

THE INTERNATIONAL MONETARY FUND AND  
THE INTERNATIONAL DEVELOPMENT ASSOCIATION

COTE D'IVOIRE

**Final Document on the Initiative for Heavily Indebted  
Poor Countries (HIPC)**

Prepared by the Staffs of the Fund and the IDA<sup>1</sup>

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	Page
I. Introduction . . . . .	3
II. Summary of Debt Sustainability Analysis . . . . .	4
III. Côte d'Ivoire's Adjustment Record . . . . .	7
IV. Policy Reform and Conditionality . . . . .	10
A. Financial and Structural Reforms . . . . .	11
B. Intensified Social Policies . . . . .	14
V. Debt Reconciliation and Debt-Management Capacity . . . . .	16
VI. Consultations with Creditors . . . . .	17
VII. Debt Sustainability Targets and Debt Relief . . . . .	17
VIII. Issues for Discussion . . . . .	19
 Text Boxes	
1. Assumptions Used in the Debt Sustainability Analysis . . . . .	5
2. London Club Agreement . . . . .	9

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Text Tables

1.	Key Debt Ratios Under the Baseline Scenario, 1996–2000, and 2016 . . . . .	6
2.	Expenditure for Education and Health, 1996–2000 . . . . .	15
3.	Assistance Needed Under the HIPC Initiative . . . . .	18

Annex Tables

1.	Selected Economic and Financial Indicators, 1994–2000 . . . . .	21
2.	Balance of Payments, 1993–2016 . . . . .	22
3.	Central Government Financial Operations, 1993–2016 . . . . .	25
4.	Key Debt Ratios Under the Baseline Scenario, 1996–2000, 2006, and 2016 . . . . .	28
5.	Selected Structural Reforms, 1997–2000 . . . . .	29
6.	Social Development Performance Indicators, 1997–2000 . . . . .	30
7.	Nominal and Net Present Value (NPV) of External Debt Outstanding, End-1996 and End-1997 . . . . .	32
8.	Scheduled External Debt Service, 1996-2000, 2006, and 2016 . . . . .	33
9.	Assistance, Net Present Value (NPV) of Public Debt Targets, and Burden Sharing . . . . .	34
10.	HIPC Initiative: Status of Early Cases . . . . .	35

## I. INTRODUCTION

1. This document provides a final assessment of Côte d'Ivoire's eligibility for assistance under the Heavily Indebted Poor Countries (HIPC) Initiative. It summarizes the debt sustainability analysis (DSA) discussed in April 1997 by the Executive Boards of the Fund and the International Development Association (IDA); describes the structural and social policy reforms to be pursued by Côte d'Ivoire and monitored under Fund- and IDA-supported programs; and reports on the outcome of the debt reconciliation exercise and on the consultations with Côte d'Ivoire's creditors. The paper also proposes that the Boards of both institutions take decisions on Côte d'Ivoire's eligibility for assistance, its "decision point" and "completion points," debt sustainability targets, and the level of assistance to be provided by the Fund and IDA, contingent upon the commitments of other creditors.

2. The discussions in the Fund and IDA Boards on the preliminary HIPC Initiative document for Côte d'Ivoire<sup>2</sup> took place against the background of guidance provided by Executive Directors in the "Cap Paper for the Preliminary Initiative Documents for Bolivia, Burkina Faso, Côte d'Ivoire, and Uganda," and the paper on the "HIPC Initiative—Guidelines for Implementation."<sup>3</sup> In discussing both guidance papers, Executive Directors acknowledged that the NPV of debt-to-exports ratio may overstate a country's debt-servicing capacity in the case of open economies with a high exports-to-GDP ratio and a heavy fiscal burden of debt service. Therefore, on a case-by-case basis, Directors allowed for some flexibility in assessing country eligibility under the HIPC Initiative by setting the NPV of the debt-to-exports target at the completion point at a level that would aim at ensuring fiscal sustainability. Executive Directors recognized that Côte d'Ivoire would fall into this group of countries, with an NPV of debt-to-exports ratio well below the threshold of 200 percent at the completion point, but meeting the requirements, under the Guidelines for Implementation, of having an exports-to-GDP ratio of at least 40 percent and a government revenue-to-GDP ratio of at least 20 percent.

3. Executive Directors therefore agreed—as a preliminary view—to consider Côte d'Ivoire as eligible under the HIPC Initiative and to set its sustainability target for the NPV of debt-to-exports ratio at a level that would be consistent with an NPV of debt-to-government revenue target of 280 percent. This level was considered necessary to provide Côte d'Ivoire with a credible exit from the rescheduling process. Executive Directors agreed that Côte d'Ivoire could reach the "decision point" under the HIPC Initiative after

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<sup>2</sup>The preliminary document was issued in the Fund as EBS/97/57, 4/2/97, and in the IDA as IDA/SecM97-103, 4/2/97.

<sup>3</sup>"Cap Paper for the Preliminary Initiative Documents for Bolivia, Burkina Faso, Côte d'Ivoire, and Uganda" (EBS/97/59, 4/1/97 and IDA/SecM97-104, 4/2/97), and "HIPC Initiative— Guidelines for Implementation" (EBS/97/75, 4/21/97 and IDA/R97-35, 4/22/97).

agreement was reached on an ambitious new three-year Enhanced Structural Adjustment Facility (ESAF)- and IDA-supported program. Directors attached great importance to the continuation and acceleration of the authorities' adjustment and reform strategy, so as to alleviate the remaining rigidities in the Ivoirien economy and set the stage for strong and durable economic growth. They also agreed that the "completion point" could be set three years following the "decision point," subject to satisfactory implementation of the new program

## II. SUMMARY OF DEBT SUSTAINABILITY ANALYSIS

4. This section describes the major results and underlying key assumptions of the debt sustainability analysis, which was presented in the preliminary HIPC Initiative document for Côte d'Ivoire (EBS/97/57,4/2/97 and IDA/SecM97-103, 4/2/97). Selected economic indicators are provided in Annex Table 1, the main assumptions of the 20-year baseline scenario covering the period 1997–2016 are shown in Box 1, and the long-term balance of payments and fiscal outlook are presented in Annex Tables 2 and 3, respectively.

5. The baseline scenario under the DSA that was elaborated and agreed with the Ivoirien authorities is predicated on continued sound economic and financial policies. The medium- to long-term economic framework is built on the key government objectives of: (a) maintaining macroeconomic stability, including implementation of a prudent fiscal policy aimed at balancing the budget over the medium term and achieving surpluses thereafter; (b) deepening structural reforms that promote private sector development and investment, including foreign direct and portfolio investment, and fostering continuing diversification and transformation of the Ivoirien economy; (c) pursuing an ambitious social development agenda, especially in education and health; and (d) ensuring environmentally sustainable development, including the prudent use of the country's natural resource base. It is expected that the government will gradually phase out its reliance on external budgetary support as a result of stronger fiscal performance, including improved tax administration, and a more effective budgeting process and changes in the budget allocations, which would entail a reallocation of spending to social services, notably in rural health and rural education.

6. Under the baseline scenario, the external current account deficit is projected to narrow from 4½ percent of GDP in 1997 to about 1 percent by 2016, with gross official reserves continuing to recover to more than three months of imports (through 2016). On the fiscal front, an overall balance would be achieved by 2001, followed by small surpluses (some ½–1 percent of GDP) thereafter. As fiscal consolidation continues and private saving increases, the saving-investment balance is expected to improve, and the share of the private sector in total investment would rise. Net external financing from official sources would decline progressively, with reliance on exceptional financial assistance declining sharply after 2000 and virtually ending by 2003. By 2004, more than two-thirds of the financing requirement would be covered by private capital, mainly in the form of direct and portfolio investment.

