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Côte d'Ivoire: Letter of Intent, Memorandum of Economic and
Financial Policies, and Technical Memorandum of Understanding

November 18, 2014

The following item is a Letter of Intent of the government of Côte d'Ivoire, which describes the policies that Côte d'Ivoire intends to implement in the context of its request for financial support from the IMF. The document, which is the property of Côte d'Ivoire, is being made available on the IMF website by agreement with the member as a service to users of the [IMF](#) website.

Letter of Intent

Minister at the Prime Minister's
Office in charge of Economy and
Finance
OFFICE OF THE MINISTER



Republic of Côte d'Ivoire

Union-Discipline-Work

N° 4985/MPMEF/CAB/

Abidjan, November 18, 2014

The Managing Director
International Monetary Fund
WASHINGTON, DC 20431

Subject: Letter of Intent

Dear Madame Managing Director:

1. Côte d'Ivoire is further repositioning itself on the international stage thanks to its domestic stability, and strengthened governance and social cohesion. This repositioning is illustrated by the return of the African Development Bank to Abidjan. Reforms undertaken in key sectors of the economy, combined with measures in support of businesses, have imparted a strong rate of growth to economic activity. This performance should continue to set Côte d'Ivoire at the forefront of high-growth countries around the world.

2. The attached Memorandum of Economic and Financial Policies (MEFP) describes progress achieved under the program, the outlook and policies for end-2014, and the main guidelines for 2015 and the medium term. All the performance criteria and indicative benchmarks for end-June 2014 under the program supported by the Extended Credit Facility (ECF) have been met. From the macroeconomic standpoint, after GDP growth rates of 10.7 percent in 2012 and 9.2 percent in 2013, the short-term trends at end-June 2014 point to a strong growth of 9% in 2014. This growth would be accompanied by an inflation rate estimated at 0.5 percent, below the WAEMU community norm (3 percent). Our business environment is improving continually, thanks to simplified procedures for setting up businesses, implementation of the new investment code, the launching of a wide-ranging program for the development of industrial zones, the establishment of the commercial court, and the upgrading of the committee for dialogue between the public and private sectors.

3. In accordance with our vision of turning Côte d'Ivoire into an emerging country by 2020, the year 2015 should allow the strong growth dynamic that began in 2012 to solidify. The growth rate is expected to amount to 10 percent with an inflation rate estimated at 2.3 percent. This objective is

based on the implementation of wide-ranging structural measures and the continuation of key investment projects in the context of the National Development Plan (PND 2012–15). Investments are expected to increase by 15.8 percent to reach 17% of GDP in 2015, including 7.7 percent of public investment, consistent with maintaining debt sustainability. The government will continue to facilitate efforts to ensure that the benefits of growth are redistributed among the most vulnerable members of society by boosting pro-poor spending and through job creation.

4. The government will continue to conduct a consistent set of structural reforms, including to strengthen public financial management. In this context, a master plan for fiscal reform will be adopted. In addition, a reform of the financial sector including the restructuring of state-owned banks will be implemented, steps will be taken to achieve financial equilibrium in the electricity sector, as well as to strengthen government and fight corruption. Finally, the government will continue to improve the business climate to ensure that Côte d'Ivoire remains at the forefront of reforming countries.

5. The government has mobilized US\$750 million through the issuance of a Eurobond, instead of the US\$500 million included in the program, in view of the highly favorable conditions on international financial markets. The proceeds from this loan have served to lengthen the maturity of domestic debt and expedite repayment of domestic arrears, in line with program objectives. Accordingly, the government is requesting a waiver for breaching the continuous performance criterion on new nonconcessional foreign borrowing as well as an increase in the ceiling on the cumulative window for new nonconcessional foreign lending up to US\$1.65 billion in 2014.

6. The government will broaden its sources of financing in the context of the debt strategy that aims to ensure the sustainability of public debt in the medium and long term. Taking into account the difficulties for mobilizing sufficient concessional resources to meet our requirements for financing key projects in 2015, the government intends to issue a Eurobond in the amount of US\$(01) billion. The government is therefore requesting IMF approval for increasing, in 2015, the cumulative window for new nonconcessional foreign loans by the amount of US\$1.4 billion, including US\$1 billion for the Eurobond, up to a ceiling of US\$3.05 billion in 2015. In addition, we are requesting the option of adjusting this ceiling to take into account two foreign loans for two (2) key projects, in the event that their terms should prove to be nonconcessional. The key projects consist in the extension and modernization of the Autonomous Port of Abidjan for a maximum amount of US\$800 million, and the development and rehabilitation of Côte d'Ivoire's electric power grid for a maximum amount of US\$820 million.

7. Côte d'Ivoire believes that the policies set forth in the attached Memorandum of Economic and Financial Policies are adequate to achieve the objectives of the program, but will take any

further measures that may become appropriate for this purpose. Côte d'Ivoire will consult with the IMF on the adoption of these measures and in advance to the revisions to the policies contained in the Memorandum of Economic and Financial Policies in accordance with the IMF's policies on such consultation.

8. We are requesting, under the sixth program review under the ECF, the disbursement of financial assistance equivalent to SDR 32.52 million plus an increase in this drawing amounting to 10 percent of our quota, i.e., SDR 32.52 million. This augmentation (SDR 32.52 million) will be used to finance the plan to prevent and fight the Ebola epidemic. In addition, we are requesting that the ECF arrangement be extended through December 31, 2015 and a financial assistance in 2015 equivalent to 30 percent of our quota, i.e. SDR 97.56 million.

9. The Ivoirien authorities consent to the release of this Letter of Intent, the attached Memorandum of Economic and Financial Policies and Technical Memorandum of Understanding, as well as the IMF staff report on the sixth review under the ECF arrangement. We hereby authorize their publication and posting on the IMF's website, after completion of the review of the program by the IMF Executive Board.

Very truly yours,

_____/s/_____

Nialé KABA

Minister at the Prime Minister's Office
in charge of Economy and Finance

Attachments:

- *Supplement to the Memorandum of Economic and Financial Policies (MEFP)*
- *Technical Memorandum of Understanding (TMU)*

Attachment I. Côte d'Ivoire: Supplement to the Memorandum of Economic and Financial Policies

November 18, 2014

CONTEXT

1. After two consecutive years of strong economic growth, the government's commitment to turn Côte d'Ivoire into an emerging country by 2020 is evident. The reforms undertaken in key economic sectors along with the implementation of measures to support businesses have instilled a sustained growth in economic activity. Thus, after 10.7 percent and 9.2 percent rates of GDP growth in 2012 and 2013, respectively, the economic outlook at end-June 2014 points to sustained growth of 9 percent in 2014, allowing Côte d'Ivoire to maintain its position among the countries with the highest growth rates in the world. Performance under the economic and financial program supported by the Extended Credit Facility (ECF) is in line with its objectives. The business climate is steadily improving with the implementation of structural measures, including streamlined procedures to start up businesses, implementation of a new investment code, launching of a large-scale program for the development of industrial zones, the creation of a commercial court, and the revitalization of the public-private sector consultation committee. These steps have strengthened economic activity, in particular resulting in foreign direct investment of CFAF 185.8 billion and the net creation of 27,056 jobs in the formal sector as of end June 2014. Maintaining the accelerated pace of reform implementation and a good economic performance would make it possible to increase nominal per capita GDP by over 15 percent in two years. These results are buttressed by a program to upgrade infrastructure, especially in the health, education, drinking water supply, sanitation, electrical power, and road sectors.

2. As regards political developments, Côte d'Ivoire is continuing to reposition itself on the international scene thanks to its internal stability, improved governance, and the preservation of social cohesion. This repositioning was marked by the return of the African Development Bank in June 2014. Moreover, the government has given strong support to integration projects, with the implementation of major regional infrastructure projects and improved ease of transport. At the national level, steps have been taken to ensure that the October 2015 presidential elections are open and transparent throughout the country.

This memorandum first describes the progress made under the economic and financial program during the first half of 2014, and then presents the main trends for end 2014 and 2015, as well as medium-term prospects.

RECENT ECONOMIC DEVELOPMENTS AND PROGRAM IMPLEMENTATION

A. Recent Developments in the Macroeconomic Environment

3. Economic activity remains buoyant.

- During the first half of 2014, economic activity remained strong in all sectors. In the primary sector, agricultural exports recorded a good performance driven by all product sectors, in particular cocoa (+5.4 percent), cotton seed (+17.7 percent), cashews (+28.2 percent), pineapples (+20.1 percent), and bananas (+18.1 percent). Growth in the secondary sector was fueled by construction and public works (+12.5 percent), manufacturing (+9.4 percent), and the energy sector (+5.1 percent). The tertiary sector was mainly driven by retail trade (+10.9 percent) and air transport services (+25.7 percent).
- Inflation remains moderate, below the convergence criterion of the West African Economic and Monetary Union (WAEMU) of 3 percent. The price index increased on average by 0.2 percent over the same period of 2013, because of improved market supply thanks to the strong performance of subsistence agriculture, buoyed by the implementation of the National Agricultural Investment Program and the government's efforts to facilitate trade.
- Foreign trade (excluding special and exceptional goods) was characterized by improved terms of trade and higher exports and imports. Export volume grew by (+5.6 percent), led by cashews (+90.7 percent), cocoa beans (+1.1 percent), uncombed cotton (+20.3 percent), and rice (+13.6 percent). Imports increased by 3.5 percent, in line with consumer goods such as rice (+18.4 percent), intermediate products (+12 percent), and clinker (1.9 percent).
- Credit to the private sector increased significantly. This growth involved medium-and long-term credits (+14.3 percent), as well as ordinary short-term credits (+5.4 percent). This development reflected the return of economic agents' confidence.
- Formal employment posted a gain (+3.6 percent) compared with end-December 2013, driven by the private (+3.9 percent) and public (+2.5 percent) sectors. In addition, the initial results of the 2013 employment survey indicate a vast majority of jobs (91 percent)¹ in the informal sector.
- The stock market continued to grow, due to the favorable performance of the regional economy and the shift to continuous trading since September 16, 2013. The capitalization of

¹ The final report of the 2013 employment survey is being validated.

the market for shares of the Regional Stock Exchange (BRVM) rose year-on-year by 15.4 percent, with an average increase in trading volume of 48.9 percent.

- This renewed vitality confirms the improved economic outlook of Côte d'Ivoire, which offers an expanding source of opportunities within WAEMU.

