

Second-Party Opinion

Côte d'Ivoire Sustainable Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the Côte d'Ivoire Sustainable Bond Framework is credible and impactful and aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2020, Green Loan Principles 2021, and Social Loan Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible categories – Access to Basic Infrastructure, Access to Basic Services, Employment and Competitiveness, Promotion of a resilient and inclusive post-COVID-19 recovery, and Environment and Sustainable Development – are aligned with those recognized by both the Green Bond Principles and Social Bond Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDG 3, 4, 6, 7, 8, 9, 11, 13, and 15.



PROJECT EVALUATION / SELECTION Côte d'Ivoire's internal process in evaluating and selecting projects is overseen by an inter-ministerial ESG Committee led by the Ministry of Economy & Finance, and more precisely by the Debt Management Office. As part of the country's budget process, the projects will be assessed in regard to the country's sustainable development strategy and the eligibility criteria set in the Framework. Sustainalytics considers the project selection process in line with market practice.



MANAGEMENT OF PROCEEDS The Treasury oversees the management of proceeds. Côte d'Ivoire will attempt to fully allocate the proceeds within 24 months after issuance. Pending full allocation, proceeds will be deposited in the Treasury's Special Account. This is in line with market practice.



REPORTING Côte d'Ivoire intends to report on allocation of proceeds on the websites of the Debt Management Office and/or of the Ministry of Budget, on an annual basis, until full allocation. In addition, Côte d'Ivoire may report on relevant impact metrics. Sustainalytics views Côte d'Ivoire's allocation and impact reporting as aligned with market practice.

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Introduction

République de Côte d'Ivoire ("Côte d'Ivoire" or the "Issuer") is a country located in Africa, in the western part of the Gulf of Guinea. With an area of 322,462 km², the population is 26,378,274 as of 2020. Côte d'Ivoire's political capital is Yamoussoukro, while its economic capital and largest city is Abidjan.

République de Côte d'Ivoire has developed the Côte d'Ivoire Sustainable Bond Framework (the "Framework") under which it intends to issue green, social, and sustainability bonds and loans, and use the proceeds to finance and refinance, in whole or in part, existing and future projects and programs that are expected to contribute to the sustainable development of the country, as envisioned in the Plan National de Développement 2021-2025 ("National Development Plan" or "NDP"). The Framework defines eligibility criteria in five areas and 17 categories:

1. Access to Basic Infrastructure
 - A. Transportation & spatial equity
 - B. Water and sanitation
 - C. Access to affordable housing
 - D. Access to electricity
 - E. Support to local authorities
2. Access to Basic Services
 - A. Public health and social programs
 - B. Public infrastructure
 - C. Education & professional training
 - D. Access to financial services
3. Employment and Competitiveness
 - A. Artisanal work and strengthening of high-potential career paths
 - B. Entrepreneurship and employment opportunities
 - C. Economic competitiveness
4. Promotion of a resilient and inclusive post-COVID-19 recovery
 - A. Economic, Social, and Humanitarian Plan
5. Environment and Sustainable Development
 - A. Terrestrial and aquatic biodiversity conservation
 - B. Pollution prevention and control
 - C. Sustainable use of water and wastewater management
 - D. Renewable energy

Côte d'Ivoire engaged Sustainalytics to review the Côte d'Ivoire Sustainability Bond Framework, dated June 2021, and provide a Second-Party Opinion on the Framework's environmental and social credentials and its alignment with the Sustainability Bond Guidelines 2021 (SBG), Green Bond Principles 2021 (GBP), Social Bond Principles 2020 (SBP), the Green Loan Principles 2021 (GLP), and the Social Loan Principles 2021 (SLP).¹² This Framework has been published in a separate document.³

Scope of work and limitations of Sustainalytics' Second-Party Opinion

Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent⁴ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

¹ The Sustainability Bond Guidelines are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/sustainability-bond-guidelines-sbg/>

²The Green Loan Principles and Social Loan Principles are administered by the Loan Market Association and are available at: https://www.lma.eu.com/application/files/9115/4452/5458/741_LM_Green_Loan_Principles_Booklet_V8.pdf and <https://www.lsta.org/content/social-loan-principles-slp/>

³ The Côte d'Ivoire Sustainable Bond Framework is available at: https://www.tresor.gouv.ci/tres/fr_FR/

⁴ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

- The Framework's alignment with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2020, Social Loan Principles 2021 and Green Loan Principles 2021 as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer's sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.9.1, which is informed by market practice and Sustainalytics' expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Côte d'Ivoire's management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Côte d'Ivoire representatives have confirmed (1) they understand it is the sole responsibility of Côte d'Ivoire to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Côte d'Ivoire.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Côte d'Ivoire has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Côte d'Ivoire Sustainability Bond Framework

Sustainalytics is of the opinion that the Côte d'Ivoire Sustainability Bond Framework is credible, impactful and aligns with the four core components of the SBG, GBP, SBP, SLP and GLP. Sustainalytics highlights the following elements of Côte d'Ivoire's Sustainability Bond Framework:

- Use of Proceeds:
 - The eligible categories – Access to Basic Infrastructure, Access to Basic Services, Employment and Competitiveness, Promotion of a resilient and inclusive post-COVID-19 recovery, and Environment and Sustainable Development – are aligned with those recognized by the GBP and SBP. Sustainalytics notes that the projects, programs, and activities that will be financed through the Framework are expected to advance the country's inclusive and sustainable development.
 - Within the Access to basic infrastructure category, Côte d'Ivoire may finance projects and activities that seek to improve access to water and sanitation, electricity, affordable housing, as well as waste management and mobility services, and support to local authority.
 - Mobility or transportation activities are dedicated to strengthening the national transportation infrastructure to increase population connectivity, especially in rural areas and other underserved areas. This may include the development and

maintenance of rural roads, the maintenance and upgrade of non-asphalted and/or unpaved roads to increase the share of asphalted roads within the interurban network from 8% to 25% by 2025.

- Sustainalytics recognizes that investment in road infrastructure, while having social benefits in relation to connecting underserved populations, may also have negative environmental impacts linked to promoting the use of internal combustion engine vehicles. Côte d'Ivoire has disclosed that their express intent is to improve access for rural areas, and that they would only finance urban roads or major infrastructure such as highways, provided that such projects would reinforce network connectivity.
- Water and sanitation activities encompass projects that aim at increasing access of the population to drinking water⁵ and optimize the water-quality monitoring processes, and wastewater management projects, including sewage systems and treatment and sanitation of muds. Sustainalytics considers such activities to have social benefits and to be aligned with market practice.
- Affordable housing activities include the expansion of affordable housing units and the improvement of access to housing for populations with low-income.⁶ Sustainalytics recognizes such activities as aligned with market expectations, noting the contribution of affordable housing to the 2021-2025 NDP.⁷
- As part of the National Rural Electrification Program and the Electrification for All Program, Côte d'Ivoire may finance the improvement of electrical supply to expand geographical coverage in rural areas, as well as improving the reliability of the existing electrical grid.⁸
 - Investments to promote access to electricity for underserved communities is viewed as aligned with market practice.
 - Sustainalytics notes positively that infrastructure dedicated to coal power is excluded.
- Côte d'Ivoire may support local authorities by financing the development of infrastructure and public services to reinforce local service delivery and administration processes. While noting the benefits likely to result from the general strengthening of public service delivery, Sustainalytics also notes that this category is vague and lacks specific eligibility criteria. However, it is understood that it does not include infrastructure related to industrial or fossil fuel-related activities. Sustainalytics encourages the Issuer to report on impacts resulting from these expenditures.
- Overall, Sustainalytics views the projects, programs, and activities as impactful and expects them to increase the access to affordable infrastructure for the target populations and general population. For more information on the specific impact cases, please refer to Section 3.
- In the Access to Basic Services category, Côte d'Ivoire may finance public health and social programs, public health infrastructure, and education and professional training, as well as access to finance projects.
 - To achieve universal health coverage, Côte d'Ivoire intends to finance public health programs, such as the *Couverture Maladie Universelle* ("Universal Health Coverage Program").⁹ In addition, the activities to be funded aim at improving public health indicators by strengthening prevention, better management of healthcare, and increasing the number of beneficiaries of targeted public health programs. Moreover, Côte d'Ivoire intends to strengthen regional healthcare infrastructure to improve the equality of access to services.

