projects. The same could be said about the access to finance indicator (Findex) and the level of pro-poor spending. In several other cases, indicators related to projects that were only approved in 2018 or 2019 and therefore had insufficient time to show results. For this reason, it would have been better to focus on primary and secondary, rather than higher, education. A similar problem arose in the case of rural connectivity under the e-agriculture project. The economic infrastructure objective represented the largest number of projects which would have justified more indicators, for example in flood prevention, sanitation, and/or rural roads, and even a second indicator for the large and complex energy portfolio.

47. The CPF incorporated lessons learned from the previous country strategy. The IEG review of the previous strategy focused on the challenges of a post-conflict environment. IEG emphasized the importance of country-based staffing and project implementation units outside of government structures. On DPOs, the IEG emphasized the need for government commitment to reforms. The WBG drew lessons from its success in promoting cocoa sector reforms, where it used its convening power to coordinate with the IMF, the EU, and key donors. It proposed to apply this approach in the areas of land, health, education, and water under the new CPF.

48. The PLR conducted in 2018 produced a rich set of lessons and a few changes in emphasis. In particular, it was noted that the unequal distribution of the benefits to high economic growth in 2013-16 called for greater attention to social inclusion and spatial equality. Elite capture and control of major assets was recognized, together with the difficulty in building ownership over reforms to counteract the problem, with subsequent delays in project preparation. The PLR also acknowledged that sometimes DPO disbursement objectives trumped reform initiatives, which eventually had to be addressed.²⁷ It proposed to take advantage of improved financing options and pay greater attention to IDA 18 priorities such as capacity-building, gender, and climate change. Implementation was particularly strong with respect to additional financing, with some progress on gender, less on climate change. Otherwise, the PLR

²⁶ The Infrastructure for Urban Development Project had a small land component which made little progress.

²⁷ Cocoa reform was excluded from the DPO series launched in 2016 but had to be added in 2017 when it became clear that cocoa sector governance was still problematic.

maintained the priorities of the CPF, as was appropriate. There were significant changes in the results framework to reflect the evolving portfolio and the longer time horizon. However, some of the targets remained over-ambitious.

49. The overall risk rating of the CPF at the time of design was ‘Moderate’. One of the main risks was related to the challenging political economy, including upcoming presidential and legislative elections and the risk of associated conflict. In addition, sector strategies faced significant risks due to the key role of export crops vulnerable to global price shocks. The third preoccupation was weakness in technical and institutional capacities. In the PLR, the overall risk was raised to ‘Substantial’ due to increased macroeconomic and political risks. The fiscal deficit was rising, pushing up public debt levels, and the necessary restraints on public spending were judged to be at risk in the face of presidential elections in 2020. In fact, the macroeconomic risk appears to have been overestimated as revised figures assessed public debt at 36 percent of GDP in 2018, as opposed to 50 percent projected at the time of the PLR. Proposed mitigating actions were generally appropriate, while recognizing the limited role for the WBG in some areas.

3.2 Program implementation

50. The Bank mobilized an impressive level of additional financing to scale up its program in Côte d’Ivoire. Lending in FY16-17 totaled US\$815 million. In the PLR, this was planned to almost double to US\$1,565 million for the period FY18-20. In fact, actual lending was almost double that amount, reaching US\$2,978 million for FY18-21 (See Annex 2). This enabled major new projects each one with budgets equal or exceeding US\$200 million in the areas of agri-food development, competitive value chains, the port of Abidjan, urban mobility in Abidjan, urban flood protection and sanitation, COVID response, and a larger energy guarantee. The average project size in the portfolio rose from US\$55 million in FY16 to US\$132 million in FY21.

51. The strategy maintained important continuity with existing initiatives. The Youth Employment and Skills Development project received additional financing in 2016, and a third phase was approved in FY22. The Emergency Infrastructure project also obtained additional financing in FY17 and was supplemented by other infrastructure projects. Additional financing was provided for the Social Protection project. The Agriculture Sector Support project was followed by the e-Agriculture and Cashew projects. New projects in health and education also build on earlier projects. Thus, most of the eight active national projects at the start of the CPF enjoyed continuity and deepening over the next six years.

52. The strategy did a good job of distributing lending across the country, though Abidjan continued to figure prominently. Three projects approved in FY17 had already been designed with this in mind. These were followed by nine new projects in the next four years which reached many parts of the country, including four with a strong focus on the northern region – in cashew, e-agriculture, education, and nutrition. Many of the other projects focused on secondary cities, as promised in the PLR. These included one additional financing (Infrastructure Renewal) and three new projects all approved in FY17, Infrastructure for Urban Development, the Electricity Transmission and Access, and Urban Water Supply and Sanitation, the Land Policy project in FY18,

and was reinforced in FY20-21 with projects devoted to Urban Resilience and Solid Waste Management, the Agri-Food Sector, and Competitive Value Chains. These accounted for a total of almost US\$1.5 billion in WB lending. Two other large projects (US\$615 million in total) were devoted to Abidjan – addressing urban mobility and port-city integration – but this can be justified by the fact that the entire country benefits from an efficient economic capital, and in particular its port.²⁸ It will be important to continue a balanced distribution of projects as significant geographic inequalities persist and economic opportunities are widespread.

53. Some multisectoral projects were developed, with very modest results. The e-agriculture project combined IT, rural roads, and agriculture. The infrastructure for urban development project combined roads, SME development, and urban management (including land registration). The enhancing government effectiveness project covered financial management, education services, road contracts, and access to finance. These proved more complex than the typical sectoral project and the rationale for their multisectoral design was not always clear. The e-Agriculture project had not made progress on expanding access to the internet or roads three years after approval. The addition of land registration in the urban infrastructure project proved too complicated and was better served in a separate, dedicated, land policy project. In fact, the project had not made progress on the PDO indicators for all three components four years after approval. The client’s lack of ownership at the project’s preparation phase contributed to a difficult implementation of these multisectoral operations. On the other hand, the Emergency Infrastructure Renewal project was quite successful. This may be because the different sectors covered were all related to construction, and therefore somewhat similar. In general, projects involving multiple ministries tend to have more problems.

54. The assessment of the macro/governance component of the CPF revealed a mismatch between ambitious objectives and limited means and results indicators could have been better conceived. On the one hand, it tackled very ambitious goals, such as reducing overall corruption, limiting debt service, and improving the quality of public expenditures. On the other hand, it had limited resources to achieve these objectives and was unable to deliver several of the intended instruments. A project to focus on governance was only approved in 2019. Full-fledged ASA on public expenditure and financial management (PEMFAR 2) and on governance and corruption failed to materialize.²⁹ Finally, the indicators were not well-aligned with Bank-financed interventions and were often too broad in scope.

55. The strategy accorded a major role to Development Policy Operations. A total of US\$900 million was provided in annual credits, along with another US\$120 million in two regional DPOs. As so often happens, there was tension between the reform objective and the need to disburse. This led to an initial decision to leave out cocoa reforms in the FY17-19 DPO series (subsequently reinstated), and to slow down the pace of e-procurement reforms. The context changed in 2019

²⁸ The importance of trade logistics was emphasized in the SCD.

²⁹ A PER was finally launched in FY22.

and the Bank chose to prioritize reform, resulting in a lapse in budget support for that calendar year while more stakeholder consultations were conducted. As is often the case for DPOs, reforms took longer than expected and required more technical assistance than available. While earlier DPOs benefited from the *Governance and Institutional Development Project (DGDI)*, after it closed in 2016 DPOs depended on related IPFs and TA which did not always cover all components. Similarly, the first regional DPO on trade facilitation with Burkina Faso, while innovative, was not very successful until a new IPF devoted more resources to the challenge.³⁰

56. The SCD, completed in 2015, provided a rich analysis which only partially informed the CPF. It emphasized land reform and governance as fundamental prerequisites for poverty reduction. Land policy formed part of a 2017 project on infrastructure for urban development, followed by the first project of a two-phased land policy program in 2018. Governance was addressed in DPOs and within many sector projects, but the project on government effectiveness was only approved in 2019. The lending program reflected the priority attached to agriculture in the SCD, less so the emphasis on manufacturing. The business environment received relatively little attention in the Bank portfolio, but more in IFC operations. The strong portfolio in human capital was well-aligned with the SCD. The follow-up on knowledge gaps was focused on preparing a Human Capital Diagnostic for Cote d'Ivoire. The SCD called for more work on poverty in the north and west regions, the risks of climate change, the potential for decentralization, and access to justice, none of which figured prominently in actual ASA.

57. There was a full program of ASA which informed project design as well as a broader national development agenda. A total of 25 studies were conducted by the World Bank, as well as three technical assistance programs and seven annual economic updates (see Annex 3). Some were directly related to IPF preparations, notably in the areas of social protection, higher education, nutrition, health, agriculture, electricity, and infrastructure. Others appear less explicitly linked to the lending program, such as those focused on local content in mining, carbon pricing, energy-efficient buildings, or non-tariff measures. A third group were designed to inform the more general development debate and or strategic vision setting, such as those drawing lessons from Korea and Vietnam, reviewing the digital economy, or looking forward to Côte d'Ivoire in 2030. It is harder to determine the impact of studies in the latter two groups.³¹ Many studies took three years or more to complete. This is especially notable in the case of impact evaluations, which took six to seven years. The annual economic updates were the exception, which enabled them to remain timely. Quality was variable and could have benefited from consistent Quality Enhancement Reviews (QERs) prior to decision meetings. Introduction of the concept of core ASA has helped improve selectivity.

58. Improving women's economic empowerment and agency was a stated priority of the CPF and reiterated in the PLR. However, gender equality was not cited as one of the ten strategic

³⁰ The regional DPO was rated Moderately Unsatisfactory.

³¹ The study on lessons from Korea did convince the authorities of the need for greater emphasis on private investment, which was reflected in the new National Development Plan.

objectives in either document, though it was recognized as an important cross-cutting challenge. Two gender-specific objectives mentioned in the CPF were: i) to maintain support to policy dialogue and analytical work, and ii) to improve gender mainstreaming across the portfolio. Over the period FY17-22, 68 percent of projects approved for the country were gender tagged, slightly above the corporate regional target of 65 percent. However, this has been trending down in recent years, to only 50 percent in both FY20 and 21, whereas the AFW region has seen a fairly steady improvement. While efforts focused on providing basic infrastructure and services to improve outcomes in education and health have been relatively successful, efforts linked to social norms appear to have made less progress – e.g., adolescent fertility. The regional Sahel Women’s Empowerment and Demographics Project (P150080) has made some advances in this regard. There have been a growing number of gender interventions integrated into projects, beyond human development (e.g., agriculture, finance, competitiveness, and innovation). More work is needed on financial inclusion, where the gender gap appears to be widening. Several ongoing impact evaluations led by the Gender Innovation Lab have been grafted onto projects to assess the cost-effectiveness of innovations aiming to improve women’s economic empowerment. The results of these studies are being used to inform the Bank’s operations as well as public policies and programs. However, both the initial CPF and the PLR included too few gender-disaggregated indicators, which were mainly within the area of human capital, and gender targets were often lacking. .

59. As of June 2021, 15 out of 32 active Bank operations with a total value of US\$2.32 billion, were found to have job-relevant interventions.³² The value of the jobs component within these operations was about US\$1.67 billion. Pillar 1 had the most such interventions by number (67%) and value (86%). The Greater Abidjan Port-City Integration project (P159697), the Abidjan Urban Mobility Project (P167401), and the Electricity Transmission and Access project (P157055) were the biggest contributors to the Jobs agenda in the World Bank portfolio. However, they mostly contributed to facilitating factors of the Jobs agenda such as working / access of product markets, firm performance, and improved human capital. In comparison, operations under pillar 2 that contributed to the Jobs agenda were of a much smaller scale in terms of total value (14%). These interventions focused mostly on increasing human capital (job-related skills), increasing earnings / improved livelihoods and increased access and opportunity for jobs. Within the portfolio, few operations allocated resources to increasing job creation by employers, improving working conditions and benefits for workers, increasing labor force participation, and improving the functioning of the labor market. The review of the Bank portfolio shows that there is scope to enhance the alignment of the portfolio with the biggest constraints to jobs, identified as: access to finance, business regulations and skills training.

60. IFC’s advisory and investment services supported several WBG CPF high-level objectives in Côte d’Ivoire, such as (i) improving productivity in agribusiness value chains, (ii) strengthening economic infrastructure (including energy and transport), (iii) improving business regulatory frameworks and access to finance for small and medium-sized businesses, agri-cooperatives and

³² See the note *Cote d’Ivoire Jobs Platform, A review of World Bank portfolio and of its intended outcomes to create Better Jobs for More People*, Karlen R., Parikh S., Rougeaux S. Tien B. Oct. 2021, for more details on the portfolio analysis.

women entrepreneurs and (iv) formalizing and enhancing access to land. With Côte d'Ivoire a test case for the implementation of IFC 3.0 and a model of collaboration with the World Bank, IFC has actively engaged with the private sector in key economic sectors such as infrastructure and energy, agriculture and agro-processing, affordable housing and real estate, and health as well as the digital sector and financial markets – building on key findings of the Côte d'Ivoire Country Private Sector Diagnostic (CPSD).

