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THE REPUBLIC OF CÔTE D'IVOIRE

US$1,000,000,000 6.375% Amortizing Notes due 2028

Issue Price 97.955%

Application has been made to the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority under the Luxembourg Law on Prospectuses of 10 July 2005, as amended, to approve this document as a prospectus. Application has been made to the Luxembourg Stock Exchange for the US$1,000,000,000 6.375% Amortizing Notes due 2028 (the "**Notes**") of the Republic of Côte d'Ivoire (the "**Issuer**", the "**Republic**" or "**Côte d'Ivoire**") to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (which is a regulated market for the purposes of Directive 2004/39/EC on Markets in Financial Instruments) and to be listed on the Official List of the Luxembourg Stock Exchange. For the avoidance of doubt, the CSSF gives no undertaking as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer in line with the provisions of Article 7(7) of the Luxembourg Law on Prospectuses of 10 July 2005, as amended.

The Notes will, unless previously redeemed or cancelled, be redeemed in three instalments of US$333,000,000 on March 3, 2026, US$333,000,000 on March 3, 2027 and US$334,000,000 on March 3, 2028 (the "**Maturity Date**"). See "*Terms and Conditions of the Notes—7. Redemption and Purchase*".

The Notes will bear interest on their outstanding principal amount from time to time from and including March 3, 2015 at the rate of 6.375% per annum payable semi-annually in arrear on March 3 and September 3 in each year. The first payment of interest on the Notes will be made on September 3, 2015 for the period from and including March 3, 2015 to but excluding September 3, 2015. Payments on the Notes will be made in US dollars without deduction for or on account of any Ivorian withholding taxes unless the withholding is required by law, in which case the Issuer will, subject to certain exceptions, pay additional amounts, if any, in respect of such taxes as described herein. See "*Terms and Conditions of the Notes—8. Taxation*".

The Notes have been rated B by Fitch Ratings Ltd. ("**Fitch**") and B1 by Moody's Investors Service Ltd. ("**Moody's**"). All references to Moody's and Fitch included in this document are to the entities as defined in this paragraph. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization. Each of Moody's and Fitch is established in the European Union (the "**EU**") and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the "**CRA Regulation**"). In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation, unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is pending.

An investment in the Notes involves certain risks. Prospective investors should consider the factors described in "Risk Factors" beginning on page 7.

The Notes have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes are being offered, sold or delivered: (a) in the United States only to qualified institutional buyers ("**qualified institutional buyers**") (as defined in Rule 144A under the Securities Act ("**Rule 144A**")) in reliance on, and in compliance with, Rule 144A; and (b) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act ("**Regulation S**"). Each purchaser of the Notes will be deemed to have made the representations described in "*United States Transfer Restrictions*" and is hereby notified that the offer and sale of Notes to it is being made in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A. In addition, until 40 days after the commencement of the offering, an offer or sale of any of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if the offer or sale is made otherwise than in accordance with Rule 144A.

Neither this Prospectus nor the Notes are required to be registered or cleared under the regulations of the West African Economic and Monetary Union (*Union Economique et Monétaire Ouest Africaine* or "**WAEMU"**) or Côte d'Ivoire financial regulations. Unless they are registered and authorized by the financial regulators of WAEMU and Côte d'Ivoire, the Notes cannot be issued, offered or sold in these jurisdictions.

The Notes sold in offshore transactions in reliance on Regulation S will be issued initially in the form of a registered global note certificate (the "**Unrestricted Global Note Certificate**"), which will be deposited outside the United States with a common depositary for Euroclear Bank SA/NV, having its registered address at 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**") and Clearstream Banking, société anonyme, having its registered address at 42 Avenue JF Kennedy L-1855 Luxembourg, Luxembourg ("**Clearstream, Luxembourg**") and registered in the name of a nominee for such common depositary. The Notes sold to qualified institutional buyers in reliance on Rule 144A will be issued initially in the form of a registered global note certificate (the "**Restricted Global Note Certificate**"), which will be deposited with Deutsche Bank Trust Company Americas acting as custodian of Depository Trust Company ("**DTC**"), and registered in the name of a nominee of DTC. The Unrestricted Global Note Certificate together with the Restricted Global Note Certificate are collectively referred to as the "**Global Note Certificates**". See "*Form of Notes*".

BNP Paribas, Citigroup Global Markets Limited and Deutsche Bank AG, London Branch (the "**Joint Lead Managers**") expect to deliver the Notes to purchasers in registered book entry form through the facilities of DTC, Euroclear and Clearstream, Luxembourg on or about March 3, 2015. See "*Subscription and Sale*".

Joint Lead Managers and Bookrunners

BNP Paribas **Citigroup** **Deutsche Bank**

The date of this Prospectus is March 2, 2015.

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RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

To the best of the knowledge and belief of the Issuer, the information contained in this Prospectus is true and accurate in every material respect and is not misleading in any material respect and this Prospectus, insofar as it concerns such matters, does not omit to state any material fact necessary to make such information not misleading. The opinions, assumptions, intentions, projections and forecasts expressed in this Prospectus with regard to the Issuer are honestly held by the Issuer, have been reached after considering all relevant circumstances and are based on reasonable assumptions.

IMPORTANT NOTICE

This Prospectus constitutes a prospectus for the purposes of Article 5.3 of the Directive 2003/71/EC (as amended, including by Directive 2010/73/EU, the "**Prospectus Directive**") and for the purposes of the Luxembourg Law on Prospectuses of 10 July 2005, as amended. No person has been authorized to give any information or to make any representation other than those contained in or consistent with this Prospectus in connection with the offering of the Notes (the "**Offering**") and, if given or made, such information or representations must not be relied upon as having been authorized by the Issuer or the Joint Lead Managers. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof. This document may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorized or is unlawful, including to persons in Côte d'Ivoire. See "*Subscription and Sale*".

Generally, investment in emerging markets such as Côte d'Ivoire is only suitable for sophisticated investors who fully appreciate the significance of the risks involved in, and are familiar with, investing in emerging markets. Investors are urged to consult their own legal and financial advisers before making an investment in the Notes.

Such risks include, but are not limited to, higher volatility and more limited liquidity in respect of the Notes, a narrow export base, budget deficits, lack of adequate infrastructure necessary to accelerate economic growth and changes in the political and economic environment. Emerging markets can also experience more instances of corruption by government officials and misuse of public funds than more mature markets, which could affect the ability of governments to meet their obligations under issued securities. See "*Risk Factors*".

Investors should also note that emerging markets such as Côte d'Ivoire are subject to rapid change and that the information set out in this Prospectus may become outdated relatively quickly.

Each potential purchaser of the Notes must determine the suitability of the investment in light of its own circumstances. In particular, each potential purchaser should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the resulting effect on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including any risk resulting from the currency of the Notes being different from the purchaser's functional currency;
- understand thoroughly the terms of the Notes and be familiar with financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) changes in economic conditions, interest rates and other factors that may affect its investment and its ability to bear the associated risks.

None of the Joint Lead Managers has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted

by the Joint Lead Managers as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes or their distribution.

This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Joint Lead Managers that any recipient of this Prospectus should purchase any of the Notes. Each investor contemplating purchasing Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the Offering constitutes an offer or invitation by or on behalf of the Issuer or any of the Joint Lead Managers to subscribe for or purchase any Notes.

Neither the delivery of this Prospectus nor the offering, sale or delivery of the Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Offering is correct as of any time subsequent to the date indicated in the document containing the same. The Joint Lead Managers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes or to advise any investor in the Notes of any information coming to their attention.

IN CONNECTION WITH THE ISSUE OF THE NOTES, DEUTSCHE BANK AG, LONDON BRANCH AS STABILIZING MANAGER (THE "**STABILIZING MANAGER**") (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) MAY OVERALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILIZING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILIZATION ACTION OR OVER ALLOTMENT SHALL BE CONDUCTED BY THE STABILIZING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

The Stabilizing Manager has acknowledged that the Issuer has not authorized the issuance of more than US$1,000,000,000 in aggregate principal amount of the Notes.

The Issuer is relying on an exemption from registration under the Securities Act. By purchasing the Notes, each purchaser will be deemed to have made the acknowledgements, representations, warranties and agreements described in "*United States Transfer Restrictions*" in this Prospectus. Each prospective investor should understand that it will be required to bear the financial risks of its investment.

The Issuer is not making any representation to any purchaser of the Notes regarding the legality of an investment in the Notes by such purchaser under any investment or similar laws or regulations, including those of Côte d'Ivoire. The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult with its own legal, business or tax adviser regarding an investment in the Notes.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions.

The Issuer and the Joint Lead Managers do not represent that this document may be lawfully distributed, or that any Notes may be lawfully offered, in any such jurisdiction or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Joint Lead Managers (save for the approval of this document as a prospectus by the CSSF) which is intended to permit a public offering of any Notes or distribution of this document in any jurisdiction (including Côte d'Ivoire) where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable securities laws and regulations. Persons into whose possession this Prospectus or any Notes come must inform themselves about and observe any such restrictions.

The Notes have not been registered with, recommended by or approved or disapproved by the US Securities and Exchange Commission (the "**SEC**") or any other federal or state securities commission in the United States nor

has the SEC or any other federal or state securities commission in the United States confirmed the accuracy or determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States. The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable US federal and state securities laws pursuant to an exemption from registration. See "*United States Transfer Restrictions*".

The Notes have not been registered with, recommended by or approved or disapproved by WAEMU nor has WAEMU confirmed the accuracy or determined the adequacy of this Prospectus.

This Prospectus is not for public distribution in the United States and is only being provided to a limited number of qualified institutional buyers for informational use solely in connection with the consideration of the purchase of the Notes. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421 B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, 1955, AS AMENDED ("**RSA**"), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421 B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE OR CAUSE TO BE MADE TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "projects", "expects", "intends", "may", "will", "seeks" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements are statements that are not historical facts and include statements about the Issuer's beliefs and expectations. These statements are based on current plans, estimates and projections and, therefore, undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made. Although the Issuer believes that the beliefs and expectations reflected in such forward- looking statements are reasonable, no assurance can be given that such beliefs and expectations will be realized.

Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results to differ materially from those expressed in any forward-looking statement. The information contained in this Prospectus identifies important factors that could cause such differences, including, but not limited to, the following adverse external factors, such as:

- changes in international commodity prices, particularly cocoa, foreign exchange rates or prevailing interest rates, which could adversely affect Côte d'Ivoire's balance of payments and external reserves;

- changes in the monetary policy applicable in WAEMU countries which could affect inflation and/or growth rates;

- recession, political unrest or low economic growth in Côte d'Ivoire's trading partners or, in the event that Côte d'Ivoire increases its reliance on external borrowings, changes in the terms on which international financial institutions provide financial assistance to Côte d'Ivoire or fund new or existing projects, which could decrease exports, adversely affect Côte d'Ivoire's economy and, indirectly, reduce tax and other public sector revenues, thereby adversely affecting Côte d'Ivoire's budget; or

- adverse events in other emerging market countries, which could dampen foreign investment or adversely affect the trading price of the Notes;

and the following adverse domestic factors, such as:

- political factors in Côte d'Ivoire and trade and political disputes between Côte d'Ivoire and its trading partners and other political factors in Côte d'Ivoire, which could affect the timing and structure of economic reforms, the climate for foreign direct investment and the pace, scale and timing of privatizations; or

- a decline in foreign direct investment, high domestic interest rates, exchange rate volatility or an increase in the level of domestic and external debt, which could lead to lower economic growth or a decrease in Côte d'Ivoire's international reserves.

The sections of this Prospectus entitled "*Risk Factors*", "*The Republic of Côte d'Ivoire*" and "*The Economy*" contain a more complete discussion of the factors that could adversely affect the Issuer. In light of these risks, uncertainties and assumptions, the forward-looking events described in this Prospectus may not occur.

The Issuer does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by law or applicable regulations. All subsequent written and oral forward-looking statements attributable to the Issuer or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

PRESENTATION OF ECONOMIC AND OTHER INFORMATION

Annual information presented in this Prospectus is based upon 1 January to 31 December periods (which is the fiscal year for the Issuer), unless otherwise indicated. Certain figures included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be the sum of the figures which precede them.

Statistical Information

Statistical information reported herein has been derived from official publications of, and information supplied by, a number of agencies and ministries of the Issuer and by the BCEAO. Some statistical information has also been derived from information publicly made available by the IMF, the World Bank, the WAEMU, and other third parties. Where information has been so sourced, the source is stated where it appears in this Prospectus. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Similar statistics may be obtainable from other sources, but the date of publication, underlying assumptions, methodology and, consequently, the resulting data may vary from source to source. In addition, statistics and data published by one ministry or agency of the Issuer may differ from similar statistics and data produced by other agencies or ministries due to differing underlying assumptions or methodology. Certain historical statistical information contained herein is provisional or otherwise based on estimates that the Issuer and/or its agencies believe to be based on reasonable assumptions. As described in respect of certain data below, the Issuer's official financial and economic statistics are subject to internal review as part of a regular validation process. Accordingly, financial and economic information may be subsequently adjusted or revised. While the Issuer does not expect revisions to be material, no assurance can be given that material changes will not be made.

The paragraphs below outline the methodologies and processes for preparing, validating and finalizing data with respect to macroeconomic, balance of payments, public debt and public finance figures.

Macroeconomic Data

Preparation of Estimates

Estimates of macroeconomic data for year N are prepared by the Ministry of Economy and Finance, acting through the General Directorate of the Economy, based on reference indicators (including the Harmonized Index of Industrial Production, the Harmonized Index of Consumer Prices and the Revenue Index of Retail Trade) and agricultural and mining production data (coffee, cocoa, gold, crude oil, etc.) made available by the relevant sectors during January and February of year N+1. Estimates for year N normally become available in March of year N+1 on the basis of data at the end of year N. These estimates are provided to the IMF and to the National Institute of Statistics (*Institut National de la Statistique* ("**INS**")) of Côte d'Ivoire. Until March of year N+1, all figures for year N represent forecasts made by the Ministry of Economy and Finance.

Preparation of Final National Accounts

The final national accounts are prepared by the INS based on the estimates prepared by the Ministry of Economy and Finance (as described above) and corporate financial data filed with the tax authorities. The INS data review process may take place in two stages, with an intermediary provisional accounts stage preceding the final accounts determination. The final accounts for year N are normally completed by the end of year N+2.

The process for preparing the final national accounts is as follows:

- the estimates for year N completed by the Ministry of Economy and Finance in March of year N+1 are provided to the INS;
- following the filing with the tax authorities of corporate financial data for year N, the tax authorities provide a copy of this information to the INS (from June to December of year N+1 for data concerning year N);
- the corporate financial data allows the INS to start the process of preparing the final national accounts, which will result in the determination of the final figures normally by the end of year N+2 for data concerning year N; and
- the final macroeconomic data is communicated by the INS to the Ministry of Economy and Finance and the IMF and supersedes and replaces previous estimates or provisional data.

Changes in 2011, 2012 and 2013 Data Included in the 2014 Prospectus

With respect to 2011 and 2012, the estimated figures included in the 2014 Prospectus were adjusted to reflect the final national accounts for 2011 and 2012, respectively, which were made available by the INS in the second half of 2014, following publication of the 2014 Prospectus. The 2011 figures were finalized only in late 2014 (and not in 2013 according to the methodology (N+2) described above) due to a delay in processing the economic figures in the wake of the Côte d'Ivoire's socio-economic situation in 2011.

With respect to 2013, the estimated figures included in the 2014 Prospectus were adjusted to reflect the 2013 provisional national accounts, which were made available by the INS in the second half of 2014. Final figures are expected by the end of 2015.

In addition, certain changes in macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the United Nations' System of National Accounts 1993 ("**SNA 93**") in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item for 2011, 2012 and 2013 in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

Balance of Payments

With respect to balance of payments figures, initial forecasts for year N are normally made by the BCEAO in October and November of year N-1 and then revised in May and June of year N and again in October and November of year N. Estimates are prepared in May and June of year N+1 and then revised in October and November of year N+1. The Balance of Payments Committee (*Comité Balance des Paiements*) of Côte d'Ivoire then normally reviews and validates the final balance of payments data for year N in December of year N+1 at the latest. Due to delays in the review made by the Balance of Payments Committee, the final balance of payments data for 2012 was only validated in the second half of 2014 and the final balance of payments data for 2013 is expected only to be validated in the third quarter of 2015.

Public Debt

With respect to public debt figures, estimates for year N are normally published by the Ministry of Economy and Finance, acting through the Treasury and Public Accounting Department (*Direction Générale du Trésor et de la Comptabilité Publique*), during the first 45 days of year N. These estimates are normally finalized in June of year N+1 at the latest.

Public Finance

With respect to public finance figures, estimates for year N are normally published by the Ministry of Economy and Finance and the Ministry of Budget during the first quarter of N+1. These estimates are normally finalized by the Ministry of Economy and Finance in June of year N+1 at the latest. Data for year N+1 corresponds to budgetary allocations.

IMF's General Data Dissemination Standards

The Issuer adheres to the IMF's General Data Dissemination Standards which guide members in the dissemination of economic and financial data to the public. Côte d'Ivoire participates in the IMF's General Data Dissemination System ("**GDDS**"), which is designed to guide all member countries in the provision of their economic and financial data to the public. Data covered includes the fiscal, financial and the external sectors as well as socio-demographic data.

By participating in the GDDS, Côte d'Ivoire has undertaken to:

- use the GDDS as a framework for statistical development;
- designate a country coordinator; and
- provide metadata to the IMF describing the current practices and plans for short- and long-term improvements in these practices.

A summary of the methodology under which Côte d'Ivoire prepares its metadata is found on the internet under the IMF's Dissemination Standards Bulletin Board. Côte d'Ivoire's metadata may be found on the IMF's website at http://dsbb.imf.org/Pages/GDDS/CtyCtgList.aspx?ctycode=CIV.

The BCEAO Website (www.bceao.int) contains information, relevant legislation, press releases, publications, including statistics, research papers, guidelines and regulations and speeches. Information contained in the above-mentioned websites is not incorporated by reference in this Prospectus and, therefore, does not form part of this Prospectus.

All references in this Prospectus to **CFAF** or **CFAF Franc** are to the currency of the member states of WAEMU (of which Côte d'Ivoire is one), all references in this Prospectus to **US$**, **U.S. dollars** and **USD** are to the currency of the United States of America and all references in this Prospectus to **EUR**, **euro**, **Euro** and **€** are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

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Certain Definitions and Terminology

"2014 Prospectus" means the prospectus related to the Eurobonds due 2024 dated July 21, 2014;

"ACP" means the African Caribbean and Pacific Group of States;

"AFD" means the *Agence Française de Développement*;

"AfDB" means the African Development Bank;

"AU" means the African Union;

"BCEAO" means the *Banque Centrale des Etats de l'Afrique de l'Ouest*;

"BEAC" means the Bank of Central African States;

"BFA" means the *Banque pour le Financement Agricole*;

"BNI" means the *Banque Nationale d'Investissement*;

"BPW" means building and public works;

"BRVM" means the *Bourse Régionale des Valeurs Mobilières*;

"C2D" means the *Contrats de Désendettement et de Développement*;

"CDMT" means the *Cadres de Dépenses à Moyen Terme*;

"CDVR" means the Dialogue, Truth, and Reconciliation Commission;

"CEDEAO" means the *Communauté Économique des États de l'Afrique de l'Ouest*;

"CEMAC" means the *Communauté Economique et Monétaire de l'Afrique Centrale*;

"CEI" means the *Commission Electorale Indépendante*;

"CET" means the common external tariff scheme agreed on by the member nations of WAEMU;

"CGRAE" means the *Caisse Générale de Retraite des Agents de l'Etat*;

"CIF" means Cost, Insurance and Freight;

"CIMA" means the Inter-African Conference on Insurance Markets;

"CMU" means *Couverture Maladie Universelle*;

"CNDP" means the *Comité National de la Dette Publique*;

"CNPS" means the *Caisse Nationale de Prévoyance Sociale*;

"DDR" means the Disarmament, Demobilization and Reintegration of ex-combatants;

"DGBF" means the *Direction Générale du Budget et des Finances*;

"DGI" means the *Direction Générale des Impôts*;

"DGPE" means the *Direction Générale de la Prévision Économique*;

"ECF" means the three-year extended credit facility agreed between Côte d'Ivoire and the IMF;

"ECOWAS" means the Economic Community of West African States;

"**EITI**" means the Extractive Industries Transparency Initiative;

"**Eurobonds due 2024**" means the US$750,000,000 5.375% bonds due 2024 issued by the Issuer on July 23, 2014;

"**Eurobonds due 2032**" means the US Dollar denominated step-up bonds due 2032 issued (i) in the amount of US$2,332,149,000 on April 16, 2010 as part of the restructuring of the London Club-held Brady securities and (ii) in the amount of US$186,175,000 on November 12, 2012 as part of the restructuring of claims held by the Sphynx creditors and Standard Bank London;

"FDI" means Foreign Direct Investment;

"FPI" means the *Front Populaire Ivoirien*;

"FSF" means the *Fonds de Stabilité Financière*;

"GNI" means Gross National Income;

"HDI" means the Human Development Index;

"HIIP" means the Harmonized Index of Industrial Production;

"HIPC" means Heavily Indebted Poor Countries;

"ICC" means the International Criminal Court;

"IFC" means the International Finance Corporation;

"IMF" means the International Monetary Fund;

"**IMF Report 13/367**" means the International Monetary Fund Report 13/367 entitled "2013 article IV consultation and fourth review under the extended credit facility arrangement" issued in December 2013;

"**IMF Report 14/358**" means the International Monetary Fund Report 14/358 entitled "Sixth review under the extended credit facility arrangement and requests for waiver of nonobservance criterion, augmentation of access, and twelve-month extension of the current arrangement" issued in December 2014;

"INS" means the *Institut National des Statistiques*;

"MCC" means Millennium Challenge Corporation;

"MDG" means Millennium Development Goals;

"MDRI" means Multilateral Debt Relief Initiative;

"MDGs" means the Millennium Development Goals;

"MFIs" means microfinance institutions;

"MIGA" means Multilateral Investment Guarantee Agency;

"MPMEF" means *Ministre auprès du Premier Ministre, en charge de l'Economie et des Finances*;

"NDP" means the National Development Plan 2012-2015;

"**New NDP**" means the National Development Plan 2016-2020;

"NEPAD" means the New Partnership for Africa's Development;

"ODA" means Official Development Assistance;

"OHADA" means the *Organisation pour l'Harmonisation en Afrique du Droit des Affaires*;

"PDCI" means the *Parti Démocratique de Côte d'Ivoire*;

"PETROCI" means the *Société Nationale d'Opérations Pétrolières de Côte d'Ivoire*;

"PIP" means the *Programme d'Investissements Publics*;

"PNAE" means the *Plan National d'Actions pour l'Environnement*;

"PNDR" means the *Plan National du Développement du Riz*;

"PNIA" means the *Programme National d'Investissement Agricole*;

"PPPs" means public-private partnerships;

"PPU" means the *Programme Présidentiel d'Urgence*;

"SDMT" means the *Stratégie de Gestion de la Dette Moyen Terme*;

"SDR" means Special Drawing Rights;

"SIR" means the *Société Ivoirienne de Raffinage*;

"SMEs" means small- and medium-sized enterprises;

"SMIG" means *Salaire Minimum Interprofessionnel Garanti*;

"SNA 93" means the United Nations' System of National Accounts 1993;

"SNM" means the *Stratégie Nationale de la Microfinance*;

"SODEMI" means the *Société pour le Développment Minier de la Côte d'Ivoire*;

"SOTRA" means the *Société des Transports Abidjanais*;

"UN" means the United Nations;

"UNDP" means the United Nations Development Program;

"UNESCO" means the United Nations Educational, Scientific and Cultural Organization;

"**UNOCI**" means the United Nations Operation in Côte d'Ivoire;

"VAT" means Value Added Tax;

"WAEMU" means the West African Economic and Monetary Union; and

"WHO" means the World Health Organization.

EXCHANGE RATE

Côte d'Ivoire's currency is the CFAF franc. The CFAF franc zone operates under a number of key operating principles:

- a fixed parity against the Euro, adjustable if required for economic reasons after consultation with the French government and unanimous decision of all member countries within each monetary area, namely the CEMAC, of which the member countries are Cameroon, the Central African Republic, Chad, Congo (Brazzaville), Equatorial Guinea and Gabon, and the WAEMU, which consists of Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo;

- convertibility of the CFAF franc to Euros without any fluctuation margins, at a rate of CFAF 655.957 = €1.00 as of 1 January 1999, which is equivalent to the rate of CFAF 100 = 1 French franc prevailing before that;

- guarantee of convertibility by France through the establishment by each regional central bank of an operations account with the French treasury with market-related yields or charges (these accounts can have a positive or negative balance thus providing an, in principle, unlimited overdraft facility to each central bank);

- free movements of capital between the WAEMU and France and the CEMAC and France; and

- the pooling of the foreign exchange reserves of each regional monetary area.

Solely for convenience, this Prospectus contains historical conversions of certain Euro amounts into U.S. dollars at specified rates. These conversions are solely illustrative, and you should not expect that a Euro amount actually represents a stated U.S. dollar amount or that it could be converted into U.S. dollars at the rate suggested, or any other rate. The following table shows the historical period-end, average, high and low noon buying rates in New York City for cable transfers in foreign currencies as certified by the Federal Reserve Bank of New York for the Euro, expressed in U.S. dollars per one Euro, for the periods and dates indicated.

	U.S. dollar/Euro			
Month	**Period end**	**Average rate[(1)]**	**High**	**Low**
January 2015	1.1290	1.1615	1.2015	1.1279
February 2015 (through February 20)	1.1372	1.1374	1.1462	1.1300

	U.S. dollar/Euro			
Year	**Period end**	**Average rate[(1)]**	**High**	**Low**
2010	1.3269	1.3263	1.4536	1.1959
2011	1.2973	1.3931	1.4875	1.2926
2012	1.3186	1.2859	1.3463	1.2062
2013	1.3779	1.3281	1.3816	1.2774
2014	1.2101	1.3296	1.3927	1.2101
2015 (through February 20)	1.1372	1.1516	1.2015	1.1279

(1) The average of the Noon Buying Rates on the last business day of each month (or portion thereof) during the relevant period for annual averages; on each business day of the month (or portion thereof) for monthly averages.

Source: Federal Reserve Bank of New York

ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is a sovereign state. Consequently, it may be difficult for investors to obtain or realize upon judgments of courts in jurisdictions outside Côte d'Ivoire (including judgments predicated upon civil liability provisions of the securities laws of the United States or any state or territory within the United States) against the Issuer without compliance with the enforcement procedure for foreign judgments in Côte d'Ivoire. The Issuer has agreed that any claims or disputes arising in respect of the Notes shall be referred to and finally settled by arbitration in accordance with the rules of the International Chamber of Commerce. Côte d'Ivoire is a party to the United Nations (New York) Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

To the extent that the Issuer may in any jurisdiction, claim or acquire for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer irrevocably agrees for the benefit of the holders of Notes not to claim, and irrevocably waives, such immunity, to the fullest extent permitted by the laws of such jurisdiction. The waiver of immunity will have the fullest scope permitted under the Foreign Sovereign Immunities Act of 1976 of the United States and the State Immunity Act 1978 of the United Kingdom and is intended to be irrevocable for purposes of such acts, but shall otherwise constitute a limited and specific waiver for the purpose of the Agency Agreement (as defined herein) and the Notes. The Issuer does not hereby waive such immunity from execution or attachment in respect of (a) property, including any bank account, used by a diplomatic or consular mission of the Issuer or its special missions or delegations to international organizations, (b) property of a military character and under the control of a military authority or defense agency of the Issuer or (c) property located in Côte d'Ivoire and dedicated to a public or governmental use by the Issuer (as distinct from property which is for the time being in use or intended for use for commercial purposes within the meaning of the State Immunity Act 1978). The Issuer reserves the right to plead sovereign immunity under the US Foreign Sovereign Immunities Act of 1976 with respect to any actions brought against it in any count or in the United States of America under any United States federal or State Securities law.

Subject to international conventions, enforcement of foreign court judgments in Côte d'Ivoire is subject to the following conditions:

- the foreign courts rendering the relevant judgment must offer reciprocal treatment to judgments obtained in the courts of Côte d'Ivoire; if such reciprocal treatment is not offered by the foreign court where the judgment is obtained, Côte d'Ivoire's courts will re-examine the merits of the case;
- Côte d'Ivoire's courts are not exclusively competent to hear the dispute, and the foreign courts are shown to have been competent to hear the dispute in accordance with their own respective laws;
- the foreign procedures were fully respected and the parties to the dispute were duly notified and properly represented in the proceedings;
- the dispute was properly resolved according to proper facts which were raised in the dispute;
- the foreign judgment is final, non-appealable and conclusive in accordance with relevant law; and
- the foreign judgment does not conflict with a prior Côte d'Ivoire judgment on the same subject matter and is not contrary to public order in and public law principles in Côte d'Ivoire.

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OVERVIEW

The following is an overview of certain information contained elsewhere in this Prospectus. It does not purport to be complete and is qualified in its entirety by the more detailed information appearing elsewhere in this Prospectus. Prospective investors should also carefully consider the information set forth in "Risk Factors" below prior to making an investment decision. Capitalized terms not otherwise defined in this overview have the same meaning as elsewhere in this Prospectus. See "The Republic of Côte d'Ivoire", "The Economy", "Foreign Trade and Balance of Payments", "Public Finance", "Public Debt" and "Monetary System", amongst others, for a more detailed description of the Issuer.

Overview of the Republic

General

Côte d'Ivoire is located in the western part of Africa. It spans 322,463 km^2 and is the most populated country of the WAEMU with an estimated population of 23.4 million inhabitants in 2013, according to the INS. It borders the Atlantic Ocean in the south, Burkina Faso and Mali in the north, Ghana in the east, and Guinea in the west. While Yamoussoukro was officially designated as the political and administrative capital of the country in 1983, Abidjan has effectively remained the economic, political and administrative capital.

Côte d'Ivoire achieved independence from France on August 7, 1960. Pursuant to the Constitution in force, which was adopted on August 1, 2000, Côte d'Ivoire is a democratic republic based on the separation of the three powers: executive, legislative and judicial.

Côte d'Ivoire has been emerging since mid-2011 from the political and military crisis that began in 2002, as well as the serious post-election crisis that followed the announcement of the results of the second round of the presidential election on November 28, 2010. Following a severe civil war that damaged the economy and social cohesion, Alassane Ouattara was sworn in as President of the Republic in April 2011. The electoral cycle is now completed with legislative elections that took place in December 2011 and regional and municipal elections that took place simultaneously in April 2013. The next Presidential elections are scheduled for October 2015.

President Alassane Ouattara has put national reconciliation, security and pro-growth reform at the top of his agenda. Political stability and the security situation have markedly improved. For example, UNESCO returned to Abidjan in September 2013 and the African Development Bank ("**AfDB**") substantially completed the relocation of its headquarters to Abidjan in late 2014 after a 10-year absence. National reconciliation and political dialogue, particularly through the Dialogue, Truth, and Reconciliation Commission ("**CDVR**") created in 2012 and the Permanent Framework for Dialogue, have made progress with the return of refugees and political exiles to the country. Côte d'Ivoire adopted in August 2013 laws on rural property and nationality to clarify the conditions and procedures to be granted Ivorian nationality and property rights, which the Government believes will reduce sources of tension among population groups.

Economy

Côte d'Ivoire is the leading economy in the WAEMU in terms of GDP, according to the BCEAO, and the country with the largest population of the WAEMU, according to WAEMU demographic statistics, with an estimated population of 23.4 million inhabitants in 2013, according to the INS. According to GDP estimates published by the IMF (*World Economic Outlook, October 2014*), Côte d'Ivoire was the third largest economy in the ECOWAS (after Nigeria and Ghana) in 2014. The country is also the world's largest cocoa producer and the world's second largest cashew nuts producer according to the statistics of Côte d'Ivoire's Ministry of Agriculture and the United Nations Food and Agriculture Organization.

Following the end of the 2011 post-election crisis, the Government adopted in March 2012 the National Development Plan for the 2012-2015 period ("**NDP**"). The NDP is the anchor of the country's development strategy and aims at significantly increasing public investment and creating an environment conducive to the development of the private sector, with a view to boosting economic growth and employment.

The strategic objectives of the NDP include the following:

- build the basis to make Côte d'Ivoire an emerging economy by 2020;
- ensure and sustain macroeconomic stability, including a viable public debt;
- achieve a sustainable high GDP growth rate: according to Government figures, Côte d'Ivoire has exceeded by approximately 2% its growth target of 8.6% in 2012 with real GDP growth of 10.7% in 2012, and by approximately 0.2% its growth target of 9.0% in 2013 with an estimated real GDP growth of 9.2% in 2013; the Government forecasts real GDP growth of 9.0% in 2014 and 10.0% in 2015;
- reduce the poverty rate by half and rejoin the group of African countries with the highest rankings in terms of the Human Development Index of the United Nations Development Program ("**UNDP**");
- achieve, or make significant progress towards, the Millennium Development Goals ("**MDG**") by the end of 2015;
- create one of the best business environments in Africa, and strengthen the competitiveness of the economy;
- rejoin the group of leading African countries in terms of good governance and fighting corruption; and
- strengthen Côte d'Ivoire's position at the regional and international level.

In order to continue to pursue the Government's reform agenda, a new National Development Plan for the 2016-2020 period ("**New NDP**") is currently being prepared and is expected to be adopted by the Council of Ministers in May 2015.

Since the end of the crisis, the Government has recorded notable progress in the political stabilization of the country and the revival of the economy. In 2011, the Government's efforts to normalize the socio-economic and political situation limited the contraction of the country's real GDP, originally forecast by the Government to be 6.3%, to only 4.4%. According to the Government, real GDP growth was 10.7% in 2012 and estimated at 9.2% in 2013 as a result of the strong recovery in economic activity, in line with the NDP's objectives. The Government forecasts its real GDP growth rate to be 9.0% for 2014 and 10.0% for 2015. Since the end of May 2014, Côte d'Ivoire has returned to its status as a lower middle-income country. According to the World Bank Atlas method, a lower middle-income country is a country whose annual Gross National Income ("**GNI**") per capita is more than US$1,045 but less than US$4,125 as at July 1, 2013. Middle-income countries have a higher quality of life than lower middle-income countries. In its last regional outlook for sub-Saharan Africa published in April 2014, the IMF has included Côte d'Ivoire in the group of 11 frontier and emerging market economies in sub-Saharan Africa.

Côte d'Ivoire's economy has historically been dependent on its agriculture, and in particular on the coffee-cocoa sector. According to Government forecasts, the primary sector represented 20.9% of the country's nominal GDP in 2014, with coffee and cocoa, together, representing 6.7% of the country's nominal GDP, 43.9% of its export earnings and 13.9% of its tax revenue. In an effort to diversify the economy, Côte d'Ivoire has engaged in a series of transformative economic reforms in the context of the NDP (to be continued in the New NDP), which have contributed to reinforcing the non-agricultural sectors, with the tertiary and secondary sectors being key drivers of growth.

Côte d'Ivoire intends to continue its efforts to modernize its economy by strengthening its competitiveness and the diversification of its economy and make it more resilient to external shocks. It is committed to implementing its comprehensive agenda of far-reaching structural measures designed with the help of its international partners, in particular the IMF and the World Bank. Côte d'Ivoire featured for the second consecutive year among the top 10 reforming countries in the World Bank's "Doing Business 2014" and "Doing Business 2015" reports published on October 29, 2013 and October 29, 2014, respectively, which include countries which have implemented the highest number of measures to improve their respective business environment.

Statistical Data

The following selected economic information is qualified in its entirety by, and should be read in conjunction with, the detailed information appearing elsewhere in this Prospectus. Data shown for 2013 and 2014 are estimates or forecasts, where indicated.

	2011	2012	2013	2014
Domestic Economy				
Nominal GDP (CFAF billions).....	11,977	13,805	15,460[(1)]	17,021[(2)]
Real GDP (growth rate) (%).....	(4.4)	10.7	9.2[(1)]	9.0[(2)]
Balance of Payments (CFAF billions)				
Exports of Goods (FOB).....	5,966.1	6,190.2	6,004.0[(1)]	6,239.9[(2)]
Imports of Goods (FOB).....	(3,149.8)	(4,623.7)	(4,431.5)[(1)]	(4,671.8)[(2)]
Overall Balance	407.6	(263.7)	2.6[(1)]	18.7[(2)]
Public Finance (CFAF billions)				
Total Revenues and Grants.....	1,725.9	2,621.5	3,039.5	3,390.0[(1)]
Total Expenditure	2,212.0	3,053.9	3,385.6	3,784.9[(1)]
Overall Balance.	(397.0)	(344.2)	(323.1)	(504.9)[(1)]
Public Debt (CFAF billions)				
Domestic Public Debt.....	2,112.9	2,286.6	2,651.8	3,031.9[(1)]
External Public Debt.....	6,264.2	2,393.0	2,605.4	3,138.2[(1)]
Gross Public Debt as % of GDP.....	69.9	33.9	34.0	36.3[(1)]

(1) Estimates.

(2) Forecasts.

Source: MPMEF

Overview of the Terms and Conditions of the Notes

*The following is an overview of certain information contained elsewhere in this Prospectus. It does not purport to be complete and is qualified in its entirety by the more detailed information appearing elsewhere in this Prospectus. Prospective investors should also carefully consider the information set forth in "Risk Factors" below prior to making an investment decision. Capitalized terms not otherwise defined in this overview have the same meaning as in the terms and conditions of the Notes (the "**Conditions**"). See "Terms and Conditions of the Notes" for a more detailed description of the Notes.*

Issuer	The Republic of Côte d'Ivoire.
Notes Offered	US$1,000,000,000 6.375% Amortizing Notes due 2028 (the **"Notes"**).
Issue Date	March 3, 2015.
Maturity Date	The Notes will mature on March 3, 2028.
Interest	6.375% per annum in respect of the Notes, computed on the basis of a 360-day year of 12 30-day months, payable in US dollars.
Interest Payment Dates	The Republic will pay interest on the Notes semi-annually in arrear on March 3 and September 3 of each year. The first payment of interest will be made on September 3, 2015 for the period from and including March 3, 2015 to but excluding September 3, 2015. See "*Terms and Conditions of the Notes—5. Interest*".
Issue Price	97.955% of the principal amount of the Notes.
Yield to Maturity	Based on the issue price, the yield to maturity of the Notes is 6.625%.
Redemption	The Republic will redeem the Notes in three instalments of US$333,000,000 on March 3, 2026, US$333,000,000 on March 3, 2027 and US$334,000,000 on March 3, 2028. See "*Terms and Conditions of the Notes—7. Redemption and Purchase*".
Denominations	The Notes will be offered and sold, and may only be transferred, in minimum principal amounts of US$200,000 and integral multiples of US$1,000 in excess thereof. See "*Terms and Conditions of the Notes—1.1 Form and Denomination*".
Status	The Notes constitute direct, unconditional and (subject to the provisions of the negative pledge covenant described below) unsecured obligations of the Issuer and (subject as provided above) rank and will rank *pari passu*, without any preference among themselves, and with all other unsecured and unsubordinated External Indebtedness of the Issuer outstanding from time to time, save only for such obligations as may be preferred by mandatory provisions of applicable law, *provided, however, that* the Issuer shall have no obligation to effect equal or rateable payment(s) at any time with respect to any other External Indebtedness and, in particular, shall have no obligation to pay other External Indebtedness at the same time or as a condition of paying sums due on the Notes and *vice versa*. The full faith and credit of the Issuer is pledged to the due

	and punctual payment of the Notes. See "*Terms and Conditions of the Notes—3. Status*".
Negative Pledge	So long as any Note remains outstanding the Issuer will not, save for the exceptions set forth herein, create, incur, assume or permit to subsist any Security upon the whole or any part of its present or future assets, undertakings or revenues to secure (i) any of its Public External Indebtedness; (ii) any Guarantees in respect of Public External Indebtedness; or (iii) the Public External Indebtedness of any other person; without at the same time or prior thereto securing the Notes equally and rateably therewith or providing such other arrangement (whether or not comprising Security) as shall be approved by an Extraordinary Resolution of Noteholders or by a Written Resolution (each as defined in the Conditions). For the avoidance of doubt, any such approval shall not constitute a Reserved Matter (for the purposes of and as defined in the Conditions). See "*Terms and Conditions of the Notes—4. Negative Pledge*".
Events of Default	The Conditions will permit the acceleration of the Notes following the occurrence of certain events of default. See "*Terms and Conditions of the Notes—10. Events of Default*".
Form of Notes	The Notes will be issued in registered form only, without coupons. The Notes sold in offshore transactions in reliance on Regulation S will be represented on issue by the Unrestricted Global Note Certificate which will be deposited outside the United States with a common depositary for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee for such common depositary. The Notes sold to qualified institutional buyers in reliance on Rule 144A will be represented on issue by the Restricted Global Note Certificate, which will be deposited with Deutsche Bank Trust Company Americas acting as custodian of DTC, and registered in the name of a nominee of DTC.
Taxation and Additional Amounts	All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Relevant Jurisdiction (as defined in the Conditions), unless the withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or deduction, subject to certain exceptions set forth under "*Terms and Conditions of the Notes—8. Taxation*" and "*Taxation*".
Meetings of Noteholders and Amendments	A summary of the provisions for convening meetings of Noteholders and making amendments to the Notes is set forth under "*Terms and Conditions of the Notes—13. Meetings of Noteholders and Modifications*".
Use of Proceeds	The gross proceeds of the issue of the Notes are expected to amount to US$979,550,000. The aggregate amount of commissions payable

	to the Joint Lead Managers and estimated expenses payable by the Issuer in connection with the offer and sale of the Notes are expected to be approximately US$1,915,000. The proceeds of the issue will be used to continue to implement strategic investments planned in the NDP, especially in the infrastructure, education, health and agricultural sectors. See "*Use of Proceeds*".
Ratings	The Notes have been rated B by Fitch and B1 by Moody's. Credit ratings assigned to the Notes do not necessarily mean that they are a suitable investment. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization. Each of Fitch and Moody's is established in the European Union and registered under the CRA Regulation.
Listing, Admission to Trading and Approval	Application has been made to the CSSF to approve this document as a prospectus for the purposes of the Prospectus Directive and to the Luxembourg Stock Exchange for the listing of the Notes on the Official List of the Luxembourg Stock Exchange and admission to trading on the Market.
Further Issues	The Issuer may from time to time without the consent of the Noteholders issue additional Notes that will form a single series with the Notes subject to certain conditions set out under "*Terms and Conditions of the Notes—14. Further Issues*".
Governing Law	English law.
Transfer Restrictions	The Notes will not be registered under the Securities Act or any US state securities law. Consequently, the Notes may not be offered or sold in the United States except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act and applicable state securities laws. See "*United States Transfer Restrictions*". Neither this Prospectus nor the Notes will be registered or cleared under the regulations of the WAEMU. Consequently, the Notes may not be offered or sold in the WAEMU, including in Côte d'Ivoire.
Fiscal Agent, Paying Agent and Transfer Agent	Deutsche Bank AG, London Branch.
Luxembourg Registrar	Deutsche Bank Luxembourg S.A.
U.S. Registrar, U.S. Transfer Agent, U.S. Paying Agent, DTC Custodian	Deutsche Bank Trust Company Americas.
Notes sold pursuant to Regulation S	**ISIN**: XS1196517434 **Common Code**: 119651743

Notes sold pursuant to Rule 144A	**ISIN**: US221625AM84
	CUSIP Number: 221625AM8
	Common Code: 119766885

RISK FACTORS

Prospective investors should read the entire Prospectus. Investing in the Notes involves certain risks. The Issuer believes that the following factors may affect the Issuer's economy and its ability to fulfill its obligations under the Notes. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below. These factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay principal, interest or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes comprise an exhaustive list of the risks inherent in investing in the Notes, and the Issuer may be unable to pay amounts due on the Notes for reasons not described below.

Prospective investors should also read the detailed information set out elsewhere in this Prospectus prior to making any investment decision.

Risks Relating to the Republic

Investing in Notes of emerging market issuers such as Côte d'Ivoire involves a higher degree of risk than more developed markets.

Investing in securities of emerging market issuers, such as Côte d'Ivoire, generally involves a higher degree of risk than investments in securities of corporate or sovereign issuers from more developed countries. These risks include the possibility of economic, political or social instability that may be caused by many different factors, including, in the case of Côte d'Ivoire, declines in the price of primary commodity exports such as cocoa, coffee and gold, failure of the Government to implement political, fiscal and economic reforms, changes in governmental economic, tax or other policies, inflation and financial crises in other emerging market countries that could have an adverse effect on investor appetite for emerging market debt securities as a class. In addition, political, civil or financial instability in Côte d'Ivoire's neighbors or elsewhere in West Africa may have an adverse impact on Côte d'Ivoire.

Emerging markets may also experience a greater degree of corruption of government officials, misuse of public funds and administrative errors or delays (in payment or otherwise) than more mature markets. This could affect the ability of the Government to meet its obligations under the Notes. Any of the factors above, as well as the volatility in the markets for debt securities similar to the Notes, may adversely affect the liquidity of, and the trading market for, the Notes.

Côte d'Ivoire is a country emerging from political unrest.

Côte d'Ivoire has been emerging since mid-2011 from the political and military crisis that began in 2002, as well as the serious post-election crisis that followed the announcement of the results of the second round of the presidential election on November 28, 2010. The post-election crisis erupted in late 2010, when former President Laurent Gbagbo refused to relinquish power after losing the 2010 election to M. Alassane Ouattara, who was the internationally-recognized winner of the presidential election. This election was the conclusion of the lengthy peace process that started with the signing of the March 4, 2007 Ouagadougou Political Accord between the then national government of Laurent Gbagbo and the *Forces Nouvelles*, a party created by the rebels that ruled the northern part of the country from late 2002 to early 2007. See "*The Republic of Côte d'Ivoire – Political History – The military and political crisis*".

The post-election crisis, which lasted from November 2010 until April 2011, severely disrupted the political, economic and social fabric of the country. It sparked a mass exodus of people to the interior of the country and also into neighboring countries. It also led to violence and a loss of security, a three-month shutdown of most banks, the imposition of economic sanctions, combat involving heavy weapons, and supply problems for medications and foodstuffs. The Government's operational capacity was reduced, in particular through pillaging and theft. The private sector saw some of its productive capacity destroyed as the situation led to the closure of many businesses, particularly small- and medium-sized enterprises, and many workers were laid off temporarily. In 2011, Côte d'Ivoire's real GDP decreased by 4.4% compared to 2010. The industrial production index decreased by an average of 7.5% in 2011, as compared to a 3.8% decrease in 2010.

Following the post-election crisis, the new government of President Alassane Ouattara started a process of social and political normalization and prepared an economic recovery program for 2012–15, the NDP, which was adopted by the Council of Ministers on March 28, 2012. The Government has undertaken various structural and fiscal reforms and increased public investment in infrastructure (in particular, transport, energy, health and education) as well as pro-poor spending in order to revive economic activity and strengthen social and political reconciliation. The Government's efforts have started to have a positive impact on the population's living standards (resulting in real GDP per capita growth rates of 7.6% and an estimated 6.2% in 2012 and 2013, respectively) and the political dialogue between the Government of President Alassane Ouattara and the FPI, the party of former President Laurent Gbagbo, is on-going. Laurent Gbagbo has been in jail in The Hague since November 30. On June 12, 2014, the ICC Pre-Trial Chamber I confirmed the charges of crimes against humanity against former President Laurent Gbagbo and scheduled the trial to start on July 7, 2015. With respect to former President Gbagbo's wife, Simone Gbagbo, in 2012, the ICC requested that she be transferred to The Hague to stand trial. On December 11, 2014, the ICC Pre-Trial Chamber I rejected the Government's challenge to the admissibility of the case concerning Mrs Gbagbo, and requested her immediate extradition to The Hague. On December 17, 2014, the Government submitted an appeal against the ICC decision and requested that its appeal have suspensive effect. On January 20, 2015, the ICC rejected the Government's request for suspensive effect. The ICC proceedings concerning the Government's appeal are pending and the ICC's extradition request remains in place. In the meantime, the trial of Mrs. Gbagbo in Côte d'Ivoire officially started before the criminal court in Abidjan on December 26, 2014. See "*The Republic of Côte d'Ivoire –National and International Justice*".

However, there is a need to continue to implement measures in order to fully eradicate the effects of the decade-long crisis that led to the partition of the country for close to five years, disrupted the strategic sectors of the economy and culminated in the post-election crisis of early 2011. In particular, the *ivoirité* debate in relation to issues of nationality and citizenship has been a determining factor of the crisis during this period. See "*The Republic of Côte d'Ivoire–Political History–The military and political crisis*". The trials of Laurent Gbagbo and Simone Gbagbo during the run-up to the October 2015 presidential election may revive a degree of tensions among the Gbagbo supporters and the Government of President Alassane Ouattara or heighten security tensions along the Liberia border where pro-Gbagbo refugees are located.

If Côte d'Ivoire fails to continue to effectively address the root causes of the crisis and to restore sustainable cohesion and reconciliation, this may undermine the country's ability to overcome its political challenges and fully realize its economic potential, which may have an adverse effect on Côte d'Ivoire's ability to attract foreign and private investment and may result in lower economic growth and affect its ability to service the Notes.

Côte d'Ivoire's economic recovery is contingent on continued improvement of the security and socio- political situation.

The Government's significant progress towards stabilizing the security and socio-political situation in the country led the United Nations Security Council in April 2014 to partially lift the arms embargo to Côte d'Ivoire and to finally terminate sanctions imposed in 2005 on diamond imports from Côte d'Ivoire. The disarmament, demobilization and reintegration of ex-combatants that took part in the military conflict have been substantially completed. In February 2012, the Government created the CDVR, which was responsible for uncovering the truth, holding public hearings for victims, perpetrators and witnesses, and making recommendations to the Government concerning reparations and other means of reconciliation. The CDVR's final report, including its recommendations for reparations and other political, judicial and non-judicial measures, was submitted to the Government in December 2014, which put an end to its mission. On December 31, 2014, the ADDR announced that some 46,000 ex-combatants had been disarmed and reintegrated, representing 62 percent of the 74,000 registered in the database. The Government estimates, based on a recent review of the database, that a maximum of 18,000 or so ex-combatants are left to be processed. The Government intends to commit more resources to ensure that the reintegration of these remaining ex-combatants is completed by June 30, 2015. See "*The Republic of Côte d'Ivoire –Disarmament, Demobilization and Reintegration of ex-Combatants*" and "*The Republic of Côte d'Ivoire–Political History–Recent Developments*".

However, Côte d'Ivoire continues to face significant challenges that must be addressed for the country to achieve the growth targets envisaged by the Government in a more stable political environment. One such challenge is dealing with internal and sub-regional security threats, including the crises in some neighboring countries like Mali and Burkina Faso, the proliferation of small arms and light weapons, repatriating and reintegrating pro-Gbagbo refugees and preserving stability along the border with Liberia, and enforcing border-crossing restrictions

and other safety measures to protect the country from the Ebola virus contagion. According to the United Nations High Commissioner for Refugees, out of the estimated 220,000 Ivorians that fled to Liberia during the post-election crisis, more than 52,000 refugees were estimated to remain in four camps and various communities in Liberia in February 2014. In addition, concerns about security along Liberia's border with Côte d'Ivoire frequently present challenges to the repatriation program. For example, in May 2014, 13 people were killed in a village located on the south western border with Liberia. Also, on January 10, 2015, two Ivorian soldiers were killed by militia men in a raid on an Ivorian security force close to the Liberia border and more incidents may take place along the Liberia border during the run-up of the October 2015 presidential election.

Côte d'Ivoire also needs to continue to address the delicate issues of citizenship and nationality, which fuelled the political instability during the crisis period, in a politically sustainable manner. In August 2013, the Government adopted a reform of the nationality law which allows a large portion of the population left without a clear status under the previous legislation to apply for citizenship under certain criteria. The integration of the estimated one million persons that could benefit from this new law would need to be managed skillfully in the context of on-going political reconciliation. Refugees returning to Côte d'Ivoire may face housing and other re-integration difficulties, and their resettlement may increase land ownership conflicts. If the ongoing reconciliation process is interrupted or security deteriorates, this could affect social harmony and have a material adverse effect on Côte d'Ivoire's economic performance and affect its ability to service the Notes.

Côte d'Ivoire's NDP growth outlook for the medium-term is conditioned upon the successful implementation of an extensive reform agenda and the mobilization of sufficient fiscal resources, external funding and private sector investments.

In the wake of the 2011 post-election crisis, the Government of Côte d'Ivoire set forth a comprehensive reform agenda under the NDP, with a view to fostering national reconciliation through poverty reduction and sustainable economic development. See "*The Economy–The National Development Plan*". The financial resources required for the implementation of the NDP investment program are estimated at CFAF 4,162.3 billion in 2015, with funding expected to come from both public and private sources. This necessitates a public investment budget of CFAF 1,612.0 billion in 2015, and mobilizing CFAF 2,550.3 billion in external and private financing during 2015. To mobilize its share of this funding, the Government is pursuing a comprehensive set of structural reforms with the help of technical assistance from international partners, notably from the IMF and the World Bank. These reforms include, with the technical assistance of the IMF, fiscal measures to improve revenue collection and public spending and to better control external and domestic indebtedness, which include the overhaul of the budgetary process, reforms of the tax system and of the public procurement law, and the restructuring of the electricity sector and of the public banking sector. Among the problems resulting from undisciplined budgetary processes and controls before May 2011 were expenditures incurred outside the budget process and late payments to suppliers in the private sector. In addition, the Government will also need to complete economic and financial system reforms in order to improve the business and regulatory environment, diversify the economy, extend banking sector penetration and facilitate access to credit so as to promote and encourage participation of the domestic and international private sector in the NDP investment program.

In order to continue to pursue the Government's reform agenda, the New NDP for the period covering 2016 to 2020 is currently being prepared and is expected to be adopted by the Council of Ministers in May 2015. In spite of the Government's efforts, the economic and other assumptions underlying the objectives set forth in the NDP and the New NDP may not be met due to a number of possible factors, including: uncertainties as to the pace of the structural reforms affecting the public sector; possible delays in the effective mobilization of private sector and external financing, which could in turn negatively affect implementation of investment projects and cause a build-up of public debt; and time needed to eliminate remaining bottlenecks and inefficiencies (in respect of public spending, public infrastructure, business climate and subsidies to the electricity sector) resulting from the decade-long crisis. If Côte d'Ivoire fails to implement its fiscal reforms successfully or to secure appropriate external and private sector funding in a timely manner to meet its NDP objectives, or fails to adopt and successfully implement the New NDP, this could result in an adverse effect on Côte d'Ivoire's economic performance and ability to service its indebtedness, including the Notes.

The forthcoming October 2015 presidential election may result in political tension and/or delays in the implementation of Côte d'Ivoire's reform agenda.

The five-year term of President Alassane Ouattara will expire in October 2015. Côte d'Ivoire will therefore hold in October 2015 its first presidential election after the violent conflict that followed the presidential election of

2010. On June 12, 2014, the ICC Pre-Trial Chamber I confirmed the charges of crimes against humanity against former President Laurent Gbagbo and scheduled the trial to start on July 7, 2015. With respect to former President Gbagbo's wife, Simone Gbagbo, in 2012, the ICC requested that she be transferred to The Hague to stand trial. On December 11, 2014, the ICC Pre-Trial Chamber I rejected the Government's challenge to the admissibility of the case concerning Mrs. Gbagbo, and requested her immediate extradition to The Hague. On December 17, 2014, the Government submitted an appeal against the ICC decision and requested that its appeal have suspensive effect. On January 20, 2015, the ICC rejected the Government's request for suspensive effect. The ICC proceedings concerning the Government's appeal are pending and the ICC's extradition request remains in place. In the meantime, the trial of Mrs. Gbagbo in Côte d'Ivoire officially started before the criminal court in Abidjan on December 26, 2014. The Government considers the upcoming election as an important milestone and testing time for the reconstruction of Côte d'Ivoire and has been taking various steps to strengthen national reconciliation and the political dialogue with the opposition parties, including the FPI, the party of former President Laurent Gbagbo. The Government accepted changes to the composition of the Independent Electoral Commission (*Commission Electorale Indépendante* ("**CEI**")) to take into account requests presented by the opposition parties. In addition, dialogue is ongoing among political actors under the leadership of the former Prime Minister Ahoussou Jeannot with a view to building consensus on the way to organize peaceful, free and fair elections. While the presidential election is expected to take place peacefully, it may give rise to localized political and social tensions, especially as the trials of Laurent Gbagbo in The Hague and of Simone Gbagbo in Abidjan progress over the course of 2015. Such tensions may have an adverse effect on security and on Côte d'Ivoire's ability to continue its economic and political recovery program and to attract foreign investment and, accordingly, affect its ability to service the Notes.

In addition, the Government may not be able to continue to pursue and/or implement in a timely manner a number of the structural measures in its reform agenda in the run up to the election, especially if such measures could be politically sensitive. If structural reforms are delayed and/or the run-up to the election creates political and social tensions or revives security concerns, this may delay the implementation of Côte d'Ivoire's recovery program or the completion of the New NDP and adversely affect its ability to service its debt, including the Notes. Moreover, there is no certainty that after such election the reforms and policies of the current government will continue or will continue at the appropriate pace, which may have an adverse effect on Côte d'Ivoire's economic performance and affect its ability to service the Notes.

Côte d'Ivoire's economy is dependent on its agriculture sector.

Since the 1960s, Côte d'Ivoire's economic performance has been dominated by its agriculture, in particular the cocoa and coffee sectors. According to Government forecasts, the primary sector, while decreasing, still represented 20.9% of the country's nominal GDP in 2014, with coffee and cocoa, together, representing 6.7% of the country's nominal GDP, 43.9% of its export earnings and 13.9% of its tax revenue. Côte d'Ivoire is currently considered to be the world's largest producer of cocoa and produces, according to the World Cocoa Foundation, more than one third of world cocoa production. As such, the Government considers cocoa production as a key element of the country's economic strategy. Côte d'Ivoire's economy is thus vulnerable to challenges affecting the performance of its agriculture, and the cocoa sector in particular including global demand, pricing levels and competition.

Côte d'Ivoire's agriculture suffered severely from the political and military crisis from 2002 to 2011. This crisis has resulted in the disruption of production cycles, the interruption of a number of development programs and projects, notably in the northern, central and western regions, the destruction of plantations and production facilities and the cancellation of agricultural research programs. As a result of the crisis, there has also been a significant displacement of people, which has increased land ownership disputes, particularly in the coffee and cocoa producing areas, an issue that is being addressed by the Government through the implementation of the land reform adopted in 1998 to formalize customary land rights. In addition, for several years, the country's agriculture has suffered from inadequate management structures and inadequate funding and maintenance. These factors, individually or in aggregate, may continue to have a negative impact on Côte d'Ivoire's agricultural production and its economic performance. The Government, with notably the help of the World Bank, has engaged in a number of reforms designed to support the cocoa sector, by encouraging the domestic processing of cocoa, with approximately 35% of cocoa production being currently processed in Côte d'Ivoire (aimed also at developing more value-added services and industry within the country), by enhancing transparency and efficiency through a more adequate taxation system and the creation of a single regulatory and stabilization structure in charge of all operations in the cocoa sector, and, as further discussed below, by ensuring higher remuneration levels for the farmers through the application of a farm-gate price equivalent to 60% of the CIF price (up from 30% which

applied in the past). The Government has also launched a strategy to support rice production aiming at self-sufficiency by 2016, which resulted in rice production increasing by 16.4% from 2012 to 2013 and is forecast to increase by 19.7% from 2013 to 2014. In addition, the Government is implementing measures designed to support the development of other agricultural products, such as cotton, cashew nuts, bananas and palm oil. See "*The Economy–Principal Sectors of the Ivorian Economy– Agriculture*". If Côte d'Ivoire fails to successfully continue implementing its agenda on agricultural reforms outlined above, the Government may not be able to meet its medium-term strategic objectives by 2020, which could result in a loss of competitiveness and lower economic growth.

In addition, agricultural production is dependent on weather conditions. In particular, cocoa trees are sensitive to changing weather conditions. A period of low agricultural production, whether due to poor weather conditions such as drought or flood, or other causes such as diseases, may result in lower economic growth for the country than anticipated. Furthermore, cocoa production is vulnerable to the level of purchase price for producers and there is no assurance that the fluctuations of the CIF price will continue to allow the high remuneration levels required to incentivize the cocoa producers.

The economic performance of the agricultural sector is also dependent on international demand and commodity prices. For instance, cocoa and coffee prices have fluctuated significantly in the past and may fluctuate in the future. According to the World Cocoa Foundation, the ICCO Daily Price first closed above U.S.$3,000 per metric tonne on February 12, 2014 as a result of an increased demand of cocoa products in emerging markets (in particular, Asia). However, there can be no assurance that cocoa prices will stay at that level or keep increasing. Any decrease in the production, demand for or price in cocoa could have a material adverse effect on Côte d'Ivoire's level of export earnings and, therefore, its ability to service the Notes.

Failure to continue growing the non-agricultural sectors of its economy may constrain Côte d'Ivoire's economic growth.

Over the last few years, in order to reduce its dependence on the agricultural sector, Côte d'Ivoire has continued to develop the non-agricultural sectors of its economy by encouraging trade, construction, telecommunications, financial services, mining, oil and gas and manufacturing activities. Together, the secondary and tertiary sectors are forecast to have grown in real terms by 18.5% in 2014 and are estimated to have grown by 18.4% in 2013. Together, the two sectors grew in real terms by 8.2% in 2012 and contracted in real terms by 7.4% in 2011. The secondary and tertiary sectors represented 56.1% of nominal GDP in 2012, are estimated to have represented 56.4% of nominal GDP in 2013 and are forecast to have represented 57.2% of nominal GDP in 2014. However, a slowdown in the efforts to address the remaining bottlenecks regarding infrastructure (including inadequate power and water supply, transportation systems and transformation capabilities), reduced credit availability or consumer demand, local shortages of skilled managers and workers or inconsistent government policies may constrain development in these sectors and the current rate of growth may not be sustained in future periods.

If Côte d'Ivoire fails to continue to implement its reforms successfully and to grow the non-agricultural sectors of its economy, it may constrain Côte d'Ivoire's economic growth and thereby affect Côte d'Ivoire's ability to service the Notes.

Unsustainable levels of indebtedness could have a material adverse effect on Côte d'Ivoire's economy, its sovereign credit ratings and its ability to service its debt, including the Notes.