⁵ The government has set a target of 96% drinking water coverage by 2025, compared to 84% in 2019.

⁶ Poverty is defined through a relative monetary threshold, corresponding to the highest number of consumption expenditures of the 10th decile of the population. Constant in real terms, the threshold is adjusted to account for changes in the Consumer Price Index and reevaluated with every Household survey. As of 2015, any person with consumption expenditures below XOF 737 per day (EUR 1.12 as of June 2021) is considered low-income. For more information, please refer to the most recent Household survey, at: <https://www.ins.ci/templates/docss/env2015.pdf>

⁷ The 2021-2025 NDP foresees the construction of 150,000 housing, including 60% of social and affordable housing, in order to increase the share of the population living in a decent housing from 38.3% in 2017 to 58% in 2025.

⁸ Electricity access has reached 92% of the population of Côte d'Ivoire in urban areas, but 38% of the rural population has access to electricity. The National Rural Electrification Programme aims to electrify the entire country by 2025.

⁹ The CMU is a compulsory national health coverage system for the benefit of the population, starting with the most disadvantaged. Its objective is to guarantee access to quality health care and services at a lower cost for all Ivorians residing in Côte d'Ivoire.

- Education activities include the construction of universities, middle and high schools, and the advancement of the *Stratégie Nationale d'Alphabétisation* (“National Literacy Strategy”). The projects aim at enhancing both access and quality of the entire education system (including pre-school, primary, secondary and tertiary systems), in a country where education is free and compulsory for all children aged between six and 16.
- As part of the *Stratégie Nationale d'Inclusion Financière 2019-2024* (“National Strategy for Financial Inclusion”) Cote d'Ivoire may finance expenditures to increase access to financial services for excluded and vulnerable populations, including women, the youth, and rural and peri-urban population.¹⁰ In addition, Cote d'Ivoire may finance projects that aim to increase access to finance for SMEs, such as a Guarantee Fund for SMEs' credits.¹¹ Sustainalytics notes that the projects are expected to enhance financial inclusion in Côte d'Ivoire. Based on the fact that the Framework will finance free and publicly accessible services, and infrastructure necessary for such activities, Sustainalytics views the projects as aligned with market practice, and notes that they can contribute to increase access to basic services for the general population.
- In the Employment and Competitiveness category, Côte d'Ivoire may finance projects that aim at providing technical training, enhancing economic competitiveness, and creating employment and entrepreneurship opportunities.
 - To foster economic development and employment in rural areas, Côte d'Ivoire may finance vocational training programs, and support artisanal and/or high-potential sectors.¹² The activities financed are expected to support the employability of young people, reduce unemployment rate, and increase the number of entrepreneurs and SMEs.
 - Expenditures may also seek to support women's employment through the *Fonds d'Appui aux Femmes de Côte d'Ivoire* (“Support Fund for Women in Côte d'Ivoire”), a credit fund that provides discounted rate loans to women to create or expand an income-generating activity.
 - In the local context, Sustainalytics is of the opinion that this provision of financing and related services to SMEs and entrepreneurs will deliver social benefits and is aligned with market expectation.
- In the Promotion of a resilient and inclusive post-COVID-19 recovery category, Cote d'Ivoire may finance the *Plan de Soutien Economique, Social et Humanitaire* (“Economic, Social, and Humanitarian Plan”), the *Plan de Riposte Sanitaire* (“Health Recovery Plan”), and measures to support economic players from the adverse consequences of the COVID-19 crisis, in particular SMEs, the informal sector, and agricultural producers. Sustainalytics views positively these intents to address the effects of the COVID-19 pandemic across multiple societal dimensions and views this category as aligned with market expectation. Please see Section 3 for further discussion of the impacts in this area.
- Within the category of Terrestrial and aquatic biodiversity conservation, the Framework aims to finance a variety of programme investments focused on the protection and conservation of natural habitats, with specific emphasis on the protection and restoration of forests and sensitive coastal ecosystems.¹³ The investments in this category are not intended to be directed towards agricultural initiatives or commercial forestry. Sustainalytics views these activities as aligned with market practice.
- Investments related to pollution prevention and control are targeted at programmes which (i) reduce terrestrial and marine pollution and (ii) promote sustainable management of biodegradable wastes through composters or digestors. Sustainalytics views these projects broadly to be associated with positive environmental outcomes and notes that undertakings in

¹⁰ By 2024, Côte d'Ivoire targets to increase the banking account penetration rate to 50%, against 19.7% in 2016, and to increase the penetration rate of microfinance to 30%, against 10% in 2016.

¹¹ Through the NDP, Côte d'Ivoire aims to provide access to financing for 50,000 SMEs by 2025, compared to 207 in 2020.

¹² High potential sectors are defined as those displaying strong potential to generate employment, including tourism, forestry, and agriculture.

¹³ As part of the “Support for the Forest Conservation, Rehabilitation, and Expansion Strategy”, the Ivorian government intends to create 15,300 ha of Voluntary Natural Reserves and restore and protect 10,000 ha of mangroves on the coast.