61. IFC learned various lessons. Combining project-related advisory services with investment has proven to be more efficient than one or the other on their own. This helped deepen the relationship with the partner/client, encourage repeat deals, and is more likely to have a real impact on client growth and development. This combination should be the default choice. Joint IFC-WB collaboration is also critical to improve regulatory frameworks for, and de-risk private investment in most sectors. Also, realities on the ground require additional de-risking tools to help IFC reach the adequate risk appetite towards clients and projects. IFC procedures for approving investments and advisory services remain heavy, which can be particularly problematic in the area of advisory services where some development finance institutions offer subsidized or free TA. Market-based approaches with cross-sectoral partners (telecom, commodity exporters, banks, agriculture regulators) are best placed to tackle financial inclusion challenges. Also, IFC Upstream work helped to create the conditions to stimulate the movement of private capital – domestic and foreign – into productive investment.

62. MIGA's portfolio included infrastructure projects which complemented IFC and WB initiatives. MIGA's guarantees stood at US\$331 million in 2021. MIGA provided guarantees to cover investments in the Henri Konan Bédié Bridge in Abidjan, with the WB eventually launching a major project on urban mobility in the city. In addition, MIGA continued to support projects in the energy sector, notably the Azito Thermal Power Plant, which also benefited from IFC financing. Finally, MIGA contributed to the COVID-19 response by issuing guarantees for a foreign investor's acquisition of existing hotels in Abidjan, providing liquidity to sustain the hotels during the pandemic as well as capital expenditure for refurbishment and measures to improve the hotels' energy efficiency.

63. The energy sector provided a good example of how the various WBG instruments can play different and complementary roles. Without such diversity, the WBG impact would have been lower. The refinancing of CI-Energies with commercial debt could only be supported by a WB guarantee. This was key to unlocking US\$630 million from IFC and private investors for gas to power projects (Azito 4 and Ciprel 5). The concerted effort by the WBG - through IDA's Guarantee, MIGA's Political Risk Insurance to equity investors, and IFC's role as Lead Arranger - made this financing possible and has put the sector back on a more sustainable track. In addition, the work on variable renewable energy integration as part of a DPF helped improve understanding on the renewable potential. This led to IFC Advisory supporting the GoCI on a Scaling Solar tender. In general, the WB had regular exchanges with IFC colleagues on the situation in the energy sector, which helped identify areas of concerns and possible collaboration.

64. The PLR identified several issues affecting implementation which continued in the final three years of the program. In fact, disbursements slowed down, driven in part by increases in the size and complexity of projects, which in some cases did not benefit from strong client's ownership at the preparation phase, namely for multisectoral projects. Capacity and institutional constraints continued to impede the use of country systems in some ministries and affect disbursements. Delays in the availability of counterpart funding, especially for compensating persons affected by projects, was a recurring problem. Another issue relates to the practice of gradually unfreezing budget lines, which can negatively impact not only the payment of expenses but also the timely signing of contracts. The procurement process was long and tedious, with permanent conflicts between the Directorate of procurement and project execution units on the interpretation of procurement rules or the persistence of double reviews despite the assurance given by the national structures and the shortage of trained procurement officers. The advantage of independent project implementation units (PIUs) for smooth disbursement was increasingly offset by the problems they create in terms of limited innovation, weak consolidation, and the creation of deeply entrenched incentives.

65. The WBG took several measures to address implementation challenges. It maintained and expanded a large office in Abidjan which was well-staffed, with most of the key sectors represented. The Bank building also housed a sizeable IFC contingent, facilitating cooperation. Project supervision was consistent, with ISRs submitted on a regular basis. The Bank organized training programs to increase the supply of procurement officers, and helped the government revise its procurement rules, considerably raising the signature thresholds. The Bank began to experiment with project implementation by technical ministries, negating the need for some PIUs. The Bank will need to invest more in knowledge sharing, notably on the application of procedures, to build local ownership of projects; strategic dialogue with the client on how to improve the national program budget; and more capacity-building to improve national expertise and increase the number of national experts (safeguard, procurement). The level of compensation offered to persons affected by WB projects may need to be re-assessed, as the authorities sometimes feel it is too high and sets costly precedents. A detailed plan to address these and other issues was prepared in the portfolio review of February 2021. Dedicated follow-up will be necessary to ensure that recurring problems are finally resolved.

66. The Bank demonstrated considerable capacity to adapt to changing circumstances. Many projects were restructured in order to improve their effectiveness, some projects received substantial additional financing to build on their success, and at least one project (higher education) was significantly downsized when it became apparent that local ownership was insufficient. The DPO designed in 2016 was revised for the second operation in 2017 when a crisis in the cocoa sector underlined the need to address unfinished business. This adaptability became critical with the arrival of the COVID-19 pandemic and government requests to free up resources in existing projects to help them cope with new, emergency spending. Several projects were downsized in response. A large *COVID-19 Strategic Preparedness and Response Project* (US\$135 million) was approved in 2021, as was an even larger *COVID-19 Emergency DPO* (US\$300 million).

IV- ALIGNMENT WITH CORPORATE GOALS

67. The CPF was well-aligned with the WBG twin goals through targeted interventions and general support to economic growth. There was explicit recognition of the need to focus on conditions outside of Abidjan, and particularly in the north and west regions of the country. Twelve new projects were approved with this in mind. Particularly notable were the cashew, e-agriculture, education, and nutrition projects. Cashew production has become the largest commercial crop in the north and central parts of the country, and its expanded production is lifting rural households out of poverty. The social safety net project was the most targeted program, reaching 227,000 low-income households with over one million people, receiving both cash transfers and economic inclusion activities. The national poverty rate improved significantly between 2015 and 2018, falling by five percentage points. However, this progress was confined to urban areas and rural poverty remained high. Furthermore, the COVID-19 pandemic has reversed the downward trend, though the impact was probably felt most severely in urban areas.

68. Looking ahead, the growth strategy will need to address both rural and urban productivity, while paying greater attention to the environment. Agricultural productivity levels remain below those of its peers, due to the lost decade of 2000-10. At the same time, poverty and land scarcity have led to rapid migration to the main cities, where low-productivity service sector jobs tend to be the only available livelihoods. Private investment in manufacturing is low, due to an unattractive business climate. The continued importance of agriculture and other natural resources for the country's prosperity calls for greater attention to the environment, including soil fertility, forest cover, and climate change, and land registration will play a critical role in facilitating productivity-enhancing and sustainable rural growth.

V- LESSONS LEARNED

1. The most difficult sectors are unlikely to produce short-term results, but the WBG has to keep trying. The SCD identified land and governance as the two key prerequisites for poverty reduction, and the CPF took up this challenge. However, the land reform process takes time (typically 15-20 years to implement first-time land registration nationwide). While deep-seated governance problems surpassed the limited resources of the WBG. The WBG could have invested more in promoting good governance and should continue to strive for gains in both sectors. Therefore, good governance and land registration are bound to take time and require dedicated advocacy as well as persistence from both the WBG and the government.

2. Infrastructure generates the best results and gains will be even higher if WBG pushes more on where it has comparative advantage. Targets were achieved for urban roads, water supply, and electricity. The WBG could continue with traditional interventions in infrastructure (construction of schools and roads, for example), but these could be covered by other partners. As the WBG contributes greatly to designing and pushing reforms, it should concentrate on sectors where difficult reforms underlie success and alternative funding is lacking.

3. **Public sector financial management (PFM) and quality of service delivery are strictly interconnected.** Instead of pulling PFM and service delivery objectives apart, they should be brought together in order to better assess progress in reaching higher level outcomes such as strengthening the social contract and human capital High-Level Objectives.

4. **Multisector projects have proven difficult and need to be designed differently.** An infrastructure renewal project succeeded because it was focused on construction. But projects which combined very different sectors (IT, roads and agriculture, or land, SME financing, and roads) had trouble making progress.

5. **Operations implemented by independent PIUs are performing better than those housed at the Ministries.** The Bank's decision to integrate gradually projects within Ministries for greater ownership has not shown positive results yet in improving projects' implementation. Gradual transfer to Ministries should always be considered but accompanied with efficient capacity building and a balanced, hybrid arrangement should be encouraged for complex projects, such as multisectoral ones.

6. **Budget support improved over time but was constrained by insufficient technical assistance.** The initial design of the FY17-19 series suffered from the prioritization of disbursement over reform, although this was eventually rectified when the FY19 DPO was delayed. However, the tension between disbursement and reforms could have been better managed if there had been accompanying TA to prepare reforms, as was the case in earlier DPO series. Similarly, the innovative regional DPO on trade facilitation with Burkina Faso showed limited short-term results until a subsequent IPF was implemented.

7. **Progress was made on closing gender gaps and empowering women but more needs to be done.** While access to health and education has improved, changing social norms has proven more challenging. Financial inclusion for women is lagging. The overall gender focus of the country portfolio is slipping. More gender disaggregated indicators, accompanied by targets, would help strengthen the next CPF.

8. **The results framework needs to be better designed to reflect the key dimensions of the CPF and what is realistic.** Disproportionate emphasis was placed on some activities (IT in agriculture, public expenditures) while others were under-represented (energy, roads, primary education). Some targets depended on new projects with inadequate time to achieve substantial results (higher education, land policy). Several targets (cashew processing, financial inclusion, most macroeconomic and governance indicators) went well beyond the potential impact of projects and ASA in the WBG portfolio. The country team must be very realistic in setting objectives in macro/governance, and design DPOs and ASA to achieve them. The IFC and MIGA portfolios could be represented better. In general, a CPF needs to draw the distinction between results, which are largely dependent on projects already approved and underway, and new projects which reflect the emerging priorities identified in the CPF.

9. Rapid portfolio expansion in an environment of weak capacity within both the government and the private sector poses a risk to portfolio quality. This requires mitigation measures through innovative and proactive capacity building, very close monitoring and project design that integrates innovation, flexibility, and adaptability.

Annexes

Annex 1: Status of Côte d'Ivoire FY16-21 CPF Results Matrix (Summary table)

| Description | Status at CLR | Overall rating |
|--|--------------------|--------------------|
| Focus Area 1: Accelerating Sustainable Private Sector-Led Growth | | |
| Objective 1: Improve productivity in ag/agribusiness value chains | | Partially achieved |
| Indicator 1: Increased share of raw cashew nuts processed domestically (% , annually) Baseline: 5% (2018) Target: 17% (2021) Actual: 13.9% | Partially achieved | |
| Indicator 2: Increased cashew productivity in the project area (metric tons, per hectare) Baseline: 0.5 (2018) Target: 0.6 (2021) Actual: 0.57 (2021) | Partially achieved | |
| Indicator 3: Number of project beneficiaries with access to improved connectivity Baseline: 0 (2018) Target: 600,000 (2021) Actual: 0 (2021) | Not achieved | |
| Indicator 4: Percentage increase in volume of sales in selected crops as a result of increased use of digital solutions Target: 10% (2021) Actual: 0 (2021) | Not achieved | |
| Additional evidence: Total cashew production has increased from 711,000 tons in 2017 to an estimated 968,211 tons in 2021, of which 134,911 tons were processed. | | |
| Objective 2: Strengthen Economic Infrastructure | | Achieved |
| Indicator 1: Average transit time between Abidjan and the border with Burkina Faso (after exiting the port of Abidjan) Baseline: 140 hours (2015) Target: 50 hours (2021) Actual: 48 hours (2021) | Achieved | |
| Indicator 2: Reduced commercial and technical losses of electricity on an annual basis Baseline: 22% (2015) Target: 19% (2021) Actual: 17.5% (2020) | Achieved | |
| Indicator 3: Number of people in urban areas provided with access to all-season roads within a 500m range under the project Baseline: 3,632,000 (2017) Target: 3,822,000 (2021) Actual: 3,823,000 (2021) | Achieved | |
| Additional evidence: 1.25 million rural residents gained access to all-season roads. | | |
| Objective 3: Improve business regulatory framework and access to finance | | Partially achieved |
| Indicator 1: Credit bureau operational Baseline: No (2018) Target: Yes (2021) Actual: Yes | Achieved | |
| Indicator 2: Collateral registry operational Baseline: No (2018) Target: Yes (2021) Actual: Yes | Achieved | |
| Indicator 3: New license and inspection law adopted, which mandate joint inspection of different agencies Baseline: No (2018) Target: Yes (2021) | Not achieved | |

