

Côte d'Ivoire: Poverty Reduction Strategy Paper

Poverty Reduction Strategy Papers (PRSPs) are prepared by member countries in broad consultation with stakeholders and development partners, including the staffs of the World Bank and the IMF. They describe the country's macroeconomic, structural, and social policies in support of growth and poverty reduction, as well as associated external financing needs and major sources of financing. This country document for Côte d'Ivoire, dated March 2012, is the authorities' second PRSP, National Development Plan 2012–15. It is being made available on the IMF website by agreement with the Ivoirian authorities, as a service to users of the IMF website.

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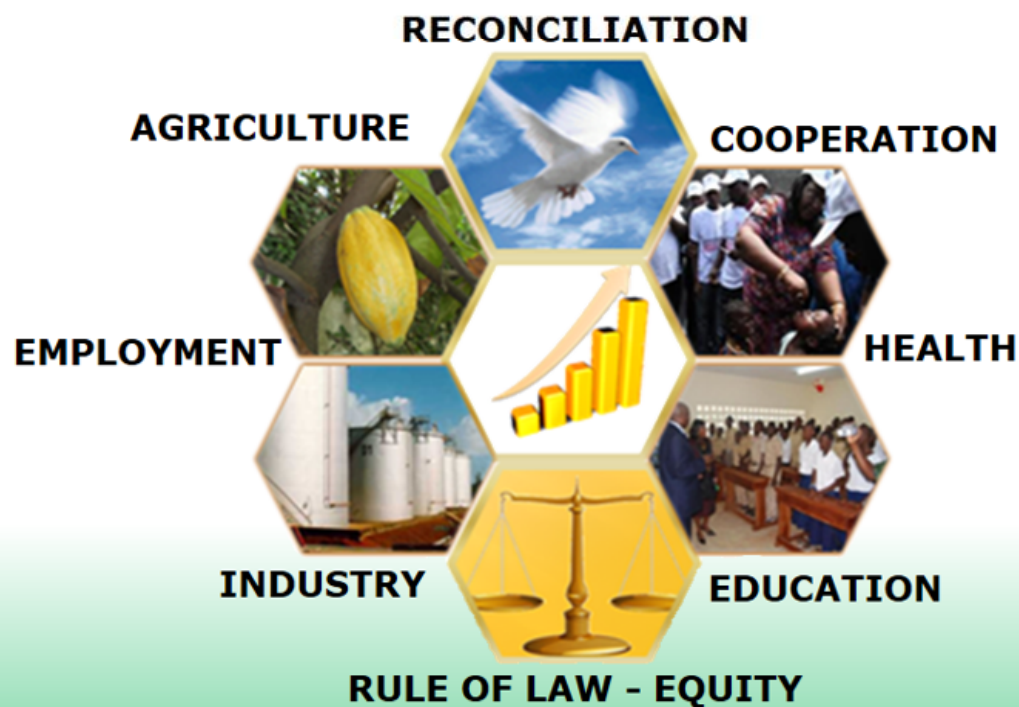


Republic of Côte d'Ivoire

Union - Discipline - Work

NATIONAL DEVELOPEMENT PLAN 2012-2015

VOLUME I : EXECUTIVE SUMMARY



March 2012

SUMMARY

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PREFACE



Making Côte d'Ivoire an emerging country by 2020 is my ambition, which should be achieved through a new, clear and consistent development strategy that the Government has developed and adopted on 28 March 2012, and which is called the 2012-2015 National Development Plan.

This new strategy builds on lessons from the past, flowing from a candid and straightforward study of the economic policies implemented over the previous decades.

It highlights the main priorities of the Government's agenda, an agenda on the basis of which the Ivorians voted for me in November 2010.

The strategy describes the broad outlines of the Government's action, at the national and regional levels, aimed at achieving a vibrant economic growth that will be sustained, all-embracing and job-creating.

The objective of the strategy is also to significantly reduce poverty rates by 2015. It defines the main transversal and vertical "growth engines", which should enable us to achieve a growth rate of 8% in 2012, 9% in 2013 and about

10% by 2014-2015.

In keeping with its ancestral values, Côte d'Ivoire intends to re-gain its status as a peace haven, a State that complies with the rule of law and good governance, a strong democracy, where the private sector can enjoy one of the best business climates in Africa, in a dynamic economy that is open to the rest of the world.

With this 2012-2015 National Development Plan, strategic planning reclaims its rightful place at the heart of Government action. As such, it becomes the reference document for all the stakeholders – at the national, regional and international levels. I will ensure that this is a flexible instrument reviewed on the basis of the results achieved, as well as on the basis of exogenous and endogenous factors.

My wish is that citizens, the Government and institutions of the Republic, elected officials, enterprises, civil society and development partners fully participate in the implementation of the 2012-2015 NDP, so as to ensure its success.

It is only at this price that Côte d'Ivoire will regain its rightful place in the community of nations for the benefit of all Ivorians and citizens of the sub-region.

The President of the Republic

A handwritten signature in blue ink, which reads "Alassane Ouattara". The signature is fluid and cursive, with a horizontal line underneath it.

H. E. Alassane OUATTARA

MESSAGE FROM THE HEAD OF GOVERNMENT



At a time when Côte d'Ivoire is emerging from of a decade of crises characterized by social and political instability, the country faces huge challenges.

The Government must concurrently address difficulties that arose from the crises, revamp the economy, ensure poverty alleviation and resolve youth unemployment.

To achieve this, the Government adopted the National Development Plan (PND) for the 2012-2015 period in the Council of Ministers of March 28, 2012. I wish here to pay tribute to my predecessor,

Honourable Guillaume SORO, for his contribution in kick-starting the 2012-2015 PND.

This plan defines the Government's priorities and strategic outcomes for achieving a vibrant and inclusive economic growth, with a view to fostering significant changes and leading to individual and collective development.

For the Government, the National Development Plan is the framework for coordinating, planning, programming and monitoring national and international actions. By implementing it, the Government seeks effectiveness and efficiency in public actions and is intent on delivering results that will contribute to improving people's living and working conditions.

We MUST succeed! Our success requires a peaceful social climate and the participation of the brave Sons and Daughters of this country. It also demands lasting peace, security, good governance, the promotion of human rights and a balanced redistribution of the benefits of economic growth.

I call on the members of the Cabinet to make a commitment to fully participate in achieving the development process outlined in the 2012-2015 NDP.

Prime Minister, Minister of Justice, Keeper of the Seals



Jeannot Kouadio AHOUSSOU

STATEMENT BY THE MINISTER OF STATE, MINISTER OF PLANNING AND DEVELOPMENT



Since its independence, Côte d'Ivoire opted for planning as the basic tool for its development. Hence, a ten-year development plan and three five-year plans were implemented between 1960 and 1985. These plans made a significant contribution to our country's social and economic development.

From the 1980s, the development planning process was halted resulting in a lack of consistency in a number of actions undertaken by the Government.

When she was declared eligible for the Heavily Indebted Poor Country initiative (HIPC) in March 1988, Côte d'Ivoire revived the planning process by drafting Poverty Reduction Strategy Papers (PRSP): an interim paper in March 2002, the final paper in March 2009 and a Revised paper in June 2011.

Under the High Authority of **His Excellency Alassane OUATTARA**, President of the Republic, who decided to: "**make Côte d'Ivoire an emerging country by 2020**", strategic planning has been reinstated at the heart of development policies with the 2012-2015 National Development Plan.

This plan is the outcome of a participatory approach, and of several months joint action bringing together Government services, civil society, the private sector and development partners.

This document is a dynamic one, hence liable to be revised each year to adapt to national socioeconomic developments and the international situation. I hereby express my gratitude to all and those who contributed to its development.

I wish the strategic outcomes of the 2012-2015 NDP help enhance the framework for actions and political dialogue needed for the successful implementation of national, sector-specific and local development actions for improving the well-being of our worthy citizens.

This success will form the basis of the emergence of our country under the leadership of **President Alassane OUATTARA**, who is totally committed to the development of the people of Côte d'Ivoire

Minister of State, Minister of Planning and Development

A handwritten signature in blue ink, which appears to read 'Toikeusse MABRI'. The signature is written in a cursive style and is positioned over the printed name below it.

Albert Toikeusse MABRI

I. INTRODUCTION

Building on the vision of long-term development based on the transversal and vertical sources of growth, and drawing on lessons of the past decades, **Côte d'Ivoire decided to give a new impetus to its development policy by drawing up a National Development Plan (2012-2015 PND). This new strategy is based on an ambitious and realistic recovery and development programme centred on private and public investment.** It also aims at putting the country back on the path of a vibrant, sustained, inclusive and all-embracing growth, in order to enable **Côte d'Ivoire to become an emerging country by 2020.**

Implementing this new strategy calls for conditions that are likely to transform the country into: (i) a haven of peace, security, social cohesion and well-being; (ii) an economic powerhouse in the sub-region; (iii) a country of hardworking and disciplined people with moral values; (iv) a country with a culture of excellence, where merit is promoted in fairness; (v) an environmentally-friendly tourist country; and (vi) an internationally-acclaimed financial centre.

The NDP reinstates strategic planning at the heart of public action and builds on the gains of the Poverty Reduction Strategic Papers (PRSP) process by taking into account new challenges resulting from the various crises the country went through during the past three decades. These new challenges are bottlenecks to achieving the Millennium Development Goals (MDGs), the goals of the Financial and Economic Programme, those of the Presidential Programme and of the country's potential sources of growth.

The NDP is, thus, the new reference framework for public actions and political dialogue for: (i) consolidating the efforts made to reach the completion point of the HIPC initiative, (ii) promoting the alignment of the State budget on strategic priorities, (iii) providing a basis for the credible programming of development actions, (iv) operationally identifying the expected outcomes of development actions, (v) obtaining greater coherence in the actions of the various ministerial departments, (vi) improving the efficiency and effectiveness of public spending, (vii) serving as an advocacy tool for mobilizing external resources, including private investment, and (viii) providing a follow-up/evaluation tool for development actions.

The NDP outlines three scenarios for the 2012-2015 period, which are: (i) The Triumph of the Elephant, (ii) The Awakening of the Elephant, and (iii) the False Start of the Elephant. **The selected scenario is that of the Triumph of the Elephant,** with a view to meeting the minimum conditions for emergence, namely: (i) achieving strong and sustained growth over a long period; (ii) building a significant middle class, that has access to durable consumer goods, and (iii) participating in the global production system.

Institutional Framework for Drawing up the 2012-2015 NDP

To draw up the NDP, an inter-ministerial committee, chaired by the Prime Minister, was set up by ministerial order N°067/PMMD/CAB issued on 2 September 2011. This committee comprised the Prime Minister, Minister of Justice, Keeper of the Seals, as **Chairperson**; the Minister of State, Minister of Planning and Development as **Vice-Chairperson**; the Minister of State, Minister of Foreign Affairs, **Member**; the Minister of Finance and the Economy, **Member**, and the Representative of the President of the Republic, **Member**.

The Committee was supported by the Technical Secretariat, six (06) Sector-specific Units, a pool of consultants and experts from the General Directorate of Planning and Poverty Alleviation. The **Technical Secretariat** is chaired by the Representative of the Minister of State, Minister of Planning and Development, assisted by the Representative of the Minister of Finance and the Economy.

The Committee also comprised the Representative of services of the Office of the President of the Republic, the Representative of services of the Office of the Prime Minister, the Representative of the Minister of Foreign Affairs, the Director General of the Economy, the Director General of Finance and Budget, the Director General of the National Institute for Statistics, the Director General of BNETD, the Director General of Planning and Poverty Alleviation, acting as **Secretary**, the Secretary General of the National Centre for Remote Sensing and Geographic Information, and the Chairpersons of Sector-specific Units.

The Sector-specific Units, set up by ministerial order issued by the Minister of State, Minister of Planning and Development, were organized around the following six themes: **Theme 1:** Defence, Security, Justice, Rule of Law; **Theme 2:** Education, Health, Employment, Social Affairs; **Theme 3:** Economy, Agriculture, Private Sector; **Theme 4:** Infrastructure, Water, Energy, Mines; **Theme 5:** Environment, Living environment, Housing, Utilities, and **Theme 6:** Culture, Youth, Sports.

Methodology for Drawing up the 2012-2015 NDP

The methodology was built on existing official documentation, namely: (i) the Presidential Governance Programme, including the Presidential Emergency Programme; (ii) the Economic and Financial Programme; (iii) the updated Poverty Reduction Strategy Papers; (iv) the sector-specific development plans from the ministries and public institutions and entities, and (v) the Government Work Programme.

The NDP development process benefited from the participation of the public authorities (Presidency of the Republic, the Prime Minister's Office, the Ministries, other institutions of the Republic and public entities), representatives of civil society, the private sector and development partners.

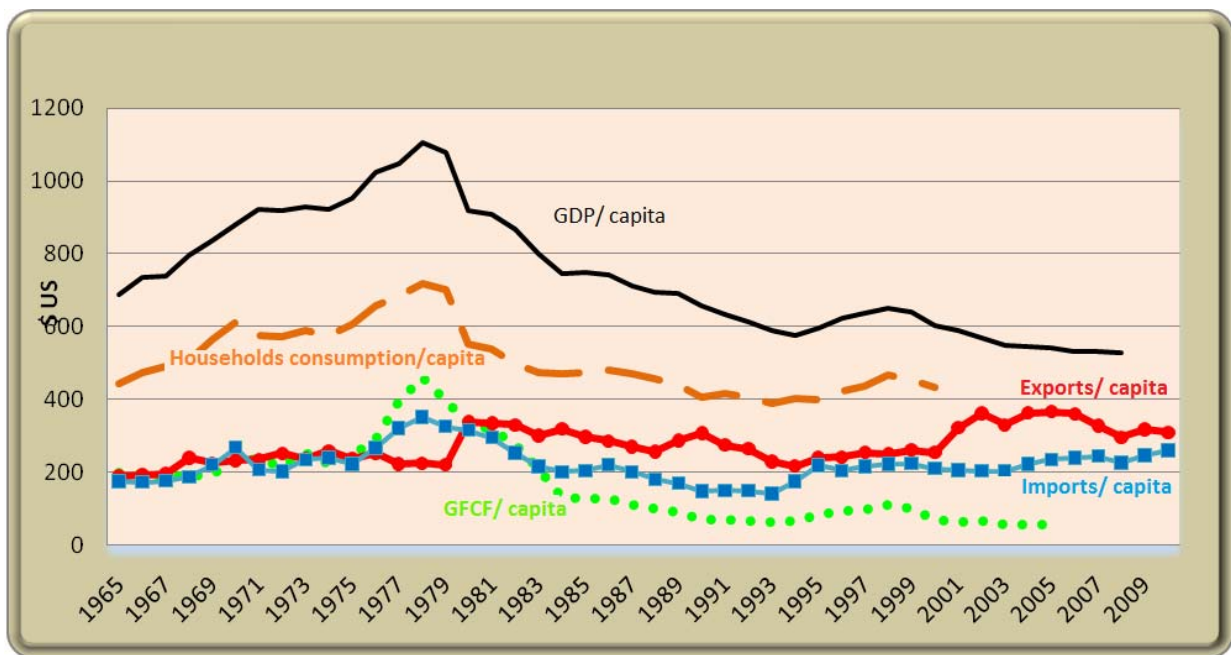
Result-based Management approaches (RBM), planning based on **Human Rights, Gender equality and Equity**, were also used to better underscore the concrete changes expected from the various actions.

II. HISTORICAL DEVELOPMENTS AND LESSONS LEARNT FROM THE MAJOR TRENDS FROM 1960 TO 2011

The analysis of the major trends of the last 50 years brings to the fore two main periods: one running from 1960 to 1979 and the other from 1980 to May 2011. The second period is characterized by two important episodes linked to the devaluation of the CFA franc in 1994, with its positive impact on the economy until 1998, and to the serious political instability, which lasted from 1999 until May 2011.

The trend of the constant GDP per capita ratio since 1960 aptly illustrates these two major trends (cf. Graph 1): this ratio nearly doubled from 1960 to 1979, before dropping and then bouncing back in 2011, but below that of 1960. The poverty rate went up, from 10% in 1985 to 48.9% in 2008. Following the post-electoral crisis of 2011, over 50% of the population were therefore living below the poverty line, since any loss in GDP per capita growth by one point results in an increase in poverty by three points. Indeed, the relation between growth per capita and the reduction in poverty depends on the elasticity effect, which is estimated to be 3 for Côte d'Ivoire.