- relation to fossil fuels or other activities which may be harmful to the environment are specifically excluded.
- In the Sustainable use of water and wastewater management, investments promote efficient wastewater management. To improve rainwater and wastewater management in Abidjan, the Country may finance the *Programme d'amélioration durable de la situation d'assainissement et du drainage* ("Programme to enhance sustainable sanitation and drainage") i.e. construction of rainwater drainage systems and sewage treatment infrastructure. Within the Renewable energy category, Côte d'Ivoire may finance power plant added capacities from renewable energy sources, including solar and hydropower.¹⁴
 - Sustainalytics considers it a market expectation that new hydropower facilities have a reservoir emissions intensity of less than 100 gCO₂e/kWh. While the Framework does not define thresholds for eligibility, Côte d'Ivoire has communicated that it intends to take this consideration into account when selecting projects. Sustainalytics encourages the Issuer to report, where feasible, on such intensities to avoid proceeds being directed to hydro projects with potentially significant negative climate impacts. (See also Section 2 for discussion of key environmental and social risk management considerations).
 - Côte d'Ivoire has established a two-year look-back period for refinancing activities, which is aligned with market practice.
 - Project Evaluation and Selection:
 - As a first step, as part of Côte d'Ivoire's annual budget preparation, the projects and programs are identified by the technical Ministries, which then refer to the Ministry of Planning and Development ("MDP"). Budgeted expenditures are subject to assessments by the Ministry of Finance, the Ministry of Budget and the technical Ministries. The objective is to evaluate the relevance of the projects and programs to the country's sustainable and inclusive development strategy. The budget preparation phase acts as the foundation of Côte d'Ivoire's process for selecting eligible expenditures.
 - As a second step, some of the expenditures included in the Finance Law may be classified as eligible use of proceeds under the Framework. The evaluation and selection of eligible expenditures is overseen by an inter-ministerial ESG Committee led by the Ministry of Finance and Economy, and more precisely by the Debt Management Office. The projects will be assessed in regard to eligibility criteria set in the Framework.
 - Before submitting their projects to the MDP, sectoral Ministries will prepare relevant financial and technical feasibility studies, environmental and social (E&S) impact studies, as well as any applicable sector-specific studies. Other institutional stakeholders will support the preparation of these technical project studies. The National Office of Technical Studies and Development (BNETD), a public organ in charge of assisting the implementation of key development projects through study, advisory, and control, and the Fonds Special Etudes ("Special Studies Fund") will support the sectoral Ministries in selecting the projects.
 - Based on these elements, Sustainalytics considers this process to be in line with market practice
 - Management of Proceeds:
 - The proceeds will be deposited into the Treasury's Special Account after issuance. The process is monitored and audited, as per Côte d'Ivoire's general budget process. After project approval, a coordination committee sends a request for funds to the financial controller, which issues its compliance approval. The Financial Affairs Directorate of the relevant technical Ministry treats the request before ultimately sending it to the Directorate of Public Debt and the Treasury for disbursement. Côte d'Ivoire will attempt to reach full allocation within 24 months after issuance.
 - Based on these elements, Sustainalytics considers this process to be in line with market practice.
 - Reporting:
 - Côte d'Ivoire endeavors robust procedures for monitoring and evaluating expenses incurred by the State, thus applicable in the context of the issuance. Côte d'Ivoire's annual budget process and the 2021-2025 National Development Plan include steering, monitoring, and evaluation requirements and procedures.
 - Côte d'Ivoire intends to report on allocation of proceeds on the websites of the Debt Management Office and/or of the Ministry of Budget, on an annual basis, until full allocation. The allocation reporting will include a list of the projects and/or current expenditures, with

¹⁴ Côte d'Ivoire targets to increase the share renewable energies in the country's energy mix to 42% by 2030.

additional information for the most strategic projects, as well as the allocation breakdown per category and sub-category.

- Impact reporting is expected to be provided as part of the broader monitoring and reporting processes of the 2021-2025 NDP. The scope of such reporting is therefore expected to be broader than the specific projects covered by Côte d'Ivoire's ESG financings, although the eligible ESG categories are highly representative of the objectives pursued by the NDP. In particular, Côte d'Ivoire is expected to produce an annual report detailing the execution and impact of the NDP, which could be made public (for instance on the Ministry of Plan and/or Budget and/or Treasury's website).
- Based on these elements, Sustainalytics considers this process to be in line with market practice.

Alignment with Sustainability Bond Guidelines 2021

Sustainalytics has determined that the Côte d'Ivoire Sustainability Bond Framework aligns with the four core components of the GBP and SBP. For detailed information please refer to Appendix 1: Sustainability Bond/ Sustainability Bond Programme External Review Form.

Section 2: Sustainability Strategy of Côte d'Ivoire

Contribution of Framework to Côte d'Ivoire's sustainability mandate

Since the post-electoral crisis of 2011, Côte d'Ivoire has been engaged in a process of peace consolidation and economic reconstruction following a decade (2000-2010) of political difficulties. In March 2012, Côte d'Ivoire adopted a *Plan National de Développement* ("National Development Plan" or "NDP") 2012-2015 and has since recorded strong GDP per capita growth of approximately 8 per cent annually (2012-2019).¹⁵ The NDP 2016-2020 called for an increase in agricultural output, promotion of the manufacturing sector and improvement in the standard of living.¹⁶ According to the government, the implementation of the NDP 2016-2020 resulted in investment projects in economic infrastructure, oil and energy, education, health, and agriculture.¹⁷

Underpinned by the National Prospective Study 2040 and the Strategic Plan 2030, Côte d'Ivoire's NDP 2021-2025¹⁸ – in process of finalization as of June 2021¹⁹ – intends to further accelerate the structural transformation of the economy initiated through the implementation of phases 1 and 2 of the NDP. It targets strategic development goals, namely (i) Acceleration of the economy's structural transformation through industrialization and the development of industrial clusters, (ii) Development of human capital and employment, (iii) Development of the private sector and investment, (iv) Strengthening of inclusion, national solidarity and social action, (v) Balanced regional development, environmental conservation, and the fight against climate change and (vi) Strengthening of governance, modernization of the State, and cultural transformation. Sustainalytics considers the strategic goals (i), (ii), (iv) and (v) aligned with the objectives of the Framework.

The NDP is oriented towards the implementation of Côte d'Ivoire's commitments under the Sustainable Development Goals²⁰, as well as the African Union's Vision 2063²¹ – of which the President of the Republic of Côte d'Ivoire was selected as a Champion and Leader in Implementation of Agenda 2063.²² The Government of Côte d'Ivoire demonstrated commitment to its NDP goals through complementary initiatives. With support from the African Development Bank, the *Programme Social du Gouvernement* (2019-2020) ("PSGouv")²³ was implemented to facilitate access to social services for vulnerable populations in the following sectors: (i) health/social protection, (ii) education, (iii) access to essential services, (iv) employment/youth and women empowerment, and (v) well-being in rural environments. In the face of the coronavirus disease (COVID-19) pandemic, the government launched the *Plan de Soutien Economique, Social et Humanitaire – PSESH*

¹⁵ World Bank, "Overview – Cote d'Ivoire" (2021), at: <https://www.worldbank.org/en/country/cotedivoire/overview>

¹⁶ Government of Côte d'Ivoire, "Summary of NDP 2016-2020", at: <https://www.imf.org/external/pubs/ft/scr/2016/cr16388.pdf>

¹⁷ Government of Côte d'Ivoire, "Réalisation des investissements du PND 2016-2020", at: <http://www.gcpnd.gouv.ci/documentation.php?lang=>

¹⁸ Government of Côte d'Ivoire, "Note stratégique du PND 2021-2025"

¹⁹ Abidjan Net, "Finalisation du PND 2021-2025: le gouvernement promet de tenir compte des suggestions de la société civile", at: <https://news.abidjan.net/h/692744.html>

²⁰ Government of Côte d'Ivoire, "Plaidoyer pour la réalisation des ODD en Côte d'Ivoire", at: http://www.gcpnd.gouv.ci/fichier/doc/Note_GC_Plaidoyer_ODD-Def.pdf

²¹ African Union, "Agenda 2063", at: <https://au.int/agenda2063>

²² African Union, "Champion Presidents – Agenda 2063", at: <https://au.int/en/champion-presidents>

²³ Government of Côte d'Ivoire, "Programme Social du Gouvernement 2019-2020", at: <https://psgouv.ci/welcome>

("Economic, Social, and Humanitarian Plan" or "ESHP")²⁴ and the *Plan de Réponse du Secteur Education-Formation Contre le COVID-19* ("Response Plan for the Education-Training Sector against COVID-19")²⁵. In the Framework, expenditures financing access to basic infrastructures and services, employment and competitiveness, and the promotion of a resilient and inclusive post-COVID-19 recovery are directly linked to the NDP, PSGouv, ESHP, and COVID-19 response plans' objectives.