| Description | Status at CLR | Overall rating |
|--|--------------------|--------------------|
| Actual: Adopted by Council of Ministers but not submitted to National Assembly | | |
| Indicator 4: Percentage of Ivorian adults with access to bank accounts (Global Findex) Baseline: 34% (2014) Target: 47% (2021) Actual: 41% (2017) | Partially achieved | |
| Additional evidence: <u>By 2019, over 3 million persons were referenced in the credit bureau. By April 2022, there were 8,822 registrations in the Collateral Registry.</u> | | |
| Objective 4: Formalize and enhance access to land for business and agriculture | | Partially achieved |
| Indicator 1: Target population with use or ownership rights recorded as a result of the project Baseline: 0 (2018) Target: 106,800 of which 32,040 female (2021) Actual: 8,601 of which 15% female (2021) | Partially achieved | |
| Indicator 2: Proportion of land certificates that are recorded in the digital Land Information System (Système Information Foncière – SIF) (%) Baseline: 0.03 (2018) Target: 30 (2021) Actual: 0 (2021) | Not achieved | |
| Additional evidence: It has taken a while to get started but registrations accelerated dramatically in the second half of 2021 and the Land Policy project expects to achieve its targets by 2023. | | |
| Focus Area 2: Building Human Capital for Economic Development and Social Cohesion | | |
| Objective 5: Improve education service delivery and youth employability | | Mostly achieved |
| Indicator 1: Percentage of participating graduates who are employed or self-employed 6 months after completion (gender-disaggregated) Baseline: 62% (2018) Target: 75% (2021) Actual: 76% but only about 42% for females | Achieved | |
| Indicator 2: Percentage of graduates from professional training programs (professional Bachelor and Master's degrees, DTS or accredited BTS) Baseline: 0% (2018) Target: 8% of total higher education (2021) Actual: 0 (2021) | Not achieved | |
| Additional evidence: The completion rate in lower secondary increased from 47% to 64% for boys, and from 35% to 57% for girls. Targets for primary school learning outcomes were surpassed, and primary repetition rates were reduced. | | |
| Objective 6: Expand affordable social protection system | | Mostly achieved |
| Indicator 1: Number of households receiving cash transfers Baseline: 22,000 (2017) Target: 210,000 households (2021) Actual: 227,000 of which 175,000 continue to receive transfers; about 24% headed by a female (2021) | Achieved | |
| Indicator 2: Number of individuals receiving accompanying measures on productivity related to human capital and livelihood Baseline: 0 (2014) Target: 210,000 (2021) (gender disaggregated) Actual: 50,000 (2021) 17% of beneficiary females participated in economic inclusion activities | Partially achieved | |
| <u>Indicator 3: Beneficiaries of safety net programs (female, recipient household head representative)</u> Baseline: 950 (2017) Target: 17,500 (2021) Actual: 47,435 (June 2021) | Achieved | |

| Description | Status at CLR | Overall rating |
|--|---------------------|--------------------|
| Additional evidence: | | |
| Objective 7: Improve the delivery of quality health and water services | | Achieved |
| Indicator 1: Number of people with access to a basic package of health, nutrition, or reproductive health services (gender disaggregated) Baseline: 0 (2015) Target: 7,433,532 (2021) Actual: 7,788,773 (2019) | Achieved | |
| Indicator 2: Government spending on social sectors (including health) targeted to the poorest (% of GDP) Baseline: 8.8% (2017) Target: 9.5% (2021) Actual: 7.4% (2020). Baseline was revised down to 7.0% with GDP rebasing. However, this indicator is not considered appropriate for this objective. | Partially achieved | |
| Indicator 3: Access to improved water source (% of national urban population) Baseline: 70% (2015) Target: 75% (2021) Actual: 77% (2020) | Achieved | |
| Additional evidence: | | |
| Focus Area 3: Strengthening public financial management and accountability | | |
| Objective 8: Improve allocative efficiency and quality of expenditures | | Achieved |
| Indicator 1: Execution rate of investment budget (executed over planned expenditure, %) Baseline: 79.3% (2015) Target: 94% (2021) Actual: 100% (2020) | Achieved | |
| Indicator 2: Level of arrears as calculated by the IMF (% of GDP) Baseline: 0% (2015) Target: -0.1% (2021) Actual: -0.6% (June 2020, est.) | Achieved | |
| Additional evidence: Neither indicator is considered appropriate. | | |
| Objective 9: Increase domestic revenues and debt sustainability | | Partially achieved |
| Indicator 1: Increase in the number of taxpaying firms and individuals recorded in the Government's taxpayer database Baseline: 78,306 (2015) Target: 120,000 (2021) Actual: 160,000 (2021), of which 135,000 in the DGI general tax directory. | Achieved | |
| Indicator 2: Public external debt-service in percentage of exports of goods and services Baseline: 5.3% (2015) Target: 6.8% (2021) Actual: 8.5% (2020) | Not achieved. | |
| Additional evidence: Tax revenues as a % of GDP have increased from 10.9% in 2015 to 13.0% in 2021. | | |
| Objective 10: Increase accountability and transparency in public expenditures | | Partially achieved |
| Indicator 1: Corruption Perception Index (Transparency International) ranking Baseline: 115 (2014) Target: 75 (2021) Actual: 104 (2020) | Partially achieved | |
| Indicator 2: Budget Transparency Index (OBI) score Baseline: 24/100 (2017) Target: 39/100 (2021) Actual: 34/100 (2019) | Partially achieved. | |
| Additional evidence: | | |

Annex 2: Côte d'Ivoire FY16-21 CPF Results Matrix Evaluation

| Objective | Overall Rating | Indicator | Baseline/ Target (2021) | Status at CLR (2021 unless otherwise indicated) | Lessons Learned and Suggestions for the New CPF | WBG Program instruments |
|--|--------------------|--|--|---|---|--|
| Objective 1: Improve productivity in ag/agri-business value chains | Partially Achieved | Increased share of raw cashew nuts processed domestically | Baseline: 5% Target: 17% | 13.9% but would be 19% if total volume of cashews had not increased | Teams should define targets which are closely related to project activities and avoid ratios/% where the denominator is well beyond WB influence. | Cashew Value-Chain Competitiveness Project (P158810) |
| | | Increased cashew productivity in the project area | Baseline: 0.5 tons/ha. Target: 0.6 tons/ha. | 0.57 tons/ha. | Targets are more useful, and more likely to be met, if new projects build on earlier ones. | Agriculture Sector Support Project (P119308) Cashew Value-Chain Competitiveness Project (P158810) |
| | | Number of project beneficiaries with access to improved connectivity | Baseline: 0 Target: 600,000 | No progress. | Teams should be cautious about adopting CPF targets related to projects still in the pipeline. | e-Agriculture Project (P160418) |
| | | Increase in volume of sales in selected crops as a result of increased use of digital solutions | Baseline: Target: 10% | No progress | Multisector projects may be too complicated to implement. | e-Agriculture Project (P160418) |
| | | <i>Additional evidence:</i> Cote d'Ivoire has become the third largest cashew kernels exporter in the world. However, it is not clear how much is attributable to the WB project, since many of its activities to promote processing were only getting started in 2021. Provision of mobile broadband services was delayed by several factors including COVID-19 but will begin in 2022. | | | | |
| Objective 2: Strengthen economic infrastructure | Achieved | Average transit time between Abidjan and the border with Burkina Faso (after | Baseline: 140 hours Target: 50 hours | 48 hours | Significant progress required the addition of the IPF. A DPO should run in parallel and not precede an IPF. | Transport Sector Modernization and Corridor Facilitation Project (P156900), |

| Objective | Overall Rating | Indicator | Baseline/ Target (2021) | Status at CLR (2021 unless otherwise indicated) | Lessons Learned and Suggestions for the New CPF | WBG Program instruments |
|-----------|----------------|--|--|--|--|--|
| | | exiting the port of Abidjan) | | | | Regional Trade Facilitation and Competitiveness DPO (P129282, P158333) |
| | | Commercial and technical losses of electricity on an annual basis | Baseline: 22% Target: 19% | 17.5% | The combination of DPOs, IPFs, and support from IFC and MIGA has been instrumental in making progress. | Urgent Electricity Rehabilitation (P112573) Electricity Transmission and Access – SUF, (P157055) CI-Energies Guarantee, (P164145) IFC investments and receivables securitization project MIGA guarantee for Azito power plant Fiscal Management, Education, Energy and Cocoa Reforms DPOs (P158463, P163284, P166388) |
| | | Number of people in urban areas provided with access to all-season roads within a 500m range under the project | Baseline: 3,632,000 Target: 3,822,000 | 3,823,000 | Road construction is low risk. But it may no longer be the comparative advantage of the WBG. | Emergency Infrastructure Renewal Project (124715) Infrastructure for Urban Development and |

| Objective | Overall Rating | Indicator | Baseline/ Target (2021) | Status at CLR (2021 unless otherwise indicated) | Lessons Learned and Suggestions for the New CPF | WBG Program instruments |
|--|--------------------|--|-----------------------------------|---|--|---|
| | | | | | | Competitiveness of Second Cities (P151324) MIGA Henri Konan Bédié Toll Bridge |
| | | Additional evidence: The collection rate for domestic electricity consumers increased from a baseline of 85 percent to 97 percent (2019), exceeding the target of 95 percent. Arrears fell from a baseline of CFAF80 billion to CFAF12.9 billion in 2020, almost reaching the target of CFAF10 billion. The Emergency Infrastructure Renewal Project also provided 1.25 million rural residents with access to an all-season road. | | | | |
| Objective 3: Improve business regulatory framework and access to finance | Partially achieved | Credit bureau operational | Baseline: No Target: Yes | Yes, a regional bureau was established | | IFC project, UEMOA Credit Bureau (599431) |
| | | Collateral registry operational | Baseline: No Target: Yes | Yes | | IFC advisory service on collateral registration (ID:602074) |
| | | New license and inspection law adopted, which mandates joint inspection of different agencies | Baseline: No Target: Yes | No | Two laws were approved by Cabinet but never passed by Parliament. Teams need to follow up and help with revisions if Parliament objects. | IFC advisory service to promote business climate reforms (ID:588607) |
| | | Percentage of Ivorian adults with access to bank accounts (Global Findex) | Baseline: 34% Target: 47% | 41% in 2017; more recent data not available | Indicators should only be used if annual results are available. | Technical assistance: Promote financial inclusion and preserve financial stability; Financial Inclusion Support Framework |
| | | Additional evidence: <u>By 2019, over 3 million persons were referenced in the credit bureau. By April 2022, there were 8,822 registrations in the Collateral Registry.</u> The increase in Findex in 2017 probably cannot be attributed to technical assistance which only began in 2016. | | | | |
| Objective 4: | Partially achieved | Target population with use or | Baseline: 0 Target: 106,800 of | 8,601 of which 15% female | Land registration is very complex so adequate time | Land Policy Improvement and |

| Objective | Overall Rating | Indicator | Baseline/ Target (2021) | Status at CLR (2021 unless otherwise indicated) | Lessons Learned and Suggestions for the New CPF | WBG Program instruments |
|---|-----------------|---|--------------------------------|---|---|---|
| Formalize and enhance access to land for business and agriculture | | ownership rights recorded as a result of the project | which 32,400 females | | should be allowed before results are expected. | Implementation Project (P157206) |
| | | Proportion of land certificates that are recorded in the digital Land Information System | Baseline: 0.03% Target: 30% | 0 System rolled out in Nov. 2021 | Teams should be cautious about adopting CPF targets related to projects still in the pipeline. | |
| | | Additional evidence: Land registration accelerated rapidly in late 2021 and the project expected to meet its target of 267,000 by end 2023. | | | | |
| Objective 5: Improve education service delivery and youth employability | Mostly achieved | Percentage of participating graduates who are employed or self-employed 6 months after completion (gender-disaggregated) | Baseline: 62% Target: 75% | 66% for the smaller program and 80% for another for a weighted average of 76.2% (about 42% for females) | Targets are more useful, and more likely to be met, if they refer to projects already underway at the start of the CPF. | Emergency Youth Employment and Skills Development Project (P122546) |
| | | Percentage of graduates from professional training programs (professional Bachelor and Master's degrees, DTS or accredited BTS) | Baseline: 0 Target: 8 | 0 | Teams should be cautious about adopting CPF targets related to projects still in the pipeline. | Higher Education Development Support Project (P160642) |
| | | Additional evidence: The number of beneficiaries of training in the Youth Employment project was higher than the target, such that the total number who were employed 6 months later exceeded the original target by 23%. All the education targets supported by the FY17-20 DPO series were exceeded: reduced primary school repetition rates, increased lower secondary completion rates, and greater recruitment of teachers in under-staffed primary schools. The completion rate in lower secondary increased from 47% to 64% for boys, and from 35% to 57% for girls. Targets for primary learning outcomes were surpassed. | | | | |

| Objective | Overall Rating | Indicator | Baseline/ Target (2021) | Status at CLR (2021 unless otherwise indicated) | Lessons Learned and Suggestions for the New CPF | WBG Program instruments |
|--|-----------------------|---|--|--|---|---|
| Objective 6: Expand affordable social protection system | Partially achieved | Number of households receiving cash transfers | Baseline: 22,000 Target: 210,000 | 227,000, of which 24% female | Targets are more useful, and more likely to be met, if they refer to projects already underway at the start of the CPF. | Productive Social Safety Net Project (P143332) First Sustainable and Inclusive Growth DPO (P169828) |
| | | Number of individuals receiving accompanying measures on productivity related to human capital and livelihood (gender disaggregated) | Baseline: 0 Target: 210,000 | 50,000 of which 17% female | | |
| | | <u>Beneficiaries of safety net programs (female, recipient household head representative)</u> | <u>Baseline: 950</u> <u>Target: 17,50</u> | 47,435 | Targets need to be sufficiently ambitious | |
| | | Additional evidence: To improve the targeting of pro-poor programs, the Council of Ministers adopted a Decree in 2020 to institutionalize the Unique Social Registry (USR) as a central tool of the Social Protection System. The number of households registered in the USR is expected to increase from zero in 2018 to at least 800,000 in 2021, and to be used by at least four different programs. | | | | |
| Objective 7: Improve the delivery of quality health and water services | Achieved | Number of people with access to a basic package of health, nutrition, or reproductive health services (gender disaggregated) | Baseline: 0 Target: 7,433,532 | 7,788,773 | | Health Systems Strengthening and Ebola Preparedness Project (P147740) |
| | | Government spending on social sectors (including health) targeted to the poorest | Baseline: 8.8% Revised to 7.0% with GDP rebasing Target: 9.5% | 7.4% | Teams should avoid indicators which go well beyond the potential impact of WBG interventions | |