4. The number of business start-ups and private investment has continued to increase. At end-June 2014, 3,085 businesses were created, an increase of 161 percent over June 2013. Approved investments have also risen by 48 percent since December 2013. Investments have been made mainly in the construction and public works sector, the energy sector, and in extractive industries. Thus, private investment, recorded at 6.7 percent of GDP in 2012 and 7.1 percent of GDP in 2013, was still climbing at end-June 2014. All these good performances, which reflect the government's efforts to promote business opportunities by organizing investment forums and pursuing reforms to streamline business start-up procedures, and its efforts to ensure good governance and fight corruption, have contributed to the continued growth in investment.

5. Budget execution at end-June 2014 was consistent with objectives.

- Revenue, recorded at CFAF 1,462.3 billion, exceeded the program objective by CFAF 70.2 billion. This performance was essentially due to higher revenues from export duties and taxes, petroleum, the VAT, and the tax on petroleum products. However, losses were recorded on corporate profit taxes (BIC) tax excluding petroleum, and on import taxes on general merchandise.
- Spending amounted to CFAF 1,802.1 billion, or 106.6 billion less than programmed. This outturn reflects the downward revision of the gas sales price to the electricity sector. Other current expenditures were contained at CFAF 172.5 billion, in line with objectives. As regards investment expenditure (excluding post-crisis spending), it was recorded at CFAF 551.9 billion, or 93.4 percent of the programmed amount. The implementation rate of domestically funded projects was 103 percent, as compared to 84.3 percent for projects funded with external resources. The overall budget deficit (CFAF 143.4 billion) was below the programmed level (310.6 billion), and the basic primary balance was better than expected (+2.7 billion against -135.4 billion).
- The overall budget deficit was covered by financing on the regional market, to the tune of CFAF 641.1 billion, plus CFAF 157.4 billion of external funding.

- Mobilization of external funds and project grants amounted to CFAF 294 billion, as compared to CFAF 338 billion, primarily due to the slower than expected mobilization of certain budget supports, drawings on grants, and project loans.

6. The government successfully launched a debut bond on the international financial market. As part of the process for obtaining a sovereign credit rating, Côte d'Ivoire bond issuances were rated B1 by Moody's B by Fitch. This has opened up new prospects for Côte d'Ivoire, which was able to raise US\$750 million at 5.625 percent, as compared to an initial offering of US\$500 million at 5.875 percent for its 2014 Eurobond. This issuance was recognized as a great success by the business community, and the access to financing on international markets permitted an improvement in the maturity structure of domestic and external debt, as well as asset-liability management.

7. The government has stepped up implementation of social projects and multiplied initiatives to improve the living conditions of the most vulnerable sectors. Construction of 65,000 public or social housing units initiated by the government has advanced considerably, and the first estates should be delivered before the end of the year. As for employment, the National Employment Policy is being pursued with the adoption of a national strategy for boosting employment which is currently under way. The 2014–15 operational action plan adopted in this area is designed to strengthen and consolidate the different existing programs, such as the PEJEDEC (Youth Skill Development Program), PSR (Special Requalification Program), and the C2D (Debt for Development Swap) employment program. More generally, the monitoring, training, and job placement work of the Agency for Employment Research and Promotion (AGEPE) is regularly evaluated through activity reports. All of these efforts have brought the number of jobs created between January 2011 and August 2014 to 242,987. Thanks to the "Doing Business in Côte d'Ivoire Forum" (ICI 2014), the Women's Support Fund of Côte d'Ivoire (FAFCI), with an initial budget of CFAF 1 billion, has received private sector funding of CFAF 500 billion. In the rural sector, the guaranteed price system, which was set up in the coffee and cocoa sectors and has improved remuneration for producers, has been extended to the cotton and cashew sectors. As a result, the income of one million farmers has been improved, to the benefit of over six million persons. The Rural Investment Fund has continued and expanded its investment in rural areas. Moreover, a tax relief arrangement is being put in place for the rubber plantation sector, which has been hurt by the decline of world rubber prices. In the area of education, the "free schooling for all" policy remains in place. The construction and outfitting of 4,000 classrooms, primarily in rural areas, have improved access to education, especially for girls. Finally, turning to the health sector, health coverage has been improved by the extension of the network of public health centers and by the promotion of

free maternal and child health care. All of these combined efforts are reflected in the high rate of execution of pro-poor expenditures (CFAF 706.4 billion, or 104.5 percent) at end-June 2014.

8. The government has begun implementing a series of projects to increase the capacity of public health infrastructure and improve the quality of care provided. To avoid the threat of an Ebola epidemic, two successive contingency plans at a total cost of 57.1 billion have been prepared on the basis of the evolution of the epidemiological situation in the sub-region and the increased risk to Côte d'Ivoire. These different plans have led to the establishment of 16 treatment centers and an analytical laboratory in Abidjan, and to increased prevention measures and efforts to sensitize the entire population.

- Under a third plan under preparation, to cover the 2014–15 period, the response will be expanded to a national scale. It will extend the response capability to 82 health districts, significantly increase the number of treatment centers, and put in place three mobile laboratories. It will also provide for training of more health personnel on how to handle possible cases of infection. It should be noted that there have been no case of Ebola infection reported thus far.
- The coordination and implementation of these different plans is ensured by the Surveillance Committee chaired by the Prime Minister. The Committee's tasks include: (i) defining strategic and policy guidelines for responding to the epidemic; (ii) defining the alert level as the epidemic evolves; (iii) ensuring continuous surveillance of the development of the epidemic both nationally and internationally; (iv) ensuring diplomatic coordination and consultation with stakeholders both within and outside the country; (v) organizing advocacy for the mobilization of national and international resources; and (vi) reporting periodically to the National Security Council on the development of the Ebola virus epidemic.
- The international community has welcomed the Ivoirien government's decision to resume flights to countries of the sub-region affected by Ebola hemorrhagic fever, pursuant to recommendations of WHO and IATA. This decision greatly facilitates action and strengthens the capacity of the international community to respond rapidly to the needs of the countries concerned. It also helps to maintain the vital trade links among the countries of the sub-region.

B. Implementation of the Program

9. The performance criteria and indicative benchmarks at end-June 2014 were observed.

More specifically, the basic primary balance was CFAF 2.7 billion, as compared to a programmed

deficit of CFAF 135.4 billion. Cash advances were CFAF 47.5 billion, under the CFAF 55.6 billion ceiling. The government also cleared CFAF 328.3 billion in payables from 2013 and previous fiscal years. Overall, budget execution at end-June 2014 resulted in a moderate level of floating debt (CFAF 198.6 billion), leading to a net reduction in payables of CFAF 129.7 billion, as compared to the targeted floor of CFAF 50 billion.

10. Nonconcessional external loans contracted since the start of 2013 amounted to US\$746.1 million at end-June 2014, below the US\$900 million ceiling. These loans were used to finance key priority projects in the energy, economic infrastructure, and transportation sectors. Repayment of these loans is guaranteed by the flows generated from the operation of these projects, thereby limiting their impact on public finances. Moreover, in July the government successfully raised CFAF 357 billion on the international capital market by issuing a Eurobond, as against the programmed amount of CFAF 250 billion. The proceeds from this borrowing were used to extend the maturity structure of domestic debt and accelerate the repayment of domestic arrears, in accordance with program objectives.

11. The government implemented the end-June 2014 structural benchmarks:

- Four decrees to transpose directives of the West African Economic and Monetary Union (WAEMU) on public finance were adopted by the Council of Ministers on July 9, 2014;
- The strategy to put in place a treasury single account was drafted and the decree implementing this strategy was adopted by the Council of Ministers on July 9, 2014;
- An evaluation of the expenditure chain and procedures for closing the budget year was carried out during January 9-23, 2014, and some of the recommendations made on these issues were implemented, including a reduction in government procurement timelines and establishment of a committee to monitor compliance with these timelines.

12. A committee was set up by the government to monitor the clearance of audited arrears from 2010 and earlier. At end-June, of the validated stock of CFAF 152.9 billion, 40.8 percent had been paid.

13. A regulatory framework for monitoring and supervising government procurement timelines was set up during the first half of 2014. A decree was issued in May 2014 to reduce the timeline for government procurement to 88 working days, and a monitoring committee was set up to monitor compliance with that timeline. Thus, from January to June 2014, the average time for government procurement, from examination of the bidding documents to approval of contracts,

was 168 days. Moreover, a considerable decline in the recourse to non-competitive contracts was recorded; they accounted for 5.8 percent of the value of government contracts approved during the first half of 2014 (3.9 percent of the number of approved contracts). The following measures are planned to further strengthen this process gradually shifting to competitive bidding as the standard for government contracting and to further improve the services rendered:

- Completion of efforts to put in place procurement units in seven (7) pilot ministries;
- Completion of the design of simplified bidding documents and procedural manuals;
- Continuation of the training program for the different actors involved in the procurement process.

14. The government is pursuing its policy of putting in place a favorable legal and institutional framework to promote economic activity and small and medium-sized enterprises (SME). As a result of these efforts, Côte d'Ivoire has advanced 11 places in the 2014–15 global competitiveness report published by the World Economic Forum. To accomplish this, the government continued to implement a series of measures that have reduced taxes on business start-ups and streamlined the required procedures.

Box 1. Côte d'Ivoire: Measures adopted to Improve the Business Climate

More specifically, the government has taken the following steps:

- Publication of companies' incorporation notice online on the website of the Investment Promotion Center in Côte d'Ivoire (CEPICI)
- Reduction of companies' fiscal costs in the form of registration fees for a limited liability company (LLC) whose equity does not exceed CFAF 10 million.
- Dissemination of model company statutes or charters.
- Reduction in the time required for incorporation from 8 days (according to "Doing Business") to 2 days.
- Implementation of the optional procedure of using a notary for establishing charters of LLC-type companies.
- Elimination of the minimum capital requirement for LLCs.
- Reduction in the number of procedures for granting construction permits, from 16 to 11, and in the time required from 364 to 87 days.
- Reduction in the time for processing applications to the Ivoirien Electricity Company (CIE), the SECUREL certificate of conformity, the study by the subcontractor and CIE validation, from 24 to 14 days.
- Reduction in the connection time of the Ivoirien Electricity Company (CIE) from 14 to 5 days.
- Reduction in the delivery time of authorizations or permits by AGEROUTE and the Municipal Council from 7 to 4 days.
- Reduction in the preparation time of the notary document from 10 days to 2 days, and in the combined procedure for the registration and publication of the deed by the land registry from 25 to 15 days.
- Reduction in the rate of registration fees on real estate transfers from 7 percent to 6 percent.
- The Electronic Land Register was put online.
- Completion of the electronic publication project between the Chamber of Notaries and the Land Registry for real estate transfers.
- Establishment of private credit bureaus to gather credit data and monitor borrowers.
- Authorization granted to shareholders to hold management liable in the case of harm to the company, of profits collected in error for transactions concluded and approved by the management.
- Making the One-Stop Window for Foreign Trade (GUCE) fully operational.

