

Newsletter – July 2022



The Minister of Economy and Finance, Mr. Adama Coulibaly, at the 9th conference of the Paris Forum on transparent debt management

Today's headlines

1. **The Minister of Economy and Finance, Mr. Adama Coulibaly, took part in the 9th conference of the Paris Forum**, dedicated to promoting sustainable financial practices to address debt vulnerabilities.
2. **Côte d'Ivoire completes its second ESG financing transaction, a €337 million social loan**, which will be used to finance a range of projects with high social impact, in line with the country's ESG Framework Document published in June 2021.
3. **Côte d'Ivoire signed a €330 million financing agreement with the French Development Agency (AFD) for two infrastructure projects**, including a project to improve connectivity in the north of the country and a sanitation project in Abidjan.
4. **ESG strategy: Côte d'Ivoire signed a cooperation agreement with two international companies, Scania and TotalEnergies, for the production of biofuels from agricultural by-products**

5. **The first edition of the Banking and Small and Medium Enterprises Forum was held in Côte d'Ivoire.** This ceremony was inaugurated by the Minister of Economy and Finance, Mr. Adama Coulibaly.

1. **The Minister of Economy and Finance, Mr. Adama Coulibaly, took part in the 9th conference of the Paris Forum, dedicated to promoting sustainable financial practices to address debt vulnerabilities**

On the occasion of this conference, which took place on July 7 and 9, the Minister of Economy and Finance, Mr. Adama Coulibaly, presented Côte d'Ivoire's efforts in terms of debt management transparency. Indeed, in the context of the Heavily Indebted Poor Countries (HIPC) initiative, Côte d'Ivoire has adopted a prudent and transparent approach to public debt through the elaboration and publication of the Medium-term Debt Management Strategy and Debt Sustainability analysis. These efforts were accelerated under the Debt Service Suspension Initiative (DSSI) put in place during the Covid-19 pandemic and have enabled Côte d'Ivoire to increase its capacity to mobilize resources and to significantly diversify its institutional and private financial partners.

In this context, the Minister recalled the three main pillars of Côte d'Ivoire's transparent debt management strategy: (i) continuous communication to partners and investors to highlight the country's recent economic and financial developments, (ii) broader and easier access for partners and investors to reliable and complete information through the publication of monthly debt statistics bulletins, and (iii) the establishment of a specific desk to respond in a very reactive manner to the requests of partners.

2. **Côte d'Ivoire completes its second ESG financing transaction, a €337 million social loan**

Côte d'Ivoire completes a €337 million, 7-year social loan with an international financial institution, backed by an insurance policy from the African Trade Insurance Agency (ATI). Syndicated among high-quality European and Asian institutional investors, this loan contributes to increasing the diversification of Côte d'Ivoire's investor base.

The funds raised will be used to finance a series of projects with high social impact contained in the 2021-2025 National Development Plan (PND). In particular, these projects will focus on improving access to water and electricity, transport infrastructure, education and health services.

This transaction is based on the ESG Framework published by the country in June 2021 and certified by Sustainalytics' independent external review, which confirmed its credibility, impact and compliance with the ICMA / LMA principles of Green, Social and Sustainable Bonds / Loans.

This new operation is also in line with Côte d'Ivoire's Medium-Term Debt Management Strategy, which pursues innovation and diversification objectives. This transaction underlines the country's anchorage in ESG finance markets: the use of ESG instruments (bonds and loans)

is indeed a preferred source of financing for the National Development Plan's high social and environmental impact projects.

3. Côte d'Ivoire signed a €330 million financing agreement with the French Development Agency (AFD) for two infrastructure projects

On July 5, the French Development Agency signed two loan agreements with the Ivorian authorities for a total of €330 million to finance two infrastructure projects: a €130m sanitation project in the commune of Yopougon, in Abidjan, aimed at improving the collection and disposal of wastewater in the commune and a €200m project to improve connectivity in the northern region. The latter project will aim to improve mobility and connectivity across the different municipalities via new infrastructure and roads rehabilitation.

4. ESG strategy: Côte d'Ivoire signed a cooperation agreement with two international companies, Scania and TotalEnergies, for the production of biofuels from agricultural by-products

On July 5, the National Agency for Support to Rural Development (ANADER) signed a tripartite agreement with the Swedish truck and bus manufacturer Scania and TotalEnergies, in the presence of the Minister of Agriculture and Rural Development, Mr. Kobenan Kouassi Adjoumani, and the Minister of Transport, Mr. Amadou Koné. This agreement aims to support government's efforts in the valorization of agricultural by-products for sustainable fuel production.

A pilot project was officially launched for a period of 12 months at the Soukoukro site, northwest of Abidjan, with the objective of collecting 20 to 100 tons of rubber tree seeds to produce 3,000 liters of biofuel.

With this partnership, the Government of Côte d'Ivoire not only reaffirms its commitment to reducing Green House Gas Emission as set in the Paris Agreement, but also enables the creation of new income-generating activities for farmers.

5. The first edition of the Banking and Small and Medium Enterprises Forum was held in Côte d'Ivoire

On July 6, the first edition of the Banks and Small and Medium-sized Enterprises Forum opened in Abidjan, chaired by the Minister of Economy and Finance, Mr. Adama Coulibaly. The objective of the event was to recall the importance of these structures in the Ivorian economy and to encourage local and regional financial institutions to further support the development of SMEs.

Indeed, SMEs play a key role in the country's economic growth, contributing up to 20% of GDP and employing nearly 25% of the active population.

The promotion of SMEs is at the heart of the Ivorian government's reform agenda, with notable efforts to adapt the national legal and institutional framework, improve the business environment and implement supportive tax measures. The latter have focused on simplifying and digitizing procedures as well as implementing specific exemptions for SMEs in the first years of activity.

Issuance calendar on the West African Monetary Union financial market

In July 2022, Côte d'Ivoire raised FCFA 102bn (c. €155m) on the regional market, through *Bons Assimilables au Trésor* (BAT) and *Obligations Assimilables au Trésor* (OAT). Thus, since the beginning of 2022, the country has raised FCFA 1 094bn (c. €1.6bn) on the regional market for maturities ranging from 3 months to 10 years.

List of past issuances on the WAMU market – July 2022

Instrument	Date	Amount raised (M FCFA)	Subscription rate (%) ¹	Maturity	Coupon (%) ²	Rate (%) ³
OAT	12/07/2022	25 000	100%	36 M	5,20	5,23%
OAT		11 001	100%	60 M	5,40	5,52%
BAT		19 949	116%	3 M	n.a.	2,74%
OAT	19/07/2022	37 000	108%	36 M	5,20	5,38%
OAT		9051	100%	60 M	5,40	5,63%
TOTAL BAT 2022		610 890	127%	6 M		2,34%
TOTAL OAT 2022		483 314	162%	48 M		3,76%
TOTAL 2022		1 094 204	172%			

1. Subscription rate = amount submitted / amount targeted 2. The BATs are issued through multiple rates auctions and present pre-counted interests, unlike OATs which bear post-counted interests 3. Weighted average yield
Source : UMOA – Titres

To continue the conversation...

Please visit the [Treasury's website](#) to consult the Quarterly Public Debt Statistical Bulletins (Bulletins Statistiques Trimestriels de la Dette Publique).

Should you have any questions or comments, please send us a message to the following email IR@tresor.gouv.ci. We will be more than happy to respond.