| Objective | Overall Rating | Indicator | Baseline/ Target (2021) | Status at CLR (2021 unless otherwise indicated) | Lessons Learned and Suggestions for the New CPF | WBG Program instruments |
|--|--------------------|--|-------------------------------------|--|--|---|
| | | Access to improved water source in the national urban population | Baseline: 70% Target: 75% | 77% | Targets are more useful, and more likely to be met, if new projects build on earlier ones. | Urban Water Supply and Sanitation Project (P156739) Emergency Infrastructure Renewal Project (P124715). |
| Additional evidence: All five of the main PDO targets for the Health Systems project were achieved by 2020. The second indicator on pro-poor spending is not considered appropriate as it goes well beyond the possible impact of WB-supported projects, includes education and social protection, and does not include water. | | | | | | |
| Objective 8: Improve allocative efficiency and quality of expenditures | Achieved | Execution rate of investment budget (executed over planned expenditure) | Baseline: 79.3% Target: 94% | 100% | Teams should avoid indicators which go well beyond the potential impact of WBG interventions | |
| | | Level of arrears as calculated by the IMF | Baseline: 0 Target: -0.1% of GDP | -0.6% | | |
| | | Additional evidence: It is assumed that the second indicator refers to domestic arrears to suppliers. | | | | |
| Objective 9: Increase domestic revenues and debt sustainability | Partially Achieved | Increase in the number of taxpaying firms and individuals recorded in the Government's taxpayer database | Baseline: 78,306 Target: 120,000 | 135,000 | Indicators should focus on final outcomes, such as tax revenues generated, where possible. | Fiscal Management, Education, Energy and Cocoa Reforms DPOs (P158463, P163284, P166388) First Sustainable and Inclusive Growth DPO (P169828) |
| | | Public external debt-service in percentage of exports of goods and services | Baseline: 5.3% Target: 6.8% | 8.5% (2020) | Teams should avoid indicators which go well beyond the potential impact of WBG interventions | Debt Sustainability Analysis |

| Objective | Overall Rating | Indicator | Baseline/ Target (2021) | Status at CLR (2021 unless otherwise indicated) | Lessons Learned and Suggestions for the New CPF | WBG Program instruments |
|---|--------------------|--|------------------------------------|---|--|--|
| | | Additional evidence: Total tax revenues increased from 10.9% of GDP in 2015 to 13.0% of GDP in 2021. Debt-service ratio increased partly due to COVID but was already 7.3% in 2019. | | | | |
| Objective 10: Increase accountability and transparency in public expenditures | Partially Achieved | Corruption Perception Index (Transparency International) ranking | Baseline: 115 Target: 75 | 104 (2020) | Teams should avoid indicators which go well beyond the potential impact of WBG interventions | Fiscal Management, Education, Energy and Cocoa Reforms DPOs (P158463, P163284, P166388) Enhancing Government Effectiveness for Improved Public Services (P164302) |
| | | Budget Transparency Index (OBI) score | Baseline: 24/100 Target: 39/100 | 34/100 (2019) | Indicators should only be used if annual results are available. | Enhancing Government Effectiveness for Improved Public Services (P164302) |
| | | Additional evidence: There has been no progress in the corruption index since 2017 when it was 103. The latest available data on budget transparency predates the start of the new IDA-financed governance project, so progress cannot be attributed to World Bank projects. The government is now publishing quarterly consolidated budget reports and preparation of the annual ministerial performance reports has begun with the support of the Enhancing Government Effectiveness for Improved Public Services (P164302) operation. | | | | |

Annex 3: Côte d'Ivoire Lending: Planned and Actual, FY16-21

| Objective | | FY16-17 Actual | FY18-20 Planned | FY18-21 Actual |
|---|---|-------------------|--------------------|-------------------|
| Focus Area 1: Accelerating Sustainable Private Sector-Led Growth | | | | |
| 1 | Forest Investment | | 18.8 | 15 |
| | Cashew Value-Chain Competitiveness | | 200 | 200 |
| | e-Agriculture | | 70 | 70 |
| | West Africa Agriculture Transformation (regional) | | 30 | ? |
| | IC Agribusiness (IFC Cashew Advisory Service) | | | |
| | Agri-Food Sector Development SUF | | | 250 |
| 2 | Electricity Transmission and Access SUF | 325 | | |
| | Infrastructure for Urban Development and Competitiveness of Second Cities SUF | 120 | | |
| | Trade Facilitation and Competitiveness DPF (regional) | 50 | | |
| | Transport Sector Modernization and Trade Facilitation | 30 | | |
| | Greater Abidjan Port-City Integration | | 315 | 315 |
| | CI-Energies Guarantee | | 50 | 213 |
| | West Africa Coastal Areas Resilience (regional) | | 15 | ? |
| | Hydromet (regional) | | 10 | ? |
| | Abidjan Urban Mobility | | | 300 |
| | Urban Resilience and Solid Waste Management | | | 315 |
| | West Africa Regional Energy Trade DPF (regional) | | | ? |
| Regional Electricity Access and BEST (regional) | | | ? | |
| 3 | | | | |
| | Competitive Value-Chains for Jobs and Economic Transformation SUF | | | 200 |
| 4 | Land Policy Improvement and Implementation | | 50 | 50 |
| Focus Area 2: Building Human Capital for Economic Development and Social Inclusion | | | | |
| 5 | Africa Centers of Excellence (regional) | 15 | | |
| | Education Service Delivery Enhancement | | 23.7 | 50 |
| | Higher Education Development Support | | 75 | 28 |
| 6 | Productive Social Safety Nets and Additional Financing | 50 | 100 | 100 |
| | Multisectoral Nutrition and Child Development | | 60 | 60 |

| | | | | |
|---|---|------------|--------------|--------------|
| | West Africa Unique Identification for Regional Integration and Inclusion (regional) | | 22.5 | 67 |
| 7 | Urban Water Supply and Sanitation | 50 | | |
| | Strategic Purchasing and Alignment of Resources and Knowledge in Health | | 75 | 220 |
| | COVID-19 Strategic Preparedness and Response | | | 135 |
| | COVID-19 Emergency DPO | | | 300 |
| Focus Area 3: Strengthening Public Financial Management and Accountability | | | | |
| 8, 9 & 10 | Enhancing Government Effectiveness for Improved Service Delivery | | 100 | 100 |
| | Harmonizing and Improving Statistics (regional) | | | ? |
| | Development Policy Financing | 175 | 350 | 425 |
| Total | | 815 | 1,565 | 2,978 |

Annex 4: Côte d'Ivoire: Advisory Services and Analytics – FY16-21

| | | AIN date | ACS date |
|-------------------------|---|---------------|-------------|
| P163746 | Fifth to Eleventh Economic Updates | Annual | |
| P145721 | Impact Evaluation of Cote d'Ivoire Agriculture sector Support Project | 2013 | 2019 |
| P147540 | Impact Evaluation of Women Employment in Cashew Processing | 2013 | 2020 |
| P155065 | Electricity Access Scale-up in 15 Capitals or Departments | 2015 | 2018 |
| P156432 | Institutional strengthening for nutrition programming and financing | 2015 | 2017 |
| P147633 | Universal Health Coverage | 2015 | 2018 |
| P157601 | Higher Education Governance & Financing | 2015 | 2018 |
| P157527 | Poverty Diagnostics and Statistics in AFCF2 CMU countries | 2015 | 2017 |
| P158045 | Promote financial inclusion and preserve financial stability (TA) | 2015 | 2019 |
| P158609 | Strengthening Social Protection and Labor Delivery Platforms | 2016 | 2018 |
| P158820 | Infrastructure Financing | 2016 | 2018 |
| P159058 | Operational service delivery platform (nutrition) | 2016 | 2017 |
| P160259 | Financial Inclusion Support Framework (TA) | 2016 | 2020 |
| P162131 | Urban Density and Quality Buildings for an Energy Efficient Abidjan | 2016 | 2018 |
| P162697 | Agriculture Sector Update | 2016 | 2019 |
| P162283 | Development of framework for local content in the mining sector | 2016 | 2019 |
| P164462 | Analytics for informed decision making (poverty) | 2017 | 2019 |
| P165470 | Jobs Agenda Operationalization | 2017 | 2019 |
| P166838 | Building Resilient and Productive Social Protection & Labor Systems | 2018 | 2019 |
| P168505 | TA in Medium-Term Debt Strategy Design | 2018 | 2019 |
| P168712 | The Quest for Sustained Growth in Côte d'Ivoire: Lessons from Korea | 2018 | 2020 |
| P169517 | A South-South Knowledge Exchange Platform with Vietnam | 2018 | 2020 |
| P168001 | PMR-CPLC project (carbon pricing) | 2018 | 2021 |
| P168501 | Cocoa Sector Policy Implementation Assessment | 2018 | 2021 |
| P170050 | Non-Tariff Measures in Côte d'Ivoire | 2019 | 2021 |
| P171687 | Country Economic Memorandum 2.0 | 2019 | 2020 |
| P172376 | Digital Economy for Africa (DE4A) Country Diagnostic | 2019 | 2021 |
| P172646 | Côte d'Ivoire 2030 | 2019 | 2021 |
| P175630 | Northern Cities Territorial Development Review | 2020 | 2021 |

Annex 5: MIGA's Portfolio as at 12/31/2021

| Project name | Effective date | Expiration date | Investor | Sector | Gross Exposure (millions) |
|------------------------------|----------------|-----------------|---|----------------|---------------------------|
| Azito Phase III | 12/21/2012 | 12/20/2032 | Globeleq Holdings (Cote d'Ivoire) B.V. | Infrastructure | US\$ 94.3 |
| Azito Phase IV | 01/23/2020 | 01/22/2040 | Globeleq Holdings (Cote d'Ivoire) B.V. | Infrastructure | US\$ 76.3 |
| UT Abidjan | 06/28/2012 | 06/27/2027 | Bouygues Travaux, Africa Finance Corporation, BMCE Bank International PLC, FMO, Pan-African Infrastructure Development Fund | Infrastructure | US\$ 87.9 |
| UT Abidjan | 07/05/2016 | 06/27/2027 | ICF Debt Pool LLP | Infrastructure | US\$ 15.0 |
| UT Abidjan | 06/24/2015 | 06/27/2027 | AFC Equity Investments Ltd, African Finance Corporation | Infrastructure | US\$ 12.1 |
| Eagle ABJ SA – SAH SA | 11/10/2021 | 06/29/2036 | Eagle ABJ SA – SAH SA | Tourism | US\$ 13.9 |
| Falcon ABJ SA | 06/30/2021 | 06/29/2036 | Falcon ABJ SA | Tourism | US\$ 13.9 |
| Kite ABJ SA | 06/30/2021 | 06/29/2036 | Kite ABJ SA | Tourism | US\$ 8.5 |
| Ibis Abidjan Plateau | 07/02/2021 | 06/29/2036 | Owl ABJ SA – CHP SA | Tourism | US\$ 6.7 |
| Owl ABJ SA – CHP SA | 11/10/2021 | 06/29/2036 | Owl ABJ SA – CHP SA | Tourism | US\$ 1.9 |
| Pullman Abidjan | 07/02/2021 | 06/29/2036 | Eagle ABJ SA – SAH SA | Tourism | US\$ 0.9 |
| Total | | | | | US\$ 331.4 |

Annex 5: IFC's Portfolio FY 16-21

1. Cote D'Ivoire Historical Investment Program Commitments by Fiscal Year (as of Jun 30, 2021)

| | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 YTD | FY16-FY21 |
|---------------------------|-------------|------------|--------------|-------------|--------------|------------|--------------|
| Long Term Finance | 42.4 | 5.6 | 130.8 | 21.9 | 745.5 | 5.9 | 952.0 |
| <i>of which IFC Own</i> | 42.4 | 5.6 | 130.8 | 21.9 | 224.1 | 5.9 | 430.5 |
| <i>of which Core</i> | - | 0.0 | 0.0 | 0.0 | 521.4 | - | 521.4 |
| Short Term Finance | 66.1 | 2.2 | 11.3 | 10.2 | 0.2 | 0.6 | 90.6 |

2. Cote D'Ivoire Investment Portfolio by Industry Group (as of Jun 30, 2021)

| Industry Group | FIG | MAS | INR | Total |
|------------------------------------|--------------|-------------|--------------|--------------|
| Committed Exposure | 133.8 | 28.5 | 282.1 | 444.4 |
| <i>Portfolio Outstanding</i> | 75.3 | 28.5 | 145.6 | 249.5 |
| <i>of which Loan Outstanding</i> | 73.6 | 24.8 | 145.6 | 243.9 |
| <i>of which Equity Outstanding</i> | 1.8 | 3.8 | - | 5.5 |
| <i>Undisbursed</i> | 58.4 | - | 136.5 | 194.9 |
| Non-Performing Loans (NPLs) | - | 20.7 | - | 20.7 |
| NPL Ratio (%) | 0.0% | 83.5% | 0.0% | 8.5% |