Graph1: GDP, GFCF, household consumption, Exports and imports relating to the population (at a constant price in 2000 in \$US) 1965-2010



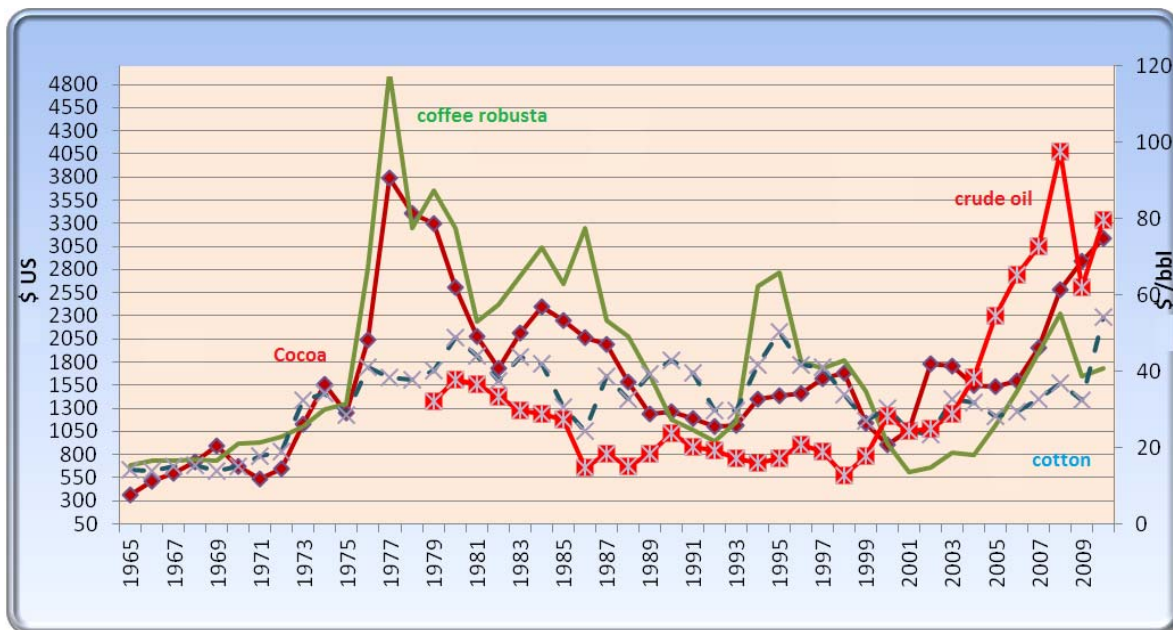
Sources: MEF, DCPE/ DGPLP, MEMPD

The rate of GDP growth, in constant terms, did not exceed the population growth rate on average, although this ratio expressed in dollars in current terms (2000 base) was multiplied by 6, going up from 158 dollars to 1,138 dollars, hence placing Côte d'Ivoire among middle income countries.

Though this classification did not change during the 1980-2011 period, the UNDP Human Development Index placed Côte d'Ivoire below the average for sub-Saharan Africa, and below an average that characterizes low human development.

The major factors accounting for this sudden change since 1979 are: (i) the drop in the trend of average international market prices of cash crops (cocoa, coffee) until the beginning of 2000 (cf. Graph 2); (ii) political instability, characterized by three serious crises: the 1999 coup d'état, the military-political crisis of 2002, which brought about the partition of the country, and the post-electoral crisis from November 2010 to April 2011; (iii) the maintenance of population growth at a high level, and (iv) a steady decline in the overall factors of productivity.

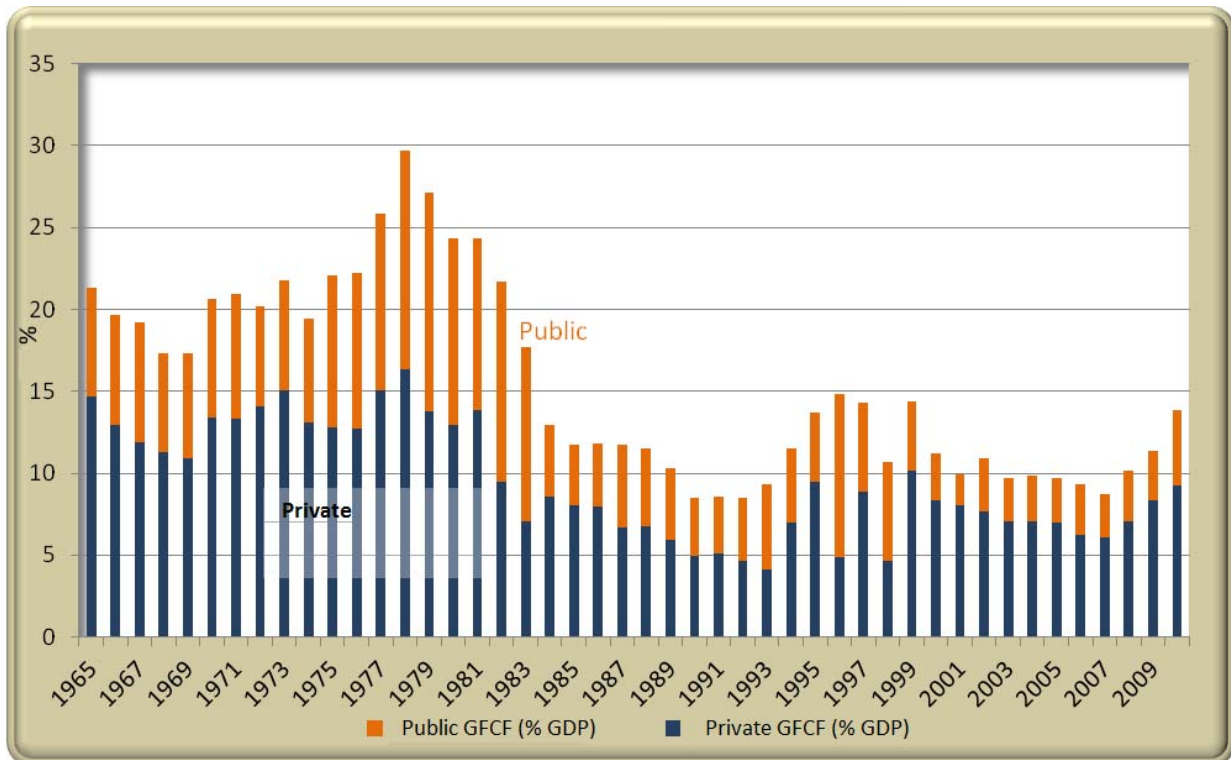
Graph 2: Market prices of some raw materials (\$ US/ton) from 1965 to 2010



Sources: DCPE, MEF/ DGPLP; MEMPD

The ratio of investments with respect to GDP dropped after 1979 and remained at a much lower level than that of the rest of sub-Saharan Africa (cf. figure 3). Public external debt increased, and Côte d'Ivoire found itself in a situation of over-indebtedness. This partly accounts for the defaults on payments of its external debts. As a result, successive economic and financial programmes, supported by international financial institutions, were interrupted any time a crisis occurred. This was the case in 2000 with the coup d'état of December 1999, in 2004, following the military-political crisis of September 2002, and in December 2010, following the post-electoral crisis.

Graph 3: Public and Private Investment as a % of the GDP during the 1965-2010 period



Sources: DCPE, MEF/DGPLP, MEMPD

II.1 “Economic Miracle”: 1960-1979

Following the development and implementation of the perspectives for 1960-1970 decade, and the five-year plans for 1971-1975, and 1976-1980, the Government’s action centred on some strategic choices, well identified at the transversal and vertical levels. Thus, at the **transversal level**, the authorities worked towards creating a tolerant and united Republic, endowed with strong institutions. The charisma of the first President of the Republic helped in cementing social cohesion and stability, through a proactive national development policy. In addition, the leaders opted for a free economy, open to the outside world. Economic growth was therefore based on massive private and public investments, combined with the use of foreign labour. The business climate of that period was conducive to the development of the manufacturing sector, especially the agribusiness, building material, and the tertiary sector (passenger and freight transport, tourism).

At the vertical level, the choices basically focused on investments in **agriculture, infrastructure and the timber industry**. Thus, in the **agricultural sector**, export crops such as cocoa, coffee and cotton benefited from natural assets: fertile lands and good rainfall. This sector also benefited from investments, technical and financial supports from public authorities. These crops accounted for about 70% of exports of goods. The primary sector, accounting for 35% of GDP employed more than 2/3 of the population.

As far as infrastructure was concerned, the Government put the emphasis on the provision of structuring facilities that were to support the actions of economic development. The following options were selected: (i) the improvement in urban and inter-urban road networks during rotating independence celebrations, and the construction of the motorway leading to the North, with a view to putting in place a network of quality roads linking up all the major cities of the country, and facilitating the movement of goods and people; (ii) the creation of port and airport facilities, including the port at San Pedro in 1969, following that of Abidjan, the expansion of the Abidjan airport and the building of two international airports in Yamoussoukro and Bouaké, the building of 14 regional airports and 27 airstrips, and (iii) the improvement of the citizens' accessibility to basic services, such as drinking water, electricity supply through the development of three hydroelectric dams (Kossou, Taabo and Buyo) and the opening of the country to telecommunication networks.

In the **timber industry**, the logging of the vast primeval forests reduced their cover over time, from 70% to 30% of the national territory. Lastly, the social indicators improved with better life expectancy, health and education, including the literacy rate.

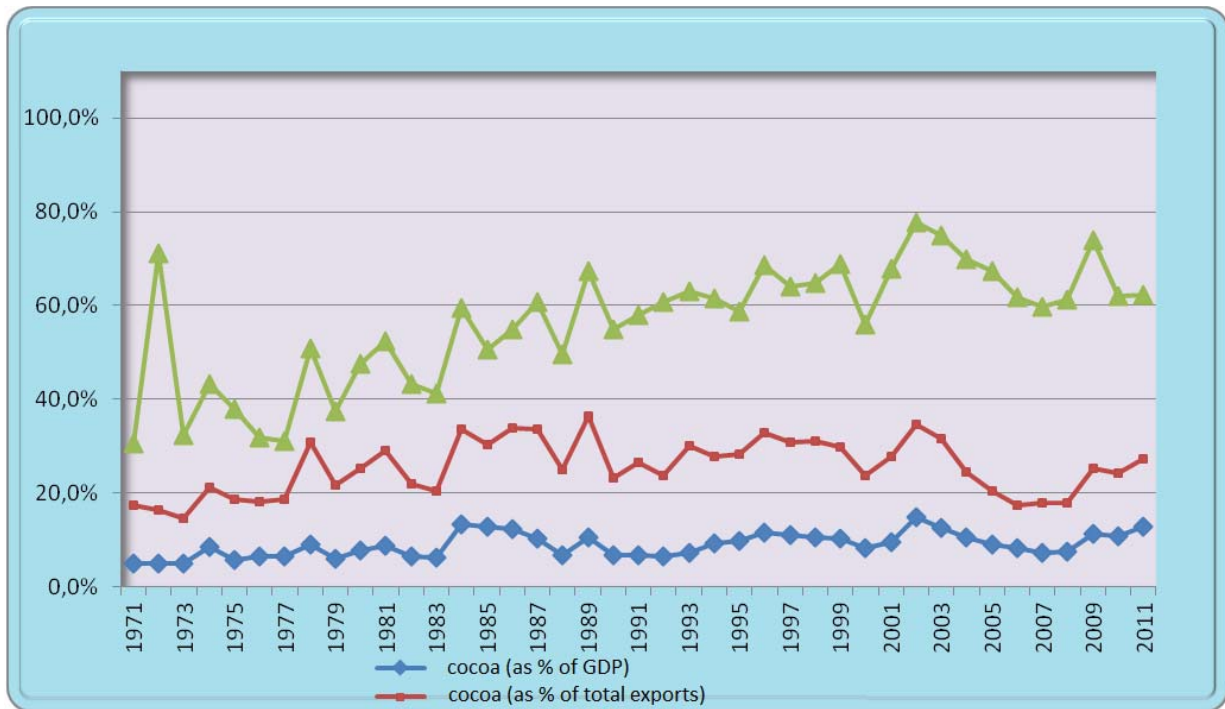
II.2 From Boom to Bust: 1980-2011

However, Côte d'Ivoire was highly exposed, due to the dependence of its primary products on world market prices. The economic growth which was over-dependent on a few cash crops, was thus vulnerable to fluctuations in the world market prices for these products. The processing of these products remained relatively low. The population increased at an average annual growth rate of 4.2%, putting pressure on social services such as health, education and housing. The regions that benefited most from this growth were the regions producing cash-crops, leading to regional disparities, in terms of the distribution of the benefits of economic growth. Lastly, the exploitation of the forests and their invaluable species was no longer sustainable.

The growth strategy, based on primary products, especially cocoa, largely continued to be implemented over the past three decades. The economy diversified nevertheless, with the production of petroleum and gas products, the exploitation of new gold, diamond and other minerals, and the gradual development of the secondary and tertiary sectors. Furthermore, significant progress was made regarding regional integration, notably with the establishment of the West African Economic and Monetary Union.

In spite of the diversification of the agricultural production (cocoa, coffee, banana, pineapple, yam, cashew, rubber), in the early 2000, cocoa alone still accounted for almost 70% of the exports of primary products, more than 30% of the exports of goods, and 15% of the GDP. (cf. Graph 4). Given that several sectors are linked to the cocoa business, especially road and sea transport, trade and credit, the major macro-economic balances were much more vulnerable to fluctuations in cocoa prices on the international market. Furthermore, most primary products continued to be exported as raw products, hence without much value added. By the end of the 1980s and in the early 90s, this decline worsened with a strong overvaluation of the CFA franc.

Graph 4: Proportion of cocoa beans as a % of the GDP, exports as a % of agricultural exports from 1971 to 2011



Sources: DCPE, MEF/ DGPLP, MEMPD

Moreover, the business climate was characterized by the strong presence of the State, with governance issues that undermined the competitiveness of the economy and the emergence of a vibrant private sector. However, some positive events were recorded, *particularly in the early 1990s, and after the devaluation of the CFA franc in 1994*, with a marked surge in investments and the constant per capita GDP from 1995 to 1998. The resumption of a more rigorous and transparent management of public resources and the disengagement of the State at the beginning of the 1990s enabled Côte d'Ivoire to benefit from the positive effects of the devaluation. These benefits were quickly eroded from 1998, with the gradual deterioration of the management of the public resources.

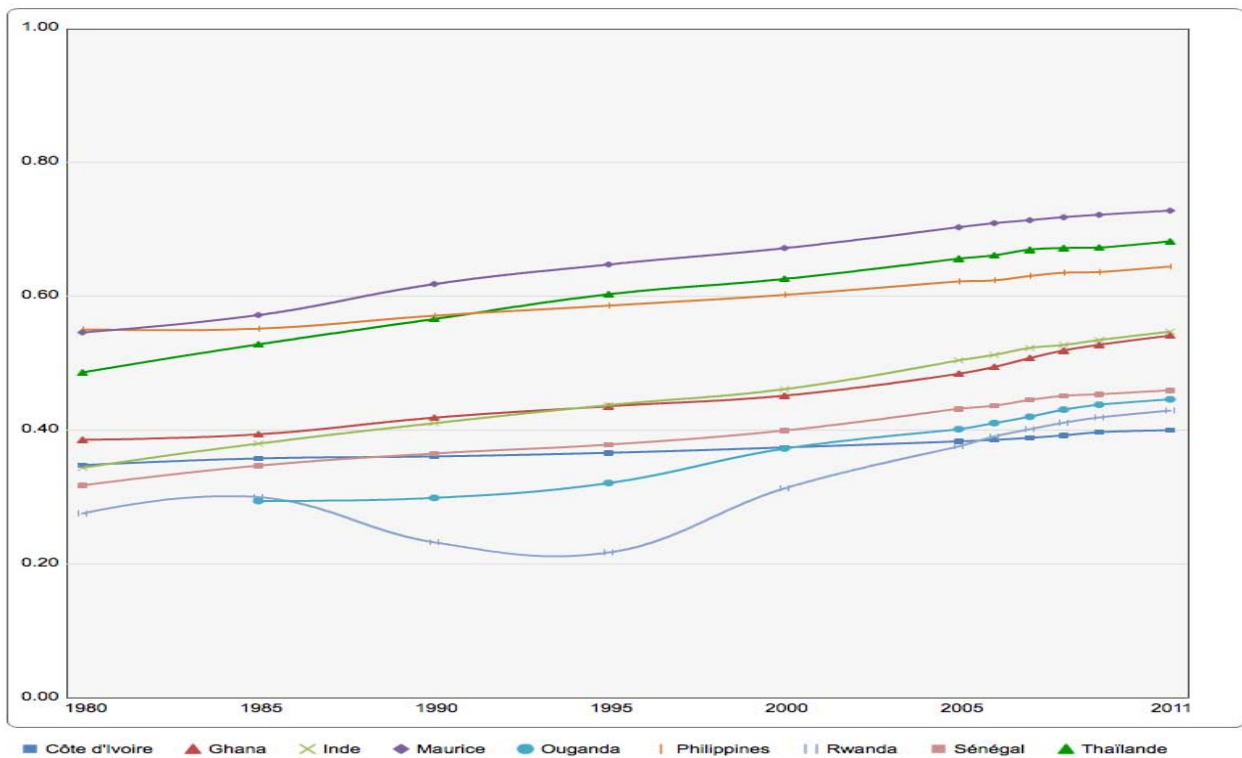
In the past decade, farmgate prices paid to cocoa and coffee producers dropped, accounting for only 30% of international market prices. This situation worsened with difficulties in selling agricultural products, because of the insufficient maintenance of the roads and racketeering. Similarly, the lack of maintenance of the electricity grid, the water and power supply network, schools and hospitals, as well as governance issues in the cocoa and coffee sector led to increasing poverty of the rural populations.