C. Outlook at end-2014

15. The macroeconomic outlook is for strong economic growth in 2014.

- The GDP growth rate is projected at 9 percent in 2014, thanks to the vitality of all sectors. The primary sector will advance by 4 percent with the robust performance of subsistence agriculture (5.3 percent). The secondary sector will grow by 6.1 percent, driven by the agro-food industry (11.5 percent); construction and public works (20 percent), and other manufacturing industries (12.8 percent), despite a decline in mining (-8.9 percent). The tertiary sector will be spurred on by all of its components, in particular “other services” (13.7 percent) and trade (12 percent).
- The weak rise in prices at end-June 2014 should permit an average inflation rate of 0.5 percent at year-end, well below the WAEMU benchmark of 3 percent.
- The trade balance should remain in surplus thanks to a marked improvement in the terms of trade and exports. Imports would record growth of 13.8 percent, essentially driven by intermediate goods. Exports would increase by 10.9 percent due to increased sales of petroleum products, crude petroleum, palm oil, and agro-food and manufacturing products. The external current account balance will remain in deficit (-1.2 percent of GDP) as forecast in the program. However, the balance of payments is expected to show a surplus.

16. The government will ensure that the budget deficit remains at a moderate level.

17. Total budget revenue (CFAF 3,064.6 billion) will be lower, by CFAF 45.5 billion, than the programmed amount (CFAF 3,110.1 billion). This shortfall will be due to the decrease in direct taxes and oil and gas revenue, as a result of the reduction in the sales price of gas and the appreciation of the US dollar, and taxes on imports.

18. Expenditure will be below the program objectives. Current expenditure will be CFAF 2,373.5 billion, as compared with CFAF 2,365.4 billion projected in the program. As for capital expenditure, it will come in at CFAF 1,095.4 billion instead of an expected CFAF 1,196.6 billion, with an execution rate of 91.5 percent. This result is primarily attributed to the high level of execution of domestically funded expenditures (99.7 percent) and the subsidy to the electricity sector, due to the reduced sales price of gas on CI-26.

- 19. Financing needs for 2014 are expected to be met.** The budget deficit should end up at CFAF 394.9 billion. These needs will be met by net funds raised on the financial market (CFAF 751.5 billion), and by external resources from multilateral and bilateral institutions.
- 20. To finance major new key structural projects, the government expects to make full use of the window for nonconcessional external loans. In this respect,** new agreements should be concluded shortly for project financing, notably for water supply, including for the city of Abidjan (phase 2). All of these loans will be repaid using funds generated these projects.
- 21. The government has continued its efforts to improve debt management.** Since reaching the completion point of the HIPC initiative in 2012, several measures have been adopted to this end (Box 2). Before the end of 2014, a new debt management strategy for 2015-2019 will be prepared and the reorganization of the Public Debt Directorate will begin.

Box 2. Côte d'Ivoire: After HIPC, Debt Under Control

After substantial external debt relief obtained by Côte d'Ivoire following implementation of the HIPC Initiative and the Multilateral Debt Relief Initiative (MDRI), room for new borrowing became available to meet the considerable financing needs of the investment program launched by the President of the Republic so that Côte d'Ivoire could be an emerging country by 2020. The ratio of total public debt to GDP dropped from 67.9 percent in 2011 to 45.1 percent in 2012. It is 34.2 percent, excluding C2D.

However, recourse to borrowing should be on the basis of a borrowing strategy compatible with the government's debt policy. This strategy should be backed by a debt sustainability analysis, to anticipate the development of debt ratios and guarantee a sustainable debt for the country.

Institutional reforms

The government has reformed the institutional framework, to bring public debt management into line with international standards. Thus the National Public Debt Committee (CNDP) was created by decree in November 2011. The CNDP was tasked with: (i) monitoring the implementation of the national debt policy and public debt management; (ii) ensuring they are consistent with the country's development objectives and financial capacity; and (iii) preparing the debt policy and strategy for adoption by the government. To improve public debt management, a decree was issued in January 2014 to reorganize the Public Debt Directorate in line with front office, middle office, and back office operations. This reorganization is designed to centralize public debt operations, and to ensure a link between (i) debt policy and strategy; (ii) fund raising and negotiations; and (iii) management of the debt portfolio.

Box 2. Côte d'Ivoire: After HIPC, Debt Under Control (concluded)

Preparation of a strategy

The government adopted its first debt management strategy in 2013 (2013–17 MTDS), to anticipate the impact of new government financing on debt viability. This MTDS was supported by a Debt Sustainability Analysis (2013 DSA), which revealed a moderate debt risk with a ratio of debt to GDP of 44.1 in 2017.

A second strategy covering 2015–19 should be completed before end-2014. It should enable the government to better monitor the impact of new funding on the sustainability of the public debt. This strategy gives a slight preference to external financing (60 percent of needs), to mitigate the refinancing risk to which the government is exposed because of the short average maturity of its public debt portfolio (6.2 years, with the domestic debt portfolio at 3.8 years and the external debt portfolio at 7.8 years). In addition, due to the narrowness and shallowness of the domestic market, the MTDS provides for moderate recourse to the international financial market. A DSA will be carried out during the last quarter of 2014 to support the implementation of this strategy. The MTDS and the DSA will be systematically updated every year, to have a better idea of the cost and risks of new funding.

Sustainability of public debt

Since November 2012, the date on which external debt arrears, and in particular arrears on the three 2010–32 Eurobond coupons, were restructured, the government has not accumulated new arrears, and is consequently in compliance with the criteria for non-accumulation of external arrears and new domestic arrears. Although the projected level of debt appears high, it is important to note that the impact of new commitments on debt sustainability is quite low, especially since they involve priority projects which studies have shown that their economic profitability is assured. Moreover, a large part of the outstanding external debt is accounted for by C2D, which is covered by the agreement on debt by cancellation and conversion into development projects. The debt to GDP ratio at end-2014 is expected to come in at 36.2 percent or 45.8 percent if C2D is included.

22. The government will monitor implementation of the measures adopted to ensure continued improvement of budget execution. To this end, it will put in place:

- An action plan with a detailed timetable for closing public accounts with commercial banks, and closing all dormant accounts, accounts with low balances, and debit accounts. The government has opted to set up a Treasury Single Account (TSA) with sub-accounts. It will be structured as a principal account with the BCEAO, plus a series of accounts linked to it and also opened with the BCEAO, the ACCD, and possibly with commercial banks. The reason for keeping certain public accounts with commercial banks is to compensate for the gaps in the branch networks of the BCEAO and the ACCD within the country;
- A detailed action plan for implementing the recommendations of assistance missions on government accounts, along with a timetable and quantitative indicators for the settlement of clearing or suspense accounts.

23. The government will take steps to improve the financial situation of the electricity sector. It will settle CFAF 40 billion of the HVO (Heavy Vacuum Oil) subsidy prior to December 31, 2014. It will prepare a protocol defining the procedures for ordering and payment of HVO to avoid further arrears in future. It will adopt a plan for the clearance of cross-debts within the energy sector by end-June 2015.

24. The government will continue the settlement of its audited debt with its suppliers and institutional partners. Implementation of the audited internal debt settlement plan, initiated on December 6, 2013, is ongoing and will be completed by the end of 2014, including through the securitization of remaining claims. Moreover, arrears of donor share and social security contributions will be cleared, and the arrears owed to the banking and nonbanking sector on the securitized debt and the agreed debt will be cleared. In addition, the government will pay the CFAF 18 billion in arrears of the national and local government establishments and institutions before December 31, 2014. Regular settlement of payments due will help support private sector activity and strengthen the relationship between the government and its partners.

25. With regard to the restructuring of public banks, the government intends to restructure a bank in which it has a minority share by the end of 2014.

ECONOMIC AND FINANCIAL PROGRAM FOR 2015 AND MEDIUM-TERM OBJECTIVES

26. In 2015, the government will preserve the stability of the macroeconomic framework and will pursue reforms needed to further improve the business climate and public financial management. The growth rate will rise to 10 percent, with an inflation rate estimated at 2.3 percent. This target is based on key priority investment projects under the National Development Plan (2012–15 PND). With this in mind, the government will again organize the forum entitled “Doing Business in Côte d’Ivoire” in 2015; the latest forum in January 2014 brought over 3,700 participants to Abidjan. Investment should increase by 15.8 percent, to reach 17 percent of GDP in 2015, of which 7.7 percent is public investment, while at the same time maintaining debt sustainability. The government will continue to give priority to redistributing the proceeds of growth to the most vulnerable sectors of the population, by increasing pro-poor expenditures and creating jobs.

A. Macroeconomic Framework

27. The government maintains its commitment to reduce poverty and build the foundations for the emergence of Côte d'Ivoire by 2020, by implementing the 2012–15 PND.

This effort is based on maintaining strong, sustainable, inclusive growth that is gender-sensitive and environment friendly. The government will continue its efforts to boost employment by promoting the financing of innovative projects with a strong community impact. For instance, the National Youth Fund has served as collateral for the direct financing of 51 individual and collective projects for a total amount of CFAF 1 billion. To accomplish this, the government has set the following objectives:

- Implementation of the National Agricultural Investment Program, to attain self-sufficiency and to develop a local agricultural processing industry, and implementation of the new industrial policy based on the promotion of SMEs and SMIs and development of value chains;
- Improvement of the Human Development Index;
- Substantial progress in achieving the Millennium Development Goals in 2015;
- Creation of an even more attractive business climate to maintain the competitiveness of the economy;
- Continuous improvement in governance and anti-corruption efforts, to rejoin the group of leading African countries in this area.

28. To attain these objectives, the government will ensure the successful implementation of the 2012–15 PND, which will be followed by a new 2016–20 PND driven primarily by private investment.

Box 3. Côte d'Ivoire: Review of the National Development Plan

The 2012–15 PND, the frame of reference for Côte d'Ivoire's economic activities, was adopted by the government in March 2012, in order to lay the groundwork to transform Côte d'Ivoire into an emerging country by 2020. Now that it has been implemented for over two years, with follow-up reports in 2012 and 2013, and in accordance with the institutional framework for monitoring the plan, the government has initiated an overall review in order to better prepare the 2016–20 PND.

This review will take place in four major stages, which were preceded by consultations with the actors involved in implementing the PND during August 27–September 3, on the strategic results , i.e.: (i) ministerial reviews to enable each ministry to draw up an intrasectoral diagnostic of implementation of the PND; (ii) local reviews for the primary purpose of measuring local authorities' contributions to achieving the expected results of the PND; (iii) intersectoral discussions involving the government, technical and financial partners, the private sector, and civil society, to analyze the consolidated report of the preceding stages in order to learn from them, make recommendations, and propose strategic guidelines and the concept note for the 2016–20 PND; and (iv), finally, these elements will be used as inputs to the overall review workshop, where decision-makers can discuss key policy issues with each group of stakeholders, leading to the final recommendations and conclusions of the review, to be submitted to the Council of Ministers for adoption.