At the end of December 2014, Côte d'Ivoire's total outstanding external debt is estimated to have amounted to approximately CFAF 3,138.2 billion, representing 18.4% of forecast nominal GDP. As a result of reaching the completion point under the IMF and World Bank enhanced initiative for the Heavily Indebted Poor Countries ("**HIPC**") in June 2012, Côte d'Ivoire's external indebtedness was reduced to what the IMF and the World Bank view as a sustainable level (45.1% of forecast nominal GDP) and the Government resumed regular debt service payments to all of its external creditors which had been suspended partially since 2009. See "*Public Debt–Relationship with creditors–WAEMU Financial Stability Fund*". As of the date of this Prospectus, Côte d'Ivoire is up-to-date with its payment obligations to its external creditors, including the holders of its Eurobonds due 2032 and, in January 2015, paid the first interest coupon on the Eurobonds due 2024 in full and as scheduled.

The level of domestic indebtedness of Côte d'Ivoire also represents a constraint for the management of public finances. At the end of December 2014, total outstanding domestic debt amounted to around CFAF 3,031.9 billion (17.8% of nominal GDP). In parallel with the implementation of the HIPC initiative for its external debt, the

Government undertook to negotiate arrears settlement plans with various holders of domestic debt and has now substantially completed this process. See "*Public Debt– Domestic debt management policy*".

In December 2014, the Government adopted a new Medium-Term Debt Strategy (*Stratégie de la Dette à Moyen Terme* ("**SDMT**")) 2015-2019 based on an updated debt sustainability analysis in order to better control its indebtedness risk in light of the gradual increase of public debt related to the significant financing mobilized for the implementation of the NDP. See "*Public Debt–Public debt management policy– Institutional measures: the CNDP and the SDMT*". In addition, a Financial Stability Fund was created in May 2012 by and for the WAEMU countries. The main goal of the fund, which is not yet operational, is to avoid possible debt default incidents by WAEMU sovereign issuers facing liquidity problems. See "*Public Debt–Relationship with creditors–WAEMU Financial Stability Fund*".

However, the IMF considers that Côte d'Ivoire remains vulnerable to economic shocks and stresses the need for continued control of the level of indebtedness, strong fiscal management and structural reforms. Failure to meet the conditions of the economic and sectorial programs agreed with the IMF and the World Bank may adversely affect Côte d'Ivoire's ability to make further drawings under the various facilities offered by these institutions and ultimately affect the Government's ability to service the Notes. Furthermore, the new SDMT 2015-2019 shows that Côte d'Ivoire's public debt remains exposed to a risk of refinancing due to a short weighted average maturity of the debt. The weighted average maturity of the total debt portfolio at the end of December 2014 was six years, while that of external debt was eight years and that of domestic debt was three years. The Government has identified recourse to Eurobond instruments with longer-term maturities as an efficient way to improve the weighted average maturity of the debt portfolio, but borrowings on the international financial markets may increase the exchange risk exposure. If the Government fails to successfully implement its debt strategy, debt levels could once again rise to an unsustainable level, which may negatively impact Côte d'Ivoire's sovereign credit ratings and its ability to service the Notes.

Failure to continue to adequately address Côte d'Ivoire's infrastructure deficiencies could adversely affect Côte d'Ivoire's economy and growth prospects.

A long period of underinvestment (largely caused by the crisis and political and military turmoil between 2002 and 2011) resulted in significant deterioration of Côte d'Ivoire's public infrastructure, and the absence of basic infrastructure to support and sustain growth and economic development. Problems with power generation, transmission and distribution infrastructure, drinking and irrigation water infrastructures and health and educational systems, as well as insufficient roads and bridges (especially in rural areas), deteriorating road and tourist infrastructures, congested ports and airports and an obsolete rail infrastructure have severely constrained socio-economic development in Côte d'Ivoire. Although significant progress has been made in many of these sectors and the telecommunications and internet facilities in recent years, the state of development in those sectors cannot be considered on a par with that in more developed economies. The Government has identified Côte d'Ivoire's infrastructure weaknesses as an impediment to economic growth and the NDP includes ambitious targets for infrastructure improvements which would require significant investments, including external investments. For instance, the Government completed the construction of and inaugurated the third Abidjan bridge in December 2014 (built in 27 months), and plans to boost production capacity for the Azito thermal power plant, and to construct a hydro-electric dam in Soubré. *See* "*The Economy–Principal Sectors of the Ivorian Economy–Energy and Mining–Electricity*". Failure to continue to significantly improve Côte d'Ivoire's infrastructure or to attract investment and funds required for such improvements could adversely impact Côte d'Ivoire's economy, competitive ranking and growth prospects, including its ability to meet GDP growth targets and, accordingly, its ability to service the Notes.

A significant portion of Côte d'Ivoire's economy is not recorded.

A significant portion of Côte d'Ivoire's economy, estimated at more than one third of total nominal GDP, is comprised of the informal, or shadow, economy. In particular, informal economic activity is significant in agriculture, a key sector of Côte d'Ivoire's economy, as well as in the crafts industries. The informal economy is not recorded and is not or only partially taxed, resulting in a lack of revenue for the Government, ineffective regulation, unreliability of statistical information (including the understatement of GDP and the contribution to GDP of various sectors) and inability to monitor or otherwise regulate a large portion of the economy. Lack of effective regulation and enforcement in this respect also gives rise to other issues, including health and safety and employment issues. Although the Government is attempting to address the informal economy by streamlining certain regulations, particularly tax laws and improving its statistical apparatus with technical assistance from the

IMF, there can be no assurance that such reforms will adequately address the issues and bring the informal economy into the formal sector in the short term.

Failure to adequately address actual and perceived risks of corruption may adversely affect Côte d'Ivoire's economy and ability to attract foreign direct investment.

Although Côte d'Ivoire has implemented, and is pursuing, initiatives to prevent and fight corruption and unlawful enrichment, there have been allegations and incidents of corruption and misuse of public funds in Côte d'Ivoire as is the case in other emerging markets. Côte d'Ivoire is ranked 115 out of 175 in Transparency International's 2014 Corruption Perceptions Index and 147 out of 189 in the World Bank's "Doing Business 2015" report published on October 29, 2014.

Since 2012, the Government has implemented various measures to fight corruption. In April 2012, Côte d'Ivoire adhered to the Extractive Industries Transparency Initiative ("**EITI**") to foster good governance and environmental sustainability in the extractive industry. In October 2012, it ratified the United Nations Convention Against Corruption ("**UNCAC**") and the United Nations Convention against Transnational Organized Crime ("**UNTOC**"). In November 2012, Côte d'Ivoire ratified the African Convention on Preventing and Combating Corruption, which it had signed in 2004. Furthermore, the Government adopted two ordinances regarding the issue of corruption in September 2013. The first ordinance aims at improving the legal framework to prevent and fight corruption and the second ordinance established a High Authority for Good Governance, which is in charge of developing and implementing a national strategy to fight corruption. Also, on June 5, 2014, a new law on transparency in the management of public finances was passed in accordance with WAEMU rules and regulations. According to the IMF Report 14/358, the amount of public procurement granted on a non-competitive basis represented 5.6% of the volume of contracts in the first half of 2014, compared to about 80% in the first half of 2013, a sharp decrease due to the successful enforcement of the reforms adopted by the Government. However, according to the IMF, corruption still remains a challenge to be addressed by the Government and key areas of reforms include enforcing the recently-adopted legal framework to prevent and fight corruption and improving the relations between the tax/customs services and taxpayers. Failure to continue to step up efforts to prevent or fight corruption in the public sector or perceived risks of corruption in Côte d'Ivoire could have an adverse effect on Côte d'Ivoire's economy and may have an adverse effect on Côte d'Ivoire's ability to attract and/or maintain foreign investment.

Côte d'Ivoire may face a lack of continued access to foreign direct investment.

Achieving the NDP's growth objective is conditional upon the levels of foreign direct investment ("**FDI**"). Côte d'Ivoire's total FDI, which comprises equity capital and other capital inflows, increased from CFAF 135.1 billion in 2011 to CFAF 161.3 billion in 2012, CFAF 179.7 billion in 2013 and are forecast to have represented CFAF 185.8 billion in 2014. According to the UNCTAD World Investment Report 2014, FDI inflows to Africa grew to US$57 billion in 2013, representing an increase of 4% compared to 2012. However, according to this report, FDI inflows to Côte d'Ivoire in 2013 were in a range of only US$100.0 million to US$400.0 million, compared to FDI inflows above US$3.0 billion for countries like Ghana, Nigeria, Mozambique, Morocco or South Africa. In the absence of a decrease in the perceived risks associated with investing in Côte d'Ivoire, including those described herein, FDI may fail to increase or may even decline, which could adversely affect Côte d'Ivoire's economy and limit sources of funding for infrastructure and other projects which are dependent on significant investment from the private sector. This could, in particular, have an adverse effect on the implementation of the NDP objectives and the New NDP. If existing levels of FDI decrease or do not continue to increase, this would significantly impede the progress of sectors important to Côte d'Ivoire's economic growth such as the infrastructure, natural resources, financial and energy sectors.

Failure to continue to restructure and enhance the banking and financial sector may constrain Côte d'Ivoire's economic growth.

The quality of the banks' loan portfolios deteriorated in the wake of the 2011 post-election crisis, in part due to the State's domestic arrears toward the private sector. Chronic weaknesses appeared, in particular in state-owned banks and in small- and medium-sized banks which failed and are still failing to comply with banking ratios, particularly the minimum level of share capital and all equity ratios. The banks, which were closely involved with small- and medium-sized businesses or with fragile sectors, such as the transportation sector, were the hardest hit by the crisis.

As of the date hereof, five credit institutions, three of which are majority-owned by the State, are under close surveillance by the Banking Commission due to their difficulties in complying with prudential regulations. One of these five institutions is under temporary administration and the four other banks may be placed under temporary administration if the Banking Commission considers that they are no longer in a position to satisfy their regulatory duties alone or if the Banking Commission considers that management can no longer be ensured under normal conditions. In addition, in September 2014, the Banking Commission removed the license of a State majority-owned bank and placed it under liquidation. Under an action plan adopted in May 2014, a Commission for the restructuring of banks majority-owned by the State was created by the Prime Minister, the Minister in charge of Economy and Finances, with the task of analyzing the creation of a new efficient public banking unit, capable of accompanying the Government's sectorial policies. See "*Monetary System—Banking System–Restructuring of the Banking Sector*". If the Government of Côte d'Ivoire fails to effectively carry out this action plan in a timely manner, it may have a material adverse effect on Côte d'Ivoire's economy and its ability to service the Notes.

In addition, according to the IMF, Côte d'Ivoire's banking sector is shallow, dominated by foreign banks and requires substantial reforms to provide the level of credit and access to financial services needed for achieving the country's growth and poverty reduction objectives. While the ratio of loans to private sector/GDP increased slightly from 16.78% in June 2012 to 16.84% at the end of 2014, according to BCEAO forecasts, an analysis of the structure of loans reported to the BCEAO's risk department revealed that the tertiary sector remains the principal beneficiary of bank financing and the primary sector remains the least financed, benefitting from only 5.3% of bank loans. See "*Monetary System–Banking System–Financing of the Economy*". Access to long-term credit is also very limited. If the Government of Côte d'Ivoire fails to implement its strategy vis-à-vis the financial sector, this may have a material adverse effect on the contribution of the local private sector to Côte d'Ivoire's economy and Côte d'Ivoire's ability to service the Notes.

Côte d'Ivoire's growth prospects are vulnerable to the performance of the power sector.

Despite important energy resources and being an exporter of energy to neighboring countries, the lack of sufficient, affordable and reliable energy supply remains a serious impediment to Côte d'Ivoire's economic growth and development. Insufficient power generation, aging or insufficient infrastructure, inadequate funding, weak distribution networks and overloaded transformers result in high cost of electricity, frequent power outages, high transmission and distribution losses and poor voltage output. For instance, a delay in the start of operations of the offshore field CI-202 created a shortage of gas for electricity production. In addition, the power sector has experienced in the past, especially during the 2011 post-election crisis, a high level of illicit connections and other fraud which has resulted in losses for the sector. While the Government has adopted several measures to deal with these fraud issues, such as the development of electronic electricity meters, there is no assurance that the sector will not continue to experience fraud issues.

In the NDP, the Government has identified the improvement of electricity generation, transmission and distribution infrastructure as a critical element in meeting economic growth and development objectives, and launched in 2013 a wide-ranging investment program of CFAF 5,300 billion to build new hydraulic and thermal power plants, and to improve the transmission network to reduce wastage. See "*The Economy– Energy and Mining–Electricity*". The Government adopted in February 2014 a new electricity code which is expected to establish a better framework for managing physical and financial flows in the electricity sector by (i) including a better definition of the activities of the electricity sector and their legal framework; (ii) developing a greater flexibility regarding permissible organizational structures and the management structure for the segments which are granted state monopolies, which can now be operated by one or more private operators; (iii) covering new and renewable energy sources as well as energy-saving schemes; (iv) strengthening the framework for preventing fraud and criminal acts in the electricity sector; and (v) creating an independent regulatory commission with the necessary powers to fulfill its mission. However, despite the implementation of a number of measures since 2012, including the decision to bill electricity exports to a number of neighboring countries at a price close to marginal costs, the financial position of the energy sector is still under strain. The difficulties, which have resulted in the buildup of cross debts within the sector, have recently been compounded by delays in paying the government budgeted subsidies and by the drop in international refining margins, as well as by unfavorable rainfalls which have reduced low cost hydropower generation.

Failure to adequately address the deficiencies in Côte d'Ivoire's power generation, transmission and distribution infrastructure and adopt and apply a sustainable pricing policy could lead to lower GDP growth and affect Côte d'Ivoire's ability to obtain funding and to attract and maintain FDI, thereby hampering the development of its economy and its ability to service the Notes.

Côte d'Ivoire suffers from high levels of poverty.

The combined effect of low economic growth during the past decade and the political and military crisis between 2002 and 2011 resulted in a long period of economic stagnation which had a severe social impact. Real income per capita in 2011 was only about 57% of its peak 1978 level. Côte d'Ivoire's ranking in the 2014 UNDP Human Development Index ("**HDI**"), a composite measure of life expectancy, education, and income, was 171 out of 187. In the view of the IMF, while the socio-political situation has improved substantially since the end of the post-electoral crisis, serious challenges remain, including meeting expectations of improved living standards, including in the education and health sectors. For instance, the Ivorian educational system faces social problems that hinder the schooling of vulnerable students, particularly early pregnancy among young women, child labor, and inequalities in access to educational facilities.

According to the IMF Report 13/367, overall unemployment in Côte d'Ivoire was approximately 9.5% in late 2012, with a much higher rate among the young, women and people living in Abidjan. In addition, the public sector, in particular the health and education sector, having suffered from wage restraints and payment arrears for several years, experienced work stoppages in 2012 and the first part of 2013. While the Government has increased salaries in the civil service in 2014, which resulted in a decrease in work stoppages, the country may experience further significant work stoppages in the future, which may have adverse effects on the Ivorian economy. Côte d'Ivoire also faces health risks that are compounded by the high level of poverty among the more vulnerable groups. For instance, according to the WHO, malaria was the first cause of death in children aged under five in 2012 and the incidence of malaria was estimated to be approximately 20,730 per 100,000 persons in 2012, against a regional average of 18,579 per 100,000 persons during the same period. The Ivorian public health situation is also characterized by a high HIV/AIDS related mortality rate. AIDS is the leading cause of mortality among adult men and the second among women, after pregnancy-related problems and child birth. No assurance can be given that the high incidence rate of malaria, HIV/AIDS or other diseases in Côte d'Ivoire, will not affect Côte d'Ivoire's economic performance.

The Government of Côte d'Ivoire has implemented and expects to pursue a number of measures attempting to reduce poverty and unemployment. Consistent with the objective of the NDP to reduce the level of poverty in Côte d'Ivoire, "pro-poor" spending in 2015 is forecast to reach CFAF 1.716,4 billion, representing 34.2% of the budget. However, if the Government fails to successfully implement its reforms and to significantly reduce poverty and unemployment in the short- to medium-term, this may create a risk of political and social instability and have adverse effects on the Ivorian economy and on Côte d'Ivoire's ability to service the Notes.

Côte d'Ivoire's economy may be negatively affected due to West Africa region fragility.

Côte d'Ivoire has a number of trading partners in West Africa upon which its economy relies. For example, an important part of the activity of the ports of Côte d'Ivoire in Abidjan and San Pedro relates to goods traded by Burkina Faso, Mali and Niger. As of the end of November, 2014, 16% of Côte d'Ivoire's exports in 2014 were to Ghana, Burkina Faso, Mali and Nigeria, and 22.6% of Côte d'Ivoire's imports were from Nigeria. Political instability, social unrest, epidemics and/or increased fragility in these and other partner countries in the West African region are common and, among other effects, could result in a reduction of Côte d'Ivoire's exports to, and imports from, those countries. In particular, the West Africa region has been experiencing a serious Ebola virus epidemic (see - "*Côte d'Ivoire's economy may be negatively affected by the Ebola virus*") and Boko Haram, a terrorist Islamist movement based in northeast Nigeria, has been attacking and killing civilians in Nigeria, Chad, Niger and Cameroon. Such regional threats and fragility among Côte d'Ivoire's neighboring or partner countries could have an adverse effect on its economy and hamper prospects of growth, which may affect its ability to service the Notes.

Côte d'Ivoire's economy may be negatively affected by the Ebola virus.

In March 2014, an Ebola virus epidemic was confirmed close to the border between Guinea and Liberia. After an alert launched by the World Health Organization ("**WHO**") asking to reinforce the monitoring of illnesses akin to a viral hemorrhagic fever, the neighboring countries of Guinea and Liberia, including Côte d'Ivoire, implemented safety measures along their land borders and inside their territories in order to protect people at risk and to prevent virus propagation. While at the date of this Prospectus there has been no reported case of Ebola infection in Côte d'Ivoire, the country remains at risk given its borders with affected countries and must dedicate significant resources to preserving itself from this virus epidemic. In 2014, the Government funded a first plan amounting to CFAF 3 billion focused on general prevention measures. The Government subsequently put in place a CFAF 13.5

billion plan focused on prevention measures in the districts close to Liberia and Guinea, which has been fully financed by commitments from the EU, the World Bank, and AfDB. The implementation of this plan will start in 2015. In addition, a third CFAF 50 billion plan, to be financed through an increase of the IMF extended credit facility, will extend similar prevention measures to the whole territory.

To date, the Ebola outbreak in neighboring countries has had only a limited impact on Côte d'Ivoire's economy; the only noticeable signs have been a decline in cross-border trade in the West of the country and the cancellation of a number of international conferences in Abidjan. However, a major outbreak, if it were to occur, could severely affect the economy. In particular, difficulties faced in harvesting cocoa (and other agricultural outputs) would adversely impact GDP, the balance of payments and the fiscal position. Difficulties in collecting budget revenues and the need to increase health related spending would further deteriorate the fiscal position. An outbreak would also likely result in a significant fall in services (e.g., hotel and restaurants), commerce, and transport. Delays in private sector investment and difficulties in accessing external financing would compound the negative impact on growth.

Côte d'Ivoire's membership in the BCEAO may affect its ability to react to stresses on its economy and may subject it to economic policies that are not in its best interests.

As a member of a monetary union, Côte d'Ivoire has no independent monetary and exchange rate policies. The country must rely on its own budgetary policy (including wage policy) and structural policies to make its economy more competitive and more resilient to external shocks. The BCEAO sets interest rates and monetary and banking policies for all of the member states of the WAEMU to protect the union from fluctuations in the global market and pegs the CFAF to the Euro. As a result, the BCEAO makes interest rate policy decisions on the basis of union-wide considerations and the best interests of the WAEMU as a whole, and is unable to make jurisdiction-specific decisions other than the amendment to national reserve requirements. While the weight of the Ivorian economy, estimated to account for about 40% of the GDP of the WAEMU, remains a fact relevant to the BCEAO's decision-making, BCEAO membership nevertheless means that Côte d'Ivoire is unable to unilaterally carry out monetary policy initiatives such as amending its exchange rate, interest rate or the reserve requirement rate, currently set at 50%, and requires the BCEAO to do so across the union. See "*Monetary System – The Franc Zone and the BCEAO*". In the event that it is in the interests of Côte d'Ivoire to amend the interest rates upwards or downwards in order to stabilize its economy, for example to combat inflation, then it may be unable to do so in a timely manner, or at all. This situation may have an adverse effect on Côte d'Ivoire's economy and on its ability to service the Notes. Côte d'Ivoire's membership of the BCEAO also means that it may be adversely affected by events in other member states, more severely than would otherwise be the case. This exposure to circumstances in other member states that are out of its control may adversely affect the position of Côte d'Ivoire's economy and Côte d'Ivoire's ability to service the Notes.

Changes to the fixed exchange rate could affect the Notes.

Côte d'Ivoire, along with other countries that currently participate in the BCEAO, maintains a fixed exchange rate of CFAF 655.957/€1. If domestic or international circumstances were to force Côte d'Ivoire to abandon its fixed exchange rate policy in the future, the cost of servicing Côte d'Ivoire's external debt (including the Notes) could escalate sharply, which could have an adverse effect on Côte d'Ivoire's economy and its ability to service the Notes. In addition, while it may increase the competitiveness of Côte d'Ivoire's exports, a depreciation of the Euro relative to the US dollar may increase the cost of Côte d'Ivoire's imports, which may have an adverse effect on Côte d'Ivoire's economy.

Côte d'Ivoire's natural resources are increasingly under pressure and Côte d'Ivoire faces challenges to sustainable environmental policy.

Côte d'Ivoire has a significant agriculture sector and its large rural population depends on natural resources as a basis for farming, energy production and housing. These natural resources are being put under increasing pressure due to deforestation and soil exhaustion resulting from intensive farming and non-sustainable farming practices, as well as erosion and natural hazards. The effects of climate change on the cocoa and coffee plants could impact the quality and volume of the production as well as its seasonality. The forest area of the country decreased by 75% from 1960 to 2008. Environmental degradation in Côte d'Ivoire has been exacerbated by the long military conflict and population displacement. According to the Government and the IMF, Côte d'Ivoire's population is expected to grow at an annual rate of 3% from 2014 to 2018, putting further pressure on the available natural resources. The expected growth of the mining sector in the coming years may also increase pressure on acquiring and/or

developing agricultural land as well as the risk of environmental hazards as a result of processes and chemicals used in the extraction and production methods. In addition, the environment in Ivoirian cities, including the Abidjan lagoons, has deteriorated as a result of industrial and domestic effluent wastes without prior treatment. It is further affected by the lack of an adequate wastewater system, with the poor areas in the cities hardly benefitting from any wastewater equipment. These issues are compounded by the rapid growth of the urban population, which now represents more than half of the total population of Côte d'Ivoire. See "*Economy – Environment*".

The Government has made a strong commitment towards "greening the economy" by creating legal frameworks and bolstering institutional support for the conservation of the environment, but there can be no guarantee that these policies will be effective and severe environmental pressure will not continue. In addition, addressing the effects of environmental degradation may entail significant costs for Côte d'Ivoire's public finances. For example, the cost of the Bonoua groundwater project which the Government expects to complete in 2015 to resolve the drinking water supply issue for the Abidjan area is estimated at CFAF 25.4 billion in 2015, and additional significant investments will be required to ensure sufficient drinking water for the rest of the country. If natural resources deteriorate, or if any of the environmental policies are not properly implemented or fail to meet the population growth rate, this could have an adverse effect on the agricultural sector (including rice production as a staple diet), food security, public health and the general performance of the economy.

Official statistics published by Côte d'Ivoire may be more limited and less accurate than those produced by developed countries and, to the extent currently presented as estimates and forecasts, may be materially adjusted in the future once finalized.

Statistical data appearing in this Prospectus has, unless otherwise stated, been obtained from Government sources and documents. Different departments of the Government of Côte d'Ivoire prepare statistics relating to various aspects of the Ivorian economy. Côte d'Ivoire adheres to the IMF's General Data Dissemination Standards and publishes key official data and statistics and ultimately intends to adopt the IMF's Special Data Dissemination Standards. However, Côte d'Ivoire has not yet completed the infrastructure for generating all the relevant data and the recent civil conflict has meant that such data are not available for certain parts of the economy. Accordingly, Côte d'Ivoire's official data and statistics are not as accurate and are more limited in scope and published less frequently than is the case for more advanced countries such that adequate monitoring of key fiscal and economic indicators may be difficult. As it is the case for many emerging economies, the relative size of the informal sector combined with the rapid growth of the economy and the continuous improvement of the statistical tools of the Government of Côte d'Ivoire may result in figures cited in this Prospectus becoming outdated relatively quickly. In addition, the statistics prepared by some governmental departments may not be fully consistent with similar statistics prepared by other departments and the presentation of statistical data may vary from period to period due to the application of different methodologies and processes for validating and finalizing such data. See "*Presentation of Economic and Other Information.*" For example, certain estimated and forecast figures for the years 2011 to 2014, which were previously published by the Government and included in the 2014 Prospectus, have since been materially adjusted following application of the relevant processes for validating and finalizing them. Since some of the figures included in this Prospectus for the years 2013, 2014 and beyond remain in estimated or forecast form, no assurance can be given that, upon being validated and finalized in accordance with the relevant methodologies, such figures will not be subjected to material adjustments. A 2012–15 statistics Master Plan, consistent with the NDP, is being implemented with respect to (i) conducting national and sector surveys, (ii) strengthening and monitoring short-term indicators, (iii) setting up a database for an integrated information management system, (iv) preparing quarterly national accounts, (v) updating the Harmonized Consumer Price Index, and (vi) preparing a directory of ministerial statistical staff.

Risk Factors Relating to the Notes and the Trading Market for the Notes

The Notes may be negatively affected by events in other emerging markets, including those in sub- Saharan Africa.

Economic distress in any emerging market country may adversely affect prices of securities and the level of investment in other emerging market issuers as investors move their money to more stable, developed markets. Financial problems or an increase in the perceived risks associated with investing in emerging market economies could dampen foreign investment in Côte d'Ivoire, adversely affect Côte d'Ivoire's economy or adversely affect the trading price of the Notes. Even if Côte d'Ivoire's economy remains relatively stable, economic distress in other emerging market countries could adversely affect the trading price of the Notes and the availability of foreign funding sources for the Government. Adverse developments in other countries in sub-Saharan Africa, in particular, may have a negative impact on Côte d'Ivoire if investors perceive risk that such developments will adversely affect Côte d'Ivoire or that similar adverse developments may occur in Côte d'Ivoire. Risks associated with sub-Saharan Africa include political uncertainty, civil unrest and conflict, corruption, the outbreak of diseases and poor infrastructure. Investors' perceptions of certain risks may be compounded by incomplete, unreliable or unavailable economic and statistical data on Côte d'Ivoire, including elements of the information provided in this Prospectus. See "*Official statistics published by Côte d'Ivoire may be more limited and less accurate than those produced by developed countries and, to the extent currently presented as estimates and forecasts, may be materially adjusted in the future once finalized*."

An active trading market for the Notes may not develop and any trading market that does develop may be volatile.

The trading market for the Notes will be influenced by economic and market conditions in Côte d'Ivoire and, to varying degrees, interest rates, currency exchange rates and inflation rates in other countries, such as the United States, the European Union Member States and elsewhere. There can be no assurance that an active trading market for the Notes will develop. If a market does develop, it may not be liquid. In addition, liquidity may be limited if the Issuer makes large allocations of the Notes to a limited number of investors. Investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. If the Notes are traded after their initial issuance, they may trade at a discount to their offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the economic and political condition of Côte d'Ivoire.

The terms and conditions of the Notes contain provisions for modifications and waivers.

The terms and conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally, including material changes to the terms of the Notes and rescission or acceleration. These provisions permit defined majorities voting at a meeting or executing written consents to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Notes have amortizing redemption features.

The Notes are amortizing obligations and principal on the Notes is scheduled to be repaid in three instalments of US$333,000,000 on March 3, 2026, US$333,000,000 on March 3, 2027 and US$334,000,000 on March 3, 2028. Holders of Notes may only be able to reinvest monies they receive upon such amortization in lower-yielding securities than the Notes.

The Issuer's credit ratings are subject to revision or withdrawal, either of which could adversely affect the trading price of the Notes.

The Notes have been rated B by Fitch and B1 by Moody's. Each of Fitch and Moody's is established in the European Union and registered under the CRA Regulation. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed herein, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization. Other than pursuant to Article 16 of the Prospectus Directive, the Issuer has no obligation to inform Noteholders of any revision, downgrade or withdrawal of its current or future sovereign credit ratings. A suspension, downgrade or withdrawal at any time of a credit rating assigned to the Issuer may adversely affect the market price of the Notes.

Côte d'Ivoire is a sovereign State. Consequently, it may be difficult for investors to obtain or realize upon judgments against Côte d'Ivoire.

Côte d'Ivoire is a sovereign State. In the absence of reciprocity arrangements, the courts of Côte d'Ivoire are unlikely to enforce a judgment of a court established in another country. This is the case with the United Kingdom which does not have any execution of judgment reciprocity arrangements with Côte d'Ivoire. As a result, it may be difficult for investors to obtain judgments against Côte d'Ivoire in foreign or Côte d'Ivoire courts or to enforce foreign judgments, including judgments predicated upon civil liabilities under the securities laws of the United States or any state or territory within the United States against Côte d'Ivoire. Although Côte d'Ivoire will consent in the terms and conditions of the Notes to the giving of any relief or the issue of any process in connection with proceedings in England arising out of any dispute arising from or connected with the Notes and will agree to waive any immunity it may have in a suit, execution, attachment or other legal process in respect of any such proceedings, that waiver of immunity does not extend to any other proceedings and excludes from its scope certain diplomatic, military and other government properties, located in Côte d'Ivoire. The waiver of immunity also does not extend to any actions brought against Côte d'Ivoire in the United States under any US securities law. Moreover, the enforcement of foreign judgments is subject to the conditions and limitations described under "*Enforcement of Civil Liabilities*" and such limitations and conditions may make it difficult for investors to obtain or realize upon judgments of courts outside Côte d'Ivoire. Furthermore, arbitration is recognized in Côte d'Ivoire as a method of dispute resolution and is governed by statute under Côte d'Ivoire Law No. 93-671 of August 9, 1993 on Arbitration, *Acte Uniforme d'OHADA sur l'Arbitrage* of March 11, 1999 and Ordonnance No. 212-158 determining the intervention of national jurisdictions in the arbitration procedure of February 9, 2002 ("**Arbitration Law**"). Among other things, the Arbitration Law allows for the recognition and enforcement of an arbitral award upon application in writing to the competent court in the jurisdiction of Côte d'Ivoire, irrespective of the country in which the award was made. Foreign arbitral awards are therefore recognized and can be enforced upon being registered in Côte d'Ivoire.

Payments made in certain EU Member States may be subject to withholding tax under the EU Savings Directive.

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Directive**"), each Member States of the European Union is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to, or secured by such a person for, an individual beneficial owner resident in, or certain limited types of entity established in that other Member State. However, for a transitional period, Austria will (unless during that period it elects otherwise) instead operate a withholding system in relation to such payments. The rate of withholding is 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to exchange information procedures relating to interest and other similar income. Luxembourg previously operated a similar withholding system to that described above; however, pursuant to Luxembourg law dated November 25, 2014, the Luxembourg government abolished the withholding system in favor of automatic exchange of information with effect from January 1, 2015.

A number of non-EU countries and certain dependent or associated territories of certain Member States have agreed to adopt similar measures to the EU Savings Directive.

On March 14, 2014 the Council of the European Union adopted a directive amending the EU Savings Directive (the "**Amending Directive**") which, when implemented, will broaden the scope of the rules described above. The Member States will have until January 1, 2016 to adopt national legislation necessary to comply with the EU Savings Directive. The changes made under the Amending Directive include extending the scope of the EU Savings Directive to payments made to, or secured for, certain other entities and legal arrangements (including trusts and partnerships), where certain conditions are satisfied. They also broaden the definition of "interest payment" to cover income that is equivalent to interest.

The EU Savings Directive may, however, be repealed in due course in order to avoid overlap with the amended Council Directive 2011/16/EU on administrative cooperation in the field of taxation, pursuant to which Member States will be required to apply other new measures on mandatory automatic exchange of information from January 1, 2016.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment pursuant to the EU Savings Directive (as

amended from time to time) or any law implementing or complying with, or introduced in order to conform to, the Directive, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is, however, required to maintain a paying agent in a Member State, if any, that will not be obliged to withhold or deduct tax pursuant to the EU Savings Directive. Holders of the Notes should consult their own tax advisers regarding the implications of the EU Savings Directive in their particular circumstances.

USE OF PROCEEDS

The gross proceeds of the issue of the Notes are expected to amount to US$979,550,000. The aggregate amount of commissions payable to the Joint Lead Managers and estimated expenses payable by the Issuer in connection with the offer and sale of the Notes are expected to be approximately US$1,915,000. The proceeds of the issue will be used to continue to implement strategic investments planned in the NDP, especially in the infrastructure, education, health and agricultural sectors.

THE REPUBLIC OF CÔTE D'IVOIRE

Geography

Ivory Coast or Côte d'Ivoire is located in the western part of Africa, in the intertropical zone between the Tropic of Cancer and the Equator. It spans 322,463 km^2 and has over 500 km of coastline. It borders the Gulf of Guinea (Atlantic Ocean) in the south, Burkina Faso and Mali in the north, Ghana in the east, Guinea and Liberia in the west. While Yamoussoukro was officially designated as the political and administrative capital of the country in 1983, Abidjan has effectively remained the economic, political and administrative center.

The country's climate is generally warm and humid and the territory has three main climatic regions characterized by rainfall volumes: the south (2 meters of rain per year), the west (1.5 meters of rain per year), and the north (1.2 meters of rain per year). The country is irrigated in the north and south by four rivers, namely the Bandama, the Comoé, the Sassandra and the Cavally.

The vegetation of the country is varied. The original landscape, consisting of dense forest, once occupied a third of the territory to the south and west. Open forests and wooded savannah also covered the rest of the country's territory from the center to the north, with the exception of several dense and dry forest zones. However, since the colonial period, the areas of dense forest have been significantly diminished. This plant cover shelters several animal species, including mammals, such as the elephant, the most well-known animal, given that their tusks are at the origin of the country's name. Once abundant in the forest and savannah, elephants have been extensively hunted and poached and remain only in reserves and parks, as well as certain forest areas.

The country's topography consists mainly of coastal plains, bordered by lagoons which transition into plateaux and mountain ranges in the north west of the country. The country's highest summit, Mount Nimba, reaches 1,752 meters and is located in the western part of the country close to the Guinea and Liberia borders.



Source: http://geography.about.com/

Political History

Portuguese explorers were the first Europeans to reach the coast of the country in the 15th century. At the end of the 16th century, the Portuguese were joined by the Dutch, followed by the French and the English in the 17th century. These Europeans maintained commercial relations with the populations on the coast. The abundance of

ivory gave this part of the African territory its name, Côte d'Ivoire. Trade involved various tropical products, but was dominated by the slave trade.

The abolition of slavery in 1815 at the Congress of Vienna, reaffirmed in 1885 at the Congress of Berlin, opened the door to new commercial relations between the populations of Côte d'Ivoire and new European actors. Despite fierce competition from the English and hostility from the local population, the French established several trading posts in the country and founded the colony of Côte d'Ivoire in 1893. From 1904 to 1958, the colony was part of French West Africa (*Afrique Occidentale Française*).

Independence and the economic miracle

In 1945, the population began to fight for political emancipation from French colonization, as was the case in many other countries in Africa at the time. In December 1958, Côte d'Ivoire became an autonomous republic within the French Community (*Communauté française*) instituted between France and its former colonies. Félix Houphouët-Boigny, who was appointed Prime Minister in 1959, led Côte d'Ivoire to international sovereignty on August 7, 1960 and became the first president of the country. Côte d'Ivoire has, however, since remained closely tied to the French currency due to its integration into the Franc monetary system and the numerous French investments in the country.

At independence, the State's institutions were defined by a Constitution, which organized the country as a republic and stipulated the separation of executive, legislative and judiciary powers. President Félix Houphouët-Boigny ruled the country, backed by the *Parti Démocratique de Côte d'Ivoire* (PDCI) through a single-party system.

Between 1960 and 1980, the political stability of the country, built in large part upon the single party regime, led to strong economic growth. The country's economic transformation was spectacular in all areas: agriculture, industry, commerce and finance, to such a point that it became known as the "Ivorian economic miracle." This was the result of policies which favored a strong role for the State, private investment and foreign capital. Society in Côte d'Ivoire underwent profound social changes during the first 20 years of its independence, which resulted in an increased standard of living and improved sanitary, educational and social facilities. The population increased from 3.7 million in 1960 to 12.2 million in 1988, representing an average annual growth rate of 3.8%, drawing both from the natural birth rate and immigration from other francophone West African countries.

However, from the mid-1980s, the economy began to stagnate as a result of a sharp deterioration in the terms of trade, high levels of sovereign debt and governance problems, including an exorbitant use of funds in relation to a series of large-scale projects. This led to discontent among the population which contributed to the establishment of the multiparty system. The first multiparty elections took place in 1990, with the main opposition party being Laurent Gbagbo's *Front Populaire Ivoirien* (FPI). In that year, President Houphouët-Boigny appointed Alassane Ouattara as Prime Minister with the mission of coordinating the stabilization and economic recovery program of Côte d'Ivoire under the Structural Adjustment Program implemented with the IMF.

When President Félix Houphouët-Boigny died on December 7, 1993, Henri Konan Bédié, then President of the National Assembly, became President of the Republic. In October 1995, he won the presidential elections but these elections were marked by a boycott on the part of most of the opposition (including the FPI). The new power obtained rapidly an improvement of economic perspectives, a decrease of inflation and undertook actions in order to obtain external debt relief, in the context of the CFAF devaluation of 1994. See "*Public Debt– Relationship with creditors–Multilateral debt–HIPC initiative*".

The military and political crisis

The intensification of political and social tensions and the imprisonment of several opposition leaders led to a coup d'Etat in December 1999 and President Henri Konan Bédié was overthrown by the armed forces. The army placed General Robert Guéï at the head of the State.

The military power invited political parties and civil society to draft a new constitution, which was adopted on August 1, 2000. Presidential elections took place in October 2000. General Robert Guéï who claimed himself as being the winner of this election was chased away by street protests. Violent confrontations occurred following President Gbagbo's inauguration between militants of the FPI and those of the *Rassemblement des Républicains* (RDR). The Supreme Court announced the results and declared Laurent Gbagbo the winner. Laurent Gbagbo initiated a national reconciliation forum, and then appointed a government of national unity.

However, the debate on the question of nationality and citizenship, known as the crisis of *ivoirité*, and the crises it caused, including a crisis over land ownership, led to the attempted coup of September 19, 2002. The attempted coup failed but rebel forces called *Forces Nouvelles* emerged in the north of the country and soon occupied 60% of the territory.

ECOWAS intervened to secure a cease-fire between the Government and the rebels in 2003, as did later, France, through a military operation called *Opération Licorne*, to help stabilize the situation and allow a peace process. Several peace agreements were signed to end the conflict between the *Forces Nouvelles* and the Government of President Gbagbo, and resolutions were adopted by the United Nations Security Council, authorizing the deployment between the belligerents of 10,000 peacekeepers of the UNOCI, including 4,600 French soldiers of the *Force Licorne*. However, these agreements and resolutions did not end the crisis and the election was postponed once again and re-scheduled for October 2006.

The slow exit from crisis

The peace talks between the Government of President Gbagbo and the *Forces Nouvelles* led to the Ouagadougou Political Agreement signed on March 4, 2007 and to a further postponement of the presidential elections to February 2008. This agreement was subsequently ratified by all of the political forces of Côte d'Ivoire, which represented a decisive turn to the exit of the crisis. A government of national reconciliation was put in place in March 2007, with Guillaume Soro, leader of the *Forces Nouvelles*, as Prime Minister. This government engaged the reunification of the country and the redeployment of the administration over the whole territory. With the support of UNOCI forces, the Government also launched a disarmament, demobilization and reintegration program to unify the army, ensure security and enable the political process to resume with a view to organizing free, democratic and transparent presidential and legislative elections as soon as possible.

With the gradual return of confidence, Côte d'Ivoire's relations with the development partners were restored, with the signing of a Post-Conflict Assistance Program with the World Bank in July 2007 and an Emergency Post-Conflict Assistance Program with the IMF in August 2007. In addition, Côte d'Ivoire concluded with the AfDB a Multisectorial Institutional Support Project to the Exit of Crisis in February 2008 and signed a Development Assistance Framework with the United Nations in July 2008.

In parallel, the structural reforms undertaken by the authorities made Côte d'Ivoire eligible for the reinforced initiative of the IMF and of the World Bank for HIPC. Côte d'Ivoire reached the "decision point" of the HIPC program in March 2009 and obtained an interim debt relief on the part of certain creditors such as the Paris Club. It entered into an additional reform program to reach the "completion point", intended to secure final debt relief and debt sustainability. This required the Government to establish a credible track record in the implementation of key structural and social reforms, notably in the management of public funds, debt and governance.

The 2010 presidential election and the post-election crisis

In the first round of the presidential election on October 31, 2010, President Laurent Gbagbo obtained 38% of the votes, former Prime Minister Alassane Ouattara obtained 31% of the votes and former President Bédié obtained 25% of the votes. In the second round on November 28, 2010, Alassane Ouattara won the presidential election with 54% of the votes according to the independent electoral commission and the United Nations observers. However, following accusations of electoral fraud in the pro-Ouattara north, although international observers had indicated no serious problem in the electoral process in this area, the Constitutional Court invalidated the results of the election in the northern regions and awarded victory to President Laurent Gbagbo. President Laurent Gbagbo clung to power until the pro-Ouattara military forces took control of the country and defeated the pro-Gbagbo forces in Abidjan in early April 2011, with the support of United Nations forces and French forces acting under resolution 1975 of the United Nations Security Council. Alassane Ouattara was then officially accorded the presidency of Côte d'Ivoire in April 2011. He appointed a cabinet composed of 12 members with Guillaume Soro, the former leader of the *Forces Nouvelles*, as Prime Minister and Minister of Defense. Following his arrest in April 2011, the International Criminal Court formally issued an arrest warrant for former President Gbagbo. Former President Gbagbo was charged with crimes against humanity and has been jailed in The Hague since November 2011. On June 12, 2014, the ICC Pre-Trial Chamber I confirmed the charges of crimes against humanity against former President Laurent Gbagbo and scheduled the trial to start on July 7, 2015. With respect to former President Gbagbo's wife, Simone Gbagbo, in 2012, the ICC requested that she be transferred to The Hague to stand trial. On December 11, 2014, the ICC Pre-Trial Chamber I rejected the Government's challenge to the admissibility of the case concerning Mrs. Gbagbo, and requested her immediate extradition to The Hague. On

December 17, 2014, the Government submitted an appeal against the ICC decision and requested that its appeal have suspensive effect. On January 20, 2015, the ICC rejected the Government's request for suspensive effect. The ICC proceedings concerning the Government's appeal are pending and the ICC's extradition request remains in place. In the meantime, the trial of Mrs. Gbagbo in Côte d'Ivoire officially started before the criminal court in Abidjan on December 26, 2014.

During this period, fundamental civil rights were not respected including arbitrary arrests, summary executions and torture. Excessive use of force by militiamen was widespread.

The economy of the country suffered severely from the post-election political and military conflict in the first half of 2011. The effects of the conflict were notably aggravated by the impact of the sanctions imposed by the European Union against former President Laurent Gbagbo's post-election Government, the suspension of all activities in the ports of the country starting in January 2011, the closing of the agencies of the BCEAO and the closing of the private banking system in February 2011. The government of President Alassane Ouattara has since achieved significant and internationally recognized progress in reconstructing the country and in reviving economic activity.

Recent Developments

President Alassane Ouattara and his Government have continued to take measures to defuse political tensions, combat insecurity and accelerate economic recovery.

The year 2013 was marked by a constructive impetus in political dialogue, particularly in the context of the permanent framework for dialogue. The political dialogue took place between the Government and the FPI and between the opposition's political parties. These efforts have focused on the implementation of new mechanisms to further dialogue and negotiations with the Government.

Following its direct talks with the Government on January 15, 2014, the FPI was asked to encourage its partisans living in exile to return to the country and to submit a list of its members still in prison or whose assets were frozen during the post-electoral crisis. The Government had previously announced its intention to proceed with unfreezing bank accounts of persons associated with the former regime who had been provisionally released and re-integrating them, where relevant, into public service. Between January 27, 2014 and February 7, 2014, 124 loyalists of former President Laurent Gbagbo, who had been arrested and charged with undermining the State's security, were released on bail and, according to the UNOCI, at least 191 bank accounts have been unfrozen since July 2014.

The President continues to invite Ivorians living in exile to return. In January 2014, the former Managing Director of the Abidjan Port Authority, who had been closely associated with the former regime, returned to the country, as well as the former Minister of Defense and the former Minister of Mining and Energy. In the same month, the current Minister of Defense reintegrated 1,443 members of the former Ivorian defense and security forces, who had fled the country during the post-election crisis.

In February 2014, the President extended the CDVR's mandate until September 2014, whose initial two-year mandate had expired in September 2013. The responsibility of the CDVR is the following: (i) uncover the truth, (ii) hold public hearings for victims, perpetrators and witnesses, and (iii) make recommendations to the Government concerning reparations and other means of reconciliation. Between February 27, 2014 and March 12, 2014, the CDVR led a truth-seeking process in eight cities, recording the testimony of 2,106 victims concerning massacres, kidnappings, disappearances, severe injuries, acts of torture, rape, as well as looting and destruction of property. The CDVR then decided to extend this process to the entire country. Between April 2014 and August 2014, more than 64,000 victims of the Ivorian crisis testified during victims' hearings before local commissions. In September 2014, 80 cases emblematic of the Ivorian crisis that occurred between 1990 and 2011 were heard during public hearings before the national commission. The Commission's final report, including its recommendations for reparations and other political, judicial and non-judicial measures, was submitted to the Government in December 2014. In February 2015, approximately 3,000 individuals were granted a presidential pardon as a statement of the reconciliation process.

On March 20, 2014, the Government transferred Charles Blé Goudé, former leader of the Young Patriots (*Jeunes Patriotes*) and supporter of Laurent Gbagbo, to the International Criminal Court in The Hague. Hearings for the confirmation of charges against the former leader of the Young Patriots, Charles Blé Goudé, were held from September 29, 2014 to October 2, 2014. Mr. Blé Goudé faces four counts of crimes against humanity allegedly

committed during the 2011 post-elections crisis. On November 12, 2014, the ICC rejected a request from his defense that victim testimonies be excluded from the case record, as well as a challenge to the admissibility of the case.

On March 26, 2014, 12 opposition parties and the FPI announced the creation of a new coalition, the *Alliance des Forces Démocratiques de Côte d'Ivoire*. On April 3, 2014, the *Alliance des Forces Démocratiques de Côte d'Ivoire* recommended establishing a new discussion framework with the Government, by proposing the nomination of a neutral mediator, the establishment of a detailed timetable and the implementation of a monitoring mechanism. The FPI also announced that talks would not resume until a mediator was named to ensure the monitoring of agreements concluded by the two parties.

Nevertheless, progress was made with respect to election reforms in view of the 2015 Presidential elections. On January 8, 2014, the President of the CEI announced that all political parties and other willing parties would be consulted on reforming the CEI and revising the list of electors. On June 18, 2014, President Ouattara signed into law a bill on the composition, organization and powers of the CEI. The governing body of the CEI is composed of 17 commissioners, including one representing the President of the Republic, and four for each of the ruling party, the opposition, civil society and the administration. A President of the Commission is elected from among the commissioners.

Political actors continue to prepare for the October 2015 presidential elections and several opposition leaders have announced their candidacy. On September 17, 2014, Henri Konan Bédié, the President of the PDCI, announced he would support President Alassane Ouattara's presidential candidacy, thus reviving the *Rassemblement des Houphouëtistes pour la Démocratie et la Paix* (RHDP), a coalition comprising the PDCI and President Alassane Ouattara's RDR party, which allowed Alassane Ouattara to win the 2010 presidential elections. On January 30, 2015, the CEI announced that the update of the electoral list will begin in late March 2015. The ruling party and the opposition have reached an agreement in September 2013 with respect to public funding of political parties. Pursuant to this agreement, the central government will contribute toward the financing of political parties' activities with a view to facilitating an inclusive political dialogue and ultimately promoting democracy.

National and International Justice

The efforts to bring to justice the alleged perpetrators of the violent crimes committed during the post-election crisis are ongoing. The mandate of the special investigative unit created in 2011 to investigate crimes perpetrated during that period was extended by Presidential decree on December 30, 2013, and this unit has been reconfigured to become a special investigative and analytical unit with enhanced resources and means.

The proceedings to confirm the charges against former President Laurent Gbagbo are being pursued at the ICC. On March 12, 2014, the Court announced that Laurent Gbagbo would be kept in detention until his trial in order to ensure his appearance before the judges and to avoid any eventual obstruction of the investigations or hearings.

On March 3, 2014, the ICC rejected the request for a stay made by the Government concerning Blé Goudé and demanded his immediate transfer to The Hague. The Government decided on his transfer in the Council of Ministers and handed him over to the ICC on March 22, 2014. He appeared for the first time in front of the Pre-Trial Chamber on March 27, 2014. On September 11, 2014, Pre-trial Chamber I of the Court rejected the request submitted by his defense to appeal against the confirmation of charges. On September 17, 2014, it assigned the case to a reconstituted Trial Chamber I which set July 7, 2015 as the start date of the trial.

The former First Lady Simone Gbagbo, still in detention, appeared before a judge from the national special investigative and analytical unit on February 4 and 5, 2014. On February 25, 2014, the Government provided the Pre-Trial Chamber of the ICC with updated information on the prosecutions initiated at the national level and re-asserted its willingness to organize and conduct Mrs. Gbagbo's trial in Côte d'Ivoire. On April 8, 2014, the defense team confirmed to the Court that Mrs. Gbagbo preferred to be tried in Côte d'Ivoire in response to the ICC's request to extradite her originally made in 2012. On October 10, 2014, the Government presented the ICC with documents justifying its ability to try Mrs. Gbagbo in a national court. On October 13, 2014, the Government selected a seven-member jury for the trial of 83 individuals, including Mrs. Gbagbo and other associates of former President Gbagbo. On December 11, 2014, the ICC Pre-Trial Chamber I rejected the Government's challenge to the admissibility of the case concerning Mrs. Gbagbo, and requested her immediate transfer to The Hague to stand trial. On December 17, 2014, the Government submitted an appeal against the ICC decision and requested that its appeal has suspensive effect. On January 20, 2015, the ICC rejected the Government's request for suspensive

effect. The ICC proceedings concerning the Government's appeal are pending and the ICC's extradition request remains in place. In the meantime, the trial of Mrs. Gbagbo in Côte d'Ivoire, officially started before the criminal court in Abidjan on December 26, 2014.

On February 3, 2014, the military prosecutor exonerated 10 high-ranking policemen who had been accused of disobeying orders during the post-election crisis. On February 12, 2014, the military tribunal declared that the former head of the National Police School (*Ecole Nationale de Police*) was guilty of misappropriating funds and sentenced her, as well as four of the six policemen charged, to two years' imprisonment. On April 24, 2014, the Supreme Court postponed, for the third time, the hearing of the appeal made by the former commander of the Republican Guard, a body in charge of security missions, who had been convicted in October 2012 of crimes committed during the post-election crisis and of the murder of former President Robert Guéï.

Disarmament, Demobilization and Reintegration of ex-combatants

The Disarmament, Demobilization and Reintegration of ex-combatants ("**DDR**") is the process by which ex-combatants are required to lay down their arms and return to civilian life or to a restructured armed forces.

The DDR is both a security mechanism and a development tool, and represents a process of social restoration and reconstruction of national unity whose achievement is based upon positioning Côte d'Ivoire as an emerging country on the WAEMU and international arena.

With UNOCI's support, the implementation of the DDR process in Côte d'Ivoire is the responsibility of the Government through the National Authority for Disarmament, Demobilization and Reintegration (*Autorité Nationale pour le Désarmement, la Démobilisation et la Réintégration* ("**ADDR**")), an institution which depends on the National Security Council. The ADDR has established a program framework which was presented to international partners in February 2014. It has also established partnerships with national institutions within the fields of finance, training and employment as well as with international donors. The European Union and the African Development Bank have committed €14 million and US$30 million, respectively, to financing the ADDR's activities.

According to the UNOCI, the DDR process is divided into three phases: disarmament, demobilization and reintegration. Disarmament consists of the collection of weapons, ammunition and other military equipment in the possession of ex-combatants. During this operation, the ex-combatants hand in their weapons to the ADDR in presence of the UNOCI experts. These weapons are then sorted, stored, secured with the help of the United nations. Malfunctioning weapons are destroyed by the United Nations. The others are marked using the ECOWAS procedures concerning the Small Arms and Small Caliber Ammunition. These procedure are aimed at ensuring proper registration and identification.

Demobilization represents the passage of the ex-combatant into civilian life. It consists in profiling the ex-combatants, conducting a medical examination and delivering a civilian package such as clothes and shoes. The ex-combatants then attend sessions on reintegration opportunities. At the end of the demobilization process, a demobilization card is given to the ex-combatant to allow him to start his rehabilitation. In Côte d'Ivoire, the ADDR has introduced an innovative "resocialisation" approach to facilitate the social reintegration of the ex-combatants, reconciliation and social cohesion.

"Reinsertion" is a transitional phase between the demobilization of ex-combatants and final reintegration into social and economic life. The ex-combatant begins his rehabilitation by receiving financial assistance upon presentation of his demobilization card. It also involves facilitating the reintegration of ex-combatants through economic opportunities offered as a social safety net. Reintegration opportunities for ex-combatants include income-generating activities, micro-projects, professional training and scholarships.

On December 31, 2014, the ADDR announced that some 46,000 ex-combatants, including 3,538 women, had been disarmed and reintegrated representing 62 percent of the 74,000 ex-combatants registered in the database. Around 25,000 armaments have been collected over the same period. The number of ex-combatants affiliated with the former regime and entering the DDR process has increased over time to reach 25 percent, reflecting the improvement in the socio-political environment, social cohesion and reconciliation in the country. A recent thorough review of the database suggests that more than 10,000 ex-combatants are either dead, no longer interested or have permanently relocated abroad. Hence, it is forecast that a maximum of 18,000 ex-combatants will be left to be processed by 30 June 2015. The UNOCI assisted the Government with its reinsertion efforts through the implementation of 79 community-based, countrywide reinsertion projects aimed at the enhancement of community safety and social cohesion, the reinforcement of the weapons collection programme and the payment of transitional safety allowances to approximately 24,000 former combatants.

On November 4-6, 2014, the ADDR held an international knowledge-sharing workshop to discuss the achievements and challenges in the national programme. Experts from several partner countries were impressed with achievements of the DDR process in Côte d'Ivoire so far, and commended Côte d'Ivoire for the re-socialization program, a unique tool to ensure adequate socio-economic reintegration of the ex-combatants.

With regard to civilian disarmament, the National Commission on Small Arms and Light Weapons, with the support of the United Nations Mine Action Service, conducted 27 weapons collection operations, collecting 376 weapons, 149 ammunitions and 5,918 small arms ammunition. On October 10, 2014, the UNOCI, the ADDR and the National Commission on Small Arms and Light Weapons launched a tripartite community disarmament plan. The United Nations Mine Action Service supported nine operations in Bloléquin, Dieuzon, Duékoué, Guiglo, Toulepleu and Zagné. A total of 176 weapons, 851 small arms ammunition and 66 items of explosive devices were collected.

Population, Education and Health

Population

According to the INS, Côte d'Ivoire's population was estimated at 23.4 million in 2013. It consists predominantly of four main ethnic groups: the Mandé group (the Dan, the Yacouba, the Toura, the Gouro, the Malinké and the Dioula) in the north-west and the west, the Voltaic group (Sénoufo, Koulango and Lobi) in the north, the Krou group (Wê, Bété, Bakwé, Godié and Dida) in the south-west and mid-west, and the Akan group, which is divided into the "*Lagunaires*," in the south, and the Agni-Baoulé in the center, the south-east and the east. According to the INS, the annual population growth rate was approximately 2.9% in 2013, resulting in the young population under 15 representing about 40% of the total population. People in the 15-49 age category make up around 51% of the total population.

In 2013, 52.9% of the population was located in urban areas and 47.1% in rural areas. The savannah, which makes up 53% of the country's territory, represents only 22% of the total population. By contrast, the smaller forested portion (47%) of the country contains 78% of the population and has the highest population density. The main urban population centers are Abidjan, Yamoussoukro (the capital), Bouaké, Daloa, Korhogo, and Man.

French is the official language of the country. About 60 vernacular languages are also spoken, baoulé and dioula being the most widely spoken.

Côte d'Ivoire is a secular country where a variety of religions are practiced, namely Islam (39% of the population), Christianity (about 30% of the population) and Animism (about 12% of the population).

Côte d'Ivoire's Human Development Index value for 2013 was 0.452 – in the low human development category, positioning the country at 168 out of 186 countries and territories. Between 1980 and 2012, Côte d'Ivoire's HDI value increased from 0.348 to 0.432, an increase of 24% or average annual increase of about 0.7%. The HDI is developed by the UNDP and provides a summary measure for assessing long-term progress in three basic dimensions of human development: a long and healthy life, access to education and a decent standard of living. Côte d'Ivoire's ranking in the 2014 UNDP HDI was 171 out of 187.

The table below sets out selected comparative macro-economic statistics regarding certain socio-economic indicators for 2013 (unless otherwise indicated) for Côte d'Ivoire and for certain other African countries:

	Côte d'Ivoire	Ghana	Zambia	Nigeria	South Africa	Kenya
GDP Growth (annual %)	8.7[4]	7.6	6.7	5.4	1.9	5.7
Population Growth (annual %)	2.4[5]	2.1	3.2	2.8	1.3	2.7
Life Expectancy at Birth (years) (male/female)	50/51[1]	60/62[1]	55/59[1]	52/52[1]	54/58[1]	59/63[1]
Primary School Enrolment (% net)	62.0[2]	87.0	94.0[1]	59[3]	85.0[1]	82.0[2]
Mortality Rate, under 5 (per 1,000)	100.0[6]	78.0	89.0	124.0	45.0	73.0

(1) Figures for 2012.

(2) Figures for 2009.

(3) Figures for 2010.

(4) According to the Government, real GDP growth is estimated at 9.2% in 2013.

(5) According to the INS, the annual population growth rate was approximately 2.9% in 2013.

(6) According to the Government, the mortality rate of children under five was 90 deaths for 1,000 births in 2013.

Source : World Bank, World Development Indicators database, 2013 unless as noted otherwise

New Nationality law

Nationality was one of the issues from which the Ivorian crisis originated. In this respect, a new nationality law was adopted by the National Assembly in August 2013 and came into effect in April 2014.

This law institutes a special regime with regard to the acquisition of nationality for persons in the following categories:

- persons born in Côte d'Ivoire of foreign parents and under 21 as at December 20, 1961;
- persons whose usual and uninterrupted residence was in Côte d'Ivoire before August 7, 1960 and whose children were born in Côte d'Ivoire; and
- persons of foreign parents born in Côte d'Ivoire between December 20, 1961 and January 25, 1973, and their children.

The individuals included in one of the categories above may claim Ivorian nationality by following a declaration procedure to the Public Prosecutor or his resident Substitute for the jurisdiction in which the registrant resides, who transmits it to the Ministry of Justice. The Minister of Justice has a six-month period to rule on the Ivorian nationality request and deliver an Ivorian nationality certificate. If the request is rejected, the claimant has a two-month period to file an internal appeal to the Ministry of Justice. If the internal appeal is rejected, the individual may appeal to the President of the Republic as the highest authority. The President of the Republic has discretionary power in these matters.

Education

The educational system is made up of two types of education: general education and technical education and vocational training. General education comprises three levels: (i) pre-school and primary education, (ii) secondary general education, and (iii) higher education. Technical education and vocational training begin in secondary school.

In 1997, Côte d'Ivoire prepared a 1998-2010 National Plan for the Development of Education/Vocational Training (*Plan National de Développement du Secteur Éducation/Formation* ("**PNDEF**")). However, the results obtained were insufficient and fell short of the objectives of the PNDEF according to the State Report on the National Educational System (*Rapport d'Etat sur le Système Educatif National*) issued in 2007. This report revealed that the educational system continued to face difficulties of different magnitude, particularly related to (i) limited accessibility and supervision, (ii) mismanagement of resources, (iii) budgetary constraints, (iv) inadequacy

of teaching materials and infrastructures, and (v) obsolescence of equipment. The Ivorian educational system is also faced with social problems that hinder the schooling of vulnerable students, particularly young women, such as the HIV/AIDS pandemic, early pregnancy, school violence, politics in school and lack of birth certificates.

Subsequently, the institutional capacities of Ministries in charge of the education and vocational training sector were improved with support from the World Bank through the Education–Vocational Training Sector Assistance Program (*Programme d'Appui au Secteur Education–Formation*). This program has allowed the implementation of a series of measures, including starting the implementation of the Education-Vocational Training Information and Management System (*Système d'Informations et de Gestion de l'Education– Formation*), defining sectorial policy with the adoption of the Letter on Education Policy, drafting a medium- term action plan (*Plan d'Actions à Moyen Terme*) to make the Educational Policy operational, and drafting the Medium-Term Expenditure Frameworks (*Cadres de Dépenses à Moyen Terme* ("**CDMT**")) for the sector.

Outside of the traditional educational system, there is an alternative education system put in place by state institutions and civil society organizations. These alternative options include notably community educational centers and confessional denominational schools. Approximately 500,000 students attend these schools. In the interest of moving this alternative educational system closer to current norms, a framework for coordination and support was implemented.

The Government has recognized in the NDP the urgent need to strengthen the quality of the education system to meet its economic growth targets, in particular in the area of vocational training and has developed an ambitious agenda aimed at achieving better outcomes in the education sector. The development targets in the primary and secondary education system seek to improve the gender parity index, enrolment rate, achievement rate, transition rate from primary to secondary, and literacy rate, in relation with the Government's Education for All agenda, including by providing free access to books for pupils.

The following table shows the Government's expenses in the education sector for 2011, 2012, 2013, 2014 and 2015:

	2011	2012	2013	2014 (Estimates)	2015 (Forecasts)
Education (CFAF billions)	529.2	651.2	754.6	836.3	954.8
Education (% of nominal GDP)	4.29	4.72	4.88	4.91	4.98

Source: MPMEF/DGBF

Pre-school and Primary Education

Primary education is free and mandatory. However, in pre-school (children between 3 and 5 years old) and primary school, participation and accessibility rates remain low. The Gross Education Rate (*Taux Brut de Scolarisation* ("**TBS**")) for pre-school, which corresponds to the number of students enrolled as compared to the school-age population, expressed as a percentage, was 6.9% for pre-school, according to data from the 2013-2014 statistical analysis report on the educational system carried out by the Evaluation Planning and Statistics Department (*Direction de la Planification de l'Evaluation et des Statistiques* ("**DPES**")). For pre-school, the low rate is primarily due to the ignorance of certain sections of the population regarding the importance of pre-school education and the weak pre-school infrastructure coverage across the national territory.