Furthermore, the management of some enterprises, institutions, notably banks and micro-finance institutions, as well as some public funds weakened the financial sector, leading them to reduce lending. In addition, the successive serious crises during this period caused the displacement of hundreds of thousands of people, of Ivorian refugees in neighbouring countries and the repatriation of thousands of foreigners to their countries of origin. The lack of security brought

about the destruction of the physical capital and the theft of equipment in several public establishments and enterprises. Insecurity, combined with racketeering, became rife, thus increasing the costs of transportation and those of consumer products.

In all, notwithstanding the fact that Côte d'Ivoire started to diversify its economy, the country continued to be heavily dependent on raw materials. With the successive crises and the lack of transparency in the management of public resources, there was no significant improvement in the terms of trade since the early 2000s, and most of its development indices fell below the average for sub-Saharan African countries. As a result, Côte d'Ivoire find itself 169th out of 183 countries in the World Bank's 2011 ranking for the business climate and among the 30 countries coming last in terms of good governance and the fight against corruption. According to the UNIDO indices, manufacturing value added per capita dropped during the past decades. Lastly, the country is 170th out of 187 countries on the UNDP Human Development Index (cf. Graph 5).

Graph 5: Comparative Trends of Human Development Indices



II.3 A New Start for Côte d'Ivoire from May 2011

Since the inauguration of H.E. President Alassane OUATTARA on 21 May 2011 and the installation of a new government, the Presidential Emergency Programme was implemented with determination to meet the most pressing needs of reconstruction. All the institutions of the Republic were put in place after peaceful and transparent legislative elections. Macroeconomic stability has been restored and predictability in the management of public resources has

significantly improved. The financial sector is once again fully operational. Security has been restored throughout the country. A new unified army has been created and will be restructured and modernised (as well as the police and gendarmerie) with the assistance of the United Nations and friendly countries. Far-reaching structural reforms, especially reforms in the sectors of cocoa and hydrocarbons, are being implemented in the context of programmes supported by the IMF, World Bank, AfDB, European Union, and friendly countries. New agreements were signed with the Paris and London Clubs respectively, for the rescheduling of external debt or the debt guaranteed by the Government. All the triggers defined with the IMF and the World Bank were complied with and should lead to the conclusion of the completion point of the HIPC initiative in June 2012. At the end of December 2011, all the macroeconomic results were much better than expected and all the performance criteria and quantitative and structural indicators should be respected under the 3-year programme supported by the Extended Loan Facility of the IMF. Economic growth should resume in 2012 to reach at least 8.1%, with inflation stabilizing at the community standard of around 3%.

III. STRATEGY FOR A VIBRANT, SUSTAINED, INCLUSIVE AND ALL-EMBRACING ECONOMIC GROWTH FROM 2012 TO 2015: “THE TRIUMPH OF THE ELEPHANT”

III-1. Bedrock of the New Strategy

The foundation of the new strategy will be a democracy that is respectful of human rights, women and children’s rights. A state where security and peace prevail, with checks and balances of powers between the Executive, the Legislature and the Judiciary. In this balance of powers, the **Executive** will adopt the 2011 Code of Ethics and Good Conduct for transparent management of public resources, with a civil service that will be judged on the basis of its performance and accountable for its actions, on the basis of good governance. This Executive will establish a permanent and continuous dialogue with the people and representatives of the civil society and ensure freedom of the press. The **Legislature** will exercise its role as the guardian of the balance of power and will be provided the means to build its capacities to assume its responsibilities. For its part, the **Judiciary** will adopt an independent, impartial and efficient system at the service of the citizens and enterprises. In the short-term, Côte d’Ivoire aspires to having strong and fair Institutions. Thus, a unified and inclusive army will be at the service of the entire Nation, alongside the police and gendarmerie forces, who will ensure security for all residents of this country. Côte d’Ivoire will ensure national unity to avoid crises, divisions, ethnic, tribal and religious conflicts.

The new strategy will help the State to refocus on its public service missions and encourage the activities of the private sector and create one of the best business climates in Africa. The new strategy will help accelerate the development dynamics around “powerful growth engines”, judiciously selected on the basis of the country’s comparative advantages and their cohesive and inclusive social effects. These growth engines will create a diversified economy with a strong added value that is less vulnerable to external shocks. In this context, the State will ensure macroeconomic stability and make public policies easier to understand.

The new strategy is socially embracing and inclusive to tackle the challenge of poverty alleviation and vulnerability head-on, in a dignified manner, building on African traditions and values of

solidarity. The new strategy will ensure a better distribution of wealth, starting with farmers, through a fair trade for cash crops. It will then implement a policy of national territorial development ending the isolation of villages and agricultural production areas, giving access to drinking water and electricity, and allowing for a better distribution of schools and health centres across the country. It will then develop in our towns an affordable housing policy, in partnership with the private sector to build low-cost housing. The new strategy will also strengthen social cohesion through job creation, particularly for the youth, address the return of refugees and internally displaced people. The new strategy will enable Côte d'Ivoire to regain peace, peace that is to be firmed up over the long-term to lead to a new social contract resting on healthy and solid bases.

The new strategy will help Côte d'Ivoire rebuild its image, remain a hospitable country, come to terms with itself and reconcile with its neighbours. The new strategy will participate in developing aggressive commercial actions, through a dynamic economic diplomacy. To achieve this, Côte d'Ivoire will work in a new spirit of partnership and cooperation with its neighbours and guardian powers.

III.2. A Realistic, Ambitious, Coherent, Proactive, and All-embracing Strategy

With the broad guidelines defined under the High Authority of H.E. the President of the Republic Alassane OUATTARA, a new strategy has been defined, whose aim is to transform Côte d'Ivoire into an emerging country by 2020 and a leading country in the sub-region and in Africa.

The strategy based on a few cash crops implemented over the past 50 years will no longer be pursued. Instead, a new policy aimed at accelerating the growth dynamics revolving around judiciously selected "powerful growth engines" on the basis of the country's comparative advantages and their cohesive and inclusive social impacts will be implemented. The strategy duly takes into account the bottlenecks and problems that have slowed the development of the country over the last decades. It therefore includes the implementation of a coherent programme of far-reaching structural reforms, in order to overcome the obstacles and problems and achieve solid, sustainable and environmentally-friendly growth.

Côte d'Ivoire belongs to a monetary zone and therefore cannot use the exchange rate as a lever of economic policy to maintain its competitiveness and deal with external shocks. As a result, the country must endeavour to increase productivity of production factors by ensuring that their relative costs are competitive compared to those of the rest of the world. To this end, the needed reforms will be implemented to reduce and even eliminate negative factors that affect labour and capital costs, such as the lack of security, obstacles to competition in the transport sector, land register and property issues, weaknesses in the education sector and technical and vocational education and training, health, the chronic dearth of short and long-term financing, and a damaged infrastructure.

Every economy is dynamic by nature; so the "growth drivers" can change over time (20 years ago, there was no mobile telephony). A review of the economic strategy will therefore be undertaken at four-year intervals, hence the Government's decision to choose a National Development Plan that spans the 2012-2015 period, whose rolling four-year investment plan will be updated annually, based on the results obtained and new developments.

Transversal Sources: The transversal sources of growth, which were selected as priority areas while making sure of their positive effect on the entire economy are: (i) security; (ii) peace and social cohesion; (iii) justice (the rule of law); (iv) human rights and public freedoms; (v) administrative and national governance, including the fight against corruption (vi) economic governance, including creating a business climate conducive to private investment; (f) communication; (vii) education, higher and technical education, (viii) scientific research and technological innovation; (ix) health, nutrition and HIV/AIDS; (x) housing and urbanisation; (xi) environment and sustainable development; sanitation, drinking water, water resources and forestry; (xii) international cooperation and regional integration.

Vertical Sources: The vertical sources of growth, which were selected as priority areas are: (i) infrastructure and transport; (ii) energy, mines and hydrocarbons; (iii) agriculture, livestock and fishery resources; (iv) information and communication technology (ICT); (v) private sector/industries and SMEs, (vi) trade, handicraft and tourism, (vii) others (culture, employment, youth and sports, civil protection, social affairs and population, protection of gender equality, family and children's well-being). The selected growth engines are considered as vertical, but they have a ripple effect on all other sectors. Hence, they create a virtuous circle of growth.

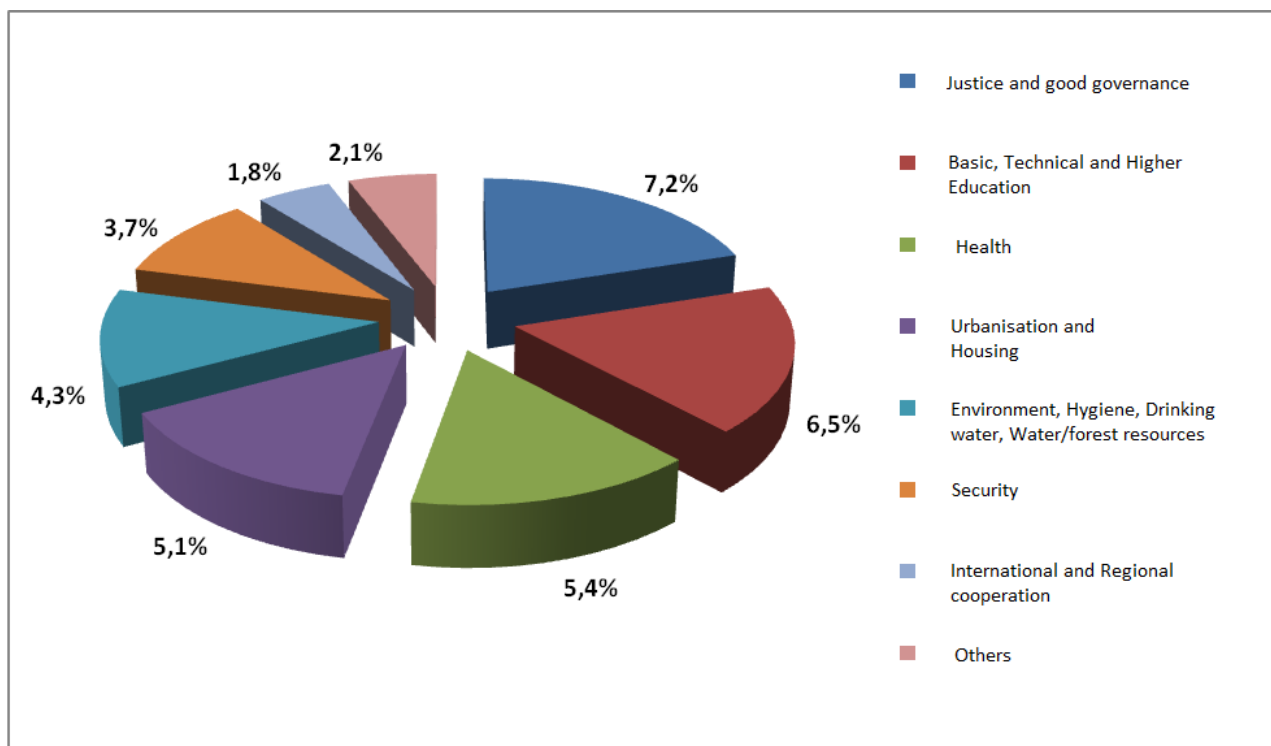
Main quantitative objectives for 2012-2015: (a) achieve a constant GDP growth rate of about 10% on average over this period, driven by a substantial increase in investment both private (including external sources) and public, with an investment-GDP ratio of 18%, with 7.5% for public investments against less than 10% and 3% in 2000 and 2011 respectively, that is to say, a level far below the average for sub-Saharan Africa over the same period; (b) reduce the poverty rate by half and regain its position among the leading countries in Africa on the UNDP Human Development Index; (d) achieve the MDGs for 2015 or get as close as possible; (e) create one of the best business climates in Africa; (f) be part of the leading African countries as far as good governance and the fight against corruption are concerned (World Bank index).

The primary sector should grow on average by 4.3%, driven by subsistence farming and mining; the *secondary sector* by 12.6%, pulled by construction and public works, including the rehabilitation of the road network (including rural roads) and railroads, the gradual creation of inter-regional road networks, the renovation and creation of primary and secondary schools, technical schools and universities, the building of affordable housing, and the renovation and expansion of the electricity grid and the water supply network; *the tertiary sector* by 13.6%, driven by the return to full production of factories and businesses, the creation of new SMEs through the improvement of the business climate, and the development of ICTs and telecommunication. Hence, taking into account the respective weightings of these sectors, the primary sector will account for 1.3% of growth on average, the secondary for 2.8%, and the tertiary for 4.9%.

Breakdown of Public and Private Investments by Transversal and Vertical Sources

Transversal Sources (35.9%) including: Justice and Good Governance (7.2%); Education and Higher and Technical Education (6.5%); Health (5.4%), Urbanisation and Housing (5.1%); Environment, Sanitation, Drinking water, Water Resources and Forestry (4.3%); Security (3.7%); International and Regional Cooperation (1.8%), and others (2.1%).

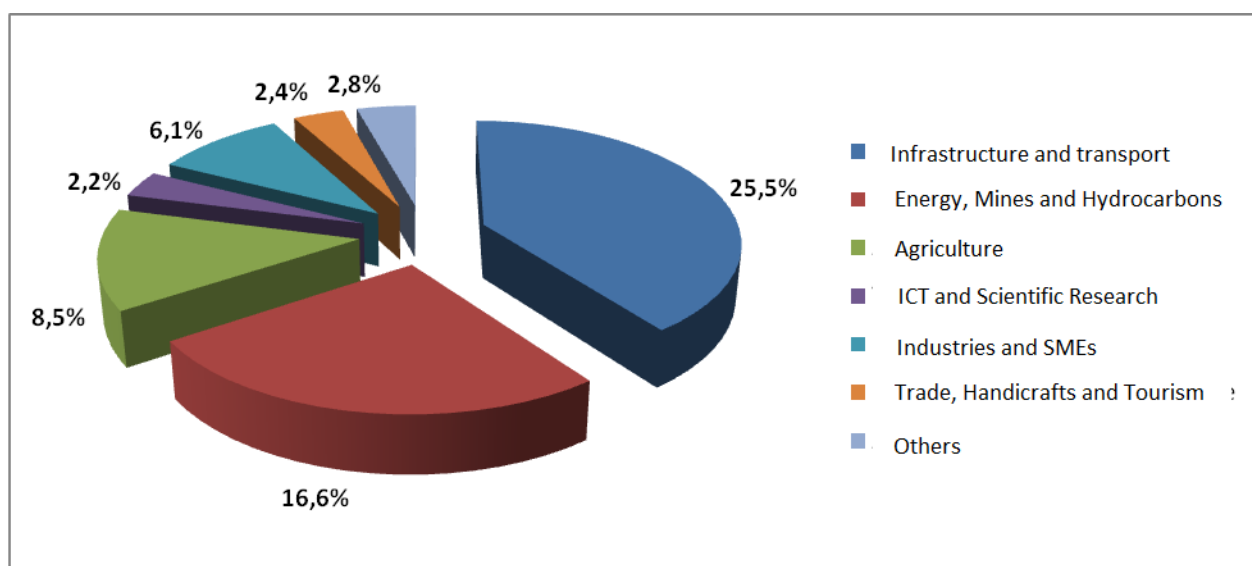
Graph 6: Breakdown of Public and Private Investments by Transversal Sources



Sources: DGPLP, MEMPD

Vertical sources (64.0%) including: Infrastructure and transport (25.5%); Energy, Mines and Hydrocarbons (16.6%); Agriculture (8.5%); Industries and SMEs (6.1%); ICT and Scientific Research (2.2%); Trade, Handicrafts and Tourism (2.4%), and Others (2.8%).

Graph 7: Breakdown of Public and Private Investments by Vertical Sources



Sources: DGPLP, MEMPD

Follow-up of the Efficiency of Investment Projects:

To ensure that investment expenditure is in line with the strategy and is efficient, the following measures are rigorously put in place: (a) selection of public investment projects that are in line with the strategic orientations; (b) formal assessment of projects; (c) independent control of their assessment; (d) transparent project selection procedures; (e) project implementation within prescribed deadlines; (f) responsiveness in the event of changes in project parameters; (g) ex-post evaluation of approved projects, in order to draw the conclusions for fine-tuning the actions to be taken on a continuous basis.

III.3 Analysis, Expected Outcomes, Key Measures and Investment Package

III.3.1 Transversal Sources

The transversal sources of growth selected as priority areas because of their catalytic effect on the entire economy are as follows:

- ***Defence and Security***

The security situation is one of the key challenges for the Government. Indeed, the proliferation of small arms and light weapons (SALW) has increased, in view of the successive crises experienced over the past decade, and the crises in some neighbouring countries.

In addition, the national defence and security system is still faced with structural difficulties such as (i) the weak implementation of the overall strategic and operational vision; (ii) the inadequacy of human, material and financial resources of the first category forces for the protection of minors and persons with specific needs; (iii) the concentration of the security coverage in the southern part of the country; (iv) the lack of in-service training; (v) the increase of disabling diseases and the inadequate medical and social coverage for security and defence personnel; (vi) the existence of unethical practices, such as racketeering, corruption or abuse of power; (vii) the interference of the armed forces in legal matters; (viii) the intrusion of politics in the ring of first and second category forces¹ and (ix) the lack of equipment and infrastructure (gendarmerie forces, police stations, fire stations, military barracks, etc.). These problems have exacerbated the social and political instability and the insecurity of persons and goods that prevails throughout the country.