This review should be completed on November 27, 2014; the main result will be a report containing: (i) an overall assessment of the implementation of the PND by strategic result; and (ii) strategic guidelines and the concept note of the PND, to be used to guide preparation of sector policies and regional development plans.

The summary of these documents, together with the conclusions of several thematic studies, will be key inputs for elaborating the 2016–20 PND, to be adopted by the Council of Ministers in May 2015.

29. Economic development will rely on the renewed vitality of all sectors.

- **The primary sector will evolve positively** in line with the performance of subsistence agriculture, and especially in implementing the National Rice Development Plan (PNDR) under the National Agricultural Investment Program (PNIA). Moreover, the successful elements of the reform of the coffee-cocoa sector will be extended to the cashew and cotton sectors, to increase the income of producers and improve their livelihood. Finally, development of a primary processing industry in implementing the PNIA will diversify production.
- **The secondary sector** will record growth thanks to a robust construction and public works sector, development of manufacturing and agro-food industries spurred by the implementation of the SME and PNIA support strategy, and the take-off of mining and energy production following major investments in these two sectors. Moreover, the development of new industrial zones, support for the development of SMEs, and the sustained buoyancy of private and public demand should buttress the sector's growth.

- **The tertiary sector** will also develop favorably, particularly in transportation and telecommunications. In addition, government support for the development of SMEs and the return of African Development Bank (AfrDB) headquarters to Abidjan will help ensure the growth of the tertiary sector in 2015.

30. Annual inflation is expected to average 2.3 percent in 2015. Moderate price increases will benefit from an increase in the local supply of food products, with the implementation of the different agricultural development strategies under the PNIA, and the unimpeded transportation of persons and goods.

31. In 2015, the current account balance will show a deficit of CFAF 127.5 billion, or -0.7 percent of GDP, as compared to -1.2 percent in 2014, while the trade balance will continue to post a surplus despite an increase in imports, due to the buoyant economy. The capital and financial operations account will also post a surplus, because of increases in portfolio investment and foreign direct investment. Finally, the overall balance of payments should record a surplus of CFAF 23.3 billion.

32. Money supply should grow by 8 percent. This increase will originate from an increase in credits to the economy and in net foreign assets.

B. Fiscal Policy

33. Fiscal policy will continue to support growth while preserving macroeconomic stability. To this end, the government will pursue its efforts to improve revenue mobilization and expenditure rationalization, while ensuring a sustainable debt in conducting its short- and medium-term economic policies.

34. Total revenue in 2015 is projected at CFAF 3,474.8 billion (18.1 percent of GDP), an increase of 13.4 percent over 2014. This increase is linked to the expected growth of direct and indirect taxes revenues, notably non-oil corporate profits taxes (21.2 percent), VAT (14.5 percent), and payroll taxes (14.7 percent), in comparison with 2014. To achieve these targets, measures have been adopted to improve tax revenue collection. Among these measures, priority is placed on creating Centers of Medium-Sized Enterprises (CME), developing the tax bases of excise taxes on tobacco and beverages by fixing a minimum price, securing local taxes framework, modernizing tax management by introducing online tax returns, and simplifying business tax systems.

35. The government will continue to strengthen the tax revenue collection potential. It will ensure effective implementation of the measures adopted under the program and will take any corrective steps needed to achieve the objective pursued.

36. Expenditure in 2015 will amount to CFAF 4,523.1 billion (23.6 percent of GDP), an increase of 19.5 percent over 2014. This rise in expenditures is largely due to the increase in the government wage bill and the continued growth of public investment. Expenditures reflect the significant increase in investment included in the Public Investment Program (2014–16), the launching of Universal Health Coverage, and costs linked to organization of the elections.

37. The basic primary balance will be equal to CFAF 41.6 billion, -0.2 percent of GDP, as compared to -0.5 percent of GDP in 2014. The overall budget deficit, including grants (excluding grants for the settlement of arrears) should be CFAF 672.1 billion, or -3.5 percent of GDP, as compared to -2.3 percent of GDP in 2014. This increase in the overall budget deficit is due to the high level of investment expenditure funded with external resources.

38. The government will make sure that the measures adopted for the continued improvement of budget execution are implemented. In so doing, it will continue its efforts to rationalize expenditures, by: (i) limiting recourse to cash advances to emergencies; (ii) reducing the number of *régies d'avance* [petty cash or imprest mechanisms]; (iii) establishing benchmark prices; and (iv) reducing public procurement granted on a non-competitive basis.

39. The government will continue to enhance good governance and to step up efforts to fight corruption. To this end, it will reinforce the work of the anti-corruption group by:

- Establishing an anti-corruption observatory and a special court to prevent and fight corruption, once the regulations for their operations are approved;
- Tightening control of government contracting management, and regularly monitoring deadlines in the procurement chain, with a view to identifying corrective actions to ensure the smooth flow of investment expenditure during the year.

C. Improving Management and Strengthening the Long-Term Viability of Public Finances

40. The government, with the assistance of its technical and financial partners, has drawn up a master plan for reforming public finance (Box 4).

Box 4. Côte d'Ivoire: The Master Plan for Reforming Public Finance

On June 5, 2014, the Republic of Côte d'Ivoire adopted a new organic budget law (LOLF), and an organic law integrating a transparency code into public financial management, thereby transposing to the national legal framework the WAEMU directives on the new harmonized public financial management framework. A single reform master plan was prepared to implement these key far-reaching reforms and modernize public financial management. This strategy comprises an action plan, which is estimated to cost more than CFAF 100 billion. Institutional arrangements and tools for guiding the plan of action were proposed to support implementation of this strategy.

The reforms involve the government, public agencies and administrations, and local governments, as well as parliament and the Supreme Court, through its Audit Chamber. They have seven components:

- 1. Taxation and management of government revenue.** The objective is to expand the tax base and modernize public management of domestic revenue collection. The target is to increase tax mobilization, and bring the rate to at least 19 percent of GNP.
- 2. Planning, programming, budgeting, and management of budget execution.** The general objective is to modernize methods for managing and implementing the government's budget and to present the 2017 proposed budget according to the prescribed LOLF format.
- 3. Organization and financial information systems of the expenditure chain.** The objective is to update procedures for monitoring and controlling budget execution in order to rationalize the expenditure chain. This objective is part of the new standards for ensuring the transparent, comprehensive, effective, and efficient execution of government expenditures.
- 4. Public procurement.** The objective is to ensure that the normative and institutional systems in Côte d'Ivoire comply with the WAEMU directives. This will involve finalizing the rules for contracting, implementing, and settling procurement by the government and public service organizations and agencies pursuant to the WAEMU directive No. 4/2005.
- 5. Government accounting and cash management.** The objective is to implement the PEMFAR (Public Expenditure Management and Financial Accountability Review) recommendations, strengthen implementation of the Treasury single account, and reinforce debt management as part of a government-approved debt strategy, and to introduce the reforms required as a result of transposing the WAEMU directive on the General Regulations on Public Accounting (RGCP) and the State's Chart of Accounts (PCE), which introduce accrual accounting.
- 6. Internal and external audit regulations and controls.** The objective is to improve transparency and governance, and ensure the effectiveness of internal and external controls by formalizing and implementing effective regulations consistent with the provisions of the WAEMU directives.
- 7. Ensuring effective financial decentralization,** by setting up a procedural framework and by reinvigorating the institutional relationship between local governments and the central government's principal economic and financial stewards. The goal is to adapt the financial, tax, and property systems of local governments to the provisions of WAEMU's 2011 directive and to the Law of 2003, so that they can play their full role in serving as a lever for the economic and social development of the country. Each of the 7 components will be supported by the updating of the relevant legal and regulatory texts.

The first three-year plan (2014–16) describes more than 360 measures, for which implementation will need to be spread over time.

41. The government will continue to reduce subsidies to the electricity sector by making major investments to diversify and increase the power supply. Investments totaling CFAF 5,300 billion will go to building new production facilities or to overhauling existing sites with production units using new types of inputs, including biomass, and improving the network for transporting and distributing electricity. The results of the sector's deficit reduction strategy have allowed for gradual improvement of its financial position and will bring it into equilibrium by 2016. As a result the government will be able to reduce its subsidy to the sector in support of production costs to meet national needs. Additional demands for electricity on the part of bordering countries will continue to be invoiced at the marginal cost of production using HVO.²

42. Discussions with the BCEAO will be continued on the treatment of debt.

D. Consolidation and Development of the Financial Sector

43. The government will continue implementing its financial sector development policy. The Financial Sector Development Strategy (FSDS) is based on the two pillars of stability and expansion of the financial sector. To implement it, the government is in the process of adopting a Financial Sector Development Program, known as PDESFI. This program is designed to achieve the following objectives: (i) implement the action plan of the financial sector development strategy; and (ii) design and monitor the implementation of projects to support and develop inclusive finance, the leasing development program in Côte d'Ivoire, and all programs related to the support and development of the country's financial sector, except for the restructuring of the public banking sector.

44. The government intends to complete the restructuring of public banks. The restructuring plan adopted by the government in May 2014 provides in particular for:

- The privatization of the two (2) banks with a minority share. The privatization committee is working to achieve this objective.
- Several restructuring options for the four (4) banks in which the government is a majority shareholder. A program director, under the supervision of a steering committee, will restructure these banks on the basis of clearly defined options. The resizing strategy gives priority to the need to maintain public service functions, especially as regards financing the economy, savings, and the availability of banking services.

² HVO: Heavy Vacuum Oil, a liquid fuel used to produce electricity.

- Finalizing the consolidation of the microfinance sector. The action plan adopted for this purpose has four components: (i) consolidation of the regulatory and institutional framework; (ii) strengthening oversight; (iii) restructuring and turnaround of structures in difficulty; and (iv) liquidation of decentralized financing structures for which authorization or approval has been withdrawn. Implementation of this plan, in its final phase, will make it possible to obtain a portfolio of sound, solid, viable structures to assist the government in implementing its policy of ensuring access to financing for the poorest sectors of the population.

45. The government will continue its efforts to develop and disseminate new instruments and to reduce the cost of financial operations. In addition to the law and regulations governing the work of primary dealers (SVT, Treasury Security Specialists), measures adopted to set up credit bureaus, and regulations on repurchase or buyback agreements and issuance of government securities by tender or syndication, the BCEAO will proceed to provide certain bank services free of charge, in order to reduce and gradually rationalize banking terms and costs for customers.