**Box 1. Assumptions Used in the Debt Sustainability Analysis (DSA)**

- An annual average real GDP growth rate of some 6 percent in 1998–2000 and about 5–5½ percent thereafter, reflecting the buoyancy of the nontraditional export sector and a steady increase in investment.
- An average export volume growth rate of about 5½ percent, assuming a major diversification of the export base. Reflecting the limited potential for efficiency gains and the restricted surface area available for new coffee and cocoa plantings so as to avoid further deforestation, the growth rate of cocoa exports is expected to decline progressively from 5 percent in 1999 to some 2 percent by 2016, and that of coffee exports from 4½ percent to less than 3 percent. Export performance would thus increasingly rely on the sustained development of manufactured goods, textiles, and agro-industries. A major impetus for this development is expected to come from the ongoing structural reforms and the maintenance of the competitiveness gains of the Ivoirien economy that resulted from the devaluation. Oil exports that came on stream in mid-1995 would continue to increase over the medium term and stabilize thereafter.
- Income elasticity of imports is projected to remain slightly above 1.
- Gross domestic investment is projected to increase from 14 percent of GDP in 1996 to about 19 percent in 2000 and more than 21 percent in 2009, driven by a significant increase in private domestic and foreign investment, reflecting the recovery of private sector confidence in the Ivoirien economy, and a modest rise in public investment.
- The ratio of government revenue to GDP is projected to stabilize at 21 percent between 2000 and 2016, down from above 22 percent in 1996; the one percentage point drop in the early years of the projection period reflects the progressive reduction of the authorities' reliance on export taxes.
- The terms of trade are projected to improve slightly between 1998 and 2002, and stabilize thereafter.
- Net private capital inflows are expected to average close to 1 percent of GDP.
- New external financing is expected to be highly concessional and contracted mainly from multilateral institutions. Gross disbursements of program assistance are expected to decline sharply after 2000 and be virtually phased out by 2003, but project loans to Côte d'Ivoire would continue to increase moderately throughout the projection period.
- A hypothetical Paris Club stock-of-debt operation under Naples terms involving a 67 percent NPV reduction and implementation of the debt-restructuring agreement with commercial bank creditors in early 1998.
- Restructuring of debt and arrears vis-à-vis commercial banks, involving a net present value reduction of 77 percent.

7. Reflecting the assumed strong macroeconomic and fiscal performance, the buoyant export activity, and continued reliance on highly concessional financing over the medium term, the key debt ratios are expected to fall over the medium to long term, even though significant relief for the budget from debt-service payments would not occur until well after 2000. The ratio of the NPV of public debt-to-exports (after a stock-of-debt operation under Naples terms with Paris Club creditors and implementation of the London Club debt-reduction agreement) would drop from 306 percent in 1997 to 148 percent in 2000—the year preceding the possible completion point—and it would continue to fall to 90 percent by 2006 and 35 percent by 2016 (Table 1 and Annex Table 4).<sup>4</sup> The ratio of public external debt service to exports of goods and nonfactor services (after debt relief) would drop steadily from 21 percent in 1997 to 13 percent in 2000, 9 percent in 2006, and 5½ percent by 2016.

**Table 1. Côte d'Ivoire: Key Debt Ratios Under the Baseline Scenario, 1996–2000, and 2016 1/**

(In percent)

	1996	1997	1998	1999	2000	2016
NPV external debt/3-year average exports						
Public	353.2	306.1	171.0	156.7	147.5	35.2
Private	78.3	77.4	75.8	74.8	73.7	63.0
Total	431.5	383.5	246.8	231.5	221.2	98.2
Debt service/Exports						
Public	25.0	20.8	20.2	14.1	12.7	5.5
Private	10.3	11.1	11.6	11.4	11.1	9.5
Total	35.3	31.9	31.7	25.4	23.9	15.0
NPV public debt/GDP	144.7	130.4	72.4	65.5	61.0	14.3
NPV of public debt/ Government revenue	643.0	587.5	326.8	310.1	292.9	67.9
Public debt service/ Government revenue	52.1	43.6	41.0	29.7	27.3	11.4

Sources: Ivoirien authorities; and Fund and World Bank staff estimates.

1/ After the implementation of the debt and debt service reduction agreed with London Club creditors and assuming a hypothetical Paris Club stock-of-debt operation in 1998 on Naples terms with a 67 percent reduction of Côte d'Ivoire's pre-cutoff-date debt in NPV terms.

<sup>4</sup>In the preliminary HIPC document, these NPV ratios were 366 percent for 1996, 144 percent for 2000, and 33 percent for 2016.

8. The fiscal burden of external debt would remain heavy until after 2000, despite the assumed debt relief from London Club and Paris Club creditors. The NPV of the public debt-to-government revenue ratio would fall from 588 percent in 1997 to 293 percent in 2000, and then to 174 percent in 2006 and 68 percent by 2016. Starting from 44 percent in 1997, the public debt service-to-government revenue ratio would drop to 27 percent by 2000, 19 percent in 2006, and 11 percent in 2016.

9. The vulnerability and sensitivity analysis undertaken in the preliminary HIPC document for Côte d'Ivoire remains valid, as the country faces above-average vulnerability, particularly with respect to debt-to-GDP and fiscal indicators.<sup>5</sup> In view of the openness of its economy, Côte d'Ivoire is particularly sensitive to possible external shocks, such as lower export prices of cocoa and coffee. In addition, although only partially documented, private debt plays an important role in assessing Côte d'Ivoire's debt sustainability; its level is significantly above that of other sub-Saharan African countries and is estimated to account for roughly one-fifth of the NPV of total debt in 1996. By 2008, based on the above assumptions, the NPV of external private debt is projected to surpass that of public debt for the first time.

### III. CÔTE D'IVOIRE'S ADJUSTMENT RECORD

10. Since early 1994, following the devaluation of the CFA franc, Côte d'Ivoire has successfully implemented a multiyear program of economic recovery and reform, aimed mainly at achieving sustained economic growth and restoring financial viability over the medium term. The program was supported by a three-year ESAF arrangement, in an amount equivalent to SDR 333.48 million (140 percent of quota), which was approved on March 11, 1994. Performance under these arrangements has been satisfactory. All quantitative and structural performance criteria and benchmarks under the three annual arrangements were observed, except for four performance criteria and benchmarks related to (a) the ceiling on the central government's external payments arrears in June 1994; (b) the updating of the repayment schedule of public enterprise liabilities to the Caisse autonome d'amortissement (CAA) in June 1995; (c) the ceiling on the central government's recognized outstanding domestic payments arrears in September 1996; and (d) the provision of the preliminary report on the external audit of the financial accounts of the price stabilization fund

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<sup>5</sup>As noted in the preliminary HIPC document, Côte d'Ivoire remains vulnerable with regards to several indicators. Its NPV of public and publicly guaranteed debt, at 148 percent of GDP in 1995, is much higher than the median of 73 percent for the reference group of HIPC countries. Côte d'Ivoire's export concentration in a single product (cocoa) was 29 percent in 1995, below the median of 37 percent in the reference group. However, when export concentration is measured on the basis of the three main products, this ratio was 48 percent for Côte d'Ivoire compared with a median of 47 percent in the reference group. In terms of variability of exports, the indicator for Côte d'Ivoire was 11 percent, lower than the median of 20 percent for the reference group.

for coffee and cocoa (CAISTAB) at end-August 1996. Waivers were granted for the nonobservance of the related performance criteria after implementation of corrective actions, and all loans under the three annual arrangements were disbursed.

11. Over the same period, IDA has been supporting Côte d'Ivoire's adjustment strategy through a large lending program, with commitments totaling US\$1.2 billion during 1994–96. This program has leaned heavily on adjustment operations, which included an economic recovery credit (FY95-US\$100 million), an agricultural sector adjustment credit (ASAC) (FY96-US\$150 million), a private sector development credit (PSD) (FY96-US\$180 million), and IDA supplemental credits under the Bank's Fifth Dimension program (totaling US\$292 million). In parallel, IDA also reactivated the investment project pipeline, with new commitments of about US\$478 million. Disbursements from all IDA operations reached almost US\$1 billion during 1994–96.

12. The results of the comprehensive adjustment strategy adopted since the 1994 devaluation have been encouraging. Real GDP growth rose from 2 percent in 1994 to 7.1 percent in 1995 and an estimated 6.8 percent in 1996. The 12-month rate of inflation fell sharply, from 32.2 percent in December 1994 to 3.5 percent in December 1996—the predevaluation level. The improved external competitiveness of the economy, as well as domestic demand restraint, reduced the current account deficit from 11 percent of GDP in 1993 to 4.8 percent in 1996. Measures to contain expenditure and improve revenue collection were put in place, and the overall fiscal deficit was reduced from 11.9 percent of GDP in 1993 to 2.1 percent in 1996. A comprehensive strategy to manage external and internal debt was also pursued. All external payments arrears to official bilateral and multilateral creditors and most domestic arrears were cleared by end-1996. New external borrowing was almost exclusively on concessional terms. Eligible debt owed to Paris Club creditors was rescheduled in March 1994 on London terms, and a commercial debt restructuring agreement, which was reached in May 1997 with the London Club, is scheduled for closing in early 1998 (Box 2).