The country is also faced with other threats such as cybercrime, maritime piracy, money laundering, drug trafficking and terrorism.

Measures taken by the Government after the post-electoral crisis contributed to improving the security situation, with a reduction in the number of armed robberies.

Expected Outcomes

Impact outcome: security is ensured and guaranteed across the country and for all and the integrity of the country is preserved.

Effect outcomes

¹ *First category force:* the national police and gendarmerie

Second category Force: the armed forces

- The security and protection of people and goods are guaranteed across the country;
- Small arms and light weapons (SALW) are no longer accessible to people.

Key measures

1. Equip and modernise the defence and security forces;
2. Rehabilitate the facilities of the defence and security forces across the country;
3. Build new barracks and gendarmerie stations;
4. Build the technical capacities of the security and defence forces;
5. Disarm and demobilize the ex-combatants;
6. Enhance the fight against the proliferation of SALW;
7. Secure arms and ammunition depot sites and secure the management system of the stocks of arms and ammunition;
8. Review the professional practice conditions for the private security sector;
9. Enhance the control of arms at the borders and regional cooperation, and;
10. Participate in peacekeeping interventions in the sub-region and in Africa.

The total budget earmarked for security is 323.400 billion, or 2.92% of the NDP.

2. *Peace and Social Cohesion*

Côte d'Ivoire remained a prosperous and stable country for the first two decades after independence. This prosperity attracted several nationals from the sub-region seeking jobs and well-being, making Côte d'Ivoire a safe haven. The foundations of this social equilibrium were shaken by contradictions that surfaced under the combined effects of the economic recession experienced in the 1980s, the political crises of the past two decades and the effect of consolidation of democracy in Africa in the 1990s. This situation is compounded by several other internal factors, including stigmatization, which contributed to the deterioration of the social and political climates and the breakdown of social cohesion.

Rapid population growth out of step with the rate of economic growth, the poor management of land tenure, the crises and the attempts at destabilising the country have deepened the social divide among the different communities.

Expected Outcomes

Impact Outcomes: harmony amongst the populations is ensured.

Effect Outcomes

- Social peace and cohesion are consolidated;
- The victims of conflicts are provided assistance and reintegrated into their communities, and the damaged community infrastructure is rehabilitated.

Key Measures

1. Draw up and implement a communication plan on the necessary collaboration between the population and the Defence and Security forces;
2. Raise awareness of the population (host communities of internally displaced persons, ex-Combatants) about tolerance, forgiveness and national unity;

3. Facilitate the repatriation of exiled soldiers;
4. Rehabilitate and equip basic socio-economic facilities;
5. Put in place a conflict early warning and conflict prevention mechanism;
6. Assist war victims and ex-combatants, and;
7. Reinsert and reintegrate ex-combatants, war victims and AJR.

The cost of the selected actions is estimated at 83.201 billion, or 0.75% of the total cost of the NDP.

3. *Justice, Human Rights and public freedoms*

The judicial system suffers from dysfunctions due, among other things, to the difficulties the citizens have in accessing legal services, owing to their high cost, their remoteness, and the ignorance of the law and of the legal procedures. The judicial system is also characterized by a lack of logistics and the absence of documentary database, leading to its inefficiency.

This is compounded by corruption and racketeering, which are detrimental to the promotion of an environment conducive to private investment.

Furthermore, the fact that the High Court of Justice is not operational, and that the supreme jurisdictions provided for in the Constitution are not put in place, namely the Supreme Court of Appeal, Council of State and the Court of Auditors, as well as the inexistence of independent administrative and trade jurisdictions, undermine the independence of the judicial system. Similarly, the absence of performance and follow-up indicators and the inefficiency of the Inspectorate-General of the Judicial Services do not make for a control of the judicial activity. The lack of control by the Judiciary of Government action does not ensure effective separation of powers between the executive, the legislature and the judiciary.

Expected outcomes

Impact outcomes: The Rule of law is guaranteed and populations are much less the victims of human right violations.

Effect outcomes

- The existing judicial and prison system is working;
- Justice is dispensed in an independent manner;
- Access to legal services is facilitated;
- Justice is of good quality and;
- Human rights and public freedoms are promoted, protected and respected.

Key measures

1. Refurbish the court houses and prisons damaged during the periods of crisis;
2. Adopt the texts on the establishment of the bodies guaranteeing the independence of the judiciary;
3. Raise the awareness of the populations about respecting human rights and public freedoms;
4. Build and equip the highest courts (Constitutional Council, Supreme Court of Appeal, Court of Auditors, Council of State) and the High Council of the Judiciary in Yamoussoukro;

5. Build new detention centres;
6. Establish the administrative and commercial courts;
7. Set up and make operational the framework for fighting against impunity;
8. Improve the penal and prisons systems and;
9. Build the capacities of the judiciary in managing and handling vulnerable groups in conflict with the law.

The Budget for the judiciary is 246.375 billion, or 2.22% of the total cost of the NDP.

4. Administrative and Territorial Governance

Regarding national land planning and development, there are persistent regional disparities that are characterized by: (i) insufficient, old and dilapidated social and economic infrastructure, which are unevenly distributed; (ii) an imbalance between the economic capital and the rest of the country, between the urban and rural areas; and; and (iii) an uneven distribution of the population across the country.

The policy of decentralisation still faces several constraints, some of these are: (i) an incomplete process of transfer of competences; (ii) the low financial, material and human resources; and (iii) the low participation of local actors, especially the youth, women and the media in the development processes.

In the area of democratic governance, there are still several constraints and dysfunctions. These translate into the extensive discretionary powers vested in the Executive, the venality of several agents of the judicial and security system, the difficulty for political parties in accepting the democratic culture, and the ambiguity of some articles of the Constitution of 2000.

With respect to administrative governance, it suffers from deficiencies relating to: (i) the mobility of the personnel and the lack of transparency in the recruitment procedures of this personnel; (ii) the gap between needs and the resources allocated; (iii) the low penetration of information technology in the public service and; (iv) the insufficient follow-up and evaluation, and the limitations of inspection missions.

Expected outcomes

Impact outcomes: Administrative and territorial governance is ensured.

Effect outcomes:

- The populations participate in the local development process;
- Services provided to the populations by the local authorities and decentralized administration are improved;
- Accessibility to the services of the Civil Registry is improved;
- Inter and intra-regional disparities are reduced;
- The transparency of public administration is enhanced;
- Public administration is modernised;
- The populations regain confidence in the political, administrative and military authorities.

Key measures

1. Review the laws on the transfer and division of competencies between the State and local authorities;
2. Promote decentralised cooperation and inter-community exchanges;
3. Build the capacities of services of the Civil Registry;
4. Draw up and implement the technical and financial instruments for national planning and development;
5. Implement the mechanisms for instilling morality and upgrading public administration;
6. Promote transparency, ethics and the fight against corruption, and
7. Facilitate the populations' access to the social and community infrastructure and to sustainable income-generating activities;

The funding provided for this sector amounts to 270.372 billion, or 2.45% of the total cost of the NDP.

5. *Economic governance*

As far as economic governance is concerned, the issues at hand pertain to the inadequacy of the legal and institutional framework for the development of economic sectors, bad governance of public enterprises and the lack of coordination of oversight bodies arising from their multiplicity.

An overview of the economy shows other structural problems, such as low investment; high indebtedness; the weak competitiveness of the economy; the poor diversification of the economy; the dysfunctions in the financial system and in the management of public finances.

Expected outcomes

Impact outcomes: the creation of national wealth is sustained.

Effect outcomes:

- Economic governance is improved;
- Mobilised Tax and non-tax resources have increased;
- The management of state-owned enterprises and parastatals is improved;
- Budgetary management is improved;
- Public investment has increased;
- Public finances are better controlled;
- The monitoring of monetary and financial management is improved;
- The micro-finance sector is revived;
- The multi-annual intervention of donors is improved;
- International economic and financial cooperation is strengthened and;
- Côte d'Ivoire's external economic actions in the world are enhanced.

Key measures

1. Improve macro-economic projection;
2. Broaden the tax base;
3. Enhance the tax and customs duty collection system;
4. Enhance the fight against tax fraud and evasion, and undertake campaigns of tax compliance;

5. Implement the privatisation programme;
6. Strengthen the management of national public establishments, state-owned enterprises and holding companies;
7. Improve the management of public finances;
8. Improve the financing of the private sector by the banking system, and;
9. Rehabilitate the micro-finance sector.

The total cost of the measures to be implemented in this sector amounts to 284.261 billion spanning the 2012-2015 period, or 2.57% of the total cost of NDP.

6. *Communication*

The media played a pivotal role in worsening the social and political crisis by relaying messages that incited violence in a society where education is relatively low. The proliferation of such media, the lack of professionalism of some players, the instrumentalisation of some of them, the lack and inadequacy of audiovisual communication infrastructure and equipment often diverting them from playing role as the “Fourth Estate”. Furthermore, several media organs “linked” to some political chapels exacerbated the political tension during this crisis.

Expected outcomes

Impact outcomes: citizens have access to good quality information and live in perfect harmony.

Effect outcomes:

- People have access to good quality information in the entire country and;
- Production and broadcast infrastructure and equipment are developed.

Key measures

1. Put in place a legal and regulatory framework that promotes communications development;
2. Equip media establishments and train media practitioners;
3. Integrate pluralism of opinion into television and radio programmes;
4. Develop and implement a policy for equipment procurement and monitoring;
5. Upgrade technological infrastructure and expand communication network and;
6. Foster competition in the newspaper distribution sector.

Communication-related actions will cost 38.180 billion, or 0.34% of total cost of the NDP.

7. *National Education, Higher and Technical Education*

The educational system is still confronted with difficulties of all kinds, namely (i) low accessibility and teaching; (ii) unsatisfactory resource management; (iii) budget constraints; (iv) dearth of infrastructures and teaching aids and (v) obsolete equipment.

Pre-school, Primary School, General Secondary Education and Literacy

At the pre-school and primary level, difficulties have to do with low accessibility and participation mainly due to the high cost of education for households, insufficient intake of schools, which are unevenly distributed across the country and, the state of poor repair of educational infrastructure. In secondary schools, the increase in public infrastructure is not commensurate

with numbers of learners. As a result, some classrooms are overcrowded in some schools. Regarding human resources, despite efforts at increasing the number of teachers, their complement remains inadequate.

Technical Education and Vocational Training

Learners are not sent to vocational training institutions based on the need to get them closer to the places of residence of their parents, despite the closure of the 29 boarding houses. The high cost of vocational training for households, the unavailability of relevant curricula, the insufficient promotion of technical education and vocational training, the insufficient facilities and uneven distribution of TVET across the country add up to the abovementioned factor. Furthermore, several large numbers of trained youth and adults find it difficult to integrate the economic sphere, while job offers are not met. This is mainly due to the fact that training is not adapted to the needs of the economy, and also to the fact that training has been watered down.

Higher Education

For more than a decade, Côte d'Ivoire has not invested in university infrastructure, and yet the number of people aspiring to higher education has continued to grow. Supervision-wise, the deficit of teaching, administrative and technical staff, the obsolescence of equipment and teaching aids and the lack of adequate pedagogical training of most of the lecturers prior to their recruitment have negatively impacted the quality of teaching.

Common Issues relating to the Education/Training Sector

The educational system is still faced with major difficulties of all sorts, including: the low output of the educational system, low accessibility and low supervision. Besides, the sector faces budget constraints, poor resource management, insufficient facilities and teaching aids, obsolescence of equipment and poor spatial distribution of teachers. These constraints are worsened by the high rate of illiteracy, high social inequalities and the increase of HIV/AIDS rate in schools.

Expected Outcomes

National Education/Literacy drive

Impact Outcomes: the citizenry, particularly children, have access to an effective educational system.

Effect Outcomes:

- The management of the educational system is participatory, transparent and efficient;
- Children of school-going age have access to basic education and complete their course levels;
- Pupils generally enjoy good quality general education and;
- Illiterate people have the opportunity to learn how to read and write.

Key measures

1. Refurbish 30 000 primary classrooms and build 25 000 primary classrooms;
2. Build and equip junior high schools and 12 high schools;
3. Renovate and equip 7 secondary schools;

4. Recruit 25 000 primary school teachers, 4 000 of general secondary school teachers;
5. Revise curricula content and;
6. Ensure in-service training for teachers.

Technical Education and Vocational Training

Impact Outcomes: adolescents, the youth and adults who have completed basic education or not are trained in a trade adapted to market needs, and given assistance to integrate professional life.

Effect Outcomes:

- The management of the technical education and vocational training sector is participatory, transparent and efficient, and;
- People have access to good-quality technical education and vocational training.

Key Measures

1. Promote technical education and vocational training (TEVT);
2. Refurbish 9 vocational high schools, 3 technical high schools, 5 management centres, etc.;
3. Build 8 technical high schools, 7 vocational high schools, 6 workshops, etc.;
4. Establish business incubators in TEVT establishments and;
5. Implement an apprenticeship and insertion programme.

Higher Education

Impact Outcomes: holders of the higher school certificate (Baccalauréat) or an equivalent diploma, have access to good-quality higher education leading to decent jobs.

Effect Outcomes:

- The management of the higher education sector is participatory, transparent and efficient;
- Improvement in access to higher education;
- Pupils and students enjoy good-quality education tailored to market demands, and;
- Improvement in students' social conditions.

Key Measures

1. Refurbish the 3 universities, 2 public higher education schools and 2 research and scientific study units (URES);
2. Transform the 2 URES (Daloa and Korhogo) into universities and build the universities of Bondoukou, Man, San-Pedro and also a university township;
3. Recruit 2 036 teachers for public tertiary education;
4. Generalize the LMD system and;
5. Refurbish university residences.

The total cost for the Education-Training sector is of 753.538 billion spanning the 2012-2015 period, or 6.46% of the total cost of the NDP.

8. *Scientific Research and Technological Innovation*

The Scientific Research and Technological Innovation sector is faced with impediments: (i) absence of orientation law on research; (ii) absence of an adapted legal and institutional framework; (iii) low level of financing for research activities and (iv) underutilization of the available human, material and financial resources.

Expected Outcomes

Impact Outcomes: Technological innovation and scientific research serve to ensure the well-being of the citizenry.

Effect Outcomes:

- Scientific research and technological innovation institutions are effective and;
- Scientific research and technological innovation outcomes are put to use.

Key Measures

1. Adopt the orientation and research programming law;
2. Expand and equip research facilities;
3. Develop 24 national research programmes;
4. Put in place a virtual library for centres, institutes and research laboratories, and;
5. Set up an office for the development of research outcomes.

The financing for the scientific research sub-sector is estimated to cost 84.706 billion over the 2012-2015 period, or 0.76% of the total cost of the NDP.

9. Health, Nutrition and HIV/AIDS

Despite the joint efforts of the State, development partners and households, the health situation remains worrying due to high morbidity and mortality rates from malaria and the HIV/AIDS pandemic. From the analysis of the health system, it emerges that health care is insufficient, worsened by the socio-political crisis the country experienced. As a result, a significant proportion of the population does not have access to quality preventive, promotional and curative care. This is due to the low health coverage, the inexistence or inadequacy of technical equipment in health facilities, as well as the insufficient and uneven spatial distribution of health personnel. The post-electoral crisis deepened the already precarious situation, coupled with the destruction and looting of facilities, medical equipment and logistics.

The poor quality of healthcare, low vaccination coverage and limited access to essential drugs worsen the unmet health needs of citizens, especially in vulnerable groups. Finally, the health sector is confronted with financing issues, due to stagnation of the budget of the Ministry of health, increasing pauperisation and inexistence of a health insurance system. The weak information and management system, the insufficient public hospital and sanitation system, and the poor management of biomedical waste compound the abovementioned situation.

Expected Outcomes

Impact Outcomes: the health status and well-being of the population have improved, while morbidity and mortality in the population are reduced.

Effect Outcomes:

- The efficiency and effectiveness of the health system have improved;
- Health service supply and quality have improved and;
- The fight against HIV/AIDS and other priority health problems are enhanced.

Key Measures

1. Strengthen the legal and institutional framework of the health system;
2. Improve the management framework of the health system;
3. Improve financing and management of the health-sector financial resources;
4. Increase health service supply;
5. Improve the availability, accessibility to medication and other quality strategic inputs;
6. Improve the quality of health services and the safety of patients;
7. Build capacity for the medical waste management system and the fight against hospital-related infections;
8. Ensure an efficient national response to the HIV/AIDS;
9. Improve maternal, ante-natal and infant health;
10. Improve vaccination coverage in children aged 0 - 11 months and in women of child-bearing age, and;
11. Scale up the fight against malnutrition.

The investment package earmarked in the NDP is 594.072 billion, or 5.36% of the total cost of the NDP.

This amount should draw us closer to achieving the MDGs, namely MDGs 4, 5 and 6.