In primary schools, this rate was 94.7% in 2013-2014, with a rate of 99.7% for boys and 89.6% for girls. Although this rate is high, it conceals certain regional disparities. Furthermore, it is not sufficient for universal education. To accomplish this goal, early and late schooling must be decreased and the Net Education Rate (*Taux Net de Scolarisation* ("**TNS**")) (which corresponds to the quotient of the population enrolled at the official school-age as compared to the school-age population, expressed as a percentage) must reach 100%. The TNS, which currently stands at 77%, shows that 23 out of 100 children aged 6 to 11 are not enrolled in primary school. For girls, the TBS recorded a strong increase, from 77.5% in 2010-2011 to 89.6% in 2013-2014. The continuing increase in the education rate for girls is due to awareness campaigns promoting their schooling and efforts made in recent years to stimulate demand for education, in particular via the creation and expansion of school canteens, the construction of new classrooms and the distribution of free school kits.

In terms of capacity, the number of primary school classes increased from 64,315 in 2010-2011 for 2,730,305 students, to 74,671 in 2013-2014 (of which 18% were private) for 3,176,874 students. The number of students per

class remained at approximately 43 on average for the same period, with unequal distribution across the country. The number of primary school teachers increased from 58,121 in 2010-2011, 32% of which were women, to 73,703 in 2013-2014, 25.7% of which were women.

Secondary Education

In high school, the TNS was 41.2% in 2013-2014 compared to 35.5% in 2010-2011, an increase of 5.7 points.

The secondary education capacity increased from 1,084 schools, of which 786 were private, in 2010-2011, to 1,296, of which 954 were private, in 2013-2014. The number of students in secondary schools increased from 999,707, of which 39% were girls, in 2010-2011, to 1,321,556, of which 40.5% were girls, in 2013-2014, or a total increase of 24.3%. Over the same period, infrastructure slightly increased by an average of 2.4% per year. Furthermore, public infrastructure recorded an average growth of 3.7% per year. This is due to the construction of nearby middle schools carried out by the State with the support of various development partners, which also resulted in significant increases in class sizes (an average of 23.8% per year). At the end of the secondary education, students can sit the *Baccalauréat* examination.

The number of teachers in secondary schools has also increased, from 21,793 in 2010-2011, of which 16% were women, to 42,872 in 2013-2014, of which 14.6% were women, an increase of 44.6%. These numbers remain inadequate to face expansion needs, especially in the sciences and French. During the 2013-2014 school year, 1,783 teaching positions remained vacant. In addition, spatial distribution of teachers, especially in primary schools, shows much disparity, with a strong concentration in urban centers.

Higher Education

Higher education in Côte d'Ivoire is provided through a variety of institutions: three public universities, two Higher Education Regional Units (*Unités Régionales d'Enseignement Supérieur*), two selective public institutes (*grandes écoles publiques*), 35 private universities, and 143 selective private institutes (*grandes écoles privées*). Four-fifths of the higher education institutions are concentrated in the Abidjan district.

The long political and military crisis severely affected the quality of higher education. The main institution, University Felix Houphouët-Boigny of Abidjan, was closed during the crisis years as it was the center of violent political confrontation. Since the end of the crisis, the University of Felix Houphouët-Boigny has reopened its doors in 2013 and is running normally in a peaceful political climate. In an effort to respond to the strong demand for access to higher education, the State pays for a number of students to enroll at private universities where tuition fees are based on students' financial capabilities.

Technical Education and Vocational Training

In 2012, the public network of Technical Education and Vocational Training (*Enseignement Technique et de Formation Professionnelle*) institutions comprised 59 public training institutions, ten mobile training units and three application and production workshops. There has been an increasing contribution of the private sector in this area, with the number of institutions increasing from 153 in 2004 to 334 in 2010, of which 58.1% in the Abidjan district. The overall capacity of all training structures was estimated to be 69,000 trainees or interns in 2010, compared to a potential need of 478,964.

Quality of Education

The literacy rate of young adults (aged 15 to 24) was 68% in 2011 (72% for men and 63% for women). The literacy rate for all people over 15 was 57% in 2011.

Primary and secondary educational performance is limited by difficult practical conditions, lack of teaching materials, lack of infrastructure, as well as insufficient educational staff. The output of the educational system is still low, with increased levels of school dropouts. The education system is also characterized by substantial inequalities in access and educational performance. The chance of attending school is not equal for all children based on sex and geographic location. The Government has put in place a program for school cafeterias in public schools, free distribution of school kits including a book bag and school supplies (books and notebooks), as well as an intensive awareness program seeking to eliminate discriminatory behavior towards young women.

The high rate of students repeating a year (18.9% in primary school, 15.4% in lower secondary school and 27.5% in upper secondary school in 2013-2014) creates further pressure on already limited educational infrastructure. It negatively affects the internal efficiency and the performance of the educational system, and increases the costs of education for the State and for families.

Health

Côte d'Ivoire has a dual healthcare system, with the private sector and the public health sector practicing modern medicine on one hand, and a traditional healthcare system practicing traditional medicine on the other.

The public sector is divided into three levels: (i) a primary level including first-contact health facilities with urban and rural health centers, (ii) a secondary level including, in 2011, 66 general hospitals, 17 regional hospital centers and specialized hospital centers and (iii) a tertiary level including five university hospital centers and four specialized national institutes which are the Heart Institute in Abidjan (*Institut de cardiologie d'Abidjan*), the Raoul-Follereau Institute in Azdopé (*Institut Raoul–Follereau d'Adzopé*), the National Institute of Public Hygiene in Treichville (*Institut national d'hygiène publique de Treichville*) and the National Institute of Public Health in Abidjan (*Institut national de santé publique d'Abidjan*).

In 2011, the private sector was made up of a network of 2,036 health facilities, including 964 infirmaries, 463 company health centers, 101 dental offices, 20 laboratories, 136 clinics and 13 private general hospitals. In addition to these private institutions there are 718 pharmacies. The private sector is equipped with equipment of uneven quality. Some facilities have a level of equipment that is comparable to or superior to that of public facilities, whereas others are under-equipped and can be dangerous for the civilian population.

In 2010, internal data shows a ratio of one doctor for 6,459 inhabitants, one nurse for 2,826 inhabitants and one mid-wife for 3,717 women of child bearing age, compared to the objective of one doctor for 5,000 inhabitants and one midwife for 3,000 inhabitants. Moreover, this medical personnel is not evenly distributed across the country. Outside the district of Abidjan, the ratio of doctors to inhabitants is one to 20,000. This uneven distribution was exacerbated by the effects of the 2011 post-election crisis on the health sector.

According to the World Bank, in 2012, the average life expectancy for a man in Côte d'Ivoire was 50 years and 51 years for a woman, compared to 49 and 50 years, respectively, in 2009.

Child mortality rate was very high in 2013 at 90 deaths per 1,000 births (108 deaths per 1,000 births for children under five in 2012). The goal for 2015 is to reduce by two-thirds these rates that are currently increasing. Similarly, the neonatal mortality rate was equally high, with 40 deaths per 1,000 births in 2012, compared to 47 deaths per 1,000 births in 1999.

Malaria is the leading cause of morbidity and mortality in Côte d'Ivoire. In 2010, malaria represented 43.0% of reasons for medical consultations. In addition, malaria is the primary cause of infant mortality. For pregnant women and children under five, malaria represented nearly 42.0% of reasons for medical consultation as well as 36.1% and 62.4% of causes for hospitalization, respectively. Faced with this severe problem, the Government's response is based on therapeutic programs and prevention strategies under the National Fight Against Malaria Program (*Programme National de Lutte contre le Paludisme*).

The Ivorian public health situation is also characterized by a high HIV/AIDS related mortality rate. AIDS is the leading cause of mortality among adult men and the second among women, after pregnancy-related problems and child birth. In 2012, the prevalence rate for HIV was 3.2%, in constant decline since 2009 when the rate was 3.6%. HIV infection rates are more concentrated in women. In 2012, the HIV infection rate was 6.4% for women, compared to 2.9% for men. An internal survey conducted in 2008 indicated that 4.5% of pregnant women were HIV-positive. In rural areas, an estimated 4.1% of women were infected in 2008, compared to 5.4% of women in urban areas. The economic centers in the center-east (5.8%), the south (5.5%) and in Abidjan (6.1%) were the most affected.

To address this threat, the Ivorian authorities have placed the fight against HIV infection and sexually- transmitted diseases at the center of their concerns. Following the 2006-2010 national strategic plan, the Government has been pursuing a 2011-2015 strategic plan for the fight against the HIV pandemic aiming to reverse the HIV propagation trend and to alleviate the impact of AIDS on the Ivorian population, in particular for highly vulnerable groups. With the implementation of these reforms, the HIV prevalence rate decreased to 3.2% in 2012.

On March 22, 2014, an Ebola virus epidemic was confirmed in the region of Forest Guinea, close to the border between Guinea and Liberia, and subsequently in Conakry. After an alert launched by the WHO asking to reinforce the monitoring of illnesses akin to a viral hemorrhagic fever, the neighboring countries of Guinea, including Côte d'Ivoire, implemented safety measures along their terrestrial borders and inside their territories in order to protect people at risk and to prevent virus propagation. On August 10, 2014, the Government of Côte d'Ivoire raised the risk of Ebola to "extremely high" and announced a series of prevention measures, including the suspension of all flights from affected areas and additional screening at entry points. On August 22, 2014, the Government closed the country's borders with Guinea and Liberia. On September 1, 2014, the National Security Council announced the opening of humanitarian corridors for relief purposes, the operationalization of which remains a challenge. The Ivorian national carrier resumed flights to the affected countries on October 20, 2014. In 2014, the Government initially funded a CFAF 3 billion plan focused on general prevention measures. The Government subsequently put in place a CFAF 13.5 billion plan focused on prevention measures in the districts close to Liberia and Guinea that is fully financed by commitment from the EU, the World Bank, and AfDB. This plan will be implemented partly in 2015. In addition, a third CFAF 50 billion plan, financed through the IMF extended credit facility, will extend similar prevention measures to the whole territory. The United Nations Children's Fund and UNOCI helped to increase temporary treatment facilities, while the UNDP supported the mobilization of funds to equip and train up to 300 national and international health agents, as well as Ivorian border police, customs officers and other law enforcement officials in border areas. The UN also supported the development of a communications strategy and an outreach programme, as well as the mapping of illegal border crossing points, while the Office for the Coordination of Humanitarian Affairs supported the Government's efforts to streamline clearance procedures and facilitate the operationalization of humanitarian corridors. There has been no reported case of Ebola infection in Côte d'Ivoire.

In an effort to allow access to healthcare for the entire population, and in particular for more vulnerable people as well as the poorest Ivorian residents, the Parliament passed a law establishing Universal Health Coverage (*Couverture Maladie Universelle* ("**CMU**")) in March 2014. This law provides for collective coverage of health care costs as well as a contribution that is proportionate with a person's resources. The Government enacted in June 2014 a decree creating the National Health Care Authority. Technical discussions are ongoing to define the health risks and medical procedures to be covered, the costs of services to be provided, and patient cost sharing, along with negotiations with industry representatives on the payment of the mandatory contributions by employers and employees. The reform will be phased in progressively and is expected to have a limited fiscal impact in the short run. The collection of the mandatory contribution is set to start in July 2015, three months prior to the beginning of medical services' reimbursement, scheduled for October 2015. Only about 4 million people are expected to be covered initially in 2015, mainly in the formal sector, which is already covered through voluntary insurance schemes, and in the agriculture export sector. The poorest households will not be subsidized in 2015, as enrollment procedures will only be tested in the first semester of 2015, following the completion of the household and employment surveys. The Government intends to cover the launching costs of the CMU, estimated at around CFAF 5 billion in 2014, and CFAF 10.5 billion in 2015. In the medium term, the CMU is expected to be self-financing from contributions, except for the cost of insuring the poorest households which will be covered by the budget.

There are two social security and retirement pension funds in Côte d'Ivoire:

- The Government Employees' General Pension Fund (*Caisse Générale de Retraite des Agents de l'Etat* ("**CGRAE**")), which is in charge of (i) collecting premiums and subsidies for financing retirement pensions and other services as well as ensuring financial management of excess contributions and (ii) providing various services to designated beneficiaries in the public sector; and

- The National Social Security Fund (*Caisse Nationale de Prévoyance Sociale* ("**CNPS**")), which manages the compulsory social security scheme of the private sector. It also plays a role in the health and social welfare sector.

In order to improve social protection provided to employees subscribed to various pension funds, CGRAE and CNPS are currently negotiating a convention providing for rules of coordination between these two pension plans.

Millennium Development Goals

The crisis that the country has endured impeded Côte d'Ivoire's efforts with regard to achieving the MDGs. The MDGs are development goals based on the Millennium Declaration made during the Millennium Summit of the

United Nations in 2000. They are made up of eight interdependent objectives designed to reduce poverty and improve quality of life, particularly in rural areas. With the return to growth and the re-establishment of relations with development partners such as the IMF, the World Bank and the European Union, the Government has reaffirmed its commitment to work towards the realization of the MDGs, in the framework of the implementation of the NDP. Progress is being made in the fight against poverty and poor progress in primary education, gender parity in education, empowerment of women and maternal and infant health. The most significant progress has been made in combating HIV/AIDS and providing access to drinking water.

The realization of the MDGs is as follows:

- **MDG 1: "Eradicate extreme poverty and hunger":** with a national poverty line of CFAF 661 per day in 2008, the poverty rate increased from 32.3% in 1993 to 38.4% in 2002 to 48.9% in 2008, as compared to a projected rate of 16% in 2015. This rate is higher in rural areas due to the effects of the crisis that, since 2002, undermined production systems and social development. In 2008, the poverty rate was 62.5% in rural areas and 29.5% in urban areas. The unemployment rate has significantly increased from 8.9% in 1998 to 13.2% in 2002 and 17.5% in 2008. The youth unemployment rate was even higher, standing at 24% in 2008.

- **MDG 2: "Achieve universal primary education":** the primary school enrolment rate stood at 56.1% in 2008, reflecting the necessity of continuing efforts toward achieving universal primary education. Such disparities also exist between boys and girls, with higher net enrolment rates for boys than for girls (58.6% for boys as compared to 51.3% for girls in 2006). Nearly 49% of school children still do not finish primary school due to the high repetition rate, which went from 24% in 2006 to 19.1% in 2008. A gender analysis reveals that 52% of boys complete primary school, as compared to only 39% of girls. The literacy rate of persons aged 15-24 decreased from 60% in 1998 to 59% in 2002 and 53% in 2008. Illiteracy is very high among women, with a rate of 60% in 2006.

- **MDG 3: "Promote gender equality and empower women":** the gender parity index in primary schooling was 0.88 in 2008, compared to 0.77 in 1997 and 0.81 in 2000. In secondary schooling, gender parity increased from 0.47 in 1990 to 0.54 in 2002. Women have a higher illiteracy rate than men. The illiteracy rate for women aged 15-24 years was 40% in 2006. The school enrolment rate for this age group of women increased from 40% in 1998 to 52.1% in 2000. The presence of women in State institutions (Parliament and Government) is increasing. Since 2011, women hold approximately 10% of Parliament positions, compared to 5.7% in 1990 and 8.5% in 2000.

- **MDG 4: "Reduce child mortality":** the mortality rate of children under five decreased between 2005 (171 deaths for 1,000 births) and 2013 (90 deaths for 1,000 births). Vaccine coverage against measles for children under one has been progressing since 1990, increasing from 35% in 1993 to 67% in 2008.

- **MDG 5: "Improve maternal health":** maternal health remains precarious despite a slight amelioration since 2005. The maternal mortality rate increased from 470 deaths per 100,000 live births in 2008 to 750 deaths per 100,000 live births in 2010. In 2013, the national mortality rate was at 720 deaths per 100,000 births. This result falls far short of the objective of having a rate of 150 deaths per 100,000 births in 2015. Improvements have been recorded in the proportion of births assisted by health professionals, primarily between 1993 and 2000. The country progressed successively from 45% of all births in 1994 to 47% in 1998 and 63% in 2000. In 2008, 57% of births were assisted by a qualified health professional, revealing that efforts must be intensified in order to reach the 90% level expected in 2015.

- **MDG 7: "Ensure environmental sustainability":** the environment and ecosystem have deteriorated throughout Côte d'Ivoire. Nevertheless, progress has been observed in improving access to drinking water and sanitation.

- **MDG 8: "Develop a global partnership for development":** the main objectives are (i) to consolidate the efforts undertaken to improve the business environment and (ii) to adapt to the changes in international demand. Regarding the weight of debt, priority is to pursue and strengthen the new debt policy focused on rigorous management of public finances. With respect to access to medicine, the priority is to (i) improve monitoring of distribution channels and (ii) settle the arrears owed to suppliers.

The table below presents the "pro-poor" expenses as a percentage of nominal GDP from 2011 to 2015:

	2011	2012	2013	2014 (Estimates)	2015 (Forecasts)
Agriculture and urban development	0.29	0.49	0.47	0.48	0.50
Fish and animal resources	0.03	0.05	0.04	0.05	0.05
Education	4.42	4.72	4.88	4.91	4.98
Health	1.00	1.23	1.33	1.57	1.62
Water and sanitation	0.30	0.36	0.48	0.48	0.44
Energy	0.07	0.14	0.17	0.18	0.17
Roads and engineering structures	0.28	0.37	0.66	0.73	0.61
Social Policy	0.21	0.14	0.12	0.13	0.12
Decentralization *(excluding education, health and agriculture)*	0.24	0.23	0.21	0.35	0.29
Reconstructions and rehabilitations	0.05	0.002	0.08	0.06	0.11
Total	**6.90**	**7.73**	**8.42**	**8.95**	**8.89**

Source: MPMEF

The Political System

Under its current Constitution adopted on August 1, 2000, Côte d'Ivoire is a Democratic Republic based on the separation of the three powers: executive, legislative and judicial. After a long period with a single party regime, a multiparty system was established in 1990.

The country inherited from French colonization a civil law system based on the French Civil Code.

The executive power

The executive power in Côte d'Ivoire is represented by the President of the Republic, who is elected for a five-year term by direct universal suffrage and may be re-elected once. The President of the Republic is the commander-in-chief of the armed forces and the head of the administrative authorities. The President has very broad powers, which include (i) the power to appoint and dismiss the Prime Minister, (ii) the power to appoint the members of the Government, determine their attributions and terminate their terms of offices, in each case upon a proposal by the Prime Minister, (iii) the power to submit to a referendum any text or any issue that the President of the Republic deems to require the consultation of the people, (iv) the power to initiate legislation, which is shared with the National Assembly, and the power to promulgate and to ensure enforcement of the laws, and (v) the power to negotiate and ratify treaties and international agreements. The Prime Minister replaces the President of the Republic when the latter is abroad, while the President of the National Assembly replaces the President if the latter becomes incapacitated. The Prime Minister leads and coordinates the Government's action.

The Constitution provides that, in case of vacancy of the Presidency of the Republic as a consequence of death, resignation or absolute impediment, the President of the National Assembly will act as interim President of the Republic, for a period ranging from 45 to 90 days during which he organizes the election of the new President of the Republic. In case of death, resignation or absolute impediment of the President of the National Assembly when a vacancy of the Presidency of the Republic occurs, the First Vice-President of the National Assembly acts as interim President of the Republic under the same conditions.

The current President of the Republic, Alassane Ouattara, was elected on November 28, 2010 for a five-year term, which will expire in November 2015. After a first interim government led by Guillaume Soro, President Alassane Ouattara appointed a new government in which all the main presidential alliance parties were represented, except for the FPI of former President Laurent Gbagbo. This government, led by Prime Minister Jeannot Ahoussou-Kouadio, a member of the PDCI, was dissolved by President Alassane Ouattara on November 14, 2012. The current government was appointed on November 22, 2012, with Daniel Kablan Duncan as Prime Minister and most of the ministers were reappointed. The next Presidential elections are scheduled for October 2015.

The legislative branch

The National Assembly is a single-chamber Parliament, whose 225 members are elected by direct universal suffrage for five years. The next legislative elections are scheduled for 2016. The President of the Republic and the National Assembly both have the power to initiate legislation, but a bill may only be adopted by the National

Assembly by a majority of two thirds of its members. The National Assembly votes the State's budget and approves taxes.

Certain areas identified in article 71 of the Constitution, which include matters such as citizen's rights, nationality, taxation and public finances, pertain to the domain reserved for statutory laws adopted by the National Assembly and may not be regulated by decrees issued by the executive branch. In accordance with article 75 of the Constitution, however, the President of the Republic may be authorized by the National Assembly to issue decrees on matters that are normally reserved to statutory law in order to perform his program. Such decrees enter into force from their date of publication in the official gazette but become void if they are not submitted for ratification by the National Assembly by the date set in the authorization given to the President.

After a long period without legislative elections, the National Assembly was renewed on December 11, 2011. The current National Assembly is dominated by the RDR party and its allies which hold 127 seats. The leader of the party is former Prime Minister Guillaume Soro, former leader of the *Forces Nouvelles* and now a member of the RDR party. The other seats are shared between the PDCI (76 seats), the UDPCI (7 seats), the RDP (4 seats), the independents (39 seats) and others (4 seats).

The judiciary

The judiciary is an independent power exercised in accordance with the Constitution. It comprises first level courts (*tribunaux*), second level courts or courts of appeal (*cours d'appel*), and a Supreme Court (*Cour Suprême*). Côte d'Ivoire also has two special courts: a High Court of Justice (*Haute Cour de Justice)* and a Constitutional Council (*Conseil Constitutionnel*).

The Supreme Court has jurisdiction over the appeals lodged against decisions rendered by the courts of appeal, and against certain judgments rendered by first level courts. The Supreme Court is placed under the authority of a President and is divided into three chambers: a Judicial Chamber (*Chambre judiciaire*), an Administrative Chamber (*Chambre administrative*) and an Accounts Chamber (*Chambre des Comptes*). The Judicial Chamber has jurisdiction over special appeals on points of law filed against court decisions rendered in last instance. The Administrative Chamber has jurisdiction over special appeals on points of law against court decisions rendered in last instance in procedures involving a public law entity, as well as over applications for annulment for abuse of power filed against decisions of administrative authorities. The Accounts Chamber audits of the public accounts of the Treasury. Each chamber is headed by a Presiding Judge, assisted by other judges. A General Prosecutor's Office is headed by a General Prosecutor, who is assisted by Advocates General.

The High Court of Justice has special jurisdiction over acts of high treason committed by the President of the Republic and crimes or offences committed by members of the Government in the course of the performance of their official duties, with the exception of crimes and offences against State security as well as closely related crimes and offences for which specialized courts have jurisdiction. It comprises judges and alternate judges elected by their peers to sit as judges in this court.

The Constitutional Council has jurisdiction over the constitutionality of the laws and monitors the electoral process. It comprises the President, the former presidents of the Republic (except in case of express waiver on their part) and six members appointed for a non-renewable six-year term, three of whom are appointed by the President of the Republic and three by the President of the National Assembly. Laurent Gbagbo is not a member of the Constitutional Council. One half of the members is renewed once every three years. The President of the Constitutional Council is appointed by the President of the Republic for a non-renewable six-year term.

Political parties

The multi-party system has been authorized in Côte d'Ivoire since 1990. The main political parties of Côte d'Ivoire are: (i) the PDCI, created by former President Félix Houphouët Boigny, currently headed by former President Henri Konan Bédié, (ii) the RDR, headed by current President Alassane Ouattara, and (iii) the FPI, the political party of former President Laurent Gbagbo, currently headed by Pascal Affi N'Guessan.

Local Communities

Côte d'Ivoire is divided into 12 districts (in addition to the two autonomous districts (*districts autonomes*) of Abidjan and Yamoussoukro) which are divided into 30 regions. The country is further divided into administrative constituencies of 95 departments (*départements*). The village or neighborhood constitutes the first level of

administrative authority and they are respectively administered by a village or neighborhood chief. Each region is administered by a governor and president of the regional council and each town has a mayor. The departments are administered by *préfets*.

The difficulties of the State to meet the financial, equipment and human resources requirements of the decentralized communities remain a major constraint to the efficient implementation of the decentralization policy launched by the Government in the late 1970s and early 1980s, which gave more powers to local communities, in particular to the regions and departments. In addition, the local development dynamic suffers from the absence of the decrees required to implement certain powers transferred to territorial communities, the low level of legal monitoring, and the lack of precision in the nature of the relations between the State and territorial communities.

The Government grants subsidies to the decentralized communities and pays the salaries of the civil servants working for these entities. Furthermore, it returns a portion of certain taxes to these decentralized communities, such as taxes on real estate, patents and licences. In addition, some decentralized communities can also levy taxes. For instance, municipalities levy a tax on local trade.

Legal System

As a former French colony, Côte d'Ivoire derives many of its fundamental legal texts and customs from the French civil law system. The primary sources of law in Côte d'Ivoire are the Constitution, international treaties, legislation voted by Parliament and governmental decrees. The legal texts and regulations are published in an official gazette known as the *Journal Officiel de la République de Côte d'Ivoire,* which is managed by the Directorate of Official Publications.

As in most former French colonies, the French Civil Code of 1804 is the reference document for non-criminal aspects of the legal system. The civil code was introduced in French colonies in 1833. It comprises the basic family, inheritance, trust, tort and contract law and the basic rules regarding the status of persons and is dealt with in a variety of different codes today in Côte d'Ivoire including the Family Code, the Nationality Code and the Code of Civil and Commercial Obligations.

Business law in Côte d'Ivoire is determined by the country's membership in the OHADA, which was created on October 17, 1993 and now comprises 17 African member countries. The primary purpose of the OHADA is to harmonize laws in the area of business and commercial law. Under the OHADA, laws adopted by the group apply directly and immediately to each member country, without need for internal ratification. In addition, the OHADA treaty has created a supranational court, which is vested with judicial powers, and has authority to rule on substantive matters. Its decisions are binding on national courts. It also has advisory powers to ensure uniformity and consistent legal interpretation across the member countries.

Judicial and Arbitral Proceedings

To the knowledge of the Republic, there are no judicial or arbitral procedures that could have, or recently have had, a significant impact on the economic and financial situation of the country.

Fight against terrorism and piracy

The Government has taken the following measures as part of the fight against terrorism:

- creation of an anti-terrorist cell within the Territorial Surveillance Department (*Direction de la Surveillance du Territoire* ("**DST**"));
- signing of cooperation agreements with Ghana and Liberia;
- strengthening cooperation with specialized organizations such as the Central Intelligence Agency in the United States and the Directorate-General for External Security (*Direction Générale de la Sécurité Extérieure* ("**DGSE**")) in France; and
- drafting of a law on terrorism, with the aim of strengthening legislation in this domain in collaboration with institutions responsible for Côte d'Ivoire's intelligence-gathering.

With respect to piracy, the Government has taken the following measures as part of the fight against maritime piracy in the Gulf of Guinea:

- strengthening the national navy's abilities via the acquisition of a patrol boat on June 23, 2014, as well as the acquisition of a second one expected for October 2014; and

- adoption of decree No. 2014-30 on February 3, 2014 concerning the organization and coordination of the actions by the State at sea.

External Relations

Since its independence, Côte d'Ivoire has maintained privileged relations with France, its former colonial power. Until 1999, Côte d'Ivoire represented a model of political stability and success for French cooperation in sub-Saharan Africa. French companies enjoyed a leading position in Côte d'Ivoire's economic activity and France is still an important trading partner. Defense and cooperation agreements have also been concluded between the two countries. The recently renewed defense and cooperation treaty has now been approved by the President. French troops have been stationed in Côte d'Ivoire since its independence in 1960.

French-Ivorian relations went into crisis with the military and diplomatic engagement of France in the conflict between the Government of President Laurent Gbagbo and the *Forces Nouvelles* in 2002-2003. France's initiatives were met with hostile nationalist reactions among the supporters of President Laurent Gbagbo, reflecting a sense of dispossession of Côte d'Ivoire by foreign interests. After the victory of Alassane Ouattara in the presidential election of 2010, France has continued to play an important role alongside the United Nations Security Council in the supervision of the post-crisis process and the normalization of Côte d'Ivoire's relations with the international community. In 2014, France decided to transform its Licorne presence in Abidjan into an advanced operational military base which took effect on January 1, 2015.

Diplomatic and economic relations with the United States of America have gradually improved since the end of the crisis. In May 2014, the US Government restored eligibility of Côte d'Ivoire for the African Growth and Opportunity Act (AGOA), legislation approved by the U.S. Congress in May 2000 with the purpose of assisting the economies of sub-Saharan Africa and improving economic relations between the United States and the region. Furthermore, in December 2014, Côte d'Ivoire became eligible for the US Government sponsored Millennium Challenge Corporation ("**MCC**") program. The MCC, a program designed for developing countries that engage in good governance, economic liberalization, and investment in human resources, provides financing for infrastructure, human development, governance, and market access improvement projects by way of grants.
In the context of the diversification of its external partners, Côte d'Ivoire has since 2011 increased its cooperation with a number of partners, notably China, the Republic of Korea, India and Japan. It has put an emphasis on South-South cooperation notably with Morocco, Tunisia and South Africa, and on deepening regional integration. These relations aim to increase the volume of Côte d'Ivoire's trade with the rest of the world and to take advantage of the experience of these countries while accessing additional external resources required for its development. Furthermore, Côte d'Ivoire is developing relations with new political allies in the Arab world in order to attract financing originating from these countries.

In September 2014, Ghana decided to appeal to the International Tribunal for the Law of the Sea in order to resolve the delineation of the maritime border between the two countries. The Government also decided to appeal to the International Tribunal for the Law of the Sea to resolve the territorial dispute with Ghana. Côte d'Ivoire nevertheless remains in contact with Ghana in the hope of reaching a negotiated solution.

Aside from the countries listed above, Côte d'Ivoire maintains diplomatic relations with most of the world's countries, either bilaterally or regionally and multilaterally.

Membership in international and regional organizations

Côte d'Ivoire is an active member of the international community and its policy is to foster its relations with foreign countries. Côte d'Ivoire is a member of international organizations and party to several international treaties on the global, African and regional level.

Global Organizations

On the global level, Côte d'Ivoire has been a member of the UN since September 20, 1960 and of the majority of the multilateral organizations such as the IMF and the World Bank, in each case since March 11, 1963, and the World Trade Organization since January 1, 1995.

African Union

Côte d'Ivoire is one of the 53 members of the African Union ("**AU**"), the successor to the Organization of African Unity. The AU is modelled on the European Union and has had a common parliament since March 2004 when the Pan African Parliament was created. In addition, the AU aims to have a central bank in the long term, a court of justice, common defense and a single currency. Its day-to-day affairs are run by the AU Commission. All member states are required to pledge 0.5% of their GDP to fund the AU. This would allow the AU to double its staff and make headway with the implementation of the New Partnership for Africa's Development ("**NEPAD**"). NEPAD is a vision and strategic framework for Africa, designed to address issues such as escalating poverty levels and underdevelopment in Africa. However, few member states comply with the funding requirement and therefore expansion remains unimplemented and the AU is reliant on donor support. In addition, many members are reluctant to make the necessary concessions regarding their sovereignty. The AU is however prepared to sanction military interventions through its Peace and Security Council, which it did in Mali.

ECOWAS

Côte d'Ivoire is an active member of the Economic Community of West African States ("**ECOWAS**"). The ECOWAS was established on May 28, 1975 with the signing of the Treaty of Lagos. The ECOWAS is headquartered in Abuja, Nigeria and has 15 West African members (Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo). The organization's mission is to promote economic integration in all fields of economic activity, particularly industry, transport, telecommunications, energy, agriculture, natural resources, commerce, monetary and financial matters, and social and cultural matters. In 1993, the ECOWAS Treaty was revised to accelerate the process of integration and establish an economic and monetary union to stimulate economic growth and development in West Africa with the following objectives: the removal of customs duties for intra-ECOWAS trade and taxes having equivalent effect, the establishment of a common external tariff, the harmonization of economic and financial policies and the creation of a single monetary zone. However, regional trade within the ECOWAS as a share of total trade remains limited due to the lack of harmonization of the economies. President Ouattara was President of the ECOWAS's Heads of States Council from February 2012 to March 2014.

WAEMU and BCEAO

The WAEMU is an organization of eight states of West Africa established to promote economic integration among countries that share a common currency, the CFAF. The WAEMU was created by a Treaty signed at Dakar, Senegal, on January 10, 1994 by the Heads of State and Governments of Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, Senegal and Togo. On May 2, 1997, Guinea-Bissau, a former Portuguese colony, became its eighth (and only non-Francophone) member state. The BCEAO is the common central bank of the eight member states which form the WAEMU. See "*Monetary System—The Franc Zone and the BCEAO–The BCEAO*".

The WAEMU is also a customs union and monetary union. Its objectives are greater economic competitiveness, through open and competitive markets, along with the rationalization and harmonization of the legal environment, the convergence of macroeconomic policies and indicators, the creation of a common market, the coordination of sectorial policies and the harmonization of fiscal policies.

The African Development Bank

Côte d'Ivoire is a member of the AfDB, the main objective of which is to reduce poverty in its regional member countries by contributing to their sustainable economic development and social progress. The AfBD, which moved its headquarters to Tunis during the crisis that followed the 2010 presidential election, transferred its operations back to Abidjan. The full transfer of its staff was substantially completed in late 2014.

ACP

Côte d'Ivoire is also a member of the African, Caribbean, and Pacific Group of States ("**ACP**"), an organization created in 1975. It is composed of 79 African, Caribbean and Pacific states, with all of them, except for Cuba, signatories to the Cotonou Agreement, also known as the "ACP-EC Partnership Agreement" which links them to the European Union. The ACP includes 48 countries from sub-Saharan Africa, 16 from the Caribbean and 15 from the Pacific. The ACP was originally created with the aim of fostering cooperation between its members and the European Community. The ACP has evolved to also cover agreements with the European Union in the areas of trade, economics, politics and culture.

WHO

The WHO is a key technical partner for Côte d'Ivoire. Although the financial cooperation of bilateral and multilateral institutions has decreased due to the political and military crisis that began in 2002, the WHO's assistance has remained uninterrupted and has in fact increased, mitigating the effects of the crisis. It has continued its assistance in social fields such as health and education.

The mission of the WHO's Country Office in Côte d'Ivoire is to promote the attainment of the highest possible level of health for the country's entire population, by collaborating with the Government and other partners in health development and by supplying technical and logistical support for the country's programs.

Alongside Côte d'Ivoire, it has developed several cooperation strategies to encourage decisive qualitative guidelines for methods of intervention, coordination and advocacy by the WHO in Côte d'Ivoire. The first generation WHO cooperation strategy with Côte d'Ivoire was established covering 2004 to 2005 via a participative process that mobilized, in addition to national health entities, other technical and financial partners of Côte d'Ivoire. The second generation WHO cooperation strategy with Côte d'Ivoire was developed under a framework of priority interventions for the period covering 2009-2013.

This strategy is based on several programs, such as the 2013-2015 National Health Development Plan (*Plan National de Développement Sanitaire* ("**PNDS**")) and the CDMT. It is based upon the mission, guidelines and priorities of the WHO, the United Nations Development Assistance Framework ("**UNDAF**"), the Millennium Development Goals ("**MDGs**") and the Paris Declaration.

The strategic initiatives for intervention have been established as follows:

- accelerating the fight against disease;
- improving maternal, neonatal and child health, as well as the health of teenagers and other vulnerable groups;
- fostering an environment conducive to health;
- strengthening the health system; and
- preparedness for and response to emergencies and catastrophes.

Pending the evaluation of this second cooperation strategy, which is nearing its end, the WHO supports Côte d'Ivoire in various fields of healthcare. In partnership with the WHO, Côte d'Ivoire has launched a mass vaccination campaign, seeking to vaccinate nearly 8 million children from 0 to 5 years old against polio. This campaign, coupled with administering vitamin A to children from 6 to 59 months old, lasted from June 13 to June 16, 2014. The WHO is also a key technical partner for Côte d'Ivoire with respect to the country's prevention actions against the Ebola virus.

THE ECONOMY

General Presentation

Côte d'Ivoire is the leading economy in the WAEMU in terms of GDP, according to the BCEAO and, according to WAEMU demographic statistics, the country with the largest population in the WAEMU, with an estimated population of 23.4 million inhabitants in 2013 according to the INS. According to GDP estimates published by the IMF (*World Economic Outlook, October 2014*), Côte d'Ivoire was the third largest economy in the ECOWAS (after Nigeria and Ghana) in 2014.The country is also the world's largest cocoa producer and the world's second largest cashew nut producer according to the statistics of Côte d'Ivoire's Ministry of Agriculture and the United Nations Fund and Agriculture Organisation.

Following the end of the 2011 post-election crisis, the Government adopted in March 2012 the NDP. The NDP is the anchor of the country's development strategy and aims at significantly increasing public investment and creating an environment conducive to the development of the private sector, with a view to boosting economic growth and employment.

Since the end of the crisis, the Government has recorded notable progress in the political stabilization of the country and the revival of the economy. In 2011, the Government's efforts to normalize the socio-economic and political situation managed to limit the contraction of the country's real GDP, originally forecast by the Government to be 6.3%, to only 4.4%. According to the Government, real GDP growth was 10.7% in 2012 and estimated at 9.2% in 2013 as a result of the strong recovery in economic activity, in line with the NDP's objectives. According to IMF estimates, GDP growth was 8.7% in 2013. The Government considers that the difference between its own GDP growth figures for 2013 and those of the IMF results primarily from differences in the perception and methodology of advanced indicators, including primarily building and public works and electricity. The Government forecasts its real GDP growth rate to be 9.0% for 2014 (compared to an IMF projection of 8.0%) and 10.0% for 2015 (compared to an IMF projection of 8.0%). The Government considers that the main difference between its own GDP growth figures for 2014 and 2015 and those of the IMF stems from the IMF's more conservative projections for commerce and services. Since the end of May 2014, Côte d'Ivoire has returned to its status as a lower middle-income country. According to the World Bank definition, a lower middle-income country is a country whose annual GNI per capita was more than US$1,045 but less than US$4,125 as at July 1, 2013. In its last regional outlook for sub-Saharan Africa published in April 2014, the IMF has included Côte d'Ivoire in the group of eleven frontier and emerging market economies in sub-Saharan Africa.

Côte d'Ivoire's economy has historically been and still is dependent on its agriculture, and in particular on the coffee-cocoa sector. According to the Government forecasts, the primary sector represented 20.9% of the country's nominal GDP in 2014, with coffee and cocoa, together, representing 6.7% of the country's nominal GDP, 43.9% of its export earnings and 13.9% of its tax revenue.

This dependence on agriculture makes Côte d'Ivoire's economy vulnerable to fluctuations in global agricultural prices and to weather conditions. As part of the efforts to diversify the economy, Côte d'Ivoire has engaged in a series of reforms relating in particular to product transformation to strengthen the secondary and tertiary sectors, which are key drivers of growth.

In 2012, the Government carried out an assessment of the industrial sector and formulated a strategy with the objective of increasing the industrial sector's share of GDP from approximately 23.1% in 2012 to 40% in 2020. To achieve this goal, the Government intends to develop the role of agro-industry and to favor agricultural processing. Côte d'Ivoire has a goal of processing at least 50% of its agricultural production in the country by 2020. The current processing rate varies from one product to another. It is currently under 5% for cashew nuts, between 20% and 30% for coffee-cocoa, and 100% for palm oil. Generally, processed products are a result of primary processing. Nonetheless, the NDP provides for other processing stages (up to the finished product stage) in order to benefit from greater added-value.

The table below presents Côte d'Ivoire's nominal GDP from 2008 to 2014:

	2008	2009	2010	2011	2012	2013 (Estimates)	2014 (Forecasts)
				(CFAF billions)			
Nominal GDP.....	10,848	11,464	12,325	11,977	13,805	15,460	17,021

Source: MPMEF

The table below presents the change in volume of GDP for each sector of activity from 2008 to 2014:

	2008	2009	2010	2011[(1)]	2012[(2)]	2013[(3)] (Estimates)	2014 (Forecasts)
Change in volume (in %)							
Total GDP	**2.5**	**3.3**	**2.0**	**(4.4)**	**10.7**	**9.2**	**9.0**
– Primary sector	(1.0)	(2.9)	(4.1)	6.5	(2.7)	6.9	4.0
– Secondary sector	5.8	3.9	(4.0)	(7.3)	(1.4)	8.8	6.1
– Tertiary sector	3.6	7.7	9.5	(0.1)	9.6	9.6	12.4
– Non trade GDP	7.8	3.6	10.0	(8.8)	16.1	3.1	9.0
–Duties and taxes.....	(4.4)	1.0	(2.9)	(30.9)	90.4	17.6	11.0

(1) The estimated figures included in the 2014 Prospectus for 2011 were adjusted to reflect the final national accounts for 2011 which were made available by the INS in the second half of 2014. The 2011 figures were finalized by the INS only in late 2014 due to a delay in processing the economic figures in the wake of Côte d'Ivoire's socio-economic situation in 2011. In addition, certain changes in the 2011 macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the SNA 93 in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

(2) The estimated figures included in the 2014 Prospectus for 2012 were adjusted to reflect the final national accounts for 2012 which were made available by the INS in the second half of 2014. In addition, certain changes in the 2012 macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the SNA 93 in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

(3) The 2013 estimated figures included in the 2014 Prospectus were adjusted to reflect the 2013 provisional national accounts, which were made available by the INS in the second half of 2014. In addition, certain changes in the 2013 macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the SNA 93 in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

Source: MPMEF

The table below presents the breakdown of GDP for each sector of activity from 2008 to 2014:

	2008	2009	2010	2011[(1)]	2012[(2)]	2013[(3)] (Estimates)	2014 (Forecasts)
Breakdown in% of GDP							
Total GDP	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
– Primary sector	22.7	21.2	24.5	26.7	22.5	22.1	20.9
– Secondary sector	24.4	25.0	22.4	24.2	22.3	22.3	21.8
– Tertiary sector	33.0	33.8	33.9	33.5	33.8	34.1	35.4
– Non trade GDP	9.7	9.7	9.8	9.3	10.6	10.0	10.1
–Duties and taxes.....	10.2	10.3	9.3	6.3	10.7	11.6	11.7

(1) The estimated figures included in the 2014 Prospectus for 2011 were adjusted to reflect the final national accounts for 2011 which were made available by the INS in the second half of 2014. The 2011 figures were finalized by the INS only in late 2014 due to a delay in processing the economic figures in the wake of Côte d'Ivoire's socio-economic situation in 2011. In addition, certain changes in the 2011 macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the SNA 93 in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

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Source: MPMEF

Côte d'Ivoire intends to continue its efforts to modernize its economy by strengthening its competitiveness and the diversification of its economy and make it more resilient to external shocks. It is committed to implementing its comprehensive agenda of far-reaching structural measures designed with the help of its international partners, in particular the IMF and the World Bank. Côte d'Ivoire featured for the second consecutive year among the top 10 reforming countries in the World Bank's "Doing Business 2014" and "Doing Business 2015" reports published on October 29, 2013 and October 29, 2014, respectively, which include countries which have implemented the highest number of measures to improve their respective business environment.

The National Development Plan

Economic activity in Côte d'Ivoire significantly shrank by 4.4% as a consequence of the 2011 post-election crisis, which in 2011 led to a slowdown in the economic activity and a rise in overall prices, due to the following factors:

- the suspension of cocoa export by the Government from February to April 2010;
- the embargo on imports from two ports of Côte d'Ivoire (the Abidjan Port Authority (*Port Autonome d'Abidjan*) and the San Pedro Port Authority (*Port Autonome de San Pedro*)) and the sanctions adopted by the European Union against certain public companies in Côte d'Ivoire;
- the closing of nearly all commercial banks with the exception of the national banks (*Banque Nationale d'Investissement* ("**BNI**"), *Banque pour le Financement de l'Agriculture* ("**BFA**"), *Banque de l'Habitat* ("**BHCI**"), Versus bank, *Caisse Nationale d'Epargne* ("**CNE**")) by mid-February 2011; and
- the intensification of the armed conflict from the end of March to mid-April 2011.

In March 2012, the Government adopted the NDP for the period covering 2012-2015 as well as the Public Investment Program (*Programme d'Investissements Publics* ("**PIP**")) for the period covering 2012-2014, aiming at implementing the NDP through concrete projects supporting the Government's new economic and development strategy. The purpose of the NDP is to reduce poverty and increase growth through investments designed to make Côte d'Ivoire an emerging country by 2020. Through the creation of the NDP, Côte d'Ivoire is committed to giving a new impetus to its development policy. The NDP also provides for the implementation of structural reforms (in the spheres of the business climate and competitiveness of the economy, democratic, administrative, economic and judicial governance, debt, public finance, institutional management capacities and national

statistical apparatus) that affect all sectors with growth potential such as agriculture, agrifood, building and public works, mining, petrol, gas and electricity, transportation and commerce, telecommunications and the research and development sector. This new strategy relies on a recovery and development plan based on private and public investment. It identifies the main sources of growth, taking into account the comparative advantages of the country. In addition, the NDP contains precise sectorial objectives and strategies to be implemented by the Ministries, with points of reference which allow for a regular follow up on the progress achieved.

The strategic objectives of the NDP include the following:

- build the basis to make Côte d'Ivoire an emerging economy by 2020;
- ensure and sustain macroeconomic stability, including a viable public debt;
- achieve a sustainable high GDP growth rate: according to Government figures, Côte d'Ivoire has exceeded by approximately 2% its growth target of 8.6% in 2012 with real GDP growth of 10.7% in 2012, and by approximately 0.2% its growth target of 9.0% in 2013 with an estimated real GDP growth of 9.2% in 2013; the Government forecasts real GDP growth of 9.0% in 2014 and 10.0% in 2015;
- reduce the poverty rate by half and rejoin the group of African countries with the highest rankings in terms of the Human Development Index of the UNDP;
- achieve, or make significant progress towards, the MDGs by the end of 2015;
- create one of the best business environments in Africa, and strengthen the competitiveness of the economy;
- rejoin the group of leading African countries in terms of good governance and fighting corruption; and
- strengthen Côte d'Ivoire's position at the regional and international level.

The NDP has the objective of significantly increasing public investment and creating an environment conducive to the development of the private sector, with a view to boosting economic growth and employment. In the past decade, public investment had contracted due to the political and military crisis, so that infrastructure could not be maintained or developed, due to the lack of financing. The PIP sought to bring the public component of the investments (in sectors, such as safety, health, education, roads and bridges, agriculture, telecommunications, energy, industry and SMEs) in 2012 to 5.3% of GDP, compared to a maximum of 3.3% on average over the past twelve years. The implementation of the PIP has helped achieve these objectives with public investments increasing from 2.6% and 4.5% of GDP in 2011 and 2012, respectively, to an estimated 6.2% of GDP in 2013 and a forecast 7.3% of GDP in 2014.

Similarly, the Government intends to attract private investments and to maintain dynamic, sustained and inclusive growth through (i) the restoration of safety over the whole territory of Côte d'Ivoire, (ii) the consolidation of national reconciliation through the creation of the CDVR on September 28, 2011, the efforts made by the Government to repatriate those in exile under the auspices of the tripartite agreements among Côte d'Ivoire, the host countries and the United Nations High Commissioner for Refugees, political talks with the opposition initiated by the Government, unfreezing of bank accounts and assistance for ex- combatants, (iii) the improvement of the business environment with a view to strengthening consumer confidence, as well as business and investor confidence, and (iv) the promotion of good governance. This framework is designed to encourage significant involvement of the private sector in new projects in the port and airport, agriculture, energy, road infrastructures, housing, education, health and security sectors. These investments are intended to reduce poverty and boost employment, in particular in the youth segment.

Financing the NDP

The financing of the NDP relies on an increase in public investments and the stimulation of private investment. The total expected cost of the NDP's investments (public and private) is CFAF 11,076 billion for the 2012-2015 period, including a public sector contribution of CFAF 4,579.6 billion.

According to the Government's estimates, the annual average cost stands at CFAF 2,769.0 billion, with an annual financing mobilization capacity by the State of CFAF 519.6 billion. There remains an overall financing need of CFAF 2,501.1 billion, which will be primarily financed through the WAEMU and international financial markets

through a strategy designed to avoid jeopardizing debt sustainability, in accordance with the 2013-2016 Medium-Term Debt Strategy (*Stratégie de la Dette à Moyen Terme* ("**SDMT**")) adopted by the Government on December 19, 2013. See "*Public Debt—Public debt management policy—Institutional measures: the CNDP and the SDMT*".

The table below presents the financing outline of the NDP for the 2012-2015 period, as contemplated by the NDP:

	2012	2013	2014	2015	Total	Average
			(in CFAF billion)			
Total Cost of the Plan	1,520.9	2,263.3	3,129.5	4,162.3	11,076.0	2,769.0
Current Revenues	2,342.6	2,873.1	3,386.3	3,985.9	12,587.8	3,147.0
Current Expenditures	2,005.5	2,130.8	2,333.5	2,552.6	9,022.5	2,256.0
Public Investment (A)	676.4	1,000.0	1,291.2	1,612.0	4,579.6	1,145.0
Financing Received for Public Investment (B)	675.9	110.1	518.0	774.5	2,078.5	519.6
Public Investment Coverage Rate	99.9	11.0	40.1	48.0	45.4	45.4
Public Financing Needs (C=B-A) ...	(0.5)	(889.9)	(773.2)	(837.5)	(2,501.1)	(625.4)
Public Financing	884.5	1,263.3	1,838.3	2,550.3	6,496.4	1,624.1

Source: DGPE

Monitoring the implementation of the NDP

In an effort to monitor the implementation of the NDP, the Council of Ministers adopted on February 18, 2014 an assessment report for 2013, with the main following recommendations:

- setting up of Planning Committees within sectorial departments, which correspond to the relevant governmental Ministries;
- carrying out of a General Population and Housing Census in order to have up-to-date available statistics;
- improvement of the investment execution rate to strengthen project implementation capacities and reduce obstacles, particularly administrative burdens;
- development of technical studies related to the projects specified in the NDP to strengthen the capacities of different actors involved in setting up projects;
- reinforcement of sectorial and intra-departmental coordination for the monitoring and implementation of projects; and
- finalization of departmental policy documents in connection with the NDP.

For this purpose, an inter-ministerial order was adopted on March 12, 2014, which provides for a disbursement of resources for the execution of projects to improve the physical and financial monitoring of investment projects.

New NDP 2016-20

In order to continue to pursue the Government's reform agenda, the New NDP for the 2016-2020 period is currently being prepared. The Government has initiated an overall review as part of its preparation for the New NDP.

This review is underway and will take place in four major stages, which were preceded by consultations with the actors involved in implementing the NDP:

- ministerial reviews to enable each Ministry to draw up an intra-sectorial diagnostic of the implementation of the NDP;
- local reviews for the primary purpose of measuring local authorities' contributions to achieving the expected results of the NDP;

- intra-sectorial discussions involving the Government, technical and financial partners, the private sector, and civil society, to analyze the consolidated report of the preceding stages in order to learn from them, make recommendations, and propose strategic guidelines and the concept note for the 2016–20 NDP; and

- finally, these elements will be used as inputs to the overall review workshop, where decision-makers can discuss key policy issues with each group of stakeholders, leading to the final recommendations and conclusions of the review, to be submitted to the Council of Ministers for adoption.

The New NDP is expected to be adopted by the Council of Ministers in May 2015.

Structure of the economy

The economy of Côte d'Ivoire heavily relies on agriculture and related sectors, such as agricultural product processing. The agriculture sector's contribution to nominal GDP was 26.2% in 2011, 22.3% in 2012, estimated at 21.9% in 2013 and is forecast to be 20.8% in 2014. Agricultural production is very diversified and comprises food crops (rice), export crops (cashew nuts) and industrial crops such as coffee-cocoa, cotton, rubber tree and palm oil.

The primary sector, which comprises food crops (live-stock breeding included), agriculture for export and forestry and fishing, represented 22.1% of nominal GDP in 2013, compared to 22.5% in 2012 and 26.7% in 2011. In 2014, the primary sector is forecast to account for 20.9% of nominal GDP. The primary sector grew by 6.5%, contracted by 2.7% and grew by 6.9% in 2011, 2012 and 2013, respectively, and is forecast to grow by 4.0% in 2014. The contraction in 2012 was due to a 0.2% decline in agricultural exports, coupled with a 3.9% decrease in cocoa production. The overall growth since 2011 is primarily explained by the implementation of the National Rice Development Plan (*Plan National du Développement du Riz* ("**PNDR**")), the objective of which is to ensure rice production meets the country's domestic consumption needs in 2016. Other factors include the continuation of the coffee-cocoa sector reform and the implementation of a reform plan for the cashew nut and cotton sectors, which is designed to better structuring these sectors and improving their productivity rate.

The secondary sector, which comprises mining, agro-food industries, oil products and other sub-sectors, represented 22.3% of nominal GDP in 2013, compared to 22.3% of nominal GDP in 2012 and 24.2% of nominal GDP in 2011. In 2014, the secondary sector is forecast to represent 21.8% of GDP. Although all enterprises in this sector experienced difficulties as a consequence of the 2011 post-election crisis, such as supply difficulties or plant closures, certain sectors were more affected than others. This was notably the case for enterprises specialized in the construction sector and public works, agro-industry, textile and wood sectors. As a result, the secondary sector decreased by 7.3% in 2011 and by 1.4% in 2012. However, the secondary sector increased by 8.8% in 2013 as a result of the development of the agro-food industry. This positive trend continued in 2014, at a lower level of 6.1%, due to the strength of the building and public works sector and the rise of the agro-food industry.

The tertiary sector, which comprises transport, telecommunications, trade and other sub-sectors, was estimated to be 34.1% of nominal GDP in 2013 compared to 33.8% in 2012 and 33.5% in 2011. In 2014, the tertiary sector is forecast to have represented 35.4% of nominal GDP. The contribution of the tertiary sector to GDP is limited by the difficulties of certain market services such as (i) infrastructure deficiencies, (ii) disruption of the supply for markets and supermarkets (due to insecurity), the degradation and insufficiency of railroad infrastructures, (iii) poor access of population to banking services, and (iv) an undeveloped and deteriorating tourism sector. Despite decreasing by 0.1% in 2011, the tertiary sector increased by 9.6% in each of 2012 and 2013, respectively. This trend is explained by the revival of activities of all sub-sectors of this sector since the post-election crisis and by the benefits tied to the growth of the primary and secondary sectors. Furthermore, the Government estimates that the implementation of its SME/SMI development strategy, adopted in February 2014, the reactivation of the Abidjan Transportation Company (*Société des Transports Abidjanais*) ("**SOTRA**") and the commencement of the lagoon water plan, as well as the return of the AfDB to Abidjan which was substantially completed in late 2014, will contribute to a significant increase in activity in the tertiary sector in 2014. The tertiary sector's growth is forecast to reach 12.4% in 2014.

The table below presents the breakdown of real GDP per sector of activity in 2011[1] (actual data):

	Primary sector	Secondary sector	Tertiary sector	Non Merchant Sector	Duties and Taxes	Total GDP
Growth (%)[2]	6.5	(7.3)	(0.1)	(8.8)	(30.9)	(4.4)
Weight in GDP (%)[3]	26.7	24.2	33.5	9.3	6.3	100.0
Contribution to GDP growth (%)	1.3	(1.7)	(0.4)	(1.0)	(0.3)	(4.4)

(1) The estimated figures included in the 2014 Prospectus for 2011 were adjusted to reflect the final national accounts for 2011 which were made available by the INS in the second half of 2014. The 2011 figures were finalized by the INS only in late 2014 due to a delay in processing the economic figures in the wake of Côte d'Ivoire's socio-economic situation in 2011. In addition, certain changes in the 2011 macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the SNA 93 in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

(2) The sector's growth/decrease in 2011 as compared to 2010.

(3) The sector's share of GDP in 2011.

Source: MPMEF

The table below presents the breakdown of real GDP per sector of activity in 2012[1] (actual data):

	Primary sector	Secondary sector	Tertiary sector	Non Merchant Sector	Duties and Taxes	Total GDP
Growth (%)[2]	(2.7)	(1.4)	9.6	16.1	90.4	10.7
Weight in GDP (%)[3]	22.5	22.3	33.8	10.6	10.7	100.0
Contribution to GDP growth (%)	(0.6)	(0.3)	3.6	1.6	6.4	10.7

(1) The estimated figures included in the 2014 Prospectus for 2012 were adjusted to reflect the final national accounts for 2012 which were made available by the INS in the second half of 2014. In addition, certain changes in the 2012 macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the SNA 93 in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

(2) The sector's growth/decrease in 2012 as compared to 2011.

(3) The sector's share of GDP in 2012.

Source: MPMEF

The table below presents an estimate of the breakdown of real GDP per sector of activity in 2013[1]:

	Primary sector	Secondary sector	Tertiary sector	Non Merchant Sector	Duties and Taxes	Total GDP
Growth (%)[2]	6.9	8.8	9.6	3.1	17.6	9.2
Weight in GDP (%)[3]	22.1	22.3	34.1	10.0	11.6	100.0
Contribution to GDP growth (%)	1.3	1.8	3.6	0.3	2.1	9.2

(1) The 2013 estimated figures included in the 2014 Prospectus were adjusted to reflect the 2013 provisional national accounts, which were made available by the INS in the second half of 2014. In addition, certain changes in the 2013 macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the SNA 93 in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

(2) The sector's growth/decrease in 2013 as compared to 2012.

(3) The sector's share of GDP in 2013.

Source: MPMEF

The table below presents a forecast of the breakdown of real GDP per sector of activity in 2014:

	Primary sector	Secondary sector	Tertiary sector	Non Merchant Sector	Duties and Taxes	Total GDP
Growth (%)[(1)]	4.0	6.1	12.4	9.0	11.0	9.0
Weight in GDP (%)[(2)]	20.9	21.8	35.4	10.1	11.7	100.0
Contribution to GDP growth (%)	0.8	1.2	4.7	0.9	1.4	9.0

(1) The sector's growth/decrease in 2014 as compared to 2013.

(2) The sector's share of GDP in 2014.

Source: MPMEF

Gross domestic product (GDP)

The GDP is an economic indicator used to measure the level of economic production of a country. It is defined as the total monetary value of all the final goods and services produced over a given period in the territory of a State by the companies in the country, regardless of their nationality. To determine real GDP, its nominal value must be adjusted to take into account inflation. The growth of GDP is calculated on the basis of real GDP and used as an indicator for the economic growth of a country.

GDP in 2011

The Government's efforts to normalize the socio-economic and political situation following the end of the 2011 post-election crisis managed to limit the decrease of the country's GDP to 4.4%, compared to a forecasted 6.3% GDP decrease by the Government. The decline of GDP reflected to a large extent the decline in the secondary and tertiary sectors. However, this recession was partially offset by the positive performance of the primary sector which grew by 6.5% in 2011.

In the primary sector, food crops (millet and sorghum, corn, paddy rice, manioc and yam) decreased by 4.8% on the global market in 2011, while export crops recorded mixed results, marked by a 19.8% increase of cocoa crops and a marked decline in coffee production (-65.8%). The decline in coffee production was primarily connected to the abandonment of fields in the west of the country due to the insecurity arising from the 2011 post-election crisis. The coffee, cotton and cocoa industries, which constitute the country's main export products, provide for the needs of approximately nine million people. Cotton production stood at 198,304 tonnes in 2011, corresponding to an increase of 11.3% compared to 2010 and 41.0% in 2009, due to the introduction of a new variety of improved yield seeds, and due to an 8.1% increase in 2010 of the purchase price from producers to CFAF 200 per kilogram. Overall, the contribution of the primary sector to growth in 2011 amounted to 1.3%, compared to a 0.9% decrease in 2010.

The secondary sector negatively contributed to the real economic growth (a 1.0% decrease in volume) in 2011, while it had also recorded a decrease in 2010 of 1.0%. The industrial production index decreased by an average of 7.5% in 2011, as compared to a 3.8% decrease in 2010. This evolution was mainly due to the under-performance of the building and public works, agro-food and oil products sub-sectors.

The tertiary sector was also affected by the 2011 post-election crisis. Its contribution to growth in 2011 was nil, compared to a 3.2% increase in 2010, due to contraction in the transport, trade and telecommunications sub-sectors.

GDP in 2012

In 2012, economic recovery was stronger than expected, after a decrease in activity in 2011. The GDP growth rate amounted to 10.7%, compared to the 8.6% originally forecasted, in particular as a result of the strength of the tertiary (9.6% increase, compared to a decrease of 0.1% in 2011), non-trade (16.1% increase, compared to a decrease of 8.8% in 2011) and duties and taxes (90.4% increase, compared to a decrease of 30.9% in 2011) sectors. GDP per capita in 2012 was CFAF 607,400, an increase of 12% compared to CFAF 542,000 in 2011. Domestic demand growth was propelled primarily by an 47.0% increase in both private (renewal of production tools) and public (public infrastructures) investments. The investment rate represented 12.1% of GDP, compared to 9.0% in 2011 and 12.3% in 2010.

In 2012, inflationary trends were brought under control. Inflation was limited to 1.3% as an annual average, particularly as a result of the re-establishment of a more normalized distribution of products following the disruptions caused by the 2011 crisis, improvements to agricultural service roads, as well as measures taken by the Government to combat high cost of living. Among others, these measures focused on the introduction of customs duties allowances for consumer products and combatting racketeering, as well as reducing roadblocks.

Money supply grew by 4.4% as of the end of December 2012. Credit to the economy increased by 12.4%, supporting the economic recovery. The Net Government Position (*Position Nette du Gouvernement*), i.e. the net debt of the State toward banks, increased by 29.4%, reflecting the State's increased commitment to the money market. Net external assets decreased by 14.1%, primarily as a result of an increase in the import of capital goods, but still remained at an adequate level, in line with Government estimates.

In 2012, external accounts showed a current account deficit of 1.2%. This primarily reflected an increased flow of goods and services related to investments and, in general, the strong economic recovery. However, a significant part of this current account was financed by foreign direct investment.

GDP in 2013

In 2013, GDP grew by 9.2%, in conjunction with the strong performance seen in all sectors. The primary sector was primarily driven by the development of food crops (principally rice) as well as the strength of cocoa production (an increase of 11.5% as compared to 2012), grain cotton (an increase of 24.0% as compared to 2012), cashew nuts (an increase of 8.3% as compared to 2012) and bananas (an increase of 4.5% as compared to 2012) through agriculture exports. It also benefited from the strength of natural gas extraction (an increase of 19.8% as compared to 2012), gold (an increase of 18.6% as compared to 2012) and manganese (an increase of 21.2% as compared to 2012). However, there was a downward trend in coffee production (a decrease of 14.6% as compared to 2012), palm oil production (a decrease of 6.1% as compared to 2012) and sugar production (a decrease of 7.4% as compared to 2012).