E. Debt Policy and Strategy

46. The government will continue to strengthen public debt management. The medium-term debt management strategy (MTDS 2013–17) will be replaced by a new one for 2015–19, on the basis of monitoring and evaluation of the change in debt during 2014. Furthermore, in 2015 the government intends to complete the establishment of a centralized data base on the public enterprise and government guaranteed public enterprise debt, to improve debt monitoring. Finally, the government will complete the reorganization of public debt management into front, middle, and back offices with IMF technical assistance, to be provided in the first half of 2015, to ensure comprehensive public debt management.

47. The government will continue to expand its financing sources under its debt strategy, with a view to preserving the sustainability of the medium- and long-term public debt. In view of the difficulties in mobilizing sufficient concessional funds to finance our key large-scale structural projects in 2015, a one billion U.S. dollar Eurobond will be issued. Thus, the government is requesting the IMF's approval to increase the cumulative window for new nonconcessional external borrowing by US\$1.4 billion in 2015, including one billion U.S. dollars for the Eurobond, up to a ceiling of \$3.05 billion U.S. dollars. It is also requesting that this ceiling be adjusted so that it can contract two external loans for two priority projects, in the event that they cannot be contracted on concessional terms. The priority projects are the extension and modernization of the Autonomous Port of Abidjan,

for a maximum amount of US\$800 million, and the development and rehabilitation of the electricity network of Côte d'Ivoire for a maximum amount of US\$820 million.

F. The Private Sector as the Engine of Growth of the National Economy

48. The government will continue to promote the private sector to encourage and increase private investment in the economy. Efforts to reinforce the network of economic infrastructure (telecommunications, road system, energy, and port facilities) will be continued to support economic activity. The creation and extension of industrial zones will also be part of the government's industrialization policy. A project to build a sub-regional hub for hospital services in Côte d'Ivoire, by developing health services and a pharmaceutical industry producing generic medicines, is also under way. Support for research and training structures, and evaluation of the employment policy will serve to guide training programs and to provide companies with skilled labor. The implementation of the National Agricultural Investment Program (PNIA) will improve food security and promote the development of the agro-industrial sector. Finally, the results of the General Population and Housing Census and the survey on the standard of living of households will be used to better define and guide sectoral policies.

49. As regards the business environment, the government will continue to implement new measures to round out the existing arrangements, so that Côte d'Ivoire can join the group of leading African countries with the best business climate, (Box 5).

Box 5. Côte d'Ivoire: Reforms to Improve the Business Climate in 2015

For the third consecutive year, Côte d'Ivoire is continuing its efforts to improve the business climate, with a focus on the "Doing Business" indicators. For this task the country is drawing upon the recommendations of the evaluation team from Doing Business from Washington, DC, which was in Abidjan on July 7–10, 2014, as well as by on-site diagnostic studies by the CEPICI team, and information from a benchmarking mission to Rwanda on September 10–21, 2014. The recommendations of these different teams concerned the consolidation of existing gains, the rationalization of the procedures covered by the business indicators, and the implementation of reforms linked to the indicators. For 2015, action will focus on the following measures:

- Reducing the time for a business to start-up at the CEPICI Single Window to 24 hours.
- Promoting an electronic geographically unified management of the Trade and Personal Property Credit Registry of guarantees (RCCM) with an indexed data base following the names of debtors.
- Promoting the dissemination of information from the Centrale des Risques (credit risk database) of the BCEAO, which will cover the past 3 years.
- Reducing the time for moving import and export merchandise at ports.
- Establishing a legal framework for trade mediation.

Box 5. Côte d'Ivoire: Reforms to Improve the Business Climate in 2015 (concluded)

- Revising Articles 31 and 39 of Decision No. 01/PR on the creation, organization, and functions of commercial courts to give the president of the Commercial Court authority to enforce decisions.
- Encourage the completion of insolvency proceedings conducted by the designated professionals.
- Guarantee the quality of construction by introducing a mechanism for the issuance of a building permit based on risk management.
- Reduce the cost of electricity connections from CFAF 20.47 billion to CFAF 17 million.
- Strengthen the level of security of real estate transactions by incorporating technological solutions and expediting the formalities for real estate transfers by electronic publication.
- Make credit information bureaus operational in Côte d'Ivoire
- Make filing of tax and social security statements paper-free in Côte d'Ivoire.
- Reduce the cost of import and export transactions in the ports.
- Facilitate electronic exchanges of documents among parties.
- Institute and organize a group of mediators on trade and commercial matters.
- Extend to common law jurisdictions the rules of commercial judgments handed down in commercial courts.
- Create a commercial court of appeals.
- Make the public auction market transparent and dynamic.
- Promote settlement of insolvency proceedings within one year.
- Introduce the incorporation of companies on line.
- Put in place a Virtual Single Window for Construction Permits.
- Strengthen the procedures for quality control of electrical materials on the market.
- Introduce a prior, external examination of transactions presenting conflicts of interest, so that the auditors can give their opinion prior to the completion of such transactions.
- Make payment of taxes, tariffs, and social security contributions paper-free in Côte d'Ivoire.

All of these efforts should help improve the rating of Côte d'Ivoire in the 2016 Doing Business report.

50. As part of its efforts to improve the living conditions of the population, the government is planning to institute Universal Health Coverage (CMU), (Box 6).

Box 6. Côte d'Ivoire: Universal Health Coverage (CMU)

CMU is a national health coverage system based on monthly individual contributions, with two different regimes (a contribution-based system called the Basic General Regime (RGB), and a non-contribution-based system, called the Medical Care Regime (RAM), in which the government pays the contributions for the poor).

To make CMU operational by 2015, the National Assembly has adopted a law introducing the CMU as a compulsory health coverage system for people residing in Côte d'Ivoire. The President of the Republic issued a decree to create the National Health Insurance Fund (CNAM) on July 25, 2014.

Implementation of the CMU will begin in 2015 with a pilot population made up of about 4 million persons comprising: (1) wage-earners; (2) retirees in the private sector (through the National Social Security Fund); (3) active government personnel; (4) public sector pensioners (through the General Fund of Retirees and Government Agents and the Mutuelle Générale des Fonctionnaires de Côte d'Ivoire); and (5) agricultural workers that have initiated health coverage mechanisms (in the oil palm and rubber tree sectors).

The funding required to launch this operation amounts to CFAF 15.6 billion to be paid by the government's budget. Thus, CFAF 5.1 billion and CFAF 10 billion have been included in the 2014 and 2015 budgets, respectively. However, some aspects of the program will be covered by the private sector, including enrollment.

51. The government will continue to implement its new industrial policy aimed at increasing the share of the industrial sector in GDP from about 22.3 percent in 2012 to 40 percent in 2020. This policy will rely on the diversification of the industrial fabric by the promotion of SMEs and increasing production and the rate of processing of agricultural products through the PNIA. Already a National Program for Restructuring and Upgrading Industry (PNRMN) has been launched for a total amount of CFAF 152 billion, to strengthen the operating and management capacity of SMEs and SMIs. The rehabilitation of existing industrial zones and creation of new industrial zones is under way, at a total cost of CFAF 75 billion. Finally, considerable investment in the energy sector will serve to respond to the electrical power needs of new companies.

G. Financing and Monitoring of the Program

52. The government believes that the funding needs of the 2015 program will be met. Additional financing will be mobilized on the regional money market, the international financial market, and from foreign partners. As regards the sub-regional money and financial markets, the government intends to raise CFAF 591.8 billion in Treasury notes and bonds, as compared to CFAF 978 billion in 2014. External financing, including budget support, should amount to CFAF 821.8 billion, in particular thanks to the assistance of the World Bank, International Monetary Fund, African Development Bank, European Union, French Development Agency, Islamic Development Bank, and Eximbank China. In addition, the government will issue an Eurobond in 2015 to benefit from favorable financing conditions on international markets. Moreover, the government will continue its bilateral discussions with remaining creditors regarding debt relief under the HIPC initiative of the World Bank and IMF.

53. The government is requesting an extension of the ECF arrangement until December 31, 2015 and an augmentation of access to support its economic and financial program. The government requests that financial support equivalent to SDR 32.52 million plus an augmentation of this drawing of 10 percent of our quota, equivalent to SDR 32.52 million, be made available under the sixth review of the program. The amount of the augmentation (SDR 32.25 million) will be used to finance the plan to prevent and to fight the Ebola fever epidemic. For the fourth year of the program the government requests that financial support equivalent to 30 percent of our quota, equivalent to SDR 97.56 million, be made available under two additional semi-annual reviews. Finally, the government requests a waiver for exceeding the ceiling on new nonconcessional loans resulting from the issuance of a US\$750 million Eurobond in 2014, above the US\$500 million provided for under the program.

54. The program will continue to be monitored on a biannual basis by the IMF Executive Board on the basis of quantitative indicators and structural benchmarks (Tables 1 and 2). These indicators are defined in the attached Technical Memorandum of Understanding (TMU). The seventh biannual review will be based on end-December 2014 performance criteria and indicative targets, and is expected to be completed by April 1, 2015. The eighth review will be based on end-June performance and indicative targets, and is expected to be completed by October 1, 2015. To this end, the government undertakes to:

- Refrain from accumulating new domestic arrears and from any kind of advances on revenue, and from contracting any nonconcessional external borrowing other than that specified in the TMU;
- Issue government securities only by auction through the BCEAO or in any other form of competitive bidding on the local financial market and the WAEMU market, and to consult with IMF staff on any new financing;
- Refrain from introducing or intensifying any restrictions on payments and transfers related to current international transactions, and from introducing multiple currency practices, or entering into bilateral payment agreements that are inconsistent with Article VIII of the IMF Articles of Agreement, or from imposing or intensifying import restrictions for balance of payments purposes;
- Adopt any new financial or structural measures that may prove necessary for the success of its policies, in consultation with the IMF.

H. Statistics and Capacity Building

55. The development of the statistics system will be continued to better inform government policies and the activities of economic agents. To this end, the 2012–15 statistics master plan, consistent with the 2012-2015 PND, is being implemented. It comprises the following activities in particular: (i) conducting national and sector surveys; (ii) strengthening and monitoring economic indicators; (iii) setting up a data base for the Comprehensive Information Management System; (iv) changing the base year of national accounts and establishing quarterly national accounts; (v) renovating the Harmonized Consumer Price Index (IHPC); and, (vi) preparing a directory of ministerial statistical offices. The work to change the base of the annual national accounts has been initiated with the review of the classifications and a study of the methodological changes to be made. The data from the 2013/2014 General Population and Housing Census (RGPH) are under analysis. The government will also launch the General Agricultural Survey, as well as surveys on living conditions and employment. In 2015, the government will produce the table of government financial operations based on the 2001 Government Financial Statistics Manual. Eventually, Côte d'Ivoire intends to migrate to the Special Data Dissemination Standard (SDDS), as this will enable it to have access on better terms to international financial markets.