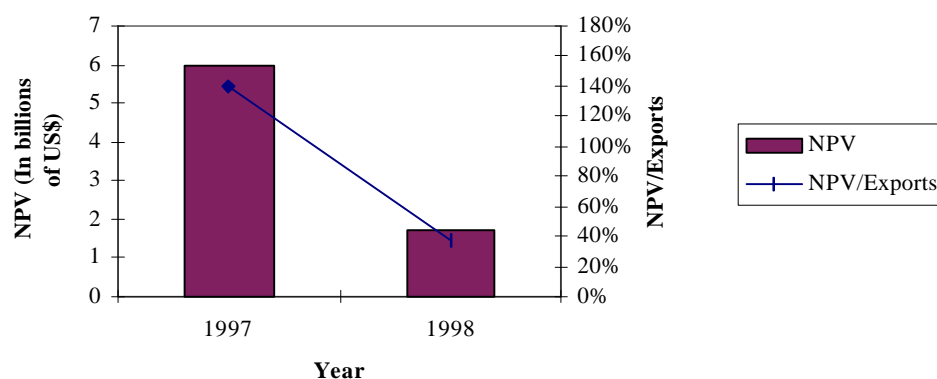
13. Important structural reforms were also carried out during 1994–96, with a view to enhancing external competitiveness by liberalizing the economy and reducing transaction costs, and to expanding the role of the private sector. The prices of a wide range of products were decontrolled, and the price equalization fund (Caisse de péréquation) was eliminated; the marketing of cocoa and coffee was deregulated, and an auction system for external marketing was introduced; and the CAISTAB was reformed. There were 29 public enterprises that were partially (13) or totally (16) privatized, while several others were restructured during the period 1994–96. Nine more enterprises were privatized during 1997. The privatized companies included the telephone company (CITELCOM) and the largest agro-industrial complexes (e.g., sugar, rubber, and palm oil). Private sector development was also fostered by liberalizing maritime transport, simplifying customs and port-handling procedures, implementing measures to make labor and financial markets more flexible, and taking the first steps toward judicial reform.



### Box 2. London Club Agreement

On May 6, 1997, an agreement was concluded between the Ivoirien Government and its commercial bank creditors, which would become effective in early 1998. The agreement envisages a mandatory debt buyback of 30 percent at a 76 percent discount, with a 20-year front-loaded interest reduction bond (FLIRB) chosen at a level of 91 percent and a 30-year discount bond chosen at a level of 9 percent. It represents a net debt reduction of 77 percent in NPV terms and a buyback equivalent price of 6.9 cents per dollar. It is contingent on the mobilization of external assistance to finance the up-front costs, in an amount of about US\$237 million. In addition to Côte d'Ivoire's own resources (about US\$30 million), the IDA Executive Board approved, on July 10, 1997, an IDA credit in an amount equivalent to US\$50 million and a debt-reduction facility grant, in an amount of US\$20 million, supplemented by grants from Switzerland and the Netherlands of about US\$10 million and US\$5 million, respectively; France would contribute F 300 million, or about US\$50 million in the form of a concessional loan; and the Fund's contribution could amount to SDR 51 million, or US\$70 million (equivalent to 21.4 percent of quota), as part of the proposed new ESAF arrangement.

The Effect of the London Club Agreement



14. The reform efforts continued during 1997, in spite of some difficulties in the fiscal area. Real GDP growth is estimated to have reached 6 percent, and inflation was contained to some 5 percent. The external current account deficit narrowed from 4.8 percent of GDP in 1996 to 4.5 percent in 1997. After some fiscal slippages in the first three quarters of 1997, the overall fiscal deficit was contained to 2 percent of GDP. On the structural front, several prior policy actions were implemented, including the adoption of an action plan to reduce poverty, trade and price liberalization, public enterprise privatization, and a commitment to fully liberalize the coffee sector in October 1998 and the cocoa sector in October 1999.

15. Notwithstanding the positive results of the comprehensive adjustment strategy, the fiscal situation remains fragile, and the heavy dependency on external budgetary support continues. As to social development, the resumption of economic growth and improvement in producer prices following the devaluation have helped raise rural income. At the same time, increased budgetary appropriations were allocated to health and education. Yet challenges abound if Côte d'Ivoire is to overcome the effects of the nearly decade-long economic decline through the early 1990s. Specifically, further fiscal consolidation is needed to achieve external viability; a deepening of structural reforms is necessary to promote private sector development; and an ambitious social development agenda is required to reduce poverty and improve access to social services.

16. Since the discussions of the preliminary HIPC document for Côte d'Ivoire in the Fund and IDA Boards in April 1997, the Fund and IDA staffs have carried out several rounds of discussions on a medium-term program that could be supported by a new three-year ESAF arrangement and by IDA resources, and thus bring Côte d'Ivoire to its decision point under the HIPC Initiative. The program includes a broad range of actions, focusing on the implementation of a prudent fiscal policy, a deepening of structural reforms, a sound management of public resources, and an ambitious social development agenda. The negotiations were protracted because of the need to ensure that (a) the program is strong and credible; (b) the fiscal situation is back on track after the slippages that occurred during the first nine months of 1997; (c) all key structural prior actions are in place, especially agreement on the liberalization of the cocoa and coffee sectors; and (d) some governance issues that arose in 1996 have been addressed.

#### **IV. POLICY REFORM AND CONDITIONALITY**

17. During the 1998–2000 period, Côte d'Ivoire's economic and policy reform performance would be monitored under Fund- and IDA-supported programs. For a "completion point" in March 2001, Côte d'Ivoire would need to (a) obtain Fund Board's approval of a new three-year ESAF arrangement in March 1998; (b) successfully complete the program supported by such an ESAF arrangement; (c) successfully implement the reform programs under IDA's agricultural sector adjustment credit and private sector development credit; (d) show satisfactory progress in implementing the outstanding structural reform agenda expected to be supported by IDA adjustment operations; and (e) show satisfactory progress in implementing the social development reform agenda under the poverty reduction action program, with the actual performance to be monitored by ongoing and new IDA operations.

18. This section describes selected elements of ongoing or envisaged structural and social sector reforms, including specific actions that could be monitored between the "decision" and "completion" points. Annex Table 5 provides selected structural reforms and their timing to be monitored under the ESAF- and IDA-supported programs. Annex Table 6 provides a summary of selected reforms in the social sector, which are contained in the authorities' poverty reduction action plan adopted in June 1997.

19. The reform strategy for 1998–2000 is based on the positive results achieved since the January 1994 devaluation and is aimed at strengthening and accelerating the second generation of reforms that are still needed to (a) ensure financial viability over the medium to long term; (b) keep the economy on a path of sustained growth; (c) reduce poverty; and (d) substantially improve the living standards of the population. Accordingly, within a framework of prudent macroeconomic policies—especially continued fiscal consolidation—and intensified regional integration efforts, the major reform areas include trade and price liberalization and other actions to promote private sector development; the privatization and restructuring of public enterprises; tax reform and expenditure management; civil service reform; strengthening of the financial sector; and liberalization of the cocoa and coffee sectors.<sup>6</sup>

### A. Financial and Structural Reforms

20. The main source of economic growth is expected to be the expansion of private sector activity. To foster the sector's development, the reform measures focus on enhancing Côte d'Ivoire's domestic and external competitiveness and creating an environment that is conducive to the development of private investment and external private capital inflows. **In the area of price and trade liberalization**, the government has already reduced the number of goods subject to price controls from 13 to 6 and will proceed to liberalize the price of bread, a key commodity, in 1998, and the indicative producer prices of coffee (also in 1998) and cocoa in 1999, leaving under control beyond 1999 only prices on public utilities (which are under monopolies), pharmaceutical products, butane, and schoolbooks. It has also eliminated all nontariff barriers, with the exception of those pertaining to security, public health, and the environment, as well as the one on refined petroleum products, which is slated to be eliminated by December 1998 in the context of the privatization of the national petroleum refinery (SIR). As part of the customs tariff harmonization, the Council of Ministers of the West African Economic and Monetary Union (WAEMU) decided to reduce the number and level of custom tariffs and set the new rates at 0, 5, 10, and 20 percent to be put in place by January 1, 2000 in all member countries. In this context, Côte d'Ivoire intends to reduce by end-March 1998 the current highest rate from 35 percent to a temporary rate of 25 percent and to apply the 5 percent rate to most imports currently subject to the zero rate, thereby lowering the average tariff rate from 19 percent to 15 percent; the tariff reform constitutes a performance criterion under the new ESAF arrangement and for IDA assistance under the HIPC Initiative. **With regard to the legal and regulatory framework**, the authorities intend to complement the reform of the labor and investment codes adopted in 1996, and the business law reform adopted at end-1997 under the OHADA treaty on the harmonization of business law in Africa, by decentralizing and modernizing the judicial system, and recruiting over the program period a sufficient number of new magistrates each

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<sup>6</sup>The medium-term strategy is described in more detail in the policy framework paper for 1998–2000, which was issued in parallel with this document in the context of Côte d'Ivoire's request for a new three-year ESAF arrangement (in the Fund as EBD/98/19).

year to establish a more effective judicial system. These reforms would be largely monitored under IDA's private sector development credit and other IDA-supported programs, including the IDA assistance under the HIPC Initiative.