In the secondary sector, manufacturing activity remained strong, supported by the textiles and leather industries (an increase of 36.9% as compared to 2012), paper, publishing, cardboard industries and printing (an increase of 18.8% as compared to 2012) and wood and furniture industries (an increase of 14.7% as compared to 2012) branches.

The tertiary sector benefited from the positive outlook of the primary and secondary sectors. The retail trade turnover index grew by 14.1% in nominal terms as compared to 2012. Moreover, in the transport sector, the number of business travelers in aerial traffic grew by 24.7% and global traffic for maritime merchandise grew by 3.4% as compared to 2012.

GDP in 2014

The primary sector is forecast to record a 4% growth rate in 2014, attributable in particular to food agriculture (5.3% as compared to 5.5% in 2013) and to export-oriented agriculture (2.2% as compared to 9.0% in 2013).

The performance of food agriculture is due to the implementation of the PNIA and above all the continuation of agricultural policies, whose management is ensured by the Rice Development National Office (*Office National de Développement du Riz*).

The slow-down of export-oriented agriculture is attributable to the expected 1.3% decline in cocoa production, in relation to the orchard's resting period (1,650 thousand tons in 2014, as compared to 1,671.1 thousand tons in 2013). Despite this slight decrease, the maintenance of cocoa production at more than 1,600 thousand tonnes every year since 2013 can be explained by the production launch of a second variety of high-yielding cocoa called "Mercedès cocoa".

The secondary sector is forecast to benefit from improvements in the business environment, the promotion of investment and the strengthening of public-private partnerships. It is forecast to increase by 6.1% in 2014 after having increased by 8.8% in 2013. This increase is mainly due to the rise of the construction industry (20%) subsequent to the continuation of public works initiated in 2012 and 2013 and to the start-up of new projects. In addition, the positive performance of the secondary sector is explained by the increase of agro-food industries (+11.5%) and other manufacturing industries (+12.8%).

In spite of the positive evolution of manganese (+17.9%) and of gas (+3.7%), a 8.9% downturn in mineral extraction is forecast in connection with the decrease of crude oil (-25.4%) and gold (-3.3%) production. The poor performance of crude oil is mostly due to the recurrent closure and stoppage of several wells for construction works as well as the postponement of investments for the CI-27 and CI-40 wells.

The tertiary sector is forecast to increase by 12.4%, thanks to the dynamism of all segments: services (+13.7%), trade (+12%), telecommunications (+10.8%) and transportation (+10.4%). These significant developments are primarily due to the strength of the secondary sector through services rendered to companies, the good health of the financial services and insurance sectors and the upturn in tourism and real estate services. In addition, the tertiary sector is forecast to be positively impacted by the consolidation of economic activity.

The table below presents the main economic indicators of Côte d'Ivoire between 2011 and 2014:

Indicators	**2011**	**2012**	**2013 (Estimates)**	**2014 (Forecasts)**
GDP nominal (CFAF billions).....	11,976.8	13,805.0	15,459.7	17,021.0
GDP nominal (US$ billions)	25.4	27.1	31.3	35.1
GDP per capita (CFAF thousands).....	542.0	607.4	661.4	708.8
Real GDP growth rate.....	(4.4)%	10.7%	9.2%	9.0%
Real GDP per capita growth rate.....	(7.0)%	7.6%	6.2%	6.0%
FBCF (variation in volume)	(38.5)%	47.0%	31.8%	18.1%[1]
Inflation rate (WAEMU convergence standard).....	4.9%	1.3%	2.6%	0.5%
Investment rate	9.0%	12.1%	14.6%	16.0%
Basic primary balance (in % of GDP)	(2.0)	(1.2)	(0.1)	(0.2)

(1) The forecast included in the 2014 Prospectus was revised on the basis of the revised 2014 budget following discussions with the IMF that ended in October 2014.

Source: MPMEF

The table below presents the breakdown of nominal GDP between the various sectors of the economy from 2011 to 2014:

	2011[(1)]	2012[(2)]	2013 (Estimates)	2014 (Forecasts)
	(CFAF billions)			
Primary sector	**3,196.7**	**3,110.7**	**3,411.9**	**3,564.7**
Food crops, breeding	1,580.9	1,729.2	1,868.2	1,986.9
Agriculture for exportation	1,554.1	1,348.7	1,508.2	1,542.0
Forestry	49.7	24.7	26.9	27.1
Fishing	12.0	8.1	8.6	8.7
Secondary sector	**2,900.1**	**3,084.3**	**3,440.9**	**3,712.7**
Mining	1097.0	837.1	918.2	840.4
Agro-food industries	770.4	934.2	973.9	1,107.6
Oil products	(39.0)	101.8	107.8	107.3
Energy	29.5	85.9	104.8	99.8
Construction industries	216.5	264.2	346.7	424.4
Other manufacturing industries	825.7	861.1	989.5	1,133.2
Tertiary sector	**4,011.9**	**4,665.2**	**5,270.1**	**6,027.1**
Transport	368.3	471.2	508.8	573.0
Telecommunications	589.7	860.1	923.0	1,027.7
Trade	1,367.2	1,344.5	1,513,0	1,728.4
Other Services	1,686.7	1,989.4	2,325.3	2,698.0
Non trade GDP	**1,111.2**	**1,463.8**	**1,549.9**	**1,723.2**
Trade GDP	**10,108.6**	**10,860.2**	**12,122.9**	**13,304.4**
Services of the APRIs	1,070.8	1,400.6	1,484.1	1 654,7
Services of the APUs	40.3	63.2	65.8	68.5
Duties and taxes net of subsidies	**757.0**	**1,481.0**	**1,786.9**	**1,993.4**
Total GDP	**11,976.8**	**13,805.0**	**15,459.7**	**17,021.0**

(1) The estimated figures included in the 2014 Prospectus for 2011 were adjusted to reflect the final national accounts for 2011 which were made available by the INS in the second half of 2014. The 2011 figures were finalized by the INS only in late 2014 due to a delay in processing the economic figures in the wake of Côte d'Ivoire's socio-economic situation in 2011. In addition, certain changes in the 2011 macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the SNA 93 in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

(2) The estimated figures included in the 2014 Prospectus for 2012 were adjusted to reflect the final national accounts for 2012 which were made available by the INS in the second half of 2014. In addition, certain changes in the 2012 macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the SNA 93 in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

Source: MPMEF

The table below presents the breakdown of nominal GDP between the various sectors of the economy from 2011 to 2014:

	2011[(1)]	2012[(2)]	2013 (Estimates)	2014 (Forecasts)
		(In percentage of GDP)		
Resources of GDP:				
Primary sector	**26.7**	**22.5**	**22.1**	**20.9**
Food crops, breeding	13.2	12.5	12.1	11.7
Agriculture for exportation	13.0	9.8	9.8	9.1
Forestry	0.4	0.2	0.2	0.2
Fishing	0.1	0.1	0.1	0.1
Secondary sector	**24.2**	**22.3**	**22.3**	**21.8**
Mining	9.2	6.1	5.9	4.9
Agrifood industries	6.4	6.8	6.3	6.5
Oil products	(0.3)	0.7	0.7	0.6
Energy (gazeaulec)	0.2	0.6	0.7	0.6
Construction industries	1.8	1.9	2.2	2.5
Other manufacturing industries	6.9	6.2	6.4	6.7
Tertiary sector	**33.5**	**33.8**	**34.1**	**35.4**
Transport	3.1	3.4	3.3	3.4
Telecommunications	4.9	6.2	6.0	6.0
Trade	11.4	9.7	9.8	10.2
Other Services	14.1	14.4	15.0	15.9
Non trade GDP	**9.3**	**10.6**	**10.0**	**10.1**
Services of the APRIs	8.9	10.1	9.6	9.7
Services of the APUs	0.3	0.5	0.4	0.4
Duties and taxes net of subsidies	**6.3**	**10.7**	**11.6**	**11.7**
Total GDP	100.0	100.0	100.0	100.0

(1) The estimated figures included in the 2014 Prospectus for 2011 were adjusted to reflect the final national accounts for 2011 which were made available by the INS in the second half of 2014. The 2011 figures were finalized by the INS only in late 2014 due to a delay in processing the economic figures in the wake of Côte d'Ivoire's socio-economic situation in 2011. In addition, certain changes in the 2011 macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the SNA 93 in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

(2) The estimated figures included in the 2014 Prospectus for 2012 were adjusted to reflect the final national accounts for 2012 which were made available by the INS in the second half of 2014. In addition, certain changes in the 2012 macroeconomic data included in the 2014 Prospectus result from changes in methodology decided by the Government in compliance with the SNA 93 in the second half of 2014. In particular, duties and taxes that had been included in the tertiary sector were removed from the tertiary sector and included in a separate line item in accordance with a WAEMU recommendation in respect of SNA 93 compliance.

Source: MPMEF

The following table presents certain information related to elements of Côte d'Ivoire's nominal GDP in terms of expenses between 2011 and 2014:

	2011	2012	2013 (Estimates)	2014[(1)] (Forecasts)
		(CFAF billions)		
Internal demand	**10,511.1**	**12,817.0**	**14,355.0**	**15,881.5**
Total Consumption	**9,439.0**	**11,145.7**	**12,097.3**	**13,157.4**
Private	8,092.1	9,120.3	10,059.3	11,035.5
Public	1,346.9	2,025.4	2,038.0	2,121.9
Total Investments	**1,072.0**	**1,671.3**	**2,257.7**	**2,724.1**
Private	758.4	921.3	1,100.5	1,418.1
Public	313.6	750.0	1,157.2	1,306.0
Net External Demand	**1,974.4**	**572.1**	**403.0**	**620.3**
Stock variation	**(508.7)**	**415.8**	**701.8**	**519.2**

(1) The forecasts included in the 2014 Prospectus were adjusted to reflect the difference between the forecasts based on the 2014 budget and estimated final expenses for 2014. This included the re-evaluation of the contribution of decentralized authorities expenses.

Source: MPMEF

Principal Sectors of the Ivorian Economy

Agriculture

Until reforms were introduced by the Government in the early 1990s, the developments in agriculture were driven by the actions of the State, which intervened at all levels of the agricultural sector. On the basis of the 1992 Agricultural Development Management Plan (*Plan Directeur de Développement Agricole* ("**ADMP**")), Côte d'Ivoire introduced in the early 1990s restructuring efforts aimed at expanding capacity and making the professionals in the agricultural sector more responsible for their activity, managing their development, including through widespread education, research and training, and refocusing the Government on its orientation, incentivization, regulatory and control functions. For instance, as part of a plan to develop rural areas, the Government built 48,000 km of country roads to integrate villages and encampments, as well as 361 agricultural dams for the irrigation of arable land, fishing and raising livestock in rural areas.

While Côte d'Ivoire's agriculture is still dominated by the coffee-cocoa sector, which played a major role in the Ivorian economic boom of the 1970s, Ivorian agriculture has diversified to include other crops such as palm oil, bananas, rubber trees, cotton, cashew nuts and rice. In 2013, Côte d'Ivoire was the world's leading producer and exporter of cocoa representing more than one-third of the world's cocoa production and the second cashew nut exporter in the world, according to the statistics of Côte d'Ivoire's Ministry of Agriculture and United Nations Food and Agriculture Organization. Côte d'Ivoire also produces a large share of the world's cola nuts and yams, 11% and 27%, respectively, of the world's production in 2013. The coffee, cotton and cocoa sectors, which constitute the country's primary exports, provide a living for approximately half of the population of the country. In 2014, Côte d'Ivoire remains the world's top producer and exporter of cocoa according to the statistics of the Ministry of Agriculture.

The table below sets out the output of major agricultural crops in Côte d'Ivoire between 2012 and 2014:

Production	2012	2013	2014 (Forecasts)
		(in thousand tonnes)	
Cocoa beans	1,499.1	1,671.1	1,650.0
Yams	5,675.0	5,731.7	5,789
Plantain bananas	1,577.0	1,624.4	413.8
Cashew nuts	450.0	487.8	550.0
Manioc	2,412.4	2,436.5	2,460.9
Natural rubber	254.7	290.0	322.0
Palm oil	417.8	392.3	411.9
Green coffee	121.4	103.7	107.0
Corn	654.7	661.3	667.9
Rice Paddies	1,562.0	1,868.3	2,326.5
Bananas	377.1	394.1	413.8

Source: MPMEF

The table below sets out the main exports of the agricultural crops of Côte d'Ivoire between 2011 and 2014:

Product	2011	2012	2013	2014 (Forecasts)
		(in CFAF billions)		
Cocoa Beans	1,428.9	1,185.5	1,322.2	1,505.9
Processed Cocoa	540.4	536.5	609.5	782.5
Cashew Nuts	124.3	167.3	158.0	391.8
Cashew Kernels	4.2	8.3	13.4	12.8
Green Coffee	23.2	77.3	89.6	57.3
Processed Coffee	31.6	37.0	43.4	39.3
Bananas	63.2	71.2	74.6	69.1

Source: MPMEF

Agricultural Policy

Despite a significant contribution to the GDP, productivity of Côte d'Ivoire's agriculture sector remains weak. This is partly due to unplanned and unanticipated Government disengagement, in particular during the political and military crisis that started in 2002, as well as poor governance in the sector. These factors led to (i) unfair distribution of rebates generated by the different sub-sectors given that the benefits of economic growth are not shared and producers are paid the lowest share of income, (ii) low prices for agricultural products paid to farmers and (iii) poor financing of the industry in general, which in turn led to poor agricultural productivity.

In November 2011, the Government adopted a proposal to reform the agricultural industry in the context of the PNIA for the 2010-2015 period, and its implementation began in the cocoa/coffee sub-sector. New legislation is currently being developed focusing on fertilizers and plant-treatment products. An important component of the PNIA is the PNDR, whose objective is to reach self-sufficiency in terms of rice production in 2016.

Furthermore, Côte d'Ivoire began reforming its land law in 1998, which was largely dominated by customary law, by adopting a new law *(Loi n° 98-750 du 23 décembre 1998 relative au domaine foncier rural)*. The reform was driven by the importance of land in agriculture, and by the need to ensure access to finance to village communities by regulating the security of title to land and its use as a security to support financing. While a large part of agricultural business funding could be covered by financial market services with land titles as collateral, agricultural funding is currently insufficient due to the lack of financial guarantees. Reforms to land title are expected to bring the necessary security to use real estate as a security for the financing of agricultural activities. The process of securing rural land rights, by which village communities can obtain land rights certificates and titles to land, would enable them to give guarantees and would therefore ensure the long-term viability of investments. Land law reform is still a stated priority of the Agriculture Ministry, which has benefitted from the assistance of the World Bank and the European Union for this purpose. A new law reforming land legislation was

adopted in August 2013 to guarantee legal certainty for holders of land titles and to contribute to reducing poverty. Such legislation should increase the legal certainty relating to land purchases and land rentals. It should put an end to operators' hesitation in the face of uncertainty concerning real estate by opening up opportunities to develop business, thereby reducing poverty.

The PNIA financially supports food crops production in order to improve production methods to substantially increase production levels. This program, with an estimated total cost of CFAF 2,040 billion, seeks to restore the agricultural growth rate to 9% per year, reduce the poverty rate to 16%, create 2.4 million jobs, reduce food insecurity and process at least 50% of Côte d'Ivoire's agricultural products in the country by 2020.

The Coffee and Cocoa Industries

Coffee and cocoa are key sectors of Côte d'Ivoire's economy. These sectors together are forecast to have represented 6.7% of the country's nominal GDP in 2014, compared to an estimated 7.6% in 2013 and 7.2% in 2012, and accounted for an estimated 43.9% of the country's export earnings in 2014, compared to 36.9% in 2013 and 32.8% in 2012. Cocoa is also the country's leading export, having contributed on average 35.5% per year of all national exports in the period from 2009 to 2012.

Cocoa production reached a level of 1,559,439 tonnes in 2011, representing an increase of more than 19.8% compared to 2010, mainly due to the good rainfall conditions of 2011 and the use of new crop varieties. In 2012 and 2013, cocoa production reached 1,499,100 tonnes and 1,671,100 tonnes, respectively, or a decrease of 3.9% and an increase of 11.5% for 2012 and 2013, respectively. A 1.3% decline in cocoa production is expected in 2014 as compared to 2013, in relation to the orchard's resting period (1,650 thousand tons in 2014, as compared to 1,671.1 thousand tons in 2013). Despite this slight decrease, the maintenance of cocoa production at more than 1,600 thousand tonnes every year since 2013 can be explained by the production launch of a second variety of high-yielding cocoa called "Mercedès cocoa".

The tendency of farmers to abandon cocoa production remains marginal since prices are guaranteed. The low financial profits for cocoa are due to two major harvests per year, whereas palm and rubber provide monthly revenues. However, the first harvests for palm and rubber trees are, in the best-case scenario, expected after 3 and 7 years, respectively, of planting and require significant financial resources for their development, whereas the development of cocoa plantations requires much lower financial resources and the harvest can be expected after 2 years of planting. The risk of disease of cocoa is contained given the record level of production of cocoa attained during recent years. In most cases, this involves diversification of production rather than a definitive end to cocoa production.

After the end of the 2011 post-election crisis, the cocoa processing rate has improved continuously. It increased from 29% in 2012 to 31% in 2013, compared to 27% in 2011. The cocoa processing rate is forecast to be 35% in 2014. The Government expects the cocoa processing rate to increase to 40% by 2015. The target processing rate for exported cocoa is set by the Government at 50% by 2020.

Coffee production has declined greatly since 2008, and has not exceeded 150,000 tonnes per year for more than seven years (107,000 tonnes in 2014, 103,700 tonnes in 2013, 121,400 tonnes in 2012 and 32,300 tonnes in 2011 during the post-election crisis). This has been mainly due to the difficulty of the work involved, coffee's high sensitivity to changes in weather conditions and price instability on the international market. Dissatisfied farmers are attracted to more lucrative crops such as cocoa and rubber trees. Coffee production saw a slight rebound of 1.0% in the third quarter of 2014 compared to the third quarter of 2013, as a result of a better maintenance of plantations made possible by the good level of purchase prices paid to producers. This increase in production is connected to favorable weather conditions and the revival of production by supplying high-quality and high-yielding plant varieties.

The Government approved the cocoa sector reform on November 2, 2011 and the decree establishing the sector's new regulatory structure was signed in December 2011. The main elements of this reform involve the implementation of the following new regulatory structures:

- a central body, the Coffee-Cocoa Council (*Conseil du Café-Cacao*), which was created in January 2012 and includes representatives of the various actors of the coffee-cocoa sector; this body is responsible for the management, regulation, development, and stabilization of prices in the cocoa sector;

- a marketing mechanism which includes forward contracts, forward sales of export licenses and price guarantees to exporters;

- a reserve fund created with the BCEAO to cover risks resulting from the system of price guarantees for producers established by the Government; this fund was approved by the Government with a capital of CFAF 40 billion that has not been used so far; and

- quarterly communications in the Council of Ministers regarding the financial flows and production levels in the sector.

Furthermore, a monitoring committee for reform implementation was created in January 2012. It is responsible for ensuring the application of the core reform legislation through effective implementation of all related legislation and compliance with the rules and undertakings made in the context of the reform.

In line with this reform, the Government took several measures in 2013 to favor the regeneration of plantations, combat the "swollen shoot" disease affecting cocoa trees, support the commercialization of cocoa, improve the safety and health of producers and create infrastructures for producers in rural regions. With the support of the Inter-professional Agricultural Research and Advisory Fund (*Fonds Interprofessionnel pour la Recherche et le Conseil Agricole*), the National Center for Agricultural Research (*Centre National de Recherche Agronomique*) and the National Agency for Rural Support and Development (*Agence Nationale d'Appui et de Développement Rural*), the Coffee-Cocoa Council has been providing direct support since early 2012 to producers through the free distribution of selected, more resistant cocoa tree seeds and phytosanitary products. For each crop year, the Coffee-Cocoa Council distributed high-quality plants, fertilizer and phytosanitary products to planters as part of the implementation of the "Quantity, Quality and Growth" (*Quantité, Qualité et Croissance***,** or 2QC) project adopted in 2009. At the end of March 2014, support activities for the production of cocoa and coffee, realized under the framework of this program, involved the free distribution of 40,470 hectares of cocoa seeds to 41,629 producers. The coffee revival program is being implemented by training 75 cooperatives in seed nursery techniques and conducting an inventory of 10,370 hectares of old coffee bushes for replantation.

On an operational level, the Coffee-Cocoa Council launched a new sales system, the Anticipated Forward Sales Program (*Programme de Ventes Anticipées à la Moyenne*) on January 31, 2012 with regard to the marketing of the cocoa harvest. Since February 2012, all exporters use this new sales system which ensures that farmers receive at least 60% of the CIF export price. The mechanism is based on selling 80% of the forecasted harvest for the coming crop year, while the remaining 20% is sold during the crop year. The reference price corresponds to the average weighted price of sales realized by anticipation (forward sales) and sales realized during the crop year (spot sales). It is split up between the price for producers, taxes and other levies as well as intermediary costs. The sales take place via regular auctions organized by an automatic system with an electronic messenger interface for participants. A supervisory procedure has been implemented for producers, buyers and cooperatives, in order to ensure strict compliance with the guaranteed price and with quality standards.

The implementation of this mechanism gave a minimum guaranteed price of CFAF 750 per kilogram of cocoa for the 2014-2015 season, compared to CFAF 620 for the 2013-2014 season, representing an increase of 21%. As a result of this measure, cocoa producers' gross income increased by 16.26% in the first nine months of 2014 compared to the same period in 2013, as a result of both increases in purchase volumes and farm gate prices, for a total of approximately CFAF 608 billion. The Government also ensures that, after the 2010-2011 annual marketing campaign, the total levies on production of cocoa do not exceed 22% of cocoa CFAF export value. Taxes collected from cocoa producers amounted to CFAF 16.6 billion at September 2014.

Other Sectors

Rubber

In the rubber sector, production in 2013 reached 290,000 tonnes, an increase of 13.9% compared to 2012. In 2014, production is forecast to be 322,000 tonnes, an increase of 11%. The dynamism which marked this sector for several years prior to the 2011 post-election crisis due to investments in new plantations, rejuvenation of old plantations and higher yields suffered a decrease in 2011, due to the disruptions caused by the 2011 post-election crisis such as a general insecurity, the looting of certain factories, a halt on exports and product transportation problems. These difficulties affected plantation maintenance and raw material supply. At the end of October 2014, the production of rubber slightly decreased by 0.5% compared to the end of October 2013, attributable to a deficit

in qualified labor, poor sales of remaining stocks due to the weak level of global natural rubber prices as well as a delay in payments to producers.

In 2012, a new tax was introduced by the Finance Law for 2012 on production of crumb rubber. The Government also introduced an income tax on revenues of rubber tree producers, as a result of a continuing increase in global prices for the 2008 to 2011 period. It is equal to 5% of the turnover of production companies and is applicable whenever the monthly average international price per kilogram exceeds CFAF 1,000.

Palm Oil

Côte d'Ivoire is, after Nigeria, the second largest producer of palm oil in Africa. Palm oil has ensured the country's self-sufficiency in edible fats, enabling the country to export manufactured products across Africa, in particular to Nigeria and Senegal. In 2013, the production of crude palm oil is 392,300 tonnes compared to 417,800 tonnes in 2012, a decrease of 6.1%. This decline is explained by the destruction of plantations that were at an advanced age with low productivity rates and hence low profitability, in order to re-plant or to switch to other crops, and falling product prices. In 2014, palm oil production is forecast to be 411,900 tonnes, a 5.0% increase as compared to 2013. This increase is due to improved support for farmers by supplying equipment and tools, as well as better maintenance of plantations and village trails.

All locally grown oil palm fruit is processed in Côte d'Ivoire to produce oil, and the palm oil sector is the only sector producing 100% of finished products. Its solidity is also explained by the entry of multinationals into the sector, such as the Singaporean company Olam, in recent years. Furthermore, there are ongoing plans to use the biomass from production as an input for electrical energy production.

Cashew Nuts

Côte d'Ivoire is the world's second-largest cashew nut producer according to the Cotton-Cashew Council, which, like cotton, is one of the main cash export crops in the savannah areas of the country. There are around 250,000 cashew nut farmers in Côte d'Ivoire and approximately 1.5 million people in the country derive their livelihood directly from this agricultural product. Cashew nut production was 487,800 tonnes in 2013, an increase of 8.4% compared to 2012. 95% of cashew nuts are exported in raw form, mostly to India and Vietnam, which accounted for approximately 60% and 21% of all cashew nuts exports from Côte d'Ivoire, respectively, in 2013. In 2014, production is forecast to be 550,000 tonnes, an increase of 12.8% as compared to 2013 due to reforms undertaken by the Government. These measure include, in particular, increasing farm gate prices as well as providing bags to preserve the quality of the nuts. The Cotton-Cashew Council estimates that 50% of cashew nut production will be processed in Côte d'Ivoire by 2020.

Cotton

Cotton production is one of the main sources of income and livelihood for communities living in the north of the country. In 2013 cotton production increased by 24.0% compared to 2012, to 357,700 tonnes. In 2014, production increased by 17.1% as compared to 2013, thanks to improvements in productivity due to supplying agricultural products and quality seeds to producers. This sector benefitted from reforms, in particular with respect to the minimum purchase price that is guaranteed to producers by the Cotton-Cashew Council, an entity which was created on the basis of the model of the Coffee-Cocoa Council in 2013.

Since 2011, after enduring the political and military crisis that started in 2002, cotton production has been growing as a result of state subsidies granted to farmers over the last three years. This growth is also due to the support of the European Union through the "New Seeds" ("*Nouvelles Semences*") project which improved seed quality for many farmers. The assistance provided by the European Union allowed the restoration of these seed production stations that began producing high-quality seeds, leading to a positive effect on production. In addition, efforts were made to preserve cooperative movements and secure funding for cotton production, primarily by private operators.

Bananas

Following the difficulties that the banana production sector faced over the previous decade, banana production increased by 4.5% in 2013 to 394,100 tonnes compared to 377,100 tonnes in 2012. In 2014, production increased by 5.0% as compared to 2013 to 413,800 tonnes. The sector's barriers to development are mainly due to poor sales in the European market, linked to competitive pressure from Latin-American countries, leading to the

disappearance of small-scale farmers in Côte d'Ivoire. Other factors include lack of funding and losses from decreased marketability due to European Union sanctions in response to the political and military crisis which banned the export of bananas to Europe, the principal consumer. These sanctions were lifted in 2011.

Despite the support of the European Union and the creation of agro-industrial complexes in the Tiassalé and Niakara regions of Côte d'Ivoire, the sector remained vulnerable to unfavorable weather conditions during the last months of 2014.

Energy and Mining

Electricity

Electricity in Côte d'Ivoire is generated from thermal and hydroelectric plants. The country has six hydroelectric dams and four thermal power stations fuelled by natural gas sourced primarily from Côte d'Ivoire, with an installed overall capacity of 1,632 MW. In 2013, net electricity production was 7,581.9 GWh, an increase of 9.2% compared to 2012. This trend is due to the production of thermal power, which increased by 15.9% to 5,964 GWh, as compared to 5,147 GWh in 2012, due to an increase in production capacity of the 100MW AGGREKO site to respond to increased demand. This component remains the main source of electricity at approximately 78.8% of global supply. National production of natural gas does not always meet national demand, resulting in the use of HVO (liquid fuel) for electricity production. In 2014, electricity production was 8,163.2 GWh, an increase of 7.7% as compared to 2013. This good performance is due to both thermal and hydraulic energy which increased by 7.1% and 14.1%, respectively. Thermal energy remains the main source of the supply of electricity with approximately 76.7% of total supply. Domestic natural gas production still does not meet domestic demand, resulting in the use of HVO (liquid fuel) for electricity production.

Today, Côte d'Ivoire produces more electricity than it consumes and exports electricity to sub-Saharan African countries such as Burkina Faso, Mali, Ghana, Togo and Benin. Transmission lines are currently under construction in order to export electricity to Guinea, Sierra Leone and Liberia in the framework of the West African Power Pool ("**WAPP**"), an ECOWAS initiative that seeks to open up the West African energy market.

Many households in Côte d'Ivoire still do not have access to electricity because of the high connection costs. The Government plans to electrify all villages with more than 500 people by the end of 2015, and the remaining villages by 2020. Furthermore, measures are being taken to lower household electricity bills, in particular through the distribution of low-electricity-consuming lamps and decreasing subscription costs. The Government intends to increase production capacity to 4,000 MW by 2020, in order to meet external and internal electricity demand.

A new Electricity Code was adopted on February 27, 2014. The code allows various segments of the electricity sector to open up to the private sector. The Government expects transmission and distribution lines to be operated by different private companies after calls for tender and the new code establishes a framework for the development of new and renewable energies, and includes provisions to combat fraud and acts of vandalism at the electricity plants. However, in 2012, actions related to the identification, securing and surveillance of customer counting and a better monitoring of streetlight meters were taken by the concessionaire, the *Compagnie Ivoirienne d'Electricité* ("**CIE**"), to combat fraud in the country. These actions resulted in surplus earnings that reduced financial losses in the electricity sub-sector.

The outlook for 2015 was outlined in the Priority Action Plan of the Ministry of Energy, developed as part of the Poverty Reduction Strategy Document (*Document de Stratégie de Réduction de la Pauvreté*) process in 2009 and reflected in the NDP. As a result, in the last quarter of 2011, structural reforms of the sector were launched to reduce institutional overlapping and streamline the organization of the sector. In December 2011, the Asset Management Company of the Electricity Sector (*Société de Gestion du Patrimoine du secteur de l'Electricité*), which manages assets and monitors financial flows in the sector, and the Ivorian Electricity Company (*Société d'Opération Ivoirienne d'Electricité*), which plans and monitors the management of energy flows, were replaced by a single entity, the Côte d'Ivoire Energy Company (*Société des Energies de Côte d'Ivoire*). The National Authority for Electricity Regulation (*Autorité Nationale de Régulation de l'Electricité*) remains in charge of distributors and electricity independent producers, and is responsible for litigation and arbitration between the different stakeholders, including consumers.

Electricity tariffs are regulated by the State and vary depending on the type of user (professional, household, low voltage, medium voltage and high voltage). Special tariffs exist for certain industrial users, such as textile facilities. Since 2008, fuel expenses have more than doubled because of the rising cost of natural gas sold to the

electricity sub-sector, as well as increasing distributor compensation. Moreover, in 2013, the Government reached an agreement to lower gas prices paid to gas suppliers from $9.8/MMBTU to $5.5/MMBTU in the period from 2011 to 2012.

The electricity subsector experienced financial imbalances from 2000 to 2012 because of, on the one hand, significant operating and investment expenses and, on the other hand, revenue shortfalls. In 2011, the Government implemented a strategy to restore financial stability in the electricity subsector.

This strategy envisages renegotiating gas prices and distributor compensation (revised downward to CFAF 8 billion per year for the 2013-2015 period), reducing technical and non-technical losses, improving collections and introducing a new tariff structure. With regards to reducing gas prices, negotiations with the largest local gas producer, which supplies more than two-thirds of gas produced in Côte d'Ivoire, led to the establishment of a base price of $5.5/MMBTU in 2013, compared to an average price of $9.8/MMBTU during the 2011-2012 period. Furthermore, the Government adopted a decree which increased industrial tariffs by 10% as from May 1, 2012. This strategy led to financial equilibrium (excluding investments) in 2013.

Increasing the supply of electricity to foster economic growth is one of the Government's priorities. To this end, the Government took measures to reduce losses and plans to build new production facilities (e.g., the Soubré dam and the Abatta thermal power plant), to reinforce existing sites with production plants using new types of inputs, including biomass, and to improve the electricity transportation and distribution network to satisfy growing demand. Investments amounting to CFAF 5,300 billion over the 2012-2030 period are ongoing. These investments will be financed by both the State and the private sector, with the State's share not exceeding 15% of the planned amount. In this respect, the Government has anticipated an average increase in power of about 150 MW per year for the next few years. This plan includes (i) the completion of the third phase of Azito located in Abidjan in April 2015 (140 MW steam generator), (ii) the power increase of the CIPREL located in Vridi site by 111 MW in 2015 (gas generator) in 2014 and 111 MV in 2015 (steam generator), (iii) the construction and operation of the 369 MW Abatta located in Abidjan combined-cycle thermal power plant by 2015-2016 and (iv) the development of the Soubré hydroelectric project, with a capacity of 275 MW in 2017. Implementing a deficit reduction strategy for this sector has allowed a gradual improvement of its financial situation and will help it reach financial equilibrium by 2016 (with investments). As a result, Government subsidies to the sector, which support production costs for the entire country's needs, will decrease. Additional electricity requests from neighboring countries will continue to be billed at the marginal production cost of HVO.

Hydrocarbons

Côte d'Ivoire produces and exports crude oil, and refines imported crude oil products. On December 31, 2013, Côte d'Ivoire's natural reserves were estimated by PETROCI at 225 million barrels of crude oil and 1,330 billion cubic feet of natural gas. Taking into account existing reserves, the current level of production of natural gas could be maintained until 2034 and the current level of production of crude oil until 2029. Since October 2011, twelve exploratory drillings and three appraisal drillings have been made over the Ivorian sedimentary basin. Exploratory drilling resulted in the discovery of five oil deposits and their reserves are currently being assessed. Seven exploration and appraisal wells are planned in 2015. In December 2014, Côte d'Ivoire signed production sharing agreements with Exxon Mobil for two ultra-deepwater blocks in the Gulf of Guinea.

Oil

Oil production stood at 25,021.6 barrels/day in 2013, largely inferior to imports of around 71,000 barrels/day. Côte d'Ivoire remained a significant net importer of crude oil in 2014. Indeed, crude oil production is forecast to be 18,662 barrels/day in 2014 compared to decreasing imports of approximately 62,000 barrels/day during the same period. The Ivorian Refining Company (*Société Ivoirienne de Raffinage* ("**SIR**")) imports crude oil, mostly from Nigeria, and processes it to meet domestic demand in oil products and to export oil products to WAEMU countries.

The production of crude oil decreased from 12.4 million barrels in 2011 to 10.7 million barrels in 2012 and 9.1 million barrels in 2013. A further decrease to a 6.8 million barrels production is forecast in 2014. This is primarily due to the natural depletion of a number of oil fields. At the end of November 2014, the production of crude oil continued to decline and contracted by 26.3%, as compared to the same period in 2013. This decline is due in part to the decrease in production from blocks CI40 and CI27 as a result of natural depletion. The decrease in imports by 12.7% in 2014 as compared to 2013 is due to the contraction in refining margins in 2014.

PETROCI, a state-owned company, was created in 1962 to oversee the country's oil development following its independence in 1960. PETROCI is involved, through private partnerships with foreign oil companies, in exploring and extracting oil and natural gas reserves. PETROCI is entitled to a 10% participation right in these partnerships. Hydrocarbon research and extraction, as well as all PETROCI activities, are governed by the 1996 Oil Code, which was revised by decree No. 2012-369 on April 18, 2012. Difficulties still persist, however, despite efforts to improve hydrocarbon production and distribution channels for oil products. In order to increase oil production, private investments in oil research and exploitation are needed. Reforms of the Petroleum Code take into account good governance, environmental sustainability and the application of Extractive Industries Transparency Initiative ("**EITI**"), adopted by the Government in April 2012.

Oil permits granted by the State to concessionaires are based on shared production contracts (*contrats de partage de production* ("**CPP**")) with consortiums headed by a technical operator which has a majority share in the consortium. The consortium is also in charge of revenue distribution and gives PETROCI its respective share based on the terms of the CPP.

The SIR is the country's only oil refinery. Refined products include super unleaded petrol, butane and fuel gas. However, the SIR, which has a monopoly over the import of the crude oil necessary for its production, also controls the imports of competing finished products.

The SIR's production of refined products increased from 1.9 million tonnes in 2011 to 3.0 million tonnes in 2012 and to 3.1 million tonnes in 2013. In 2014, it is forecast to be approximately 3 million tonnes. This increase was due to the revival of the national economy and the strength of exports to ECOWAS countries, particularly to Nigeria.

The SIR suffers from distortions due to price controls by the Government, which reduce its profit margin or cause losses when the world prices of oil increase. Pursuant to a revised oil price automatic adjustment mechanism adopted by the Government and implemented in April 2009, oil prices are now linked to international price fluctuations. The SIR also suffers from the Government's outstanding debts, as well as a taxation policy that grants various discounts to a range of consumers. Moreover, the SIR has also suffered due to the decline in refining margins on the international market. The SIR has been bailed out by the Government on several occasions throughout the past decade. To ensure the SIR's financial stability, the Government's debt underwent a securitization operation and a cash settlement.

In November 2012, the Government adopted an oil price structure that serves as a basis for an automatic adjustment mechanism of retail station prices. This new price structure has been in place since April 1, 2013. The changes made to this mechanism relate to the introduction of a price component that supports the refinery margin, the reduction of the VAT rates on oil products (from 18% to 9%) and that of the Unique Specific Tax (*Taxe Spécifique Unique*) collected by the State so as to maintain prices at a level that is acceptable to the population. Prices at the pump are currently identical everywhere throughout Côte d'Ivoire since 1975 for liquid products and since April 2013 for butane gas. Since the beginning of February 2015, the price of super gasoline has decreased from CFAF 690 per liter to CFAF 665 per liter and the price of diesel has decreased from CFAF 590 per liter to CFAF 580 per liter.

The distribution network for oil products significantly deteriorated during the 2002-2011 period due to the political and military crisis. About 24 distribution licenses for oil products were nonetheless granted during this period. The largest fuel distributors are members of the Professional Petrol Group created in 1971 (*Groupement des Professionnels de l'industrie du Pétrole*), including Total CI, Corlay CI, Vivo Ernergy CI, Libya Oil, Oryx Energies, Petro Ivoire, which together control 71.22% of the national oil products market in 2013. Other companies are members of the Côte d'Ivoire Professional Petrol Association (*Association professionnelle des pétroliers de Côte d'Ivoire*), created in November 5, 2003.

Gas

Natural gas production has been continuously growing over the 2011-2013 period, increasing from 1,631.8 million cubic meters in 2011, to 1,779.9 million cubic meters in 2012 and to 2,125.9 million cubic meters in 2013, in conjunction with the increased demand from the electricity sector. Natural gas production is forecast to be 2,204.9 million cubic meters in 2014, an increase of 3.7% as compared to 2013. This upward trend has been maintained at the end of November 2014 with production increasing by 3.1%, as compared to November 2013 due to investments made. The population, especially within the interior of the country, has limited access to butane gas

due to high prices in these regions. Since April 2013, prices have been standardized throughout the country and consumption in the interior of the country, excluding Bouaké, increased by 34.16% in 2013 as compared to 2012. The country's supply of butane gas is ensured by domestic production and imports. In 2013, domestic production of butane gas by the SIR (20.37%) and PETROCI (79.63%) represented 8.18% of national consumption, which stood at 178,056 metric tonnes. The remaining consumption (91.82%) was fulfilled by imports made by the SIR (67.31%) and PETROCI (32.69%). Storage capacity progressed from 9,395 metric tonnes in 2012 to 15,395 metric tonnes in 2013, an increase of 61%. Nevertheless, this capacity remains insufficient to import large batches that would result in decreased prices of such gas and more secure supplies. Furthermore, the cost of acquiring the necessary equipment (packaging, burners, connectors, stoves etc.) still remains high for the majority of the population.

This situation encourages the population to use biomasses as energy sources; which is a threat to the conservation of the environment and the balance of biodiversity.

Improving transparency in the hydrocarbon sector remains a priority for the Government, which has introduced the publication of quarterly reports since 2007 by the Council of Ministers concerning physical and financial flows related to the energy sector, including oil and gas.

Mines

Côte d'Ivoire possesses largely unexploited mining resources. The Ivorian mining sector is dominated by gold. However, other minerals are exploited in Côte d'Ivoire, such as manganese, diamond, bauxite, iron ore, columbite-tantalum and phosphates.

The management of Ivorian mining resources is the responsibility of the General Direction of Mines and Geology (*Direction Générale des Mines et de la Géologie*) within the Ministry of Mines and Energy. As of 2014, 140 exploration permits covering all minerals have been granted.

The Mining Development Company of Côte d'Ivoire (*Société pour le Développement Minier de la Côte d'Ivoire* ("**SODEMI**")), created in 1962, is a State-owned company responsible for geological and mineral research and for managing the State's equity interests in the mining sector. In recent years, SODEMI has been mostly active in the production of gold and manganese, in partnership with international mining companies. SODEMI suffered from significant losses and mismanagement during Côte d'Ivoire's political and military crisis. Following the crisis, a new management team was appointed and the company has continued to expand its activities as well as develop partnerships in mining exploration and operations.

The mining subsector is confronted with four main difficulties that limit production growth: (i) lack of accurate geological maps, (ii) weak level of foreign investment in the development of deposits (iii) lack of adequate and accessible infrastructure due to the political and military crisis that started in 2002 and (iv) lack of national public and private investment due to the absence of a mining tradition.

A new mining code that is more favorable to investors was adopted on March 24, 2014. This new code increases the maximum exploration period from seven to 10 years. The new mining code also brings more transparency to the permit-awarding process and provides for more advantageous tax and customs duties treatment in order to increase the competitiveness of the Ivorian mining sector.

The table below presents the evolution of mining production from 2011 to 2014:

	2011	2012	2013 (Estimates)	2014 (Forecasts)
		(in tonnes)		
Gold	12.4	12.2	15.5	15.0
Manganese	49,944.0	108,330.1	254,499.4	300,107.0

Source: MPMEF

Gold is the leading mining product in Côte d'Ivoire and comes from the mines of Ity, Angovia, Agbaou, Bonikro and Tongon located in the west, center and north of the country, respectively. It represents 4/5 of all exploration permits granted in Côte d'Ivoire. As of 2014, eight gold mining permits were in operation, spread across the Ivorian territory. The gold production demonstrated solid growth from 2011 to 2014, increasing from 12.4 to 15.0 tonnes in this period. This performance was due to an increase in the operation of the Ity and Tongon gold mines as well as the beginning of production at the Agbaou mine in January 2014. The added value from gold production represented, on average, 1.7% of GDP from 2011 to 2013.

Manganese is the second-leading mining extraction product in the country and is produced by three mines located in the south and the east of the country. As of 2014, three manganese permits were active. Manganese production increased by 134.9% in 2013, compared to 2012 and constituted 254,499.4 tonnes. This increase was due to the commencement of production of the Lauzoua mine located in the south of the country. Previously, only the Bondoukou mine located in the east was operational. Manganese production represented 0.5% of GDP in 2013. In 2014, production is forecast to be 300,107.0 tonnes, representing an increase of 17.9% compared to 2013.

Diamonds are mined by individuals or by licensed companies. Production of diamonds was suspended in 2002 when the political and military conflict started, first by the Ivorian Government, and then by a UN resolution. In February 2012, the Government held a workshop with three other countries (Guinea, Mali and Burkina Faso) to discuss measures to efficiently combat diamond smuggling on the national and regional levels. The suspension of diamond production and trade in Côte d'Ivoire was lifted on April 29, 2014 following the termination of the restrictions applicable to Côte d'Ivoire under the Kimberley process which is an international certification regime for rough diamonds, unifying governments and diamond companies, with the objective of avoiding negotiating the purchase of diamonds from rebel groups on the global market, so as not to finance their military activities.

Iron is another mineral product that is available throughout western and southwestern Côte d'Ivoire but which is not yet mined. Deposits have been discovered at four locations within the country: Mont Klahoyo-Tia (Facobly), Mont Gao (Bangolo), Monogaga (San-Pedro) and Troto Segaye (Bangolo-Douékoué). Exploratory missions and studies concerning the supply of energy, transportation of ore and production are currently being finalized. The major operators in the field are SODEMI, Tata Steel and the *Compagnie Minière du Mont Klahoyo* (CMMK).

Industrial production

Industry constitutes the main part of Côte d'Ivoire's formal private sector. Côte d'Ivoire produces a variety of goods such as processed agricultural products, cement, pharmaceuticals and chemicals, glass, plastics, textiles, cigarettes, wood, soap, refined oil, beverages, alcohol, furniture, reinforced concrete and paper.

The estimated added value of the manufacturing industry in real terms, i.e. in volume, increased by 6.5% and 4.9% in 2012 and 2013, respectively. It is forecast to be 12.1% in 2014.

The years 2012 and 2013 not only benefited from the return of peace on a domestic level after the post-electoral crisis of 2011 but also the return of Côte d'Ivoire to the international scene, with the arrival of new investors for major government projects in the manufacturing sector. This favorable environment allowed for the recovery of the industrial sector as a whole, particularly in agro-food, energy, furniture manufacturing, construction materials, petroleum products and textiles, as shown in the table below. 2014 was marked by an increase in industrial activity excluding extraction of oil and gas (+6.6%) due in particular to the dynamism of the manufacturing sector (+6.5%). The businesses active in the industrial sector include both national companies and subsidiaries of multinationals: Sifca, Nestlé, Palmci, Unilever, Solibra, Bouygues, Bolloré, Cargill, Cemoi, Olam, SICABLE, SIR, Barry Callebaut, Carena, ADM Total, Sifcom, SMB, PETROCI, Socimat, Benabé, Gandour, Filtisac, Filtisac and Uniwax are among the principal industrial players in the country.

The table below presents the variation of the value added of the secondary sector from 2012 to 2014:

Variation in volume (in %)	2012[(1)]	2013[(2)] (Estimates)	2014[(3)] (Forecasts)
Secondary Sector	**(1.4)**	**8.8**	**6.1**
Petroleum products	**(60.2)**	**3.8**	**(1.5)**
Mining extraction	**(33.5)**	**(6.9)**	**(8.9)**
Gold including diamonds and other extractions	1.5	30.8	(2.2)
Manufacturing industries	**6.5**	**4.9**	**12.1**
Agro-food	19.7	1.6	11.5
Drinks and tobacco	10.2	0.8	5.6
Textiles and clothing	29.8	40.8	6.2
Wood, paper and print	(14.0)	1.8	(5.8)
Chemicals, rubber, plastics	(12.6)	(18.0)	(9.7)
Non-metallic minerals	(56.5)	(0.9)	4.3
Furniture and others	(10.5)	1.7	(49.7)
Energy	**248.7**	**19.5**	**(5.5)**
BPW	**5.3**	**27.9**	**20.0**

(1) The estimated figures included in the 2014 Prospectus for 2012 were adjusted to reflect the final national accounts for 2012 made available by the INS in the second half of 2014. The figures included in the 2014 Prospectus resulted from macroeconomic projections prepared by the MPMEF whereas the revised figures take into account balance sheet data of the companies of the secondary sector obtained by the INS.

(2) The estimated figures included in the 2014 Prospectus for 2013 were adjusted to take into account the final national accounts for 2012 made available by the INS in the second half of 2014.

(3) The forecasts included in the 2014 Prospectus for 2014 were adjusted to take into account the final national accounts for 2012 made available by the INS in the second half of 2014.

Source: MPMEF

The primary industrial activity resides in agro-foods. Its share of GDP is estimated at 6.3% in 2013 and is forecast to be 6.5% in 2014, respectively representing 28.3% and 29.8% of the secondary sector's added-value, respectively. The value added of the secondary sector has largely diversified and remains primarily in the milling industry, the processing of coffee and cocoa, fruits and oilseeds, poultry, as well as the production of sugar, beverages and canned fish. A variety of businesses, including subsidiaries of multinationals, share this growing market.

The processing of cocoa into butter, cakes, chocolate, tablets and powder is done by leading companies: the American multinationals Cargill and Archer Daniels Midland ("**ADM**"), the Barry Callebaut group from Zurich (represented in Côte d'Ivoire by the *Société Africaine de Cacao*), the SN Chocodi (acquired in 2008 by the Ivorian group CKG Holding), as well as the Swiss group Nestlé, which, for the past few decades, has dominated the processing of robusta cherry into soluble coffee.

The fruit industry is controlled by subsidiaries of French groups such as Selecima, *Compagnie Fruitière* and the *Société Agricole Kablan–Joubin*, which handle the conditioning and processing of fruit into juices within Côte d'Ivoire, before exporting them to Europe. Since Unilever's withdrawal from oilseeds in 2009, the Sifca group has been controlling the national production of food oils.

In the brewery segment, the French multinational Castel, through its local subsidiary *Société de limonaderies et brasseries d'Afrique* ("**Solibra**"), dominates the high-growth sector with an annual production of more than 1 million hectoliters of beer and 400,000 hectoliters of carbonated beverages. With three factories of canned tuna and spices, the *Société des conserveries de Côte d'Ivoire*, *Pêche et froid de Côte d'Ivoire*, a subsidiary of the Thunnus Overseas Group, and a factory owned by Italian Nuova Castelli, Abidjan is one of the main canned tuna exporting centers in Africa. This sector is the fourth largest export of the country with more than CFAF 150 billion of annual turnover (EUR 228.7 million) in 2008, and clearly prevails over the milk industry, represented by eight companies, namely Nestlé CI, Eurolait, Microdis, Finamark, Sapled, Saprolait, Normandia and Cobci.

Today, many products from the Ivorian agro-food industry are exported to the WAEMU zone, despite the competition of products from Europe. The strong performance of the Ivorian agro-food sector relies on increased local demand, throughout the country, as well as from neighboring countries. This sector aims to explore the larger market of ECOWAS, in particular in light of the possibility to export in a customs duty free zone.

For certain products, in particular palm oil, all the processing is done in Côte d'Ivoire for all production volumes. Rubber tree production also undergoes primary processing in Côte d'Ivoire. However, there still remains potential for increase in the manufacturing segment. Indeed, approximately 35% of cocoa production and approximately 5% of cashew nut production are currently processed in Côte d'Ivoire. The Government intends to take measures that favor agricultural product processing in order to control the entire chain of production. The priority will be the processing of agricultural raw materials, in particular of the cashew nut, rubber tree, fruit and vegetable sectors, by removing barriers and developing the value chain.

For the cashew nut sector, the goal is to develop local processing of the cashew nut. To this effect, the Government has adopted a program for the development and transformation of cashew nuts (*Programme pour le développement de la transformation de l'anacarde*) which seeks to raise the domestic cashew nut processing from 5% in 2014 to 35% in 2016 and 100% in 2020. This program, which has an estimated cost of CFAF 9.3 billion, aims at facilitating access to financing, improving the quality of products, enhancing the quality of infrastructure and supporting commercialization. In November, 2014, an international trade fair, "SIETTA", was held in Abidjan to introduce processing equipment and technology, support potential investors with the preparation of financial documents and mobilization of funds and promote local consumption of products made from cashew nuts.

With regard to rubber tree transformation, the Government's strategy seeks to promote the development of rubber tree re-manufacturing in Côte d'Ivoire, one of the largest African producers of natural rubber. This targeted marketing campaign was launched with the help of the International Finance Corporation, to attract investors in the re-manufacturing sector. In the fruit and vegetable sector, the Government's current policy also seeks to promote local processing. As in the rubber tree industry, a targeted marketing campaign has been launched with the help of the International Finance Corporation.

Industries in the chemicals, rubber and plastics sector accounted for 2.2% of GDP and 9.8% of the secondary sector in 2013, and are expected to represent 1.8% of GDP and 8.3% of the secondary sector in 2014. This sector manufactures diverse products, ranging from intermediary goods to consumer goods destined for both the local market and for export. It consists, in particular, of agrochemicals (fertilizer and pesticides), cosmetic products (perfumes, creams) and processing of dampened rubber and plastic goods (shoes, chairs, tables). In most cases, the inputs for production are imported. The principal companies are AF-Chem Sofaco, Callivoire, Polychimie, Stepc, Ghandour, 2CI, Najibco, SAI, Copaci, Africhim, Sadofoss, Saprochim, Themis and Socida.

Industries in the furniture and other industries sector comprise all branches of the industry that are not specified in the tables above. In 2013, their share of GDP stood at 2.9% and represented 12.9% of the secondary sector. In 2014, they are expected to represent 3.4% of GDP and 15.6% of the secondary sector. Products manufactured by these industries include furniture for household and office use, vehicles and machine tools (fitting and assembling), barrels, trays, electrical cables and sheet metal. These products are primarily used for national and sub-regional needs. The principal companies operating in this sector are Mobidis, Macaci, Sicable, Lassire & Cie, Tôle Ivoire, Siem, Ivoiral, Metalux and Setr.

The following table shows the percentage share of the secondary sector and its principal components in the country's nominal GDP from 2011 to 2014:

As a percentage	2011	2012	2013 (Estimates)	2014 (Forecasts)
Secondary sector	**24.2**	**22.3**	**22.3**	**21.8**
Petroleum products	**(0.3)**	**0.7**	**0.7**	**0.6**
Mining extraction	**9.2**	**6.1**	**5.9**	**4.9**
Gold including diamonds and other extractions	2.5	2.5	2.5	2
Manufacturing industries	**13.3**	**13**	**12.7**	**13.2**
Agro-food	6.4	6.8	6.3	6.5
Beverages and tobacco	0.7	0.7	0.6	0.6
Textiles and clothes	0.2	0.2	0.3	0.3
Wood, paper and print	0.9	0.7	0.6	0.6
Chemicals, rubber, plastics	2.6	2.0	2.2	1.8
Non-metallic minerals	0.5	0.7	0.6	0.6
Furniture and others	2.8	2.8	2.9	3.4
Energy	**0.2**	**0.6**	**0.7**	**0.6**
Building and public works	**1.8**	**1.9**	**2.2**	**2.5**

Source: MPMEF

The following table shows the percentage share of the different branches in the secondary sector in the country's nominal GDP from 2011 to 2014:

As a percentage	2011	2012	2013 (Estimates)	2014 (Forecasts)
Secondary sector	**100.0**	**100.0**	**100.0**	**100.0**
Petroleum products	**(1.3)**	**3.3**	**3.1**	**2.9**
Mining extraction	**37.8**	**27.1**	**26.7**	**22.6**
Gold, including diamonds and other extractions	10.2	11	11	9
Manufacturing industries	**55**	**58.2**	**57.1**	**60.4**
Agro-food	26.6	30.3	28.3	29.8
Beverages and tobacco	2.9	3.0	2.7	2.7
Textiles and clothes	0.8	1.0	1.3	1.4
Wood, paper and print	3.7	3.0	2.8	2.5
Chemicals, rubber, plastics	10.8	9	9.8	8.3
Non-metallic minerals	2.1	3.1	2.8	2.8
Furniture and others	11.5	12.7	12.9	15.6
Energy	**1.0**	**2.8**	**3.0**	**2.7**
Building and public works	**7.5**	**8.6**	**10.1**	**11.4**

Source: MPMEF

In 2012, the Government carried out an assessment of the industrial sector with the aim of increasing its share in the country's GDP from approximately 30% in 2012 to 40% in 2020. To achieve this goal, the Government promotes growth in the processing of agricultural products. To assist in the process, a National Program for Restructuring and Upgrade of Industries (*Programme National de Restructuration et de Mise à Niveau des Industries*, or PNRMN) was created. The PNRMN is designed to offer support to businesses in preparation for the opening-up/reduction of barriers to entry in markets in the context of the Economic Partnership Agreements (*Accords de Partenariats Economiques*) with the European Union. The program provides direct financial support in the form of financing and guarantees for investments in equipment to 120 businesses. The cost of the program is estimated at CFAF 152 billion over five years for the period covering 2014 to 2019. The financing is anticipated from several international financial institutions and banks, as well as the private sector. The program began with a start-up phase in 2013 involving 20 industrial businesses.

The Government's industrial development strategy focuses on three axes: strong contribution from the private sector, use of comparative advantages and targeted assistance from the State in terms of support (e.g., quality, norms, restructuring, access to credit and industrial zones, targeted tax advantages).

At the end of November 2014, the Harmonized Index of Industrial Production ("**HIIP**") is forecast to have increased by 3.4%. This growth in industrial activity is due to increases in manufacturing activities (+6.5%) and the "electricity, gas and water" sector (+5.6%). However, extractive industries recorded a decrease of 19.6%. Excluding extraction of crude oil and natural gas, HIIP increased by 6.6%.

Building and Public Works

The building and public works sector has strengthened in recent years due to the completion of major Government projects such as the third Abidjan bridge (the Rivera–Marcory bridge, built in 27 months) and road infrastructure projects, as well as through the efforts of private economic operators. International companies in the construction sector such as Colas, Bouygues, Bolloré or Arab Contractors, have returned to Côte d'Ivoire in order to accompany the efficient realization of major projects. The majority of large construction projects is open to international tender bids. The Government ensures that the small- and medium- enterprises participate in these projects through subcontracting in order to have a positive impact on local employment.

After a significant increase of 27.1% in 2010, as compared to 2009, the advanced indicator for the building and public works sector, which measures the level of activity in this sector, contracted by 11.6% in 2011 due to the post-election crisis of 2011. In 2012 and 2013, the advanced indicator for the building and public works sector, was 44.3% and 27.9%, respectively, and is forecast to grow by 20% in 2014, primarily due to the surge in public projects. Similarly, the construction materials industry showed a significant increase. The Government expects that cement production, which was 2.7 million tonnes in 2013, will increase to 4.5 million tonnes in 2014 and to 6.2 million tonnes in 2015 with the installation of new cement production units.

The building and public works sector made up 2.2% of GDP in 2013, reaching its highest level since 2008. In 2014, this sector is forecast to have represented 2.5% of GDP.

Financial Sector

The financial sector in Côte d'Ivoire is comprised of banks, insurance companies and microfinance institutions.

Banks and Microfinance Institutions

For information on the banking sector, see "*Monetary System*".

Insurance Companies

The size of the insurance sector in Côte d'Ivoire is modest, with an estimated CFAF 236 billion in revenue in 2013, compared to CFAF 209 billion in revenue in 2012, CFAF 185 billion in 2011, CFAF 195 billion in 2008 and CFAF 135 billion in 2006. However, it continues to be the main market in the *Conférence Interafricaine des Marchés d'Assurances* (CIMA). Its contribution to GDP was 1.6% in 2011 and 1.7% in 2012. In 2013, its contribution to GDP was 1.7%, above the average rate in the CIMA zone, which is 0.9%. According to the Federation of African National Insurance Companies, the penetration rate on the African continent is 4.31%.

The Ivorian insurance sector grew by 13.08% in 2012 and 12.80% in 2013 despite the crisis the country experienced. This growth is generally attributable to the performance of the life insurance segment.

Approximately 30 insurance companies compete to attract the interest of a population that has not yet developed sufficient interest in insurance products. In the distribution of their products, insurance companies work with intermediaries, including brokers and general agents, such as Gras Savoye and Marsh & McLennan, that still largely dominate the market for company insurance. The Ivorian insurance market also includes a reinsurer and international reinsurance companies or reinsurance representatives.

There are two professional associations that assist in the development and the stabilization of the market. These are the Association of Insurance Companies of Côte d'Ivoire (*Association des Sociétés d'Assurances de Côte d'Ivoire* ("**ASA-CI**")) and the National Association of Côte d'Ivoire Insurance and Reinsurance Brokers (*Association Nationale des Courtiers d'Assurance et de Réassurance de Côte d'Ivoire*). There are also several professional organizations that regulate the sector: ASA-CI, the Regional Commission of Insurance Control (*Commission Régionale de Contrôle des Assurances*) and the African Federation of Insurance Companies for African National Law (*Fédération des Sociétés d'Assurances de Droit National Africain*).

Tourism

After a period of relative growth, Ivorian tourism experienced a sharp decline since the end of 1999, due to the departure of major actors in tourism, as a result of the unstable socio-political situation and increasing insecurity throughout the political and military crisis that began in 2002. The sector experienced a decline in offer and demand as well as a slowdown in marketing activities. In terms of demand, the crisis has resulted in a significant decline in the number of tourists arriving at the Félix Houphouët-Boigny international airport. The country's hotel capacity also decreased. Many private hotels closed, especially in the south west, the west and the central part of the country. The important tourist city of Man saw several major hotels closing, as well as the deterioration in other tourism infrastructure and sites. Travel agencies have lost more than 80% of their revenue, resulting in the closure of many agencies.

According to the IMF report 13/172 "Côte d'Ivoire: Poverty Reduction Strategy Paper" published in June 2013, the tourism sector is affected by (i) weaknesses in the legal and institutional framework, (ii) inadequate financing of the sector's activities, (iii) the deterioration and inadequacy of tourist and road infrastructures, (iv) the fragility of management structures, (v) inadequacy of the development of tourist products, (vi) price increases in air transport, (vii) lack of an efficient marketing of Côte d'Ivoire as a destination spot, and (viii) insufficient partnerships.

In order to stimulate tourism in Côte d'Ivoire, the Government intends to capitalize on the country's tourist assets, in particular the tropical forest and the beaches around San Pedro. The Government aims to favor eco- tourism and plans to launch calls for tenders for the creation of an international airport and an *Aérocité* in San Pedro by 2015. The Abidjan *Aérocité* would be an "airport city", which will offer a range of amenities, including commerce, hotels and housing. Located near the Félix Houphouët-Boigny airport in Abidjan, the *Aérocité* will be developed on a unique site with exceptional natural qualities and located between the ocean and lagoon.

Economic infrastructure

Road transport

Côte d'Ivoire has over 82,000 kilometers of road network, of which 6,600 kilometers are asphalt roads, including a 226-kilometer freeway linking Abidjan to Yamoussoukro and a public urban road network with over 4,000 kilometers of asphalt roads throughout the national territory. Côte d'Ivoire also has approximately 20 ferry boats and approximately 4,600 engineering structures, including over 300 bridges.

An assessment carried out in 2010 found that 90% of the asphalt roads were severely deteriorated. Approximately 80% of the asphalt roads (5,300 kilometers) are between 15 and 35 years old, 44% of which are more than 20 years old; these roads are designed to resist wear and tear for a period of 15 years. Furthermore, 4,500 kilometers of paved roads are in poor condition, of which 1,500 kilometers are in very bad condition.

However, as part of the strengthening of road infrastructure, several projects were completed at the end of December 2014. These include, in particular: (i) the third Abidjan bridge (Rivera-Marcory bridge, built in 27 months); (ii) the extension of the northern freeway (Singrobo-Yamoussoukro) and the renovation of the Abidjan-Singrobo freeway segment; (iii) the construction of the Abobo-Anyama road; (iv) the construction of a bridge over the Marahoué and improvement of the urban roads in the city of Bouaflé; (v) the construction of the Boundiali-Tengrela road; and (vi) the construction of an interchange over the Valery Giscard d'Estaing Boulevard in Abidjan.