56. The government will continue capacity building in the government administration. The National Governance and Capacity-Building Secretariat will focus on capacity building. It will work in cooperation with the various entities to survey needs and skills and to assist these entities in seeking financing from the government and its partners to promote modern and effective government management. The technical assistance needs identified for 2015 comprise the following: (i) modernization of the customs administration, especially economic and risk analysis systems; (ii) support for setting up quarterly accounts; (iii) strengthening the tax administration, and especially the VAT base; (iv) preparation of provisional balances of payment; (v) forecasts of tax revenue; (vi) support for the production of the table of government financial operations in accordance with *GFSM 2001*; and (vii) support for developing economic indicators for the real sector.

Table 1. Côte d'Ivoire: Performance Criteria (PC) and Indicative Targets (IT), ECF 2013–15 ^{1/}
(Billions of CFA francs) ^{2/}

	2013			2014						2015							
	Dec			March			June			Sept.	Dec		March		June	Sept.	Dec
	PC	Actual	Status	IT	Actual	Status	PC	Actual	Status	IT	IT	PC	IT	PC	IT	IT	
A. Performance criteria																	
Floor on primary basic balance	-44.0	-11.6	Met	7.3	7.0	Met	-135.4	2.7	Met	-80.1	-26.8	-81.6	-10.5	-14.4	-108.0	-41.6	
Ceiling on net domestic financing (incl. WAEMU paper) ^{5/}	300.6	169.4	Met	43.6	113.1	Not Met	315.3	286.6	Met	360.2	391.2	107.6	-56.4	96.5	87.9	36.3	
Ceiling on new nonconcessional external debt (in \$ million) ^{3/ 4/ 5}	800.0	711.9	Met	900.0	717.3	Met	900.0	738.4	Not Met ^{3/}	900.0	900.0	1650.0	3050.0	3050.0	3050.0	3050.0	
Ceiling on accumulation of new external arrears	0.0	0.0	Met	0.0	0.0	Met	0.0	0.0	Met	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Ceiling on accumulation of new domestic arrears	0.0	0.0	Met	0.0	0.0	Met	0.0	0.0	Met	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
B. Indicative targets																	
Floor on the overall fiscal balance (including grants)	-453.4	-346.1	Met	-76.1	-81.7	Met ^{6/}	-310.6	-143.4	Met	-364.5	-379.9	-394.8	-179.3	-331.0	-533.2	-672.1	
Ceiling on expenditures by treasury advance	114.3	106.1	Met	19.8	25.8	Met	55.6	54.6	Met	81.5	119.7	124.5	29.4	63.4	107.7	146.1	
Floor on pro-poor expenditure	1309.1	1337.1	Met	259.4	300.4	Met	676.7	717.8	Met	1022.3	1521.8	1521.8	292.6	763.3	1153.1	1716.4	
Floor on net reduction of government amounts payable (- = reduction)	-50.0	39.7	Not Met	-5.0	-85.8	Met	-50.0	-129.7	Met	-70.0	-100.0	-110.0	-20.0	-50.0	-70.0	-100.0	
Floor on government revenue	2,764.5	2,838.0	Met	621.8	659.9	Met	1,392.1	1,462.3	Met	2,167.9	3,110.1	3,064.6	749.5	1,642.2	2,486.4	3,474.8	
Memorandum items:																	
Net banking sector claims on government	108.8	134.2		11.3	61.5		129.1	122.9		17.4	137.5	9.1	-41.0	-11.9	-35.1	-24.6	
Program grants	105.2	105.2		0.0	9.0		82.8	82.8		82.8	156.6	156.6	0.0	73.8	73.8	147.6	
Program loans	88.7	61.2		0.0	0.0		0.0	0.0		0.0	56.6	50.5	0.0	0.0	0.0	58.4	
Project grants	122.3	96.2		44.3	54.4		123.3	113.7		166.0	221.3	168.8	57.2	114.3	137.2	228.6	
Project loans	313.4	219.9		61.3	73.5		170.7	134.1		229.9	306.5	259.6	115.5	230.9	277.1	461.8	

Sources: Ivoirien authorities and IMF staff.

Note: The terms in this table are defined in the TMU.

^{1/} Cumulative change from December 31, 2013 for 2014 targets, and from December 31, 2014 for 2015 targets.

^{2/} Except for the ceiling on new nonconcessional external debt

^{3/} Continuous performance criterion. It was breached in July with the \$750 million Eurobond issuance.

^{4/} The new non-concessional external debt will be used for infrastructure, energy, and transport projects.

^{5/} If concessional terms are not obtained for the Port of Abidjan (US\$ 800 million) and electricity network (US\$820 million) projects, the ceiling on new nonconcessional external debt will be adjusted upward pro tanto.

^{6/} See paragraph 10 on the adjustor in the TMU.

Table 2a. Côte d'Ivoire: Structural Benchmarks, 2014–15, ECF

Sixth Program Review			
Measures	Macroeconomic rationale	Timeframe	Status
Public expenditure management			
No new injection of public funds in the five public banks in difficulty outside a restructuring plan approved by the authorities	Improve financial sector governance and management	SB continuous	Met
Finalize and adopt by the Council of Ministers draft regulations transposing the remaining four WAEMU directives on public finance	Improve fiscal management	SB end-June 2014 (rescheduled from end-March 2014)	Not met (implemented with delay on July 9, 2014)
Adoption by the Minister of Finance of the strategy for putting in place a Treasury single account, choice of the implementation model and adoption of a time-bound action plan	Improve fiscal management	SB end-June 2014	Not met (implemented with delay on July 9, 2014)
Review the expenditure chain and the end-of-year budgetary procedures, with IMF technical assistance	Improve fiscal management	SB end-June 2014	Met
Improving the business environment			
Limit the current fiscal year's VAT arrears pending refund to under CFAF 10 billion	Improve the business climate and the confidence of enterprises	SB continuous	Met

Table 2b. Côte d'Ivoire: Structural Benchmarks, 2014–15, ECF

Seventh Program Review		
Measures	Macroeconomic rationale	Timing
Public expenditure management		
Pay subsidies to support the electricity sector (HVO [Heavy Vacuum Oil]) in the amount of CFAF 40 billion	Reduce fiscal risks	SB end-December 2014
Adopt an action plan to settle cross-debts of the energy sector	Reduce fiscal risks	SB end-June 2015
Adopt a detailed timetable for closing public accounts at commercial banks	Improve cash-flow management	SB end-December 2014
Restructuring of banking sector		
Restructure a state-owned bank	Reduce banking sector vulnerabilities and fiscal risks	SB end-December 2014
Improving the business environment		
Limit the current fiscal year's VAT arrears pending refund to under CFAF 10 billion	Improve business climate	Continuous SB
Implement plan to settle the full range of domestic arrears on audited debt, securitized and agreed debt	Improve business climate	SB end-December 2014

Attachment II. Côte d'Ivoire: Technical Memorandum of Understanding—Arrangement Under the Extended Credit Facility, 2011–15

November 18, 2014

1. **This Technical Memorandum of Understanding (TMU) describes the quantitative and structural assessment criteria established by the Ivorian authorities and the staff of the International Monetary Fund (IMF) to monitor the program supported by the Fund's Extended Credit Facility (ECF). It also specifies the periodicity and the deadlines for the transmission of data to Fund staff for program monitoring purposes.** Unless otherwise specified, the government is defined as the central government of Côte d'Ivoire, including the National Social Security Fund (Caisse Nationale de Prévoyance Sociale, CNPS) and the Civil Service Pension Fund (Caisse Générale de Retraite des Agents de l'État, CGRAE), and Treasury operations for public companies in liquidation; it does not include any local government authorities, the Central Bank of West African States (BCEAO), or any other government-owned entity with separate legal status.

QUANTITATIVE INDICATORS

2. **For program monitoring purposes, the performance criteria (PC) and indicative targets (IT) are set for December 31, 2014, and June 30, 2015; the same variables are indicative targets for these variables for March 31, 2015 and September 30, 2015.**

The performance criteria include:

- (a) a floor on the primary basic fiscal balance;
- (b) a ceiling for net domestic financing (including the issuance of securities in Francs of the Financial Community of Africa (CFA)—or *Communauté Financière Africaine in French*);
- (c) a ceiling on new nonconcessional external debt;
- (d) a zero ceiling for the accumulation of new external arrears; and
- (e) a zero ceiling for the accumulation of new domestic arrears.

The indicative targets are:

- a) a floor on the overall fiscal balance (including grants);
- b) a ceiling on expenditures by treasury advance;
- c) a floor on "pro-poor" expenditures;
- d) a floor on the net reduction of the government amounts payables;
- e) a floor on total government revenue.

3. **The PCs, the ITs, and the adjusters are calculated** as the cumulative change from December 31, 2013 for the 2014 targets, and December 31, 2014 for the 2015 targets, with the exception of new nonconcessional external loans for which the cumulative change starts from December 31, 2012 (Table 1 of the Memorandum of Economic and Financial Policies, or the MEFP).

A. Government Revenue (IT)

4. **Total government revenue is defined** as all revenue collected by the Tax Administration (DGI), the Directorate-General of the Treasury and Public Accounting Administration (DGTCP), the Customs Administration (DGD), the CNPS, and the CGRAE, and other nontax revenue as defined in the fiscal reporting table (TOFE).

B. Pro-poor Expenditures (IT)

5. **Pro-poor expenditures are derived** from the detailed list of “pro-poor expenditures” in the SIGFIP system (see Table 1).

C. Treasury Advances (IT)

6. **Within the framework of the program, Treasury advances are defined as spending paid for by the Treasury outside normal and simplified execution and control procedures, and which have not been subject to prior commitment and authorization.** They exclude the “régies d’avances”, as set out in the ministerial decree n° 2013-762, as well as the extraordinary procedures set out in decree n° 1998-716 for expenditures financed by external resources, wages, subsidies and transfers, and debt service. The cumulative amount of expenditures by treasury advance as defined by the program will not exceed the cumulative quarterly ceilings representing 10 percent of quarterly budget allocations (excluding externally financed expenditures, wages, subsidies and transfers, and debt service). The nominative and restrictive list of expenditures eligible as treasury advances is as defined by ministerial Decree No. 178/MEF/CAB-01/26 of March 13, 2009.