3. Top 5 Portfolio Clients by Committed Exposure in Cote D'Ivoire (as of Jun 30, 2021)

| Client | Industry | Industry Group Sector | Committed Exposure | Portfolio Outstanding |
|------------------|----------|-----------------------|--------------------|-----------------------|
| Atinkou | INR | Infrastructure | 113.7 | - |
| Azito | INR | Infrastructure | 112.5 | 89.8 |
| CIPREL IV | INR | Infrastructure | 55.9 | 55.8 |
| NSIA CI | FIG | Financial Markets | 29.7 | 29.7 |
| FCTC NSIA Banque | FIG | Financial Markets | 26.4 | 26.4 |

4. Top 5 Investment Pipeline Projects by Total LTF in Cote D'Ivoire (as of Mar 2, 2022)

| Commitment Probability | Fiscal Year | Project | Industry | Industry Group Sector | IFC Own Account | Total LTF |
|------------------------|-------------|----------------|----------|----------------------------------|-----------------|-----------|
| HP | 2022 | CIDT Expansion | MAS | Agribusiness & Forestry | 8.7 | 8.7 |
| LP | 2021 | Nova Health | MAS | Health, Education, Life Sciences | 25.2 | 25.2 |
| LP | 2022 | GWFP SG AGRO | FIG | FM JV Volume with MAS | 2.3 | 2.3 |
| LP | 2022 | GWFP SG AGRO | MAS | Agribusiness & Forestry | 2.3 | 2.3 |
| LP | 2022 | Kama I | MAS | Manufacturing | 20.4 | 20.4 |
| LP | 2023 | RSF OBA CI | FIG | Financial Markets | 30.0 | 30.0 |

5. Cote D'Ivoire Advisory Services Portfolio by Industry (as of Jun 30, 2021)

| Industry | Total Funds Managed by IFC |
|--|----------------------------|
| FIG | 8.1 |
| MAS | 9.3 |
| INR | 4.3 |
| CDF | 1.2 |
| Economic Private Sector Development | 5.5 |
| Regional Advisory | 2.7 |
| CTA-PPP | 2.9 |
| ESG-Gen | 1.3 |
| Total AS Portfolio in Cote D'Ivoire | 35.3 |

Annex 3: Active portfolio and future operations

| IDA ongoing Operations | Commitment (\$m) and Closing Date | IDA Future Operations | IDA Indicative commitments (\$m) and FY approval | Program Focus | IFC Future Operations |
|--|-----------------------------------|--|--|---|---|
| HLO 1 : IMPROVED HUMAN CAPITAL | | | | | |
| Enhancing Government Effectiveness for Improved Public Services | US\$ 195 m 31-Dec-2025 | | | Strengthen public resource mobilization and management for improved service delivery in the social (also part of HLO 2 and 3 - transport and financial sectors) | |
| | | DPO1 FY23 DPO 2 FY24 DPO 3 FY25 | US\$ 800 m FY23-FY25 | To improve the quality of investment in human capital (same DPO as for HLO2 and HLO3) | |
| Education Service Delivery Enhancement Project | US\$ 50m 31-Dec-2023 | | | increase access to pre- and primary school and improve learning outcomes in beneficiary primary schools | |
| Higher Education Development Support Project | US\$ 30m 13-Mar-2024 | | | improve higher education management; increase enrollment in professional programs; improve the quality and labor market relevance of degree programs of participating public tertiary institutions. | |
| | | CIV-Strengthening Primary education system Program | US\$ 350m FY23 | to improve: (i) equitable access to quality education and health services in pre – and primary schools; (ii) learning outcomes; and (iii) performance-based management along the service delivery chain. | |
| Strategic Purchasing and Alignment of Resources & Knowledge in Health Project (SPARK-Health) | US\$ 200m 30-Jun-2025 | | | To prevent, detect, and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness | |
| Multisectoral Nutrition and Child Development Project | US\$ 50m 30-Jun-2023 | | | to increase the coverage of early childhood nutrition and development interventions | |
| | | Health/SPARK II - MPA | US\$ 200 m FY23 | To (i) increase the coverage of Cote d'Ivoire's Universal Health Insurance System; (ii) enhance the quality and efficiency of health services, and (iii) increase the coverage of early childhood nutrition and development interventions | \$ 300 million Africa medical facility program (AMEF) to facilitate access medical equipment's to health SMEs |
| Productive Social Safety Net | US\$ 150m 30-Oct-2024 | | | To improve access to cash transfers and earnings opportunities among poor households | |

| | | | | | |
|--|---------------------------|---|-------------------------|--|---|
| Social Safety Nets System Strengthening Program | US\$ 200m 31-Dec-2026 | | | To develop a social protection delivery system and improve its performance. To increase access of poor and vulnerable households to safety nets programs | |
| Urban Water Supply and Sanitation Project | US\$ 200m 30-Apr-2024 | | | to increase access and quality of water services and access to sanitation in selected urban areas, and to improve planning and monitoring of the urban water sector | |
| | | Water Security | US\$ 250 m FY 24 | to improve the availability of water resources for various uses and increase access to improved drinking water and sanitation services (also in HLO2) | |
| Sahel Women's Empowerment and Demographics Project | US\$ 60m 31 Dec 2024 | | | to increase women and adolescent girls' empowerment and their access to quality reproductive, child and maternal health services in selected areas of the participating countries, | |
| West AFR. Unique Identification for Reg Integration and Inclusion (WURI) | 30 June 2026 | | | to increase the number of persons in participating countries who have government-recognized proof of unique identity that facilitates access to services. | |
| Gulf of Guinea lagging regions social cohesion project | US\$ 150m May 31, 2027 | | | to improve regional collaboration and the socioeconomic and climate resilience of border-zone communities in the target northern regions of the Gulf of Guinea countries exposed to conflict and climate risks. | |
| | | Harmonizing and Improving Statistics in West Africa | | to improve the statistical performance, harmonization, and data access of participating countries and regional bodies in Western and Central Africa and to support the modernization of their statistical systems. | |
| HLO2: REDUCED SPATIAL DISPARITIES AND STRENGTHENED RESILIENCE | | | | | |
| Enhancing Government Effectiveness for Improved Public Services | US\$ 195 m 31-Dec-2025 | | | Strengthen public resource mobilization and management for improved service delivery in the social (also part of HLO 1 and 3 - transport and financial sectors) | |
| | | DPO1 FY23 DPO 2 FY24 DPO 3 FY25 | US\$ 800 m FY23-FY25 | To promote investment for resilience in face of climate change (same DPO as for HLO1 and HLO3) | Climate finance for WMSMEs project which aims to assess and identify the opportunity for investing in the nexus of gender and climate smart opportunities |
| Electricity Transmission and Access Project | US\$ 325m 31-Dec-2022 | | | to contribute to the improvement of the efficiency and reliability of electricity supply and increased access to electricity | |
| | | Northern Electricity and digital access NEDA | US\$ 300 m FY 23 | | \$ 51 million investment into PEPT project - which aims at connecting low-income households by reducing the upfront connection charges for the most vulnerable customers. |

| | | | | | |
|---|---------------------------|--|---------------------|--|---|
| GREATER ABIDJAN PORT - CITY INTEGRATION | US\$ 315m 31-Dec-2025 | | | to support the improvement of urban management, logistics efficiency, port accessibility, and urban mobility in the Greater Abidjan Area (GAA) | |
| Abidjan Urban Mobility Project | US\$ 300m 14-Oct-2025 | | | to improve accessibility to economic and social opportunities and to increase efficiency of the public transport system along the Yopougon-Bingerville corridor and its feeder lines in Abidjan | |
| Urban Resilience and Solid Waste Management | US\$ 315m 31-Oct-2026 | | | to reduce vulnerability to flooding in selected urban areas and improve solid waste management in targeted municipalities. | |
| Urban Water Supply and Sanitation Project | US\$ 200m 30-Apr-2024 | | | to increase access and quality of water services and access to sanitation in selected urban areas, and to improve planning and monitoring of the urban water sector | |
| | | Project to Support Water Security and Sanitation in Cote d' Ivoire | US\$ 250 m FY 24 | to improve the availability of water resources for various uses and increase access to improved drinking water and sanitation services (also in HLO 1) | |
| | | Sustainable and inclusive secondary cities | | to (i) improve access to infrastructure and basic services, and (ii) strengthen local government capacity for urban and economic development in selected secondary cities | Tourism sector study in Assinie – based explore investment opportunities to support tourism development in Assinie and Grand-Berebi |
| | | Inclusive Connectivity and Rural Infrastructure | US\$ 300m FY 24 | to provide inclusive and climate resilient rural road connectivity | |
| Cote d'Ivoire E-Agriculture | US\$ 70m 30-Jun-2023 | | | to increase access to digital services and farmer's access to markets through digital platforms and roads, and mitigate the impact of the COVID-19 crisis on the agriculture sector | |
| Agri-Food Sector Development | US\$ 250m 31-Aug-2027 | | | to support the development of inclusive, resilient, and competitive agri-food value chains benefiting their actors (same as in HLO3) | |
| Cashew Value Chain Competitiveness Project | US\$ 200m 31-Jul-2023 | | | to increase cashew productivity, quality and added value, benefiting smallholder farmers and the cashew processing industry | |
| Forest Investment 1 | US\$ 15m May 31, 2023 | | | to conserve and increase the forest stock and improve access to sources of income from sustainable forest management for selected communities in target zones. | |
| Forest Investment 2 | US\$ 140m Feb 28, 2029 | | | | |
| Tai national park area emission reductions payments project | US\$ 50m 31-Dec-2025 | | | to reduce GHG emissions from deforestation and forest degradation in the Tai national park area located in the South-West of Côte d'Ivoire including districts of Cavally, Nawa, San Pedro, Guémon and Gboklè. | |
| | | Rural Land Tenure Management Strengthening Program for Results | US\$ 250m FY24 | To scale up customary rights registration in selected rural areas, aim at improving soil management and improving smallholders' productivity. | |
| | | CIV DPO1 FY23 CIV DPO2 FY24 | | To reduce land use change induced emissions due to extensive agricultural practice, improve agricultural productivity and strenthegn climate resilience of food production systems | |

| | | | | | |
|---|---------------------------|--|-------------------------|---|---|
| | | Rural Landscape & Food System Resilience | US\$ 300m FY 25 | | |
| | | Digital program | US\$ 200m FY 24 | To improve connectivity, transparency, and competitiveness (same as in HLO3) | Orange Bank Africa digital MSME financing project which aims to increase access to finance for small scale entrepreneurs in the mobile money ecosystem in Côte d'Ivoire |
| | | Cote d'Ivoire Digital Acceleration Project | US\$ 150m FY24 | To expand access to broadband, enhance government efficiency through digital public services and strengthen digital literacy for businesses and citizens, especially vulnerable populations. | |
| Gulf of Guinea northern regions social cohesion project | US\$ 150m May 31, 2027 | | | to improve regional collaboration and the socioeconomic and climate resilience of border-zone communities in the target northern regions of the Gulf of Guinea countries exposed to conflict and climate risks. | |
| | | West Africa Coastal Areas Resilience Investment Project | | To strengthen the resilience of targeted communities, and areas in coastal Western Africa. | |
| HLO3: JOBS CREATED THROUGH PRIVATE SECTOR-LED GROWTH | | | | | |
| Enhancing Government Effectiveness for Improved Public Services | US\$ 195m 31-Dec-2025 | | | Strengthen public resource mobilization and management for improved service delivery in the social (also part of HLO 1 and 2 - transport and financial sectors) | |
| | | DPO1 FY23 DPO 2 FY24 DPO 3 FY25 | US\$ 800 m FY23-FY25 | To strengthen fundamentals for private and public investment (same DPO as for HLO1 and HLO2) | |
| Land Policy Improvement and Implementation Project | US\$ 50m 01-Sep-2023 | | | to build the capacities and institutions necessary to support implementation of the national rural land tenure security program and to register customary land rights | |
| | | Rural Land Tenure Management Strengthening Program for Results | US\$ 250m FY24 | To scale up customary rights registration in selected rural areas | Unique identifier number for land aims to complement GoCI efforts in achieving digital transformation by implementing a modernized land tenure systems through an electronic land record and information management system for urban lands. |
| Agri-Food Sector Development | US\$ 250m 31-Aug-2027 | Rural Landscape & Food System Resilience | US\$ 300m FY 25 | to support the development of inclusive, resilient, and competitive agri-food value chains benefiting their actors (same as in HLO2) | |
| Competitive Value Chains for Jobs and Economic Transformation Project | US\$ 200m 30-Apr-2027 | | | To improve the competitiveness of supported value chains To increase access to finance for underserved farmers and firms, | |

| | | | | | |
|---|---------------------------|--|--------------------|---|---------------------------------|
| Cashew Value Chain Competitiveness Project | US\$ 200m 31-Jul-2023 | | | to increase cashew productivity, quality and added value, benefiting smallholder farmers and the cashew processing industry | |
| | | Cashew Competitiveness II | US\$ 200m FY24 | Aim at financing cashew processing and plant expansion and support to smallholder farmers | SG Agro |
| Forest Investment 2 | US\$ 140m Feb 28, 2029 | | | | -Cargill phase 2 -Olam Cocoa |
| Infrastructure for Urban Development and Competitiveness of second cities | US\$ 120m 31-Jul-2023 | | | To create conditions for improved competitiveness in the target cities | |
| | | Sustainable and Inclusive Secondary Cities Project | US\$ 300 m FY23 | To (i) improve access to infrastructure and basic services, and (ii) strengthen local government capacity for urban and economic development in selected secondary cities | |
| Youth Employment and Skills Development Project - Phase 3 | US\$ 150m 31-Dec-2026 | | | to enhance labor market outcomes for all Project beneficiaries and strengthen the technical and vocational education and training (TVET) sector. | |
| Higher Education Development Support Project | US\$ 30m 13-Mar-2024 | | | improve higher education management; increase enrollment in professional programs; improve the quality and labor market relevance of degree programs of participating public tertiary institutions. | |
| | | Job & Vocational | US\$ 250m FY 25 | | |