Other projects have entered into their active phase in recent years. These projects include (i) the Transport Sector Investment and Modification Program (*Programme d'Investissement et d'Ajustement du Secteur des Transports* ("**CI-PAST**")); (ii) the Fourth Emergency Program (*Quatièrre Programme d'Urgence*) financed by the European Union; (iii) the labour-intensive works *(Travaux à Haute Intensité de Main d'Oeuvre*) portion of the Post Conflict Assistance Project (*Projet d'Assistance Post Conflit*); (iv) the Jacqueville bridge construction project, which is expected to be completed in March 2015; (v) the infrastructure reconstruction project in the north, west and center zones, which were administered by the *Forces Nouvelles* rebels; and (vi) the start of work on highways and various networks.

Intercity road transport services have developed following a series of business reforms in this sector. The reforms have resulted in the emergence of several small bus stations, as well as in the creation of private passenger and

merchandise transport companies. Intercity passenger transport has risen due to the launch of 1,300 large-capacity car parks that serves more than 90 connections and transports around 25 million travelers per year.

With respect to traveler and merchandise road transport, fluidity problems and racketeering have reduced the productivity of this sector. Similarly, the poor state of intercity roads, the aging car fleet and the poor organization of road transport sector operators constitute an obstacle to development in this sector.

The urban road transport services are primarily concentrated in the city of Abidjan and the SOTRA. The deterioration of the financial and operational condition of the SOTRA resulted in a significant reduction of its bus fleet. This deterioration is primarily a result of recurring late payments of financial compensation by the State to SOTRA. This situation was aggravated by the 2011 post-election crisis.

With respect to the governance of the infrastructure and transport services sector, the Government adopted CI-PAST, to reorganize the institutional framework and reform the legal and regulatory framework of the sector's structures. This CFAF 12 billion program represents an important component of the Government's efforts to promote road maintenance and safety. Many other road infrastructure development projects are currently in progress. These projects include the construction of approximately 50 intersections and 20 other structures, including the Williamsville-Adjamé pedestrian bridge in Abidjan. In 2014, the third Abidjan bridge (built in 27 months) as well as the Riviera 2 interchange were completed. In 2015, the Bouaflé bridge over Marahoué in the central part of the country was inaugurated. The Jacqueville bridge is expected to be completed in March 2015.

The Government also intends to develop the road network between large urban communities in Côte d'Ivoire, to allow for harmonized development of the territory, and the major roads to the ECOWAS countries in order to deepen regional integration, including a highway between Abidjan and Lagos.

River, Lagoon and Maritime Transport

Côte d'Ivoire has more than 500 km of coastline and two seaports in San Pedro and Abidjan, with San Pedro being a deep sea port. The Abidjan Port Authority handles 87% of Côte d'Ivoire's external trade. In 2013, the Abidjan Port Authority handled 21.5 million tonnes of merchandise in global traffic, compared to 22.5 million tonnes in 2010, a decrease of 4.4%. The Abidjan Port Authority's goal is to be a hub for transshipment for neighboring land-locked countries such as Burkina Faso, Mali and Niger.

Traffic at the San Pedro Port Authority, was estimated to be 4.3 million tonnes in 2013, of which 60.5% in exports and 39.5% in imports. At the end of November 2014, traffic increased by 11.1% compared to the end of November 2013, primarily in connection with the increase of exports by 11.1%. Despite such performance, since the disappearance of SITRAM and the *Société Ivoirienne de Navigation Maritime* (SIVOMAR), there are no longer any vessels flying the Ivorian flag. A project for the installation of an ore-tanker terminal for ore transport from Guinea and petroleum from offshore reserves off the Ivorian coast is being considered.

The Abidjan Port Authority and the San Pedro Port Authority are respectively rated BBB+ and A in the long term by the regional ratings agency Bloomfield Investment Corporation.

Similarly, the saturation of the ports and the inadequacy of certain infrastructures, in particular the narrowness of the Vridi canal, represent barriers to development of maritime transport. A Vridi canal extension project for the Abidjan Port Authority is underway to improve the operational capacity of the port as well as to allow larger container ships to pass through, and will be 15% financed by the Abidjan Port Authority, with the rest of the cost being mobilized from the international private sector.

Furthermore, the basic port infrastructures need to be revamped. The 2011 post-election crisis resulted in significant physical damages, such as the looting of offices and the theft of locomotion and guidance materials.

With regards to river and lagoon transport, the operation of the city of Abidjan's lagoon is primarily handled by the SOTRA boatbus service, which is one of the elements of the concession agreement with this company but has weak coverage capacity. However, the transport offering in this field increased to 15 operational boatbuses in September 2013, compared to four in 2012.

In parallel to this formal sector, a network of pinnaces (small boats) provide daily, informal passenger services in Abidjan at a rate at least equal to that of SOTRA, as well as substantial merchandise traffic, carried out on approximately fifteen lines, in uncertain safety and comfort conditions. Beyond the Abidjan district, other

pinnaces provide intercity and even interstate transport on the Aby and Ebrié canals. This method of transport is used by passengers in the lagoon zone going from the Ghana border to the city of Grand-Lahou.

Rail Transport

Côte d'Ivoire has a 639 km railroad line that links it to Burkina Faso. This railway, which is made up of only one track, (except in Abidjan where there are dual tracks), passes through several cities in Côte d'Ivoire, with 35 stations and 18 stops. The operation of the rail infrastructures, which was awarded to the *Société Internationale de Transport Africain par Rail* ("**SITARAIL**") in 1994, has resulted in growth in merchandise traffic that doubled over five years, increasing from 504,000 tonnes in 1996 to more than 1 million tonnes in 2001. At the end of November 2014, merchandise traffic stood at 745,175.5 tonnes, a decrease of 6.4% compared to the end of November 2013. This poor performance is primarily due to a contraction in merchandise traffic toward Burkina Faso of 10.5%. After rail operations ceased as a result of the political and military crisis than began in 2002, traffic gradually picked up again starting in 2003. Nevertheless, the rail transport remains confronted with the shortfalls and obsolescence of the infrastructures and of the operating stock. Over the past ten years, railway activity has decreased by an average of approximately 20% as compared to its level in 2001.

The Government has developed a plan to develop a new high-quality service that ensures the safety of passengers with the goal of developing passenger traffic. Under this plan, the tracks were restored and the Bodo Dioulasso (Burkina Faso) and Treichville (Abidjan) stations were renovated. Furthermore, construction to extend the freight station is ongoing.

The Government intends to pursue the rehabilitation of the Abidjan-Kaya line to facilitate the transit of minerals from Burkina Faso to the port of Abidjan. On July 31, 2014, an agreement for the project was signed between Bolloré, the railway manager, Pan African Minerals, the operator of the manganese deposit, Côte d'Ivoire and Burkina Faso. Renovation works are expected to begin in 2015. The extension of this railway line towards Niger, which is an essential part of the railway program to connect Abidjan-Ouagadougou-Niamey-Cotonou, is currently underway. A railway network project for urban transportation which would serve the Abidjan metropolitan area is also underway.

Airport Transport

Côte d'Ivoire has 27 airfields open to public air traffic, three of which are international (Abidjan, Yamoussoukro and Bouaké). Passenger traffic at Abidjan's Félix Houphouët-Boigny international airport was estimated at 1,031,780 passengers in 2013, compared to 827,218 in 2012. This growth trend continued at the end of November 2014 with a 16.3% increase in business travelers as compared to November 2013 and a 22.1% increase in domestic flights. The increase in domestic traffic benefitted from new domestic flights launched in October 2014. The increase in traffic observed since the end of the 2011 post-election crisis is a result of the strengthening of economic activity, the full operation of Air Côte d'Ivoire, the development of Air France activities and the arrival of Corsair. In addition, the renovation of Abidjan's airport equipment allowed for the accommodation of an Airbus A380.

The main airport projects are the creation of the *Aérocité* consisting of the construction of an Abidjan airport zone and the launch of a call for tender bids to construct an international airport in San Pedro by 2015. The Abidjan airport Transportation Security Authority ("**TSA**") certification project passed 60% of international standards, reaching a safety level of 78% and a security level of 64%.

Environment

Since the 1992 Earth Summit, Côte d'Ivoire has undertaken a commitment to preserve the environment. To this end, the Government drew up the National Environmental Action Plan (*Plan National d'Action pour l'Environnement* ("**PNAE**")) in 1994. This led to the strengthening of the Government's policy towards environmental protection and the management of natural resources through the implementation of an environmental code adopted in 1996. However, Côte d'Ivoire's environmental heritage is becoming more and more fragile and threatened.

As of 2013, Côte d'Ivoire did not have an assessment and management system for industrial and hazardous waste, such as the spill from the Probo Koala vessel in 2006 at the Abidjan Port Authority, which resulted in the death of 17 people and the injury of over 30,000 Ivorians. Furthermore, the socio-political crises in Côte d'Ivoire since 2002 have had a negative effect on the sustainable management of resources (water and forests) and the protection

of the environment. The major institutions responsible for production, regulation and monitoring, such as the Forests Development Company (*Société de Développement de Forêts*), the Ivorian Centre of Anti-Pollution (*Centre Ivoirien Anti–Pollution*), the National Agency Environment Agency (*Agence Nationale de l'Environnement*) and the Ivorian Office of Parks and Reserves (*Office Ivoirien des Parcs et Reserves*) have been left without a significant part of their equipment and technological resources, thereby diminishing their efficiency.

The NDP includes the implementation of a series of measures targeted at ensuring the following outcomes in the medium term: (i) transparent and efficient management of the environment and of sustainable development, (ii) restoration of different ecosystems and improvement of management of natural resources, and (iii) improvement of management of risks and catastrophes.

The environmental issue is a major concern for the sustainable development of the country. The consequences of climate change show in particular a 20% reduction of waterfall volumes over the past 30 years, shorter rainy seasons and longer and more frequent dry seasons, which have a direct impact on the country's economy given the importance of the agriculture sector. The agriculture sector is affected by climate change through the decrease of productivity of cocoa, coffee, cotton and other crops, lower income for the rural population and the degradation of the environment through forest destruction. Thus, the cocoa production basin has moved gradually from the west-central region to the western region of the country, thus causing migration flows. Climate change also translates into deteriorated biodiversity, with the loss of a number of animal and botanical species.

The Ivorian forest area, made up of rural forest domains and permanent state domains, decreased from 12 million hectares in 1960 to 1.7 million hectares in 2008, representing a loss of more than 75% in less than half of a century. Similarly, the production of timber has decreased from 5 million m^3 in the seventies to 1.8 million m^3. The deterioration of forests is continuing, in particular as a result of (i) the abuse of forest resources for the production of lumber, firewood and charcoal, (ii) extensive agriculture and non-sedentary livestock farming, (iii) underground seepage of contaminated substances into forests, national parks and national reserves, (iv) decreasing forestation, (v) uncontrolled rapid urbanization, (vi) bush fires, and (vii) demographic pressure.

In general, the implementation of forest policies aimed at preserving the national forest area has primarily been met with the lack of suitable funding. Consequently, the expected results were not attained. To foster the preservation of forests, the Government aims to encourage the development of agro-forestry.

The use of toxic products in continental fishing has also resulted in the destruction of fishing areas. This situation has contributed to a drastic reduction in the number of species, some of which are threatened with extinction. Due to the lack of an adequate treatment system for contaminated waste coming from domestic, industrial, agricultural, mining and maritime activities, the sea and lagoon ecosystems are strongly affected by pollution.

The environment in urban zones has deteriorated as a result of industrial and domestic effluent wastes without prior treatment. In regard to greenhouse gas emissions, and in accordance with its United Nations Framework Convention on Climate Change commitments, Côte d'Ivoire published two national reports in 2001 and 2010 reporting on the state of greenhouse gas emissions. These reports take into account direct and indirect greenhouse gas emissions in the following industries: energy, industrial processes, use of solvents and other chemical products, agriculture, land use, change in land-use trends, forestry and waste. The urban environment in urban zones is further affected by the lack of an adequate wastewater system, with the poor areas hardly having any wastewater equipment. These issues are compounded by the rapid growth of the urban population, which now represents more than half of the total population.

With respect to water resources, Côte d'Ivoire has four primary tributaries (the Cavally, the Sassandra, the Bandama and the Comoé) and three main lagoon systems as well as many coastal rivers (the Ebrié, Grand-Lahou and Aby lagoon systems and the Mé and Agneby rivers). These lagoon systems and basins are the recipients for industrial effluents as well as agricultural and urban ground leaching. These areas are made up of invasive aquatic plant species and concentrations of algae.

Subterranean water is available throughout Côte d'Ivoire, often with varied supply and accessibility conditions, in the main geological formations which are the granitic bedrock and the sedimentary basin, occupying 97% and 3% of the territory respectively. This water is used primarily for water supply through urban and village hydraulic systems. During the 2011 post-election crisis, the hydrological observation networks were destroyed. This situation was very detrimental to quality of data and especially to the supervision of hydrometric stations calibration. As part of a policy of sustainable development and preservation of water tables, the Government is

concentrating on linking provincial villages and rural areas to rivers in close proximity, to ensure their drinking water supply. The Government expects to resolve the drinking water supply issue for the Abidjan area through the construction of the Bonoua groundwater project, which is scheduled to be completed in 2015. Additional projects designed to provide drinking water to the rest of the country are scheduled to be initiated in the course of 2015.

In an effort to restore its reputation as a woodland country, the Ivorian Government has been strengthening the legal and institutional framework. Several programs have been developed within various sectors in order to increase the level of national forest area and the quality of life of the urban population.

In the environmental sector, the implementation of the PNAE seeks to (i) promote a strategy of sustainable development and manage natural resources in a rational manner, (ii) protect the country's biodiversity heritage and (iii) improve quality of life.

With regards to protected areas, the Protected Areas Management Framework Program (*Programme Cadre de Gestion des Aires Protégées*), generally seeks to contribute, in a sustainable manner, to the preservation and enhancement of national parks and natural reserves and of a representative sample of national biological diversity, as well as to the support of ecological processes. Its specific objective is to put into place an efficient and lasting system for the protection and enhancement of parks and reserves, while also expanding their network.

In the agricultural sector, the PNIA, estimated at CFAF 2,003 billion (approximately US$4 billion) for the 2010-2015 period, is divided into six sub-programs, of which the final two directly involve environmental management relating to sustainable management of fisheries, forest restoration and the revival of the wood sector. The sub-program relating to sustainable management of fisheries aims, in particular, to streamline the use and management of marine, lagoon and river-lake environments whose productivity is threatened by pollution, in order to restore national aquaculture production and reduce imports of fishery products. The forest restoration and wood sector revival sub-program seeks to create conditions for sustainable management of forest resources (fauna, flora, non-timber products) with a view to rebuilding and protecting the country's woodland heritage damaged by the extensive agricultural practices during the years of crisis.

At the international level, Côte d'Ivoire is party to several international treaties, including the Kyoto Protocol, and implements policies with other WAEMU or ECOWAS countries, as reflected by the creation of two international authorities to protect the Niger and Waka rivers.

Information and communication technologies

Information and communication technologies have experienced a remarkable expansion since the privatization of the telecommunications sector at the end of the 1990s. The telecommunications sector today counts six mobile telephone operators, two fixed telephone operators, five Internet providers and many value-added service providers. The sector is supported by high-quality and modern infrastructure as well as an expanding market. It represented 6.0% of nominal GDP in 2013 and generated approximately CFAF 953.5 billion of revenue in 2013. This sector is forecast to represent 6.0% of GDP in 2014, with a revenue reaching CFAF 725.1 billion as of the end of September 2014.

In 2013, the investment in this sector was CFAF 131.9 billion, of which CFAF 116.3 billion were for mobile telephony and CFAF 15.6 billion for fixed telephony and Internet. As of the end of September 2014, investments in the sector reached CFAF 22.9 billion, of which CFAF 20.2 billion for mobile telephony, CFAF 2.4 billion for fixed telephony and CFAF 261 million for Internet. Over the past five years, cumulative investments in the telecommunications sector reached approximately CFAF 743 billion. As of the end of September 2014, the investments in the sector reached CFAF 80.4 billion, of which CFAF 72.8 billion for mobile telephony, CFAF 7.6 billion for fixed telephony and CFAF 0.9 billion for the Internet. The number of jobs created in 2013 was 2,375 for mobile telephony and 864 for fixed telephony. As of the end of September 2014, this number was 2,322 for mobile telephony, 801 for fixed telephony and 173 for Internet.

The sector is dominated by mobile telephony with revenues of CFAF 742 billion in 2013, or 77.8% of total revenues for the sector, which reached CFAF 953.5 billion in 2013. However, as of the end of September 2014 mobile telephony revenues reached CFAF 188 billion, fixed telephony revenues reached CFAF 41.1 billion and Internet revenues stood at CFAF 7 billion. Fixed and mobile telephony respectively count 272,145 and 19.4 million subscribers in 2013. At the end of September 2014, the number of mobile telephony subscribers was 21.3 million. In order to increase their number of subscribers, private operators have extended their telecommunications services to users living in rural areas.

The services offered to clients of the sector are mobile telephony 2G/3G, fixed telephony (with and without cable), data transmission, access to fixed and mobile Internet as well as added value services (games, multimedia downloading and virtual currency).

In 2013, the number of Internet subscribers in Côte d'Ivoire was 133,955, an increase of 12% as compared to 2012. From 2009 to 2013, the revenue generated by the activities of Internet providers increased from CFAF 16.9 billion to CFAF 30.2 billion, which reflects the expansion of the Internet market in Côte d'Ivoire. As of the end of September 2014, the number of Internet subscribers was at 130,068 and revenues were estimated at CFAF 7 billion. International connectivity passes through three undersea cables (SAT-3, WACS and ACE) while national connectivity passes through the National Internet Exchange Point (*Point d'Echange Internet National*). Some mobile telephone operators also offer mobile Internet solutions, by using technologies such as GPRS/EDGE, CDMA (EVDO protocol), 3G as well as Wimax. The means of connection used are USB data Internet, boxes and WIFI stations.

The table below presents the number of telephone lines as well as Internet subscriptions at the end of 2011, 2012, 2013 and end of September 2014:

Year	**2011**	**2012**	**2013**	**2014 (as at September 30[(2)])**
Mobile Telephones (in millions)	17.3	18.1	19.4	21.3
Fixed Telephones.....	276,494.0	276,135.0	272,145.0	9,826 (Arobase subscribers at end of September 2014) / 198,232 (CIT subscribers at end of June 2014)
Internet.....	N/A[(1)]	119,526.0	133,955.0	130,068

(1) Data collection only began in 2012.

(2) Unless otherwise indicated.

Source: Ministry of Information and Communication Technologies

The audiovisual space is comprised of multiple private and public television channels as well as private, public and local radio channels. In the audiovisual sector, the leading national channel covers the entire country, as compared to a 80% coverage before the political and military crisis than began in 2002. The written press includes approximately 30 dailies, weeklies, monthlies, bimonthlies and quarterlies.

The NDP provides for the elaboration of a new telecommunications code and a new postal code to allow for the creation of a legal and regulatory framework promoting access to information and communication technologies as well as a universal postal service.

The Government is also planning certain measures to encourage the population's access to a high-quality, low-cost telecommunications service, including (i) the realization of a project to develop the country's optic fiber network, (ii) the reopening of 66 postal offices, and (iii) the reopening the *Institut Supérieur Africain des Postes et Télécommunications*.

Labor market

The labor market in Côte d'Ivoire is divided into three sectors: the public sector, the private formal sector and the private informal sector. Information about Côte d'Ivoire's labor market is limited by the lack of available statistical data.

After the November 2012 study of the employment situation, the Government carried out a second study for which the indicators were determined by the new rules adopted by the International Labor Office ("**ILO**") in October 2013. This second study found an unemployment rate of 5.3%, as compared to 5.6% in the previous study, as calculated in accordance with the new ILO rules. The estimates suggest that, between November 2012 and February 2014, the employed population increased by 715,241. However, the employment structure remains relatively stable: the share of independent agricultural, non-agricultural and caregivers is estimated at 93.9% in November 2012 and 93.4% in February 2014.

In addition, the employment study noted that the informal sector remains the largest provider of employment in Côte d'Ivoire (88.7% of jobs) and accounts for a large proportion of jobs in the agricultural sector. In Côte d'Ivoire, the informal private sector has two main components: an urban one and an rural one.

In urban environments, in most cases, the informal sector is consists of production units that are not known to all of the State's services. However, some of these production units are registered under a licence (15.3% in 2008 according to a survey made by the Agency for Research and the Promotion of Employment (*Agence d'Etude et de Promotion de l'Emploi*) ("**AGEPE**")), or with the commercial register of commerce (6.9% in 2008 according to an AGEPE survey) or with municipal tax services (24.8% in 2008 according to an AGEPE survey). Thus, certain services of the State may be aware of these informal sector units while other services are not. These units operate with unregistered personnel often comprising relatives. Informal economic activities are spontaneously developed by households rather than as a concerted strategy to circumvent applicable regulations in force. The dynamism of the informal sector is geared toward employment creation rather than to corporate willingness. According to an AGEPE survey, of the informal production units identified in 2008, 24.6% occupied professional premises. Very few of these units are actually structured. According to the same survey, 1% of these units prepare accounts consistent with modern standards.

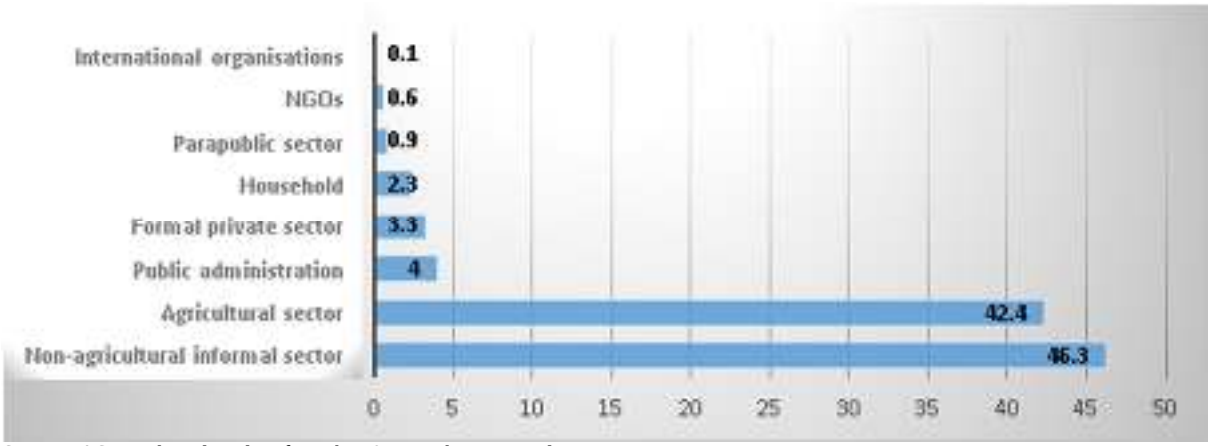
At the rural level, aside from the agro-industry which is formally identified, there still are numerous farms belonging to households whether in connection with the production of food crops or as an activity generating additional income for such households. According to a survey conducted in 2013, the rural informal sector represented 3,238,814 jobs in 2013. Just as in urban environments, the majority of the personnel comprises relatives of such households. According to the AGEPE survey conducted in 2008, the level of education of this work force is very low. The agricultural informal sector contributes to the tax system through taxes on products (coffee-cacao and other export crops).

The table below presents information on employment by business segments according to the place of residence:

Socio-demographic characteristics	Business Segments				Total
	Agriculture	Industry	Trade	Services	
Place of Residence		*(as a percentage)*			
Abidjan	2.4	20.5	28.1	49	100.0
Other Urban	12.6	20.3	27.9	39.3	100.0
Rural	71.4	6.4	9.5	12.7	100.0
Total	**43.5**	**12.5**	**17.6**	**26.4**	**100.0**

Source: AGEPE, based on data from the 2013 employment study

The graph below presents information regarding employment by institutional sectors:



Source : AGEPE, based on data from the 2013 employment study

The Government adopted a National Employment Policy (*Politique Nationale de l'Emploi* ("PNE")) on June 7, 2012 through which it primarily focuses on job creation with the aim of ensuring strong, inclusive and sustainable economic growth, driven by the development of the private sector. The Government also focuses on the promotion of public employment, adoption of opportunistic measures to promote employment and actions targeting vulnerable or underprivileged groups of population (such as youth, women, disabled persons and ex-military).

On November 26, 2013, in light of the results of the 2012 employment study and in reaction to slow implementation of the PNE, the Government adopted an Employment Revival Strategy (*Stratégie de Relance de l'Emploi*), which aims to improve government action and make it more efficient and more transparent, particularly in favor of youth employment. This strategy is intended to capitalize on and strengthen the existing initiatives, through a series of stimulus and support measures designed to boost employment and is divided into general measures, specific measures and assistance measures.

The general measures include (i) improvement of the business climate, in particular through gradual control of domestic debt as well as implementation of financial instruments adapted for SMEs and very small enterprises, and (ii) launch of major infrastructure projects with strong job potential for creation.

The specific measures to boost employment include (i) introducing a first-job internship provision in the new Labor Code currently under review, (ii) reinforcing current programs for youth and women and optimizing the cost per beneficiary so as to ensure the highest number of beneficiaries from the CFAF 48.8 billion amount mobilized during the 2012-2015 period for the implementation of eight integration programs for young people and women, (iii) implementation of job creation strategies on the regional level, and (iv) improvement of access to public contracts for SMEs, through the draft SMEs Orientation and Promotion Law being prepared by the Ministry in charge of Commerce, Promotion of SMEs and crafts.

Assistance measures include (i) accelerating the Technical Education and Vocational Training (*Enseignement Technique et Formation Professionnelle*, or ET/FP) reform to improve youth employability, (ii) improving current tax provisions to promote employment, and (iii) improving the information about the job market to better plan and evaluate governmental action.

The Government also launched a follow up employment study in 2013, the results of which are available and will allow a better evaluation of the impact of governmental action on job creation, particularly among young people.

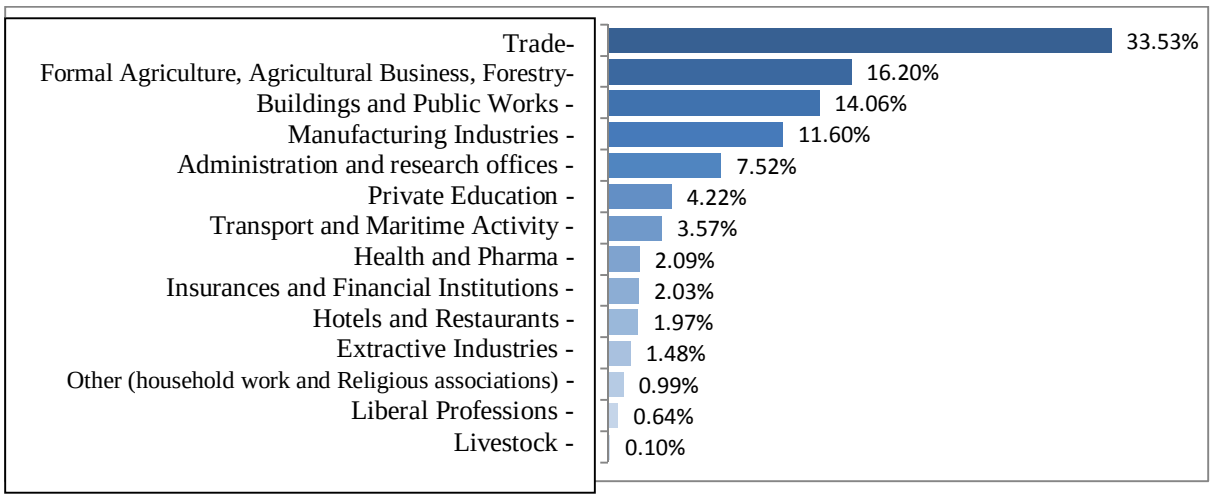
As regards formal employment, the current trend is positive both in the private sector and the public sector. The Government's action is gradually increasing job creation. At the end of November 2014, the formal sector recorded a net gain of 46,288 jobs over the past year. The vibrancy of the formal employment market is driven by the private sector which contributed 74.9% of net jobs created. In descending order, the industries that recorded the highest number of jobs created were commerce, building and public works and agriculture. Furthermore, from 2011 to 2014 the two retirement pension funds (CNPS and CGRAE) registered 222,209 contributing employees.

The table below presents the evolution of average annual job creation for the formal sector from 2011 to 2014:

Sector	2011	2012	2013	2014	Total
Private sector (CNPS data: gross flow of registered employees)	37,342	74,392	58,719	73,610	244,063
Public sector (CGRAE data: gross flow of contributors)	7,849	11,799	10,992	10,296	40,936
Total.....	**45,191**	**86,191**	**69,711**	**83,906**	**284,999**

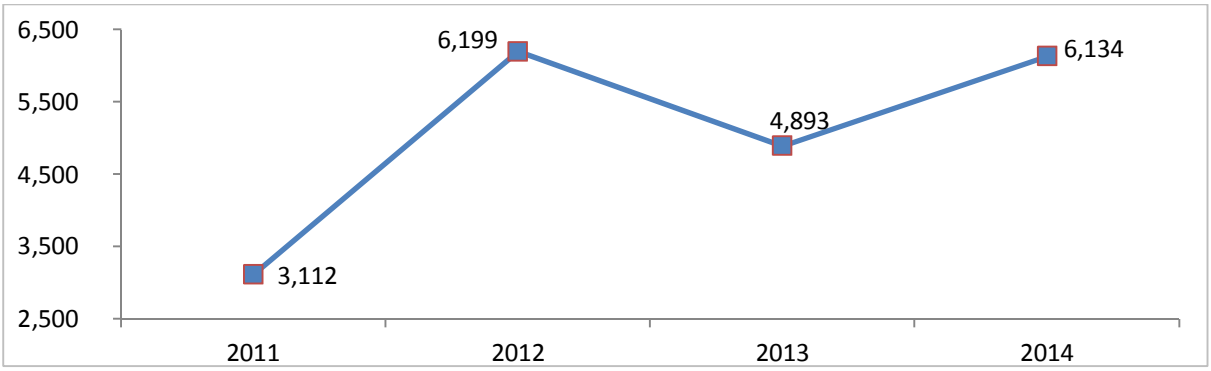
Source: Directorate–General for Employment based on CNPS and CGRAE figures

The graph below presents the evolution jobs created in the formal sector by business segment in 2014:



Source: Directorate–General for Employment based on CNPS and CGRAE figures

The chart below presents the evolution in average jobs created per month in the private sector from 2011 to 2014:



Source: Directorate–General for Employment based on CNPS and CGRAE data.

In Côte d'Ivoire, employees have the right to organize themselves to defend and promote their interests vis- à-vis employers. The rights of trade unions and the right of strike are guaranteed by the Constitution. The major unions in Côte d'Ivoire are the General Union of Côte d'Ivoire Workers (*Union Générale des travailleurs de Côte d'Ivoire* (UGTCI)); the Federation of Autonomous Unions of Côte d'Ivoire (*Fédération des syndicats autonomes de Côte d'Ivoire* (FESACI)); and the *Confédération des syndicats libres de Côte d'Ivoire*, also known as

"*Dignité*". There are also sub-groups of unions, depending on their corporation, their ministerial entity or other considerations, that are affiliated to these central unions.

Promotion of SMEs

As part of the vision of an emerging Côte d'Ivoire, the Government has drafted a strategy with respect to the small- and medium- size enterprises ("**SMEs**"). It seeks to establish a series of measures to facilitate the creation, development and improved access to credit for SMEs, which represent approximately 50,000 companies accounting for 98% of the formal economic fabric, 20% of GDP, 12% of national investment and 23% of active population.

For this purpose, the Government has developed an ambitious strategy to support SMEs, through the execution of a program called "PHOENIX" in order to have a global strategy for the development of SMEs. The coherence of this strategy is ensured by the adoption of a road-map for the promotion and development of SMEs, and the creation of a SMEs Development Agency (*Agence de Développement des PME*). Its role will be to coordinate strategic actions to promote SMEs. This plan focuses on four strategic axes: (i) facilitating access to financing and to public and private markets, (ii) reinforcing technical and managerial capacities, (iii) improving the business environment for SMEs, and (iv) developing a culture of entrepreneurship and innovation. The plan was adopted by the Council of Ministers on February 25, 2014. At a cost of between CFAF 150 and 250 billion, the plan is designed to facilitate the creation and development of a fabric of innovative, dynamic and performing SMEs, that could amount to between 100,000 and 120,000 enterprises by 2020 and would contribute to the creation of jobs and wealth in the long term.

Furthermore, the Government plans to accelerate the development of the financial sector. It intends to create credit information bureau and to develop and popularize new tools adapted to the needs of SMEs, such as leasing agreements to finance their production tools and product programs (factoring and order forms) to ensure efficient management of their activities. The Government also intends to create a guarantee fund for banks to increase the global amount allocated to financing of SMEs. A strategy devised with the assistance of the World Bank, which involves the various actors of the financial sector (banks, insurance companies, decentralized financing structures, the BCEAO, the State) is being developed for this purpose.

Private sector initiatives are equally numerous, showing the resurgence of the interest of different actors in financing SMEs. On January 23, 2014, the regional stock exchange (*Bourse Régionale des Valeurs mobilières* ("**BRVM**")) and the Côte d'Ivoire Chamber of Commerce and Industry (*Chambre de Commerce et d'Industrie de Côte d'Ivoire,* or CCI-CI) signed a partnership agreement to facilitate access to the regional financial market for Ivorian enterprises. Similarly, the International Finance Corporation and the *Société Ivoirienne de Banque* ("**SIB**") signed a US$40 million agreement to increase financing to the SME market, especially to those that are being rebuilt, managed by women or are in the agricultural sector. Also, the South African PIC fund invested US$100 million in the Phoenix Capital Management fund aimed at financing SMEs.

Finally, reforms, whether ongoing or already implemented by the Government, that favor private investment and improve the business climate, contain measures that promote the creation of SMEs as well as the reduction of the time and cost of setting up businesses.

Private investment promotion

Strategy

Faced with the challenge of economic development, Côte d'Ivoire is committed to making the private sector the engine of its growth. The emergence of the private sector was accelerated with the policy of Government withdrawal from productive sectors, which was initiated in the 1990s. In recent years, the private sector has contributed to more than two-thirds of the GDP and to the creation of jobs. The Government's efforts led to an improvement of Côte d'Ivoire's ranking in the World Bank's "Doing Business 2015" report classification published on October 29, 2014, as well as being nominated one of the ten most improved countries in the world. The rate of private investments increased from 6.7% of GDP in 2012 to 7.1% of GDP in 2013 and is forecast to be 12.7% of GDP in 2014.

The Government intends to attract private investments and to maintain the dynamic of strong, sustained and inclusive growth through (i) the restoration of security throughout the entire country, (ii) the consolidation of national reconciliation, (iii) the improvement of the business environment, with a view toward consolidating the confidence of households, economic operators and investors, and (iv) the promotion of good governance. This

framework is designed to encourage strong involvement of the private sector in building and public works, port and airport sectors, agriculture, energy, road infrastructure and housing. These investments are expected to help reduce the poverty rate and to revive employment, especially in the youth.

Investment Incentive Measures

The private investment promotion strategy is strengthened by a set of investment incentive measures provided by the investment code, the mining code, the telecommunications code, the environmental code and the labor code. In this context, fiscal reductions were agreed upon in order to create the conditions necessary for a sustainable revival of the private sector. As such, the tax rate for industrial and commercial profits was reduced from 35% to 27% for individuals and to 25% for companies and legal persons. Furthermore, in the context of regional economic integration, customs, fiscal and sector-specific reforms were initiated to benefit companies.

The new investment code, adopted through law 2012/487 of June 7, 2012 in order to encourage the flow of foreign capital, significantly improved the business climate. The code provides, in particular, (i) specific advantages to small and medium enterprises, (ii) lower investment caps, (iii) lengthening of the duration of guarantees (five, eight and 15 years), and (iv) the possibility to grant more favorable advantages to investors than those under the 1995 code.

Furthermore, on May 2, 2013, the Government adopted a new competition law. The goal of this law is to combat anti-competitive cartels and the abuse of dominant positions. Similarly, the Government has carried out an in-depth reform of the public procurement law. Except for strictly regulated exceptions, public procurement contracts are the subject of a competitive tender bid process. The National Authority of the Regulation of Public Markets (*Autorité Nationale de Régulation des Marchés Publics*), an independent administrative authority, is in charge of ensuring fair and independent attribution procedures. Furthermore, a guideline to strengthen public markets was adopted and provides for a separation of regulatory, executive and control functions in contracting as well as a procurement plan for credit administrators for greater transparency in the implementation in the budget.

Reforms of the legal system have also been undertaken to improve the business climate, including the adoption in 2012 of a regulation on the recognition of arbitration judgments and the creation of commercial courts which will issue decisions within a maximum period of 90 days. The Government also implemented a three-year action plan for the 2013-2015 period, under which the Government has taken steps such as the creation of a single desk for foreign trade (*Guichet Unique du Commerce Extérieur*), thereby reducing the time needed to create a company in Côte d'Ivoire to 24 hours, the cost of merchandise exchange at the Abidjan Port Authority and the cost of property transfers.

Public-Private Partnerships

The Government considers public-private partnerships ("**PPPs**") to be a major tool for the fulfillment of the NDP and an important factor of growth and job creation. In addition to facilitating the realization of major infrastructure projects, PPPs are expected to boost Ivorian production, particularly in the agricultural sector, to stimulate the core of local SME/SMIs and develop the private sector. They are also expected to reinforce the Government's decentralization policy by fostering the creation of local regional poles.

Côte d'Ivoire already has a long tradition in PPPs under various forms, particularly in the sectors of water (SODECI), energy (CIE, AZITO, CIPREL) and transport (AERIA, SITARAIL, BIVAC and WEBB FONTAINE). PPPs have also been put into place for the hydraulics and sanitization sectors (wastewater treatment and household waste collection). Concessions have been signed in the telecommunications sector between the State and Côte d'Ivoire Telecom. Some PPPs have also been entered into in the domain of public health (hospital services) and in agriculture through the disposal of lands to the benefit of economic operators in the palm oil sector.

To capitalize on the country's strong potential to attract private investors and realize such partnerships, the Government officially created a National Committee responsible for the promotion and development of PPPs ("**CN-PPP**") on August 23, 2011. The CN-PPP comprises stakeholders from public administration and local territories, the private sector and civil society. The CN-PPP has launched a few initiatives, namely capacity building for the actors concerned and conducting a diagnostic study on the PPPs. This study was designed to review Côte d'Ivoire's experience with PPPs since the 1960s, whatever their contractual form and the sector in which they developed, as well as to identify opportunities in all sectors for projects that could become the focus of PPPs, so as to put into place the conditions conducive to their fulfillment. The CN-PPP has also launched other

initiatives, including the elaboration of a catalogue of projects conforming to the NPD and a study aiming to define the orientations, initiatives and principles that should be integrated in the regulatory and institutional framework for PPPs in Côte d'Ivoire.

Privatizations

For the purpose of improving the performance of public enterprises, a restructuring strategy was adopted by the Council of Ministers on May 26, 2012. The strategy's goal is to reduce the State's portfolio by 25% through privatization, merger or technical supervision skill transfer mechanisms.

A privatization committee was created in May 2013 and became operational in November 2013. In accordance with the committee's work, six companies are expected to be privatized: BIAO, SIB, NEI-CEDA, SONITRA, PALMAFRIQUE and TRCI. These companies were chosen based on several criteria, including the state of preparedness as each proposed privatization is subject to a value assessment and a divestiture assessment, the interest shown by potential buyers, the revenue potential and the attractiveness of the company for potential investors.

In 2014, two privatizations were carried out. They were the liquidation of the BFA which is, under the laws of Côte d'Ivoire, regarded as a form of privatization, and the partial transfer of the State's indirect stake in the Société des Mines d'Ity (SMI). In the list above, the valuation and negotiations missions are ongoing in light of the finalization of the privatization process led by the privatization committee.

Forecast revenue from privatizations in the 2015 budget amounts to CFAF 8.9 billion.

Free trade zones and special economic zones

The development of free trade zones or of special economic zones plays an increasing role in Ivorian economic policy. They include the Free Zone of Production of Tuna (*Zone franche de Production de Thon*) and the Free Zone of Biotechnology and Information and Communication Technologies (*Zone franche de la Biotechnologie et des Technologies de l'Information et de la Communication*) in Grand-Bassam.

FOREIGN TRADE AND BALANCE OF PAYMENTS

Introduction

Balance of Payments

The balance of payments is used to record the value of the transactions carried out between a country's residents and the rest of the world. The balance of payments is composed of:

- the current account, which comprises:
  - net exports of goods and services (the difference in value of exports minus imports);
  - net financial and investment income; and
  - net transfers; and
- the capital and financial accounts, which comprise the difference between financial capital inflows and financial capital outflows.

Current Account

One of the most important components of the current account is the trade balance. The four primary factors that drive the trade balance are:

- the relative rate of economic growth of a country as compared to that of its trading partners generally, if a country's economy grows faster than that of its trading partners, its relative level of consumption of goods and services will tend to increase, and its level of imports will tend to increase more rapidly than its level of exports;
- the relative level of domestic prices against foreign prices, as reflected by the real exchange rate – generally, if a country's domestic prices increase relative to those of its trading partners, there is a tendency for the country's level of exports to decline, and for its level of imports to increase;
- changes in production costs, technology, and worker skills – more efficient production will tend to lower production cost, which in turn will tend to lower prices. As prices fall, there will be a tendency for the country's level of exports to increase; and
- changes in consumer tastes, which may affect the demand for a country's goods and services abroad, and the demand for foreign products in the domestic market.

Capital and Financial Accounts

The capital and financial accounts quantify FDI and monetary flows into and out of a nation's financial markets.

Balance of Payments

As a member country of the WAEMU, Côte d'Ivoire's balance of payments is established by the BCEAO. The table below presents data on the current account, trade balance and capital account for Côte d'Ivoire from 2008 to 2014:

	2008	2009	2010	2011	2012	2013 (Estimates)	2014 (Forecasts)
				(CFAF billions)			
Current account	201.9	763.8	230.2	1,256.4	(163.6)	(250.1)	(203.1)
Trade balance.....	4,594.2	2,010.0	1,793.7	2,816.3	1,565.6	1,572.5	1,568.2
Capital account	40.3	106.2	583.6	73.0	4,141.1	96.2	221.3

Source: MPMEF, BCEAO

The table below presents balance of payments data for Côte d'Ivoire from 2011 to 2014:

	2011	2012	2013 (Estimates)	2014 (Forecasts)
		(CFAF billions)		
Current account	1,256.4	(163.6)	(250.1)	(203.1)
Trade balance	**2,816.3**	**1,565.6**	**1,572.5**	**1,568.2**
Exports, f.o.b	5,966.1	6,190.2	6,004.0	6.239.9
Of which: cacao	1,969.4	1.722.1	1,931.7	–
Of which: crude oil and oil products	1,740.4	1.611.3	1,428.7	–
Imports, f.o.b	(3,149.8)	(4,623.7)	(4,431.5)	(4,671.8)
Of which: crude oil	(826.9)	(1,404.6)	(1,444.9)	–
Services (net)	**(842.0)**	**(993.5)**	**(1,171.5)**	**(1,033.7)**
Revenues	**(466.3)**	**(469.9)**	**(451.7)**	**(551.5)**
Net transfers	**(251.6)**	**(265.8)**	**(199.4)**	**(186.3)**
Capital account	**73.0**	**4,141.1**	**96.2**	**221.3**
Capital transfers	73.1	4,141.6	96.2	221.3
Acquisitions and sale of non-financial assets	(0.1)	(0.5)	0.0	0.0
Direct investments	(135.1)	(161.3)	(179.7)	(185.8)
Other investments	(1,064.4)	4,436.1	110.1	450.1
Balance before funding	**428.7**	**(263.7)**	**2.6**	**18.7**
Funding	**(0.1)**	**0.0**	**0.0**	**0.0**
Errors and omissions (net)	**(21)**	**0.0**	**0.0**	**0.0**
Overall balance	**407.6**	**(263.7)**	**2.6**	**18.7**
Overall balance (% of GDP)	**3.4**	**(1.9)**	**0.0**	**0.1**
Nominal GDP	**11,977.0**	**13,805.0**	**15,460.0**	**17,021.0**

Source: MPMEF, BCEAO

In 2013, the trade balance recorded a surplus of CFAF 1,572.5 billion, an increase of 0.4% compared to 2012. This change is due to the increase in the value of exports combined with a decrease in the value of imports.

In 2013, the current account deficit was CFAF 250.1 billion, or 1.6% of GDP, compared to a deficit of CFAF 163.6 billion in 2012, representing a decrease of CFAF 86.5 billion due to a worsening of the services deficit. Nonetheless, the balance of primary and secondary revenues improved over the period due to decreases in interest on the public debt and increases in public aid received in 2013.

The balance of the capital account showed a positive balance of CFAF 96.2 billion in 2013, following a positive balance of CFAF 4,141.1 billion in 2012, due to a reduction in debt write-offs. Côte d'Ivoire benefitted from substantial cancellation of its public debt as a result of reaching the completion point of the HIPC Initiative in 2012.

In 2013, the financial account is forecast to show a net increase in financial liabilities driven by foreign direct investment and incoming portfolio investments.

In 2014, the trade balance is forecast to show a surplus of CFAF 1,568.2 billion, a decrease of 0.3% compared to 2013.

The current account deficit is forecast to amount to CFAF 203.1 billion (or 1.2% of GDP) in 2014, representing a decrease of CFAF 47.0 billion compared to 2013 due to a decrease in the services deficit.

In 2014, the balance of the capital account is forecast to show a surplus of CFAF 221.3 billion, compared to a surplus of CFAF 96.2 billion in 2013.

In total, the overall balance of payments in 2014 is forecast to amount to CFAF 18.7 billion, compared to a surplus of CFAF 2.6 billion in 2013 and a deficit of CFAF 263.7 billion in 2012.

Foreign Trade

Trade Policy

Foreign trade in Côte d'Ivoire is not regulated by a specific law. Most trade policy tools were instituted by presidential decree, sometimes supplemented by orders from the relevant ministry or by decrees and administrative rulings. Questions of trade policy are the responsibility of the head of the Ministry of Trade, which oversees its coordination. Other ministries that exercise jurisdiction in this domain include the Ministries of Agriculture and Animal Resources, Economy and Finance, Industry, Foreign Affairs, Mining and Energy and Transportation.

The major objective of Côte d'Ivoire's trade policy is to consolidate its economic growth following the 2011 post-election crisis, particularly through foreign trade. Côte d'Ivoire is pursuing a policy aimed at encouraging and further liberalizing imports in order to stimulate the external competitiveness of the Ivorian economy and lower consumer prices.

Côte d'Ivoire's tariff policy is primarily governed by the common external tariff ("**CET**") regime of the ECOWAS. The ECOWAS CET requires members to harmonize ad valorem tariff rates into four bands: (i) zero duty on social goods such as medicine and publications, (ii) 5% duty on imported raw materials, (iii) 10% duty on intermediate goods, and (iv) 20% on finished goods. The four-band CET was subsequently revised in June 2009 to include a fifth band of 35% for finished goods that are manufactured locally and which are considered to require some protection in the interest of promoting local industries. In September 2008, Côte d'Ivoire's trade regime was amended to lower tariffs for a wide range of goods and to replace a number of import bans with tariffs. The CET was confirmed in October 2013 in Dakar by ECOWAS member state presidents and came into force on January 1, 2015.

Export and Imports

Côte d'Ivoire had a current account deficit of 1.6% of GDP in 2013, close to the 2012 level of 1.2%. Prior to these two years, the current account had been positive and represented 10.5% of GDP in 2011. The deficit of recent years is due to the significant increase in imports from post-crisis investments. See "*Public Finance—Infrastructure expenses*". In 2014, the deficit of the current account is forecast to represent 1.2% of GDP.

The table below presents Côte d'Ivoire's imports and exports from 2010 to November 30, 2014:

	2010	2011	2012	2013	2014 (through November 30)
			(CFAF millions)		
Exports					
Cocoa beans	1,227,205	1,428,858	1,185,542	1,322,206	1,272,416
Petrol products	660,442	654,503	971,065	955,112	905,444
Processed cocoa	657,004	540,385	536,461	609,467	704,007
Crude oil	537,328	618,452	640,233	473,550	302,490
Rubber	337,191	538,921	412,802	376,765	275,616
Gold	90,257	271,470	326,896	284,153	317,003
Cashew nuts	153,087	124,336	167,252	157,985	390,324
Cotton, not carded or combed	61,985	65,003	113,712	134,178	150,483
Palm oil	74,709	125,105	138,819	97,055	98,437
Essential oils and vegetal extracts	76,674	77,639	94,560	91,169	100,647
Total	**3,875,882**	**4,444,672**	**4,587,342**	**4,501,640**	**4,516,867**
Imports					
Crude oil	835,402	825,924	1,404,571	1,444,917	1,155,086
of which mechanical equipment	269,144	178,480	339,640	401,719	393,456
Semi-milled rice	227,521	268,136	349,274	233,164	178,431
Iron, cast iron, steel and construction	146,652	97,557	178,219	208,834	229,093
Electrical machinery	155,821	95,418	164,181	194,456	161,879
Plastics	135,859	131,737	165,757	189,030	189,921
Fish	139,495	155,531	169,909	180,403	172,698
Road transportation equipment	124,574	89,012	141,663	157,627	165,425
Petrol products	84,384	82,648	139,100	143,051	125,328
Pharmaceutical products	116,787	125,589	148,933	135,284	177,778
Total	**2,235,639**	**2,050,032**	**3,201,247**	**3,288,485**	**2,949,095**

Source: MPMEF, BCEAO

Exports increased by 3.2% in 2012 and decreased by 1.9% in 2013. The slight decrease in 2013 was primarily due to a decrease in export of crude oil, gold, palm oil and rubber. Crude oil exports fell by 26%, from CFAF 640,233 million in 2012 to CFAF 473,550 million in 2013 due to natural depletion of oil reserves in operating fields. Despite increased overall production, gold exports decreased by 13%, from CFAF 326,896 million in 2012 to CFAF 284,153 million in 2013, affected by the drop in global prices of gold. Palm oil exports decreased by 30% from 138,819 million in 2012 to 97,055 million in 2013 primarily attributable to the drop of production driven by falling prices. Rubber was also affected by the drop in global prices, resulting in a decrease in exports of 9%, from CFAF 412,802 million in 2012 to CFAF 376,765 million in 2013.

This contraction in exports in 2013 was offset by increased exports of cocoa beans, cotton and processed cocoa. The increase in cocoa beans and processed cocoa exports was due to increased production. Cocoa exports rose from CFAF 1,185,542 million in 2012 to CFAF 1,322,206 million in 2013, an increase of 11.5%. Processed cocoa increased by 13.6%, increasing from CFAF 536,461 million in 2012 to CFAF 609,467 million in 2013. This increase was the result of higher production due to the increased technical supervision and financial support of the Government and the European Union.

Imports experienced a significant increase of 56.2% in 2012 as compared to 2011, in connection with the significant increase in post-crisis investments. Nevertheless, imports fell by 2% in 2013. This decrease was primarily due to a drop in rice imports of 33%, which decreased from CFAF 349,274 million in 2012 to CFAF 233,164 million in 2013 due to higher domestic production. Rice production benefited from the implementation of the PNDR. Moreover, imports of pharmaceutical products decreased by 9%, from CFAF 148,933 million in 2012 to CFAF 135,284 million in 2013, due to the efficiency of the local industry. Through the end of November 2014, imports of pharmaceuticals products increased by 150% as compared to the same period in 2013, to reach CFAF 177,778 million, driven by strong domestic demand.

Through the end of November 2014, foreign trade was marked by an increase in the value of exports by 10.8% and of imports by 4.7% as compared to the same period in 2013. As a result, the trade balance stood at CFAF 857.4 billion as at November 30, 2014, an increase of 63.2% compared to November 30, 2013.

The good performance of exports was supported by a rise in both primary products (+9.4%) and processed products (+12.4%). Foreign sales of primary products were primarily driven by the products generated by industrial and export-oriented agriculture such as cashew nuts (+148.4%), cocoa beans (+20.7%) and cotton, not carded or combed (+16.0%). Exports of processed products were driven by products from primary processing such as processed cocoa (+28.2%) as well as manufactured products such as petroleum products (+3.8%).

Conversely, the value of imports of capital goods increased by 3.5% at the end of November 2014. This increase in value is mainly due to mechanical equipment (+5.4%), for which prices decreased by 8.2%.

Principal trading partners

Côte d'Ivoire's primary trading partners are Nigeria, Ghana and the Netherlands.

The table below presents the principal trading partners of Côte d'Ivoire in terms of percentage of exports and imports in the period from 2006 to November 30, 2014:

	2006	2007	2008	2009	2010	2011	2012	2013	2014 (through November 30)
					(as a percentage)				
EXPORTS									
Americas	**13.5**	**9.4**	**11.4**	**11.7**	**14.0**	**19.7**	**14.2**	**10.8**	**13.1**
United States	9.1	6.8	9.7	7.7	10.3	11.9	8.1	6.8	8.6
Canada	1.6	1.5	0.4	1.4	2.4	5.7	4.2	3.1	3.0
Others	2.9	1.2	1.3	2.6	1.4	2.0	1.8	0.8	1.4
Europe	**51.1**	**51.8**	**49.9**	**51.7**	**45.2**	**40.4**	**39.8**	**35.5**	**40.2**
France	18.3	20.4	13.9	10.9	6.9	5.7	4.5	5.8	6.5
Germany	4.1	3.1	7.1	7.2	5.1	7.4	7.5	5.8	3.9
Italy	3.9	3.5	3.9	3.2	3.1	2.8	2.2	1.7	2.4
Netherlands	9.7	9.1	11.3	13.9	14.2	11.7	8.7	8.4	10.0
Spain	3.0	3.6	2.3	1.9	2.5	1.6	1.9	1.7	2.0
United Kingdom	3.8	3.7	2.8	2.5	2.7	1.1	2.4	1.8	1.6
Africa	**29.4**	**32.0**	**32.1**	**29.9**	**31.8**	**30.0**	**34.9**	**44.7**	**29.8**
Ghana	1.9	2.0	4.6	5.5	7.6	2.8	4.0	13.8	3.7
Nigeria	7.2	8.0	6.4	7.0	6.5	6.0	8.0	6.5	4.9
Burkina-Faso	3.6	4.2	4.2	3.7	3.5	3.1	3.5	3.5	4.6
Mali	2.8	3.7	3.3	2.6	2.2	2.2	2.7	2.7	3.0
Asia	**5.0**	**5.7**	**5.6**	**4.9**	**7.8**	**9.1**	**10**	**8.1**	**15.8**
China	1.3	0.5	0.5	0.5	0.8	1.1	1.0	1.1	1.2
Japan	0.1	0.1	0.1	0.1	0.0	0.0	0.1	0.0	0.1
India	1.4	2.4	1.8	1.3	3.0	2.5	3.3	1.8	4.7
Others	**1.0**	**1.1**	**1.0**	**1.8**	**1.2**	**0.8**	**1.1**	**0.9**	1.2
IMPORTS									
Europe	**42.8**	**39.3**	**30.3**	**31.8**	**28.8**	**28.9**	**29.0**	**25.0**	**31.0**
France	25.5	21.7	12.7	14.3	11.9	11.8	12.4	10.8	12.9
Germany	2.5	2.7	2.8	2.9	2.8	2.7	2.5	2.1	3.4
Italy	2.0	2.1	2.0	2.2	2.2	2.3	1.9	1.3	1.9
Netherlands	2.4	1.8	2.0	2.3	1.8	2.0	2.0	2.0	2.4
Spain	1.4	1.5	2.5	2.6	2.0	2.2	1.9	1.6	2.2
United Kingdom	2.3	2.2	2.0	1.5	1.5	1.1	1.8	1.4	1.9
Africa	**33.0**	**31.5**	**36.6**	**28.6**	**33.8**	**32.8**	**33.6**	**34.6**	**30.8**
Nigeria	27.5	24.1	29.3	20.6	26.3	23.4	25.7	22.7	22.6
South Africa	0.9	1.1	1.1	1.4	1.7	1.3	1.3	0.9	1.2
Ghana	0.5	0.7	0.6	0.5	0.2	0.3	0.7	0.6	0.6
Benin	0.2	0.2	0.3	0.2	0.1	0.1	0.1	0.1	0.1
Burkina-Faso	0.0	0.0	0.0	0.0	0.0	0.1	0.3	0.3	0.2
Mali	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1
Senegal	0.5	0.6	0.7	0.8	0.6	1.0	0.9	0.8	0.9
Togo	0.1	0.1	0.1	0.1	0.1	0.1	0.4	0.2	0.1
Americas	**7.4**	**8.3**	**9.9**	**9.5**	**11.8**	**8.2**	**10.3**	**16.6**	**7.7**
United States	2.3	2.7	2.7	3.3	3.0	1.9	2.6	2.4	0.1
Brazil	1.4	1.3	1.1	1.0	0.8	1.3	0.9	0.6	0.7
Canada	0.1	0.2	0.3	0.3	0.2	0.3	0.3	0.2	0.3
Argentina	0.2	0.3	0.5	0.3	0.2	0.4	0.4	0.1	3.5
Asia	**16.5**	**20.0**	**21.6**	**23.8**	**23.3**	**27.2**	**25.3**	**23.3**	**27.4**
China	4.3	6.6	6.9	7.2	7.0	6.9	7.3	11.4	9.4
India	1.8	2.5	1.7	0.9	1.8	2.7	4.0	2.6	5.2
Thailand	2.3	2.8	4.5	5.1	4.2	5.2	2.9	2.1	1.9
Japan	1.8	2.5	2.6	2.1	2.2	2.1	1.9	1.6	2.1
Others	**0.3**	**0.9**	**1.6**	**6.3**	**2.3**	**2.9**	**1.8**	**0.5**	**8.7**

Source: MEF/MPMEF

In 2013, 45% of Ivorian exports were made to other African countries. The primary export destination in Africa was Ghana with 13.8% of total exports followed by Nigeria (6.5%), Burkina Faso (3.5%) and Mali (2.7%). 36% of exports in 2013 were made to Europe, with the Netherlands as the primary trading partner followed by France and Germany, each individually accounting for 5.8% each. Exports over the same period to the Americas and Asia represent 10.8% and 8%, respectively. The primary destinations were the United States (6.8%) for the Americas and India (1.8%) for Asia.

At the end of November 2014, nearly 29.8% of Ivorian exports were made to other African countries. The primary export destination in Africa was Nigeria with 4.9% of total exports, followed by Burkina Faso (4.6%), Ghana (3.7%) and Mali (3.0%). 40.2% of exports over the same period in 2014 were made to Europe, with the Netherlands as the primary trading partner with 10.0% of total exports, followed by France (6.5%) and Germany (3.9%). For the Americas (13.1%) and Asia (15.8%), the primary destinations were the United States (8.6%) and India (4.7%).

In 2013, 34.6% of Ivorian imports came from Africa, specifically Nigeria (22.7%) with crude oil imports. Europe, Asia and the Americas followed, with respectively 25%, 23.3% and 16.6%. The origins of products imported from Europe were France (10.8%) for Europe, China (11.4%) for Asia and the United States (2.4%) for the Americas.

With regard to imports, as of end of November 2014, 30.8% of Ivorian imports came from Africa, specifically Nigeria (22.6%) with crude oil imports. Europe (31.0%), Asia (27.4%) and the Americas (7.7%) followed, with France (12.9%), China (9.4%) and Argentina (3.5%), as the principal partners of Côte d'Ivoire.

Foreign direct investments

The political and military crisis experienced by Côte d'Ivoire had a negative impact on FDI in the country. Indeed, FDI decreased by 32.2% from 1999 to 2011. As a result of the end of the crisis, a new dynamic has emerged. Investments are expected to increase in the coming years as a result of the anticipated economic rebound and the improvement in the business environment, as well as the advantages offered by the investment code and the mining code.

The table below presents the FDI from 2008 to 2014:

	2008	**2009**	**2010**	**2011**	**2012**	**2013**	**2014 (Forecasts)**
				(CFAF billions)			
Foreign Direct Investments	199.8	182.5	155.1	135.1	161.3	179.7	185.8

Source : BCEAO

In 2013, Côte d'Ivoire recorded a net FDI capital inflow of CFAF 179.7 billion, an 11.4% increase as compared to CFAF 161.3 billion in 2012, due to the establishment of new plants and the renewal of various production tools. Net acquisitions of financial assets linked to FDI stood at CFAF -3.2 billion, with a net increase of CFAF 201.3 billion in liabilities in the same category. In 2014, net FDI capital inflow is forecast to reach CFAF 185.8 billion, an increase of 3.4% compared to 2013, as a result of the improvement of the business climate and the adoption of the mining and investment codes which enhance Côte d'Ivoire's investment profile.

The table below presents the inflows of gross FDI in 2012 and 2013 by sector of activity. Gross FDI represent new investment inflows from which Côte d'Ivoire has benefited, excluding divestments.

Sector	2012		2013	
	Value in CFAF millions	%	Value in CFAF millions	%
Agriculture, forestry and fishing	-	0.0%	5,249.9	2.2%
Mining extraction	70,778.5	31.8%	-	0.0%
Manufacturing industries	110,512.0	49.7%	127,795.6	53.6%
Production and distribution of electricity, gas, etc.	-	0.0%	15,080,6	6.3%
Water distribution, sanitation	-	0.0%	-	0.0%
Construction	-	0.0%	17,484.6	7.3%
Wholesale and retail trade	39,258.2	17.7%	3,056.5	1.3%
Transportation, storage	-	0.0%	926.4	0.4%
Hotels, restaurants and drinks	-	0.0%	1,869.0	0.8%
Communication	-	0.0%	32,566.2	13.7%
Financial services, insurance and retirement	286.7	0.1%	33,821.6	14.2%
Real estate, renting, business services	609.0	0.3%	86.5	0.0%
Other	820.6	0.4%	479.7	0.2%
Total	**222,265.0**	**100.0%**	**238,416.6**	**100.0%**

Source : BCEAO

Gross incoming foreign investment in Côte d'Ivoire represented CFAF 238.4 billion in 2013, compared with CFAF 222.3 billion in 2012. In 2013, foreign investments are principally directed toward sectors such as manufacturing industries (53.6%), financial services, insurance and retirement (14.2%) and communication services (13.7%). Significant investments were also made in construction (7.3%) and the production and distribution of electricity, gas, etc. (6.3%).

