

## Newsletter – May 2024



*The Minister of Finance and Budget, Adama Coulibaly, on Tuesday 21 May 2024 in Abidjan-Plateau at the opening of the seminar to present the Medium-Term Revenue Mobilisation Strategy 2024-2028.*

### Today's headlines...

1. **Côte d'Ivoire's credit rating outlook has been upgraded by S&P, from stable to positive**
2. **Discovery of the largest gold deposit in Côte d'Ivoire by Canadian group Montage Gold**
3. **An investment of € 178m to support industrial diversification funded by the ADB, AGTF and the Ivorian State**
4. **The United Nations has allocated over \$ 175m in Côte d'Ivoire in 2023**
5. **The Ivorian Prime Minister encouraged foreign investors to increase their investments in Côte d'Ivoire during the Africa CEO Forum 2024 in Kigali**
6. **The Government raises XOF 10bn to finance phase II of the construction of the grain terminal at the Autonomous Port of Abidjan**

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## **1. Côte d'Ivoire's credit rating outlook has been upgraded by S&P, from stable to positive**

**On May 17, 2024, the international credit rating agency S&P upgraded the outlook on its credit rating of the Republic of Côte d'Ivoire from BB- (Stable Outlook) to BB- (Positive Outlook).** This perspective means that there is a greater possibility that the country's credit rating will be upgraded in the next 12 to 24 months.

**This decision, which follows Moody's credit rating upgrade in March 2024 (from Ba3 to Ba2),** reflects S&P's acknowledgement of Côte d'Ivoire's excellent economic, political and social achievements over the past decade, as well as the agency's strong confidence in the government's short- and medium-term reform agenda.

**S&P highlighted several key factors supporting its decision.** The agency cited the excellent progress made in terms of fiscal consolidation and the credibility of the measures planned to reach a fiscal deficit of 3% of GDP by 2026. It also underlined the Republic's strong growth prospects, estimated at 6.5% by 2026, fostered by increasing economic diversification as well as sound relations with international donors.

**S&P also praised the government's proactive management of public debt, as illustrated by the Republic's January 22 bond issue.** Côte d'Ivoire reopened the international bond market for sub-Saharan African sovereigns, after an absence of two years. As a result of an unprecedented mobilisation of international investors, with the order book peaking to over \$8bn, the Republic raised a record \$ 2.6bn via two bonds with maturities of 9 and 13 years respectively. S&P cited to the positive contribution of the deal to Côte d'Ivoire's public debt sustainability, as the proceeds were mainly allocated the refinancing of existing Eurobonds and to the prepayment of international bank loans.

**Pursuing its path towards emergence, Côte d'Ivoire now stands out as one of the most attractive countries on the continent,** demonstrating long-term prospects under its National Development Plan 2021-2025. Côte d'Ivoire is also rated by Moody's (Ba2, stable outlook) and Fitch (BB-, stable outlook).

## **2. Discovery of the largest gold deposit in Côte d'Ivoire by Canadian group Montage Gold**

**Canadian group Montage Gold announced on May 2nd 2024 the discovery of a major gold deposit in the north-west of Côte d'Ivoire.** The deposit's resources are estimated at 155 tonnes of gold, with an average grade of 0.72g/t, making it the largest deposit in the country. It has an estimated lifespan of 20 years.

**Construction of the mine will begin in 2024 with a target production start date in 2027, and will require XOF 400bn in financing.** The plant's processing capacity is expected to reach 11.0 million tonnes of ore, making it the third largest in West Africa.

**Côte d'Ivoire's gold production was expected to reach around 50 tonnes in 2023, and 55 tonnes in 2024.** This potential places the Republic at the 9th position in Africa and 22nd in the world. Nearly 174 mining licences were awarded between 2015 and 2022, 93% of them for gold mining.

## **3. An investment of € 178m to support industrial diversification funded by the ADB, AGTF and the Ivorian State**

**The Minister of Trade and Industry launched the Diversification, Industrial Acceleration, Competitiveness and Employment Programme (DAICE), amounting to € 178m (XOF 117bn).** The African Development Bank (AfDB) is providing 68% of the funds for the initiative, while the Africa Growing Together Fund (AGTF), co-financed by the People's Bank of China and the AfDB, is contributing 25%, with the Ivorian government providing the remainder.