Annex 4. Cote d' Ivoire Social Contract Approach: Context, Strategic Priorities, and Implementation

Social Contract Context & Challenges

- 1. Cote d' Ivoire's progress toward shared prosperity requires looking beyond technical policies to understand how the power dynamics and citizen-state relations shape the menu of implementable reforms.** Social contracts can be defined as dynamic agreements between the state and its citizens on their mutual roles and responsibilities. A social contract lens can help diagnose constraints, explain outbreaks of unrest, and identify opportunities for improving outcomes. It also speaks directly to many of Côte d'Ivoire's development challenges, such as the policy-implementation gap, the diagnostic of binding constraints to inclusion and spatial inequality, security and fragility, taxation and service delivery, and social protection.
- 2. Civil society capacity remains weak amid increasing fragmentation.** Despite an existing umbrella of civil society organizations, the "Convention de la Société Civile Ivoirienne (CSCI)", CSOs' capacity and actions to influence the design and implementation of public policies remain limited and weak. At the local level, there are multiple modes of local governance operating within communities, offering opportunities to build social accountability, but their fragmentation has reduced potential impact.
- 3. Conscious of this context, the AFW Region's objective on Social Contract aims to help build trust between citizen and the state through three broad approaches: (i) support effective and inclusive service delivery; (ii) help strengthen economic and social institutions; (iii) and support citizen engagement.** These are expected to contribute to strengthening state and citizen capacities to influence the bargaining space that shapes social contracts. The approach further helps to capture the effectiveness, efficiency, and equity of public service delivery the state provides to citizens and the alignment of citizen expectations with their perceptions of the outcomes of the contract (Annex 1 and 2).
- 4. Strengthening the state's capacity to deliver services and increasing transparency should help to contribute to rebuilding confidence in the Côte d'Ivoire's 2030 Vision.** Public financial management and procurement reforms can enhance accountability and improve service delivery in both the central public administration sector and in decentralized social services, such as education and health. Modernization strategy through digital means could improve the relationship between citizens and the state. The government should continue to decentralize resources and authority, while strengthening capacity within local government, especially in the areas of oversight, monitoring, and reporting, to limit corruption. Partnering with local non-governmental organizations could help harmonize fragmented community accountability structures.
- 5. Strengthening the bargaining interface between the state and citizens and among citizens would create spaces to peacefully address social breakdown.** Implementing key priorities of: (i) the political dialogue with political parties and civil society organizations (CSOs); and (ii) the social truce with trade and labor unions are critical to enhance citizen-state relations. Greater transparency and anti-corruption measures will be key to improving government outcomes, especially within the justice sector at the local level. Also, adopting inclusive

mechanisms to manage land ownership would help reduce land-related conflicts while promoting better forest management.

Government's initiatives to consolidate social contract

6. **The Government of Côte d'Ivoire has translated its 2030 vision into a social project “*Une Côte d’Ivoire Solidaire*” based on the main human development objectives under the Government's Social Program (PSGouv2).** The social contract which results from this commitment is implemented through the PSGouv 2 for an amount of CFAF 3,182.4 billion, the equivalent of USD 4.8 billion. The PSGouv 2 aims to consolidate achievements of the PSGouv (2019-2020) and accelerate the pace of poverty and inequality reduction. It covers five main areas: (i) addressing fragility in northern border areas; (ii) education and training; (iii) improvement of household living conditions; (iv) professional integration; and (v) strengthening solidarity.
7. **The governance framework has been strengthened through the establishment of accountability institutions and fight against corruption.** In 2021 a Ministry in charge of good governance and anti-corruption (*Ministère de la promotion de la Bonne Gouvernance et de la lutte contre la corruption*) was created to build capacity and promote good governance and anti-corruption measures. A digital platform SPACIA (*Système de Prévention et de Détection des Actes de Corruption et Infractions Assimilés*) was launched in July 2022 to mitigate corrupt practices in public and private administrations. Also, (i) three supreme judicial institutions (Court of Auditors (*Cours des Comptes*), Court of Cassation, and Council of State) have been created; (2) the role of the anticorruption agency, the *Haute Autorité pour la Bonne Gouvernance*, has been strengthened to monitor the asset declarations of high public officials; and (3) the role of the procurement regulatory authority, the *Autorité Nationale de Régulation des Marchés Publics (ARMP)*, has been strengthened to identify and recommend sanctions on companies guilty of committing irregularities in procurement. The audit of State Own Enterprises (SOEs) has been mainstreamed across the public administration and led to dismissing powerful public officials found guilty of corruption. The effective and sustainable operationalization of these institutions could lead to reduce corruption in the country.

Implementation and WBG approach to contribute to enhance social contract

8. **The WBG's approach to social contract in Côte d'Ivoire aligns with the AFW Regional Strategy.** The overall approach builds upon an integrated multi-GP engagement, a comprehensive mix of Bank instruments and expands the reliance on external partnerships to optimize respective comparative advantages.

Integrated Multisector Engagement

9. **Addressing the social contract requires an integrated and multi-sector engagement.** Rather than targeting stand-alone upstream improvements in governance, the proposed approach focuses on linking governance interventions with improvements in service delivery outcomes in other sectors. Fostering integrated initiatives and mobilizing multi-sector expertise across country teams could play a multiplier effect leveraging service delivery improvements at scale. On the one hand, this entails systematically addressing the questions of governance and institutional bottlenecks to an effective social contract as highlighted in the SCD update 2021 and the CPF FY23-27. On the other hand, it implies more systematically

integrating social contract considerations into multi-GP projects, including Human Development (HD) and Social Development (SD) operations.

Support effective and inclusive service delivery

10. **Spatially focused interventions for inclusive service delivery.** The WBG will consolidate efforts to accelerate access to markets and services (electricity water, health, education, social protection) in lagging regions of northern Cote d'Ivoire exposed to the spillover effects of the conflict in bordering Sahel countries. Targeted infrastructure projects (e.g., energy & digital, rural connectivity) will dovetail with a proposed Resilient and Inclusive Secondary Cities and the Gulf of Guinea Social Cohesion project in rural areas to deliver critical services, provide economic opportunities to beneficiaries, while enhancing socio-economic integration of targeted areas with the rest of the country.
11. **All HD projects (health, education, and social protection) have a strong emphasis on improving service delivery and governance at the local level.** Performance based financing of health and education facilities, reform of social centers, recruitment, and training of frontline workers (teachers, nurses, and social workers) to improve quality of service and expand coverage. HD also supports the development of a unique ID number to facilitate access to services for the most vulnerable and strengthen the use of digital payment systems (G2P and P2G) to enhance inclusiveness and openness.
12. **The Governance PforR operation aims to enhance Government effectiveness for improved public services.** The Program (P176882) helps sustain the continuity of government services through digitalization to strengthen policies, institutions, and investments for resilient, inclusive, and sustainable growth. It addresses sources of fragility through a multi-sectoral approach of infrastructure, services, and community engagement. The Program has now become more important given the renewed emphasis on human capital, governance, and service delivery in the new National Development Plan 2021-2025 (*Plan National de Développement, PND*), to allow for an increased DRM and greater efficiency of resource use in education, road management, health sectors, and stronger financial inclusion.
13. **Infrastructure projects seek to enhance access and quality of infrastructure services throughout the country, including in lagging regions.** Access to reliable electricity, transport, and digital services enhance economic opportunities and quality of life for citizens who otherwise rely on more expensive and less climate friendly alternatives. A new energy-digital project under preparation (NEDA – P176776) uses for the first time the PforR instrument, utilizing and building up national systems capacity to deliver for citizens.

Help strengthen economic and social institutions

14. **Preserving natural capital which most of the poor depend on for their livelihoods.** The WBG will support Government efforts under the Abidjan Legacy Program. The program aims to halt and reverse agriculture-led deforestation, restore soil fertility and productivity through climate smart agricultural technology and practices, and stimulate private-sector led modernization of food systems for sustainable growth and jobs for poor agriculture-dependent citizens. Projects in the agriculture and forestry sector will support this agenda, reinforced by an expanded operation for rural land rights certification, and reform measures under the new series of DPOs. The WBG will further leverage the outcomes of the upcoming CCDR to nurture the climate agenda into Government policies and programs.
15. **The new safety nets system PforR supports the development and operationalization of the unique social registry, increasing the capacities of the state to reach the poorest and enabling the Government to make spending more progressive.** In tandem, Education and

Health operations are supporting an increase of accountability and performance of deconcentrated authorities at regional level.

16. **Capacity building on transparency and accountability in public financial management (PFM).** The Governance PforR will strengthen capacity building of accountability institutions to address key areas that need specialized support and high-level technical expertise. In particular, through the Capacity Building Agency (*Programme Pour le Renforcement des Capacités*, PPRC), the following State functions and institutions will be strengthened: citizen engagement; internal control bodies including the State General Inspectorate (*Inspection Générale d'Etat*, IGE), General Inspectorate of Finance (*Inspection Générale des Finances*, IGF), Internal control (*Contrôle Interne*); and external audit institutions including the Supreme Audit Institution (*Cours des comptes*), Economic and Financial Affairs Commission (*la Commission économique et financière*), National Assembly (*l'Assemblée nationale*) and Senate (*le Sénat*). Meanwhile, Government's efforts to strengthen citizens' participation in public policies design, implementation and monitoring is still weak.

Support citizen engagement

17. **Improving consultation on public policies and programs.:** WBG programs offer platforms for establishing and/or deepening citizen engagement in the definition, planning and implementation of public policies and programs. The WBG engaged stakeholders at various levels during the CPF program and will continue to do so during implementation of the CPF. Stakeholders included traditional rulers, value chains organizations, representatives of deconcentrated bodies of the Government, decentralized institutions (Conseil régionaux, municipalities), youth and women's groups, as well as private sector representatives.
18. **HD and infrastructure projects strengthen citizen engagement through various mechanisms.** Education and health projects support parents' school boards and health facility committees. The safety nets program will strengthen the existing complaint mechanism and extend the number of safety nets programs using it. Infrastructure projects involve an enhanced consultation when large environmental and social impacts, such as resettlement or loss of economic opportunities for certain categories of citizen, are expected.
19. **Citizen feedback loops and engagement are essential to monitoring improvements in service delivery targeted under the Governance PforR Program.** The Program captures citizen satisfaction with primary education and financial inclusion services. In financial services, an annual user survey captures the level of satisfaction with the use of consumer financial tools and services. The operation will seek to close the feedback loop and hold focus group discussions with key user groups to take action based on survey results and inform Program interventions.
20. **Citizen budget.** As part of the budgeting reform and access of civil society to information on public affairs, a citizen budget "*budget Citoyen*" has been prepared annually and presented in a form of a cartoon published on the website of the Ministry of Budget since 2019. Côte d'Ivoire ranks 14th out of 54 countries on the 2020 Mo Ibrahim Index for "Accessibility of Information" with a score of 39.7 out of 100.

Comprehensive Mix of Bank Instruments & Result-based Approach

21. **The CMU’s social contract approach relies on a comprehensive mix of Bank instruments.** While DPOs can be leveraged for policy change and critical reforms to strengthen the social contract, IPFs/PforRs and ASA can support related policy implementation and capacity building. This can be further complemented by the Bank’s convening power (e.g., during Spring and Annual Meetings).
22. **A result-based approach can be a particularly strong underpinning of proposed transformational interventions.** Result-based approaches and instruments provide necessary incentives to implement transformational actions and help sustain political commitment to respond to citizens' needs. They also help focus interventions on tangible development impact and provide entry points for dialogue with development partners, local stakeholders, and citizens.

Partnership, Consultation, Knowledge Dissemination

23. **Partnerships are critical to leverage and enhance WBG engagement on social contract.** Promoting reliance on external partnerships will allow creating synergies and enhance financing leverage while allowing the WBG to focus on areas within its mandate and comparative advantages. Partnerships could include, for instance, engagement with IMF, AfDB, EU, UNDP on issues such as macro-economic reforms to entrench social contract (including citizen engagement, transparency, accountability, and institutions, fight against corruption, domestic revenue mobilization and SOEs governance); exchanges with local high-level stakeholders and “sounding boards”; involvement of civil society organizations in results monitoring; engagement with regional bodies (e.g., ECOWAS and WAEMU); and specific partnerships on issues such as security and fragility with bilateral and international partners with a strong mandate in those areas.