The *Programme National Changement Climatique 2015-2020* ("National Climate Change Programme" or "NCCP")²⁶ is the operational body which coordinates strategies to tackle climate change. Côte d'Ivoire ratified the Paris Agreement in April 2016 and its Nationally Determined Contributions (INDC)²⁷ identifies 11 sectors most vulnerable to climate change, including agriculture, livestock, aquaculture, land use, forestry, water resources, energy, and coastal areas. Côte d'Ivoire estimates the total cost of implementing adaptation action to be US\$1.76 billion.²⁸ Furthermore, Côte d'Ivoire endorsed the National Short-Lived Climate Pollutant Action Plan in January 2020 to improve air quality and mitigate climate change.²⁹

Sustainalytics is of the opinion that the Côte d'Ivoire Sustainable Bond Framework is aligned with both the NDP 2021-2025 and NCCP. Projects financed under the Framework are expected to assist the country in meeting targets by leveraging financing towards social and environmental projects. Considering the above, Sustainalytics considers Côte d'Ivoire to be well positioned to issue social, green, and/or sustainability financing instruments.

Well-positioned to address common environmental and social risks associated with the projects

Financing instruments issued by Côte d'Ivoire under its Sustainable Bond Framework will finance projects that are anticipated to have positive social and environmental impacts. However, Sustainalytics recognizes that, as with any large initiative, such eligible projects may lead to some negative environmental and social outcomes. Key environmental and social risks associated with the eligible projects could include (i) land use and biodiversity loss associated with large-scale infrastructure development, (ii) human and labour rights (including occupational health and safety risks), (iii) risks of increasing inequalities if social programmes are not appropriately targeted to beneficiaries or if universal access is not ensured, and (iv) risks related to bribery and corruption which could undermine the achievement of key objectives.

Sustainalytics is of the opinion that Côte d'Ivoire is able to manage and/or mitigate potential risks through the following policies:

- Côte d'Ivoire is a signatory to the 1992 Convention on Biological Diversity.³⁰ The country began implementing Agenda 21 with the development of the *Plan National d'Actions pour l'Environnement*³¹ ("National Environmental Action Plan" or "NEAP") in 1995 in the Council of Ministers for a period of 15 years (1996 - 2010). The objective of this plan was to provide an effective instrument for the management of natural resources and the preservation of the environment, which was followed by the *Politique Nationale de l'Environnement* (2011)³² ("National Environmental Policy"). Several key measures were taken, including the following: an Environmental Code (Law n°96-766 ; 1996) which established an environmental classification of projects and sub-projects into three (3) categories: (i) Environmental and Social Impact Assessment ("ESIA"), (ii) Environmental and Social Impact Statement ("ESIS") and (iii) Categorical Exclusion Statement; a Water Code (Law n°98-755; 1998); a Forest Code (Law n°2014- 427; 2014), a Decree (n° 96-894; 1996) directing the applicable rules and procedures to follow for assessing the environmental impact of a project, and a Decree n°2005; 2005) for Environmental Audit – a key instrument to assess the environmental compliance in the

²⁴ Government of Côte d'Ivoire, "Communiqué du Conseil Présidentiel sur la mise en œuvre du Plan de Soutien Economique, social et humanitaire" (2020), at: <http://www.gouv.ci/doc/1590682308Communiqué-du-Conseil-Présidentiel-sur-la-mise-en-œuvre-du-Plan-de-Soutien-Economique-social-et-humanitaire.pdf>

²⁵ Government of Côte d'Ivoire, "Plan de Réponse du Secteur Education-Formation Contre le COVID-19" (2020), at: <https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/110489/137442/F275011089/CIV-110489.pdf>

²⁶ Government of Côte d'Ivoire, "Programme National Changement Climatique (PNCC)", at: <http://extwprlegs1.fao.org/docs/pdf/lvc188167.pdf>

²⁷ UNFCCC, "Contributions prévues déterminées au niveau national de la Côte d'Ivoire", at:

https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/C%3CB4te%20d%27Ivoire%20First/INDC_CI_22092015.pdf

²⁸ World Bank, "Ivory Coast (Intended) Nationally Determined Contribution – (I)NDC" (2016), at:

http://spappssecext.worldbank.org/sites/indc/PDF_Library/ci.pdf

²⁹ Climate & Clean Air Coalition, "Cote d'Ivoire endorses National Short-Lived Climate Pollutant Action Plan to improve air quality and mitigate climate change" (2020), at: <https://www.ccacoalition.org/en/news/cote-d%E2%80%99ivoire-endorses-national-short-lived-climate-pollutant-action-plan-improve-air-quality>

³⁰ Convention on Biological Diversity, "Country Profile – Côte d'Ivoire", at: <https://www.cbd.int/countries/profile/?country=ci>

³¹ Government of Côte d'Ivoire, "Plan National d'Action pour l'Environnement", at:

<https://documents1.worldbank.org/curated/en/329091468770927219/pdf/multi-page.pdf>

³² Government of Côte d'Ivoire, "Politique Nationale de l'Environnement" (2011), at: <http://extwprlegs1.fao.org/docs/pdf/IVC176029.pdf>

follow-up phase of a project. Furthermore, as per its Environment and Social Standards (ESS)³³, the World Bank requires any Borrower to carry out an assessment of environmental and social impacts and risks of a Project by preparing an Environmental and Social Management Framework. Project reports across sectors include a *Cadre de Gestion Environnementale et Sociale (CGES)*, including, when pertinent, the ESS. Sustainalytics considers the existing laws and decrees a commitment to create a favorable legal framework for environmental protection in Côte d'Ivoire. However, political, cultural and social constraints may not always make it possible to achieve the objectives set by the dense legal and regulatory framework. The Issuer has provided to Sustainalytics for review indicative documentation regarding the environmental and social risks assessments carried out for its projects, as required by the regulatory context and lender requirements described above.