21. Under the proposed new ESAF arrangement and IDA's private sector development credit, the **privatization program** is to be expanded. Having privatized 29 public enterprises during the 1994–96 period and sold 9 enterprises in 1997, including the telecommunications company CITELCOM, the Ivoirien authorities intend to privatize 15 more public enterprises in 1998, and 25 in 1999–2000, including some major companies in the cotton, petroleum, hotel, and transport sectors. As regards the enterprises remaining in the government's portfolio, which should include no more than about 10 majority-owned enterprises by end-2000, the focus will be on improving the monitoring of their performance and enhancing the quality of the services that they provide to the private sector.

22. In the **fiscal area**, further consolidation is to be pursued in the period ahead. The overall fiscal deficit is to be virtually eliminated by 2000 and small surpluses (of up to 1 percent of GDP) are projected thereafter. On the revenue side, the government is committed to implementing reforms aimed at improving the tax system, broadening the tax base, curtailing fraud and tax evasion, and strengthening the tax and customs administrations, along the lines of the recommendations of IMF technical assistance missions. These actions will be monitored under the new ESAF arrangement. The envisaged measures will make the tax system more equitable and easier to administer. They should also enable the authorities to maintain the overall revenue-to-GDP ratio at 21 percent, thereby compensating for the planned reductions in the fiscal and parafiscal levies on the export sector, especially cocoa. The measures include reform of the property tax, improvement of the functioning of the system of prepaying various taxes (ASDI), reinforcement of the large-taxpayers unit and the various inspections units, acceleration of computerization, and the reduction of exemptions. Efforts will also be made to promote taxpayer compliance and to fight vigorously tax fraud and evasion. Primary expenditures are to be kept at 19 percent of GDP from 1999 onwards, but budgetary allocations for health and education will be increased, in line with the targets specified under the poverty reduction action plan. As a result of the implementation of the civil service reform and modest pay increases, the wage bill is to decline from 7.1 percent of GDP in 1996 to 6 percent in 2000. Significant reforms are being undertaken to increase budget transparency and ensure good governance. All government expenditure has been integrated in a consolidated budget in January 1998, and the new budgetary accounting framework will enter into effect in January 1999. Finally, government cash-flow management will be strengthened through the centralization of all government deposits at the treasury.

23. The **civil service reform** is to be based on the outcome of the census of government employees which was carried out in June 1996, and set the number of civil servants at 115,678 at mid-1996. The total number of civil servants is to be reduced to 110,185 by end-1998, mainly through a reduction of the number of temporary and day laborers. New recruitment will be limited primarily to the education, health, justice, and security sectors. The current

focus of the civil service reform, to be monitored under the new ESAF- and IDA-supported programs, will be on providing adequate incentives for government employees by rationalizing the system of allowances and introducing a performance-based promotion scheme.

24. A healthy and efficient **financial sector** is imperative for a strengthened role of the private sector. Following the restructuring operations of the early 1990s and the January 1994 devaluation of the CFA franc, Ivoirien banks have become more profitable but their situation still requires strengthened compliance with the banking legislation and prudential regulations of the regional (WAEMU) banking commission. However, the provision of financial services in rural areas, and to small and medium-sized enterprises, as well as the mobilization of long-term savings and the financing of long-term investment, is still deficient. To address these concerns, the Ivoirien authorities will, in concert with the other WAEMU member countries, strive to improve further the legal, regulatory, and institutional framework so as to foster the emergence and diversification of new financial instruments and services. In particular, the authorities are to (a) promote long-term savings instruments and nonbank financial institutions, especially leasing companies; (b) strengthen micro-finance institutions; and (c) ensure the orderly operation of the regional financial market, which will be launched in Abidjan in March 1998. The authorities will also accelerate the restructuring program for the postal and savings agency with the aim of splitting its postal and savings activities. Monitoring will be ensured through the proposed ESAF arrangement, and the IDA proposed Financial Sector Development Project.

25. Going beyond past liberalization commitments, the authorities have decided to engage progressively in the full **liberalization of the cocoa and coffee sectors**, which account for some 40 percent of the country's export base. The envisaged timetable calls for the full liberalization of the coffee sector beginning with the 1998/99 crop year (October 1998), to be followed by that of cocoa in October 1999. The liberalization comprises, inter alia, the elimination of the stabilization mechanism and the underlying price and cost scheme, including the indicative producer price, as well as the reduction of CAISTAB's role largely to quality control and administration of the auction system. The full liberalization of the coffee and cocoa sectors and the restructuring of CAISTAB are key structural measures to be implemented prior to the completion point and monitored by IDA and under the proposed new ESAF arrangement. A large array of accompanying measures are to be put in place and monitored under IDA-supported operations to ensure the success of this far-reaching reform and set the stage for the full liberalization of the cocoa sector, which is scheduled to follow that of coffee one year later, given the greater amount of preparation required to prevent world market disturbances in view of Côte d'Ivoire's dominant position in the world cocoa market. In the interim period, the role of CAISTAB is to be strictly limited and monitored under the conditionalities of the agricultural sector adjustment credit and the proposed ESAF arrangement, which stipulate, inter alia, the limitation of CAISTAB's direct sales to 15 percent of production, a continuous improvement of the auction system, and a close surveillance over CAISTAB's financial operations and current costs, including the setting of indicative producer prices for coffee and cocoa until their liberalization. IDA will develop two

new adjustment operations in the interim period. The first operation, in support of further reforms in the coffee and cocoa sectors, is expected to be appraised in 1998; the second, in support of private sector development, the regulatory framework, and the social sectors, would be appraised in 1999.

## **B. Intensified Social Policies**

26. The 1998–2000 program focuses on strengthening the factors that are essential to generating sustainable and durable growth over the medium to long term and allowing the broader population to actively participate in the benefits of this growth. The Ivoirien government, recognizing this need, reiterated its determination to reverse the deterioration of key poverty indicators in recent years and bring about noticeable change in the priority sectors of health and education, as well as basic infrastructure. Resources freed up by potential relief under the HIPC would support sustainability and the planned expansion in social programs. In June 1997, the government adopted a poverty reduction action plan aimed at lowering the overall incidence of poverty from 37 percent in 1995 to below 30 percent by 2000. Notwithstanding the long-term horizon of many of the plan's key elements, it also includes some specific quantified targets that will be monitored throughout the 1998–2000 period by ongoing and new IDA projects and adjustment operations, as well as under the proposed new ESAF arrangement. The key social actions and targets are summarized in Table 2 and Annex Table 6. To ensure the success of the action plan, the government has set up a committee to supervise and oversee the actions taken and has established a mechanism for systematically tracking poverty indicators. Also, starting in 1998, annual surveys will be conducted to monitor the living standards and conditions of households.

27. In the **education** sector, the government's efforts will focus on improving the quality of, and providing greater access to, education for the entire population. Net rates of primary school enrollment are targeted to increase from 51 percent in 1996 to 55 percent by 2000, and the literacy rate is expected to rise from 43 percent to 48 percent, over the same period, with specific measures focusing on females and regions with poor enrollment rates. Additional measures aim at strengthening technical and vocational training. To this end, the share of education in government primary expenditure (excluding foreign-financed investments) is to be raised from 32 percent in 1996 to 39 percent by 2000; within this envelope, the budgetary appropriations and execution for basic education are to be kept to at least 45 percent, with a strong rural component.