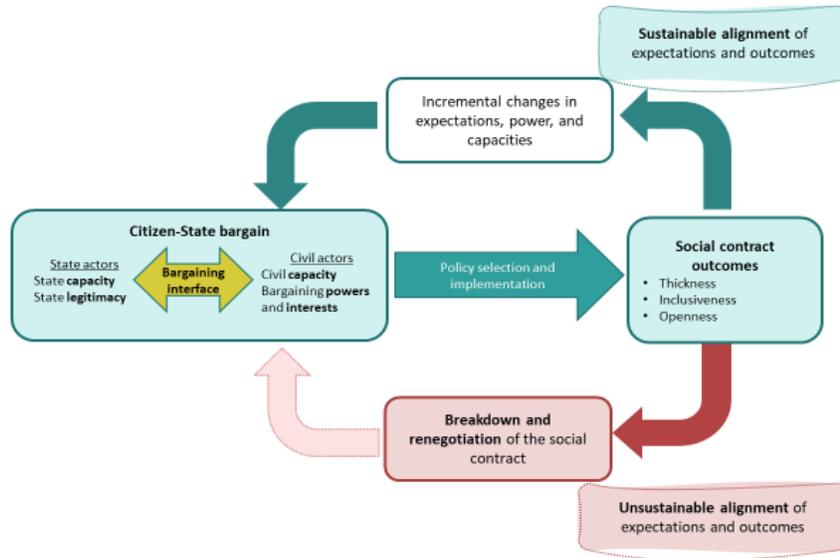
Exhibit 1. A Conceptual Framework for Social Contract

A conceptual framework has been developed for the Sub-Saharan Africa Social Contract³³ report. Social contracts are defined as *“dynamic agreement between state and society on their mutual roles and responsibilities”* and the framework focuses on three dimensions of the social contract. The *capacity dimension* examines the ability of the state and citizens to influence the bargaining space that shapes social contracts. Citizens’ political weight (defined as civil capacity) and the state’s capacity determine which policies are adopted and implemented. The *outcome dimension* captures the quantity (thickness), quality and fairness (inclusiveness) of the public services, social safety nets, and freedoms the state provides to citizens. Finally, the *sustainability dimension* captures how well citizen’s expectations are aligned with their perceptions of the outcomes of the contract and the openness of the dialogue between them and the state to renegotiate the contract. The social contract is dynamic and is constantly being renegotiated. Dissatisfaction can be addressed through a renegotiation of the bargain which can be done peacefully where the state is open to dialogue (measured by freedom of expression and of the press) or could be through violent

³³ Cloutier et al., 2021, Social Contracts for Development: Bargaining, Contention, and Social Inclusion in Sub-Saharan Africa, Africa Development Forum Series.

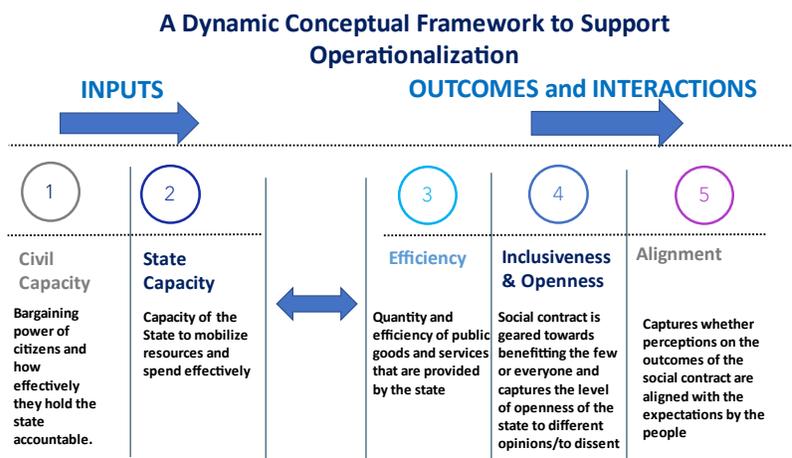
means which can lead to a breakdown of the social contract. These three aspects interact through feedback loops and self-reinforcing cycles as illustrated in Exhibit 1.

Figure 4. Shaping the Social Contract



The measurement of these aspects is done through the combination of indicators from many sources including Gallup World Poll, Varieties of Democracy, ACLED data, Economist Intelligence Unit.

Exhibit 2. A Dynamic Conceptual Framework to Support Operationalization of Social Contract



Source: AFW Governance GP

Annex 5 Selected Indicators of Bank Portfolio Performance and Management

| Fiscal year | FY19 | FY20 | FY21 | FY22 | FY23* |
|---|---------|---------|---------|---------|---------|
| Number of projects | 22 | 22 | 23 | 24 | 24 |
| Total commitment (US\$ m) | 2,810.1 | 3,065.1 | 3,710.6 | 3,988.3 | 3,988.3 |
| Disbursement Ratio (%) | 15.6 | 13.4 | 17.8 | 16.0 | 2.3 |
| Undisbursed Balance at the beginning of FY | 1,307.5 | 2,033.1 | 2,096.3 | 2,447.7 | 2,402.0 |
| Disbursed in FY | 303.4 | 473.5 | 669.0 | 400.3 | 69.2 |
| Average size of projects | 127.7 | 139.3 | 161.3 | 166.2 | 166.2 |
| Number of Projects at Risk | 5 | 7 | 7 | 5 | 5 |
| Commitment At Risk | 857 | 1,012 | 1,160 | 778 | 778 |
| Percentage of Projects at Risk | 23 | 32 | 30 | 21 | 21 |
| Number of Problem Projects | 3 | 4 | 5 | 4 | 4 |
| Percentage of Problem Projects | 14 | 18 | 22 | 17 | 17 |
| Total Undisbursed Balance | 2,052 | 2,096 | 2,466 | 2,399 | 2,218 |
| PforR Disbursement in FY | | 26 | 11 | 17 | 21 |

* Data as of November 9, 2022

Annex 6. Operations Portfolio (IBRD/IDA and Grants)

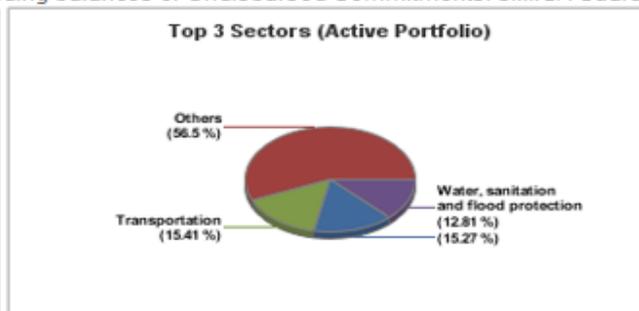
| | | | |
|---------------------------------|---------|---------------------------|------|
| Population (millions) (2021) | 27.1 | IDA, Blend or IBRD | IDA |
| GNI (\$billions) (Atlas) (2021) | 66.4 | IDA 16 allocation(SDR) | |
| GNI per capita (\$) (2021) | 2,450.0 | % Change over IDA15 | |
| GDP growth (%) (2021) | 7.0% | Inflation Rate (%) (2021) | 4.1% |

Ranking in Doing Business Report (2021) **110** Data as of: Nov 07, 2022 ⁴ IBRD/IDA Exposure Data as of: Sep 30, 2022

| WBG | Net Commitments/Committed | Undisbursed (\$m) * | Exposure (total sums disbursed & committed) (\$m) |
|-------------------------|---------------------------|---------------------|---|
| IBRD | 200.0 | 82.1 | 0.0 ⁴ |
| IDA | 3,672.6 | 2,074.9 | 672.1 ⁴ |
| IFC | 319.3 | 71.1 | 248.2 |
| MIGA | | | 289.6 ³ |
| World Bank Group | 4,191.9 | 2,228.1 | 1,209.9 |

1.Net Commitments for active portfolio projects. 2.Outstanding balances or Undisbursed Commitments. 3.MIGA Guarantees. 4. IBRD/IDA Exposure Data as of: Sep 30, 2022

| IBRD/IDA | |
|---------------------------------------|-------------------------------|
| Net Commitments(\$m) | # of projects in portfolio |
| 3,872.6 | 21 |
| Disbursements in FY23 (\$m) | % Undisbursed |
| 59.4 | 55.7 |
| # projects in FY23 pipeline | Of which Approved (YTD) (#) |
| 6 | |
| Net Commitments(\$m) in FY23 pipeline | Of which Approved (YTD) (\$m) |
| 1,571.0 | |



World Bank Data as of: Nov 07, 2022

| Current IFC Committed Portfolio | | | | | | | | | | | | | | | |
|---|------------|----------|------|------------------------|------|-----------------------------------|--|-------------------|------|----------------------|------|------------------------|------|------------|--|
| IFC's own account (\$m USD) | | | | | | | | | | Syndicated (\$m USD) | | IFC AMC (\$m USD) | | | |
| Loan | | Equity | | Quasi Equity (LN & ET) | | GT (incl. Trade Fin) and Risk Mgm | | IFC Total | | B-Loan | | Quasi Equity (LN & ET) | | | |
| Exposure | Cmtd | Exposure | Cmtd | Exposure | Cmtd | Exposure | Cmtd | Exposure | Cmtd | Exposure | Cmtd | Exposure | Cmtd | | |
| 192.5 | 244.1 | 3.9 | 3.9 | 0.0 | 0.0 | 51.8 | 71.2 | 319.3 | | 46.2 | 61.4 | 9.9 | 9.9 | | |
| IFC Investment Business - Top 5 Sectors (IFC Committed \$m USD) | | | | | | | IFC Advisory Services - Business lines (\$m USD funds managed) | | | | | | | | |
| 6 | All others | | | | | | 319.3 | Access To Finance | | | | 0.7 | | | |
| Total | | | | | | | 319.3 | | | | | | | 0.7 | |

IFC Data as of: Oct 31, 2022

| MIGA | | |
|---|------------------|--------------|
| | Currently Active | Total |
| # of Projects Guaranteed for Investment | 9 | 5 |
| Guarantees Gross Exposure (\$m) | 289.6 | 915.9 |
| Guarantees - Top Sectors | | |
| Infrastructure | 250.2 | Tourism 39.4 |

MIGA Data as of: Sep 30, 2022

Annex 7. Statement of IFC's Held and Disbursed Portfolio

1. Cote D'Ivoire Historical Investment Program Commitments by Fiscal Year (as of Oct 31, 2022)

| | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 YTD | FY18-FY23 |
|---------------------------|--------------|-------------|--------------|------------|-------------|-------------|--------------|
| Long Term Finance | 130.8 | 21.9 | 745.5 | 5.9 | 8.2 | - | 912.3 |
| <i>of which IFC Own</i> | 130.8 | 21.9 | 224.1 | 5.9 | 8.2 | - | 390.8 |
| <i>of which Core</i> | - | 0.0 | 521.4 | 0.0 | 0.0 | - | 521.4 |
| Short Term Finance | 11.3 | 10.2 | 0.2 | 0.6 | 28.6 | 10.2 | 61.1 |

2. Cote D'Ivoire Investment Portfolio by Industry Group (as of Oct 31, 2022)

| Industry Group | FIG | MAS | INR | Total |
|------------------------------------|-------------|-------------|--------------|--------------|
| Committed Exposure | 65.3 | 33.4 | 217.6 | 316.2 |
| <i>Portfolio Outstanding</i> | 48.1 | 24.9 | 172.1 | 245.1 |
| <i>of which Loan Outstanding</i> | 48.1 | 24.1 | 172.1 | 244.3 |
| <i>of which Equity Outstanding</i> | - | 0.8 | - | 0.8 |
| <i>Undisbursed</i> | 17.2 | 8.5 | 45.5 | 71.1 |
| <i>Non-Performing Loans (NPLs)</i> | - | 18.3 | - | 18.3 |
| <i>NPL Ratio (%)</i> | 0.0% | 76.0% | 0.0% | 7.5% |

3. Top 5 Portfolio Clients by Committed Exposure in Cote D'Ivoire (as of Oct 31, 2022)

| Client | Industry | Industry Group Sector | Committed Exposure | Portfolio Outstanding |
|------------------|----------|-----------------------|--------------------|-----------------------|
| Atinkou | INR | Infrastructure | 100.5 | 57.3 |
| Azito | INR | Infrastructure | 84.0 | 81.9 |
| CIPREL IV | INR | Infrastructure | 33.0 | 32.9 |
| Bridge Bank | FIG | Trade Finance | 16.5 | 16.5 |
| FCTC NSIA Banque | FIG | Financial Markets | 14.7 | 14.7 |

4. Top 5 Investment Pipeline Projects by Total LTF in Cote D'Ivoire (as of Nov 8, 2022)

| Commitment Probability | Fiscal Year | Project | Industry | Industry Group Sector | IFC Own Account | Total LTF |
|------------------------|-------------|------------------|----------|-------------------------|-----------------|-----------|
| LP | 2023 | BICICI AMEF RSF | FIG | Financial Markets | 9.0 | 9.0 |
| LP | 2023 | CDeI SLGP BICICI | FIG | Financial Markets | 15.2 | 15.2 |
| LP | 2023 | DCM PEPT ABS | FIG | Financial Markets | 22.7 | 22.7 |
| LP | 2023 | DCM PEPT ABS | INR | Infra JV Volume with FM | 22.7 | 22.7 |
| LP | 2023 | RSF OBA CI | FIG | Financial Markets | 30.0 | 30.0 |

5. Cote D'Ivoire Advisory Services Portfolio by Industry (as of Oct 31, 2022)

| Industry | Total Funds Managed by IFC |
|--|----------------------------|
| FIG | 6.2 |
| MAS | 11.8 |
| INR | 1.5 |
| CDF | 1.2 |
| Economic Private Sector Development | 5.2 |
| Regional Advisory | 3.1 |
| CTA-PPP | 2.2 |
| ESG-Gen | 1.3 |
| Total AS Portfolio in Cote D'Ivoire | 32.5 |

Annex 8. MIGA's Guarantee Portfolio

MIGA's portfolio in CIV stands at US\$ 289 million as of November 2022. MIGA's portfolio includes some transformative infrastructure projects (the Henri Konan Bedie toll bridge and the expansion of Azito power plant) and support to the tourism sector in the context of the COVID-19 pandemic. MIGA provided guarantees to cover investments supporting the design, construction, and operation of the Henri Konan Bédié Bridge, to help with the significant growth in traffic in Abidjan. In addition, MIGA continued to support Côte d'Ivoire's projects in the energy sector. MIGA's guarantees in support of the expansion of the Azito Thermal Power Plant helped to provide affordable, reliable, and efficient baseload power to meet the growing domestic demand for energy as well as in neighboring countries to which Côte d'Ivoire exports electricity. Finally, MIGA has recently issued guarantees to support a foreign investor's acquisition of a portfolio of existing hotels in Abidjan. These acquisitions have provided liquidity injections to ensure the functioning of the hotels during the COVID-19 pandemic environment and significant capital expenditure to improve the properties. This Project is expected to contribute to direct and indirect job creation with spillover effects across the tourism value supply chain in Côte d'Ivoire.