The table below presents the inflows of gross FDI in 2012 by country of origin:

Country	Value (CFAF millions)	Percentage of total
India	74,933	33.7%
South Africa	70,778	31.8%
Belgium	23,995	10.8%
France	21,522	9.7%
Panama	14,572	6.6%
Switzerland	5,211	2.3%
Others	11,254	5.1%
Total	**222,265**	**100.00%**

Source : BCEAO

In 2012, the main sources of foreign direct investment were India (33.7%), South Africa (31.8%), Belgium (10.8%), France (9.7%) and Panama (6.6%).

The table below presents gross incoming FDI per country of origin in 2013:

Country	Value (CFAF millions)	Percentage of total
Nigeria	54,448.0	22.8%
France	52,426.9	22.0%
Netherlands	41,614.7	17.5%
Libya	32,566.2	13.7%
Switzerland	16,945.9	7.1%
Togo	8,890.5	3.7%
Morocco	7,644.1	3.2%
Burkina-Faso	4,686.3	2.0%
Singapore	4,446.9	1.9%
South Africa	4,209.2	1.8%
Tunisia	4,183.5	1.8%
Belgium	1,330.0	0.6%
Others	5,024.4	2.1%
Total	**238,416.6**	**100.0%**

Source : BCEAO

In 2013, the main sources of foreign direct investment were Nigeria (22.8%), France (22.0%), the Netherlands (17.5%), Libya (13.7%), Switzerland (7.1%) and Togo (3.7%).

To encourage inflows of foreign capital, a new investment code was adopted by decree No. 2012/487 on June 7, 2012. In accordance with the provisions of the new code, foreign investors receive the same treatment as domestic investors and are subject to the same notification and authorization procedures. The new investment code also grants specific advantages to small- and medium-sized businesses. The implementation of the mining code affected FDI and private investment in general, whose growth in volume went from 13.8% in 2012 to 26.2% in 2013.

Following the adoption of the investment and mining codes, these codes were promoted to foreign investors by the Centre for the Promotion of Investments in Côte d'Ivoire (*Centre de Promotion des Investissements en Côte d'Ivoire* (CEPICI)).

Similarly, the Government launched an ambitious reform program focused on the public sector, the land registry and the judicial system. Regulatory improvement projects also involve the competition regime and formalities relating to trade and business creation.

With respect to the judicial system, commercial courts were created and some of them are already operational. With respect to the land registry, the following measures have been implemented:

- simplifying the process for land ownership;
- changing the payment period (from annual to monthly payment); and
- gradually improving the number of registered land plots.

PUBLIC FINANCE

General

The 2011 and 2012 budgets drawn up following the 2011 post-election crisis benefited from a faster than expected economic recovery, due largely to the stabilization of the socio-political situation, the return of national security and accompanying measures adopted by the Government for the benefit of the production sector.

The Government is committed to building upon this momentum to turn Côte d'Ivoire into an emerging country by 2020, through the implementation of the NDP and the New NDP, which sets the foundations for sustained growth driven in particular by investments, the continuation of sectorial reforms and the return of private sector confidence. After a real GDP growth rate of 10.7% in 2012 and an estimated real GDP growth rate of 9.2% in 2013, the Government forecasts a real GDP growth rate of 9.0% and 10.0% in 2014 and 2015, respectively.

Budget policies for 2014 and the medium-term are built around the NDP's objectives. They take into account the NDP's list of priority actions through the Public Investment Plan (*Plan d'Investissements Publics* ("**PIP**")) which has been included in the 2014 budget. While the 2013 budget focused on economic recovery, the 2014 budget focused on improving quality of life for the population of Côte d'Ivoire and strengthening the foundations for economic growth, in particular through overhauling and extending the road and the rail networks, improving access to drinking water, sanitation, electricity, and education, as well as improving security.

The 2015 budget, which reached CFAF 5,014.3 billion and recorded an increase of 13.8% as compared to the revised 2014 targets, builds on the actions of consolidation of the economic fabric and improvements of the living conditions of the populations, through investment projects in high-growth sectors and the intensification of actions to reduce poverty. To that end, the 2015 budget emphasizes strengthening basic socio-economic infrastructure, promoting employment and supporting agricultural development. The main goals of the 2015 budget include, in particular, the support for peace and social cohesion consolidation actions by the financing of transparent general elections and operations to reinforce security. The budget is based on revenue estimates taking into account both the real potential of the economy and the impact of the important reforms implemented at the level of both domestic and customs taxes.

Total revenues for 2014 are estimated to have risen to CFAF 3,064.6 billion, representing a 8% increase compared to 2013. Tax revenues are estimated to have increased by 9.9% as compared to 2013, thanks to the Government's sustained efforts to collect the main taxes, such as general income tax, tax on industrial and commercial profit, the value added tax, and taxes on telecommunications, telephone communications as well as on general goods. Optimizing tax collection is a priority for the Government in order to reach budgetary revenue objectives and finance the State's contribution to the NDP.

Public expenses for 2014 are forecast to amount to CFAF 3,784.9 billion, representing a CFAF 399.3 billion increase compared to 2013, an increase of 11.8%.

Total revenues for 2015 are forecast to rise to CFAF 3,474.8 billion, representing a 13.4% increase compared to 2014. Tax revenues are projected to increase by 11.2% as compared to 2014. This change may be related to an increase in revenues from income tax (*impôt BIC*) (an increase of 21.2%), excluding oil, taxes on salaries and wages (an increase of 14.6%), taxes on movable assets (an increase of 19.1%), registration rights of coffee-coca (an increase of 103.8%) and taxes on general goods (an increase of 12.4%). These estimates rely on consolidation assumptions of economic activity, productivity efforts of debt recovery services, the reinforcement of tax controls and a better management of exemptions.

Public expenses for 2015 are forecast to represent a CFAF 738.2 billion increase compared to 2014 (an increase of 19.5%) and are expected to amount to CFAF 4,523.1 billion. They include in particular salary expenses which is forecast to increase by 14.6%, mainly due to the financial impact of unfreezing the indexed salary increases for all public employees, which commenced in 2014 and will continue in 2015, recruitment in the education and health sectors and promotions. The projected investments are expected to amount to CFAF 1,469.5 billion (of which 53.4% would be financed through own resources) as compared to CFAF 1,095.4 billion in 2014, an increase of 34.2%. Investments financed through own resources integrate the projects under the C2D (CFAF 145 billion), the Presidential Emergency Plan (CFAF 125.4 billion), the construction of the Soubré hydroelectric dam (CFAF 19.8 billion) and the Universal Health Coverage (*Couverture Maladie Universelle*) ("**CMU**") (CFAF 10.5 billion).

In addition, the budget gives a lot of importance to actions to reduce poverty. As such, "pro-poor" spending in 2015 are forecast to be CFAF 1.716,4 billion and to represent 34.2% of the budget.

The Government intends to accelerate the rate of implementation of its investments, notably those provided for under the French Debt-Reduction and Development Contracts ("**C2D**"), through the implementation of dispositions to regularly follow-up project teams. The purpose of C2Ds is to alleviate debt that has been incurred by Côte d'Ivoire towards France within the framework of France's official development aid program. Via the C2D mechanism, Côte d'Ivoire continues to honor its debts to France, but when a repayment is made, France offers Côte d'Ivoire a non-refundable grant in an equivalent amount. The grant is then allocated to finance poverty reduction programs that have been selected by joint agreement between the two parties. In this way, the country is able to use resources previously allocated to debt repayment to finance development projects. Following bilateral negotiations, France agreed in 2012 on a cancellation of CFAF 1,486.2 billion (€2.265 billion) and signed the first C2D agreement for a total of CFAF 413.25 billion (€630 million for 2012-2015), of which 85% has already been allocated to projects. A second C2D agreement of CFAF 738 billion (or €1.125 billion) was signed in Paris on December 3, 2014 between France and Côte d'Ivoire for the 2014-2020 period.

The Government is pursuing an economic policy aimed at consolidating the stability of the macroeconomic framework and ensuring the stability of its public finances through the improvement of revenue collection, in addition to streamlining expenses by prioritizing public investments to honor its public debt repayments. In particular, the Government intends in the medium term to bring expansion of the public sector payroll and operational expenses under control, to reduce subsidies to the electricity sector until it attains financial balance, and to stabilize domestic debt.

A medium-term payroll control strategy was adopted by the Government on May 5, 2014. Its goal for 2020 is to comply with the WAEMU requirement that the payroll bill should not exceed 35% of tax revenues, as compared to 43.1% and an estimated 44.4% in 2013 and 2014, respectively, and 45.8% forecast for 2015. This strategy also seeks to strengthen administrative management, particularly in relation to recruitment policy and workforce planning. Recruitment will primarily target the social sectors, and in particular the educational and health sectors, to support the implementation of the NDP. In 2014, the main policies indicated in the strategy have been implemented.

In the medium term, the Government intends to continue reducing subsidies to the electricity sector. These subsidies would decrease to CFAF 45.4 billion in 2015, as compared to CFAF 56.6 billion in 2014. In order to do so, a new electricity code (*code de l'électricité*) was adopted by the National Assembly on February 27, 2014. The Code provides for an improved management framework to deal with the physical and financial instabilities of the sector. In order to satisfy national and regional demand, the Government has engaged in a broad investment program, in an aggregate amount of CFAF 5,300 billion, for the construction of new hydraulic and thermal power plants, as well as the improvement of the transport system with a view to reducing technical losses. In relation to this program, Côte d'Ivoire benefits from the support of several partners, notably the World Bank, the IFC, the AfDB, the West African Development Bank and Eximbank China.

In parallel to the external debt relief obtained under the HIPC initiative, the Government carried out a comprehensive plan to audit and restructure its domestic debt. Following an audit on debt arrears at end-2010, domestic debt arrears of CFAF 152.9 billion were confirmed out of total claims of CFAF 356 billion. Following the audit, a settlement plan to clear domestic arrears was adopted by the Council of Ministers on November 14, 2013 and the implementation of the plan began on December 6, 2013. It allowed the payment of CFAF 56.7 billion at the end of 2013. In 2014, CFAF 34 billion in arrears were paid under this plan. The arrears remaining to be paid concern creditors for which the amount due is greater than CFAF 50 million and who have not chosen the option put forward by the Government and will be securitized.

Based on audits carried out in 2013 on liabilities due to private schools before 2010, the Government plans to continue its analysis for the most recent period in order to organize their settlement.

In addition, the Government intends to continue its discussions with the BCEAO with a view to settling its debts (approximately CFAF 247.7 billion) as described below. Negotiations are ongoing with the BCEAO in order to establish terms of a settlement. Excluding DTS special allowances for which the maturities are paid on time, the proposed scheme for other types of debts is as follows:

- rescheduling over 40 years, with a ten-year grace period, arrears related to consolidated statutory overdrafts. The proposed interest rate is 3% and repayments would be semi-annual; and

- rescheduling over 30 years, with a ten-year grace period, the repayment of cash withdrawn from the Bouaké, Man and Korhogo BCEAO branches during the post-election crisis and the payments due to the IMF made by the BCEAO for the account of Côte d'Ivoire. The rate is nil and repayments would be semi-annual.

The Government also recently launched a restructuring process of debt arrears owed to the financial sector (including banking and non-banking creditors) as at the end of 2012. An arrears clearance program was adopted on May 5, 2014. The Government expects this plan to contribute to restoring confidence in the private sector as well as inject resources into the economy, while ensuring a debt-repayment profile that is sustainable for Côte d'Ivoire. The arrears clearance program was implemented as agreed with the IMF following the issuance of Eurobonds due 2024.

The 2015 budget, amounting to CFAF 5,014.3 billion, reflects the Government's ambitions to provide a strong response to the population's needs in the following priority areas:

- Electoral Consultations

A CFAF 30.2 billion budgetary allocation has been provided for the organization of the elections. This allocation is intended for the revision of the electoral list (CFAF 3 billion) and the organization of the presidential election in 2015 (CFAF 27.2 billion).

- Employment and Improvement of Living Conditions

In order to promote employment, the 2015 budget provides for a CFAF 12.7 billion allocation covering, in particular, a strategy for revitalizing employment, the National Youth Fund (*Fonds National de la Jeunesse*) ("**FNJ**") and the projects of the AGEPE.

The 2015 budget provides for personnel expenses in an amount of CFAF 1,347.4 billion accomodating, in particular, the recruitment of approximately 9,283 agents including 47% for the education sector and 34% for public health; the rise of the monthly Interbranch Guaranteed Minimum Wage (*Salaire Minimum Interprofessionnel Garanti*) ("**SMIG**") from CFAF 36,607 to CFAF 60,000; and the continuation of the unfreezing of the indexed salary increases for civil servants which commenced in 2014 and will continue in 2015.

A CFAF 20 billion allocation was also provided in order to accelerate the implementation of the social and low-cost housing program.

- Education and Training

For training, education and research, the 2015 budget provides CFAF 1,006.4 billion, or 20% of the total budget. This amount is intended for:

- the acquisition of textbooks, school kits and educational kits;

- the construction, equipment and renovation of school infrastructures;

- strengthening the operational resources of educational structures;

- the grant of scholarships and subsidies for private schools.

The 2015 budget also focuses on the development of infrastructures in the education and training sectors, through:

- starting construction of the San-Pédro, Bondoukou and Man universities for an amount of CFAF 9.5 billion;

- the expansion of the Daloa and Korhogo universities for an amount of CFAF 15.3 billion;

- the construction, renovation and equipment of national education structures for CFAF 13.5 billion.

- Health and Social Affairs

A CFAF 320.7 billion allocation (6.4% of the total budget, a 26.1% rise as compared to 2014) has been provided for the purpose of fighting against poverty, intended mainly for the renovation and provision of new equipment to University Hospitals (*Centres Hospitaliers Universitaires*) ("**CHU**"), general hospitals and health facilities; and consolidating efforts to prevent and fight pathologies and endemic diseases as well as HIV/AIDS.

The 2015 budget also provides CFAF 20 billion for targeted free healthcare; CFAF 8.5 billion to support and strengthen vaccination and drug management policies, CFAF 10.5 billion relating to the CMU; and a CFAF 36.5 billion allocation to strengthen the prevention and control system against the haemorrhagic fever due to the Ebola virus.

In order to provide assistance to the most disadvantaged population groups, a CFAF 23.6 billion endowment was allocated to the equipment of orphanages, nurseries and social centres, as well as to provide care and support to the destitute and to victims of disasters.

- Defence, Security and Justice

In order to meet the challenges in terms of security and justice and assure the rule of law, the 2015 budget provides for a total CFAF 415.8 billion endowment for the army, the *gendarmerie*, the police and judicial services. This endowment comprises the financing of specific actions, in particular the Emergency Security Program (*Programme d'Urgence Sécurité*), the investments under the ADDR, the program for justice, the support for the reform and modernization of the judicial and prison system and the construction and equipment of courts.

- Sanitation, Water and Electricity

In order to improve the supply of electricity, the 2015 budget provides for a CFAF 211 billion allocation comprising:

- the renovation of electricity networks (CFAF 105 billion);

- the upgrading of the Soubré hydroelectric dam (CFAF 54.4 billion);

- the Electricity Sector Reinforcement Program (*Programme de Renforcement du Secteur de l'Electricité*) (CFAF 31.5 billion);

- electrification projects for 23 sub-prefecture capital cities (CFAF 2 billion).

A total cost of CFAF 38.3 billion is included in the 2015 budget to finance significant actions targeting sanitation and improving access to drinking water. Moreover, the Emergency Presidential Program (*Programme Présidentiel d'Urgence*) ("**PPU**") provides for CFAF 13.5 billion for the financing of the drinking water across the country.

- Agriculture

The 2015 budget provides for a CFAF 164.6 billion allocation covering mostly agricultural development and promotion programs, in particular for cotton, rice and bananas.

- Road Infrastructure

The Government is prioritizing the renovation and construction of new roads across the entire country. The 2015 budget has provided for CFAF 117.7 billion for resurfacing and constructing roads as well as for the construction of civil engineering works, including:

- the construction of the Abidjan-Grand Bassam highway: CFAF 16 billion;

- the construction of the Bouna-Doropo-Frontière Burkina road: CFAF 5.7 billion;

- the upgrading of the Blolequin-Toulépleu road: CFAF 20.6 billion;

- the upgrading of the Boundiali-Odiénné-Frontière Guinée road: CFAF 13.6 billion; and

- the upgrading of the Comoé-Abengourou road and bridge: CFAF 15 billion.

Fiscal Policy

The Government is implementing a series of measures to strengthen revenue collection in order to comply with the WAEMU community requirements. Since 2014, WAEMU countries are expected to converge towards a ratio of tax revenues to nominal GDP of at least 20%. Some measures have already been adopted, including (i) the development of provisions applicable to excise duty on beverages and tobacco through changes to applicable tax rates and tax bases to conform with WAEMU practices, by increasing the tax rate on low-end products from 23% to 25% and on refined products from 33% to 35%; (ii) the harmonization of tax rates applicable to income from capital to adapt Ivorian tax to WAEMU community standards; (iii) the improvement of telecommunications taxation, by imposing a new tax on telephone communications corresponding to 3% of revenues and increasing the income tax rate from 25% to 30% for companies in this sector; (iv) the gradual reduction of VAT exemptions within the limits of the WAEMU Directive; and (v) the establishment of a minimum tax amount for taxpayers subject to the simplified taxation regime.

These measures were implemented in particular through the following actions: (i) raising the contribution threshold for taxpayers from CFAF 1 billion to more than CFAF 3 billion in revenues, including tax, and (ii) establishing a mechanism for the management of medium-sized companies through the creation of two Centres for Medium-Sized Companies (*Centres de Moyennes Entreprises*) ("**CME**") in Abidjan (CME North and CME South), via decree n°213/MPMB dated April 29, 2014. These two CMEs collected their first revenues in July 2014. These measures will also involve (i) reorganizing the Large Corporates Directorate (*Direction des Grandes Entreprises*) by refocusing its scope of authority and covering nation-wide control and competency recovery operations and (ii) the creation of a DGE division in charge of tax control.

Furthermore, the Government intends to improve customs administration by implementing measures aimed at optimizing the management of goods, through a better integration of Tax Administration and Autonomous Port of Abidjan (PAA) databases as well as the operation of a simplified customs computer system for the management of containers in transshipment. In addition, the customs authorities plan to step up the fight against fraud by (i) optimizing the use of scanning for imported goods as well as acquiring a scanner for exported goods, (ii) increasing the monitoring of the coastline and lagoons by acquiring speedboats, weapons and communication tools and (iii) strengthening the capacity to combat fraud and smuggling at land borders through the acquisition of scanners at main border posts. The interconnection of the databases of customs and the PAA is being finalized. There have already been some data transfers between the two structures. The operationalization of the simplified IT system is effective.

Transparency and Fight against Corruption

The Government prioritizes the fight against corruption. To this effect, the Government has implemented a Program for Supporting Good Governance (*Programme d'Appui à la Bonne Gouvernance*) 2009-2013, which benefited from US$83.8 million of Government funding. The Government has also funded the development of a National Good Governance and Anti-Corruption Plan (*Plan National de Bonne Gouvernance et de Lutte contre la Corruption*), the implementation of which has resulted in the following measures and actions:

- a High Authority for Good Governance (*Haute Autorité pour la Bonne Gouvernance*) and a National Anti-Corruption Secretariat (*Secrétariat National de Lutte contre la Corruption*) were created by a presidential decree adopted on November 20, 2013;

- communication campaigns were launched in 2013 to raise awareness among political, economic and social figures about the harmful effects of corruption. It is expected that specific actions will be implemented through the newly created institutions to prevent and punish acts of corruption pursuant to the mandate assigned to these institutions;

- an Observatory on fighting corruption (*Observatoire de la lutte contre la corruption*) and a Special Court in charge of preventing and fighting against corruption (*Cour spéciale de prévention et de lutte contre la corruption*) will be created once the regulations for their operation are finalized.

In addition, the Government intends to strengthen the rules of public procurement. Ivorian legislation on public procurement prohibits discrimination, aims to intensify competition and establishes a regulatory framework to combat corruption and fraud in public procurement. Subsequent to the adoption of a new Public Procurement Code in August 2009, the National Public Procurement Authority (*Autorité Nationale de Régulation des Marchés Publics*) was set up and a public procurement enforcement guide was adopted. The enforcement guide provides for a separation of the regulatory, enforcement and control functions and a plan providing for procurement to the credit administration for the execution of the 2014 budget. The general procurement plan for 2015 has been developed. However, the detailed plan is still being developed. Since 2012, a report detailing the status of public procurement operations is submitted quarterly to the Council of Ministers. Regular monitoring of deadlines in the procurement chain has been implemented to identify corrective actions to enable the streamlining of investment expenses during the year.

The Government took measures to further regulate the conditions of applicability of the public procurement code with respect to contracts awarded without tenders. The Government adopted measures to further regulate the conditions of applicability of the public procurement code with respect to bilateral contracts awarded without tenders below CFAF 30 million and therefore were not subjected to the public procurement code.

The Government is fighting against corruption in particular by seeking to make public procurement systems more transparent on two fronts:

- since November 2013, all procurements agreed outside of public procurement proceedings are systematically audited by the Public Spending Review Unit (*Cellule de Revue des Dépenses Publiques*) ("**CRDP**") before they may be regularized; and

- sanctions are effectively implemented through decree n°118 MPMB of March 26 2014 which sets out the rules for the application of sanctions for violations of public procurement regulations.

In addition, Côte d'Ivoire complies with the standards established by the EITI since May 2013. The purpose of this organization is to increase public transparency with regard to state revenues originating from the oil, gas and mining sectors and their use.

The Budget Process

The executive branch has the authority to initiate and propose the budget to the National Assembly, through a process that sets forth a series of deadlines for the Ministers with the goal of presenting the draft budget to the National Assembly as a draft law (*projet de loi*). The process begins each year in March and ends with the submission of the draft budget to the National Assembly at the end of September. The budget becomes a Finance Law (*Loi des finances*) as a result of its approval by the National Assembly. The Finance Law for each year is signed by the President of the Republic and made effective as of January 1st of the relevant year.

The process for adopting the budget by the National Assembly was only reinstated in 2012. During the political and military crisis that started in 2002, the budget was effectively adopted by ordinance issued by the President of the Republic without consulting the legislative power.

Côte d'Ivoire's budget elaboration process comprises the following steps:

- development of the macro-economic framework: it allows for the making of projections for the main aggregate figures for the years to come with regards to macroeconomic growth;

- validating the macroeconomic framework: it allows the Government to declare its approval or suggest adjustments to the macroeconomic framework;

- development of the budgetary framework: this aims to establish a balance between the commitments of the State and available resources;

- validation of the budgetary framework: this enables the Government to approve the spending decisions and the level of available resources and opens the way to the distribution of funds between the Ministries, institutions and decentralized authorities;

- determination of the use of budgetary funds: this allows the allocation of budgetary credits to the Ministries, institutions and decentralized authorities;

- Prime Minister's framework letter: this communicates to the Ministries, Institutions and Decentralized Authorities the budgetary funding allocated to each of them;

- budgetary conferences with the Heads of Administrative and Financial Affairs (*Directeurs des Affaires Administratives et Financières*): this allows for an examination of the proposed allocations prepared by the Ministries, Institutions and Decentralized Authorities;

- arbitrage and amendments to the draft budget: this aims to summarize the modifications carried out and an arbitrage of additional requests;

- adoption of the draft budget by the Council of Ministers: this marks the end of the executive power's involvement in the budget elaboration process; and

- examination of the budget by the National Assembly: this step allows the National Assembly to examine the budget after a presentation by the Minister in charge of Budget, after which the budget is voted into law.

In order to carry out budgeted investments efficiently, a research fund was set up by the Government in 2012 to finance the necessary feasibility studies for relevant projects so as to guarantee their immediate implementation. For 2015, this fund received an endowment of CFAF 20 billion.

To render Côte d'Ivoire's budget management more transparent and more efficient, the Government has instituted a publicly available quarterly report in order to ensure follow-through on the execution of the State budget. A publicly available quarterly report on the status of public procurement contracts awarded by the Ministry in charge of the Budget has also been instituted. Adjustments may be made to the national budget via Amended Finance Laws (*Lois de Finances Rectificatives*), adopted under the same conditions as the Finance Law (*Loi de Finances Initiale*).

WAEMU Framework for Multiyear Programming and Program Budgets

In March and June of 2009, the Council of Ministers of the WAEMU adopted six new directives for purposes of harmonizing the public financial management legal framework in the Union. This new framework institutes, among other things, multi-year expenditure programs and budgeting by program. On January 6, 2014, the IMF published a Technical Assistance Report 14/3, prepared jointly with the World Bank, setting out a strategy for Côte d'Ivoire's implementation of modern budgeting tools recommended by the WAEMU harmonized public financial management framework.

Côte d'Ivoire transposed the WAEMU directives, which will take effect as of January 1, 2017, into national law following the adoption by the National Assembly on June 5, 2014 of two laws (*lois organiques*) which established a Transparency Code and a Law relating to Finance Laws. Four implementing decrees were adopted on July 9 2014. The draft decrees cover the budgetary nomenclature of the State, the Government Financial Operations Table, the Accounting Plan of the State and the General Rulebook on Public Accounting.

The principal changes brought about by the transposition laws include:

- the shift from a means- to an outcome-oriented strategy so that public money is spent more efficiently;

- the use of multi-year budgets;

- a program-based approach: the budget will no longer be presented by expense items but by "programs" regrouping credits implementing an action or a coherent set of defined actions for the medium-term;

- the decentralization of the principal authorizing power: the Ministers and Institution Presidents are the principal authorizers of credits and their programs;

- a debate on budget execution in the National Assembly at the end of the second quarter of every year, during which the Government will defend its social and economic policies; and

- the reinforcement of the mission of each Technical Minister: to this effect, each Minister will have to defend his budget in front of the National Assembly and provide an account of his management through a detailed yearly performance report.

In order to facilitate the application of these rules on January 1, 2017, the Government is taking the following actions:

- the elaboration of the program budgets (DPBEB and DPPD-PAP) with the cooperation of all ministries in 2015;

- the finalizing and adoption of the new budget nomenclature in 2015;

- the overhaul of the budget information system;

- the tests for the application of a new SIGFIP in 2016; and

- the nominations of the program managers in 2016.

Management of Public Finances

Unique Treasury Account

A methodology for the creation of a Unique Treasury Account (*Compte Unique du Trésor*) ("**CUT**") and a closing timetable for the public accounts in commercial banks were adopted in December 2014. The closing phase is preceded by awareness-raising measures for the actors of the banking sector, which started on January 29, 2015. The operation should start in March 2015 and finish in May 2018 with the accounts held at the BCEAO. These accounts may be held at the Central Accounting Agency for Deposits (*Agence Comptable Centrale des Dépôts*) with respect to the areas where the BCEAO has no presence.

The implementation of the CUT will allow for better visibility of the State's day-to-day cash position, greater efficiency in the State's management of cash, particularly for clearing operations, and a reduction in financial expenses as well as control of the State's exposure to commercial banks.

Integrated System for the Management of Public Finances

In order to ensure control over public expenditures, the Government has introduced a management tool for public finances, known as the Integrated System for the Management of Public Finances (*Système Intégré de Gestion des Finances Publiques*) ("**SIGFiP**"). SIGFiP is a system that connects principal participants of the public expenditure chain via a network. This system provides a framework for public expenses within budgetary allocations as well as the implementation of regulations to adjust expenses in line with the mobilization of financial resources.

Revenues and Expenses

The table below provides certain information on public revenues and expenses from 2008 to 2015:

	2008	2009	2010	2011	2012	2013	2014 (Estimates)	2015 (Forecasts)
					(CFAF billions)			
Total revenues and Grants	**2,160.1**	**2,368.6**	**2,282.7**	**1,725.9**	**2,621.5**	**3,039.5**	**3,390.0**	**3,851.0**
Total revenues[1]	1,976.8	2,057.7	2,176.2	1,693.0	2,540.2	2,838.0	3,064.6	3,474.8
Tax revenues	1,765.0	1,795.6	1,928.5	1,493.1	2,213.0	2,408.6	2,646.0	2,942.4
Direct taxes	597.1	542.9	551.1	507.8	720.4	765.5	785.1	889.4
Including taxes on oil profits	194.0	110.6	119.9	154.9	213.5	141.8	102.8	89.6
Indirect taxes	404.6	481.3	457.8	335.8	542.2	537.4	622.9	697.9
Non -tax revenues	211.8	262.1	247.7	199.9	327.3	429.5	418.6	532.3
Social Security contributions	141.4	151.2	162.8	131.0	235.9	307.3	334.8	349.3
Others	70.4	110.9	84.9	68.9	91.4	122.2	83.8	183.0
Including: PETROCI dividends	27.0	20.0	34.3	12.0	0.0	26.1	12.8	14.0
Grants	**183.3**	**310.9**	**106.5**	**32.9**	**81.2**	**201.5**	**325.4**	**376.2**
Projects	38.8	49.5	41.0	21.9	51.5	96.2	168.8	228.6
Programs (including those linked to the crisis)	144.5	261.5	65.5	11.0	29.7	105.2	156.6	147.6
Total expenses	**2,201.1**	**2,291.9**	**2,498.8**	**2,212.0**	**3,053.9**	**3,385.6**	**3,784.9**	**4,523.1**
Current expenses	1,876.5	1,945.2	2,115.5	1,920.7	2,443.9	2,451.4	2,689.5	3,053.6
Salaries and wages	711.7	745.0	800.5	719.8	934.7	1,038.9	1,175.7	1,347.4
Social security benefits	188.6	203.4	212.6	181.7	229.2	252.2	259.0	266.0
Subsidies and other current transfers (including health and education)	164.7	216.1	272.8	315.2	410.5	325.0	312.5	324.6
Including: electricity subsidies	43.4	47.4	82.6	104.5	137.1	84.1	56.6	45.4
Other current expenses	503.3	483.7	493.9	414.2	580.2	545.2	687.5	773.5
Including: damages paid with respect to toxic waste	7.7	9.0	11.8	0.0	5.0	5.0	3.0	35.5
Expenses connected to the crisis	126.3	128.5	141.5	70.4	56.5	75.4	47.5	55.6
Interest owed	181.9	168.4	194.3	219.3	232.9	214.8	207.3	286.5
Domestic debt	58.3	42.0	66.3	89.6	79.6	115.6	118.5	172.9
External debt	123.6	126.5	128.1	129.7	153.4	99.1	88.8	113.6
Investment expenses	319.6	334.3	349.9	292.2	607.7	934.2	1,095.4	1,469.5
Financed by domestic resources	241.9	231.6	263.4	244.1	502.2	618.0	667.0	784.8
Financed by external resources	77.7	102.8	86.4	48.1	105.5	316.2	428.4	684.7
Net loans	5.0	12.4	33.4	(0.9)	2.3	0.0	0.0	0.0
Basic primary balances[1]	**42.9**	**46.0**	**(30.0)**	**(251.6)**	**(170.3)**	**(11.6)**	**(81.6)**	**(41.6)**
Global balance, including Grants	(41.0)	76.7	(216.1)	(486.1)	(432.5)	(346.1)	(394.9)	(672.1)
Global balance, excluding Grants	(224.3)	(234.2)	(322.7)	(519.0)	(513.7)	(547.5)	(720.3)	(1,048.3)
Variation of domestic past due amounts (excluding debt service)	38.7	(70.3)	(35.2)	(25.7)	95.4	39.7	(110)	(100)
Net variation of external past due amounts (interests)	34.7	(61.3)	(255.5)	26.5	(7.1)	(16.8)	0.0	0.0
Past due amounts write offs	(71.1)	(98.2)	(271.6)	(1.1)	(7.1)	(16.8)	0.0	0.0
Accumulation of new past due amounts	105.8	36.9	16.1	27.6	0.0	0.0	0.0	0.0
Global balance (cash basis)	**32.4**	**(54.9)**	**(506.8)**	**(397.0)**	**(344.2)**	**(323.1)**	**(504.9)**	**(772.1)**

(1) Total revenues (excluding grants) minus expenses, excluding scheduled interests and investment expenses.

Source: MPMEF

In 2013, total revenues amounted to CFAF 2,838.0 billion, compared with CFAF 2,540.2 in 2012, representing an increase of CFAF 297.8 billion or 11.7% compared to 2012. This result reflects the improvement in the level of both tax revenue collections in 2013 as compared to 2012 (CFAF 195.6 billion, representing an 8.8% increase) and non-tax revenues (CFAF 102.2 billion, representing a 31.2% increase). The improved tax collection concerned domestic revenues (CFAF 40.2 billion) and certain customs revenues (*droits de porte*) (CFAF 155.4 billion).

In 2013, grants were received in the amount of CFAF 201.5 billion, including CFAF 96.2 billion in grants for financing projects. These originated primarily from:

– the French Development Agency (*Agence Française de Développement*) in the context of the C2D program (CFAF 98.7 billion);

– the World Bank (CFAF 69.7 billion) for the financing of projects such as the Emergency Rehabilitation Program (*Programme d'Urgence Réhabilitation*) of the electricity sector, the Infrastructure Renaissance project (*Projet de Renaissance des Infrastructures*), the Emergency Education Assistance Project (*Projet d'Urgence d'Appui à l'Education*), the Post-Crisis Assistance Project (*Projet d'Assistance Post–Crise*) and the youth employment and skill development plan; and

– the AfDB (CFAF 17.3 billion) for the financing of the Gourou basin integrated management project and assistance to Indénié-Duablin agricultural infrastructures.

Total expenses and net loans amounted to CFAF 3,385.6 billion in 2013, compared to CFAF 3,053.9 billion in 2012, representing an increase of CFAF 331.7 billion or 10.9%. This increase is mainly due to the high level of investment expenses in 2013 compared to 2012 (CFAF 326.5 billion, representing an increase of 53.7%), in relation to measures taken by the State to improve project implementation procedures, in particular via regular monitoring of expenses through periodic meetings with the relevant ministry departments and institutions, and simplifying the contracting process via, in particular, a reinforcement of the decentralization of the process with the Ministries.

The overall balance at the end of December 2013 represented a deficit of 2.3% of GDP, compared to a deficit of 3.2% at the end of December 2012. The deficit was financed through debt issued on the WAEMU regional market in the amount of CFAF 863.2 billion compared to CFAF 400.3 billion in the same period of 2012 and budgetary support of CFAF 133.6 billion, of which CFAF 72.4 billion was obtained from the IMF, CFAF 24.5 billion from the World Bank and CFAF 36.7 billion from the European Union.

In 2014, total revenues amounted to CFAF 3,064.6, compared with CFAF 2,838.0 billion in 2013, representing an increase of CFAF 226,6 billion or 8% compared to 2013, due to the improvement in the collection of tax revenues.

The tax on industrial and commercial profits excluding oil in 2014 is estimated at CFAF 228.9 billion compared to CFAF 211 billion in 2013, resulting from the increased activity recorded in 2013 which was reflected in the estimated 9.2% growth rate. The tax on income and wages reached CFAF 339.5 billion, a CFAF 24.8 billion increase as compared to 2013, in connection with the improvement of the level and conditions of employment (increase of the SMIG and implementation of the civil servants' wage valuation measure). VAT is estimated at CFAF 270.8 billion, a 18.6% increase compared to 2013, due to the stable performance of economic activity in several sectors, in particular in the telecommunications, oil-producing and sugar industries. The tax on telecommunications and the special tax on telephone communications represented CFAF 44.6 billion and CFAF 21.1 billion, respectively, in 2014, reflecting the good performance of this sector. In addition, taxes on petroleum products reached CFAF 160.3 billion compared to CFAF 145.9 billion in the previous year, which represents a CFAF 14.4 billion increase as a result of higher volumes consumed due to favorable economic conditions, and the effective application of the automatic mechanism of prices at the pump. Taxes on general goods represented CFAF 651.5 billion as compared to CFAF 606.3 billion (an increase of CFAF 45.2 billion, or 7.4%) and export taxes represented CFAF 367.4 billion as compared to CFAF 299.1 billion (an increase of CFAF 68.3 billion, or 22.8%). These levels reflect the rise in the volume of imported goods for general goods and of coffee and cacao exports as well as prices.

In 2014, grants were received in the amount of CFAF 325.4 billion, including CFAF 168.8 billion for financing projects. These originated primarily from the World Bank (CFAF 71.8 billion), the European Union (CFAF 20.3

billion), the AfDB (CFAF 18.3 billion), the International Fund for Agricultural Development (CFAF 4.9 billion) and the Chinese government (CFAF 4.5 billion).

Total expenses and net loans amounted to CFAF 3,784.9 billion in 2014, compared to CFAF 3,385.6 billion in 2013, representing an increase of CFAF 399.3 billion or 11.8%. This increase is mainly due to an increase in personnel expenses which stood at CFAF 1,175.7 billion in 2014 compared to CFAF 1,038.9 billion in 2013 in connection with unfreezing indexed salary increases for public servants and strengthening investment expenses which commenced in 2014.

The overall balance at the end of December 2014 represented a deficit of 2.3% of GDP, compared to a deficit of 2.2% at the end of December 2013 and a deficit of 3.1% at the end of December 2012. The deficit was financed through debt issued on the WAEMU regional market in the amount of CFAF 1,335 billion in 2014 (compared to CFAF 863.2 billion in 2013 and 400.3 billion in 2012) and budgetary support of CFAF 145.3 billion, of which CFAF 84.9 billion was obtained from the IMF, CFAF 35 billion from the World Bank and CFAF 11.2 billion from the European Union.

The 2015 budget was developed and adopted in particular on the basis of the following forecasts and assumptions:

- coffee/cocoa sector: projected exports of 105,000 tonnes for coffee (of which 84,000 tonnes of green coffee) and 1,634,500 tonnes of cocoa (of which 1,062,400 tonnes of cocoa beans). Average prices in CFAF of coffee and cocoa stand at CFAF 955.8/kg and CFAF 1,490.1/kg, respectively. Cocoa registration duties are 3% of the value of exports. This duty is suspended for coffee. With respect to the Single Export Tax (*Droit Unique de Sortie* ("**DUS**")), the rates are 5% and 14.6% for coffee and cocoa, respectively.

- oil revenues: the State's share is forecast at 1.3 million barrels, over a total of 7.5 million barrels. The average price per barrel and the average exchange rate are projected at US$102.8 per barrel and 472.7 CFA/USD, respectively.

Infrastructure Expenses

For the 2011-2014 period, investment expenses increased from 2.4% of GDP in 2011 to 6.4% in 2014, increasing from CFAF 292.2 billion in 2011 to CFAF 1,095.4 billion in 2014, representing an increase of CFAF 803.2 billion. The increase in investment expenses reflects the Government's efforts to revive economic growth through public investment spending.

Investment expenses in the infrastructure sector represented 43% of total investments in 2011, 32.4% in 2012, 53.3% in 2013 and 53.8% in 2014, reflecting the reconstruction efforts following the 2011 post-election crisis. These investment expenses concerned in particular:

- the organization and construction of roads and bridges that received total financing of CFAF 299.3 billion over the 2011-2013 period, or an average CFAF 99.8 billion per year. This financing was allocated, among others, to the Northern Highway extension (CFAF 74.1 billion), the construction of the third Abidjan bridge (CFAF 63.7 billion), and the construction of the Jacqueville bridge (CFAF 6.6 billion). In 2014, these projects received financing of CFAF 251 billion, of which CFAF 45.9 billion for projects implemented under the C2D framework. Excluding C2D projects, expenses involved projects such as the renewal of Côte d'Ivoire's infrastructure (CFAF 38 billion), construction of the Abidjan-Grand Bassam highway (CFAF 22.5 billion), financing of road maintenance work (CFAF 46 billion), construction of the Boundiali-Odiénné-Frontière de la Guinée road (CFAF 20.4 billion), construction of the Grand-Bassam/Noé corridor (CFAF 18.2 billion), construction of the Bouna-Doropo-Frontière Burkina road (CFAF 17.2 billion), construction of the VGE interchange (CFAF 14.9 billion), construction work on the Yopougon Ile Bouley bridge (CFAF 8.9 billion) and continued construction of the Jacqueville bridge (CFAF 8 billion);

- electrification projects, with financing of CFAF 114.9 billion in 2014, including the construction of the Soubré hydro-electric dam, financed for CFAF 71.8 billion in 2014 following financing of CFAF 144.1 billion in 2013;

- drinking water supply and rural water projects for CFAF 87.1 billion for the 2011-2013 period and CFAF 114.4 billion in 2014, including the operation of the Bonoua well field for CFAF 30.2 billion in 2013 and

CFAF 54 billion in 2014, aid from the PPU (CFAF 34.7 billion) and the urban water development project under the C2D program (CFAF 45.4 billion);

- clean-up of the environment and living conditions for CFAF 42.8 billion over the 2011-2013 period and CFAF 20.4 billion in 2014. Over the 2011-2014 period, these expenses included CFAF 17.8 billion for the Gourou catchment, CFAF 33 billion in aid from the PPU, and CFAF 4.6 billion for the implementation of the Akouédo garbage dump project;

- assistance to decentralized communities in the form of infrastructure for CFAF 44.1 billion over the 2011-2014 period;

- the restoration of administrative buildings for CFAF 29.5 billion, including the CCIA building that benefited from CFAF 22 billion in credit over the 2011-2014 period; and

- the development of air and maritime transport for CFAF 76.8 billion over the 2011-2014 period, of which CFAF 36.0 billion for the State's contribution to the implementation of the Air Côte d'Ivoire company, CFAF 17.3 billion for the modernization of the Abidjan airport, and CFAF 19.0 billion for the extension of the Abidjan port.

Infrastructure expenses in the 2015 budget cover various sectors including, in particular:

- road renovation and construction, including work completed under Côte d'Ivoire's Infrastructure Renaissance Project (*Projet de Renaissance des Infrastructures*) (28,3 billion), the construction and upgrading of the Boundiali-Tengrela-Mali road (CFAF 21.3 billion), Blolequin-Toulépleu road (CFAF 20.6 billion), Abidjan-Grand Bassam highway (CFAF 16 billion), Comoé-Abengourou road and bridge (CFAF 15 billion), Boundiali-Odiénné-Frontière de la Guinée road (CFAF 13.6 billion), Tiébissou-Didiévi-Bocanda road (CFAF 8 billion), third Abidjan bridge (CFAF 6 billion), Bouna-Doropo-Frontière Burkina road (CFAF 5.7 billion) and VGE interchange (CFAF 5.1 billion);

- strengthening university infrastructure pursuant to the Government's vision. The construction of new universities (San-Pédro, Bondoukou and Man) (CFAF 9.5 billion) and the expansion of the Daloa and Korhogo universities is planned (CFAF 15.3 billion);

- construction, renovation and equipment of national education buildings (CFAF 13.5 billion), of which CFAF 1 billion for the renovation of primary schools as well as CFAF 2.6 billion for the construction and renovation of middle and high schools. This includes projects such as the Emergency Education Assistance Project (*Projet d'Urgence d'Appui à l'Education de Base*) (CFAF 6.1 billion) and the Basic Education Project (*Projet Education de Base*) with UNICEF (CFAF 3.8 billion);

- improving the drinking water supply of Abidjan and its surrounding areas by, in particular, operating the Bonoua water catchment areas (CFAF 25.4 billion) and supplying drinking water to north-east Abidjan (CFAF 4.7 billion) in order to address the supply shortage;

- improving the supply of electricity with a total of CFAF 211 billion for, in particular, the renovation of electrical networks (CFAF 105 billion), construction of the Soubré hydroelectric dam (CFAF 54.4 billion), Electricity Sector Reinforcement Program (*Programme de Renforcement du Secteur de l'Electricité*) (CFAF 31.5 billion), Côte d'Ivoire-Libéria-Sierra Léone-Guinée Electricity Interconnection Project (*Projet d'Interconnexion Electrique Côte d'Ivoire-Libéria-Sierra Léone-Guinée*) (CFAF 15.1 billion), Côte d'Ivoire-Mali electrical network interconnection (CFAF 2.5 billion) and electrification projects for 23 sub-prefecture capital cities (CFAF 2 billion);

- improving healthcare via the renovation of the CHUs (CFAF 1.5 billion) and achievement of the construction of the Angré hospital (CFAF 3 billion) as well as the construction of the Bouaké cardiology institute (CFAF 5.6 billion).

Taxation

Missions of the General Tax Directorate (Direction générale des Impôts)

The *Direction générale des Impôts* (the "**DGI**") is responsible for elaborating and applying fiscal and para- fiscal legislation, and preparing and applying international tax treaties. It is also responsible for organizing tax base transactions (*opérations d'assiette*) and tax liquidation and audit operations on behalf of the State and of local authorities, collecting fiscal and para-fiscal revenues other than port duties, and dealing with the tax base and tax collection litigation.

Certain duties and taxes

General income tax

The base for the general income tax is the net overall income of natural persons. This is a progressive tax with specific rate per earning band.

General income taxes represented revenues of CFAF 260.1 billion, CFAF 314.7 billion and an estimated CFAF 339.5 billion in 2012, 2013 and 2014, respectively, for Côte d'Ivoire.

Tax on industrial and commercial profit

The tax on profits is due on profits generated in Côte d'Ivoire, in particular arising from the exercise of commercial or industrial activities, crafts or forestry, agricultural, mining or oil operations.

The basic rate is 25% for legal entities. The basic rate for companies operating in the telecommunications sector is 30%. A 20% basic rate is applied to natural persons.

However, the amount of the tax may not, subject to certain exceptions, be lower than a minimum amount equal to 0.5% of gross revenues. This minimum collection may not, except in specific cases, be lower than CFAF 3 million or in excess of CFAF 35 million.

Particular rates and collection minima exist for certain areas of activity, notably banks and financial institutions which activities are subject to a 10% tax.

Special provisions are provided for the taxation of the mining and oil sectors.

Taxes on industrial and commercial profit (excluding oil and gas) represented revenues of CFAF 168.8 billion, CFAF 211.0 billion and CFAF 228.9 billion in 2012, 2013 and 2014, respectively, for Côte d'Ivoire.

Value added tax (VAT)

VAT is applied to activities carried out against payment such as deliveries of goods and provisions of services, excluding salaried and farming activities. Imports, operations carried out by developers, real estate agents and similar, specialized transports and deliveries of materials extracted in Côte d'Ivoire are also subject to VAT.

The WAEMU set the basic rate of VAT at between 15% and 20%, with a restricted list of exemptions. However, the member states of the WAEMU sometimes have the option of applying a reduced VAT rate ranging from 5% to 10% for certain operations.

The basic rate applicable in Côte d'Ivoire was reduced by the Finance Act 2003 from 20% to 18% to be applied to gross revenues. A reduced 9% basic rate applies to consumer goods.

VAT represented revenues of CFAF 515.3 billion, CFAF 570.4 billion and CFAF 624.1 billion in 2012, 2013 and 2014, respectively, for Côte d'Ivoire.

The table below presents information on the total tax revenues and the contribution of VAT to total tax revenues from 2008 to 2014:

	2008	2009	2010	2011	2012	2013	2014 (Estimates)
				(CFAF billions)			
Total tax revenues.....	**1,765.0**	**1,795.6**	**1,928.5**	**1,493.1**	**2,213.0**	**2,408.6**	**2,646.0**
of which VAT	391.0	401.1	473.8	286.0	515.3	570.4	624.1
of which DGI	138.0	173.4	178.8	109.4	196.4	228.4	270.8
of which DGD.....	253.0	227.7	295.0	176.6	318.9	342.0	353.3
VAT / tax revenues (%).....	22.2	22.3	24.6	19.2	23.3	23.7	23.7

Source: MPMEF

PUBLIC DEBT

Overview

Public debt is comprised of domestic and external debt and excludes debt of public enterprises and local communities. Public debt amounted to an estimated CFAF 6,170.2 billion at the end of 2014 (including CFAF 3,138.2 billion of external debt) compared to CFAF 5,257.3 billion at the end of 2013 (including CFAF 2,605.4 billion of external debt), CFAF 4,679.6 billion in 2012 (including CFAF 2,393.0 billion of external debt) and CFAF 8,377.1 billion in 2011 (including CFAF 6,264.2 billion of external debt). As of December 31, 2014, estimated outstanding public debt represented 36.3% of nominal GDP, compared to 34.0% in 2013, 33.9% in 2012 and 69.9% in 2011.

The Government stresses that external debt figures in this Prospectus do not take into account the amount of debt eligible under Debt Reduction and Development Contracts (*Contrats de Désendettement et de Développement* ("**C2D**")). C2D-eligible debt is excluded from the stock of external debt in accordance with the new definition of the IMF and the World Bank. The outstanding external debt excluding C2D amounted to an estimated CFAF 3,138.2 billion at the end of 2014. Total debt eligible under C2D amounted to CFAF 1,634.5 billion (9.6% of GDP) at the end of 2014, CFAF 1,440 billion at the end of 2013 and CFAF 1,492 billion at the end of 2012. *See "Bilateral Debt-Debt Reduction and Development Contracts (Contrats de Désendettement et de Développement ("**C2D**"))*".

At the end of 2014, external debt is comprised of bilateral debt (20.8%), multilateral debt (27.2%) and private debt (52.0%). At the end of 2014, debt owed to non-members of the Paris Club represents 55.1% of bilateral debt and debt owed to members of the Paris Club represents 44.9% of bilateral debt, with France representing 74.6% of the debt due to members of the Paris Club. Among the bilateral creditors who are not members of the Paris Club, China is the largest creditor (70.2%). With respect to multilateral debt, the main creditors are the World Bank, the IMF, the AfDB, the Islamic Development Bank and the West African Development Bank which together represent 87.3% of multilateral debt at the end of 2014, with the IMF's share (57.4%) being the largest. With respect to private debt, debt due to holders of the Eurobonds due 2032 and the Eurobonds due 2024 is by far the largest and represents 98.2% of the total stock.

Domestic public debt is comprised of banking sector debt and non-banking sector debt incurred in the WAEMU zone. Banking sector debt is principally borrowed from commercial banks through the BCEAO and the National Investment Bank (*Banque Nationale d'Investissement* ("**BNI**")). Non-banking sector public debt is borrowed from public and private organizations and holders of securities issued by the Government on the regional financial market.

The table below presents the trends in public debt figures between 2009 and 2014:

	2009	2010	2011	2012	2013	2014 (Estimates)
				(CFAF billion)		
Total debt (as % of GDP)	**64.2%**	**63.0%**	**69.9%**	**33.9%**	**34.0%**	**36.3%**
Total debt	**7,364.4**	**7,770.5**	**8,377.1**	**4,679.6[1]**	**5,257.3[1]**	**6,170.2[1]**
Outstanding	6,699.3	7,423.7	7,880.3	4,357.5	4,948.2	5,779.3
Arrears	665.1	346.8	496.8	322.1	309.1	390.8
Debt service due	878.9	993.9	1,317.1	815.3	837.5	1 005.7
Debt service paid	794.9	544.9	234.9	372.3	599.9	1 064.1
Total external debt	**5,861.5**	**5,748.5**	**6,264.2**	**2,393.0[2]**	**2,605.4[2]**	**3,138.2[2]**
Outstanding	5,340.1	5,611.1	6,066.7	2,393.0	2,605.4	3,138.2
Arrears	521.4	137.4	197.5	0.0	0.0	0.0
Debt service due	437.7	449.3	374.4	455.3	95.8	149.8
Debt service paid	392.5	138.9	78.7	112.8	95.8	149.8
Total domestic debt	**1,502.9**	**2,022.0**	**2,112.9**	**2,286.6**	**2,651.9**	**3,031.9**
Outstanding	1,359.2	1,812.6	1,813.6	1,964.5	2,342.8	2,641.1
Arrears	143.7	209.4	299.3	322.1	309.1	390.8
Debt service due	441.2	544.6	942.7	360.0	741.7	855.9
Debt service paid	402.4	406.0	156.2	259.5	504.1	914.3
Nominal GDP (current prices)	**11,464**	**12,325**	**11,977**	**13,805**	**15,460**	**17,021**

(1) Total debt including the C2D-eligible debt amounted to CFAF 6,171.6 billion at the end of 2012, CFAF 6,697.3 billion at the end of 2013 and CFAF 7,804.6 billion at the end of 2014.

(2) Total external debt including the C2D-eligible debt amounted to CFAF 3,885.0 billion at the end of 2012, CFAF 4,045.4 billion at the end of 2013 and CFAF 4,772.7 billion at the end of 2014.

Source: Department of Public Debt (Direction de la Dette Publique)

The debt service due is the sum of principal and interest due, initially recorded in the State's annual budget. The debt service paid corresponds to the sum of settlements made of both principal and interest, for both redemptions due in the current year and arrears paid in the current year.

Public debt management policy

External debt management policy

In March 2009, Côte d'Ivoire was declared eligible for the HIPC initiative following analysis of its level of external indebtedness by the IMF and the World Bank. The vision behind the HIPC initiative was to create a framework in which all creditors, including multilateral creditors, can provide debt relief to the world's poorest and most heavily-indebted countries, and thereby reduce the constraints on economic growth and poverty reduction imposed by their debt-service obligations. In the case of Côte d'Ivoire, the objective was to reduce the country's external debt outstanding as of December 31, 2007 to a sustainable level compatible with Côte d'Ivoire's debt service capacity, in order to allow the country to devote appropriate resources to the reduction of poverty and economic development.

The granting of debt relief under Côte d'Ivoire's HIPC program was conditioned upon the implementation of structural economic reforms and fiscal management policies agreed with the IMF and the World Bank. Côte d'Ivoire was also required to negotiate with its Paris Club and private external creditors a restructuring of their debt claims that would be consistent with the debt sustainability analysis conducted by the World Bank and the IMF. Following satisfactory completion of these requirements, Côte d'Ivoire was admitted to the "completion point" under the HIPC program in June 2012. This achievement allowed Côte d'Ivoire to benefit from CFAF 4,090.0 billion of external debt relief from its multilateral creditors and the Paris Club creditors, after successfully exchanging in April 2010 the Brady bonds held by London Club creditors for new Eurobonds due 2032. The Eurobonds due 2032 have a 23-year term and will mature in 2032. Interest on the outstanding principal amount of

the Eurobonds due 2032 is payable on a semi-annual basis on June 30 and December 31 of each year. The Eurobonds due 2032 are amortizing bonds with principal redemptions being made in 34 semi-annual payments beginning on June 30, 2016, and thereafter on June 30 and December 31 of each year. The Eurobonds due 2032 bear a fixed interest rate as follows: (i) 2.50% from and including December 31, 2009 to but excluding December 31, 2011; (ii) 3.75% from and including December 31, 2011 to but excluding December 31, 2012; and (iii) 5.75% from and including December 31, 2012 to but excluding December 31, 2032. The HIPC debt relief was supplemented by additional relief received from development partners in the context of the Multilateral Debt Relief Initiative ("**MDRI**") as well as by the application of the French C2D program.

On July 23, 2014, Côte d'Ivoire issued the Eurobonds due 2024. The Eurobonds due 2024 have a 10-year term and will mature in 2024. Interest on the outstanding principal amount of the Eurobonds due 2024 is payable on a semi-annual basis on January 23 and July 23 of each year. The maturity by date of the Eurobonds due 2024 is July 23, 2024 and redemption will be in the form of a single bullet redemption. The Eurobonds due 2024 bear a fixed interest rate of 5.375% *per annum*. The issuance of the Eurobonds due 2024 exceeded by US$250 million the non-concessional external debt ceiling authorized by the IMF during its fifth review of the ECF. Following the sixth review of the ECF, the IMF granted Côte d'Ivoire a waiver regarding the breach of this ceiling, acknowledging that the US$250 million provided by the issuance of the Eurobonds due 2024 was intended to achieve certain important objectives, including reducing domestic debt arrears and improving the debt maturity profile.

The proceeds of the Eurobonds due 2024 totaling US$750 million were used as follows:

- US$500 million were included in the 2014 budget and used to finance priority expenses in the education, health, infrastructure and energy sectors to improve the well-being of the population; and

- US$250 million were used, as agreed with the IMF, to settle domestic arrears to help companies' treasury operations (CFAF 70 billion), reimburse securitized debt from SIR (CFAF 30 billion), audited supplier debt from 2010 and prior years (CFAF 10 billion) and reimburse VAT credit (CFAF 10 billion).

However, the IMF considers that the country remains vulnerable to economic shocks and stresses the need for continued control of the level of indebtedness, strong fiscal management and structural reforms. As part of the arrangement with the IMF and the World Bank, Côte d'Ivoire has committed to managing its external public debt according to the following principles: (i) pay in due time external debt obligations to avoid accumulation of arrears, (ii) give priority to concessional sources of financing to meet the funding needs of the Government's investment plans, while ensuring the sustainability of public debt, and (iii) resort to non-concessional financing only exceptionally, within the limits of time and resources set out in a three-year Extended Credit Facility ("**ECF**") agreed with the IMF and in the case of economically profitable projects consistent with maintaining debt sustainability. On November 20, 2014, the ECF was extended for one year.

The proposed issuance of the Notes complies with these principles and was approved by the IMF on November 20, 2014 following the sixth review of the ECF, which raised the non-concessional external debt ceiling, thereby allowing the issuance of the Notes.

As of the date of this Prospectus, Côte d'Ivoire is up-to-date with its payment obligations to its external creditors. In particular, Côte d'Ivoire completed the arrears clearance plan agreed with the holders of the Eurobonds due 2032, with respect to the three interest payments due on December 31, 2010, June 30, 2011 and December 31, 2011 on which it defaulted amid the paralysis of the country's political and economic institutions following the 2010 presidential election. Furthermore, the Government intends to continue its efforts to honor its commitments towards all of its creditors. All debt repayments due in 2014 were made on time, other than delays affecting the payment of a non-material amount of indebtedness under a letter of credit involving an international bank in relation to the financing of the purchase of vehicles from an international supplier, which the Government believes resulted from the fact that a local bank acting as intermediary bank in respect of this transaction did not give effect to its arrangement with the State.

Debt due in January 2015, including the interest coupon amounting to US$20.16 million related to the Eurobonds due 2024, was also paid in full and on time.

Domestic debt management policy

Consistent with the debt management policy applied to external debt in the context of the HIPC program, domestic debt is managed following the principles of preserving the Republic's creditworthiness and ensuring

debt sustainability. The Government sees that repayments are timely and manages the Public Treasury's domestic indebtedness with a view to ensuring that it can be considered by the investors as a safe and profitable investment. To this end, the Government has approached holders of domestic debt arrears to work out mutually acceptable clearance plans.

Thus, in December 2011, the Government agreed with the holders of short-term Treasury bonds, mostly commercial banks from the WAEMU region, a restructuring of outstanding Treasury bonds that had been refinanced by the BCEAO since December 2010. This restructuring included Treasury bonds, which were exchanged for restructured securities with a two-year maturity and a 4.75% annual interest rate and also securities with three-year and five-year maturities and annual interest rates of 5% and 5.25%, respectively, in an aggregate amount of CFAF 608 billion (or 5.1% of GDP). These interest rates were slightly below the market rate at the issuance date and accumulated interest was paid during the restructuring.

In 2013, the Government audited and restructured all domestic debt arrears owed to suppliers that had accrued up until the end of 2010. Out of a total CFAF 356 billion of debt claims, CFAF 152.9 billion was validated in the audit. On this basis, a domestic arrears clearance plan was adopted by the Council of Ministers on November 14, 2013. The Government began implementing this plan with a first payment of CFAF 56.7 billion in 2013. In 2014, CFAF 34 billion in arrears were paid under this plan. The arrears remaining to be paid concern creditors whose claims are greater than CFAF 50 million and who did not accept the settlement plan put forward by the Government. All of the debt claims held by these creditors will be securitized through the issue of debt securities.

Furthermore, to boost the local financial sector, the Government has implemented a reform plan for banks majority-owned by the State. In 2014, With regards to the two private banks which are under close surveillance, one was restructured and taken over by a new private banking group, while the second bank has been the subject of a due diligence process conducted by an international audit firm in connection with its contemplated acquisition by an international banking group. See "*Monetary System–Banking System–Restructuring of the Banking Sector*".

As part of its debt treatment plan with commercial banks and the non-banking sector, Côte d'Ivoire decided to issue bonds on the regional market in two tranches, A and B. Tranche A, totaling CFAF 99.3 billion, was exclusively dedicated to converting domestic arrears into bonds which can be refinanced by the BCEAO. Tranche B helped raise CFAF 174.9 billion in cash. These resources allowed the State to meet its cash needs and honor its debt commitments at the end of 2014 (CFAF 70 billion for Treasury bonds; CFAF 53 billion for interest payments on the Eurobonds due 3032).

Institutional measures: the CNDP and the SDMT

On November 30, 2011, the Government established a National Public Debt Committee (*Comité National de la Dette Publique* ("**CNDP**")) within the Ministry of Economy and Finance to manage the entire public debt portfolio in accordance with international best practices. The CNDP has sole responsibility for the definition and implementation of an integrated debt management strategy covering both domestic and external debt.

The CNDP is responsible for:

- suggesting proposals for national public debt policies and for the management of domestic and foreign public debt, as well as ensure its consistency with the Government's development objectives;
- monitoring compliance with legislation and regulations in matters of public debt and prepare draft texts of such legislation and regulations;
- proposing a strategy for the re-negotiation and restructuring of public debt;
- ensuring the coordination of actions by administrations and organs involved in the indebtedness process and management of public debt;
- ensuring public awareness of national policies and strategies concerning public debt;
- evaluating the carrying out of the public debt policy; and
- carrying out any other mission entrusted to it by the Government.

It ensures that the financing needs of the Government are met within the cost and risk limits fixed by the Government and adopted by the Parliament. Based on this new approach, a project of functional reorganization of debt management departments is being implemented by the Government. In this context, an integrated debt management system integrating front office, middle office and back office structures was adopted on January 2, 2014. A mission led by the Africa Regional Technical Assistance Center (AFRITAC) in support of this reorganizational project stayed in Abidjan from December 8 to December 19, 2014. A new organizational chart was proposed and recommendations were made concerning the implementation agenda. The new public debt management body is expected to be operational by the end of March 2015 at the latest.

On December 23, 2014, the Government adopted a new Medium-Term Debt Strategy (*Stratégie de Gestion de la Dette Moyen Terme* ("**SDMT**")) 2015-2019 in accordance with international standards and on the basis of an update of the debt sustainability analysis ("**DSA**") made in December 2014 by experts from the CNDP. The first SMDT had been adopted in 2013. The major change from the first to the second SMDT was a greater emphasis on recourse to international capital markets with Eurobond issuances and an increase in the share of medium- and long-term instruments on the regional market.

Based on the SDMT 2015-2019, Côte d'Ivoire's public debt remains exposed to a risk of refinancing due to a short weighted average maturity of the stock of public debt. Nevertheless, this risk remains moderate like in 2013. The recourse to instruments with longer-term maturities remains the obvious solution to improve the weighted average maturity of the total portfolio. In addition, the exchange rate risk exposure is relatively low as only 32.6% of total debt is denominated in foreign currencies, of which 30.9% in U.S. Dollars. The Euro is not counted as a foreign currency given its fixed parity with the CFAF. To more efficiently control its indebtedness risks, the Government has decided to implement a new debt management framework, taking into account the IMF and World Bank requirements as well as WAEMU rules.