10. Housing and Urbanisation

The living environment and housing sector is characterized by a housing deficit and indecent living conditions on the whole. Basic social investments and housing supply do not tally with population growth. Despite efforts made by the state and the private sector to address housing deficit, demand is still higher than supply, with a cumulative and increasing gap of more than 600 000 housing units. In addition, insufficient facilities in houses, haphazard layouts and the phenomenon of spontaneous and dangerous slums are the main factors deteriorating living conditions. This is due, among other things, to spiralling population and urban growth, the lack of efficient housing provision and financing systems, poorly controlled urban planning and the destruction of housing during the various armed crises.

Expected Outcomes

Impact Outcomes: Citizens are decently housed.

Effect Outcomes:

- Conditions for successful urbanisation are met;
- People have access to decent housing and;
- Housing quality is ensured.

Key Measures

1. Update the institutional and regulatory framework for town planning;
2. Update the institutional framework for the housing sector;
3. Update and develop master plans and urbanisation plans for cities/towns;
4. Provide land reserves for undertaking large public projects;
5. Modernise town planning administrations in charge of town planning, land issues and housing;

6. Take inventory of state property abroad;
7. Restructure precarious living areas built on habitable sites;
8. Mobilize land reserves for housing development;
9. Facilitate access to landed property.

The funding provided for the sector is FCFA 565.199 billion, or 5.10% of total cost of the NDP.

11. Public Hygiene

With respect to **the urban hygiene sector**, the worrying situation is caused by the increase in trash in all towns and cities in Côte d'Ivoire. This worsened in Abidjan, where the production of household waste increased due to the twofold increase in the population and the low technical and operational capacity of operators in charge of disposal, following the crises. Furthermore, the sector faces difficulties that have to do with the lack of financing, obsolete infrastructure and collection tools, and transport and waste disposal equipment. In addition to this is the lack of civic responsibility on the part of citizens who occupy public places in an illicit and uncontrolled manner.

Expected Outcomes

Impact Outcomes: The living environment has improved

Effect Outcomes:

- The hygiene management system is participatory, transparent and efficient.

Key Measures

1. Update the institutional framework for the hygiene sector;
2. Carry out basic surveys in sanitation management;
3. Develop regulation on waste management;
4. Build technical, material and financial capacities for the sector stakeholders;
5. Process and utilize industrial and domestic waste and;
6. Raise citizens' awareness on hygiene, and fight against noise nuisance.

The funding provided for the sector amounts to 32.159 billion, or 0.29% of the total cost of the NDP

12. Drinking water

Water for human consumption increasingly faces the deterioration in the quality of raw water resources. The ground water table of Abidjan, providing 70% of drinking water of the county is seriously threatened in the short term. Besides, the insufficient and increasingly dilapidated infrastructure does not give the population adequate access to drinking water. Over the years, the scarcity of investment for drinking water projects did not help maintain adequacy between demand and supply. The institutional reform undertaken in 2006 with a view to reviving the sector is currently slackened due to insufficient regulatory laws, government arrears and the reduced capacity of operators in the sector.

Expected outcomes

Impact outcomes: the population, especially those in rural areas, have access to drinking water.

Effect outcomes:

- The management of the drinking water sector is improved.
- Accessibility to drinking water is improved.

Key measures

1. Update and adopt regulatory laws for the sector;
2. Build human, technical and financial capacities of actors of the drinking water sector;
3. Set up the Rural Water Support Fund (FSHR);
4. Build, rehabilitate and develop infrastructure for water for human consumption;
5. Undertake water pipe connections for low-income households;
6. Connect health centres and schools to the drinking water distribution network.

The funding provided for the drinking water sector amounts to 186.866 billion, or 1.69% of the total cost of the NDP.

13. Sanitation

For **sanitation**, the sector has not undergone any major changes over the years. In effect, as for human waste management in rural areas is concerned, only 11% of the population have access to improved sanitary facilities in 2008, while 48% still have not and ease themselves in the open. In urban areas, hardly 36% of households have access to appropriate sanitary facilities. Furthermore, there are frequent flooding and landslides in urban areas due to poor rain runoff management. The development of the sector faces several challenges, the main ones being: (i) the drafting and adoption of a concerted national policy on sanitation involving the various stakeholders of the sector, including the rural sector; and (ii) allocating at least 0.5% of GDP to human waste management, in line with the 2008 Ethekewini International Declaration.

Expected outcomes

Impact outcomes: people have access to an appropriate sanitation and drainage system.

Effect outcomes:

- The sanitation and drainage system is enhanced and developed; it facilitates the runoff of waste waters and rain waters; and;
- The management of the sector is improved.

Key measures

1. Update sanitation master plans and schemes;
2. Draw up sanitation master plans of regional capitals, departments and communes;
3. Rehabilitate existing sanitation and drainage infrastructure;
4. Expand sanitation and drainage networks in towns/cities;
5. Put in place a geographic information system;
6. Promote individual sanitation in schools and rural areas, and;
7. Develop the total community-driven sanitation approach (ATPCI).

The financing package earmarked for this sector amounts to 163.298 billion, or 1.47% of the NDP total cost.

14. Environment and sustainable development

The Environment and sustainable development area is increasingly weakened, due to the drastic reduction in the vegetation cover, biodiversity loss, and air, water and soil pollution. Besides, air and marine and lagoon ecosystems are highly affected by pollution, in the absence of an adequate treatment system for waste pollutants from domestic, industrial, agricultural, mining and maritime activities. The use of toxic products for continental fishing activities resulted in the destruction of fish habitats.

Expected outcomes

Impact outcomes: People live in healthy and protected environments

Effect outcomes:

- The management of the environment and sustainable development sector is participatory and transparent;
- The various ecosystems are restored and the management of natural resources is improved, and;
- And disaster risk management is improved.

Key measures

1. Update the institutional framework for the environment and sustainable development sector;
2. Build human, technical, material and financial capacities for departments saddled with the management of the environment and sustainable development;
3. Develop and adopt the polluter-pay-principle;
4. Improve on risk management;
5. Develop a policy of sensitization on environmental culture, and;
6. Restore the different ecosystems, and improve natural resource management.

The financing package earmarked for the Environment and Sustainable Development sectors amounts to 43.370 billion, or 0.39% of total cost of the NDP.

15. Water and Forest Resources

Regarding water and forest resources, the forest cover has been reduced by more than 70% in less than half a century. This forest degradation is ongoing at an alarming rate due mainly to (i) undue exploitation of forest resources; (ii) extensive farming and nomadic animal raising; (iii) inappropriate change in forest reserve status, clandestine infiltration into forest reserves; (iv) reforestation slackening; (v) unchecked rapid urbanisation; (vi) bush fires and (vii) population pressure.

For water resources, it is worth underscoring that our country has four major river basins, namely: The Cavally, the Sassandra, the Bandama and the Comoé. The country has also, three (3) major lagoon systems and several coastal rivers. The lagoon systems are: Ebrié, Grand-Lahou, Aby and especially the Agneby and Mé rivers.

Unfortunately, these lagoon systems and basins constitute the receptacle for industrial sewage and urban and agricultural soil runoffs. These eutrophic zones are sites for invasive aquatic

vegetation reproduction and proliferation of algae. The sector is also challenged by low investment.

Expected outcomes

Impact outcomes: The sustainable management of natural resources (water, animal and plant) is guaranteed.

Effect outcomes:

- The management of the water and forest resources is transparent, participatory and efficient, and;
- The various ecosystems are restored and natural resource management is improved.

Key measures

1. Update the institutional framework for the water and forestry sector;
2. Build technical, material and financial capacities for the sector;
3. Undertake development works in national parks and reserves;
4. Promote the national reforestation policy;
5. Set up management authorities for river basins both nationally and internationally; and
6. Apply the Water Code by implementing the IWRM (Integrated Water Resource Management);
7. Implement the national timber traceability and forest certification system.

The financing package earmarked for this sector is 46.588 billion, or 0.42% of the total cost of the NDP

16. Regional and International Cooperation

Concerning international cooperation, Côte d'Ivoire has, in recent years, been through serious crises, which have weakened and estranged it from the international scene. Indeed, for over ten years, its relations with the outside world have considerably deteriorated. Efforts made at bolstering the image of the country have not yielded satisfactory results, due to a not-too-dynamic diplomacy. Besides, the absence of an aggressive trade strategy did not allow the country to substantially take advantage of the expansion of the community market. Furthermore, though it has a surplus trade balance, Côte d'Ivoire finds itself in a constraining commercial environment.

Expected outcomes

Impact outcomes: Côte d'Ivoire is dynamic on the regional and international scene.

Effect outcomes:

- International cooperation is enhanced and the image of Côte d'Ivoire is restored internationally;
- Côte d'Ivoire is the driver of an integration process, which benefits its development; and
- The economic expertise of Côte d'Ivoire is exported abroad.

Key measures

1. Build operational capacities for players in the international cooperation arena;

2. Consolidate cooperation links of Côte d'Ivoire with the West African region, and the international community;
3. Restore the leadership status of Côte d'Ivoire within regional community groupings;
4. Promote Côte d'Ivoire at international level;
5. Intensify economic and trade missions abroad, and;
6. Ensure that immigration arrangements are operational, while taking the aspirations of Africans into account.

The budget earmarked for achieving the impact of international cooperation is 195.906 billion, or 1.77% of total cost of the NDP.

III.3.2 Vertical Sources

Vertical sources of growth, which were selected as priority are:

1. *Infrastructure and Transport Services*

The weak development of this sector is currently an impediment to: people's mobility and accessibility to other public services, conveyance of production to consumer locations and to the competitiveness of the economy. Thus, following a decade of low investments, of absence of maintenance and implementation of the reforms initiated in the late 1990s, this sector is now facing huge difficulties.

These difficulties are (i) the dilapidation of transport infrastructure – roads, railroads, seaports and airports; (ii) maladjusted transport services; (iii) insufficient fluidity and the innumerable harassments along ways; and (iv) the lack of security at sea and in port and lagoon areas.

Expected outcomes

Impact outcomes: the movement of goods and persons is improved.

Effect outcomes:

- Governance in the infrastructure and transport services is improved;
- Sub-prefectures and villages are opened up and linked to an efficient road network of urban, inter-urban and international paved roads;
- Infrastructure for transport, ports, airports and railroads security and safety is competitive and facilitate economic and commercial trade;
- People have better access to quality transport services.

Key measures

1. Improve the legal and regulatory framework for infrastructure and land and maritime transport services;
2. Improve traffic fluidity;
3. Enhance security and safety in maritime, seaport and lagoon areas;
4. Rehabilitate and develop road infrastructure;
5. Maintain infrastructure;
6. Modernise and develop port and airport infrastructure, and;
7. Increase the urban road, maritime and lagoon transport fleet.

The amount of investment in this sector is 2,819.969 billion, or a share of 25.46%.

2. Energy

The electricity sector in Côte d'Ivoire suffers from insufficient and obsolescent generation, transport and distribution means. Apart from this, the high cost of electricity provides but very limited access to the electric grid, especially for people living in rural and semi-urban areas. The challenge for Côte d'Ivoire is the pressing need to revamp its electricity sector and ensure sustainable energy security, with a view to providing quality and affordable energy to the population.

Expected Outcomes

Impact Outcomes: people enjoy quality and affordable energy.

Effect Outcomes:

- The management of the energy sector is participatory, transparent and efficient;
- Energy is available across the country;
- The population has access to quality energy services.

Key Measures

1. Improve the existing energy efficiency: refurbishment, improving overall output of the electric grid;
2. Strengthen power infrastructure and generation means;
3. Harness the national renewable energy potential (biomass, wind, solar and small hydroelectric dams);
4. Electrify 200 rural communities per year;
5. Electrify 3000 schools and 525 health centres; equip 500 school canteens with cooking utensils, using modern energy sources; irrigate 100 ha of market gardens using solar pumps, and provide human-driven motors for boreholes;
6. Expand the distribution network to semi-urban areas of cities in Côte d'Ivoire;
7. Subsidize 80 000 low-cost connections per annum over the 2012-2015 period;
8. Draw up and implement the electricity code, and;
9. Extend the network to the sub-region.

The funding provided for this sector is 610.060 billion over the 2012–2015 period, or 5.51% of total cost of the NDP.

3. Mines

The low development of the mining and geological potential has resulted in an insufficient mining production, made up mainly of gold, though Côte d'Ivoire has a great mining potential (more than 3 000 million tons of iron ore, 6 300 million tons of nickel, 1 200 million tons of bauxite, 4 300 million tons of manganese, and 100 000 carats of diamond). However, the inexistence of processing units made it impossible for the country to benefit from this production. Manual mining productions and small-scale mines, which are nevertheless potential sources of revenue for people, are almost insignificant, due to the absence of a genuine development policy for these sub-sectors.

All in all, the sector faces five major challenges: (i) low production of geological data maps, which are reference documents for mining works, the development of which depends mainly on

external donors; (ii) lack of basic infrastructure for mining already identified deposits; (iii) absence of national public and private investment due to the lack of mining tradition and strategies; (iv) legal and institutional framework maladjusted to current requirements of the mining sector, and; (v) absence of processing units for mining products.

Expected Outcomes

Impact Outcomes: mining and geological potentials are tapped;

Effect Outcomes:

- The stakeholders of the sector are more efficient and accountable;
- Mineral deposits are highlighted and exploited;
- Organising small-scale mining has started, and;
- Infrastructure and basic industrial units for mining product processing have been put in place.

Key Measures

1. Review permit award procedure, and enhance governance of the sector;
2. Review the mining code to align it on the new sector requirements and also on international and environmental standards;
3. Bring new mining deposits to the fore;
4. Enhance mining production;
5. Carry out a modern aerial geophysical survey of the national territory;
6. Develop basic tools needed for mining exploration, and;
7. Set up units to process mining products.

The total funding provided for this sector is 608.656 billion over the 2012–2015 period, or 5.50% of total cost of the NDP.

4. *Hydrocarbons*

The production of hydrocarbons is still modest and insufficient, limiting people's access to petroleum products and butane gas. The main entities in charge of managing the sector (SIR, PETROCI and GESTOCI) need to (i) to see to the replacement of their retired executive staff; (ii) build the capacity for employees; and (iii) make sufficient profit so as to invest in research-development. The challenge for Côte d'Ivoire is to increase the level of production of hydrocarbons through judicious development of the petroleum and gas potential.

Expected Outcomes

Impact Outcomes: petroleum and gas potentials are developed.

Effect Outcomes:

- The legal and institutional framework is more attractive for investors and advantageous for the State;
- Petroleum and gas deposits are brought to prominence and exploited;
- The population and enterprises have access to quality petroleum and gas products on a permanent basis, and;
- The foundation is laid for a hydrocarbon and natural gas processing industry.

Key Measures

1. Restate the petroleum code in conformity with international and environmental standards (Draft amendment texts to the petroleum code and standard Production Sharing Agreement (PSA) and submit them to Government and the National Assembly for adoption and ratification);
2. Reassess the sedimentary basin (Procure further seismic and geological data on the basin);
3. Build hydrocarbon storage infrastructure;
4. Build infrastructure for hydrocarbon transportation;
5. Rehabilitate the network for petroleum product distribution across the country;
6. Reduce the cost of access to butane gas for households (gas cylinder distribution system) and;
7. Creating and extending the natural gas transport and distribution network.

The funding provided for this sector amounts to 622.679 billion over the 2012–2015 period, or 5.62% of total cost of the NDP.

5. Agriculture and Livestock and Fisheries Resources

In the agricultural sector, low productivity remains the core problem. The difficult access to high-yield inputs, such as improved seeds, biological material, fertilizers, agro-pharmaceutical and veterinary products, mechanisation, and irrigation are the main causes.

The assessment of the agricultural development master plan for 1992-2015 concludes, in addition that, scaling up of agriculture is far from being achieved, and deforestation has worsened. Rural exodus could not be controlled and the farm hands have not been rejuvenated. Despite adopting a law on rural land tenure, the challenges in accessing and securing land still abound. Extension systems have not helped to substantially improve the productivity of the sector. Furthermore, agricultural financing remains a major constraint. Synergy between research and development remains inadequate.

Animal and fishery production has not developed much, due mainly to the following factors: (i) insufficient regulatory, legislative and institutional provisions; (ii) insufficient institutional and human capacity building; (iii) low productivity of Livestock and Fisheries Resources, and (iv) poor (qualitative and quantitative) management of fishery resources.

Expected Outcomes

Impact Outcomes: The agricultural sector is effective and contributes to reducing extreme poverty and hunger (MDG1).

Effect Outcomes:

- Enhanced governance in the agricultural sector;
- Enhanced biological agricultural production and certified products;
- Capacities built for stakeholders in agricultural, animal and fishery resource development;
- Agriculture and the animal resource sub-sectors, for which Côte d'Ivoire has a comparative advantage, are developed;
- Competitiveness of Ivorian agriculture and its capacity to sufficiently remunerate producers, while ensuring food security, are enhanced; and

- Fishery resources are sustainably managed.

Key Measures

1. Design, adopt and enact an agriculture policy Act;
2. Put in place a mechanism for prevention and settlement of conflicts between farmers and pastoralists;
3. Identify farmers, pastoralists and fishermen and their farms/workplaces;
4. Put in place a purview for enforcing the law on rural land tenure;
5. Establish specific windows for financing agriculture through low-cost funds granted on long-term basis;
6. Build technical capacities for stakeholders of the generation chain of agricultural, food and nutritional statistics;
7. Renew coffee and cocoa farms, and support the creation of new intensive plantations;
8. Revive cotton, pineapples, cashew nuts and rice production;
9. Strengthen the system of export of fishery and tuna products;

The cost of financing this sector is 940.338 billion over the 2012-2015 period, or 8.49% of the total cost of the NDP.