MIGA's Portfolio (as of November 2022)

| Contract | Effective Date | Expiry Date | Investor Name | Project Name | Business Sector | Investor Country | Risk Covers | Gross Exposure (\$USD) |
|---------------------|----------------|-------------|---|-----------------------|-----------------|------------------|----------------|------------------------|
| 10598-01 | 12/21/2012 | 12/20/2032 | Globeleq Holdings (Cote d'Ivoire) B.V. | Azito Phase III | Infrastructure | Netherlands | BOC | 94,288,951 |
| 16171-01 | 01/23/2020 | 01/22/2040 | Globeleq Holdings (Cote d'Ivoire) B.V. | Azito Phase IV | Infrastructure | Netherlands | BOC | 67,115,572 |
| 09812-01 | 06/28/2012 | 06/27/2027 | Bouygues Travaux Publics | UT Abidjan | Infrastructure | France | TR;EXP;WCD;BOC | 8,983,350 |
| 09812-02 | 06/28/2012 | 06/27/2027 | Bouygues Travaux Publics | UT Abidjan | Infrastructure | France | TR;EXP;WCD;BOC | 1,118,168 |
| 10137-01 | 06/28/2012 | 06/27/2027 | BMCE Bank International Plc | UT Abidjan | Infrastructure | United Kingdom | TR;EXP;WCD;BOC | 6,709,005 |
| 10435-01 | 06/28/2012 | 06/27/2027 | Africa Finance Corporation | UT Abidjan | Infrastructure | Nigeria | TR;EXP;WCD;BOC | 10,194,149 |
| 10435-02 | 06/28/2012 | 06/27/2027 | Africa Finance Corporation | UT Abidjan | Infrastructure | Nigeria | TR;EXP;WCD;BOC | 15,299,285 |
| 10435-03 | 06/24/2015 | 06/27/2027 | Africa Finance Corporation | UT Abidjan | Infrastructure | Nigeria | TR;EXP;WCD;BOC | 1,939,412 |
| 12036-01 | 06/28/2012 | 06/27/2027 | FMO | UT Abidjan | Infrastructure | Netherlands | TR;EXP;WCD;BOC | 6,708,983 |
| 12177-01 | 06/28/2012 | 06/27/2027 | Pan-African Infrastructure Development Fund | UT Abidjan | Infrastructure | South Africa | TR;EXP;WCD;BOC | 13,221,828 |
| 12177-02 | 06/28/2012 | 06/27/2027 | Pan-African Infrastructure Development Fund | UT Abidjan | Infrastructure | South Africa | TR;EXP;WCD;BOC | 14,094,513 |
| 14211-01 | 06/24/2015 | 06/27/2027 | AFC Equity Investments Ltd. | UT Abidjan | Infrastructure | Mauritius | TR;EXP;WCD;BOC | 8,534,183 |
| 17153-01 | 06/30/2021 | 06/29/2036 | Kite ABJ Ltd | Kite ABJ SA | Tourism | Mauritius | TR;EXP;WCD | 7,434,650 |
| 17177-01 | 06/30/2021 | 06/29/2036 | Falcon ABJ Ltd | Falcon ABJ SA | Tourism | Mauritius | TR;EXP;WCD | 12,238,736 |
| 17186-01 | 07/02/2021 | 06/29/2036 | Owl ABJ LTD | Ibis Abidjan Plateau | Tourism | Mauritius | TR;EXP;WCD | 5,930,903 |
| 17193-01 | 07/02/2021 | 06/29/2036 | Eagle ABJ LTD | Pullman Abidjan | Tourism | Mauritius | TR;EXP;WCD | 831,944 |
| 17357-01 | 11/10/2021 | 06/29/2036 | Eagle ABJ LTD | Eagle ABJ SA - SAH SA | Tourism | Mauritius | TR;EXP;WCD | 12,247,830 |
| 17358-01 | 11/10/2021 | 06/29/2036 | Owl ABJ LTD | Owl ABJ SA - CHP SA | Tourism | Mauritius | TR;EXP;WCD | 1,630,356 |
| 18 Contracts | | | | | | | | 288,521,818 |

Efficiency, effectiveness, and set-up of the public administration

92. **Better coordination is needed to monitor the implementation of various and competing Strategic Vision documents for public service provision.** These include the National Development Plan 2021-2025, Côte d'Ivoire Development Strategy 2030, and Côte d'Ivoire's Prospective Study 2040. The main mechanisms for policy coordination include the Prime Minister's Office (PMO), the General Secretariat of the Government, as well as the Ministry of Development and Planning. The coordination mechanisms between main bodies in the country can perform better and their roles, authority, and mechanisms for collaboration with line ministries is not always clearly defined. This leads to poor implementation of public policies that continue to lead to ineffective provision of service delivery to citizens. Thus, the support through the Governance PForR operation (PAGDS)³⁴ to establish a Service Delivery Unit (SDU) within the Prime Minister's office is central to the overall coordination and implementation arrangement set by the country's Strategic Planning Documents: The PND and Côte d'Ivoire Vision 2030. The SDU will track the successes of strategic programs, provide support to implementers, and scale up and replicate approaches to other services based on the lessons learned and the capacities developed.

93. **The efficiency and quality of public administration and the delivery of services must be improved while maintaining costs at a fiscally affordable level and contributing to a healthy business environment.** Some efficiency gains were made since 2015 through digitalization and the introduction of e-services. The goal of raising efficiency was endorsed through the Public Administration Reform Strategy 2020. With the assistance of development partners, some progress was also made in streamlining government operations and conducting some public administration procedures digitally. However, greater progress is needed if the government and stakeholders are to achieve improvements in service delivery without increasing wage costs unsustainably. The COVID-19 pandemic has also underlined the necessity to undertake the shift from face-to-face and paper-based procedures to more efficient models of operation. Interventions will strengthen sectoral resources management through digitalization of processes including in the education (student enrolment and monitoring), health (patients monitoring in the Health Information System (SIH)), road infrastructure (online monitoring of road contract) and financial sectors (digitalization of government payment systems- TRESORPAY/TRESORMONEY).

94. **The strengthening of horizontal public financial management (PFM) and public procurement systems remains a top priority for the Government.** PFM reforms have progressed significantly, with a focus on better controls in support of maintaining fiscal discipline. In the past, Côte d'Ivoire has undertaken major reforms in the management of public finances with the implementation of the WAEMU's harmonized PFM framework. However, there has been limited impact from measures to improve strategic allocation of resources to social sectors for

³⁴ PAGDS - Enhancing Government Effectiveness for Improved Public Services - Additional Financing (P176882)

improved service delivery. Interventions will support authorities to enhance strategic public expenditure use and efficiency through: (i) effective implementation of the ongoing Program-Based Budgeting (PBB) reform; and (ii) strict compliance with the new Procurement Code and implementation of the E-procurement reform across public administration entities.

Investing in the development of Human Capital

95. **Increasing the quality of Côte d'Ivoire's human capital is particularly important given its young and rapidly growing population.** According to the National Institute of Statistics (*Institut National de la Statistique*; INS),³⁵ the annual population growth rate is estimated at 2.6 percent, one of the highest in the World. As noted in the World Development Report (WDR) 2019:³⁶ “The Changing Nature of Work”, there is mounting evidence that unless they strengthen their human capital, countries cannot achieve sustained, inclusive economic growth, will not have a workforce prepared for the more highly skilled jobs of the future, and will not compete effectively in the global economy. To sustain growth and become a globally competitive emerging economy in the long run, the development of human capital must remain at the center of the country's strategy. Toward this end, it will be critical to strengthen the education, health, and social protection systems, which are central pillars of human capital development. Aware of these challenges, the government focused its second pillar of the PND on “Development of human capital and promotion of employment.”

Decentralization as a key driver to territorial development

96. **While a decentralization and de-concentration framework is in place in Côte d'Ivoire, in practice, persisting weak governance and limited decentralization constrain local governments' ability to respond effectively to citizens' basic needs.** Territorial development requires strengthening institutions across the board as they are the cross-cutting foundation behind many economic development initiatives. Without the implementation of decentralization and empowerment of local and regional governments, territorial development would be hamstrung. Three key constraints prevent effective devolution of public service delivery functions and authority to lower government levels. First, ambiguities regarding the mandates of different levels of subnational governments persist. Second, the volume and predictability of local government resources available for investments and service delivery are insufficient compared to the needs. A third reported constraint to service delivery and effective local governance is the lack of qualified staff at subnational government entities. Our initial intervention will consist of conducting a systematic analysis of the local governance system in Cote d'Ivoire with attention to relationship with citizens to inform the identification and prioritization of future reforms and investments in this strategic area of the PND.

Increase Domestic Revenue Mobilization (DRM)

97. **Domestic resource mobilization has remained a key challenge in Côte d'Ivoire over the past decade, due to a large informal sector, limited capacity of the tax and customs administrations and sub-optimal tax policies.** Côte d'Ivoire is yet to develop a consistent

³⁵ <http://www.ins.ci/n/>

³⁶ <https://www.worldbank.org/en/publication/wdr2019>

medium-term DRM strategy. The action plan adopted in 2019 to streamline tax expenditures over 2020–23 has been slow in its implementation. Indeed, DRM has not been a strategic priority of Government for decades and the Program marks a window of opportunity in this regard. Overall, reforms to date have been insufficient and mostly in the customs sector (i.e., digitalizing clearance procedures, simplifying and strengthening the monitoring of transit and special procedures, and optimizing control of values) or in sectors with modest mobilization potential (e.g., property taxation). As is common in the region, two fifths of tax revenues is custom duties while domestic tax revenues are weaker than those of peer countries, signaling an incomplete fiscal transition. The largest gap with respect to peers lies in Value-Added Tax (VAT) revenues: at below 3 percent of GDP, they are only about half what non-oil frontier market countries collect. This reflects substantial VAT expenditures and compliance challenges as illustrated by the low C-efficiency ratio³⁷ (0.25 percent). Income tax revenues are also weakened by numerous tax expenditures³⁸ and large levels of informality that constrain the tax base. Authorities have reformed Small and Mid-Size Enterprises (SMEs) tax regimes in 2021 but complex tax rates still limit its efficiency. Finally, despite the large size of exemptions, the redistributive effect of the tax-transfer system is limited, with the country ranking among the lowest in the world.³⁹

98. Currently, the approach to DRM reforms remains fragmented, with divided work priorities between the Customs and Tariffs Directorate (Direction des Douanes) and the Taxation Directorate (Direction des Impôts). There is a need to develop a holistic reform strategy for DRM to expand the tax base and simplify the tax system, based on diagnostic tools (such as TADAT, DIAMOND) and sound principles. The development of a clear strategy will also help to clarify the links for citizens between taxation and service delivery, improve the relationship of trust between state and citizens, as well as strengthen social cohesion to enhance equity, equality, and transparency. The World Bank is particularly well positioned to support such efforts given its ongoing engagements and leadership in the targeted areas through its DPOs and Governance PforR operations.

³⁷ The VAT C-efficiency ratio is the ratio of actual revenues to theoretical revenues from a perfectly enforced tax levied at a uniform rate on all consumption.

³⁸ The IMF estimates that Investment Code is one of the most generous in the WAEMU (Leduc, S., B. Laporte and J.-F. Brun (2020).

³⁹ Redistribution efforts through taxes and transfers rank among the lowest in the world for Togo and Côte d'Ivoire, closer to that of low-income countries than that of lower middle-income countries, based on data from fiscal incidence analysis from 2015 (see section 2 for more details).

Annex 10. Map