According to the updated DSA, which takes into account the issue of the Eurobonds due 2024 and the Notes, the risk of over-indebtedness of Côte d'Ivoire remains moderate. This means that all debt indicators are below their respective thresholds with the exception of the net present value of external debt/GDP, which slightly exceeded this threshold but for only a short period. This highlights the importance to control debt risk and costs. However, the different stress tests confirm the vulnerability of Côte d'Ivoire's external debt to shocks in certain macroeconomic indicators, in particular on exports and economic growth, as well as on budgetary revenue. A sustainable position can be maintained via solid macroeconomic policies and prudent debt management. The weakest growth scenario highlights the need to strengthen the business climate to attract further investment, in particular from abroad, and complementary activity in the private sector. Moreover, it is necessary to ensure that public investments are made in financially sound projects and to monitor their effective implementation.

The SDMT assumes a growth of real GDP projected to be at 9.3% on average, and a public investment rate of 8.4% of GDP, in each case for the 2015-2019 period. Gross financing needs are estimated on average at CFAF 1,600 billion for the 2015-2019 period. These needs are expected to be financed through external loans up to 60% on average for the 2015-2019 period, primarily through semi-concessional financing up to 40%, concessional financing up to 20% and issuances on the international market up to 40%. The remaining 40% are expected to be financed through internal resources, 15% of which are expected to be financed through short-term instruments, 45% through medium-term instruments, and the remaining 40% through long-term instruments.

Although this represents a significant financial cost due to the high level of investments, the SDMT 2015-2019 will allow a further reduction of the risks, in particular the risk of refinancing to which public debt remains moderately exposed. As a result of the implementation of the SDMT 2015-2017, the public debt/GDP[1] ratio is forecast to amount to 39.2% at the end of 2019, compared to 36.3%[2] at the end of 2014.

[1] Ratio resulting from available GDP value (DCPE data) as of the elaboration of SDMT in October 2013.
[2] The debt/GDP ratio at the end of 2019 includes all disbursement simulations for the 2015-2019 period, according to the assumptions set by the SDMT.

The table below sets out with respect to domestic financing the implementation of SDMT 2013-2017 at the end of December 2014:

Instruments	Initial allocation 2013, 2014, 2015, 2016, 2017 (SDMT)	Allocation as at end of December 2013	Allocation as at end of December 2014 (Estimates)
Short-term (1 year)	20%	29%	6%
Medium-term (2 to 5 years)	60%	53%	28%
Long-term (7 years and +)	20%	18%	66%
Total	**100%**	**100%**	**100%**

Source: Department of Public Debt (Direction de la Dette Publique)

At the end of 2014, the composition of medium-term and long-term domestic debt issuances (94% of total debt) remained in line with the distribution key initially adopted by the SDMT.

Overall, the Governments considers the results from the SMDT's first year of implementation to be satisfactory given the objectives pursued in the short term. The risk levels of refinancing inherent to the portfolio of total debt in 2012 and 2013 recorded a slight decrease at the end of the 2014 fiscal year, in connection with a debt policy increasingly focused toward medium- and long-term market instruments.

The SDMT 2015-2019, as developed by the CNDP's national experts, was adopted at the Council of Ministers on December 23, 2014. The current version of the SMDT is an update of the previous SDMT, SDMT 2013-2017, without changing its principal guidelines. The main change as compared to the first SDMT is an emphasis on international capital markets, in particular with the Eurobond issuances, and an increase in the share of medium- and long-term instruments from the regional market. The financing distribution keys remain at 60% for external debt and 40% for domestic debt.

Public debt

The table below sets out the debt profile for 2014-2025 on the basis of outstanding debt estimates at the end of 2014, using average annual exchange rates published by the IMF (World Economic Outlook) in September 2014. As a result, they do not take into account the disbursement cash flows in relation to new domestic and external financing, in particular the Notes.

	2014 (Estima-tes)	2015 (Fore-casts)	2016 (Fore-casts)	2017 (Fore-casts)	2018 (Fore-casts)	2019 (Foreca sts)	2020 (Fore-casts)	2021 (Fore-casts)	2022 (Fore-casts)	2023 (Fore-casts)	2024 (Fore-casts)	2025 (Fore-casts)
						(CFAF billions)						
Total.....	6,170.2	5,359.3	4,531.3	3,882.0	3,397.4	2,918.3	2,506.6	2,227.9	1,981.9	1,803.8	1,273.6	1,124.1
External debt.....	3,138.2	3,021.6	2,870.8	2,675.6	2,456.0	2,215.1	2,005.2	1,830.0	1,667.3	1,515.9	1010.6	886.0
Domestic debt.....	3,031.9	2,337.7	1,660.5	1,206.4	941.4	703.2	501.4	397.9	314.6	287.9	263.0	238.1

Source: Department of Public Debt (Direction de la Dette Publique)

The table below sets out the outstanding public debt of Côte d'Ivoire with a remaining time to maturity of less than one year in 2011, 2012, 2013, 2014 and 2015:

	2011	2012	2013	2014 (Estimates)	2015 (Forecasts)
			(CFAF billions)		
External debt	39.94	15.46	0.57	7.4	7.20
Domestic debt	18.96	390.53	455.77	370.89	401.98
Total	58.90	405.99	456.34	378.29	409.18

Source: Department of Public Debt (Direction de la Dette Publique)
This debt, with a remaining maturity of one year or less, represents repayment amounts due during the year.

The weighted average maturity of the total debt portfolio at the end of 2014 was six years; the weighted average maturity of external debt was eight years and that of the domestic debt three years. The average interest rate of the total public debt portfolio stood at 3% at the end of 2014.

The outstanding amount of public debt after cancellation of external debt obtained as a result of achieving the completion point of the HIPC initiative went from CFAF 8,377 billion (69.9% of GDP) in 2011 to CFAF 4,679.6 billion (33.9% of GDP) in 2012. Due to greater public investments (6% of GDP on average over the 2012-2014 period), this amount reached CFAF 5,257.3 billion (34.0%) in 2013, an increase representing a net change of 3.7% of GDP.

Taking into account the Country Policy and Institutional Assessment of the World Bank and the IMF, the debt/GDP ratio remains below the reference level (49%) of the IMF's Debt Sustainability Framework ("**DSF**"). The table below shows relative changes in total public debt:

	2014 (Est.)	2015 (Proj.)	2016 (Fore-casts)	2017 (Fore--casts)	2018 (Fore-casts)	2019 (Fore-casts)	2020 (Fore-casts)	2021 (Fore-casts)	2022 (Fore-casts)	2023 (Fore-casts)	2024 (Fore-casts)	2025 (Fore-casts)
						(CFAF billions)						
Total debt as % of GDP	**36.3%**	**27.9%**	**21.1%**	**16.2%**	**12.8%**	**10.0%**	**7.8%**	**6.3%**	**5.1%**	**4.2%**	**2.7%**	**2.2%**
Total debt	6,170.2	5,359.3	4,531.4	3,882.0	3,397.5	2,918.3	2,506.7	2,228.0	1,982.0	1,803.9	1,273.6	1,124
External debt	3,138.2	3,021.5	2,870.8	2,675.6	2,456.0	2,215.0	2,005.2	1,830.0	1,667.2	1,515.8	1,010.5	885.9
Domestic debt	3,031.9	2,337.7	1,660.5	1,206.4	941.4	703.2	501.4	397.9	314.6	287.9	263.0	238.1
Nominal GDP (Current prices)	**17,021.0**	**19,179.0**	**21,508.7**	**23,925.0**	**26,497.3**	**29,248.1**	**32,214.8**	**35,414.1**	**38,881.0**	**42,577.9**	**46,441.5**	**50,626.6**

Source: Department of Public Debt (Direction de la Dette Publique)

The continuation and the finalization of ongoing investment works in the country require more borrowing in 2015. Furthermore, the significant financings currently being negotiated, such as that related to the project of expanding and modernizing the Abidjan Port Authority, the extension of the electric network, or the planned debt issues on regional and international financial markets, should lead to a significant increase in total outstanding debt. The Government intends to align the pace of the debt's growth with that of the GDP so that changes in the debt ratio would remain under control.

External public debt

External debt is comprised of bilateral debt, multilateral debt and private debt (including commercial debt and international capital markets issues).

At the end of December 2014, the total outstanding amount of external public debt was estimated to be CFAF 3,138.2 billion, a 20.4% increase compared to CFAF 2,605.4 billion in 2013 which, in turn, represented a 8.9% increase compared to CFAF 2,393 billion in 2012. The increase in 2014 was attributable to budgetary assistance from the IMF (CFAF 86.6 billion) and the issuance of the Eurobonds due 2024 resources (US$750 million). The increase in total debt in 2013 was due to new external loans by the State in 2013, in particular IMF budgetary support from the IMF (CFAF 72.4 billion) and China (CFAF 119 billion).

At December 31, 2014, debt service due for external debt, totaling CFAF 176.01 billion was fully repaid.

Estimates of the external public debt position of Côte d'Ivoire as at the end of 2014 are set out in the table below:

	MULTILATERAL			BILATERAL			PRIVATE CREDITORS			TOTAL		
December 2014 (Estimates)	Capital	Interest	**Total**	Capital	Interest	**Total**	Capital	Interest	**Total**	Capital	Interest	**Total**
						(CFAF billions)						
OUTSTANDING AS AT DECEMBER 31, 2013	**766.06**	**0.00**	**766.06**	**576.72**	**0.00**	**576.72**	**1,262.63**	**0.00**	**1,262.63**	**2,605.4**	**0.00**	**2,605.4**
DRAWING	**136.73**	**0.00**	**136.73**	**70.31**	**0.00**	**70.31**	**367.93**	**0.00**	**367.93**	**574.97**	**0.00**	**574.97**
DEBT SERVICE DUE												
Total	22.57	4.48	**27.05**	28.88	15.16	**44.04**	4.22	100.70	**104.91**	55.67	120.34	**176.01**
Arrears	0.00	0.00	**0.00**	0.00	0.00	**0.00**	0.00	26.18	**26.18**	0.00	26.18	**26.18**
Maturities	22.57	4.48	**27.05**	28.88	15.16	**44.04**	4.22	74.52	**78.74**	55.67	94.16	**149.83**
DEBT SERVICE PAID												
Total	22.57	4.48	**27.05**	28.88	15.16	**44.04**	4.22	100.70	**104.92**	55.67	120.34	**176.01**
Arrears	0.00	0.00	**0.00**	0.00	0.00	**0.00**	0.00	26.18	**26.18**	0.00	26.18	**26.18**
Maturities	22.57	4.48	**27.05**	28.88	15.16	**44.04**	4.22	74.52	**78.74**	55.67	94.16	**149.83**
DEBT SERVICE RESTRUCTURED												
Total	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Arrears	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Maturities	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
ARREARS												
Total	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
2012 Arrears	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Maturities	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
OUTSTANDING	854.64	0.0	**854.64**	**650.73**	0.0	**650.73**	1,632.85	0.0	**1,632.85**	3,138.2	0.0	3,138.2
TOTAL DEBT AS AT DECEMBER 31, 2014	**854.64**	**0.00**	854.64	**650.73**	**0.00**	650.73	**1,632.85**	**0.00**	**1,632.85**	**3,138.2**	**0.00**	**3,138.2**

Source: Department of Public Debt (Direction de la Dette Publique)

The table below presents information on the breakdown of total external debt by creditor category as at December 31, 2014:

CREDITORS	TOTAL DEBT (Estimates)	As a % of total debt (Estimates)	As a % of GDP (Estimates)
	(*CFAF billions)*		
TOTAL EXTERNAL DEBT	**3,138.22**	**50.9%**	**18.4%**
COMMERCIAL/PRIVATE	**1,632.85**	**26.5%**	**9.6%**
of which the Eurobonds due 2032	1,235.72	20.0%	7.3%
of which the Eurobonds due 2024	367.93	6.0%	2.2%
Huawei Technologie	29.19	0.5%	0.2%
BILATERAL	**650.73**	**10.5%**	**3.8%**
Bilateral members of the Paris Club	**292.46**	**4.7%**	**1.7%**
France	218.28	3.5%	1.3%
Germany	11.05	0.2%	0.1%
USA	1.48	0.02%	0.0%
Spain	61.65	1%	0.4%
Bilateral non-members of the Paris Club	**358.27**	**5.8%**	**2.1%**
China	251.41	4.1%	1.5%
Others	106.87	1.7%	0.6%
MULTILATERAL	**854.64**	**13.9%**	**5.0%**
IMF	490.23	7.9%	2.9%
BM-IDA	79.25	1.3%	0.5%
BAD/FAD	27.81	0.5%	0.2%
BID	56.53	1%	0.3%
BEI	21.21	0.3%	0.1%
BOAD	91.99	1.5%	0.5%
Others	87.61	1.4%	0.5%
TOTAL DOMESTIC DEBT	**3,031.94**	**49.1%**	**17.8%**
TOTAL PUBLIC DEBT	**6,170.17**	**100.0%**	**36.3%**
Nominal GDP (current prices in CFAF billions)			**17.021.00**

Source: Department of Public Debt (Direction de la Dette Publique)

The table below sets out an estimate of the currency composition of Côte d'Ivoire's total public debt as at December 31, 2014:

Currency	Total Debt in Original Currency (Estimates)	CFA Exchange Rate	Total Debt in CFA (Estimates)	USA Dollars Exchange Rate	Total Debt in US Dollars (Estimates)	Distribution by Currency (% Estimates)
CNY	1.09	79.54	87.00	0.15	0.16	1.4%
EUR	0.57	655.96	374.81	1.23	0.70	6.1%
KWD	0.00	1,735.34	8.62	3.26	0.02	0.1%
SAR	0.09	130.82	12.26	0.25	0.02	0.2%
SDR(1)	0.15	750.58	111.14	1.41	0.21	1.8%
USD	3.58	532.27	1,906.46	1.00	3.58	30.9%
CFAF(2)	3,669.88	1.00	3,669.88	0.00	6.89	59.5%
TOTAL			6,170.17		11.59	100.0%

(1) IDI and UCC 1 each being equal to SDR 1.

(2) CFAF: External debt + Domestic debt.

Source: Department of Public Debt (Direction de la Dette Publique)

The CFAF is the dominant currency in Côte d'Ivoire's debt (59.5% of the total), followed by the U.S. Dollar (30.9%) and the Euro (6.1%). The CFAF is the national currency and all domestic debt (49.1% of the portfolio of public debt) is denominated in CFAF. Furthermore, certain multilateral organizations, in particular the IMF and the West African Development Bank (*Banque Ouest Africaine de Développement*), hold loans denominated in

CFAF. Outstanding debt denominated in Euro includes mainly debt owed to France and to the European Investment Bank (*Banque Européenne d'Investissement*), which together represent 7.6% of total external debt. All outstanding commercial debt is denominated in U.S. Dollars (52% of external debt) and consists in large part of the outstanding Eurobonds due 2032 and Eurobonds due 2024.

Domestic public debt

The amount of domestic debt has been constantly growing since 2002 after the removal of statutory advances by the BCEAO. Indeed, the BCEAO used to grant to each member state of the WAEMU a cash advance as a percentage of the member State's economic weight within the WAEMU. This direct monetary assistance was terminated in 2003, resulting in significant recourse to domestic issuance on the WAEMU market to finance the Government's budget needs. As at the end of 2014, the total amount of domestic debt amounted to CFAF 3,031.9 billion, compared to CFAF 2,651.9 billion in 2013 and CFAF 2,286.6 billion in 2012. This debt is held principally by various investors in Government securities, including banks (CFAF 2,446.1 billion; 80.68%), followed by the BCEAO (CFAF 510.2 billion or 16.83%), commercial banks excluding Government securities (CFAF 46.6 billion or 1.54%) and public organizations and private sector companies (CFAF 29.0 billion or 0.96%). It is denominated in CFAF.

In addition, the Government intends to continue its discussions with the BCEAO with a view to settling its arrears, which amount to approximately CFAF 247.7 billion as described below. Negotiations are ongoing with the BCEAO in order to agree settlement terms. Excluding DTS special allowances for which the maturities are paid on time, the proposed scheme for other types of debts goes as follows:

- rescheduling over 40 years, with a ten-year grace period, arrears related to consolidated statutory overdrafts. The proposed interest rate is 3% and repayments would be semi-annual; and

- rescheduling over 30 years, with a ten-year grace period, the repayment of cash withdrawn from the Bouaké, Man and Korhogo BCEAO branches during the post-election crisis and the payments due to the IMF made by the BCEAO for the account of Côte d'Ivoire. The rate is nil and repayments would be semi-annual.

The table below presents the composition of domestic debt on December 31, 2014:

	Total Domestic Debt (Estimates) *CFAF Billions*	Domestic Debt as a % of Outstanding Total Debt (Estimates)	Total Domestic Debt/GDP (Estimates)
TOTAL DOMESTIC DEBT	**3,031.9**	**100.00%**	**17.79%**
Securities (including banks)	**2,446.1**	**80.68%**	**14.36%**
Treasury bonds (2 years)	380	15.53%	2.23%
OAT (3 to 7 years)[(1)]	990.2	40.48%	5.81%
TPCI (4 to 8 years)[(2)]	801.5	32.77%	4.70%
RCI loans	27.7	1.13%	0.16%
FNI loans	15.9	0.65%	0.09%
Consol. Arr. Securities 12/31/01	2.7	0.11%	0.02%
Securitized debt (including banks)	228.1	9.33%	1.34%
Bank loans	**556.8**	**18.36%**	**3.27%**
BCEAO	510.2	91.63%	2.99%
Commercial banks (direct loans)	46.6	8.37%	0.27%
Others (Public and private enterprises)	**29**	**0.96%**	**0.17%**

(1) *Obligations Assimilables du Trésor* are bonds issued by the BCEAO on behalf of Côte d'Ivoire.

(2) Côte d'Ivoire Public Treasury *(Trésor Public de Côte d'Ivoire)* are securities issued through public offerings.

Source: Department of Public Debt (Direction de la Dette Publique)

The table below presents estimates of the outstanding domestic public debt at the end of December 2014:

	Banking sector			Non-banking sector			TOTAL[(1)]		
	Principal	Interest	TOTAL	Principal	Interest	TOTAL	Principal	Interest	TOTAL
				(CFAF billions)					
1- Debt service due year-end 2014	**751.2**	**114.8**	**865.98**	**369.1**	**66.2**	**435.3**	**1120.3**	**184.7**	**1,305.0**
On arrears at year-end 2013	328.8	47.9	376.7	61.0	11.4	72.4	389.8	59.3	449.1
On maturities 2014 .	422.4	66.8	489.2	308.1	54.8	362.9	730.5	125.4	855.9
2- Debt service paid year-end 2014	**382.1**	**62.6**	**444.7**	**318.1**	**56.2**	**374.3**	**700.3**	**122.5**	**822.8**
On arrears	69.0	5.1	74.1	10.5	1.4	11.9	10.6	1.4	12.0
On maturities 2014 .	382.1	62.6	444.7	307.6	58.6	362.3	689.7	121.1	810.8
3- Debt service restructured year-end 2014	**62.7**	**7.1**	**69.8**	**19.2**	**2.5**	**21.7**	**81.9**	**9.6**	**91.5**
On arrears	22.3	2.9	25.2	18.7	2.3	21.0	41.0	5.3	46.3
On maturities 2014 .	40.3	4.2	44.6	0.6	0.0	0.6	40.9	4.3	45.2
4- Arrears at year-end 2014 (1)-(2)-(3)	**306.4**	**45.0**	**351.4**	**31.8**	**7.6**	**39.4**	**338.1**	**52.6**	**390.7**
Remaining on arrears at year-end 2013 (amount restructured)	306.4	45.0	351.4	31.8	7.6	39.4	338.1	52.6	390.7
Accumulated on maturities 2014	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5- Outstanding at year-end 2014	**1,575.8**	**0.0**	**1,575.8**	**1,065.3**	**0.0**	**1,065.3**	**2,641.1**	**0.0**	**2,641.1**
6-TOTAL AT YEAR-END 2014 (4)+(5)	**1,882.2**	**45.0**	**1,927.2**	**1,097.1**	**7.6**	**1,104.7**	**2,979.3**	**52.6**	**3,031.9**

(1) Does not include roll-over Treasury bonds.

Source: Department of Public Debt (Direction de la Dette Publique)

Relationship with creditors

The HIPC program that Côte d'Ivoire completed between 2009 and 2012 has allowed the normalization of its relations with its various external creditors, including multilateral, bilateral and private creditors.

The table below presents debt relief agreed by external creditors in the context of the HIPC initiative:

	Decision Point					Completion Point		
CREDITORS	**Before 2008**	**2009**	**After 2010**	**2011**	**2012**	**At June 30 2012**	**After 2012**	**TOTAL**
				(*CFAF billions*)				
TOTAL CANCELLATIONS	**637.0**	**358.1**	**62.8**	**65.5**	**27.7**	**4,090.0**	**87.6**	**5,328.6**
of which C2D						**1,486.2**		**1,486.2**
COMMERCIAL	**–**	**274.6**	**–**	**–**	**–**	**–**	**87.6**	**362.2**
London Club/ Eurobond	**–**	**274.6**	**–**	**–**	**–**	**–**	**87.6**	**362.2**
Ex-Brady Securities.....	–	274.6	–	–	–	–	–	274.6
Ex-Sphynx + Standard Bk	–	–	–	–	–	–	87.6	87.6
BILATERAL	**351.4**	**45.6**	**58.1**	**65.5**	**27.7**	**3,143.7**	**–**	**3,691.9**
PARIS CLUB	**351.4**	**45.6**	**58.1**	**59.9**	**27.7**	**3,143.7**	**–**	**3,686.4**
Germany	9.2	1.6	2.4	2.5	1.2	245.6	–	262.4
Spain	15.1	2.0	3.0	3.2	1.6	185.0	–	209.9
United States	96.7	8.1	7.5	7.5	5.1	122.5	–	247.4
Switzerland.....	2.5		–	–	–	8.8	–	11.3
Japan	–	–	–	–	–	133.5	–	133.5
Austria	5.8	1.0	1.4	1.5	0.7	48.3	–	58.8
Belgium	12.8	1.6	2.2	2.2	3.5	131.3	–	153.7
Brazil	–	0.1	0.1	0.1	0.0	4.8	–	5.1
Canada	16.0	2.0	2.7	2.8	1.3	63.4	–	88.3
Italy	20.9	2.2	2.2	2.3	1.1	32.6	–	61.4
Norway	3.2	0.3	0.4	0.5	0.2	13.0	–	17.6
Netherlands	16.0	2.0	2.9	3.0	1.5	60.8	–	86.1
United Kingdom....	24.9	1.2	1.1	1.1	0.4	13.8	–	42.4
OUTSIDE PARIS CLUB	**–**	**–**	**–**	**5.5**	**–**	**–**	**–**	**5.5**
Chinese Government.....	–	–	–	5.5	–	–	–	5.5
MULTILATERAL	**285.6**	**37.9**	**4.7**	**–**	**–**	**946.3**	**–**	**1,274.5**
IMF	–	4.8	4.7	–	–	8.8	–	18.3
BM-IDA	112.7	17.5	–	–	–	797.0	–	927.2
BAD/FAD	172.9	–	–	–	–	127.1	–	300.0
FAD	–	–	–	–	–	*127.1*	–	*127.1*
BEI	–	15.6	–	–	–	2.3	–	17.9
*FIDA	–	–	–	–	–	1.3	–	1.3
*BADEA	–	–	–	–	–	1.6	–	1.6
*BID	–	–	–	–	–	0.6	–	0.6
*BOAD	–	–	–	–	–	4.8	–	4.8
*ECOWAS	–	–	–	–	–	2.8	–	2.8

Source: Department of Public Debt (Direction de la Dette Publique)

Concessional and non-concessional debt

Unlike non-concessional debt, concessional debt is characterized by lower interest rates, longer maturities and relatively long grace periods. Concessional loans typically include a grant element of at least 35%. Côte d'Ivoire prioritizes recourse to concessional loans in the context of the Strategy of Medium-Term Debt Management. See "*Public debt management policy–Institutional measures: the CNDP and the SDMT*". However, the significant financing need, in line with the high level of public investments and the scarcity of concessional financings, have led the Government to turn to non-concessional forms of financing, including bond issuances such as the Eurobonds due 2024. These resources will be used for the financing of development projects provided for in the NDP and the New NDP, including, in particular, the extension of the electric grids well as the extension of the Abidjan port.

The issuance of the Notes on non-concessional terms was taken into account by the SDMT 2015-2019 and authorized in the 2015 budget. The limit on external non-concessional loans has been increased to allow the issuance of the Notes by the IMF following the sixth review of the ECF, completed on November 20, 2014. In order to become an emerging country by 2020, Côte d'Ivoire intends to find the means to finance its development with controlled costs and risks. The reliance on financing by the State should not lead to unlimited borrowing. To this end, the Government intends to use new sources of financing, while complying with the strategic choices recommended by the SDMT.

Multilateral debt

In terms of multilateral debt, the principal creditors are the World Bank, the International Monetary Fund and the African Development Bank Group.

HIPC initiative

Due to its performance under the IMF and World Bank post-conflict assistance programs, Côte d'Ivoire reached the "completion point" of the HIPC initiative in June 2012, after passing the "decision point" in March 2009. Among the conditions satisfied by Côte d'Ivoire were the implementation of a strategy for the reduction of poverty, the maintenance of sound macroeconomic policy, the regular publication of data on public finances and the reform of governance in the cacao sector. Following the "completion point", CFAF 924.1 billion of debt was cancelled by the World Bank and the African Development Bank, through the Multilateral Debt Reduction Initiative, of which CFAF 797 billion by the World Bank alone. The IMF also granted a debt relief of CFAF 8.9 billion to Côte d'Ivoire. In total, reaching the "completion point" has allowed Côte d'Ivoire to benefit from an additional debt relief of CFAF 4,090 billion, including CFAF 1,486.2 billion under the C2D-eligible debt.

IMF

In connection with the admission of Côte d'Ivoire to the "decision point" of the HIPC initiative in March 2009, the IMF approved a three-year agreement for SDR 373.98 million (approximately US$565.7 million) under the Poverty Reduction and Growth Facility (PRGF). This economic program was suspended by the IMF during the 2011 post-election crisis. Following the 2011 post-election crisis, IMF support under the form of a Rapid Credit Facility for a total of SDR 81.3 million (approximately US$125.0 million), was granted to Côte d'Ivoire on July 8, 2011.

Thereafter, on November 4, 2011, the IMF approved a three-year agreement for Côte d'Ivoire under an ECF for a total amount of SDR 390.24 million (approximately US$615.9 million). Côte d'Ivoire was authorized to make drawings from this facility, subject to satisfactory performance, as reviewed by the IMF, under certain criteria defined in the ECF.

Upon the fifth review completed on June 6, 2014, the IMF authorized a third drawing of SDR 48.78 million (about US$74.1 million), bringing the total amount drawn from the ECF to SDR 357.25 million (about US$551.4 million) and accepted that modifications be made to the performance criteria for end of December 2014.

Upon the sixth review completed on November 20, 2014, the ECF was extended for one year. Under this review, the IMF authorized a fourth drawing of SDR 65.04 million (approximately US$94.7 million), bringing Côte d'Ivoire's total amount drawn from the ECF to SDR 422.76 million (approximately US$615.9 million). The IMF also granted a special drawing right over a twelve-month period of SDR 130.08 million (approximately US$189.5 million), including SDR 35.52 million (approximately US$47.4 million) for balance of payment purposes related to the Ebola virus prevention plan. In addition, the IMF granted Côte d'Ivoire a waiver for having exceeding by US$250 million the authorized ceiling for non-concessional external debt at the time of the issuance of the Eurobonds due 2024, and raised the non-concessional external debt ceiling, thereby allowing the issuance of the Notes.

World Bank

In addition to its involvement in the HIPC program alongside the IMF, the World Bank had in place with Côte d'Ivoire a Country Partnership Strategy for 2010-2013 centered around four strategic objectives: (i) reinforcement of governance and institutions, (ii) improvement of the agricultural sector's performance, (iii) strengthening of the

private sector and stabilization of the investment climate, and (iv) renewal of infrastructure and re-establishing basic services. As of the date of this Prospectus, the World Bank's new strategy has not yet been published.

As of December 31, 2014, the total amount of commitments with the World Bank's International Development Agency for the five on-going projects reached US$156,4 million. These projects support reforms to strengthen the economic governance of key sectors, management of public resources, reintegration of ex-combatants and rebuilding of infrastructure.

In Côte d'Ivoire, the World Bank's IFC focuses on the development of financial markets, SMEs, and the agribusiness industry. For example, the IFC concluded a US$40 million loan agreement with the *Société Ivoirienne de Banque* (SIB) in order to develop financing of SMEs, particularly those managed by women, or in the agricultural sector.

Furthermore, the activity of the World Bank's Multilateral Investment Guarantee Agency in Côte d'Ivoire includes a guarantee of US$437 million for the construction and operation of hydrocarbon infrastructure, granted on a capital investment made by SCDM Energie SAS of France and a credit facility made by HSBC.

Since the end of May 2014, Côte d'Ivoire has returned to its status as a lower middle-income country. According to the World Bank definition, a lower middle-income country is a country whose annual GNI per capita was more than US$1,045 but less than US$4,125 as at July 1, 2013. Middle-income countries have a higher quality of life than lower middle-income countries.

African Development Bank

Following the "completion point" of the HIPC initiative in June 2012, the AfDB granted Côte d'Ivoire a debt reduction of CFAF 127 billion in the context of the establishment of MDRI. This reduction brought Côte d'Ivoire's borrowing down from CFAF 153.5 billion to CFAF 26.5 billion. As of December 31, 2014, the total amount of outstanding debt owed to the AfDB was CFAF 27.8 billion.

Since the end of the 2011 post-election crisis, the AfDB has approved five operations, totaling UA 242.2 million (CFAF 182.8 billion). These include: (i) an Emergency Program to Restore Basic Social and Administrative Services (PURSSAB); (ii) an agricultural infrastructure support project in the region of Indénié-Djuan (PAIA-D); (iii) the construction of the toll bridge Henri Konan BEDIE; (iv) the Azito power expansion project; and (v) the CIPREL power expansion project (private sector). These approvals have brought the AfDB's active portfolio to nine projects for a total amount of commitments of nearly UA 194 million (CFAF 146.5 billion). In addition, in 2013 and 2014, two new projects, totaling UA 72 million, were approved by the AfDB Board under the new Country Strategy Paper (CSP) 2013–14. These are the Youth Employability and Insertion Support Program, (ii) the Côte d'Ivoire, Liberia, Sierra Leone and Guinea (CLSG) Interconnection Project and (iii) a project fostering social cohesion.

At the request of the Government, the AfDB has decided to move its headquarters back to Abidjan. The AfDB left Abidjan in 2003 to relocate its headquarters in Tunis due to the political and military crisis that started in 2002. The relocation of the operations of AfDB to Abidjan began in 2013 and was substantially completed in late 2014.

Bilateral Debt

Paris Club

In terms of bilateral debt, debt owed to Paris Club creditor countries is largely dominant. The debt owed to France was estimated to be 74.6% of this Paris Club debt as of December 31, 2014. On June 29, 2012, following admission to the "completion point" under the HIPC initiative, the Paris Club creditors of Côte d'Ivoire (the main creditors being France, the United States, Germany, Spain, the United Kingdom, Italy and Japan) granted a debt cancellation in principal amount equal to US$1.77 billion. Moreover, these creditors undertook to reach an agreement on an additional cancellation of US$4.73 billion on a bilateral basis, representing a total reduction of US$6.5 billion, in order to contribute to restoring the sustainability of Côte d'Ivoire's debt.

In this respect, following bilateral negotiations, certain Paris Club creditors of Côte d'Ivoire agreed on an additional cancellation of CFAF 3,143.7 billion, including CFAF 1,486.2 billion from France under the first C2D, agreed upon in December and covering the 2012-2015 period and CFAF 23.6 billion through debt conversion

agreement with Germany. As of December 31, 2014, the amount of outstanding debt owed to the Paris Club creditors was CFAF 292.46 billion.

Debt Reduction and Development Contracts (*Contrats de Désendettement et de Développement)*

Upon reaching the completion point of the HIPC Initiative, France granted Côte d'Ivoire an additional cancellation of its debt under the terms of Official Development Assistance ("**ODA**"). This cancellation involved the gradual implementation of the C2D program, a process whereby France transfers back to Côte d'Ivoire in the form of aid all of its reimbursements made under conditions defined in the C2Ds. Total C2D-eligible debt was CFAF 1,634.5 billion in 2014 (9.6% of GDP), compared to CFAF 1,440.0 billion in 2013 and CFAF 1,492.0 billion in 2012. This total represents the outstanding principal amount and the amount of interest that will be accrued over the remaining period.

Two C2Ds have already been concluded with France, amounting to CFAF 1,151.2 billion. The first C2D, totaling CFAF 413.25 billion, was signed in December 2012 and will be repaid over the 2012-2015 period. The second C2D, totaling CFAF 737.95 billion, was signed in December 2014 and is to be repaid over the 2016-2020 period. The C2Ds effectively modify the initial structure of the repayment schedule of the cancelled ODA debt. These C2Ds take into account the State's ability to mobilize its resources to meet debt repayments as well as the State's capacity to absorb equivalent subsidies, as part of the implementation of development projects that are mutually agreed upon and monitored by France and Côte d'Ivoire.

Tables showing debt service for concluded C2Ds:

Years	**2012**	**2013**	**2014 (Estimates)**	**2015 (Forecasts)**
		(CFAF billions)		
First C2D debt service	19.7	98.4	147.6	147.6

Years	**2016 (Forecasts)**	**2017 (Forecasts)**	**2018 (Forecasts)**	**2019 (Forecasts)**	**2020 (Forecasts)**
			(CFAF billions)		
Second C2D debt service	147.6	147.6	147.6	147.6	147.6

Source: Department of Public Debt (Direction de la Dette Publique)

Tables showing changes in total debt (principal + interest) eligible for C2Ds (2012-2017):

Years	**2012**	**2013**	**2014 (Estimates)**	**2015 (Forecasts)**	**2016 (Forecasts)**	**2017 (Forecasts)**
			(CFAF billions)			
Total debt	1880.5	1782.1	1634.5	1486.9	1339.3	1191.7
As a % of GDP	13.6%	11.5%	9.6%	7.8%	6.2%	5.0%

Source: Department of Public Debt (Direction de la Dette Publique)

Given the C2D mechanism and the cancellation of this debt by France, maintaining C2D-eligible debt within the total debt classification contributes to a deterioration of Côte d'Ivoire public debt ratios. The C2Ds effectively have no impact on the sustainability of public debt since the net flows of C2D transfers are zero. As a result, total C2D is excluded from total bilateral debt when calculating debt ratios.

China

China is the most significant bilateral creditor outside the members of the Paris Club. At the end of December 2014, the outstanding debt of Côte d'Ivoire to China represented 70.2% of the bilateral debt due to non-members of the Paris Club, or 8% of the total external public debt, as compared to 30.2% and 6.7% in December 2013, respectively. Côte d'Ivoire maintains close economic and financial relations with China. The Government is currently negotiating important development projects with China, in particular through Eximbank of China, following the signature of the financing agreement for the building of the Soubré hydroelectric dam for an amount of US$500 million in January 2013. Construction work for the dam has started and is currently at a 37% completion rate and should be completed by December 2017.

The financing agreements currently being negotiated with China are expected to be assigned to certain Chinese public companies in order to complete the relevant public projects. In particular, these include the Abidjan Port

Authority, in connection with a loan for its expansion and modernization, Côte d'Ivoire Energie, for the financing of the renovation project of Côte d'Ivoire's electrical network, and the National Water Fund (*Fonds National de l'Eau* ("**FNE**")) for the financing of the second phase of the project to supply drinking water to Abidjan from the Bonoua groundwater.

External debt due to commercial/private creditors

At the end of 2014, external debt due to commercial/private creditors amounted to US$3,328.4 million (CFAF 1,632.8 billion), compared to US$2,638.0 million (CFAF 1,262.6 billion) on December 31, 2013. The private debt represented 52% of external debt, compared to 31.2% at the end of 2013. At the end of 2014, the Eurobonds due 2032 and the Eurobonds due 2024 represented 75.7% and 22.5% of external debt, respectively.

In parallel with obtaining debt relief from multilateral and bilateral creditors, Côte d'Ivoire has improved its relations with its external private creditors following its successful restructuring in 2010 and 2012 of debt claims held by ex-London Club creditors. In April 2010, the Brady bonds issued by Côte d'Ivoire on March 31, 1998 were restructured by way of a public exchange offer, in connection with which debt due to ex-London Club creditors was reduced by 20% from a total of approximately US$2,915.18 million to a total of US$2,332.15 million. This new outstanding debt was exchanged for new Eurobonds due 2032, with a maturity of 23 years and a 6-year grace period.

Côte d'Ivoire honored the first coupon on the Eurobonds due 2032 in June 2010. However, Côte d'Ivoire was not able to honor the interest coupons falling due in December 2010, June 2011 and December 2011, totaling approximately US$91.0 million. These interest coupons fell due during the 2011 post-election crisis. In order to force former President Laurent Gbagbo to resign, the international financial community broke off relations with his Government. Côte d'Ivoire was suspended from all operations with the WAEMU banking system (closure of banks and the BCEAO in Côte d'Ivoire). This situation prevented the State from meeting its international commitments, leading to a payment default on these interest coupons.

In November 2012, Côte d'Ivoire agreed an arrears clearance plan providing for full settlement of these three missed interest payments by December 31, 2014. Pursuant to this plan, Côte d'Ivoire made a payment of US$13.4 million to holders of Eurobonds due 2032 in December 2012, with 40% of the balance being due in 2013 and 60% in 2014. The payments due in 2013 and in 2014 were paid on time, thus completing the clearance plan of these arrears.

Also, in November 2012, Côte d'Ivoire successfully restructured the debt claim held by the Sphynx creditors and Standard Bank, for a total amount of US$186.75 million. These creditors were offered new Eurobonds due 2032 in an amount of US$186.75 million, thus increasing the total amount of outstanding Eurobonds due 2032 to US$2,518.90 million.

Payments of the interest coupons on the Eurobonds due 2024 issued in July 2014 began in January 2015 and a total of US$20.16 million (or CFAF 11.5 billion) billion was paid at the end of January 2015. Payment on the next interest coupon is scheduled for July 2015 for the same US dollar amount.

WAEMU Financial Stability Fund

Following a decision by the WAEMU Council of Ministers on May 10, 2012, a Financial Stability Fund (*Fonds de Stabilité Financière* ("**FSF**")) was established to manage the member states' potential payment defaults on their debt issued on financial markets. The financial assistance of the FSF consists exclusively in managing the public debt service issued in the form of Treasury bills and bonds on the regional or international markets.

FSF assistance cannot exceed a period of five years and repayment procedures are determined on a case-by-case basis, subject to significant fund replenishment constraints. The initial endowment of the FSF, which is not yet operational, was CFAF 383 billion.

MONETARY SYSTEM

The Franc Zone and the BCEAO

Côte d'Ivoire has been a member of the Franc zone since its independence in 1960 and a member of the WAEMU since 1962. The BCEAO, headquartered in Dakar, Senegal, is the common central bank for the WAEMU member States.

The Franc zone

The Franc zone is composed of 14 French-speaking countries of sub-Saharan Africa, the Comoros and France. It is the offspring of monetary relations between France and its former African colonies, reflecting the desire of its member nations to maintain an institutional framework of monetary cooperation. Like the Bank of Central African States ("**BEAC**") and the Central Bank of the Comoros, the BCEAO has an operational account on the books of the French Treasury, which guarantees the convertibility of its CFAF. The peg of the CFAF to the French franc was replaced by a peg to the Euro from January 1, 1999, with a fixed exchange rate of 1 Euro = CFAF 655.957. The substitution of the Euro for the French franc did not affect the monetary cooperation mechanism of the CFAF zone.

The monetary cooperation between France and the African countries of the CFAF zone is governed by four fundamental principles: a guarantee by the French Treasury of unlimited convertibility of the three central banks' currency, a fixed peg, free transferability and centralization of currency reserves. In exchange for this convertibility guarantee, the BCEAO and BEAC are required to deposit at least 50% of their currency reserves in an operational account with the French Treasury (this rate is set at 65% for the Central Bank of the Comoros). The management of the operational accounts is formalized by agreements between the French authorities and representatives of the member States of the three central banks. They are operated as current accounts opened at the French Treasury, are remunerated and may, in exceptional circumstances, have a debit balance. The convertibility guarantee comes into play when the operational account is overdrawn. Several preventive measures provided for in the operational account agreement, such as direct debits by the BCEAO from foreign currency cash results other than those deposited on the operational account, the use by member States of their SDR with the IMF, or the exchange of their SDR against cash are put into place to avoid any overdrafts.

The cooperation between France and the CFAF zone is the subject of regular meetings between French and African officials, in particular the bi-annual meeting of the Finance Ministers of the CFAF zone.

The BCEAO

The BCEAO is the common central bank of the eight member States of the WAEMU, which are Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo. The BCEAO is a public international institution with headquarters located in Dakar, Senegal. It is governed by the bylaws annexed to the WAEMU Treaty.

The reform of the institutions of the WAEMU and Central Bank which took place in 2010 strengthened the independence of the BCEAO and established a better division of roles and responsibilities between the different WAEMU and BCEAO entities. These entities are as follows:

- The WAEMU Council of Ministers, in which every member-state of the WAEMU is represented by two ministers, is responsible for implementing the general guidelines and decisions by the Conference of Heads of State and Government (*Conférence des Chefs d'Etat et de Gouvernement*), which is the WAEMU supreme body, and for defining the regulatory environment of the financial and banking system and the WAEMU exchange rate policy. For the latter, it is assisted by an Exchange Rate Committee (*Comité de Change*);

- The Monetary Policy Committee (*Comité de Politique Monétaire*) is responsible for defining monetary policy;

- The Board of Directors is in charge of the management of the issuing institution as an organization.

It is assisted by an Audit Committee;

- The Governor is responsible for the management of the BCEAO and implements the monetary policy defined by the Monetary Policy Committee; and

- The National Credit Committees (*Comités Nationaux de Crédit*) are consultation committees at the member State level, comprised of representatives of the administration and of the principal associations or socio-professional groups. They are in charge of issuing opinions and recommendations on the functioning of the banking system to better manage the concerns of economic actors in the implementation of credit and monetary policy.

As an issuing institution and a monetary authority, the BCEAO maintains a wide range of relationships with banks and financial institutions working with the WAEMU member States. These relationships consist mainly of banking system monitoring operations and distribution/credit control operations. As part of its implementation of monetary policy, the BCEAO manages liquidity on the WAEMU interbank market. Assistance granted to credit institutions includes advances guaranteed by negotiable debt securities.

In addition to issuing the common currency in the member States, which is the exclusive mission of the BCEAO, the BCEAO is in charge of (i) defining and implementing monetary policy, (ii) ensuring the stability of the WAEMU banking and financial system, (iii) promoting, monitoring and safeguarding payment systems, (iv) implementing the WAEMU exchange rate policy, (v) centralizing the WAEMU currency reserves, (vi) accounts keeping for WAEMU member States, and (vii) monitoring banking and financial activity. The principal objective of the BCEAO is to ensure price stability, target inflation and maintain the CFA-Euro peg. The BCEAO also supports the economic policies of WAEMU member States to foster sound and sustainable growth.

Monetary policy tools include setting the main interest rate and a system of mandatory reserves. Their implementation takes into account changes in the internal and external economic and financial environment of the WAEMU zone, in particular the situation of the Euro zone. As a result of the peg of the CFAF to the Euro, the monetary policies of the CFAF zone closely follow those of the European Central Bank. Slight policy differences will normally arise because the BCEAO takes into account its members' economic situations such as inflationary pressures, the outcome of agricultural campaigns, trends in credits to the economy and bank liquidity.

With respect to the monitoring of credit institutions, a community supervisory institution, the Banking Commission (*Commission Bancaire*), was created on April 24, 1990 for the WAEMU. It is chaired by the Governor of the BCEAO and is entrusted with the supervision of the organization and control of the banking system in the WAEMU.

The current regulation of the banking sector is based on several texts, namely the banking law and its implementing provisions, memoranda from the Banking Commission, regulations governing banking and financial activity, prudential regulations and instructions and notices to credit institutions.

The WAEMU is characterized in particular by the adoption of a single foreign exchange policy in all member States in order to ensure the freedom of financial relations within the union. Financial payments and capital movements between the WAEMU and foreign countries, as well as foreign exchange transactions within the WAEMU, can only take place through the BCEAO, the postal administration or a licensed intermediate bank.

Inflation

The table below sets out certain information regarding inflation rates for the periods indicated:

Inflation (Consumer Price Index)	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Côte d'Ivoire – Annual average.....	6.3%	1.0%	1.8%	4.9%	1.3%	2.6%	0.5%
WAEMU – Annual average.....	7.4%	0.4%	1.4%	3.9%	2.4%	1.5%	3.3%

Source: MPMEF, BCEAO

The panel used for the determination of Consumer Price Index includes 684 different products and has not been modified since 2008.

In 2010, the socio-political tensions which occurred after the October 2010 presidential election led to inflationary tensions. In late December 2010, the inflation rate, based on the evolution of consumer price index, reached 5.1% on a year-on-year basis, as compared to 3.6% in late November 2010.

In 2011, inflation was at 4.9% on average. Consumer prices generally increased from the beginning of the year until June 2011 with a peak at 6.4% in April 2011, attributable to the disruptions experienced by distribution channels which resulted in insufficient supply of food products (such as vegetables, local rice, banana, tuber), gas price increases and transportation price increases due to the 2011 post-election crisis. However, due to several measures undertaken by the Government to contain the price increase of foodstuffs, the inflation increase decelerated as from July 2011. Such measures included, among others, the signature of two protocol agreements relating to the moderation of prices through the setting of recommended maximum prices, eliminating additional costs, with a 25% decrease in the price of broken rice and the reduction of sugar prices by distributors by 6% to 10%.

In 2012, inflation was maintained below the WAEMU community target of 3%. Measures were still in place to contain inflationary tensions recorded in 2011, which allowed relative price stability in 2012. In particular, distribution channels to supply markets were improved, following the disruptions experienced in 2011. Moreover, the general recovery of the economy for a large part due to a catch-up effect, did not lead to excessive tensions compared to 2011. Prices increased by 1.3% on average in 2012 as a result of measures adopted to fight against anti-competitive practices and abuses of a dominant position.

In 2013, inflation was at 2.6% on average, driven mainly by the increase in imported products (an increase of 4.3%), while local products saw an increase of 2.3%. Changes in gas tariffs and tuition fees also had an impact on prices. The price of domestic gas, which was previously wholly subsidized, underwent an increase in the context of the Government's efforts to reach a financial equilibrium in the electricity sector. Furthermore, the tuition fees for public universities were increased in order to be able to offer the students a training better suited for employment opportunities.

In 2014, annual average inflation is forecast to be at 0.5% (as compared to the community target of 3%) as a result of the action plan implemented by the Government since 2013 against the high cost of living. This plan significantly lowered the prices of basic products, and accordingly decreased inflation. The measures taken include a better supply of markets supported by an efficient subsistence agricultural sector, due to the results of the implementation of the PNIA and the Government's efforts in ensuring a smooth flow of trade.

The BCEAO forecasts for 2015 and 2016 project inflation along the lines of 2.0% and 3.0% on a year-on-year basis, respectively.

Foreign Reserves

Foreign reserves are centralized within the BCEAO and managed according to a solidarity principle between WAEMU member States, subject to the conditions set out in the operational account agreement.

The table below sets out certain information regarding Côte d'Ivoire's foreign reserves as at December 31, for each of the years indicated, except for 2014 data which is at November 30, 2014:

	December 2011	December 2012	December 2013	November 2014
		(CFAF billions)		
Foreign reserves				
Bills and Currencies	1.8	4.5	3.4	4.1
IMF Reserve	233.4	207.7	192.8	222.2
Other	1,973.2	1,739.2	1,814.1	2,028
Total	2,208.4	1,951.5	2,010.2	2,254

Source: MPMEF, BCEAO

Between 2012 and 2013, Côte d'Ivoire's foreign reserves (excluding assets not distributed by countries, such as gold and reserves deposited with the French Treasury) increased by 3.0%, from CFAF 1,951.5 billion in 2012 to CFAF 2,010.2 billion in 2013, due to an influx of foreign direct investments and improved monitoring of export revenues.

At the end of November 2014, Côte d'Ivoire's international reserves stood at CFAF 2,254.1 billion, compared to CFAF 2,010.2 billion at the end of December 2013, an increase of CFAF 243.9 billion due to the strong performance of export products and inflows of foreign direct investment.

Money Supply

The table below sets out certain information regarding Côte d'Ivoire's money supply, including foreign reserves, as at December 31 for each of the years indicated, except for 2014 data which are as of November 30, 2014:

	2011	2012	2013 (Estimates)	2014 (as of November 30)
		(CFAF billions)		
Net foreign assets	1,812.9	1,555.9	1,558.5	1,543.6
Central bank	1,644.1	1,296.6	1,299.7	1,389.6
Banks	168.9	259.4	258.8	154
Net domestic assets	**2,894.9**	**3,441.5**	**4,137.3**	**4,703.0**
Net credit to the State	**874.1**	**1,133.2**	**1,306.6**	**1,438.3**
Central bank	530.4	631.8	645.6	689.3
Banks	343.7	501.4	661.0	667.3
Including guaranteed obligations	(6.0)	(7.1)	(6.1)	(9.2)
Postal savings bank (*Caisse d'épargne et des chèques postaux*, or CNCE)	0.0	0.0	0.0	0.0
Credit to the economy	**2,053.3**	**2,308.3**	**2,830.7**	**3,264.7**
Seasonal credits	120.8	156.0	186.4	234.6
Other credits (including guaranteed obligations)	1,932.6	2,152.3	2,644.3	3,030.2
Other items (net)	**35.2**	**(86.0)**	**(214.9)**	**(320.8)**
Money supply (M2)	**4,705.2**	**4,911.4**	**5,481.0**	**5,925.8**
Currency outside banks	1,661.7	1,591.4	1,747.7	1,646.9
Deposits	3,009.3	3,251.0	3,679.4	4,212.2
Other deposits	34.2	69.1	53.9	66.7
CNCE	0.0	0.0	0.0	0.0
Change in percentage as at December 31				
Net foreign assets	9.8	5.5	0.2	(1.0)
Net domestic assets	0.0	0.1	20.2	13.7
Net credit to the State	1.6	5.5	15.3	10.1
Central bank	1.0	2.2	2.2	6.8
Banks	0.5	3.4	31.8	1
Credit to the economy	0.1	5.4	22.6	15.3
Money supply	12.5	4.4	9.8	8.1

(1) These figures correspond to figures as of November 30, 2014 which were made available on December 30, 2014.

Source: BCEAO, MPMEF

The monetary situation at the end of December 2013 was marked in particular by an increase in net domestic assets of 20.2%, a consolidation of net foreign assets of 0.2%, resulting in an increase in the money supply of 11.6%, as compared to the end of December 2012. The increase in net foreign assets in 2013 was due to the solid performance of export revenues and the mobilization of foreign aid from financial partners (the World Bank, the AfDB and the AFD). The growth in credits to the economy and net credits to the State was due to the vibrancy of the economic activity, improvements in the business climate and restored confidence in both the economic operators and the banking system.

At the end of November 2014, the monetary situation, as compared to December 2013, was characterized by a decrease in net foreign assets of 1.0% and an increase in net domestic assets of 13.7%, leading to an increase in the money supply of 8.1%. The decrease in net foreign assets was due to significant imports resulting from public and private investments made during the year and lower foreign direct investment inflows compared to 2013. Domestic assets remain on an upward trend due to a better business climate and more dynamic activities.

Exchange Rate

Due to its membership in the WAEMU monetary zone, Côte d'Ivoire applies an exchange regime that is exempt from any restrictions on payments and transfers relating to normal international transactions.

The common currency of the WAEMU is the CFAF, which is pegged to the Euro at a fixed exchange rate of 1 Euro = CFAF 655.957. As a result the US dollar exchange rate will fluctuate in line with Euro: dollar rates. This rate has been fixed and has not changed since the introduction of the Euro. Prior to this, it was fixed to the French franc.

Monetary Policy

During each of its sessions held on June 11, 2012 and March 6, 2013, the BCEAO's Monetary Policy Committee decreased the reference rate by 25 basis points. As a result, the minimum bid interest rate for liquidity injection tender bids and the marginal lending rate changed from 3.25% to 2.75% and from 4.25% to 3.75%, respectively, during this period.

Following its session held on September 4, 2013, the BCEAO's Monetary Policy Committee decided to lower again the BCEAO reference rate by 25 basis points. The reference rate went from 2.75% to 2.50% and the marginal lending rate was fixed at 3.5%, lowered from the previous rate of 3.75%. This initiative sought to encourage the downward trend in bank interest rates for clients and improve financing conditions for the economy.

During its 2014 sessions, the Monetary Policy Committee decided to maintain the BCEAO's reference rates in effect since September 2013 due to favorable monetary conditions characterized by a decrease in interbank market rates and inflation forecasts in line with monetary policy objectives.

Banking System

Banking Environment

Besides the BCEAO, Côte d'Ivoire's banking system as at November 31, 2014 comprised 24 banks and one financial institution.

The banking system is dominated by foreign banks. 18 credit institutions are controlled by foreign banking corporations and the three largest institutions are subsidiaries of foreign banks.

The banking system is relatively segmented. As at September 30, 2014, eight banks had total assets of over CFAF 200 billion each, five banks being medium-sized (total assets of CFAF 100-200 billion) and 11 institutions being small (below CFAF 100 billion). Most foreign banks have solid balance sheets and prudential indicators.

The table below presents information on assets and liabilities of Côte d'Ivoire's banking sector from 2011 to the end of November 2014:

	2011	2012	2013	As of end of November 2014
		(CFAF billions)		
Commercial banks' assets and liabilities, by maturity				
Total liabilities	3,237.7	3,739.5	4,457.2	5,211.7
Total assets	3,918	4,227.7	4,706.2	5,473.8

Source: BCEAO

The table below presents information on the performance of Côte d'Ivoire's banking sector from 2011 to the end of September 2014:

Banking sector performance

	2011	2012	2013	2014 (as of September 30)
Result indicators				
Capital adequacy ratio (%)[1]				
Equity capital/ assets weighted according to risk				
(Core capital/RWA)	9.7	9.4	10.0	11.1
Total skilled human capital / assets weighted by risk	8.9	8.6	9.2	9.8
Asset quality				
Non-performing loans / total loans (%)	17.8	17.9	12.7	12.3
Provisions / gross non-performing loans (%)	67.3	78.9	73.9	73.1

(1) The regulatory capital regulatory ratio is equal to 8%.

Source: BCEAO

	2011	2012	2013	2014 (as of end of June)
Result indicators (half-year indicators)				
Average asset return rate (%)	0.06	1.3	2.0	1.9
Average equity capital return rate (%)	1.05	24.2	34.4	32.7
Net interest margin (%)	6.2	6.9	11.7	7.0
Return rate on Advances (%)	8.3	9.0	15.3	9.0
Deposit Cost (%)	17.8	15.9	13.7	11.9
Revenue Cost (%)	0.0	0.0	0.0	0
General fees on Income (%)	42.6	89.0	0.0	0

Source: BCEAO

Six banks benefit from public financial support, four of which are majority-owned and two of which are minority-owned by the State. Most of these credit institutions are undercapitalized and struggle to comply with current prudential regulations.

The Ivorian banking system situation at the end of November 2014 was characterized by a cash surplus of CFAF 262.1 billion, as compared to CFAF 249 billion at the end of December 2013. The banks' assets increased particularly as regards deposits and loans, against a decrease in customer loans.

Financing of the Economy

The bank-usage rate stood at 20.45% in 2013, as compared to 19.59% in 2011. With regards to the quality of the banks' loan portfolios, the net deterioration rate, defined as the ratio of outstanding debt to credits to the economy, was 3.0% at November 30, 2014, as compared to 3.6% at the end of December 2013 and 3.8% at the end of December 2012. Ivorian banks' portfolio slightly improved from December 2013 to November 2014, in connection with a decrease in gross distressed credits of 10.4% over the period.

The portfolio's gross deterioration rate progressed from 12.5% at the end of December 2013 to 10.7% at the end of November 2014.

According to the IMF report 13/367 and the Government, the main obstacles to greater financial intermediation are in particular:

- the difficulties to register property and land, which inhibits owners from using them as collateral to obtain loans and banks from repossessing them in the event of default;
- a legal system that does not allow fast resolution of trade or credit disputes, which discourages bank credit; and
- a lack of information relating to borrower solvency and the lack of internal credit desks to which banks can resort to make their loan decisions, in particular for small businesses.

An analysis of the structure of loans reported to the BCEAO's risk department revealed that the tertiary sector absorbed 57.9% of loans granted at November 30, 2014 and remains the principal beneficiary of bank financing. The secondary sector ranks second and accounts for 36.8% of bank loans. The primary sector remains the least financed, benefitting from only 5.3% of bank loans. Medium- and long-term loans, which are essential for real estate investments and other investment projects, represented 21.6% and 1.6%, respectively, of global loans.

However, the ratio of loans to the private sector/GDP, which represents an indicator of the depth of the financial system, increased slightly from 16.78% in June 2012 to 16.84% at the end of 2014, according to BCEAO forecasts, reflecting the slight improvement of the business climate and a consolidation of the economic recovery.

Restructuring of the Banking Sector

The 2011 post-election crisis had several negative consequences on the Ivorian banking system. The quality of the banks' loan portfolios deteriorated, in part due to the State's domestic arrears toward the private sector. Chronic weaknesses appeared, in particular in small- and medium-sized banks which failed to comply with banking ratios, particularly the minimum level of share capital, and all equity ratios. The banks which were closely involved with small- and medium-sized businesses or with fragile sectors, such as the transportation sector, were the hardest hit by the crisis.

Côte d'Ivoire's banking sector is insufficiently capitalized and capital requirements in November 2014 stood at 75%. The majority of banks' assets are short-term, and demand deposits represented a significant portion (84.9%) of banking assets in November 2014. In November 2014, medium- and long-term loans represented only 22.1% and 1.9%, respectively, of banking assets.

The table below presents banking violations of prudential regulations from December 31, 2012 until December 31, 2014:

Ratio	Standard	Number of violations at December 31, 2012	Number of violations at December 31, 2013	Number of violations at December 31, 2014
Number of Banks		**23**	**24**	**23**
Core capital (*Fonds Propres Base*, or FPB)	Minimum CFAF 5 billion	8	7	6
Risk coverage ratio	Minimum = 8%	7	3	3
Risk exposure coefficient:	–			
* Limitation of individual risks	Maximum = 75%	10	12	5
* Limitation of large risks	Maximum = 8 x FPE	6	3	2
Liquidity coefficient	Minimum = 75%	7	6	5
Coverage of medium- and long-term liabilities by stable resources	Minimum = 50%	13	4	2
Investments	Max = 25% of minimum share capital	5	4	2
Non-operating assets	Max = 25% des FPB	4	3	3
Assets and investments	Max = 100% des FPE	7	5	2
Loans to directors	Max = 20% des FPE	7	6	4
TOTAL		**74**	**53**	**34**

Source: BCEAO

As of the date hereof, five credit institutions are under close surveillance by the Banking Commission, of which one is under temporary administration, due to their difficulties in complying with prudential regulations. The four other banks may be placed under temporary administration if the Banking Commission considers that they are no longer in a position to satisfy their regulatory obligations alone or if the Banking Commission considers that management can no longer be ensured under normal conditions. Out of these five banks, three are majority-owned by the State and two are private banks.

With regards to the two private banks which are under close surveillance, one was restructured and taken over by a new private banking group, while the second bank has been the subject of a "due diligence" process conducted by an international audit firm, in light of its contemplated acquisition by an international banking group.

In addition, as of the end of September 2014, the Banking Commission took the decision to remove the license of a public sector bank, the BFA, and to order its liquidation. A liquidator was appointed to develop and implement the liquidation plan.

Moreover, one bank from the public sector has a heavily strained financial situation for which protective measures have been demanded by the Banking Commission.

Under an action plan adopted in May 2014, a Commission for the restructuring of banks majority-owned by the State was created by the Prime Minister, the Minister in charge of Economy and Finance, with the task of analyzing the creation of a new efficient public banking unit, capable of accompanying the Government's sectorial policies.

The conclusions of the diagnosis undertaken by the various firms commissioned have resulted in splitting public banks into two groups depending on their financial situation:

- banks with operating profits and able to attract investors; and

- banks with a financial situation that warrant significant restructuring due to negative equity and recurrent structural losses.

The chosen re-sizing strategy prioritizes the necessity of maintaining the public service functions, combined with profitability objectives. Thus, the chosen options comprise privatization, restructuring or recapitalization with an implementation cost over the course of three years estimated at CFAF 70 billion, of which CFAF 25 billion was included in the 2014 budget.

The restructuring plan is centered around the following initiatives: (i) improving the national economy's bank-usage rate, (ii) stabilizing the financial situation of publicly-funded banks, (iii) strengthening the governance of public banks, and (iv) consolidating the supervision of the institutions responsible for monitoring the State's portfolio.

Furthermore, to overcome the difficulties experienced by the banking sector generally, the Government is working on extensive reforms that are expected to allow the financial sector to better respond to the financial needs of the economy, in particular the needs of the housing sector, of small- and medium-sized enterprises and of agriculture.

On April 16, 2014, the Government adopted a financial sector development strategy, developed with the help of the World Bank, which seeks to finance the economic transformation of the country and support its development, by supplying a large range of financial products and services to numerous Ivorian economic actors. This strategy is based upon two pillars: (i) ensuring the stability and expansion of the sector and improving the business environment, and (ii) fighting against corruption and increasing the transparency of financial information and the transparency of the way in which the State intervenes in the financial sector.

The reforms will focus on (i) the role of the State in the financial sector, (ii) the stabilization of the life insurance sector and the development of contractual savings, (iii) access to financial services, (iv) cost of credit, (v) the stabilization of the banking and microfinance sector, (vi) the legal and regulatory framework of the financial sector and (vii) the financing of SMEs, housing and agriculture.

Implementation of Basel II and Basel III

To date, Basel II and Basel III prudential regulations have not yet been implemented in WAEMU member countries. Nevertheless, discussions analyzing the methods of implementing these procedures under the regulatory framework of the WAEMU are ongoing, including in particular a study on the impact of the implementation of new international prudential standards for the WAEMU banking industry.