**Table 2. Expenditure for Education and Health, 1996–2000**

(In billions of CFA francs, unless stated otherwise)

	1996	1997	1998	1999	2000
	Act.	Est.	Prog.	Prog.	Prog.
<b>Education</b>					
Total 1/	246.5	275.6	315.1	369.2	415.3
In percent of GDP	4.5	4.6	4.8	5.2	5.4
In percent of total primary expenditures	31.6	31.6	33.2	36.9	39.0
<b>Health</b>					
Total 1/	55.6	69.3	78.6	99.4	115.4
In percent of GDP	1.0	1.2	1.2	1.4	1.5
In percent of total primary expenditures	7.1	7.9	8.3	9.9	10.8
<b>Memorandum items:</b>					
Budget total primary expenditures 1/ GDP	779.9 5,473.6	873.0 5,983.4	949.5 6,529.8	1,000.4 7,100.2	1,065.6 7,690.7

Sources: Ivoirien authorities; and estimates and projections of Fund and World Bank staffs.

1/ Excluding foreign-financed investments.

28. In the **health** sector, the objectives, activities, and resources needed are stipulated in the national health development plan covering the period 1996–2005. The government is committed to increasing the coverage and quality of health service, especially in rural and disadvantaged areas, and to placing a strong emphasis on preventive care. Particular attention is to be devoted to raising the infant vaccination rate by 20 percentage points, to 80 percent, by 2000 and to strengthening preventive measures to combat AIDS. Specifically, the government aims at increasing the share of health in total primary spending (excluding foreign-financed investments) from 7 percent in 1996 to 11 percent by 2000; it has also set as a subtarget an increase in the share of primary health care in the health budget from 33 percent to 39 percent, over the same period.

29. The authorities also intend to step up their efforts in the areas of **family planning**, as well as of **basic infrastructure**. The strengthening of basic infrastructure comprises a comprehensive strategy to increase access to safe water, expand rural electrification, improve construction and particularly maintenance of rural roads, and rehabilitate poverty pockets in run-down urban and rural areas. Finally, the government will strive to improve the management, targeting, and social impact of various social funds, based on a comprehensive review of past performance of these funds, which was completed at end-June 1997.

## V. DEBT RECONCILIATION AND DEBT-MANAGEMENT CAPACITY

30. The Ivoirien government completed the debt data reconciliation with all its bilateral and multilateral creditors in November 1997. The reconciliation of debt data proved very useful and enabled the authorities to correct, fine-tune, and expand their debt database, which now extends to 2047. The joint Fund and IDA missions to discuss the new program and prepare the policy framework paper for the period 1998–2000 worked with the authorities to check the database's consistency with original data provided by creditors. The move of the debt unit from the CAA to the treasury—a prior action for the submission of the request of the new ESAF arrangement to the Fund's Executive Board—was completed in July 1997 and is expected to improve debt data management and to result in regular updates of the debt database. Nevertheless, a need for better computer hardware and software has been identified, and contacts have been established to purchase and put in place such systems and train staff, possibly with IDA assistance.

31. The government is also seeking technical assistance from the World Bank and other donors in the ongoing compilation, reconciliation, and reporting of debt statistics, as well as a review of its debt-management strategy. The objectives are to improve the debt database, fully integrate debt analysis in the macroeconomic framework, and, in particular, address weaknesses in the statistics identified in preparing the debt sustainability analysis.

32. The database for the **external debt of the public enterprises** in Côte d'Ivoire should be improved, especially for the debt without formal government guarantee. The government is committed to improving management of this debt by initiating the collection of debt statistics on external debt contracted by public enterprises with and without central government guarantee. As a first step, in September-October 1997, a survey was launched by the authorities requesting detailed information on external debt obligations from the public enterprises. Information was also solicited from foreign insurance companies that guarantee foreign lending to public enterprises in Côte d'Ivoire with a view to cross-checking and reconciling the information collected from the public enterprises. The DSA includes only the public enterprise debt that is guaranteed by the Ivoirien government on the basis of available information provided by the authorities.

33. The government has also decided to set up a technical commission to prepare a comprehensive database on Côte d'Ivoire's **private external debt** in 1998 so as to obtain a more accurate debt stock than the current estimate. Better information on private debt will be incorporated in any subsequent debt sustainability analysis.



## VI. CONSULTATIONS WITH CREDITORS

34. Fund and IDA staffs have had consultations with Côte d'Ivoire's multilateral creditors and with the Paris Club regarding actions that they would take under the HIPC Initiative for Côte d'Ivoire. In general, **multilateral creditors** were very supportive of assistance to Côte d'Ivoire under the Initiative; and they endorsed Côte d'Ivoire's eligibility under the Initiative, and the setting of a "completion point" three years after the "decision point". The African Development Bank (AfDB), which after the World Bank is the second-largest multilateral creditor and accounted for 6 percent of the NPV of public debt at end-1996, agreed with the staff recommendations, including in the preliminary HIPC document for Côte d'Ivoire and the Guidelines Paper.

35. **Paris Club creditors** agreed in principle in May 1997 to grant a flow rescheduling to Côte d'Ivoire under Lyon terms (involving an NPV reduction on eligible debt of up to 80 percent), subject to equitable burden sharing among creditors, as soon as a new ESAF arrangement is approved by the Fund and the Boards of the Fund and IDA have approved Côte d'Ivoire's eligibility for assistance under the HIPC Initiative. The Paris Club indicated that a stock-of-debt operation on Lyon terms would be envisaged at the completion point.

## VII. DEBT SUSTAINABILITY TARGETS AND DEBT RELIEF

36. At end-1997, Côte d'Ivoire's NPV of public debt is estimated at US\$13 billion (Annex Table 7), or 130 percent of GDP. More than three-fourths of the outstanding NPV of public debt was owed to foreign commercial banks (US\$6 billion, or 46 percent of total) and Paris Club creditors (US\$4 billion, or 31 percent of total). Multilateral creditors accounted for US\$3 billion, or 22 percent of total NPV, with the World Bank representing US\$1.5 billion (11 percent), the African Development Bank/Fund US\$0.8 billion (6 percent), and the Fund US\$0.4 billion (3 percent).

37. During the Fund and IDA Board discussions on the preliminary HIPC Initiative document for Côte d'Ivoire, most Directors agreed—as a preliminary view—to consider Côte d'Ivoire as eligible under the HIPC Initiative and to set the sustainability target at the "completion point" for the NPV of the debt-to-exports ratio at a level consistent with an NPV of debt-to-revenue target of 280 percent. This target level was considered necessary to provide Côte d'Ivoire with a convincing exit from debt relief and the needed release of budgetary resources that could be reallocated for priority spending on social sectors, particularly health and education.

38. For a "completion point" in March 2001, as shown in Annex Table 9, achieving the target of 280 percent for the NPV of the debt-to-revenue ratio would imply an NPV of debt-to-export target of 141 percent. This would require total assistance under the

HIPC Initiative of US\$345.2 million in NPV terms in 2000 (Table 3).<sup>7</sup> Based on the proportional burden sharing approach—broadly endorsed by the Boards of the Fund and IDA in July 1997—this level of assistance would be consistent with multilateral contributions of US\$181.8 million, or 52.7 percent of total costs, and debt relief by bilateral creditors of US\$163.4 million, or 47.3 percent of total costs.<sup>8</sup> A detailed breakdown of the contribution by each multilateral creditor would be based on their respective shares in the NPV of multilateral debt at end-1997, regardless of their share of claims at the completion point. Multilateral creditors would provide assistance equal to 6.2 percent of their claim at end-1997. Expressed in NPV terms, the IDA contribution would be US\$91 million (50 percent of total multilateral assistance) and the Fund contribution US\$22.5 million (12.4 percent), and the AfDB contribution would be US\$49.3 million (27.1 percent).

**Table 3. Assistance Needed Under the HIPC Initiative 1/**

(With a completion point in March 2001)

	In billions of CFA francs	In millions of US dollars
NPV of debt after debt relief 2/	4,693.4	7,837.9
Exports (three-year average)	3,182.8	5,315.3
Government revenue	1,602.4	2,676.0
NPV/exports ratio (in percent)	147.5	147.5
NPV/government revenue ratio (in percent)	292.9	292.9
Targeted NPV/government revenue ratio (in percent)	280.0	280.0
Corresponding NPV of debt	4,486.7	7,492.7
Corresponding NPV/exports ratio (in percent)	141.0	141.0
Assistance needed in end-1997 NPV terms	206.7 173.5	345.2 289.8

Sources: Ivoirien authorities; and Fund and IDA staff estimates and projections.