- Côte d'Ivoire is a member of the International Labor Organization (ILO) since 1960³⁴ and has ratified 40 ILO Conventions, including 2 denounced. Among the 38 in force, Côte d'Ivoire applies 8 fundamental Conventions. In accordance with the ILO standards for Occupational Safety and Health (OSH), Côte d'Ivoire developed a national Program to Promote Decent Work for 2017-2020.³⁵ The program focuses on two priorities, namely (i) the increase in productive, decent and sustainable employment opportunities for youth, women and people with disabilities, and (ii) strengthening the protection of workers. The recent Labor Code (Law n° 2015-532; 2015) was promulgated to guide individual and collective labor relations, however, according to the diagnosis of the Department of Occupational Health and Safety (DSST), the labor legislation is not applied in all workplaces, in particular in the informal economy which represents 93.6% of the workforce.³⁶ While Côte d'Ivoire has strong legal foundations, challenges remain to strengthen its application in all workplaces. Côte d'Ivoire has however demonstrated commitment to tackle these challenges in its NDP 2021-2025 priorities.
- Concerning the risks of increasing inequalities for social projects, Law n°2014-131 established the *Couverture Maladie Universelle* ("universal health coverage" or "CMU") which by law covers the entire population residing in Côte d'Ivoire. The CMU cover is effective since October 1, 2019³⁷ but encounters challenges in its deployment.^{38,39} As for education, Law n°2015-635 relating to the *Politique de Scolarisation Obligatoire (PSO)*⁴⁰ ("Mandatory Scolarisation Policy") aims to ensure that all children aged 6 to 16 have basic education in primary and lower secondary education. This led to the achievement of a primary education gross enrolment of over 100 in the 2018-2019 school year. However, education is still characterized by regional disparities and low pupil performance. An estimated 1.6 million children are out of school, according to UNICEF.⁴¹ The Government published in 2017 the *Plan Sectoriel Education/Formation 2016-2025*⁴² ("Education/Training Sector Plan") which aims to achieve inclusive and quality universal education.
- Côte d'Ivoire ratified the United Nations Convention against Corruption (UNCAC) as well as the African Union Convention on Preventing and Combating Corruption in 2012. The implementation of these conventions led to the drafting of two regulations in 2013, namely Ordinance n°2013-660 and Ordinance n°2013-661.⁴³ The Ordinance n°2013-660 further established the *Haute Autorité pour la Bonne Gouvernance* ("High Authority for Good Governance" or "HABG), which began operating in

³³ World Bank, "Environmental and Social Standards (ESS)", at: <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework/brief/environmental-and-social-standards>

³⁴ International Labour Organization, "NORMLEX – Côte d'Ivoire", at: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11110:0::NO::P11110_COUNTRY_ID:103023

³⁵ Government of Côte d'Ivoire, "Programme de promotion du travail décent en Côte d'Ivoire 2017-2020", at: https://www.ilo.org/wcmsp5/groups/public/-ed_mas/-program/documents/genericdocument/wcms_643766.pdf

³⁶ ILO, "Enquête Nationale sur la Situation de l'Emploi et le Secteur Informel 2016" (2017), at: <https://www.ilo.org/surveyLib/index.php/catalog/1556/study-description>

³⁷ Institution de Prévoyance Sociale - Caisse Nationale d'Assurance Maladie, "La CMU est effective depuis le 1^{er} octobre 2019", at: <https://ipsnam.ci/la-cmu-est-effective-depuis-le-1er-octobre/>

³⁸ Afrobarometer, "Les Ivoiriens demandent des efforts intensifiés pour améliorer les services de santé", at:

https://afrobarometer.org/sites/default/files/publications/D%C3%A9p%C3%A4ches/ab_r8_dispatchno359_la_sante_demeure_lun_les_principaux_defis_en_cotedivoire.pdf

³⁹ Jeune Afrique, "Côte d'Ivoire : la couverture maladie universelle, un immense défi pour le gouvernement", at:

<https://www.jeuneafrique.com/mag/902959/societe/cote-divoire-la-couverture-maladie-universelle-un-immense-defi-pour-le-gouvernement/>

⁴⁰ Government of Côte d'Ivoire, "Politique de scolarisation obligatoire", at: <http://www.gouv.ci/actualite-article.php?id=6&recordID=6832>

⁴¹ United Nations Children's Fund (UNICEF), "Country programme document – Côte d'Ivoire", at:

<https://www.unicef.org/executiveboard/media/2806/file/2021-PL12-Cote%20d'Ivoire%20CPD-EN-ODS.pdf>

⁴² Government of Côte d'Ivoire, "Plan Sectoriel Education/Formation 2016-2025", at:

<http://www.unesco.org/education/edurights/media/docs/d705eb1ab09df6a1dc47968eb82e8aca457e6901.pdf>

⁴³ Government of Côte d'Ivoire, "Haute Autorité pour la bonne gouvernance – Leçons tirées de l'expérience concernant l'élaboration, l'évaluation et l'impact des stratégies de prévention de la corruption (article 5 de la Convention), at:

https://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/workinggroup4/2019-September-4-6/Contributions_NV/CotedIvoire_FR.pdf

2014 as an independent administrative authority.⁴⁴ In 2016, Côte d'Ivoire joined the African Development Bank Group's Partnership on Illicit Finance, which obliges it to develop an action plan to combat corruption.⁴⁵ Côte d'Ivoire is also a member of Open Government Partnership since 2015⁴⁶ and published in December 2020 a National Action Plan 2020-2022⁴⁷ with 5 thematic areas including the fight against corruption with a priority to develop a national strategy against corruption in 2021. The process to implement the development of a national strategy against corruption began in 2018 only. The HABG is charged with creating the national strategy and campaign to combat corruption. The BLC (*Brigade de Lutte contre la Corruption*) division within the specialist General Finance Inspectorate Unit of the Ministry of Economy and Finance is tasked with combatting abuses of Côte d'Ivoire's public finances.⁴⁸ In the last several years, Côte d'Ivoire has improved slightly in Transparency International's Corruption Perceptions Index (CPI) rankings, going from a score of 27 in 2012 to a score of 36 in 2020.⁴⁹

Based on these policies, standards and assessments, Sustainalytics is of the opinion that the Republic of Côte d'Ivoire has implemented adequate measures and is well-positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

All seventeen use of proceeds categories are aligned with those recognized by GBP, SBP and/or SGB. Sustainalytics has focused below on where the impact is specifically relevant in the local context.

Importance of healthcare, water & sanitation

The various socio-political crisis in Côte d'Ivoire between 2000-2010 significantly affected the health, water and sanitation sectors. Despite a return to strong economic growth since 2012 and numerous investments in the health sector, the recovery is slow⁵⁰ and has been significantly impacted by the COVID-19 pandemic. Amongst the key health challenges in Côte d'Ivoire are morbidity and mortality through respiratory diseases, HIV/AIDS, tuberculosis, vector-borne diseases such as malaria, and impacts of extreme weather events (e.g. flooding).⁵¹ Côte d'Ivoire continues to record high child and maternal mortality.⁵² COVID-19 has severely strained the health system in Côte d'Ivoire which is characterized by a low level of investment and a low health staff-to-population ratio below World Health Organization standards.⁵³ Côte d'Ivoire continues to rank below the sub-Saharan African average in terms of health expenditures as a proportion of GDP, at 4.5% of total GDP as of 2017.. The ratio of the number of doctors per 1000 habitants was 0.23 in 2014, according to the World Health Organization's Global Health Workforce Statistics.⁵⁴

The potable water supply in the country has increased in recent years but there are frequent service disruptions, and a large share of the population still remains without access to clean water. Only 30% of the national population and 13% of rural population had access to basic sanitation services in 2015, according to the WHO.⁵⁵ Poor infrastructure and capacity in this sector contribute to flooding and disease outbreaks in urban areas as well as lack of access to potable water for parts of the population. No policy or plan are in place for drinking-water and sanitation plans are partially implemented. In 2019, Côte d'Ivoire received \$150

⁴⁴ La Haute Autorité Pour La Bonne Gouvernance, "Présentation", at : <https://www.habg.ci/habg.php?ID=2>