D. Primary Basic Fiscal Balance (PC)

7. **The primary basic fiscal balance is the difference between** the government’s total revenue (excluding grants) and total expenditure plus net lending, excluding interest payments and externally-financed capital expenditure, and expenditure related to the Ebola outbreak (on a payment order basis for all expenditure items):

$$\text{Tax and nontax revenue (excluding grants)} - \{\text{Expenditure} + \text{Net lending} - \text{Interest payments} - \text{Externally-financed capital expenditure} - \text{Expenditure related to the Ebola outbreak (on a payment order basis for all expenditure items)}\}$$

8. **The floor on the primary basic fiscal balance will be adjusted** downward (upward) for an excess (shortfall) of external budget support (program grants/loans) relative to the programmed amount.

E. Overall Fiscal Balance (Including Grants) (IT)

9. **The overall fiscal balance is the difference between** the government's total revenue (including grants except World Bank budget support grants- AfDB budget support grants) and total expenditure plus net lending (on a payment order basis):

Tax and nontax revenue + (Grants – World Bank budget support grants – AfDB budget support grants) – {Expenditure + Net lending (on a payment order basis for all expenditure items)}

10. **The floor on the overall fiscal balance will be adjusted** downward (upward) for an excess (shortfall) of project loans relative to the programmed amount.

F. Net Domestic Financing (PC)

11. **The net domestic financing by the central government is defined** as the sum of (i) the banking system's net claims on the government (including C2D deposits); and (ii) net non-bank financing (including proceeds from privatization and sales of assets, and of correspondent sub-account of the Treasury and excluding the net variation of the amounts payable); and (iii) any financing borrowed and serviced in Francs of the Financial Community of Africa (FCFA). This ceiling includes a margin of CFAF 10 billion above the net cumulative flow projected for each quarter.

Net domestic financing = Variation of banking system's net claims on the government (TOFE) + net non-bank domestic financing (excluding the variation of the amounts payable) + borrowing denominated and serviced in Francs of the Financial Community of Africa (FCFA) + financing margin of CFAF 10 billion.

This ceiling does not apply to either new agreements on restructuring domestic debt and securitization of domestic arrears or to new project loans from the Bank for Investment and Development (BIDC) of the Economic Community of West African States (ECOWAS). For any new borrowing over and above a cumulative amount of CFAF 50 billion during 2014, the government undertakes not to issue government securities except by auction through the BCEAO or through competitive public auction (appel d'offres compétitif) on the WAEMU financial markets registered with the Regional Council for Public Savings and Financial Markets (CREPMF), in consultation with Fund staff.

G. New Nonconcessional External Debt (PC)

12. **The definition of debt is set out in Executive Board Decision No.6230-(79/140), Point 9, as revised on August 31, 2009 (Decision No. 14416-(09/91)):** Debt will be understood to mean a current, i.e., not contingent, liability, created under a contractual arrangement through the provision of value in the form of assets (including currency) or services, and which requires the obligor to make one or more payments in the form of assets (including currency) or services, according to a specific schedule; these payments will discharge the obligor of the principal and/or interest liabilities incurred under the contract. Debts can take a number of forms, the primary ones being as follows: (i) loans, i.e., advances of money to the obligor by the lender made on the basis of an undertaking that the obligor will repay the funds in the future (including deposits, bonds, debentures,

commercial loans, and buyers' credits) and temporary exchanges of assets that are equivalent to fully collateralized loans, under which the obligor is required to repay the funds, and usually pay interest, by repurchasing the collateral from the buyer in the future (such as repurchase agreements and official swap arrangements); (ii) suppliers' credits, i.e., contracts where the supplier permits the obligor to defer payments until sometime after the date on which the goods are delivered or services are provided; and (iii) leases, i.e., arrangements under which property is provided that the lessee has the right to use for one or more specified period(s) of time that are usually shorter than the total expected service life of the property, while the lessor retains the title to the property. For the purpose of this guideline, the debt is the present value (at the inception of the lease) of all lease payments expected to be made during the period of the agreement, excluding those payments necessary for the operation, repair, or maintenance of the property. Under the definition of debt set out above, arrears, penalties, and judicially awarded damages arising from the failure to make payment under a contractual obligation that constitutes debt are debt. Failure to make payment on an obligation that is not considered debt under this definition (e.g., payment on delivery) will not give rise to debt.

13. **External debt is defined** as debt borrowed or serviced in a currency other than the CFA franc of the Financial Community of Africa (FCFA).

14. **The quantitative performance criterion concerning external debt applies to all nonconcessional external debt, irrespective of maturity, and whether it has been contracted or guaranteed by the government.** It applies not only to the debt as defined above, but also to commitments contracted or guaranteed for which no value has been received. This performance criterion does not apply to:

- normal import-related commercial debts having a maturity of less than one year;
- rescheduling agreements;
- debts to the BIDC, up to the equivalent of CFAF 20 billion, for the period from January 1 to December 31, 2014;
- drawings on the IMF.

15. **A debt is considered concessional if its grant element is at least 35 percent, the net present value (NPV) of the debt being calculated with a 5 percent discount rate.** The government undertakes not to contract or guarantee nonconcessional external debt under the conditions defined in paragraphs 12–15, with the exception of debt constituting rescheduling of maturities and new debt contracted or guaranteed by the government as specified in paragraphs 14 and 17. To this end, the government undertakes to consult with IMF staff on the terms and concessionality of any proposed new debt in advance of contracting such external debt.

16. **A cumulative ceiling for 2013–15 of US\$800 million for the period through December 31, 2013, US\$1,650 million through December 31, 2014, and US\$3,050 million through December 31, 2015 applies to new nonconcessional external loans other than those specified in paragraph 14 (performance criterion).** This ceiling would be applicable to debt-financing of projects, in the energy, infrastructure and transport sectors, and to the issuance of a Eurobond in 2015 for a maximum amount equivalent to U\$1 billion. The ceiling on new

nonconcessional foreign borrowing will be adjusted upward to reflect the loans to finance the extension of the Port d'Abidjan for a maximum amount equivalent to US\$800 million and for the rehabilitation and expansion of the electric power grid by a maximum amount equivalent to US\$ 820 million, if the terms of these loans should prove to be nonconcessional. The government will inform staff in a timely manner before contracting any debt of this type and provide information on the terms of the new debt as well as a brief summary of the projects to be financed and their profitability, including an independent evaluation. The government will report on the use of funds and project implementation (in subsequent MEFPs or to staff). The US dollar value of eligible loans subject to this ceiling will be calculated using the exchange rates at end-August 2013 in the IFS (International Financial Statistics) database of the IMF. The amount of the Eurobond deemed contracted will be the amount subscribed/purchased at the end of the subscription/purchase period as specified under the final terms of exchange. The amounts subscribed/purchased of the Eurobond prior to the end of the subscription/purchase period of the Eurobond will not impact the performance criterion on external debt (paragraph 14).

H. External Payment Arrears (PC)

17. **External arrears are considered to be the nonpayment of any interest or principal amounts on their due dates (taking into account relevant contractual grace periods, if any).** This performance criterion applies to arrears accumulated under external debt of the government and external debt guaranteed by the government for which the guarantee has been called by creditors, consistent with the definitions given under the external debt criterion (paragraph 15). This performance criterion is monitored on a continuous basis.

I. Amounts Payable, Including Domestic Payment Arrears (IT and PC)

18. **The “amounts payable” (or “balances outstanding”) include domestic arrears and floating debt and represent the government’s overdue obligations.** They are defined as expenditures assumed (prise en charge) by the public accountant, but *yet to be paid*. For the program definition, these obligations represent (i) bills due and not paid to non financial public and private companies; and (ii) the domestic debt service (excluding the BCEAO).

19. **For program purposes, domestic payment arrears are those balances outstanding to nonfinancial public and private companies and the domestic debt service (excluding the BCEAO).** Arrears to non financial and private companies are defined as overdue obligations to non financial and private companies for which the payment date exceeds the deadline for payment stipulated by the administrative regulations of 90 days; arrears on the domestic debt service refer to debt service obligations for which the payment date exceeds 30 days.

20. **Floating debt refers to those balances outstanding** for which the payment date does not exceed the deadline for payment stipulated by the administrative regulations (90 days for debt to nonfinancial public and private companies and 30 days for debt service to commercial banks, insurance companies, and other financial institutions).

21. **The balances outstanding are broken down** by payer and type, as well as by maturity and length of overdue period (< 90 days, 90–365 days, > 1 year for nonfinancial companies, and <30 days, 30-365 days, > 1 year for financial companies).

22. **For program purposes, the government undertakes:** (i) to reduce the stock of amounts payable by at least CFAF 110 billion in 2014 and CFAF 100 billion in 2015; and (ii) to not accumulate new domestic arrears in fiscal years 2014 and 2015.

MEMORANDUM ITEMS

A. Net Bank Claims on the Government

23. **Net bank claims on the government are defined** as the difference between government debts and government claims with the central bank and commercial banks, (including the C2D deposits). The coverage of net bank claims on the government is that used by the BCEAO, and is the same as that shown in the net government position (NGP) (including the C2D deposits).

B. External Financing (Definitions)

24. **Within the framework of the program, the following definitions apply:** (i) project grants refer to non-repayable money or goods intended for the financing of a certain project; (ii) program grants refer to non-repayable money or goods not intended for the financing of a specific project; (iii) project loans refer to repayable money or goods received from a donor to finance a specific project, on which interest is charged; and (iv) program loans are repayable money or goods received from a donor and not intended for the financing a specific project, on which interest is charged.

C. Program Monitoring and Data Reporting

25. **A quarterly assessment report on the monitoring of the quantitative performance criteria, indicative targets, and structural benchmarks** will be produced by the authorities at the latest within 45 days of the end of each quarter.

26. **The government will report the information specified in Table 2** on a monthly basis, at the latest within 45 days of month-end or quarter-end, unless otherwise indicated. Tables F.3.1, F.3.2, and F.3.3 are updated to take into account the expanded coverage of arrears.

27. **The government will report final data provided by the BCEAO within 45 days of the end of the period in question.** The information provided will include a complete, itemized listing of public sector liabilities and assets with: (i) the BCEAO; (ii) the National Investment Bank (Banque Nationale d'Investissement, or BNI); and (iii) the banking sector (including the BNI).

28. **The authorities will consult with the Fund staff on any proposed new external debt contracts or government guarantees on new external debt, including leases.** The authorities will inform the Fund staff, following signature, of any new external debt contracted or guaranteed by the government, including the terms of these contracts or guarantees. Data on new external debt, the amount outstanding, and the accumulation and repayment of external payment arrears will be reported monthly within six weeks of the end of each month.