1/ Using end-1997 CFA franc-US dollar exchange rate (CFAF 598.8 per US dollar), based on data for end-2000.

2/ After debt relief on Naples terms and before HIPC assistance.

<sup>7</sup>This is lower than the estimated US\$601.7 million included in the Guidelines Paper, which was based on 1999 data and the end-1996 exchange rate (CFAF 523.7 per US dollar). The revised estimates take into account the results of the debt reconciliation exercise and are based on data for 2000 and the more depreciated end-1997 CFA franc exchange rate (CFAF 598.8 per US dollar).

<sup>8</sup>The percentage of NPV reduction on eligible debt from Paris Club creditors consistent with proportional burden sharing under the HIPC Initiative is estimated at 73 percent, assuming at least comparable action from other non-multilateral creditors.

39. It is proposed that the Fund disburse its assistance, in the form of a grant, into a separate account for the benefit of Côte d'Ivoire and administered by the Trustee of the ESAF HIPC-Trust at the "completion point," to be used to meet debt service to the Fund on a schedule to be agreed with the Ivoirien authorities. The objectives of this schedule will be to help bring the debt-service burden down to the agreed target and to smooth the debt-service profile, including any humps, with respect to the Fund or more generally. Since Côte d'Ivoire's debt service both to the Fund and overall is relatively smooth, it is proposed that in this case where there are no pronounced debt-service humps, the schedule of use of the Fund assistance could be slightly front-loaded and spread over the life of the country's current obligations to the Fund. A graduated schedule of the use of this assistance for Côte d'Ivoire that meets these objectives will be agreed with the Ivoirien authorities and proposed for approval by the Fund Board in due course, possibly on a lapse of time basis.

40. Normally, relief on debt owed to IDA would be provided through the HIPC Trust Fund, and, under certain conditions, during the interim period between the decision and completion points, through the use of IDA grants. However, Côte d'Ivoire constitutes a special case as it still has a high level of IBRD debt to service. As of end-1997, the nominal IBRD debt stock amounted to US\$1.1 billion. Since IBRD is the only source of funding of the World Bank component of the HIPC Trust Fund, the use of IBRD resources through the HIPC Trust Fund is not appropriate. As an alternative, it is proposed to provide IDA grants in amounts equivalent to approximately US\$314 million (equivalent to an NPV debt reduction of US\$91 million) through the completion point. The proposed amount constitutes about 39 percent of the lending program which was endorsed by the IDA Executive Board during the most recent CAS discussion on Côte d'Ivoire on September 11, 1997.

## VIII. ISSUES FOR DISCUSSION

41. Executive Directors may wish to focus on the following issues and proposed decisions:

42. **Eligibility for assistance:** Based on the staff analysis, the guidance provided by Executive Directors during the discussions of the preliminary HIPC Initiative document for Côte d'Ivoire and of the HIPC Guidelines for Implementation, and staff consultations with multilateral creditors and the Paris Club, the staff and management recommend that Côte d'Ivoire be eligible for assistance under the HIPC Initiative.

43. **Decision point:** In view of Côte d'Ivoire's track record, and the extent of the completion of the debt data reconciliation exercise, the staff and management recommend approval of a "decision point" in March 1998.

44. **Completion point:** The staff and management recommend that the "completion point" for Côte d'Ivoire be set three years after the "decision point," in March 2001,

contingent on successful completion of the new three-year ESAF arrangement, implementation of reform programs supported by IDA adjustment credits, and satisfactory progress in implementing social sector reforms.

45. **Debt sustainability target:** In light of Côte d' Ivoire's heavy burden of debt service, and with a view to providing a credible exit from debt rescheduling, the staff and management recommend that Executive Directors endorse a target of NPV of debt-to-exports ratio of 141 percent consistent with an NPV of debt-to-government revenue target of 280 percent.

46. **Proposed decisions:** Executive Directors may wish to consider decisions on Côte d' Ivoire's eligibility for assistance under the HIPC Initiative, the "decision point," the "completion point," the debt target, and the specifics of each institution's commitment for assistance to Côte d' Ivoire under the Initiative. A draft IMF decision will be issued as a supplement to this paper, while IDA will issue, in parallel to this paper, a President's report and recommendation to its Executive Directors on assistance to Côte d' Ivoire under the HIPC Initiative.

47. **Next steps:** It is envisaged that (a) this document will be made available to Côte d' Ivoire's bilateral and multilateral creditors at the same time that it is circulated to Executive Directors; (b) the staff will inform Directors of any major new developments regarding commitments by creditors by way of a supplement or oral statement at the time of the discussion of this document; and (c) assuming agreement on a decision, a decision for approval will be circulated when assurances of commitments are confirmed by other creditors.

#### **Addendum:**

The Boards of the IMF and World Bank in March 1998 approved Côte d' Ivoire's request for assistance under the HIPC Initiative which is to be delivered at the completion point in March 2001, subject to satisfactory assurances of the necessary support from other creditors and continued strong policy implementation. The debt sustainability target for the NPV of debt-to-exports ratio was set at 141 percent, providing total assistance of US\$345.2 million in present value terms at the completion point.

Table 1. Côte d'Ivoire: Selected Economic and Financial Indicators, 1994-2000

	1994	1995	1996		1997 Est.	1998	1999 Program	2000
			Prog.	Act.				
(Annual percentage changes, unless otherwise indicated)								
National income 1/								
Real GDP per capita	-1.9	3.2	2.6	3.1	2.3	2.3	2.3	2.1
GDP at constant prices	2.1	7.1	6.5	6.8	6.0	6.0	6.0	5.8
GDP deflator	41.5	9.4	1.5	2.8	3.2	3.0	2.6	2.4
Consumer price index (end of period)	32.2	7.7	5.0	3.5	5.2	3.0	2.5	2.5
Consumer price index (annual average)	26.0	14.1	6.6	2.7	5.6	3.0	2.5	2.5
External sector (on the basis of CFA francs)								
Exports (f.o.b.) at current prices	123.3	19.7	3.3	14.9	8.6	4.3	7.9	8.7
Imports (f.o.b.) at current prices	76.7	38.3	12.6	14.4	12.1	2.5	6.8	5.7
Export volume	4.9	6.0	10.8	21.7	3.9	4.4	6.4	6.4
Import volume	-9.5	40.7	10.9	6.6	6.3	5.2	5.5	5.5
Terms of trade (deterioration -)	9.0	14.9	-8.2	-12.1	-0.9	2.6	0.2	2.0
Nominal effective exchange rate (depreciation -) 2/	-48.0	7.3	0.0	-2.7	-0.6	...	...	...
Real effective exchange rate (depreciation -) 2/	-34.5	8.3	2.0	-1.0	2.2	...	...	...
Central government operations								
Total revenue and grants	64.5	29.9	10.0	11.8	7.8	8.9	3.1	6.7
Total expenditure	30.3	14.8	5.5	4.7	7.9	6.7	0.2	4.1
Money and credit								
Net domestic assets 3/	-20.0	5.8	7.6	0.7	10.9	8.0	3.6	2.6
<i>Of which:</i> government 3/ 4/	-15.9	-1.8	0.6	-1.8	0.4	2.0	-3.4	-1.3
private sector 4/	10.2	19.9	8.3	2.2	14.8	7.6	8.9	5.0
Money and quasi-money (M2)	47.0	17.0	9.9	3.0	8.3	8.9	8.8	9.0
Velocity of circulation	4.1	3.9	4.0	4.1	4.2	4.2	4.2	4.1
(In percent of GDP, unless otherwise indicated)								
Central government operations								
Total revenue and grants	20.6	22.8	22.4	23.2	22.9	22.9	21.7	21.4
Total expenditure	27.1	26.5	24.9	25.3	25.0	24.4	22.5	21.6
Overall deficit (-), payment order basis	-6.5	-3.7	-2.6	-2.1	-2.0	-1.5	-0.8	-0.3
Primary balance, excl. foreign-financed investment 5/	3.0	4.9	5.0	5.6	4.5	4.9	5.0	5.0
Gross domestic investment	11.1	12.9	14.3	13.9	16.0	18.2	19.0	19.3
Central government	4.1	4.2	...	4.3	4.8	5.2	4.6	4.6
Nongovernment sector	7.0	8.7	...	9.6	11.2	13.0	14.4	14.7
Changes in stocks	1.4	2.1	...	-0.5	0.0	0.0	0.0	0.0
Gross domestic savings	22.4	20.3	18.7	22.3	23.1	25.6	26.6	27.6
Central government	3.4	5.4	...	6.2	5.9	7.0	6.6	6.8
Nongovernment sector	18.9	14.9	...	16.1	17.1	18.7	19.9	20.8
Gross national savings	11.5	9.0	8.7	8.7	11.5	14.1	15.8	17.3
External sector								
Current account balance (including official transfers) 6/	-1.0	-6.0	-5.6	-4.8	-4.5	-4.1	-3.2	-2.0
Overall balance of payments (in millions of US\$)	500.5	-202.7	-348.3	-315.9	-375.9	-122.8	-195.8	-150.5
Central government domestic debt (end of period)	26.3	25.1	16.0	24.3	21.3	17.3	14.2	11.5
Nominal GDP at market prices (in billions of CFA francs) 1/	4,256.0	4,987.7	5,553.0	5,473.6	5,983.4	6,529.8	7,100.2	7,690.7
Nominal exchange rate (CFA francs per U.S. dollar)	555.2	499.1	499.2	511.6	582.4	594.5	591.6	588.3