⁴⁵ African Development Bank Group, "Partnership on Illicit Finance", at : <https://www.afdb.org/en/topics-and-sectors/initiatives-partnerships/partnership-on-illicit-finance>

⁴⁶ Open Government Partnership, "Côte d'Ivoire", at : <https://www.opengovpartnership.org/fr/members/cote-divoire/>

⁴⁷ Government of Côte d'Ivoire, "Open Government Partnership – Plan d'Action National 2020-2022", at : <http://www.caidp.ci/uploads/11edfab323cb1e6a63e49ffdfedfb30c.pdf>

⁴⁸ Inspection Générale des Finances, "BLC Qui Sommes-nous ?", at : <http://www.igf.finances.gouv.ci/blc-qui-sommes-nous.php>

⁴⁹ Transparency International, "Corruption Perceptions Index: Cote d'Ivoire", at : <https://www.ropesgray.com/en/newsroom/alerts/2020/12/Enforcement-Spotlight-Cote-divoire>

⁵⁰ World Health Organization (WHO), "Country Cooperation Strategy at a glance – Côte d'Ivoire", at :

https://apps.who.int/iris/bitstream/handle/10665/137146/ccsbrief_civ_en.pdf;jsessionid=4438B0F09B4E131785C2E091EA79D820?sequence=1

⁵¹ Centers for Disease Control and Prevention (CDC), "CDC in Cote d'Ivoire" (2018), at : https://www.cdc.gov/globalhealth/countries/cote-d-ivoire/pdf/Cote-D-Ivoire_Factsheet.pdf

⁵² European Commission Humanitarian Aid and Civil Protection, "Ivory Coast ECHO Factsheet", at :

https://ec.europa.eu/echo/files/aid/countries/factsheets/cote_ivoire_en.pdf

⁵³ World Food Programme (WFP), "Covid-19 Pandemic: Impact of restriction measures In West Africa" (2020), at :

<https://reliefweb.int/sites/reliefweb.int/files/resources/WFP-0000121691.pdf>

⁵⁴ World Bank, "World Health Organization's Global Health Workforce Statistics, OECD, supplemented by country data - Physicians (per 1,000 people) - Côte d'Ivoire", at : <https://data.worldbank.org/indicator/SH.MED.PHYS.ZS?locations=C1>

⁵⁵ WHO, "Glaas – UN-Water Global Analysis and Assessment of Sanitation and Drinking-Water; Côte d'Ivoire" (2017), at :

https://www.who.int/water_sanitation_health/monitoring/investments/country-highlights-2017/cote-d-ivoire-glaas2017-country-highlight181015.pdf?ua=1

million from the World Bank to improve water supply and sanitation services in 12 secondary cities.⁵⁶ Furthermore, the Abidjan water table has seen a reduction in its levels, and pollution is present in many waterways throughout the country.⁵⁷ In fact, several studies show that climatic changes in the country have resulted in a decrease in total precipitation amounts, a shift of the onset of the rainy season and an increase in the frequency and duration of droughts. In fact, projections of water availability show high uncertainty under climate scenarios. With current population growth models, per capita water availability is projected to decline by 55% by 2080.⁵⁸

To improve the quality of provision of health care and services to populations, the Ministry in charge of health has adopted policy documents, including the National Health Development Plan (PNDS), the National Policy of Hospital Hygiene (PNHH) and the National Hospital Reform Strategy Document (DNSRH). The *Politique Nationale d'Amélioration de la Qualité des Soins et des Services* (PNAQS - 2016)⁵⁹ ("National Policy for Quality Improvement of Health Care and Service") federates all the efforts of the ministry in charge of health to guarantee, in terms of quality, the provision of care to the populations of Côte d'Ivoire. In the face of COVID-19, the Government took appropriate action and launched the *Plan de Soutien Economique, Social et Humanitaire* ("Economic, Social and Humanitarian Support Plan") in March 2020 and, in collaboration with the World Bank, undertook the preparation of the *Plan de Riposte Sanitaire* ("National Covid-19 Response Plan"), with further support from the African Development Bank⁶⁰ and other donors for its implementation. Despite being the second country in Africa to receive the first wave of COVAX vaccines,⁶¹ vaccination rate is very low, and Côte d'Ivoire has significant challenges remaining to overcome the pandemic.

COVID-19 has highlighted the capacity gap in human capital and the need to address structural inequalities, particularly quality of and access to public health services. Projects funded under the Framework, such as the Health Recovery Program or Universal Health Coverage Program, are considered essential to advancing the health sector and making it more resilient in the face of the COVID-19 pandemic and future health emergencies.

Impact of access to transport

Despite suffering from a dramatic reduction in investment during the political socio-political crisis, the transport sector in Côte d'Ivoire is one of the most developed in West Africa, with a classified road network of 82,000km, of which 6,500 are paved.⁶² Road networks are critical for the agricultural sector, the backbone of the country's economy.

Côte d'Ivoire is the third most urbanized country in Africa.⁶³ More than half of the Ivorian population lives in cities and this proportion is expected to reach two thirds by 2050, particularly with the expansion of Abidjan which is home to 40% of the country's urban population. Regarding the provision of road transport services, a combination of increasingly deficient infrastructure, inadequate regulations, and market distortions have created a large gap between prices and costs in the provision of transport services, according to the World Bank.⁶⁴ In rural and interurban areas, passenger transport is managed entirely by the private sector with coach and minibus companies linking main cities. High transport costs disproportionately impact the poor and women who tend to rely most on public transportation.⁶⁵ Improving public urban mobility and connectivity is therefore considered an economic and social imperative for the country.

⁵⁶ World Bank, "Côte d'Ivoire Receives \$150 million to Improve Water Supply and Sanitation Services in 12 Secondary Cities" (2019), at: <https://www.worldbank.org/en/news/press-release/2019/06/27/cote-divoire-receives-150-million-to-improve-water-supply-and-sanitation-services-in-12-secondary-cities>

⁵⁷ World Bank, "Country – Côte d'Ivoire", at: <https://climateknowledgeportal.worldbank.org/country/cote-divoire/vulnerability>

⁵⁸ Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), "Climate Risk Profile: Côte d'Ivoire" (2019), at: https://agric.de/wp-content/uploads/2021/01/GIZ_Climate-Risk-Profile-Cote-divoire_EN_FINAL_2.pdf

⁵⁹ Government of Côte d'Ivoire, "Politique Nationale d'Amélioration de la Qualité des Soins et des Services", at: <http://www.sante.gouv.ci/fichiers/1495798843AMELIORATION%20DE%20LA%20QUALITE.pdf>

⁶⁰ African Development Bank, "Cote d'Ivoire - Programme d'appui à la Riposte contre la Covid-19 - Rapport d'évaluation" (2020), at: <https://www.afdb.org/fr/documents/cote-divoire-programme-dappui-la-riposte-contre-la-covid-19-rapport-devaluation>

⁶¹ UNICEF, "Cote d'Ivoire among the first countries to receive the first wave of COVAX vaccines" (2021), at: <https://www.unicef.org/press-releases/cote-divoire-among-first-countries-receive-first-wave-covax-vaccines>

⁶² Oxford Business group, "Road expansion in Cote d'Ivoire continues to improve transport connectivity" (2017), at: <https://oxfordbusinessgroup.com/analysis/stronger-land-links-road-expansion-continues-improve-connectivity>