6. Information and Communication Technology (ICT)

Information and Communication Technologies (ICT) have remarkably expanded over the past decade. In 2009, investments amounted to CFA franc 128.2 billion for mobile telephony, and CFA franc 10.6 billion for landline telephony, which has been on the decline since 2006. The number of direct employment created is of 2 433 for mobile telephony, and 1 009 for landline telephony. This sector generates annually about CFA franc 70 billion in VAT and builds on the existence of modern and quality infrastructure, as well as a favourable market. The emergence of ICT has fostered the emergence of new, faster and user-friendly services.

Despite all these gains, service fees and access costs are still relatively high. The tax burden on IT products is the main bottleneck to ICTs development.

Expected Outcomes

Impact Outcomes: People have access to quality telecommunication services at affordable cost.

Effect Outcomes:

- The population enjoys postal and ICT service that is well managed and available throughout the country;
- The population enjoys quality ICT infrastructure and tools for electronic governance, and;
- Sufficient awareness of ICTs by the population who can easily gain access to them.

Key Measures

1. Prepare a new telecommunication/ICT code;
2. Establish a legal and regulatory framework to encourage access/universal postal service and ICT;
3. Prepare a new postal code;
4. Reopen and equip 66 post offices in the former CNW areas;
5. Rehabilitate, equip and reopen the former ISAPT;

6. Implement the electronic governance project – E-Gov; and
7. Implement the project aimed at covering the entire country in optic fibre.

The cost of the ICT sector stands at FCFA 161.401 billion, i.e. 1.46% of the total cost of the NDP.

7. Private Sector/Industry and SMEs

With twenty-four (24) branches in 2008, industry is the main plank of the formal private sector. On the whole, SMEs account for 98% of registered enterprises and contribute up to 18% of GDP and 20% of modern employment.

The successive crises the country has been through since 1999 have led to serious disruption of economic activities, thereby slackening the development of the private sector.

Moreover, the private sector is faced with numerous difficulties, which undermine its ability to create jobs and wealth. These have to do mainly with (i) an environment which offers no incentive for business transaction and development; (ii) inadequacy of measures promoting business innovation and development; (iii) lack of strong initiatives aimed at promoting private investments; (iv) importance of costs in foreign exchange; (v) narrowness of the market; (vi) relatively low national resource processing level, and (vii) regional imbalance in favour of Abidjan.

Expected Outcomes

Impact Outcome: the private sector is modern and competitive, while its contribution to job and revenue creation has increased.

Effect Outcomes:

- The business climate has improved;
- Businesses are developed and competitive; and
- Private investment is sustained.

Key Measures

1. Adopt a new investment code which reflects international and environmental standards;
2. Prepare the draft SME framework law;
3. Develop, rehabilitate infrastructure in the industrial areas;
4. Prepare and implement a media communication plan on the promotion of private investments;
5. Strengthen the eco-diplomacy partnership between CEPICI and honorary consuls;
6. Introduce a quality approach for the certification of a CEPICI ISO standard;
7. Encourage social responsibility of private enterprises; and
8. Facilitate access to financing by financial partners (banks, financial institutions, private investors, financial markets, etc.) through the introduction of a memorandum of understanding on the structuring and presentation of promoters' financial requests;

The cost of the sector stands at FCFA 673.661 billion, i.e. 6.08% of the total cost of the NDP.

8. Trade

Côte d'Ivoire has a legal and institutional framework in place for the smooth conduct of trading activities. However, in addition to the difficulties encountered by the Ministry, operators are

confronted with the problems of liberalization and the opening up of the market to regional and international competition, with the persistence of fraud and a dip in the competitiveness of local products. Moreover, the weak financing of domestic trade, the complexity of customs clearance procedures and the non-ownership of the culture of weights and measures are some of the obstacles facing the development of trading activities. In addition to these difficulties are those relating to security, as shown by the losses incurred by economic operators during the crises.

The administration of trade also faces difficulties that translates especially into the difficulty in collecting compromise compensations, the slow pace of economic procedures, lack of an updated data base for the effective management of trade, reluctance on the part of operators to discharge their duty of providing certificates of origin on food products and the inadequacy of state-of-the-art equipment for legal metrology as well as rolling stock and IT equipment.

Expected Outcomes

Impact Outcome: The contribution of domestic trade to job and wealth creation has increased.

Effect Outcomes:

- The organization of domestic trade has improved and
- The capacity of stakeholders of the sector has improved.

Key Measures

1. Renew the mandate of constituent organs and update the laws of the Commission on Competition and High Cost of Living;
2. Make the one-stop shop for business effective;
3. Build the Abidjan, Daloa and Abengourou wholesale markets;
4. Increase technical equipment for weight and measure control;
5. Train employees of the Public Service and the trade support structures, and
6. Compile a list of 2,500 women of the food sector, 1,000 youths of the animal and fishery sector, 1,000 youths of the clothing sector and 1,000 youths for various trades in each region.

The total cost of financing for the trade sector stands at FCFA 185.759 billion, i.e. 1.68% of the total cost of the NDP.

9. Tourism

After witnessing a period of relative expansion, for over a decade now **tourism in Côte d'Ivoire** been going through an unprecedented crisis characterized by a fall in demand and supply and a slowdown in promotional activities.

Besides, the sector has been affected by the (i) weakness of the institutional and legal framework; (ii) inadequacy of financing for the sector's activities; (iii) inadequacy and deterioration of tourism and road infrastructure; (iv) weakness of training structures; (v) inadequacy of actions for the addition of value to and promotion of tourism products; (vi) increase in air transport fares; (vii) lack of a national fleet; (viii) poor reception; (ix) lack of an effective mechanism to market the Côte d'Ivoire destination, and (x) lack of partnerships.

Expected Outcomes

Impact Outcome: the tourism sector is making a strong contribution to job and wealth creation.

Effect Outcomes:

- The environment of the tourism sector has been improved; and
- The supply of tourism services has been improved.

Key Measures

1. Update and adopt the draft Tourism Code while adhering to international and environmental standards;
2. Make the Tourism Development Fund functional;
3. Revive the State hotel assets;
4. Revive existing tourism partnerships;
5. Strengthen participation in promotional fairs and exhibitions abroad; and
6. Encourage ecotourism and environment-friendliness.

The financing of the tourism sector stands at FCFA 29.693 billion, i.e. 0.27% of the total cost of the NDP.

10. *Craft Industry*

The craft market has huge potentials in terms of job creation and the addition of value to local products, which are sources of revenue. Despite these assets, the craft industry still faces serious difficulties, among which is an environment, which offers little incentive for business establishment and development. This is characterized by the (i) weakness of the institutional, legal and regulatory framework; (ii) lack of financing for activities; (iii) inadequacy of activities for promoting handicrafts; and (iv) inadequacy of partnerships.

In addition, this market is also marked by inadequate supply of services characterized by the lack of locations to host the craft industry and the weakness of training structures. Finally, the craft industry is confronted with the lack of strong initiatives aimed at promoting products. This phenomenon can be attributed, among other factors, to the inadequacy of partnerships and activities aimed at promoting handicrafts.

Expected Outcomes

Impact Outcome: the craft sector is developed and its capacity to create jobs and wealth has been enhanced.

Effect Outcomes:

- The environment of the craft sector is conducive to business;
- Craft production has increased both in quality and quantity;
- The value of craft products has been enhanced, and
- The informal sector has shrunk.

Key Measures

- Adopt and disseminate the craft code;
- Prepare and disseminate the legal framework for apprenticeship and continuous training;

- Prepare and adopt a strategic plan for craft industry development;
- Finalize the study on the promising sectors in the craft industry;
- Compile a list of craftsmen;
- Codify and authenticate handicrafts, and
- Prepare a strategic plan on training in craft trades.

The overall package earmarked in the NDP for this sector is FCFA 47.515 billion, i.e. 0.43% of the total cost.

11. Culture

In the area of culture, in spite of the potentials of Côte d'Ivoire, the sector is undermined by the (i) inadequacy of governance; (ii) inadequate harnessing of cultural potentials; (iii) inadequate promotion of private initiatives; (iv) inadequate professionalization of the sector; (v) limited access to cultural services; (vi) lack of a cultural development policy, and (vii) inadequacy of financial resources and infrastructure.

Expected Outcomes

Impact Outcome: the harnessing of the cultural heritage and the benefit derived from cultural works by stakeholders have improved.

Effect Outcomes:

- Governance in the sector has improved;
- The capacity of stakeholders has been strengthened, and
- The financing of the sector has been strengthened.

Key Measures

1. Carry out a study on the contribution of the cultural sector to the economic and social development of Côte d'Ivoire;
2. Prepare and publish the first issues paper on cultural statistics and references of stakeholders of the sector;
3. Review Act n° 87 on the protection of the national cultural heritage and Act n° 96 on the protection of creative works;
4. Prepare and work towards the adoption of the law on the national cultural policy;
5. Rehabilitate and equip the cultural centres (the Abobo, Jacques Aka de Bouaké and Abidjan cultural centres);
6. Rehabilitate and equip the "arts and culture" educational institutions;
7. Contribute to the organization of the African Arts and Entertainment Market (MASA), and
8. Provide support funds for artistic creation and the film industry.

The cost of financing for the sector is estimated at 62.894 billion, i.e. 0.57% of the total cost of NDP.

12. Employment

With regard to employment, the situation is characterized by endemic unemployment, especially among the youth. This is due to the inability of the training system to meet the needs of the economy, the lack of a consistent policy for job creation and financing, an unfavourable

institutional framework and an ineffective policy for the promotion of self-employment as well as a lack of reliable statistics.

Expected Outcomes

Impact Outcome: the working force has access to decent employment and is able to cater for their needs.

Effect Outcomes:

- Governance in the employment and labour sector has improved;
- The youth can easily access jobs; and
- Productivity has improved.

Key Measures

1. Prepare and implement the national employment policy;
2. Prepare the inventories of jobs and aptitudes;
3. Promote self-employment among the youth, women and challenged persons through enterprise-type projects or the development of AGRs;
4. Implement projects for the integration of the youth into the employment market, based on the pro-community interest services in the communes, and
5. Strengthen the capacity of the entities involved in the fight against the worst forms of child labour.

The projected financing for this sector stands at FCFA 117.186 billion over the period 2012-2015, i.e. 1.06% of the total cost of the NDP.

13. Youth, Sports and Leisure

The analysis of the youth, sports and leisure sectors emphasizes the difficulties hindering their development. Particular examples of these difficulties are the (i) unsuitable nature of the legal and institutional framework; (ii) persistence of youth unemployment; (iii) inadequacy, unsuitability and obsolescence of infrastructure; and (iv) quantitative and qualitative inadequacy of human and financial resources.

Expected Outcomes

Impact Outcome: Youth's social integration and the conditions for the practice of sport and leisure have improved.

Effect Outcomes:

- People, no matter their age, have a good knowledge of the virtues of healthy sports, public-spiritedness and leisure;
- The youth are generally integrated into the socio-economic fabric;
- The various segments of the population engage in sports, depending on their suitability, particularly high level sports, mass sports/sports for all and school and college sports;
- The structures responsible for the youth, sports and leisure are working; and
- The strengthening of sporting capacity is being ensured.

Key Measures

1. Put in place a legal and institutional framework for the promotion of sports, public-spiritedness and leisure;
2. Strengthen the operational capacity of the National Department for Civic Education and inculcate the civic culture into the youth;
3. Develop the supply of infrastructure conducive to socio-educational, sporting and leisure activities;
4. Facilitate access to the financing of youth self-employment;
5. Implement the National Sports Policy;
6. Promote the practice of healthy mass sports and leisure, and
7. Strengthen bilateral and multilateral cooperation between youth organizations.

The cost of financing the “youth, sports and leisure” sector stands at FCFA 79.547 billion, i.e. 0.72% of the NDP cost.

14. Civil Protection and Social Affairs

In spite of the measures taken by Government in the area of civil and social protection a lot more remains to be done. With regard to civil protection, the fire service staff complement and the number of barracks are inadequate, security standards for technical facilities and buildings are not complied with, while the people have not mastered basic evacuation and first aid techniques.

In the area of social security, the social contribution scheme hardly covers 10% of the working force. Social security insurance is partly ensured through mutual benefit societies, which are coming up particularly in the public sector and private enterprises. These mutual benefit societies are rare in the agricultural sector and almost non-existent in the informal sector. With its low penetration rate, the reach of mutual benefit societies remains very limited. With regard to private insurance enterprises, they cover a marginal fringe of the population as a result of the high level of premiums charged. In sum, the current social security system covers only about 10% of the population.

In terms of access to social services, the institutional mechanism is characterized by an inadequacy between supply and demand as well as the uneven distribution of social services.

Expected Outcomes

Impact Outcome: the civil protection of people and goods has improved.

Effect Outcomes:

- The capacity of infrastructure and civil protection stakeholders has been strengthened, and
- Alert and disaster management systems have been put in place.

Key Measures

1. Establish an operational centre of the Civil Protection Headquarters, eleven (11) regional civil protection units, eleven (11) emergency assistance centres to cover the country;
2. Rehabilitate all the fire service barracks;
3. Put in place national disaster forecasting mechanisms;
4. Set up primary centres to provide shelter to people in the event of disasters;

5. Strengthen the existing legal arsenal;
6. Control major industrial accidents and floods, and;
7. Reduce vulnerability factors and strengthen social assistance to vulnerable groups in the event of disasters.

The financing of this sector stands at FCFA 32.737 billion, i.e. 0.30% of the NDP.

15. Population

With a growth rate of 2.8% between 1998 and 2010, the rate of growth of the Ivorian population is among one of the highest in the world. This rapid growth is due to high fertility and immigration. Furthermore, the youth constitute the majority of this population.

Expected Outcomes

Impact Outcome: the demographic phenomena and migratory movements are under control.

Effect Outcomes:

- Governance in the sector has improved;
- The integrated National Population Policy is implemented, monitored and evaluated, and
- The management of migratory movements is under control.

Key Measures

1. Prepare a National Migration Management Policy;
2. Issue a decree for the establishment of a National Population Board;
3. Prepare an annual report on the population status of Côte d'Ivoire (RPSCI), and
4. Publish and disseminate the National Population Policy (NPP).

The cost of the activities of the sector is estimated at FCFA 2.088 billion, i.e. 0.02% of the total cost of the NDP.

16. Promotion of Gender Equality, Family Welfare and Child Protection

Inequalities persist as far as access to basic social services is concerned, particularly education, employment, production inputs and factors, decision-making and participation in public and political life.

Indeed, women rarely have access to landholding and even greater difficulty in accessing to credit, in spite of their significant participation in the production and marketing of agricultural products, particularly in the food sector (60 to 80%). Due to the low level of enrolment of girls, most women are illiterate. This translates into their poor representation with regard to decision-making positions and also in their participation in political life and modern jobs. Besides, they are exposed to all forms of marginalization and violence.

Expected Outcomes

Impact Outcome: men and women live in harmony and enjoy equity.

Effect Outcomes:

- The institutions responsible for gender promotion are effective;
- Economic security and women's rights have been ensured;

- Gender-based Violence (GBV) has reduced;
- Family welfare conditions is been guaranteed;
- Access of girls to education is encouraged, and
- The community and institutional protection of children is ensured.

Key Measures

1. Improve the mechanisms for the integration and rehabilitation of vulnerable women, girls and children;
2. Strengthen the capacity of rural women and women's associations and organizations to facilitate their access to landholding, entrepreneurship and credit in order to ensure their empowerment;
3. Strengthen the capacity for institutions and structures providing psychosocial, medical and economic support relating to Gender-Based Violence (GBV);
4. Equip the listening centres in IFEFs and build and equip new IFEFs, and
5. Strengthen the fight against child trafficking and exploitation.

The total package earmarked in the NDP for this sector stands at FCFA 10.960 billion, i.e. 0.10% of the total cost.

It should be noted that the « selected engines of growth » are considered to be vertical, but do have impacts on all the other sectors. Therefore, they create a virtuous cycle of growth.