Sources: Ivoirien authorities; and staff estimates and projections.

1/ Revised national accounts, base 1986.

2/ Based on end-of-period changes in relative consumer prices and the nominal effective exchange rate.

3/ Changes in percent of broad money at beginning of period.

4/ Reflects the classification of certain assets and liabilities between the government and the private sector at the end of 1993, and statistical adjustments reflecting the bank-restructuring operations in 1991-92.

5/ Defined as total revenue minus total expenditure, excluding interest and foreign-financed investment expenditures.

6/ Excluding late interest on payments arrears to commercial banks.

Table 2. Côte d'Ivoire - Balance of Payments, 1993-2016 1/

(In billions of CFA francs, unless otherwise indicated)

	1993	1994	1995	1996	1997 Est.	1998 Proj.	1999 Proj.	2000 Proj.
Trade balance	208.0	700.0	671.5	776.9	795.3	858.0	942.9	1076.1
Exports, f.o.b.	713.2	1592.8	1906.6	2190.2	2378.9	2480.5	2675.6	2907.3
Of which: cocoa	267.5	527.9	619.8	816.0	820.8	902.2	946.1	1008.9
coffee	68.9	138.5	212.1	151.8	208.4	196.0	205.5	217.3
Imports, f.o.b.	-505.2	-892.8	-1235.1	-1413.4	-1583.7	-1622.6	-1732.7	-1831.2
Services (net)	-484.4	-612.0	-772.0	-823.0	-846.7	-907.4	-941.6	-973.6
Receipts	219.0	297.6	405.6	396.0	432.7	485.1	523.8	558.9
Factor income	11.3	19.8	19.4	21.3	23.2	25.4	27.6	29.9
Other services	207.7	277.8	386.3	374.7	409.5	459.8	496.2	529.1
Payments	-703.4	-909.6	-1177.6	-1219.0	-1279.4	-1392.5	-1465.3	-1532.5
Factor income	-398.3	-449.6	-512.3	-489.8	-496.5	-561.2	-564.5	-564.6
Of which: central government interest due 2/	-208.5	-289.6	-301.7	-286.5	-264.6	-310.9	-301.1	-286.7
Other services	-305.1	-460.0	-665.3	-729.2	-782.9	-831.3	-900.9	-967.9
Transfers (net)	-46.4	-131.2	-197.7	-214.1	-216.3	-237.7	-260.0	-283.0
Private	-86.4	-143.9	-219.1	-240.5	-243.6	-265.7	-288.7	-312.4
Public	40.0	12.7	21.4	26.4	27.2	27.9	28.7	29.5
Current account	-322.8	-43.2	-298.2	-260.2	-267.7	-287.2	-258.7	-180.4
Capital account	51.4	321.1	196.9	98.6	48.8	194.3	114.0	65.0
Official medium- and long-term loans (net)	-53.1	223.3	-32.7	-35.3	-132.2	-13.2	-90.8	-138.1
Project loans	31.4	67.8	86.5	96.5	83.2	99.9	106.0	112.1
Other bilateral and multilateral loans 3/	143.5	492.7	277.8	186.9	72.6	247.9	131.9	73.0
Central government amortization due 2/	-222.9	-326.3	-385.9	-307.5	-275.4	-351.7	-320.0	-317.8
Public enterprises amortization due	-5.2	-11.0	-11.1	-11.3	-12.6	-9.3	-8.7	-5.3
Other capital (including private capital, errors & omissions) 4/	104.5	97.8	229.7	133.9	181.0	207.5	204.8	203.1
Of which: government securities 5/	0.0	47.0	78.9	-2.6	0.0	0.0	0.0	0.0
Overall balance	-271.4	277.9	-101.2	-161.6	-218.9	-92.9	-144.6	-115.4
Financing	271.4	-277.9	101.2	161.6	218.9	-255.0	-51.1	-86.7
Official net reserves (increase: -)	-25.0	-440.8	-110.6	-19.7	17.8	16.5	-41.1	-76.7
Operations account	-10.9	-515.1	-156.0	-67.9	30.7	-83.2	-101.4	-117.8
IMF (net)	-14.1	55.5	45.4	48.2	-12.9	99.7	60.3	41.1
Other	0.0	18.8	0.0	0.0	0.0	0.0	0.0	0.0
Commercial banks (net)	11.7	-72.1	-18.7	-10.2	18.2	-10.0	-10.0	-10.0
Change in arrears	284.8	-352.6	7.1	2.1	120.9	-120.9	0.0	0.0
Rescheduling 6/	0.0	587.7	223.4	189.4	62.0	0.0	0.0	0.0
Up-front payment under the 1998 London Club debt operation	0.0	0.0	0.0	0.0	0.0	-140.6	0.0	0.0
Residual gross financing requirement	0.0	0.0	0.0	0.0	0.0	347.9	195.8	202.1
Memorandum items:								
Operations account (in months of imports of goods and nonfactor services)	-6.0	1.0	1.7	1.9	1.5	1.9	2.2	2.6
Total grants	71.5	112.0	93.8	95.6	78.5	92.6	82.8	83.8
Debt cancellation 7/	0.0	257.2	104.7	88.3	79.5	82.3	73.1	67.9
Of which: current interest	0.0	61.4	44.5	39.4	37.9	34.1	28.9	24.9
Operations account (end of year)	-406.5	108.6	264.6	332.5	301.8	385.0	486.4	604.2
Outstanding arrears (end of year) 8/	1632.1	3051.3	3080.0	3577.4	3698.4	0.0	0.0	0.0
Current account (in percent of GDP)	-11.0	-1.0	-6.0	-4.8	-4.5	-4.4	-3.6	-2.3
Public external debt service before stock-of-debt operation 9/	49.3	36.0	32.9	25.0	20.8	27.9	20.2	18.6
Nominal GDP	2946.0	4256.0	4987.7	5473.6	5983.4	6529.8	7100.2	7690.7
Nominal exchange rate (CFA francs per US dollar - average)	283.2	555.2	499.1	511.6	582.4	594.5	591.6	588.3

Sources: Ivorian authorities; and staff estimates and projections.

1/ Baseline scenario assuming a Paris Club debt restructuring on Naples terms in 1998.

2/ Debt service due includes obligations to commercial banks, with the exception of interest on arrears. Assumes a debt-reduction agreement with commercial banks to be closed in 1998. The debt-service numbers do not include canceled debt-service obligations and direct payments by public sector enterprises.

3/ Including program loans and European Union grants disbursed in the context of programmed financial assistance and price stabilization (Stabex) funds.

4/ Includes short-term capital, other private capital, and errors and omissions.

5/ Government debt sold by the Central Bank (BCEAO) to banks in other West African Economic and Monetary Union (WAEMU) countries.

6/ Includes the deferred repayment of arrears on post-cutoff-date debt over a three-year period ending in December 1996, and the restructuring of pre-cutoff-date debt service and arrears due to official creditors.

7/ Based on the debt cancellation announced by Belgium, France, and Switzerland in 1994.