⁶³ World Bank, "Côte d'Ivoire Economic Outlook: Understanding the Challenges of Urbanization in Height Charts" (2019), at: <https://www.worldbank.org/en/country/cotedivoire/publication/cote-divoire-economic-outlook-understanding-the-challenges-of-urbanization-in-height-charts>

⁶⁴ World Bank, "Transport Sector Modernization and Corridor Trade Facilitation Project (P156900)" (2016), at: <https://documents1.worldbank.org/curated/en/361201467810855287/pdf/PAD1854-PAD-P156900-OUO-9-IDA-R2016-0157-1-Box396267B.pdf>

⁶⁵ World Bank, "Abidjan Urban Mobility Project (P167401) – Integrated Safeguards Datasheet (PID/ISDS)" (2019), at: <https://documents1.worldbank.org/curated/en/839521557475874408/pdf/Project-Information-Document-Integrated-Safeguards-Data-Sheet-Abidjan-Urban-Mobility-Project-P167401.pdf>

In terms of policies, the last national plan for transport dates from 1988. In the recent history of the country, the transport sector has undergone many reforms linked with urban transport issues identified in Abidjan and problems transporting goods to neighboring countries. In 2000, Côte d'Ivoire initiated a reform for land transport to clarify the national transport policy.⁶⁶ Jointly with Climate Chance, the government has elaborated a Roadmap for Sustainable Mobility (2019)⁶⁷ as a diagnostic report to explore the feasibility of sustainable transportation options, including the transformation of urban zones into zero-emission areas, the creation of sustainable districts and the use of renewable energies for buses. The NDP 2021-2025 sets out ambitious transport objectives, including an increase of rural accessibility from 35% to 50%. The government has allocated significant portions in the 2021 budget towards projects to modernize road transport across the country. However, the Roadmap for Sustainable Mobility has yet to be approved and implemented.

Sustainalytics is of the opinion that the projects funded under the Transportation and Spatial Equity category are impactful when connecting rural areas and populations and could provide positive social outcomes, assuming adequate regulations and accessibility measures are in place. Sustainalytics highlights that climate change is likely to cause severe damage to transport infrastructure in Côte d'Ivoire. Considering the importance of transport, climate-resilient infrastructure is encouraged.

Impact of biodiversity conservation in Côte d'Ivoire

Future climate projections for Côte d'Ivoire by 2050 demonstrate temperature increase in the range of +1.3 to 2.3°C, rainfall changes from -2 to +7 % with increased frequency and intensity of heavy rainfall events, extended dry spell days and sea level rise from +18 to 45 cm. Climate risks are recognized in several important sectors including coastal fisheries, substantial loss in surface area for cocoa cultivation, increased coastal erosion and loss of forest cover.⁶⁸ Since the 1960s, 34% of the country's forest cover has been lost to timber production, however agriculture is the most significant factor contributing to deforestation today.⁶⁹ The increase in the agricultural production for export products such as cocoa, coffee or oil palm, is an even greater threat to deforestation.⁷⁰⁷¹

According to the Convention on Biological Diversity, Côte d'Ivoire has achieved a high level of biodiversity mainstreaming in planning documents to contribute to achieving the goals of the global framework. The Government of Côte d'Ivoire submitted a revised National Biodiversity Strategy and Action Plan in 2016⁷² with in situ and ex situ conservation priorities, while highlighting significant challenges in human and financial resources to implement. The NDP 2021-2025⁷³ has identified numerous projects under its environment and sustainable development pillar, including the protection of natural resources, the restoration of 10,000 ha of mangroves, and prevention of deforestation.

Sustainalytics views favorably Côte d'Ivoire's financing in biodiversity conservation to support the protection of natural resources and sustainable management of forests.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 by the United Nations General Assembly and form an agenda for achieving sustainable development by the year 2030. The bond(s) issued under the Côte d'Ivoire Sustainability Bond Framework advances the following SDG(s) and target(s):

Use of Proceeds Category	SDG	SDG target
Transportation & spatial equity	9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, with a focus on affordable and equitable access for all by 2030

⁶⁶ Africa Transport Policy Program, "Politiques de mobilité et d'accessibilité durables dans les villes ivoiriennes" (2018), at : https://www.ssatp.org/sites/ssatp/files/publication/SSATP_UTM_FinalReport_COTEDIVOIRE%20-%20FINAL%20EDIT.pdf

⁶⁷ Government of Côte d'Ivoire, "Elaboration de la feuille de route mobilité durable en Côte d'Ivoire" (2019), at : https://www.climate-chance.org/wp-content/uploads/2019/11/rapport-diagnostic-de-la-mobilite-en-cote-divoire_rapport-final.pdf

⁶⁸ USAID, "Climate Risk Profile – West Africa" (2018), at : https://www.climatelinks.org/sites/default/files/asset/document/West_Africa_CRP_Final.pdf

⁶⁹ Convention on Biological Diversity, "Country Profile – Côte d'Ivoire", at : <https://www.cbd.int/countries/profile/?country=cj>

⁷⁰ FAO, "Données forestières de la base pour la REDD+ en Côte d'Ivoire" (2017), at : <http://www.fao.org/3/i8047f/i8047f.pdf>

⁷¹ Climate Chance, "Côte d'Ivoire : Utilisation des Terres, Changement d'Affectation des Terres et Foresterie (UTCATF)" (2018), at : https://www.climate-chance.org/wp-content/uploads/2019/03/fp17-utcatf-cote-divoire_def.pdf

⁷² Government of Côte d'Ivoire, "Stratégie Nationale de Conservation et d'Utilisation Durable de la Diversité Biologique de la Côte d'Ivoire" (2016), at : <https://www.cbd.int/doc/world/ci/ci-nbsap-01-fr.pdf>

⁷³ Government of Côte d'Ivoire, "Plan National de Développement 2021-2025 – Grands Axes Prioritaires" (2021)

Water & Sanitation	6. Clean Water and Sanitation	6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all 6.2 By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations
Access to affordable housing	11. Sustainable cities and communities	11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums
Access to electricity	7. Affordable and Clean Energy	7.1 By 2030, ensure universal access to affordable, reliable and modern energy services.
Support to local authorities	9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, with a focus on affordable and equitable access for all by 2030
Public health and social programs	3. Good Health & Well Being	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all
Public health infrastructure	3. Good Health & Well Being 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
Education & Professional training	4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	4.1 By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes
Access to financial services	9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.3 By 2030, increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets
Artisanal work and strengthening of high-potential career paths	8. Decent Work and Economic Growth	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
Entrepreneurship and employment opportunities	8. Decent Work and Economic Growth	8.3 By 2030, promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

Economic competitiveness	8. Decent Work and Economic Growth	8.2 By 2030, achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors
Promotion of a resilient and inclusive post-Covid-19 recovery	8. Decent Work and Economic Growth	8.1 By 2030, sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries.
Terrestrial and aquatic biodiversity conservation	15. Life on Land	15.B By 2030, mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation.
Pollution Prevention & Control	13. Climate Action	13.3 By 2030, improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning
Sustainable use of water and wastewater management	6. Clean Water and Sanitation	6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

Conclusion

République de Côte d'Ivoire has developed the Côte d'Ivoire Sustainable Finance Framework under which it may issue green, social and/or sustainability bonds and loans, and the use of proceeds to finance a wide range of environmental and social projects aligned with the strategic development objectives of the country. Sustainalytics considers that the projects funded by the financings are expected to advance the shift to a low-carbon economy and provide tangible social benefits. Côte d'Ivoire's National Development Plan 2021-2025 illustrate the country's strong commitment to sustainable & inclusive growth, in alignment with the SDGs.