IV. **MATRIX OF MULTI-YEAR PRIORITY ACTIVITIES** *(in millions of FCFA)*

Sectors per Strategic Outcome	Percentage (%)	Programming				Cost of Financing 2012-2015
		2012	2013	2014	2015	
TOTAL		1,520,916	2,263,345	3,129,478	4,162,252	11,075,992
Including Public Investments	41.35%	676,400	1,000,000	1,291,150	1,612,001	4,579,551
<i>Outcome 1: the people live in harmony in a secured society where good governance is ensured</i>	9.58%	94,928	298,281	332,906	334,636	1,060,751
Peace and Social Cohesion	0.75%	16,582	23,495	21,828	21,296	83,201
Defence and Security	2.92%	46,253	96,598	83,394	97,155	323,400
Justice	2.20%	6,803	60,467	81,669	94,469	243,408
Human Rights and Public Freedoms	0.03%	-	880	1,009	1,078	2,968
Administrative and Territorial Governance	2.45%	10,086	79,589	102,727	77,970	270,372
Development Planning and Statistical System	0.90%	9,212	23,701	31,077	35,233	99,222
Communication	0.34%	5,993	13,551	11,200	7,435	38,180
<i>Outcome 2: national wealth creation has increased, is being sustained and its fruits are being shared equitably</i>	63.82%	1,140,160	1,228,757	1,842,147	2,857,633	7,068,697
Economic Governance	2.57%	37,313	66,228	84,697	96,022	284,261
Agriculture	8.49%	33,409	240,174	317,110	349,644	940,338
Infrastructure and Transport Services	25.46%	572,428	349,883	649,531	1,248,126	2,819,969

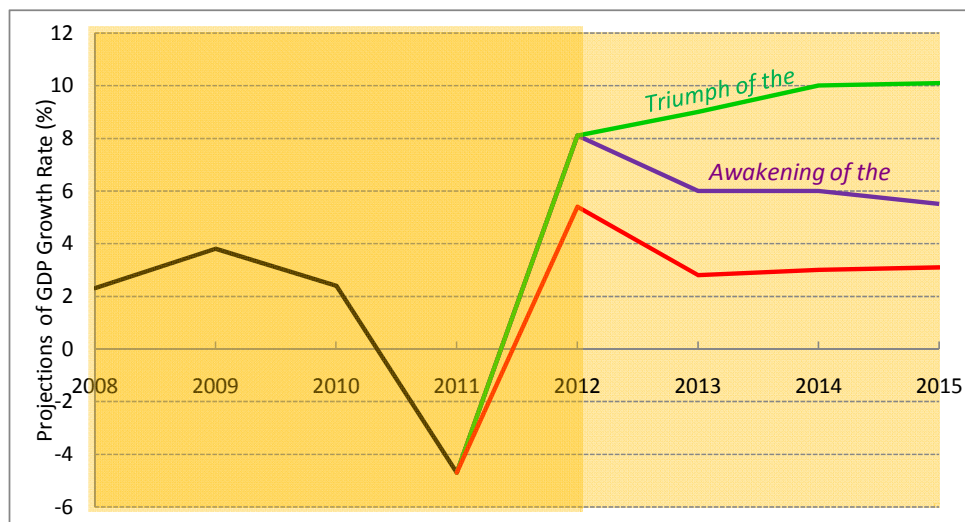
Sectors per Strategic Outcome	Percentage (%)	Programming				Cost of Financing 2012-2015
		2012	2013	2014	2015	
PTIC	1.46%	52,263	23,153	49,418	36,567	161,401
Mining	5.50%	94,231	112,488	147,954	253,983	608,656
Energy	5.51%	96,418	107,343	178,650	227,650	610,060
Hydrocarbons	5.62%	96,183	96,301	123,010	307,185	622,679
Industry and SMEs	6.08%	107,301	167,186	187,222	211,953	673,661
Trade	1.68%	27,139	33,748	55,005	69,868	185,759
Tourism	0.27%	9,796	5,081	8,501	6,314	29,693
Craft Industry	0.43%	1,097	11,898	16,036	18,483	47,515
Scientific Research	0.76%	12,582	15,274	25,013	31,838	84,706
<i>Outcome 3: the people, particularly women, children and other vulnerable groups, have access to quality and equitable social services</i>	14.58%	210,424	332,747	521,193	550,478	1,614,841
Education	2.62%	42,423	52,754	85,984	109,217	290,378
Health	5.36%	84,342	128,190	200,073	181,466	594,072
Culture	0.57%	2,017	16,420	32,135	12,322	62,894
Technical Education	1.54%	25,055	31,098	50,691	64,010	170,855
Higher Education	2.29%	37,127	46,168	75,249	95,582	254,126
Employment	1.06%	9,815	25,372	37,158	44,842	117,186
Youth, Sports and Leisure	0.72%	3,648	23,843	26,163	25,894	79,547

Sectors per Strategic Outcome	Percentage (%)	Programming				Cost of Financing 2012-2015
		2012	2013	2014	2015	
Social Welfare	0.30%	4,281	6,242	9,856	12,358	32,737
Population-Migration	0.02%	113	669	639	666	2,088
Gender, Family, Women and Children	0.10%	1,602	1,991	3,245	4,122	10,960
<i>Outcome 4: the people live in a healthy environment and enjoy an adequate quality of life</i>	9.37%	72,416	312,244	333,739	319,081	1,037,480
Drinking water	1.69%	12,439	66,249	62,447	45,731	186,866
Public Health	0.29%	4,866	7,898	9,116	10,278	32,159
Sanitation	1.47%	2,461	48,807	62,651	49,379	163,298
Urbanisation/ Housing	5.10%	47,589	160,671	167,339	189,600	565,199
Environment and Sustainable Development	0.39%	3,707	12,560	12,388	14,716	43,370
Water and Forestry	0.42%	1,354	16,058	19,798	9,378	46,588
<i>Outcome 5: the repositioning of Cote d'Ivoire on the regional and international scene is effective</i>	1.77%	2,988	66,678	64,963	61,277	195,906
International Cooperation	1.77%	2,988	66,678	64,963	61,277	195,906
including Foreign Affairs	1.22%	1,842	42,390	43,440	47,176	134,848
including African Integration	0.55%	1,146	24,288	21,523	14,101	61,058
Margin of Stabilisation	0.88%	0	24,639	34,530	39,147	98,317

V. MACRO-ECONOMIC FRAMEWORK

This chapter outlines three scenarios: the Awakening of the Elephant, the Triumph of the Elephant and the Failed Departure of the Elephant. The scenario retained for the 2012-2015 NDP is the Triumph of the Elephant.

Graph 8: Trends of the GDP Growth Rate per Scenario



Sources: MEF/DCPE, MEMPD/DGPLP

• **Awakening of the Elephant**

At the end of the post-election crisis, which lasted from December 2010 to April 2011, Côte d'Ivoire quickly embarked on an economic recovery programme and the normalization of the socio-political situation. This recovery programme, which is based on investments, particularly through the re-launch of major public works, should lead the country onto the path of sustainable growth and poverty reduction. The economic and financial prospects for the years to come take inspiration from the macro-economic framework concluded with the IMF in November, 2011.

The rate of growth of real GDP is expected to stand at 8.1% in 2012. However, this strong progression is expected to slow down in the subsequent years, with an average rate of 6%. This economic performance will result from the improvement of activities in the primary, secondary and tertiary sectors. Indeed, for the period 2012-2014, these sectors are expected to record annual average growth rates of 3.2%, 9.6% and 9.8% respectively. The average investment rate will reach 13.9% over the period 2012-2015.

In the area of **public finance**, the Government expects to achieve a medium term primary budget surplus of 0.7% of GDP in 2012. The Debt Sustainability Analysis (AVD) for external financing restates the assumptions on new financing of the June, 2011 analysis to make up for the increased investment needs and the projected growth rate. In this scenario, only concessionary

loans are considered before the attainment of the completion point of the HIPC initiative. Grants are expected to stabilize at 1.0% of GDP.

The current external balance (less official transfers) is expected to drop from a surplus of 0.4% of GDP in 2010 to a deficit of 5.3% of GDP in 2015. After a contraction in 2010, the volume of exports is expected to reduce further in 2011, and then increase by an average of 5.7% per year subsequently. The volume of imports is expected to increase at an annual rate of 6.2% after a drop in 2010 and is expected to drop further in 2011. The import dynamics particularly reflect the increase in the levels of investments.

The servicing of due debts and arrears to traditional bilateral creditors and commercial creditors is supposed to be restructured in 2012. Foreign Direct Investments will progressively increase over the projected period due to structural rigidity. According to projections, net FDI inflows are expected to increase from 1.5% of GDP in 2010 to 2.9% in 2015.

- **Triumph of the Elephant**

The Government has initiated an ambitious economic recovery programme to respond to the social demand caused by several decades of crisis. To this end, a scenario entitled "Triumph of the Elephant" was developed. This scenario is based on the vision of the authorities which is to bring the country back onto the track of vigorous, inclusive and sustainable growth to make Côte d'Ivoire an emerging country by the year 2020. This ambition calls for the enhancement of the safety of goods and persons throughout the country, the consolidation of political and social stability, and the implementation of a massive investment programme capable of giving impetus to a dynamics of strong, sustained and inclusive growth to create employment and reduce poverty.

It is undeniable that the success of such a programme supposes the implementation of a set of structural reforms, particularly a better targeting of expenditure, improvement in the quality of investments and the effectiveness of expenditure. Moreover, the improvement of governance, reduction in the vulnerability of the financial system, strengthening of the competitiveness of the economy and support to private investments through the creation of one of the best business climates in Africa are the strong assumptions which justify the proactive scenario.

GDP growth rate in constant terms: the expected growth of the National Development Plan (2012-2015 NDP) projects a level of investment in the region of FCFA 11. 076 billion, including about 4 579.4 billion for the public sector. Thus, economic growth is expected to stand at 8.1% in 2012, 9% in 2013 and followed by an average rate of about 10% between 2014 and 2015.

The performance of the Ivorian economy over the 2013-2015 period is carried along by the growth of the primary, secondary and tertiary sectors. Indeed, over the period, these sectors recorded average annual growth rates of about 5.4%, 12.3% and 13.4% respectively.

The **primary sector** recorded an average growth rate of 5.4% over the 2013-2015 period, due to the good trends of all its components.

The **secondary sector** is expected to grow by an average of 12.3% between 2013 and 2015 due to the dynamism of the public works and civil engineering, agri-food, petroleum and energy sectors in relation to the upturn of demand.

The **tertiary sector** will grow at a sustained average rate of 13.4% over the 2013-2015 period due to the dynamism of all its components. This growth can be explained by the average performance of transport (12.7%), telecommunications (7%), trade (11.1%), services (14.78%) as well as duties and taxes (18.97%).

All the components of demand will witness a progression. Indeed, final consumption will record an average growth of 8.4% linked to the dynamics of household consumption (8.1%) and public consumption (9%). Investments will increase substantially. Thus, the investment rate will increase from 12.1% in 2012 to 23.5% in 2015. The NDP projects public investment growth at 23.1% between 2013 and 2015. With regard to private investment, it is expected to record an average of 37.1%. This increase can be explained by the re-launch of major State projects and the regain of confidence on the part of economic operators.

Imports are expected to increase, particularly in connection with needs in the area of equipment, inputs and intermediate goods, in relation to the increase in economic activity and will stand at 15.73% over the period. Exports are expected to grow at an average of 9.4% between 2013 and 2015, due to the increase in the production of export crops and subsistence farming.

With regard to prices, inflation is expected to stand at 2.3% in 2012 in relation to the change in the structure of the prices of petroleum products and the increase in electricity tariffs. However, for the 2013-2015 period, inflation will be contained under the community standard, particularly as a result of the good performance of food production, actions to fight against racketeering and anti-trust measures.

Public Finance: this scenario projects a level of investment of CFA franc 4,579.6 billion over the 2012-2015 period. The growth induced by this investment program is expected to have a significant impact on public finance. Thus, the rate of public levy is expected to increase from 18.6% in 2012 to 20.5% in 2013, 21.5% in 2014 and 22.5% in 2015. Similarly, the rate of fiscal pressure is expected to increase steadily from 16.1% of GDP in 2012 to 18% in 2013, 19% in 2014 and 20% in 2015.

- **Failed Take-off of the Elephant**

This scenario drew from the assumption that Côte d'Ivoire will not attain the completion point in 2012 and will, therefore, not enjoy debt relief. The return to political normalcy will be slow, and projected investments as well as all the economic growth objectives will be reduced.

The disputes arising out of the local elections ushered in a deleterious atmosphere, thus hindering the normalization of the socio-political situation. Besides, the resurgence of conflicts inherent in the poor cohabitation of the people and the armed men undermined the restoration of security and peace. This resulted in a slowdown in the reconciliation process. The wait-and-see attitude of the economic operators would intensify. From this perspective, the economic prospects will bank on a real GDP growth rate of 5.4% in 2012 and an average of 2.9% over the 2013-2015 period.

The growth rate of the Gross Domestic Product is expected to stand at 5.4% in 2012 after a decline of -5.8% in 2011. However, the fall in the GDP growth rate to 2.8% in 2013 will be followed by a slight rise to 3.0% and 3.1%, in 2014 and 2015 respectively. This poor performance will result in a decrease in the activities of the primary, secondary and tertiary sectors. Indeed,

over the 2012-2015 period, these sectors are expected to record annual average growth rates of 2.7%, 4.2% and 4.3%, respectively.

All the components of demand will undergo huge cutbacks from 2013 onwards. Driven by its public and private components, final consumption will grow at a rate of 7.4% in 2012 before falling to 4.4% in 2015. Investments will drop from 12.7% in 2012 to 5% in 2015, with a more pronounced effect for private investments. Exports will grow at a very slow pace, i.e. less than 3% over the entire period. On the other hand, imports will be maintained at a high level with a growth rate of 9.2%.

With regard to public finance, despite the increase in fiscal revenue from CFA franc 2,048 billion in 2012 to CFA franc 2,515 billion in 2015, it will only account for an average of 17% of GDP over the entire period, while non-fiscal revenue is expected to stagnate. Thus, efforts to improve the administration of fiscal revenue will not reach their objective. In addition, current expenditure will grow over the 2012-2015 period. Specifically, the wage bill will grow at a constant rate, i.e. about 50 billion more for each year over the period. It will increase from 843 billion in 2012 to 1,036 billion in 2015, with an average proportion which would run the risk of exceeding 7% of GDP. Projected public investment expenditure will be low. It will stand at CFA franc 400 billion (3.3% of GDP) in 2012 and increase to 551.5 billion (3.73% of GDP) in 2015.

Economic Policy Implications

After more than a decade of socio-political crisis, the country needs strong and inclusive growth to create jobs, meet the strong social demand and improve the well-being of the people. The ambition of the Government is to quickly bring the country back onto the track of robust and sustainable growth with the implementation of an ambitious, but, realistic investment program. A rigorous selection of investment projects will be carried out in conformity with the identified “growth engines”. With regard to economic policy implications, the success of such a program supposes the meeting of a whole set of prior necessary requirements:

- **Consolidation of Peace and Normalization of Socio-political Life**

The return of confidence and the attractiveness of the country to investors require the creation of an environment conducive to development. That is why measures will continue to be taken in order to strengthen the security of goods and people throughout the country and to consolidate social and political stability. In this regard, the completion of the electoral process, social cohesion, national reconciliation and the normalization of political life are fundamental determinants for the consolidation of a climate of sustainable peace favourable to the implementation of development options.

In this context, it is important that basic infrastructure in the areas of education, health, water, transport and sanitation should be restored or rehabilitated in order to facilitate the return of displaced people, while at the same time stabilizing and securing those who remained behind.

- **Business Climate Improvement and Competitiveness of the Economy**

Structural reforms in the business climate are of primary importance for the stimulation of investments in the secondary and tertiary sectors. Reforms aimed at improving the competitiveness of the economy should, among other things, include improvement in economic

governance, the reform of public enterprises, the reforms of the land registry and the judicial system, the adoption of a new investment code and a new law on competition, as well as the establishment of a single window for commercial formalities and a centre to facilitate business development. Similarly, and as a matter of urgency, the pursuit of the rehabilitation of infrastructure in the transport and energy sectors, as well as the ease of road transport, should contribute to the reduction of transaction costs and the strengthening of the competitiveness of the economy.

In addition, it appears that it is essential that before the investment program is embarked upon, various studies should be conducted on sectors or areas which have a ripple effect on the rest of the economy. In this regard, a study in the agro-industry field, particularly the areas in which the processing of raw materials leads to positive value addition, should be carried out.

- **Strengthening of Democratic, Administrative, Economic and Judicial Governance**

In order to strengthen governance, the State will need to speed up the various administrative and institutional reforms, fight effectively against corruption and impunity in the management of public resources, and establish the rule of law.

- **Attainment of the Completion Point**

The attainment of the completion point of the HIPC initiative requires the attainment of certain triggers, particularly in the cocoa-coffee sector, and the satisfactory implementation of poverty reduction activities. Besides, the Government must see to the maintenance of macro-economic stability, as well as the sound management of public finances and debt. Similarly, the Government will continue to resolutely introduce its structural reform program, particularly in the agricultural, mining, energy, industrial and financial sectors.

- **Maintaining the Focus on Debt Sustainability**

As shown by the accumulation of its foreign debt servicing arrears, Côte d'Ivoire is over-indebted. Indeed, if current trends are maintained, the foreign debt sustainability analysis (AVD) shows that the debt/GDP present value, present debt/export value and the present debt/public revenue value ratios should remain higher than their respective indicative thresholds in the years ahead.

However, on the assumption of full relief under the HIPC and IADM initiatives upon passing the completion point, and beyond the HIPC relief after the attainment of the completion point, the level of indebtedness should be sustainable and all the indicators will improve significantly. With the factoring in of the domestic debt, the debt indicators are slightly deteriorating, but do not fundamentally change the evaluation.