Microfinance

In addition to the traditional banks, the financing of Côte d'Ivoire's economy is also ensured by microfinance institutions (*institutions de microfinance* ("**MFIs**")). The MFIs seek to meet the needs of the less solvent population.

MFI's total assets amount to CFAF 168.5 billion as of September 30, 2014, as compared to CFAF 144.5 as of September 30, 2013.

The MFIs have multiplied over the past decade, increasing from a single licensed MFI in 1996 to 75 licensed MFIs at the end of 2014. However, the sector benefited from significant support between 1994 and 1999 through subsidies, subsidized loans and technical support, which allowed for its expansion. Following this period, the distribution of authorizations to temporary institutions was not matched by a strengthening of their institutional capacities, which led to a deterioration in their operating conditions, in connection with the low repayment rate of numerous "bad debtor" companies that benefit from microloans.

The MFIs tend to be undercapitalized and often suffer from problems of governance, non-compliance with prudential laws, poor management capabilities, and low-quality information systems. The withdrawal of their license is expected for 22 MFIs.

To address this situation, Côte d'Ivoire has developed a National Strategy for Microfinance (*Stratégie Nationale de la Microfinance* ("**SNM**")) for the 2010-2018 period. The SNM's action plan has a budget of CFAF 61.8 billion over eight years covering three objectives:

- improving the legal, regulatory and institutional environment, for a safer development of the sector;
- developing a viable and sustainable offer for an adapted, diversified and larger range of products and services, particularly in rural regions and regions not covered by increasingly professional MFIs; and
- strengthening the collaboration between MFIs and banks, encouraging the financing of SMEs and integrating the microfinance sector into the financial sector.

The Government intends to pursue its efforts with respect to the restructuring and consolidation of the sector of microfinance. Significant progress has been made regarding the delivery of licenses, the closing of illicit institutions, the control of documents and the implementation of measures and sanctions imposed on MFIs. For instance, the UNACOOPEC-CI, one of two main networks, was placed under temporary administration.

Banking Regulator

The regulation of the banking sector is performed by the Banking Commission. The Banking Commission is responsible for monitoring the organization and control of banks and financial institutions. It meets at least once every quarter. It has a permanent secretariat composed of BCEAO officers, who prepare reports and studies concerning compliance by WAEMU credit institutions with liquidation and sound management rules.

In order to fulfill its responsibilities, the Banking Commission has the following powers: (i) document inspection and on-site visits of banks and financial institutions; (ii) approval of banks and financial institutions operating on the territory of a WAEMU member state; (iii) implementation of administrative measures in case of non-compliance with applicable provisions (warning, injunction, disciplinary measures); and (iv) disciplinary sanctions depending on the seriousness of the violation (warning, reprimand, suspension or ban of some or all operations, limitations on practicing the profession, suspension or resignation of responsible executives, withdrawal of authorization).

Regional Stock Exchange

On December 18, 1996, the eight member States of the WAEMU established the *Bourse Régionale des Valeurs Mobilières* ("**BRVM**"). It is a specialized financial institution headquartered in Abidjan which is responsible for organizing and ensuring the proper execution of securities transactions and proper information of the public in the WAEMU zone.

The BRVM has the following functions: organizing the market, managing the rating and trading of securities, publishing stock prices and stock market information and ensuring the promotion and development of the securities market. The BRMV has a representative from each WAEMU country.

The Regional Council for Public Savings and the Financial Market is the regulatory body of the regional financial market. In 2012, this body strengthened market regulations to safeguard transactions and the interests of market participants.

The BRVM is a an entirely electronic stock exchange. The central site of the stock exchange in Abidjan ensures all of the quotation services, the negotiations and the diffusion of information. The BRVM is composed of a stock market which has a debt securities compartment and an equity securities compartment.

Stock Market

At the date of this Prospectus, 38 companies are listed on the BRVM market, of which 31 are Ivorian companies, two are from Burkina Faso, two are from Senegal and one from each of Benin, Niger and Togo.

To measure the development of the listed companies' stock price, the BRVM has implemented two indices: the BRVM 10 index, grouping the 10 most liquid shares, and the BRVM composite index, regrouping the listed companies.

At the end of December 2014, stock market activity experienced growth, with the BRVM 10 index rising by 8.6% compared to the end of December 2013 to reach 267.5 points, while the composite BRVM reached 258.1 points, reflecting an increase of 11.2% compared to the end of December 2013. Similarly, at the end of December 2014, capitalization also increased by 11.2% compared to the end of December 2013, reaching CFAF 7,458.7 billion. Sonatel SN, a Senegalese company, represented 36.1% of the BRVM's equity market capitalization as of December 31, 2014.

The table below presents the evolution of BRVM 10 and of BRVM composite indices over the past four years.

	2011	**2012**	**2013**	**2014**
BRVM 10	158.5	184.0	246.3	267.5
Variation BVRM 10	(13.4)%	(16.2)%	33.9%	8.6%
BRVM composite	138.9	168.6	232.0	258.1
Variation BRVM composite	(12.7)%	19.9%	39.3%	11.2%

Source: BRVM

Bond market

The BRVM is one of the most dynamic bond markets in Africa with 33 bond issues listed as of December 31, 2014, for a total market capitalization of CFAF 1,139.01 billion.

The 33 bond issues are composed of 13 sovereign borrowings, 11 public and private sector borrowings and nine borrowings by regional and international institutions. The sovereign borrowings are the largest in the market and represent CFAF 465.20 billion, or 40.84% of the global market capitalization of the bond market as of December 31, 2013.

Ongoing Reforms

The WAEMU has adopted a 2014-2021 Strategic Plan for the WAEMU regional financial market centered around four key objectives:

- enhancing the attractiveness of the regional financial market and its contribution to financing WAEMU economies;
- strengthening protections for savings, as well as monitoring market participants;
- improving regional and international institutional integration, and the organization, functioning and financing of all market players; and
- promoting the financial market at the WAEMU level and strengthening inter-African and international cooperation.

The current major reforms aim at ensuring stronger regional integration and increasing significantly the stock market's impact on financing the economy. Since 2013, the BRVM and other ECOWAS stock markets are working to implement a mechanism for cross-transactions with stock markets in Lagos, Nigeria and Accra, Ghana for 2015. Other measures include the organization of an regional analysis and research seminar for brokerage firms (*sociétés de gestion d'intermédiation*) and the signing of an agreement with member States' Chambers of Commerce. The possibility to invest across these three markets should contribute to improving the depth of the WAEMU regional financial market. In addition, the BRVM plans to open a compartment dedicated to SMEs in order to position itself as an alternative to bank financing.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the Terms and Conditions of the Notes which, upon issue, will represent the terms and conditions applicable to all Notes, and, subject to completion and amendment, will be endorsed on each Global Note Certificate in respect of the Notes. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply.

The U.S.$1,000,000,000 6.375% Amortizing Notes due 2028 (the "**Notes**", which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 14 (*Further Issues*) and forming a single series with the Notes) of the Republic of Côte d'Ivoire (the "**Issuer**") are issued subject to and with the benefit of an Agency Agreement to be dated on or about March 3, 2015 (such agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") made between the Issuer, Deutsche Bank AG, London Branch, as fiscal agent and principal paying agent (the "**Fiscal Agent**") and as transfer agent, Deutsche Bank Trust Company Americas as U.S. paying agent, U.S. transfer agent and U.S. registrar (the "**U.S. Registrar**" and, together with Deutsche Bank AG, London Branch, each acting in its capacity as a transfer agent and as a paying agent respectively, the "**Transfer Agents**" and "**Paying Agents**") and Deutsche Bank Luxembourg S.A. as registrar (the "**Luxembourg Registrar**") (the U.S. Registrar and the Luxembourg Registrar each a "**Registrar**", which expression shall be deemed to mean both the Luxembourg Registrar and the U.S. Registrar taken together, as the context so requires) and the other agents named in it (together with the Fiscal Agent, the Registrar, the Transfer Agent and the other Paying Agents, the "**Agents**").

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement. Copies of the Agency Agreement are available for inspection during normal business hours by the Noteholders (as defined below) at the Specified Office (as defined in the Agency Agreement) of each of the Paying Agents. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement applicable to them. References in these Conditions to the Fiscal Agent, the Registrar, the Paying Agents and the Agents shall include any successor appointed under the Agency Agreement.

1. Form, Denomination and Title

1.1 Form and Denomination

The Notes are issued in registered form in denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof, each an "**Authorized Denomination**". A note certificate (each a "**Certificate**") will be issued to each Noteholder in respect of its registered holding of Notes. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Noteholders (the "**Register**") which the Issuer will procure to be kept by the Registrar.

1.2 Title

Title to the Notes passes only by registration in the Register. The holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions, "**Noteholder**", and in relation to a "**Note**", "**holder**" means the person in whose name a Note is registered in the Register (or, in the case of a joint holding, the first named thereof).

2. Transfers of Notes and Issue of Certificates

2.1 Transfers

Subject to Condition 2.4 (*Closed Periods*) and Condition 2.5 (*Regulations*), a Note may be transferred, in whole or in part, by depositing the Certificate issued in respect of that Note, with the form of transfer on the back duly completed and signed, at the Specified Office of the Registrar or any of the Agents together with such evidence as the Registrar or Agent may require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; *provided however that* a Note may not be transferred unless the principal amount of the Notes transferred and (where not all of the Notes

held by a Holder are being transferred) the principal amount of the Notes not transferred, are Authorized Denominations.

2.2 **Delivery of New Certificates**

Each new Certificate to be issued upon transfer or exchange of Notes will, within five business days of receipt by the Registrar or the Transfer Agent of the duly completed form of transfer endorsed on the relevant Certificate, be mailed by uninsured mail at the risk of the holder entitled to the Note to the address specified in the form of transfer. For the purposes of this Condition, "**business day**" shall mean a day on which banks are open for business in the city in which the Specified Office of the Agent with whom a Certificate is deposited in connection with a transfer is located.

Where some but not all of the Notes in respect of which a Certificate is issued are to be transferred a new Certificate in respect of the Notes not so transferred will, within five business days of receipt by the Registrar or the Transfer Agent of the original Certificate, be mailed by uninsured mail at the risk of the holder of the Notes not so transferred to the address of such holder appearing on the Register or as specified in the form of transfer.

2.3 **Formalities Free of Charge**

Any transfer of Notes will be effected without charge by or on behalf of the Issuer, the Registrar, or any Agent but upon payment (or the giving of such indemnity as the Registrar or any Agent may reasonably require) in respect of any stamp duty, tax or other governmental charges which may be levied or imposed in relation to such transfer.

2.4 **Closed Periods**

No Noteholder may require the transfer of a Note to be registered during the period of 15 calendar days ending on the due date for any payment of principal or interest on that Note.

2.5 **Regulations**

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder upon request.

3. **Status**

The Notes constitute direct, unconditional and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and (subject as provided above) rank and will rank *pari passu*, without any preference among themselves, and with all other unsecured and unsubordinated External Indebtedness of the Issuer outstanding from time to time, save only for such obligations as may be preferred by mandatory provisions of applicable law, *provided, however, that* the Issuer shall have no obligation to effect equal or rateable payment(s) at any time with respect to any other External Indebtedness and, in particular, shall have no obligation to pay other External Indebtedness at the same time or as a condition of paying sums due on the Notes and *vice versa*. The full faith and credit of the Issuer is pledged to the due and punctual payment of the Notes.

4. **Negative Pledge**

4.1 **Negative Pledge**

So long as any Note remains outstanding (as defined in the Agency Agreement) the Issuer will not, save for the exceptions set out below in Condition 4.3 (*Exceptions*) create, incur, assume or permit to subsist any Security upon the whole or any part of its present or future assets, undertakings or revenues to secure (i) any of its Public External Indebtedness; (ii) any Guarantees in respect of Public External Indebtedness; or (iii) the Public External Indebtedness of any other person; without at the same time or prior thereto securing the Notes equally and rateably therewith or providing such other arrangement (whether or not comprising Security) as shall be approved by an Extraordinary Resolution of Noteholders or by a Written Resolution (each as defined in the Condition 13.1 (*Meetings of Noteholders*)). For the avoidance of doubt,

any such approval shall not constitute a Reserved Matter (for the purposes of and as defined in the Condition 13.1 (*Meetings of Noteholders*)).

4.2 **Interpretation**

In this Condition:

(a) **"Guarantee"** means any obligation of a person to pay the Indebtedness of another person including, without limitation: an obligation to pay or purchase such Indebtedness; an obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness; an indemnity against the consequences of a default in the payment of such Indebtedness; or any other agreement to be responsible for such Indebtedness;

(b) **"Indebtedness"** means any obligation (whether present or future) for the payment or repayment of money which has been borrowed or raised (including money raised by acceptances and leasing);

(c) **"person"** means any individual, company, corporation, firm, partnership, joint venture, association, organization, trust or other juridical entity, state or agency of a state or other entity, whether or not having a separate legal personality;

(d) **"Public External Indebtedness"** means any Indebtedness (i) expressed or denominated or payable or which, at the option of the relevant creditor may be payable, in any currency other than the lawful currency from time to time of the Republic of C**ô**te d**'**Ivoire, and (ii) which is in the form of, or is represented by, bonds, notes or other securities with a stated maturity of more than one year from the date of issue which are, or are capable of being, quoted, listed or ordinarily purchased or sold on any stock exchange, automated trading system, over the counter or other securities market; and

(e) **"Security"** means any mortgage, pledge, lien, hypothecation, security interest or other charge or encumbrance including, without limitation, anything analogous to the foregoing under the laws of any jurisdiction.

4.3 **Exceptions**

The following exceptions apply to the Issuer's obligations under paragraph 4.1 (Negative Pledge) of this Condition:

(a) any Security upon property to secure Public External Indebtedness of the Issuer or any Guarantee by the Issuer of Public External Indebtedness of any other person incurred for the purpose of financing the acquisition or construction of such property and any renewal and extension of such Security which is limited to the original property covered thereby and which (in either case) secures any renewal or extension of the original secured financing; and

(b) any Security securing Public External Indebtedness of the Issuer or any Guarantee by the Issuer of Public External Indebtedness of any other person incurred for the purpose of financing all or part of the costs of the acquisition, construction or development of a project; provided that (A) the holders of such Public External Indebtedness or Guarantee expressly agree to limit their recourse to the assets and revenues of such project or the proceeds of insurance thereon as the sole source of repayments of such Public External Indebtedness and (B) the property over which such Security is granted consists solely of such assets and revenues.

5. **Interest**

The Notes bear interest on their outstanding principal amount from time to time from and including March 3, 2015 to but excluding the Maturity Date (as defined in Condition 7.1 (*Redemption*)) at the rate of 6.375% per annum, payable semi-annually in arrear on March 3 and September 3 in each year (each an "**Interest Payment Date**") commencing on September 3, 2015.

Each Note will cease to bear interest from and including its due date for redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event, interest will continue to accrue until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Note have been paid; and

(b) seven days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 12 (*Notices*) (except to the extent that there is any subsequent default in payment).

All interest shall be calculated on the basis of a year of 360 days consisting of twelve 30-day months and shall be rounded up to the nearest cent (half a cent being rounded upward).

6. Payments

6.1 Payments in Respect of Notes

Payment of principal and interest will be made by transfer to the registered account of the Noteholder or by a check in US dollars drawn on a bank that processes payments in US dollars mailed to the registered address of the Noteholder if it does not have a registered account. Payment of principal will only be made against presentation and surrender of the relevant Certificate at the Specified Office of any of the Paying Agents. Interest on Notes due on an Interest Payment Date will be paid to the holder shown on the Register at the close of business on the date (the "**record date**") being the fifteenth day before the due date for the payment of interest.

*For so long as the Notes are in global form, the Issuer will make each interest payment to the holders of record of the Notes at the close of business (in the relevant clearing system) on the Clearing System Business Day immediately before the due date for such payment (which date shall constitute the "record date" when the Notes are in global form), where "**Clearing System Business Day**" means a day on which each clearing system for which the Notes in global form is being held is open for business.*

For the purposes of this Condition 6, a Noteholder's "**registered account**" means the US dollar account maintained by or on its behalf with a bank that processes payments in US dollars, details of which appear on the Register at the close of business, in the case of principal, on the second Business Day (as defined below) before the due date for payment and, in the case of interest, on the relevant record date, and a Noteholder's "**registered address**" means its address appearing on the Register at that time.

6.2 Payments Subject to Applicable Laws

Payments in respect of principal and interest on Notes are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*).

6.3 No Commissions

No commissions or expenses shall be charged to the Noteholders in respect of any payments made in accordance with this Condition 6 (*Payments*).

6.4 Payment on Business Days

Where payment is to be made by transfer to a registered account, payment instructions (for value the due date or, if that is not a Business Day, for value the first following day which is a Business Day) will be initiated on the due date for payment or, in the case of a payment of principal, if later, on the Business Day on which the relevant Certificate is surrendered at the Specified Office of an Agent.

Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Business Day, if the Noteholder is late in surrendering its Certificate (if required to do so) or if a check mailed in accordance with this Condition 6 arrives after the due date for payment.

In this Condition 6, "**Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London, New York City and, in the case of presentation of a Certificate, in the place in which the Certificate is presented.

6.5 **Partial Payments**

If the amount of principal or interest which is due on the Notes is not paid in full, the Registrar will annotate the Register with a record of the amount of principal or interest in fact paid.

6.6 **Agents**

The names of the initial Agents and their initial Specified Offices are set out in the Agency Agreement. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents *provided that* there will at all times be:

(a) a Fiscal Agent, a Registrar and a Transfer Agent; and

(b) a Paying Agent in a Member State of the European Union (if any) that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC (as amended from time to time) or any other directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

Notice of any termination or appointment and of any changes in Specified Offices will be given to the

Noteholders promptly by the Issuer in accordance with Condition 12.

In acting under the Agency Agreement and in connection with the Notes, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

7. **Redemption and Purchase**

7.1 **Redemption**

Redemption by Amortization and Final Redemption

Unless previously redeemed, or purchased and cancelled, the Issuer will redeem the Notes in three instalments on each amortization date specified in column A below (each an "**Amortization Date**") at the related amortization amount specified in column B below (each an "**Amortization Amount**") payable as provided in Condition 6 (*Payments*). The outstanding principal amount of the Notes shall be reduced by the Amortization Amount for all purposes with effect from the relevant Amortization Date such that the outstanding aggregate principal amount of the Notes following such reduction shall be as specified in column C below, unless the payment of the relevant Amortization Amount is improperly withheld or refused. In such a case, the relevant principal amount will remain outstanding until whichever is the earlier of (a) the day on which all sums due in respect of such Notes up to that day are received by or on behalf of the relevant Noteholders and (b) the Business Day after the Fiscal Agent has given notice to the Noteholders of receipt of all sums due in respect of all sums due in respect of all Notes up to that Business Day (except to the extent that there is any subsequent default in payment in accordance with these Conditions). The Notes shall be finally redeemed on March 3, 2028 (the "**Maturity Date**") at their final Amortization Amount payable as provided in Condition 6 (*Payments*).

Amortization Date (A)	**Amortization Amount (B)**	**Outstanding Aggregate Principle Amount of the Notes (C)**
Interest Payment Date falling on March 3, 2026.	U.S.$333,000,000	U.S.$667,000,000
Interest Payment Date falling on March 3, 2027.	U.S.$333,000,000	U.S.$334,000,000
Maturity Date.....	U.S.$334,000,000	U.S.$0

In these Conditions, references to "**principal**" shall, unless the context requires otherwise, be deemed to include any Amortization Amount and references to the "**due date**" for payment shall, unless the context requires otherwise, be deemed to include any Amortization Date.

7.2 **Purchase and Cancellation**

The Issuer may at any time purchase Notes in the open market or otherwise and at any price, *provided that* such purchase is made in accordance with the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and any other applicable securities laws. Any Notes so purchased may be cancelled or held and resold (*provided that* any resales in the United States must be in accordance with an effective registration statement or in a transaction exempt from or not subject to the registration requirements of the Securities Act). Any Notes so purchased, while held by or on behalf of the Issuer shall not entitle the holder to vote at any meeting of Noteholders and shall not be deemed to be outstanding for the purposes of such meetings. Any Notes so cancelled will not be reissued.

8. **Taxation**

8.1 **Payment Without Withholding**

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or deduction ("**Additional Amounts**"); except that no Additional Amounts shall be payable in relation to any payment in respect of any Note:

(a) presented for payment by or on behalf of a holder who is liable for the Taxes in respect of the Note by reason of his having some connection with the Relevant Jurisdiction other than the mere holding of the Note; or

(b) presented for payment more than 30 days after the Relevant Date (as defined below), except to the extent that the relevant holder would have been entitled to such Additional Amounts if it had presented such Note for payment on the last day of such period of 30 days assuming, whether or not such is in fact the case, that day to have been a Business Day (as defined in Condition 6 (*Payments*)); or

(c) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC (as amended from time to time) or any other Directive implementing the conclusions of the ECOFIN Council Meeting of 26 27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(d) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a Member State of the European Union; or

(e) where such withholding or deduction is imposed a result of any combination of (a) through (d) above.

8.2 **Interpretation**

In these Conditions:

(a) **"Relevant Date"** means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Fiscal Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 12 (*Notices*); and

(b) **"Relevant Jurisdiction"** means the Republic of C**ô**te d**'**Ivoire or any political subdivision or any authority thereof or therein having power to tax in respect of payments made by it of principal and interest on the Notes.

8.3 **Additional Amounts**

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any Additional Amounts which may be payable under this Condition 8.

9. **Prescription**

Claims in respect of principal and interest will become void unless made within 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date, as defined in Condition 8 (*Taxation*).

10. **Events of Default**

10.1 **Events of Default**

If any of the following events ("**Events of Default**") shall have occurred and be continuing:

(a) **Non-payment**

(i) the Issuer fails to pay any principal on any of the Notes when due and payable and such failure continues for a period of 15 business days; or

(ii) the Issuer fails to pay any interest on any of the Notes or any amount due under Condition 8 (*Taxation*) when due and payable, and such failure continues for a period of 30 days; or

(b) **Breach of Other Obligations**

the Issuer does not perform or comply with any one or more of its other obligations in the Notes or the Agency Agreement, which default is incapable of remedy or is not remedied within 45 days following the service by any Noteholder on the Issuer of notice requiring the same to be remedied; or

(c) **Cross-acceleration**

(i) any other External Indebtedness of the Issuer becomes due and payable prior to stated maturity thereof by reason of default, or

(ii) any such External Indebtedness is not paid at maturity; or

(iii) any Guarantee of such External Indebtedness is not honored when due and called upon, and, in the case of (ii) or (iii), that failure continues beyond any applicable grace period,

provided that the aggregate amount of the relevant External Indebtedness in respect of which one or more of the events mentioned in this paragraph (c) have occurred equals or exceeds U.S.$25,000,000 or its equivalent; or

(d) **Moratorium**

a moratorium on the payment of principal of, or interest on, the External Indebtedness of the Issuer shall be declared by the Issuer; or

(e) **International Monetary Fund Membership**

the Issuer shall cease to be a member of the International Monetary Fund or any successor (whether corporate or not) that performs the functions of, or functions similar thereto (the "**IMF**") or shall cease to be eligible to use the general resources of the IMF; or

(f) **Validity**

(i) the validity of the Notes shall be contested by the Issuer; or

(ii) the Issuer shall deny any of its obligations under the Notes (whether by a general suspension of payments or a moratorium on the payment of debt or otherwise); or

(iii) it shall be or become unlawful for the Issuer to perform or comply with all or any of its obligations set out in the Notes or the Agency Agreement, including, without limitation, the payment of interest on the Notes, as a result of any change in law or regulation in the Republic of Côte d'Ivoire or any ruling of any court in the Republic of Côte d'Ivoire whose decision is final and unappealable or for any reason such obligations cease to be in full force and effect; or

(g) **Consents**

if any authorization, consent of, or filing or registration with, any governmental authority necessary for the performance of any payment obligation of the Issuer under the Notes, when due, ceases to be in full force and effect or remain valid and subsisting, then the holders of at least 25% in aggregate principal amount of the outstanding Notes (as defined in the Agency Agreement) may, by notice in writing to the Issuer (with a copy to the Fiscal Agent), declare all the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without further action or formality. Notice of any such declaration shall promptly be given to all other Noteholders by the Issuer.

If the Issuer receives notice in writing from holders of at least 50% in aggregate principal amount of the outstanding Notes to the effect that the Event of Default or Events of Default giving rise to any above mentioned declaration of acceleration is or are cured following any such declaration and that such holders wish the relevant declaration to be withdrawn, the Issuer shall, give notice thereof to the Noteholders (with a copy to the Fiscal Agent), whereupon the relevant declaration shall be withdrawn and shall have no further effect but without prejudice to any rights or obligations which may have arisen before the Issuer gives such notice (whether pursuant to these Conditions or otherwise). No such withdrawal shall affect any other or any subsequent Event of Default or any right of any Noteholder in relation thereto.

10.2 **Interpretation**

As used herein:

"**External Indebtedness**" means Indebtedness expressed or denominated or payable, or which at the option of the relevant creditor may be payable, in any currency other than the lawful currency from time to time of the Republic of Côte d'Ivoire.

11. **Replacement of Certificates**

If any Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the Specified Office of the Registrar upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence, security and indemnity as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

12. **Notices**

All notices to the Noteholders will be valid if mailed to them at their respective addresses in the Register. Any notice shall be deemed to have been given on the fourth business day after being so mailed. Notices concerning the Notes shall also be published (so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that Exchange so require) in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the Luxembourg Stock Exchange's website (www.bourse.lu).

13. Meetings of Noteholders and Modifications

13.1 Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Conditions or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer and shall be convened by the Issuer upon the request in writing of Noteholders holding not less than 10% of the aggregate principal amount of the Notes for the time being outstanding. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing more than 50% of the aggregate principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons present whatever the aggregate principal amount of the Notes held or represented by him or them, except that at any meeting the business of which includes the modification or abrogation of certain of these Conditions or certain of the provisions of the Agency Agreement (including any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment, to change the currency of payments under the Notes or to change the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution (each, a ("**Reserved Matter**")), the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than 66 2/3%, or at any adjourned meeting not less than one third, of the aggregate principal amount of the Notes for the time being outstanding. An "**Extraordinary Resolution**" means a resolution passed at a meeting duly convened and held in accordance with the provisions of the Agency Agreement by a majority of not less than 75% of the votes cast and will be binding on all Noteholders, whether or not they are present at the meeting.

In addition, the Agency Agreement contains provisions relating to Written Resolutions. A "**Written Resolution**" is a resolution in writing signed by or on behalf of the holders of at least 75% of the aggregate principal amount of the outstanding Notes, in the case of a Reserved Matter, or 66 2/3% of the aggregate principal amount of the outstanding Notes, in the case of a matter other than a Reserved Matter.

Any Written Resolution may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders. Any Written Resolution shall be binding on all of the Noteholders, whether or not signed by them.

13.2 Modifications without the consent of the Noteholders

The Fiscal Agent may agree, without the consent of the Noteholders, to any modification of any of these Conditions or any of the provisions of the Agency Agreement either (i) for the purpose of curing any ambiguity or of curing, correcting or supplementing any manifest or proven error or any other defective provision contained herein or therein or (ii) in any other manner which is, in the sole opinion of the Issuer, not materially prejudicial to the interests of the Noteholders. Any modification shall be binding on the Noteholders and shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 12 (*Notices*).

14. Further Issues

The Issuer may from time to time without the consent of the Noteholders create and issue further notes, having terms and conditions the same as those of the Notes, or the same except for the amount of the first payment of interest, which may be consolidated and form a single series with the outstanding Notes; *provided, however, that unless any further notes are part of the same "issue" for U.S. federal income tax purposes or are issued pursuant to a "qualified reopening" for U.S. federal income tax purposes, such further Notes will have a separate CUSIP, ISIN or Common Code (as applicable) so that they are distinguishable from such Notes.*

15. Governing Law and Submission to Jurisdiction

15.1 Governing Law

The Notes and the arbitration agreement contained in Condition 15.2 (*Arbitration*) including any non-contractual obligations arising from or connected with the Notes are governed by, and shall be construed in accordance with, English law.

15.2 Arbitration

Subject to Condition 15.3 (*Noteholders' Option*) and 15.4 (*English Courts*), the Issuer agrees that any claim, dispute or difference of whatever nature arising under, out of or in connection with the Notes (including a claim, dispute or difference regarding its existence, termination or validity or any non-contractual obligations arising out of or in connection with the Notes) (a "**Dispute**"), shall be referred to and finally settled under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules. The seat or legal place of the arbitration shall be London, England. The language of the arbitration shall be English. Sections 45 and 69 of the Arbitration Act 1996 shall not apply.

15.3 Noteholders' Option

At any time before any Noteholder has nominated an arbitrator to resolve any Dispute or Disputes pursuant to Condition 15.2 (*Arbitration*), the Noteholders, at their sole option, may elect by notice in writing (an "**Election Notice**") to the Issuer that such Dispute(s) shall instead be resolved in the manner set out in Condition 15.4 (English Courts), 15.5 (Appropriate Forum) and 15.6 (*Rights of the Noteholders to take proceedings outside England*).

Following any such election, no arbitral tribunal shall have jurisdiction in respect of such Dispute(s).

15.4 English Courts

In the event that any of the Noteholders serves an Election Notice in respect of any Dispute(s) pursuant to Condition 15.3 (*Noteholders' Option*), the Issuer agrees for the benefit of the Noteholders that Condition 15.2 (*Arbitration*) shall not apply to any such Dispute and that the courts of England shall have exclusive jurisdiction to hear and determine any such Dispute(s) and that the Issuer may not commence proceedings ("**Proceedings**") for the determination of any such Dispute(s) in any other jurisdiction.

15.5 Appropriate forum

For the purposes of Condition 15.4 (*English Courts*), the Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and agrees not to claim that any such court is not a convenient or appropriate forum.

15.6 Rights of the Noteholders to take proceedings outside England

Condition 15.4 (*English Courts*) and 15.5 (*Appropriate Forum*) are for the benefit of the Noteholders only. As a result, following the service of an Election Notice by any of the Noteholders, nothing in this Condition 15 (*Governing Law and Submission to Jurisdiction*) shall (or shall be construed so as to) limit the right of any of the Noteholders to bring Proceedings for the determination of any such Dispute(s) in the courts of England or in any other court of competent jurisdiction, nor shall the bringing of such Proceedings in any one or more jurisdictions preclude the bringing of Proceedings by any other Noteholders in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

15.7 Process Agent

The Issuer confirms and agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to His Excellency Mr. Ambassador of the Republic of Côte d'Ivoire located at 2 Upper Belgrave Street, London SW1X 8BJ, United Kingdom. If such agent ceases to be able to act as a process agent or to have an address in England, the Issuer irrevocably agrees to appoint a new process agent in England as soon as

practicable thereafter. Nothing in this paragraph shall affect the right of any party to serve process in any other manner permitted by law.

15.8 **Consent to Enforcement and Waiver of Immunity**

The Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation but subject as provided in the following paragraph) the making, enforcement or execution against any property whatsoever of any order or judgment which is made or given in such Proceedings.

To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process, including in relation to the enforcement of any arbitration award, and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction (and consents generally for the purposes of the State Immunity Act 1978 to the giving of any relief or the issue of any process in connection with any Proceedings). The Issuer does not hereby waive such immunity from execution or attachment in respect of (a) property, including any bank account, used by a diplomatic or consular mission of the Issuer or its special missions or delegations to international organizations, (b) property of a military character and under the control of a military authority or defence agency of the Issuer or (c) property located in the Republic of Côte d'Ivoire and dedicated to a public or governmental use by the Issuer (as distinct from property which is for the time being in use or intended for use for commercial purposes within the meaning of the State Immunity Act 1978). The Issuer reserves the right to plead sovereign immunity under the US Foreign Sovereign Immunities Act of 1976 with respect to actions brought against it in any court of or in the United States of America under any United States federal or State securities law.

16. **Rights of Third Parties**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

17. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

FORM OF NOTES

Form of Notes

All Notes will be in registered form, without coupons attached. The Notes sold in offshore transactions in reliance on Regulation S will be represented on issue by the Unrestricted Global Note Certificate, which will be deposited with a common depositary outside the United States and registered in the name of a nominee of Euroclear or Clearstream, Luxembourg. Until 40 days after the issue date of the Notes, beneficial interests in the Unrestricted Global Note Certificate may be held only through Euroclear or Clearstream, Luxembourg, unless delivery is made through the related Restricted Global Note Certificate in accordance with the certification requirements described below. The Notes sold to qualified institutional buyers in reliance on Rule 144A will be represented on issue by the Restricted Global Note Certificate, which will be deposited with Deutsche Bank Trust Company Americas acting as custodian of DTC, and registered in the name of a nominee of DTC.

The Notes (including beneficial interests in the Global Note Certificates) will be subject to certain restrictions on transfers, set forth in the Notes and in the relevant Agency Agreement and will bear a legend regarding such restrictions as provided in the "*United States Transfer Restrictions*". Under certain circumstances, transfer may be made only upon receipt by the Registrar of a written certification in the form of Schedule 8 (*Form of Transfer Certificate*) to the relevant Agency Agreement.

Book Entry Ownership of the Global Note Certificates

The Republic has applied to Euroclear and Clearstream, Luxembourg for acceptance in their respective book entry settlement systems of each Unrestricted Global Note Certificate. The Republic has also applied to DTC for acceptance in its book entry settlement system of each Restricted Global Note Certificate.

Principal and interest payments on the Notes will be made by the Republic through the Paying Agents to a nominee of Euroclear and Clearstream, Luxembourg as the holder of the respective Unrestricted Global Note Certificate and to a nominee of DTC as the holder of the respective Restricted Global Note Certificate. All payments duly made by the Republic as aforesaid shall discharge the liability of the Republic under the Notes to the extent of the sum or sums so paid. Therefore, after such payments have been duly made, none of the Republic or any of the Paying Agents will have any direct responsibility or liability for the payment of principal or interest on the Notes to owners of beneficial interests in the respective Global Note Certificate. Payment by DTC Participants (as defined below) (which include certain underwriters, securities brokers and dealers, banks, trust companies and clearing corporations and which may in the future include certain other organizations) and Indirect DTC Participants (as defined below) (which includes banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly) to owners of beneficial interests in the Restricted Global Note Certificate will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in "street name", and will be the responsibility of the DTC Participants or Indirect DTC Participants. None of the Republic or any of the Paying Agents will have any responsibility or liability for any aspect of the records of the DTC relating to payments made by DTC on account of beneficial interests in the Restricted Global Note Certificate or for maintaining, supervising or reviewing any records of DTC relating to such beneficial interests. Substantially similar principles will apply with regard to the Unrestricted Global Note Certificate and payments to owners of interests therein.

Exchange of Interests in Notes

On or prior to the fortieth day after the issue date of the Notes, a beneficial interest in the Unrestricted Global Note Certificate may be held only through Euroclear or Clearstream, Luxembourg, unless delivery is made through the respective Restricted Global Note Certificate in accordance with the certification requirements described in this paragraph.

A holder of a beneficial interest in each Unrestricted Global Note Certificate may transfer such interest within the United States to a person who takes delivery in the form of an interest in the respective Restricted Global Note Certificate in accordance with the rules and operating procedures of DTC, Euroclear and Clearstream and only upon receipt by the Registrar of a written certification in the form of Schedule 8 (*Form of Transfer Certificate*) to the relevant Agency Agreement from the transferors. Where such transfer or exchange is to occur prior to the fortieth day of the issue date of the Unrestricted Global Note Certificate, the certificate shall include a statement that the transfer is being made to a person whom the transferor, and any person acting on its behalf, reasonably

believes is a qualified institutional buyer and that the transaction is being made in reliance on Rule 144A. After the fortieth day of the issue date of the Notes (but not earlier), investors may also hold interests in each Unrestricted Global Note Certificate through organizations other than Euroclear or Clearstream, Luxembourg that are either DTC Participants or Euroclear participants or Clearstream, Luxembourg participants.

Beneficial interests in the Restricted Global Note Certificate may be transferred to a person who takes delivery in the form of an interest in the respective Restricted Global Note Certificate without any written certification from the transferor or the transferee.

Beneficial interests in each Restricted Global Note Certificate may be transferred to a person who takes delivery in the form of an interest in the respective Unrestricted Global Note Certificate only upon receipt by the Registrar of a written certification in the form of Schedule 8 (*Form of Transfer Certificate*) to the Agency Agreement from the transferor to the effect that such transfer is in accordance with the transfer restrictions applicable to the Notes and Rule 903 or 904 of Regulation S or Rule 144A under the Securities Act (if applicable). If such transfer occurs on or prior to the fortieth day after the issue date of the Notes, the interest transferred will be held immediately thereafter through Euroclear or Clearstream, Luxembourg.

Any beneficial interest in one of the Global Note Certificates that is transferred to an entity who takes delivery in the form of an interest in the other respective Global Note Certificate will, upon transfer, cease to be an interest in such Global Note Certificate and become an interest in the other respective Global Note Certificate and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to beneficial interests in such other respective Global Note Certificate for as long as it remains such an interest.

Transfer of interests in Global Note Certificates within DTC, Euroclear and Clearstream, Luxembourg will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some States of the United States require that certain persons receive Individual Note Certificates in respect of their holdings of the Notes. Consequently, the ability to transfer interests in a Global Note Certificate to such persons will be limited. Because DTC, Euroclear and Clearstream, Luxembourg only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Global Note Certificate to pledge such interest to persons or entities which do not participate in the relevant clearing system or otherwise take actions in respect of such interest, may be affected by the lack of an Individual Note Certificate representing such interest.

Subject to compliance with the transfer restrictions applicable to the Notes described above and under "*United States Transfer Restrictions*", cross market transfers between DTC Participants, on the one hand, and Clearstream, Luxembourg or Euroclear participants, on the other, will be effected in the Register.

DTC has advised the Republic that it will take any action permitted to be taken by a holder of the Notes (including, without limitation, the presentation of Global Note Certificates for exchange as described below) only at the direction of one or more participants in whose account with DTC interests in Global Note Certificates are credited, and only in respect of such portion of the aggregate principal amount of the Global Note Certificates as to which such participant or participants has or have given such direction. However, in certain circumstances, DTC will exchange an interest in a Restricted Global Note Certificate for Individual Note Certificates (which will bear the legend set out under "*United States Transfer Restrictions*").

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of interests in Global Note Certificates among participants and account holders of DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Republic, the Registrar nor any Paying Agent will have any responsibility for the performance of DTC, Euroclear and Clearstream, Luxembourg or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their respective operations.

Individual Note Certificates

The Republic will issue the Notes in individual form only if:

(i) (in the case of each Restricted Global Note Certificate only) DTC is unwilling or unable to continue as depositary, is ineligible to act as depositary or ceases to be a "**clearing agency**" registered under the US Securities Exchange Act of 1934, as amended (the "**US Exchange Act**"), and the Republic is unable to

locate a qualified successor within 90 days after (i) DTC notifies the Republic or (ii) the Republic becomes aware of this situation; or

(ii) (in the case of each Unrestricted Global Note Certificate only) Euroclear or Clearstream, Luxembourg is closed for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention to permanently cease business; or

(iii) (in the case of each Unrestricted Global Note Certificate only) the Republic, at its option, elects to terminate the book entry system through Euroclear or Clearstream, Luxembourg; or

(iv) an event of default has occurred and is continuing, upon request of a Noteholder.

Global Depositaries

The information set out below in connection with DTC, Euroclear and Clearstream, Luxembourg (together the "**clearing systems**") is subject to change in or reinterpretation of the rules, regulations and procedures of the clearing systems currently in effect. The information in this section concerning the clearing systems has been obtained from sources that the Republic believes to be reliable, but neither the Republic nor any Joint Lead Manager takes any responsibility for the accuracy of such information. Investors wishing to use the facilities of any of the clearing systems are advised to confirm the applicability of the rules, regulations and procedures of the relevant clearing system. Neither the Republic nor any other party to each relevant Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of interest in the Notes held through the facilities of, any clearing system or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

DTC

DTC has advised the Republic as follows: DTC is a limited purpose trust company organized under the laws of the State of New York, a "**banking organization**" within the meaning of the Banking Law of the State of New York a member of the United States Federal Reserve System, a "**clearing corporation**" within the meaning of the State of New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC was created to hold securities for its participants ("**DTC Participants**") and to facilitate the clearance and settlement of securities transactions between DTC Participants through electronic book entries, thereby eliminating the need for the physical movement of certificates. DTC Participants include securities brokers and dealers, banks, trust companies, clearing corporations and other organizations. Indirect access to the DTC system also is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("**Indirect DTC Participants**"). DTC is owned by a number of its participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Investors who are not DTC Participants may beneficially own securities held by or on behalf of DTC only through DTC Participants.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Republic as follows:

Euroclear and Clearstream, Luxembourg hold securities and book entry interests in securities for participating organizations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg interface with domestic securities markets. Euroclear and Clearstream, Luxembourg participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear and Clearstream, Luxembourg is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

TAXATION

The following discussion summarizes certain US federal income and Côte d'Ivoire tax considerations that may be relevant to a holder of Notes who is not a resident of Côte d'Ivoire. This overview does not describe all of the tax considerations that may be relevant to the holder or such holder's situation, particularly if the holder is subject to special tax rules. The holder should consult its tax adviser about the tax consequences of holding debt securities, including the relevance to such holder's particular situation of the considerations discussed below, as well as of state, local and other tax laws.

The Republic of Côte d'Ivoire Taxation

This section, which has been approved by the *Direction générale des impôts* of the Republic, describes the material Ivorian tax consequences of owning and disposing of the Notes with respect to Ivorian taxes, including in particular under the tax on income from movable capital (*Impôts sur le revenu des capitaux mobiliers*), for investors that are not considered to be residents of the Côte d'Ivoire for tax purposes ("**Non-residents**").

Tax treatment applicable to the Notes

The following section does not purport to address the treatment of Notes with respect to any other Ivorian taxes than tax on income from movable capital.

Ivorian tax on income from movable capital encompasses two schedular taxes, namely (a) the tax on income from transferable securities such as bonds (*Impôt sur le revenu des valeurs mobilières*), and (b) the tax on income from debt claims (*Impôt sur le revenu des créances)*.

Tax on income from transferable securities

Under Article 180 of the Côte d'Ivoire general tax code (*Code Général des Impôts de Côte d'Ivoire*), the tax on income from transferable securities is imposed on interest, arrearages and other amounts payable on bonds (*obligations*) issued by public entities and certain other issuers.

Under Article 218 of the Côte d'Ivoire general tax code, interest, arrearages and other amounts payable by or on behalf of the Republic as well as capital gains with respect to loans raised by the Republic outside the Republic are exempt from the tax on income from movable capital.

Under Article 236 of the Côte d'Ivoire general tax code, payments and redemption premiums on bonds made or paid to holders of bonds that are not established in a member state of the WAEMU are exempt from the tax on income from movable capital.

Tax on income from debt claims

The tax on income from debt claims applies to interest, arrearages and other amounts payable on debt claims of a kind described in Article 192 of the Côte d'Ivoire general tax code. Article 192 does not refer to amounts payable on bonds.

As described above, Article 218 of the Côte d'Ivoire general tax code provides for an exemption of tax on income from movable capital, which includes tax on income from debt claims, on sovereign loans raised outside the Republic.

Taxes withheld at source

Based on the provisions described above, and in particular on Article 218, the Ivorian tax administration has stated in the Ruling that all payments and income (including capital gains) that could be generated by the Notes will be exempt from all and any Ivorian withholding tax applicable to Non-resident bondholders.

US Federal Income Taxation

The following discussion summarizes certain U.S. federal income tax considerations that may be material to a beneficial owner of Securities that is a citizen or resident of the United States, or a domestic corporation or otherwise subject to U.S. federal income tax on a net income basis in respect of the Notes (a "**U.S. Holder**"). This overview does not purport to be a comprehensive description of all of the tax considerations that may be relevant

to a decision to invest in the Notes, including tax considerations that arise from rules of general application to all taxpayers or to certain classes of taxpayers or that are generally assumed to be known by investors. This overview also does not address the tax considerations applicable to (i) persons that may be subject to special treatment under U.S. federal income tax law, such as, banks, insurance companies, thrift institutions, regulated investment companies, real estate investment trusts, tax-exempt organizations, partnerships and partners therein, traders in securities that elect to mark-to-market and dealers in securities or currencies, (ii) persons that hold or will hold Notes as part of a position in a "straddle" or as part of a "hedging," "conversion" or other integrated investment transaction for U.S. federal income tax purposes, (iii) persons whose functional currency is not the U.S. dollar, or (iv) persons that will not hold Notes as capital assets.

This overview is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), Treasury regulations promulgated thereunder, and administrative and judicial interpretations thereof, as of the date hereof, all of which are subject to change, possibly on a retroactive basis. The discussion does not describe any tax consequences arising out of the laws of any state, local or foreign jurisdiction.

Interest Income

Payments of stated interest on a Security (including any Additional Amounts) will generally be taxable to a U.S. Holder as ordinary interest income when such interest is accrued or received, in accordance with the U.S. Holder's regular method of tax accounting. It is expected that the Notes will not be issued with original issue discount ("**OID**") for U.S. federal income tax purposes in excess of a de minimis amount, and this disclosure assumes as much. In general, however, in the event that the Notes are issued with more than de minimis OID, U.S. Holders will be required to accrue OID on a constant-yield method and include such amounts in gross income over the life of the Notes.

Foreign Tax Credits

Interest income (including OID if any) on the Notes will be treated as foreign-source income for U.S. foreign tax credit purposes. A U.S. Holder may be entitled to claim a deduction or a foreign tax credit for any tax withheld against its U.S. federal income tax liability, subject to applicable limitations. U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

Sale, Exchange or Disposition of Notes

A U.S. Holder will generally recognize gain or loss on the sale, exchange or other disposition of the Notes in an amount equal to the difference between the amount the holder realizes on such sale, exchange or other disposition (less any accrued and unpaid interest, which will be taxable as interest income) and the holder's adjusted tax basis in the Notes. A U.S. Holder's adjusted basis in a Note will, in general, equal the U.S. Holder's cost for the Note reduced by any principal payments received on the Note. The gain or loss that the holder recognizes on the sale, exchange or retirement of a Security generally will be capital gain or loss and will be long-term capital gain or loss if the holder has held the Security for more than one year on the date of disposition. Certain non-corporate U.S. Holders (including individuals) may be eligible for preferential rates of taxation on long-term capital gain. The ability of U.S. Holders to offset capital losses against ordinary income is limited.

Backup Withholding and Information Reporting

In general, information reporting requirements will apply to payments in respect of the Notes that are made within the United States unless the U.S. Holder establishes it is an exempt recipient such as a corporation, and backup withholding will apply to such payments if the U.S. Holder fails to establish it is an exempt recipient and fails to provide an accurate taxpayer identification number or is notified by the IRS that it has failed to report all interest and dividends required to be shown on its federal income tax return.

EU Savings Directive

Under Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Directive**"), each Member State of the European Union is required to provide to the tax authorities of another Member State details

of payments of interest or other similar income paid by a person within its jurisdiction to, or secured by such a person for, an individual beneficial owner resident in, or certain limited types of entity established in, that other Member State. However, for a transitional period, Austria (unless during such period it elects otherwise) instead operates a withholding system in relation to such payments. Under such a withholding system, the beneficial owner of the interest payment must be allowed to elect that certain provision of information procedures should be applied instead of withholding. The rate of withholding is 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to exchange of information procedures relating to interest and other similar income. Luxembourg previously operated a similar withholding system to that described above; however, pursuant to Luxembourg law dated November 25, 2014, the Luxembourg government abolished the withholding system in favor of automatic exchange of information with effect from January 1, 2015.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted similar measures to the EU Savings Directive.

On March 14, 2014 the Council of the European Union adopted a directive amending the EU Savings Directive (the "**Amending Directive**") which, when implemented, will broaden the scope of the rules described above. The Member States will have until January 1, 2016 to adopt national legislation necessary to comply with the EU Savings Directive. The changes made under the Amending Directive include extending the scope of the EU Savings Directive to payments made to, or secured for, certain other entities and legal arrangements (including trusts and partnerships), where certain conditions are satisfied. They also broaden the definition of "interest payment" to cover income that is equivalent to interest. Investors who are in any doubt as to their position should consult their professional advisers.

The EU Savings Directive may, however, be repealed in due course in order to avoid overlap with the amended Council Directive 2011/16/EU on administrative cooperation in the field of taxation, pursuant to which Member States will be required to apply other new measures on mandatory automatic exchange of information from January 1, 2016.

If a payment under a Note were to be made by a person in a Member State or another country or territory which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment pursuant to the EU Savings Directive (as amended from time to time) or any law implementing or complying with, or introduced in order to conform to, the EU Savings Directive, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts under the terms of such Note as a result of the imposition of such withholding tax. The Issuer is, however, required to maintain a paying agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the EU Savings Directive or any such law.

The Proposed Financial Transactions Tax

On February 14, 2013 the European Commission published a proposal for a directive for a common financial transactions tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**").

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the current proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and the legality of the proposal is uncertain. Additional EU Member States may decide to participate, although certain other EU Member States have expressed strong objections to the proposal, and/or certain of the participating Member States may decide to withdraw. The FTT proposal may therefore be altered prior to any implementation .

In May 2014, a joint statement by ministers of the participating Member States (excluding Slovenia) proposed "progressive implementation" of the FTT, with the initial form applying the tax only to transactions in shares and

some derivatives. On January 27, 2015, a further joint statement by ministers of the participating Member States (excluding Greece) was released, confirming their decision that the FTT should be based on the principle of the widest possible base and low rates while taking full consideration of the impacts on the real economy and risk of relocation of the financial sector. The statement also reiterated a willingness to create the conditions necessary to implement the FTT on January 1, 2016.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

United Kingdom Provision of Information Requirements

*The comments below are of a general nature and are based on current United Kingdom ("**UK**") tax law, as applied in England and Wales, and published practice of HM Revenue & Customs ("**HMRC**"), the UK tax authorities. Such law may be repealed, revoked or modified (possibly with retrospective effect) and such practice may change, resulting in UK tax consequences different from those discussed below. The comments below deal only with UK rules relating to information that may need to be provided to HMRC in respect of certain payments in connection with the Notes. They do not deal with any other UK tax consequences of acquiring, owning or disposing of the Notes. Each prospective investor should seek advice based on its particular circumstances from an independent tax adviser.*

HMRC has powers to obtain information relating to securities in certain circumstances. This may include details of the beneficial owners of the Notes (or the persons for whom the Notes are held), details of the persons to whom payments derived from the Notes are or may be paid and information and documents in connection with transactions relating to the Notes. Information may be required to be provided by, amongst others, the holders of the Notes, persons by or through whom payments derived from the Notes are made or who receive such payments (or who would be entitled to receive such payments if they were made), persons who effect or are a party to transactions relating to the Notes on behalf of others and certain registrars or administrators. In certain circumstances, the information obtained by HMRC may be exchanged with tax authorities in other countries.

SUBSCRIPTION AND SALE

Each of the Joint Lead Managers has, pursuant to a Subscription Agreement (the "**Subscription Agreement**") to be dated on or about March 2, 2015 severally and not jointly agreed to subscribe or procure subscribers for the principal amount of the Notes at the issue price of 97.955% of the principal amount of Notes. The Issuer will pay the Joint Lead Managers a combined management and underwriting commission of 0.105% of the aggregate principal amount of the Notes.

The Issuer will reimburse the Joint Lead Managers in respect of certain of their expenses, and has agreed to indemnify the Joint Lead Managers against certain liabilities (including liabilities under the Securities Act) incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment of the net subscription money in respect of the Notes to the Issuer. The Joint Lead Managers have agreed, severally but not jointly, to indemnify the Issuer against certain liabilities incurred by the Issuer if that Joint Lead Manager does not comply with certain selling restrictions.

The Joint Lead Managers and their affiliates have, from time to time, engaged in, and may in the future engage in, various commercial dealings in the ordinary course of business with the Issuer. The Joint Lead Managers have received customary fees and commissions for these transactions and services.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Joint Lead Managers have agreed to offer the Notes for resale in the United States initially only to persons they reasonably believe to be qualified institutional buyers in reliance on Rule 144A and outside the United States in offshore transactions in reliance on Regulation S. Terms used in this paragraph have the respective meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the Securities Act.

Each Joint Lead Manager has represented and agreed that neither such Joint Lead Manager nor its affiliates, nor any persons acting on its or their behalf, have engaged or will engage in any directed selling efforts (as defined in Regulation S) with respect to the Notes, and such Joint Lead Manager, its affiliates and any persons acting on its or their behalf have complied and will comply with the offering restrictions requirement of Regulation S.

United Kingdom

Each Joint Lead Manager has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended from time to time, (the "**FSMA**") received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

The Republic of Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, each Joint Lead Manager has represented and agreed that it may not, and will not, offer, sell or deliver any Notes, nor may, or will, distribute copies of this Prospectus or any other document relating to the Notes in the Republic of Italy ("**Italy**") except:

(i) to qualified investors (*investitori qualificati*), as defined in Article 26, paragraph 1, letter (d) of CONSOB Regulation No. 16190 of 29 October 2007, as amended ("**Regulation No. 16190**"), pursuant to Article 100, paragraph 1, letter (a) of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Italian**

Financial Act") and , Article 34-ter, first paragraph, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation No. 11971**"); or

(ii) in any other circumstances where an express exemption from compliance with the restrictions on public offerings applies, including, without limitation, pursuant to Article 100 of the Italian Financial Act and Article 34-*ter* of Regulation No. 11971.

Any such offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in Italy must be in compliance with the selling restriction under (i) or (ii) above and must be effected in accordance with all Italian securities, tax, exchange control and other applicable laws and regulations and, in particular, must be:

(a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the relevant provisions of the Italian Financial Act, Regulation No. 11971, Regulation No. 16190 and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**");

(b) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and

(c) in compliance with any other applicable laws and regulations or requirements that may be imposed from time to time by the Bank of Italy, CONSOB or any other Italian authority.

Any investor purchasing the Notes in the offering is solely responsible for ensuring that any offer, sale, delivery or resale of the Notes it purchased in the offering occurs in compliance with applicable Italian laws and regulations.

This Prospectus, any other document relating to the Notes and the information contained therein are intended only for the use of its recipient and, unless in circumstances which are exempted from the rules governing offers of securities to the public pursuant to Article 100 of the Italian Financial Act and Article 34-*ter* of Regulation No. 11971, are not to be distributed, for any reason, to any third-party located in Italy. No person located in Italy other than the original recipients of this document may rely on it or its contents.

The Republic of Côte d'Ivoire

Each Joint Lead Manager has represented, warranted and agreed that it has not offered or sold, and will not offer or sell, any Notes in Côte d'Ivoire except in compliance with all applicable rules and regulations.

UNITED STATES TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, sale, resale, pledge or other transfer of the Notes.

Each purchaser of the Notes will be deemed to have represented and agreed as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S under the Securities Act are used herein as defined therein):

1. it is not an "**affiliate**" (as defined in Rule 144 under the Securities Act) of the Republic or acting on behalf of the Republic and (A) (i) is a qualified institutional buyer, (ii) is aware that the sale of the Notes to it is being made in reliance on Rule 144A, and (iii) is acquiring such Notes for its own account or the account of a qualified institutional buyer or (B) it is, or at the time the Notes are purchased will be, the beneficial owner of such Notes and is outside the United States (within the meaning of Regulation S);

2. it acknowledges that the Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any jurisdiction and may not be offered or sold within the US except as set forth below;

3. it understands and agrees that if in the future it decides to resell, pledge or otherwise transfer any Notes or any beneficial interests in any Notes other than an Unrestricted Global Note Certificate, such Notes may be resold, pledged or transferred only (A) by an initial investor (i) to the Republic, (ii) to a person whom the seller reasonably believes is a qualified institutional buyer that purchases for its own account or for the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A under the Securities Act, (iii) in an offshore transaction meeting the requirements of Rule 903 or 904 of Regulation S under the Securities Act or (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 under the Securities Act (which may or may not be available) (resales described in sub clauses (i) through (iv) of this clause (A), "**Safe Harbor Resales**"), or (B) by a subsequent investor, in a Safe Harbor Resale or pursuant to any other available exemption from the registration requirements under the Securities Act (*provided that*, as a condition to the registration of transfer of any Notes otherwise than in a Safe Harbor Resale, the Republic or the Fiscal Agent may require delivery of any documents or other evidence (including but not limited to an opinion of counsel) that it, in its sole discretion, may deem necessary or appropriate to evidence compliance with such exemption), and in each of such cases, in accordance with any applicable securities laws of any state of the US and any other jurisdiction;

4. it agrees to, and each subsequent holder is required to, notify any purchaser of the Notes from it of the resale restrictions referred to in clause 3 above, if then applicable;

5. it understands and agrees that (A) Notes initially offered in the US to qualified institutional buyers will be represented on issue by a Restricted Global Note Certificate and (B) that Notes offered outside the US in reliance on Regulation S will be represented on issue by an Unrestricted Global Note Certificate;

6. it understands that the Notes, other than the Unrestricted Global Note Certificate, will bear a legend to the following effect unless otherwise agreed to by the Republic:

   THIS NOTE HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 AS AMENDED (THE "**SECURITIES ACT**"). THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES FOR THE BENEFIT OF THE REPUBLIC OF CÔTE D'IVOIRE (THE "**REPUBLIC**") THAT THIS NOTE MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) BY AN INITIAL INVESTOR (AS DEFINED BELOW)(1) TO THE REPUBLIC, (2) SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**"), TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A) IN ACCORDANCE WITH RULE 144A, (3) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT OR (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION IN ACCORDANCE WITH RULE 144 UNDER THE SECURITIES ACT (WHICH MAY OR MAY NOT BE AVAILABLE) (RESALES DESCRIBED IN SUBCLAUSES(1) THROUGH (4) OF THIS CLAUSE (A), "**SAFE HARBOR RESALES**"), OR (B) BY A SUBSEQUENT INVESTOR, IN A SAFE HARBOR RESALE OR

PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (*PROVIDED THAT*, AS A CONDITION TO THE REGISTRATION OF TRANSFER OF ANY NOTES OTHERWISE THAN IN A SAFE HARBOR RESALE, THE REPUBLIC OR THE TRANSFER AGENT MAY REQUIRE DELIVERY OF ANY DOCUMENTS OR OTHER EVIDENCE (INCLUDING BUT NOT LIMITED TO AN OPINION OF COUNSEL) THAT IT, IN ITS SOLE DISCRETION, MAY DEEM NECESSARY OR APPROPRIATE TO EVIDENCE COMPLIANCE WITH SUCH EXEMPTION), AND IN EACH OF SUCH CASES, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION, AS PROVIDED IN THE AGENCY AGREEMENT. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, REPRESENTS AND AGREES FOR THE BENEFIT OF THE REPUBLIC THAT IT WILL NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE;

FOR ALL PURPOSES OF THIS NOTE, THE TERM "**INITIAL INVESTOR**" MEANS ANY PERSON WHO, IN CONNECTION WITH THE INITIAL DISTRIBUTION OF THIS NOTE, ACQUIRES SUCH NOTE FROM THE REPUBLIC OR ANY JOINT LEAD MANAGER (AS SUCH TERM IS DEFINED IN THE FISCAL AGENCY AGREEMENT) PARTICIPATING IN SUCH DISTRIBUTION OR ANY AFFILIATE OF ANY OF THE FOREGOING;

7. it acknowledges that, prior to any transfer of Notes or of beneficial interests in a Global Note Certificate, the holder of Notes or the holder of beneficial interests in a Global Note Certificate, as the case may be, may be required to provide certifications and other documentation relating to the manner of such transfer and submit such certifications and other documentation as provided in the relevant Agency Agreement; and

8. it acknowledges that the Republic and the Joint Lead Managers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agrees that, if any of such acknowledgments, representations and agreements deemed to have been made by virtue of its purchase of Notes are no longer accurate, it shall promptly notify the Republic, and if it is acquiring any Notes as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

GENERAL INFORMATION

Authorization

The Republic has obtained all necessary consents, approvals and authorizations in Côte d'Ivoire in connection with the issue and performance of the Notes. The issue of the Notes was authorized pursuant to (i) the Finance Law no. 2014-861 dated December 22, 2014 (as published in the Official Journal on December 30, 2014) and (ii) the Presidential Decree no. 2013-802 dated November 21, 2013 (as published in the Official Journal on November 26, 2013) appointing and delegating certain powers to the Minister of Economy and Finance and to the Minister of the Budget.

Listing and Admission to Trading

Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (which is a regulated market for the purposes of Directive 2004/39/EC on Markets in Financial Instruments) and to be listed on the Official List of the Luxembourg Stock Exchange. So long as the Notes remain in global form, Deutsche Bank Luxembourg S.A., acting as listing agent, will act as intermediary between the Luxembourg Stock Exchange and the Issuer and the Noteholders. It is expected that admission of the Notes to trading will be granted on or before March 3, 2015.

The total expenses related to the admission to trading of the Notes are approximately EUR8,010.

Clearing Systems

The Notes have been accepted for clearance through the facilities of DTC, Euroclear and Clearstream, Luxembourg. The relevant trading information is set out below:

Notes sold pursuant to Regulation S:	Common Code —	119651743
	ISIN —	XS1196517434
Notes sold pursuant to Rule 144A:	Common Code —	119766885
	ISIN —	US221625AM84
	CUSIP —	221625AM8

No significant change

Since 31 December 2014, there has been no significant change in the Issuer's gross public debt, foreign trade and balance of payments, foreign exchange reserves, tax and budgetary systems figures, financial position and resources and income and expenditure.

Litigation

The Republic is not, nor has it been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Republic is aware) in the 12 months preceding the date of this Prospectus which may have or have in such period had a significant effect on the financial position of the Republic.

Documents

For the period of 12 months following the date of this Prospectus, copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the specified office of the Paying Agent for the time being in Luxembourg:

(a) the Agency Agreement which includes the forms of the Global Notes; and

(b) the budget of the Republic for the current fiscal year.

In addition, copies of this Prospectus are available on the Luxembourg Stock Exchange's website at www.bourse.lu.

Joint Lead Managers transacting with the Republic

Certain of the Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services to, the Republic and its affiliates in the ordinary course of business.

Yield

On the basis of the issue price of the Notes of 97.955% of their principal amount, the yield on the Notes is 6.625% on an annual basis.

Interested Persons

No person involved in the offering of the Notes has any interest in such offering which is material to such offering.

Contact

The Issuer's contact numbers are +225 20 25 09 80 and +225 20 20 08 70.

ISSUER

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United Kingdom

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London EC2N 2DB
United Kingdom

FISCAL AGENT, PAYING AGENT AND TRANSFER AGENT

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London EC2N 2DB
United Kingdom

LUXEMBOURG REGISTRAR AND LISTING AGENT

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Luxembourg

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