The Framework outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that the Framework is aligned with both the NDP 2021-2025 and NCCP and that the use of proceed categories will contribute to the advancement of the UN SDGs 3, 4, 6, 7, 8, 9, 11, 13, and 15. Additionally, Sustainalytics is of the opinion that Côte d'Ivoire has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the use of proceeds.

Based on the above, Sustainalytics is confident that Côte d'Ivoire is well-positioned to issue green, social, and/or sustainability bonds and loans and that the Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2021, Social Bond Principles 2020, Sustainability Bond Guidelines 2021, Green Loan Principles 2021, and Social Loan Principles 2021.

Appendix

Appendix 1: Sustainability Bond / Sustainability Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	Côte d'Ivoire
Sustainability Bond ISIN or Issuer Sustainability Bond Framework Name, if applicable:	Côte d'Ivoire Sustainability Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	
Publication date of review publication:	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP and SBP:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (*if applicable*)

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section (if applicable):

The eligible categories – Access to Basic Infrastructure, Access to Basic Services, Employment and Competitiveness, Promotion of a resilient and inclusive post-COVID-19 recovery, and Environment and Sustainable Development – are aligned with those recognized by both the Green Bond Principles and Social Bond Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDG 3, 4, 6, 7, 8, 9, 11, 13, and 15.

Use of proceeds categories as per GBP:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Renewable energy | <input type="checkbox"/> Energy efficiency |
| <input checked="" type="checkbox"/> Pollution prevention and control | <input checked="" type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input checked="" type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input type="checkbox"/> Clean transportation |
| <input checked="" type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs | <input checked="" type="checkbox"/> Other (please specify): Environment and Sustainable Development |

If applicable please specify the environmental taxonomy, if other than GBPs:

Use of proceeds categories as per SBP:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Affordable basic infrastructure | <input checked="" type="checkbox"/> Access to essential services |
| <input type="checkbox"/> Affordable housing | <input checked="" type="checkbox"/> Employment generation (through SME financing and microfinance) |
| <input type="checkbox"/> Food security | <input type="checkbox"/> Socioeconomic advancement and empowerment |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBP | <input checked="" type="checkbox"/> Other (please specify): Promotion of a resilient and inclusive post-COVID-19 recovery |

If applicable please specify the social taxonomy, if other than SBP:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

Côte d'Ivoire's internal process in evaluating and selecting projects is overseen by an inter-ministerial ESG Committee led by the Ministry of Economy & Finance, and more precisely by the Debt Management Office. As part of the country's budget process, the projects will be assessed in regard to the country's sustainable development strategy and the eligibility criteria set in the Framework. Sustainalytics considers the project selection process in line with market practice.

Evaluation and selection

- | | |
|---|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's social and green objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Sustainability Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (please specify): |

Information on Responsibilities and Accountability

- | | |
|--|--|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (please specify): | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

The Treasury oversees the management of proceeds. Côte d'Ivoire will attempt to fully allocate the proceeds within 24 months after issuance. Pending full allocation, proceeds will be deposited in the Treasury's Special Account. This is in line with market practice.

Tracking of proceeds:

- | |
|---|
| <input checked="" type="checkbox"/> Sustainability Bond proceeds segregated or tracked by the issuer in an appropriate manner |
| <input checked="" type="checkbox"/> Disclosure of intended types of temporary investment instruments for unallocated proceeds |
| <input type="checkbox"/> Other (please specify): |

Additional disclosure:

- | | |
|---|---|
| <input type="checkbox"/> Allocations to future investments only | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements | <input type="checkbox"/> Allocation to a portfolio of disbursements |

- Disclosure of portfolio balance of unallocated proceeds
- Other (please specify):

4. REPORTING

Overall comment on section (if applicable):

Côte d'Ivoire intends to report on allocation of proceeds on the websites of the Debt Management Office and/or of the Ministry of Budget, on an annual basis, until full allocation. In addition, Côte d'Ivoire may report on relevant impact metrics. Sustainalytics views Côte d'Ivoire's allocation and impact reporting as aligned with market practice.

Use of proceeds reporting:

- Project-by-project
- On a project portfolio basis
- Linkage to individual bond(s)
- Other (please specify):

Information reported:

- Allocated amounts
- Sustainability Bond financed share of total investment
- Other (please specify):

Frequency:

- Annual
- Semi-annual
- Other (please specify):

Impact reporting:

- Project-by-project
- On a project portfolio basis
- Linkage to individual bond(s)
- Other (please specify):

Information reported (expected or ex-post):

- GHG Emissions / Savings
- Energy Savings
- Decrease in water use
- Number of beneficiaries
- Target populations
- Other ESG indicators (please specify): Impact reporting is expected to be provided as part of the broader monitoring and reporting processes of the 2021-2025 NDP. The scope of such reporting is therefore expected to be broader than the specific projects covered by Côte d'Ivoire's ESG financings.

Frequency:

- Annual
 Semi-annual
 Other (please specify):

Means of Disclosure

- Information published in financial report
 Information published in sustainability report
 Information published in ad hoc documents
 Other (please specify):
 Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)**SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE****Type(s) of Review provided:**

- Consultancy (incl. 2nd opinion)
 Certification
 Verification / Audit
 Rating
 Other (please specify):

Review provider(s):**Date of publication:****ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE GBP AND THE SBP**

- i. Second-Party Opinion: An institution with sustainability expertise that is independent from the issuer may provide a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Sustainability Bond framework, or appropriate procedures such as information barriers will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy, and/or processes relating to sustainability and an evaluation of the environmental and social features of the type of Projects intended for the Use of Proceeds.
- ii. Verification: An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or sustainability criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally or socially sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Sustainability Bond proceeds, statement of environmental or social impact or alignment of reporting with the Principles may also be termed verification.
- iii. Certification: An issuer can have its Sustainability Bond or associated Sustainability Bond framework or Use of Proceeds certified against a recognised external sustainability standard or label. A standard or label defines

specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.

- iv.** Green, Social and Sustainability Bond Scoring/Rating: An issuer can have its Sustainability Bond, associated Sustainability Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental and/or social performance data, process relative to the Principles, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material sustainability risks.

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In case of discrepancies between the English language and translated versions, the English language version shall prevail.

About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. The firm works with hundreds of the world’s leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The world’s foremost issuers, from multinational corporations to financial institutions to governments, also rely on Sustainalytics for credible second-party opinions on green, social and sustainable bond frameworks. In 2020, Climate Bonds Initiative named Sustainalytics the “Largest Approved Verifier for Certified Climate Bonds” for the third consecutive year. The firm was also recognized by Environmental Finance as the “Largest External Reviewer” in 2020 for the second consecutive year. For more information, visit www.sustainalytics.com.



Named

2015: Best SRI or Green Bond Research or Rating Firm
2017, 2018, 2019: Most Impressive Second Opinion Provider



The **Green Bond Principles**



The **Social Bond Principles**