To maintain foreign debt sustainability, **Côte d'Ivoire will continue to implement prudent policies in the area of public finance and public debt management by borrowing on concessionary terms.**

- **Public Finance Reform**

The improvement in budget strategic planning is essential for the strengthening of public finance management. In this perspective, a better targeting of expenditure, as well as an improvement in the quality of investments and the effectiveness of expenditure, are essential. Thus, the

Government will pursue the implementation of the reform plan in accordance with the diagnosis and the evaluation of the implementation of the PEMFAR, namely: (i) enhancement of legal and institutional framework of the public finance management system; (ii) strengthening of transparency in public finance management; (iii) optimization of resource allocation; (iv) strengthening of budgetary discipline; (v) improvement in the traceability and control of budgetary implementation; (vi) development of accountability mechanisms; (vii) enhance of the legislative and regulatory framework for public contracts; (viii) strengthening of the institutional framework for public contracts, and (ix) strengthening of the operational framework for public contracts.

Furthermore, the decentralization of the procurement process, just like the budgetary management and disbursement procedures in particular, will contribute to strengthening the quality of expenditure, supply of services and absorption capacity.

In addition, any increase in public investments supposes a strengthening of the mobilization of internal resources. This activity aims at broadening the budgetary base by strengthening revenue administration, streamlining exemptions and optimizing the fiscal potential. The Government will ensure the optimization of this fiscal potential through good quality supply of public goods and services and through reforms aimed at reducing the social cost of taxes.

- **Reform of the Financial and Banking System**

The reform of the financial and banking system aims at reducing its vulnerability in dealing with adverse shocks. The reform project has to do with: (i) deepening the financial system, (ii) defining the role of the State, (iii) restructuring public banks in deficit, (iv) broadening access to financial services, (v) reforming the micro-finance institutions, (vi) improving the sustainability of pension funds, and (vii) introducing a support policy for banking institutions in the form of guarantees for the facilitation of credits to SMEs.

- **Strengthening of Institutional Management and Absorption Capacities**

The Government intends to lay emphasis on investments in order to boost the economy. To this end, the possible bottlenecks to be removed have to do with the capacity of the Public Service to handle cases promptly and effectively. They also have to do with the overall absorption capacity both at the level of public and private sectors. From this perspective, the capacity of the department responsible for contracting and monitoring public contracts will be strengthened. At the central and local levels, the capacity and the principle of accountability of the public service will be strengthened to further enable them to formulate, implement, monitor and evaluate development programs/projects.

Besides, it is essential to identify, before the end of the first quarter of 2012, the individuals that can implement future public contracts. Downstream, a support and upgrading policy of enterprises is imperative. It is also necessary to identify transmission channels, production niches in which public investment ripple effects on private investments are the most rapid and the highest. It is also necessary to motivate banks to "do more at less cost" in the area of credit to the private sector and to encourage SMEs to contribute to the execution of public contracts through sub-contracting.

- **Improvement in Productivity and Increase in Agricultural Revenues**

The levels of production projected in the NDP have the following implications for the agricultural sector: (i) increase in agricultural productivity in line with the modernization of farming practices; (ii) effective organization of the agricultural sectors through the strengthening of the involvement of grassroots organizations and the protection of the interests of producers, and (iii) promotion of food production by guaranteeing conditions for storage and financing and by improving the marketing channels.

In this regard, the rehabilitation and/or recapitalization of the productive potential of the population, with a view to ensuring food security, are indispensable in the dynamics of post-crisis reconstruction and development boosting.

- **Strengthening the National Statistical Apparatus**

The strengthening of the National Statistical Apparatus is essential for the formulation, implementation and monitoring of actions in the NDP. The statistical apparatus should ensure that impact studies are carried out for the sectoral policies for a better formulation of the 2016-2020 NDP.

VI. OVERALL COST OF THE 2012-2015 NDP

The total cost of investments (public and private) of the 2012-2015 PND arising out of the proactive scenario, “the Triumph of the Elephant”, stands at 11,076 billion for the 2012-2015 period and includes:

- 9.56% of investments in order to enable the people to live in harmony in a secured society where good governance is ensured. The sectors concerned are Peace, Social Cohesion, Defence, Security, Justice, Rule of Law, Administrative and Economic Governance, as well as Communication;
- 63.82% to support the national wealth creation sectors. The sectors concerned are Agriculture, Economic and Transport Infrastructure, Post and ICT, Mining, Energy, Hydrocarbons, Industry, SMEs, Trade, Tourism, Craft Industry and Scientific Research;
- 14.58% to improve access to quality social services by the people through Education, Health, Culture, Technical and Higher Education, Employment, Sports and Leisure, Social Welfare, pro-Gender activities, Family, Women and Children;
- 9.37% of investments to enable the people to live in a healthy environment and to enjoy adequate living conditions. The sectors which will ensure that this objective is met are Drinking water, Sanitation, Cleanliness, Urbanization/Housing, Environment, Sustainable Development, as well as Water and Forestry; and
- 1.77% to strengthen international cooperation in order to reposition Côte d’Ivoire on the regional and international scene.

VII. FINANCING STRATEGY

The macroeconomic and budgetary framework makes provision for a financial package and a projected financing plan of the investment program contained in the National Development Plan.

The total cost required for the implementation of the NDP stands at CFA franc 11,076 billion, including about 4,579.6 billion for the public sector. The average annual cost stands at CFA franc 2,769.0 billion, against an annual financing mobilization capacity of CFA franc 579.63 billion.

There is need for an overall financing of CFA franc 2,501.1 billion, which will be topped up through additional project grants and loans, as well as the issuance of public bonds (bond loans), without compromising debt sustainability.

Table 1: Diagram on the Projected Financing of the 2012-2015 NDP (in billions of CFA franc)

HEADING	2012	2013	2014	2015	TOTAL	AVERAGE
Total Cost of Investments	1,520.9	2,263.3	3,129.5	4,162.3	11,076	2,769.0
Current revenues	2342.6	2873.1	3386.3	3985.9	12587.8	3,147
Current Expenditure	2005.5	2130.8	2333.5	2552.6	9022.5	2,256
Public Investments (A)	676.4	1000	1291.2	1612	4,579.6	1,145
Financing obtained for public investments (B)	675.9	110.1	518.0	774.5	2,078.5	519.63
Coverage Rate of Public Investments (%)	99.9	11.0	40.1	48.0	45.39	45.38
Public Financing Needs (C= B-A)	-0.5	-889.9	-773.2	-837.5	-2,501.1	-625.3
Private Financing	844.5	1,263.3	1,838.3	2,550.3	6,496.4	1,624.1

Sources: MEMPD/ DGPLP, MEF/ DCPE

The 2012-2015 NDP restates the assumptions on new financing to support the increased investment requirements and the projected growth rate. With the return to normalcy, the country can fall on its traditional partners for financing and could go on to apply for financing from non-traditional sources. With the prospect of reaching completion point, coupled with the restructuring of debts owed to bilateral and commercial creditors in 2012, Foreign Direct Investments (FDIs) are expected to increase steadily with the return of confidence and the improvement of the competitiveness of the economy over the projected period.

Investments are expected to be financed through a broadening of the internal budget space, particularly the optimization of the fiscal potential, deepening of the financial system, issuance of treasury bills and bonds on the regional financial market, rationalization of public expenditure, resources released within the framework of the attainment of the completion point of the HIPC initiative, Debt Reducing and Development Contracts (C2D), private financing (including non-traditional sources), public-private partnerships, as well as support from bilateral and multilateral cooperation.

Besides, loans should be contracted on concessionary terms (interest rates and due dates) and channelled into the productive sectors and infrastructure. The volume of debts contracted would

conform to the ratios of debt viability and sustainability. Partners whose loan terms are very soft and flexible could be favoured in the financing strategy.

VIII. IMPLEMENTATION OF THE 2012-2015 NDP

The institutional monitoring framework for the implementation of the 2012-2015 NDP includes the following five (5) organs: (i) National Monitoring Council (NMC); (ii) Supervision Committee (SC); (iii) Technical Secretariat (TS); (iv) Sectoral Coordination Units (SCU), and (v) District Committees (DC).

National Monitoring Council (NMC)²

The NMC is the decision-making organ of the 2012-2015 NDP. It is chaired by the Prime Minister. The Minister responsible for Planning and Development serves as the Vice-Chairman.

The NMC has the following terms of reference: (i) to define the strategic thrusts of the 2012-2015 NDP; (ii) to approve the annual plan for the implementation of the 2012-2015 NDP; (iii) to ensure the alignment of the national budget with the 2012-2015 NDP; (iv) to approve the annual follow-up report on the implementation of the 2012-2015 NDP, and (v) to ensure, as a last resort, the necessary arbitration for the implementation of the 2012-2015 NDP.

The Secretariat of the NMC is provided by the President of the Supervision Committee, who is assisted by the Technical Secretary of the 2012-2015 NDP.

To ensure continuous dialogue between the NMC and the Technical and Financial Partners, a Steering Committee has been set up to: (i) ensure that Government can interface with development partners; (ii) facilitate the mobilization of financial and technical resources; (iii) promote the coordination and harmonization of the interventions of the various stakeholders, and (iv) monitor cooperation activities as part of the management of public development assistance.

Supervision Committee (SC)

The Supervision Committee monitors the activities of the Technical Secretariat of the NDP, serves as a framework for inter-sectoral consultations and reports to the NMC.

The Supervision Committee has the following terms of reference: (i) to study the annual plan for the implementation of the NDP; (ii) to study the alignment of the national budget with the NDP; (iii) to study the work plan of the Technical Secretariat; (iv) to study the annual follow-up report on the implementation of the NDP; (v) to provide the necessary operational and technical arbitration to ensure consistency between sectoral plans and the activities of the NDP, and (vi) to report to the NMC.

The Supervision Committee is chaired by the principal private secretary of the minister responsible for Planning and Development, who is assisted by the principal private secretary of the minister responsible for Economy and Finance and the principal private secretary of the Minister of Territorial Administration.

The Supervision Committee meets at least once a quarter. The Secretariat of the committee is provided by the Technical Secretary of the NDP.

Technical Secretariat (TS)

The Technical Secretariat is provided by the Director-General of Planning and Poverty Reduction. It is the technical and operational organ for the monitoring of the implementation of the NDP. It reports to the SC.

It is in charge of: (i) monitor the implementation of the NDP; (ii) prepare the annual plan for the implementation of the NDP; (iii) take part in the preparation of the national budget to ensure that the activities of the NDP are taken into account; (iv) coordinate the activities of the District Committees and Sectoral Coordination Units; (v) prepare the half-yearly and annual follow-up reports on the implementation of the NDP; (vi) monitor the mobilization of resources for the financing of the NDP; (vii) coordinate the plans for the strengthening of the capacity of the District Committees and Sectoral Coordination Units; (viii) ensure the communication and dissemination of information relating to the NDP; (ix) make preparations for the meetings of the Supervision Committee; (x) coordinate the half-yearly and annual reviews, the mid-term review (at the end of the second year) and the final review of the NDP; (xi) harmonize the cooperation and intervention frameworks of development partners, and (xii) prepare future NDPs.

Sectoral Coordination Units

The Sectoral Coordination Units are the focal structures of the NDP in their respective ministries. They report to the Technical Secretariat. Each focal SCU is headed by a Coordinator who holds a high position in his ministry and has proven abilities in planning, programming and monitoring/evaluation.

The sectoral coordinators are responsible for the monitoring of the implementation of the aspect of the NDP, which falls within the remit of their ministries. They take part in the preparation of the annual plan for the implementation of the NDP. They report on their activities to the Technical Secretariat.

District Committees (DC)

District Committees have been set up in each district. They ensure that dialogue is strengthened and serve as the framework for consultations between the various stakeholders at the local level. They report to the Technical Secretariat. They are chaired by the District Governors. The Secretariat of these DCs is provided by the Regional Directorate of the ministry responsible for Planning and Development. The DCs meet each quarter upon the invitation of the District Governor.

Their terms of reference at the local level are as follows: (i) check the implementation of projects/programs and monitor the trends of the indicators of the outcomes of the NDP; (ii) discuss and give opinions and recommendations on the implementation of the NDP; (iii) prepare the annual work plans of the NDP consistently with development plans, and (iv) draft the reports on the implementation of the NDP.

Monitoring-the Evaluation System

For its implementation, the NDP relies on a monitoring-evaluation system which issues from the Results-Based Management (RBM) principles. The monitoring of the implementation of the NDP

ensures that information is obtained on the level of progress of the development indicators in relation to expected outcomes.

Beyond regular monitoring, the NDP will be subject to independent evaluations, which will ensure the overall performance of projects/programs implemented by the stakeholders. To this end, a schedule of these evaluations will be prepared by the Technical Secretariat.

Requirements for Success

The NDP is a strategy document whose effective implementation will ensure that the foundations of Côte d'Ivoire as an emerging country are laid by 2020. The success of its implementation will mainly depend on the ability of Government to implement planned actions to this effect. To overcome this challenge, several conditions must be met. Among others, mention can be made of social cohesion, socio-political stability, political commitment at the highest level, attainment of the completion point, strengthening of the role of strategic planning in the process, improvement in the organic framework of Government, mobilization of supplementary resources and ownership of the NDP by all.

Regarding social cohesion and socio-political stability, Government must take all necessary measures for the successful conduct of the national reconciliation process, completion of the electoral process, normalization of political life and strengthening of the safety of goods and people throughout the country.

Political commitment at the highest level for NDP implementation is necessary for its success.

With regard to the attainment of the completion point, the authorities must ensure the attainment of the triggers, particularly the preparation of the follow-up report on the implementation of the 2009-2011 Poverty Reduction Strategy and the pursuit of key structural reforms.

Furthermore, **the role of strategic planning** in the country's development process must be strengthened through the consolidation of economic forecasting, planning, programming, budgeting and the monitoring-evaluation chain.

The improvement in the organic framework through a standard configuration of the composition of a Government made up of a limited number of appointees, as well as a precise and fixed designation of government departments, should strengthen institutional stability, reduce conflicts of jurisdiction and deepen the effectiveness of Government activities.

With regard to the mobilization of supplementary resources, the Government must establish a framework for political dialogue and resource mobilization for financing the NDP right from its adoption.

With regard to the international environment, Côte d'Ivoire's economy is open to the rest of the world and strongly depends on investments and commercial exchanges with the advanced countries for financing its development. Besides, Côte d'Ivoire, just like many developing countries, could be affected by the crises being witnessed by developed countries, particularly those in Europe. The potential areas where they can be affected are Finance, Trade, Foreign Direct Investment and Official Development Assistance (ODA). All these areas, coupled with the

contraction of world demand, plus the strong resilience capacity of the economy, might reduce the ability of the authorities to mobilize resources in order to finance investments of the NDP.

Finally, ***ownership of the NDP by all*** is an essential requirement for the success of its implementation. In this perspective, a communication and dissemination strategy must be formulated and implemented in order to guarantee participation, responsibility, accountability and transparency.

Communication and Dissemination Strategy

The effective involvement of all stakeholders and beneficiaries of the implementation of the NDP remains a major challenge for the attainment of the expected strategic outcomes. To this end, it is essential to involve the people in the implementation and evaluation of activities under the NDP. Thus, the main expected outcome of the communication strategy is that “stakeholders appropriate the NDP, and fully play their roles in its implementation”. This impact implies the attainment of the following three intermediary outcomes: (i) stakeholders understand the subject and contents of the NDP; (ii) people have access to information on the implementation of the NDP; (iii) stakeholders are actively involved in the NDP implementation process.

The communication strategy for implementing the NDP targets various types of homogenous groups, namely: media, leaders of civil society organizations, experts in central and decentralized administration, leaders of decentralized communities, technical and financial partners, communities in the Diaspora and potential national and international investors.

The support and involvement of the population, who are the beneficiaries of the actions proposed in the NDP, are essential for the success of the process. Regular and intensive communication targeted at them will facilitate the implementation of the NDP.

Thus, workshops and seminars are good aids to reach these stakeholders. Preference will also be given to local communication as an effective means for community leaders. Finally, it will be advisable to ensure that civil society organizations participate in all stages of the monitoring and evaluation of the NDP.

Through workshops and seminars, representatives of the State and local elected officials must appropriate the objectives and methodology of the NDP. That way, they can have a better understanding of their responsibilities and participate effectively in all the stages of its implementation and evaluation.

Communication for the benefit of international organizations and diplomatic circles will consist in requesting their support and advice and informing them of the use of resources put at the disposal of the country. This will be done through regular meetings and/or the provision of documents, particularly information briefs, activity reports, etc.

With regard to women and the youth, who are a priority target of the NDP, communication techniques include local communication, dissemination of information, women and youth meetings or women and youth associations and workshops for the training or recruitment of peer teachers. This can be done through economic, social, cultural and political groups who are interested in specific issues relating to women and youth.

With regard to the communities in the Diaspora, preference will be given to meetings, informal round table sessions, dissemination of written materials and Internet communications. Finally, the presentation and audiovisual media will be effective means to reach most of the people.

With the prospect of implementing the communication strategy, an operational plan will be formulated. This plan will fine-tune the stratification of the targets and identify specific messages for each of them. Similarly, the communication channels and aids to be used as well as the activities to be carried out and the schedule of these activities will be explained in detail. Moreover, specific information will be provided on the monitoring-evaluation mechanism and the total cost of the implementation of the communication strategy.