**The programme aims to support investments in public goods needed for the development of the private sector.** It will contribute to reducing financing risks associated to SMEs and innovative start-ups and to promoting the green transition for the industrial sector. DAICE is designed to support priority areas of the National Development Plan (NDP) 2021-2025, namely (i) strengthening the competitiveness of key clusters as identified in the plan, (ii) improving access to funding for SMEs and (iii) supporting economic diversification and promoting private investment.

#### **4. The United Nations has allocated over \$ 175m in Côte d'Ivoire in 2023**

**Along with the publication of the third annual report of the Sustainable Development Cooperation Framework (SDCCF) 2021-2025, the UN announced that it had allocated over \$ 175m (c. XOF 105bn) in 2023** to support sustainable development in Côte d'Ivoire. Nearly 240 initiatives have benefited from the support of the UN, in collaboration with the Government of Côte d'Ivoire and international partners.

**These programmes have strengthened resilience to climate change and promoted employment opportunities for 2.4 million young people.** In particular, the UN has funded projects related to sustainable agriculture, industrialisation and access to social services.

#### **5. The Ivorian Prime Minister encouraged foreign investors to increase their investments in Côte d'Ivoire**

**During the Africa CEO Forum 2024 in Kigali, Ivorian Prime Minister Robert Beugré Mambé invited foreign investors to increase their exposure in Côte d'Ivoire.** He emphasised the Government's commitment to strengthening the private sector. He also underlined the country's economic strengths, in particular its agricultural and infrastructure assets, as well as its resilience.

**Meanwhile, Ministers Nialé Kaba and Souleymane Diarrassouba gave a presentation on investment opportunities,** focusing on the industrial sector and the agro-industry. They highlighted the economic reforms implemented by the Government, and the opportunities in agricultural products processing, illustrating the positive trend of the Ivorian economy.

#### **6. The Government raises XOF 10bn to finance phase II of the construction of the grain terminal at the Autonomous Port of Abidjan**

**The Government is raising XOF 10 bn to complete phase II of the construction of the Abidjan Autonomous Port's grain terminal.** These funds will be lent by the Japan International Cooperation Agency (JICA), according to a statement by government spokesperson Amadou Coulibaly on 22 May 2024 after a meeting of the Council of Ministers.

**The project will strengthen Côte d'Ivoire's competitiveness in foreign trade.** It involves the construction of a grain terminal, a storage area and facilities to increase handling capacity.

## Issuance calendar on the West African Monetary Union financial market

### Status of issues on the WAMU – April

Instrument	Date	Amount raised (M CFAF)	Subscription rate (%) <sup>1</sup>	Maturity	Coupon (%) <sup>2</sup>	Rate (%) <sup>3</sup>
BAT		7 737		12M	n.a.	7.08%
OAT	08/04/2024	18 529	121%	3Y	5.70%	7.59%
OAT		62 284		5Y	5.90%	7.35%
OAT		21 450		10Y	6.25%	7.41%
BAT	16/04/2024	33 000	208%	3M	n.a.	6.48%
BAT		41 379		3M	n.a.	6.55%
BAT	23/04/2024	21 550	119%	12M	n.a.	7.11%
OAT		14 312		3Y	5.70%	7.54%
OAT		11 588		15Y	n.a.	n.a.
BAT		4 005		6M	n.a.	6.93%
BAT		34 726		12M	n.a.	7.26%
OAT	30/04/2024	25 201	110%	3Y	5.70%	7.25%
OAT		265		5Y	5.90%	7.63%
OAT		5 929		10Y	n.a.	n.a.
<b>TOTAL BAT 2024</b>		<b>744 915</b>				
<b>TOTAL OAT 2024</b>		<b>273 037</b>				
<b>TOTAL 2024</b>		<b>1 017 951</b>				

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

### To continue the conversation ...

Do not hesitate to visit the website to consult the quarterly Public Debt Statistical Bulletin.  
If you have any questions or comments, please use the e-mail address [IR@tresor.gouv.ci](mailto:IR@tresor.gouv.ci)  
We will be happy to answer you.