29. **More generally, the authorities will report to the IMF staff any information needed for effective monitoring of the implementation of economic policies.**

Table 1. Côte d'Ivoire: Pro-Poor Spending (incl. Social Spending), 2009–15

	2009	2010	2011	2012		2013		2014	2015
				Budget	Actual	SBL ^{1/}	Actual		
Agriculture and rural development	49.2	39.1	35.2	41.4	68.2	72.1	81.7	81.9	88.6
General administration	8.5	9.2	7.0	7.7	10.0	16.3	21.4	28.0	33.9
Agriculture promotion and development program	10.6	10.8	10.8	12.0	18.7	15.1	15.9	17.8	23.4
Training of supervisory staff	8.4	8.3	10.3	8.4	13.5	15.7	18.4	16.9	21.5
Water system works	1.5	4.0	3.0	3.4	26.0	16.6	18.3	19.3	9.7
Other investments in the rural area (FRAR, FIMR)	20.2	6.8	4.1	10.0	0.0	8.4	7.7	0.0	
Fishing and animal husbandry	6.7	5.9	4.0	4.7	7.2	5.9	7.5	8.0	9.0
General administration	3.5	3.9	2.7	2.7	4.0	3.8	4.4	4.5	4.6
Milk production and livestock farming	2.3	1.8	1.2	1.5	2.9	0.9	1.7	1.7	2.0
Fishing and aquaculture	1.0	0.2	0.1	0.5	0.4	1.2	1.4	1.9	2.4
Education	533.1	590.1	529.2	628.6	651.2	754.6	756.3	836.3	960.9
General administration	19.6	24.9	24.7	23.6	19.8	19.5	19.5	20.6	25.2
Pre-schooling and primary education	336.7	366.7	301.1	398.2	379.2	454.4	449.2	316.6	403.8
Literacy	0.2	0.2	0.5	0.6	0.5	0.5	0.4	0.4	0.4
Secondary education and vocational training	83.0	83.8	74.2	80.3	74.8	83.7	87.7	296.8	306.9
University and research	93.7	114.5	117.0	113.0	140.0	153.0	156.1	155.4	178.1
Emergency/Presidential program/Education	0.0	0.0	11.7	12.8	36.9	43.5	43.5	46.5	46.5
Health	118.4	113.6	120.2	138.0	169.2	205.1	197.9	267.4	310.1
General administration	45.8	47.7	49.2	55.4	63.9	89.5	71.4	123.0	150.7
Primary health system	30.7	30.0	25.2	34.8	47.5	53.9	70.5	38.7	63.3
Preventive healthcare (enlarged vaccination program)	1.9	1.4	0.4	0.8	2.3	2.6	1.6	2.9	1.5
Disease-fighting programs	1.7	1.5	1.1	1.4	4.0	1.2	1.7	24.8	5.6
Infant/mother health and nutrition	0.8	0.4	0.4	0.6	1.4	0.6	0.8	18.1	10.9
HIV/Aids	10.8	5.9	6.9	8.0	6.4	5.4	1.6	5.6	16.7
Health centers and specialized programs	26.6	26.6	25.7	25.1	31.8	33.9	32.3	34.2	41.4
Emergency/Presidential program/Health	0.0	0.0	11.3	12.0	12.0	18.0	18.0	20.0	20.0
Water and De-contamination	20.4	19.8	36.3	39.9	49.5	73.5	118.4	82.1	83.3
Access to drinking water and de-contamination	4.9	6.0	10.2	10.7	10.8	25.4	69.9	37.0	38.7
Environmental protection spending	15.5	13.8	13.1	13.0	22.4	23.6	24.0	18.1	17.6
Emergency/Presidential program/healthiness and de-contamination	0.0	0.0	13.1	16.2	8.0	11.5	11.5	13.5	13.5
Emergency/Presidential program/drinking water	0.0	0.0	0.0	0.0	8.2	13.0	13.0	13.5	13.5
Energy	16.5	9.7	8.8	17.0	18.8	26.7	25.5	30.1	34.9
Access to electricity	16.5	9.7	8.9	9.0	10.8	13.7	12.5	16.6	21.4
Emergency/Presidential program/Electricity	0.0	0.0	0.0	8.0	8.0	13.0	13.0	13.5	13.5
Roads and Art Works	39.1	45.4	33.4	47.1	51.4	101.7	80.2	112.7	118.7
Road maintenance	0.5	2.4	2.1	5.1	2.3	11.4	8.7	6.0	6.2
Construction of art works	3.0	2.5	1.1	7.5	4.0	22.2	5.6	23.3	20.4
Other road projects	35.6	40.6	22.2	23.5	34.1	52.2	49.9	65.5	67.0
Emergency/Presidential program/maintenance and development	0.0	0.0	8.0	11.0	11.0	16.0	16.0	18.0	25.0
Social spending	13.6	15.0	24.7	14.1	20.0	18.1	24.3	22.4	23.6
General administration	8.6	9.8	8.9	9.0	15.1	13.4	19.1	16.1	17.1
Training for women	0.6	0.7	0.5	0.7	0.7	0.5	0.6	0.9	0.8
Orphanages, day nurseries, and social centers	1.5	2.0	1.9	2.5	2.2	2.1	2.3	3.1	3.1
Training of support staff	1.7	1.9	1.6	1.3	1.6	1.8	1.9	2.0	2.1
Indigents and victims of war or disaster	1.2	0.5	11.8	0.7	0.5	0.4	0.4	0.4	0.5
Decentralization (excl. education, health and agriculture)	35.1	32.0	29.0	32.1	31.7	31.8	34.5	60.0	56.1
Decentralization	35.1	32.0	29.0	32.1	31.7	31.8	34.5	60.0	56.1
Reconstruction	1.4	2.6	5.6	1.2	0.3	13.0	2.9	10.4	20.4
Reconstruction and rehabilitation	1.4	2.6	4.6	1.2	0.3	0.1	0.1	0.0	0.4
Emergency/Presidential program	0.0	0.0	1.0	0.0	0.0	12.9	2.9	10.4	20.0
Other poverty-fighting spending	9.6	11.9	16.2	15.9	13.0	6.7	7.9	10.5	10.8
Promotion and insertion of youth	8.4	8.9	13.7	13.4	7.6	5.1	5.4	8.1	8.2
Support and follow-up of DSRP	0.3	0.2	0.4	0.4	0.5	0.0	0.2	0.6	0.6
Development of tourism and craftsmanship	0.9	2.8	2.0	2.1	4.9	1.6	2.3	1.8	2.0
TOTAL	843.0	885.2	842.7	980.0	1,080.5	1,309.1	1,337.1	1,521.8	1716.4

Source: Ivorian authorities.

1/ Supplementary Budget Law.

Table 2. Côte d'Ivoire: Document Transmittals

Detailed tables to be transmitted monthly, quarterly, or annually to the IMF staff. Examples of each of these tables have been provided for illustration. The documents expected monthly are indicated by "M," those expected quarterly by "Q," and those expected annually by "AN." This list is not necessarily exhaustive.

Real sector (R)

General:

Table R.1: Cyclical Indicators (M)

Table R.2.1: Macroeconomic Framework (AN)

Table R.2.2: Supply-use accounts, current francs (AN)

Table R.2.3: GDP in francs (n-1): annual variation in volume (AN)

Table R.2.4: GDP deflators year (n-1) (AN)

Table R.2.5: Macroeconomic framework, underlying assumptions (AN)

Table R3: Price index (M)

Energy:

Table R.4.1: Summary crude oil and gas production (M)

Table R.4.2: Crude oil and gas production – CI11 (M)

Table R.4.3: Crude oil and gas production – CI26 (M)

Table R.4.4: Crude oil and gas production – CI27 (M)

Table R.4.5: Crude oil and gas production – CI40 (M)

Table R.4.6: Crude oil and gas – volume, price, and financial flows (M)

Table R.4.7: Ivorian Refinery (SIR) activities (M)

Table R.4.8: SIR: transfers to warehouses and exports (M)

Table R.4.9: Activities of marketers (M)

Table R.4.10: Goods released to market by type of tax (M)

Table R.4.11: Financial flows in cash, Electricity Sector Asset Management Company (*Société de Gestion du Patrimoine du Secteur Electricité, SOGEPE*) (M)

Table R.4.12: Operating financial flows, SOGEPE (Q)

Table R.4.13: Crude oil: Shipment report (Q)

Table R.4.14: Petroleum revenue: Structure of maximum sales prices (M).

Coffee/cocoa:

Table R.5.1: Quasi-fiscal levies and fees, and utilization – operations (Q)

Table R.5.2: Quasi-fiscal levies and fees, and utilization – investment (Q)

Table R.5.3: Investments in funds managed by the Coffee/Cocoa Committee (Q)

Table R.5.4: Bank accounts (Q)

Balance of Payments sector (B)

Table B.1.1: Summary table of foreign trade (AN)

Table B.1.2: Imports (source DGD - monthly) (M)

Table B.1.3: Exports (source DGD - monthly) (M)

Table B2.1: Detailed balance of payments (including capital account) CFA francs (AN)

Table B.2.1.a: Exports – quantities (Q)

Table B.2.1.b: Exports – unit prices (Q)

Table B.2.2.a: Imports – quantities (Q)

Table B.2.2.b: Imports – unit prices (Q)

Table B.3: Balance of Payments: Summary presentation (AN)

Monetary sector (M)

Table M.1: Banks (M)

Table M.2: Summary BCEAO position (M)

Table M.3: Net government position (M)

Table M.4: Changes in net foreign assets (NFA) (M)

Table M.5: Integrated Monetary Survey (M)

Table M.6: Government liabilities to banks (M)

Fiscal sector (F)

Table F.1: Table of government financial operations (TOFE) (M)

Table F.2: Estimated government tax revenue (M)

Domestic arrears:

Table F.3.1: Domestic arrears (M)

Table F.3.2: Consolidated Treasury balances outstanding (M)

Table F.3.3: Treasury balances outstanding - targets/execution (M)

Table F.3.4: Clearings and securitizations (M)

Domestic and foreign debt:

Table F.4.1: Domestic debt (M)

Table F.4.2: Total domestic debt (M)

Table F.4.3: Negotiable instruments (M)

Table F.4.4: Explanation of variances in domestic debt service (M)

Table F.5.1: Foreign debt (M)

Table F.5.2: Details of foreign debt (M)

Table F.5.3: Analysis of projected foreign debt service variances (M)

Table F.5.4: Projected debt service (Q)

Post-crisis:

Table F.6: Crisis- and election-related expenditures (M)

Treasury advances:

Table F.7.1: Advances from the Treasury (M)

Table F.7.2: Treasury advances reclassified (M)

Investment:

Table F.8: Investment expenditures (M)

Social/pro-poor expenditures:

Table F.9.1: Education and health expenditures – other (M)

Table F.9.2: Education and health expenditures – personnel/operations/transfers/
investments (M)

Table F.9.3: Subsidies and transfers: Targeted social expenditures (M)

Table F.9.4: Execution of social expenditures (M)

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