8/ Stock of arrears mostly to commercial banks, except in 1997 when CFAF 120.9 billion of reschedulable arrears to the Paris Club were accumulated. It is assumed that all these arrears will be cleared in 1998 in the context of a Paris Club rescheduling and an agreement to be concluded with commercial banks.

9/ In percent of exports of goods and nonfactor services. Includes interests on the 1998 hypothetical stock-of-debt operation.

Table 2 (continued). Côte d'Ivoire - Balance of Payments, 1993-2016 1/

(In billions of CFA francs, unless otherwise indicated)

	2001 Proj.	2002 Proj.	2003 Proj.	2004 Proj.	2005 Proj.	2006 Proj.	2007 Proj.	2008 Proj.
Trade balance	1171.6	1253.5	1354.6	1431.9	1521.1	1615.0	1719.3	1828.1
Exports, f.o.b.	3119.7	3311.6	3544.6	3805.0	4085.2	4385.9	4713.9	5067.4
Of which: cocoa	1060.2	1099.3	1154.1	1210.5	1266.3	1320.2	1377.4	1432.6
coffee	224.8	230.3	238.1	251.0	264.6	278.9	293.1	308.1
Imports, f.o.b.	-1948.0	-2058.1	-2190.0	-2373.1	-2564.1	-2771.0	-2994.7	-3239.3
Services (net)	-999.7	-1025.8	-1057.7	-1103.2	-1158.1	-1215.9	-1288.4	-1378.2
Receipts	603.4	650.5	700.0	752.7	808.8	868.9	932.6	1001.4
Factor income	32.3	34.8	37.5	40.3	43.3	46.5	49.9	53.6
Other services	571.2	615.7	662.5	712.4	765.5	822.4	882.7	947.8
Payments	-1603.1	-1676.3	-1757.7	-1855.8	-1966.9	-2084.7	-2221.0	-2379.6
Factor income	-562.9	-561.5	-562.1	-567.0	-579.5	-591.4	-614.7	-650.7
Of which: central government interest due 2/	-269.6	-252.5	-233.8	-217.3	-206.9	-193.8	-190.3	-197.4
Other services	-1040.2	-1114.8	-1195.6	-1288.8	-1387.4	-1493.3	-1606.3	-1728.8
Transfers (net)	-312.2	-343.8	-376.7	-411.2	-447.6	-481.3	-522.0	-560.5
Private	-337.4	-364.1	-391.9	-421.4	-452.9	-486.5	-522.2	-560.7
Public	25.3	20.3	15.3	10.3	5.3	5.3	0.2	0.2
Current account	-140.2	-116.1	-79.7	-82.5	-84.7	-82.2	-91.1	-110.6
Capital account	52.6	56.5	60.7	102.4	177.9	198.1	219.3	222.5
Official medium- and long-term loans (net)	-177.1	-190.4	-205.4	-184.8	-132.1	-129.1	-126.2	-137.1
Project loans	119.1	126.2	133.8	141.9	150.4	159.4	168.9	179.1
Other bilateral and multilateral loans 3/	23.8	18.8	7.8	5.5	2.9	1.7	1.7	0.0
Central government amortization due 2/	-315.8	-329.4	-337.0	-318.2	-270.3	-272.1	-276.7	-294.0
Public enterprises amortization due	-4.2	-6.0	-10.0	-14.0	-15.1	-18.2	-20.2	-22.2
Other capital (including private capital, errors & omissions) 4/	229.6	247.0	266.1	287.2	310.0	327.2	345.5	359.5
Of which: government securities 5/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Overall balance	-87.6	-59.6	-19.0	19.9	93.2	115.9	128.1	111.9
Financing	-119.1	-141.2	-165.4	-155.9	-172.0	-193.6	-191.2	-162.4
Official net reserves (increase: -)	-119.1	-141.2	-165.4	-155.9	-172.0	-193.6	-191.2	-162.4
Operations account	-77.0	-87.2	-104.7	-83.4	-105.7	-135.8	-144.9	-122.9
IMF (net)	-42.1	-54.0	-60.7	-72.5	-66.3	-57.8	-46.3	-39.5
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial banks (net)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rescheduling 6/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Up-front payment under the 1998 London Club debt operation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Residual gross financing requirement	206.7	200.7	184.4	135.9	78.8	77.6	63.1	50.5
Memorandum items:								
Operations account (in months of imports of goods and nonfactor services)	2.7	2.9	3.1	3.1	3.2	3.4	3.5	3.5
Total grants	74.5	66.9	52.3	47.3	42.3	37.3	27.3	27.3
Debt cancellation 7/	58.8	55.5	49.8	37.3	29.7	22.1	14.5	7.0
Of which: current interest	22.0	19.2	16.5	13.7	10.9	8.1	5.3	2.6
Operations account (end of year)	681.2	768.4	873.1	956.5	1062.2	1198.0	1342.9	1465.8
Outstanding arrears (end of year) 8/	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current account (in percent of GDP)	-1.7	-1.3	-0.8	-0.8	-0.8	-0.7	-0.7	-0.8
Public external debt service before stock-of-debt operation 9/	17.3	16.5	15.4	13.9	11.6	10.5	9.6	9.3
Nominal GDP	8306.1	8962.5	9647.8	10374.5	11148.2	11977.2	12854.8	13801.8
Nominal exchange rate (CFA francs per US dollar - average)	585.0	574.0	570.0	570.0	570.0	570.0	570.0	570.0

Sources: Ivorian authorities; and staff estimates and projections.

1/ Baseline scenario assuming a Paris Club debt restructuring on Naples terms in 1998.

2/ Debt service due includes obligations to commercial banks, with the exception of interest on arrears. Assumes a debt-reduction agreement with commercial banks to be closed in 1998. The debt-service numbers do not include canceled debt-service obligations and direct payments by public sector enterprises.

3/ Including program loans and European Union grants disbursed in the context of programmed financial assistance and price stabilization (Stabex) funds.

4/ Includes short-term capital, other private capital, and errors and omissions.

5/ Government debt sold by the Central Bank (BCEAO) to banks in other West African Economic and Monetary Union (WAEMU) countries.

6/ Includes the deferred repayment of arrears on post-cutoff-date debt over a three-year period ending in December 1996, and the restructuring of pre-cutoff-date debt service and arrears due to official creditors.

7/ Based on the debt cancellation announced by Belgium, France, and Switzerland in 1994.

8/ Stock of arrears mostly to commercial banks, except in 1997 when CFAF 120.9 billion of reschedulable arrears to the Paris Club were accumulated. It is assumed that all these arrears will be cleared in 1998 in the context of a Paris Club rescheduling and an agreement to be concluded with commercial banks.

9/ In percent of exports of goods and nonfactor services. Includes interests on the 1998 hypothetical stock-of-debt operation.

Table 2 (concluded). Côte d'Ivoire - Balance of Payments, 1993-2016 <sup>1/</sup>

(In billions of CFA francs, unless otherwise indicated)

	2009 Proj.	2010 Proj.	2011 Proj.	2012 Proj.	2013 Proj.	2014 Proj.	2015 Proj.	2016 Proj.
Trade balance	1946.7	2080.8	2235.1	2402.7	2590.7	2797.7	3034.6	3301.5
Exports, f.o.b.	5451.5	5870.6	6329.0	6829.2	7376.6	7975.7	8634.7	9359.8
Of which: cocoa	1488.0	1544.7	1603.4	1663.7	1725.5	1788.4	1854.9	1925.2
coffee	323.8	340.4	357.9	375.1	393.2	412.2	432.3	453.4
Imports, f.o.b.	-3504.8	-3789.8	-4093.9	-4426.4	-4785.9	-5178.1	-5600.1	-6058.3
Services (net)	-1464.5	-1592.2	-1751.4	-1883.8	-2039.1	-2194.6	-2362.4	-2544.4
Receipts	1075.6	1120.9	1168.2	1228.7	1292.4	1359.6	1430.5	1505.3
Factor income	57.6	59.9	62.3	65.4	68.6	72.1	75.7	79.5
Other services	1018.1	1061.0	1106.0	1163.3	1223.8	1287.5	1354.8	1425.8
Payments	-2540.1	-2713.1	-2919.6	-3112.5	-3331.5	-3554.2	-3792.9	-4049.7
Factor income	-678.8	-709.1	-762.0	-788.3	-827.2	-854.6	-882.3	-910.6
Of which: central government interest due <sup>2/</sup>	-194.5	-191.6	-208.8	-200.8	-203.2	-191.6	-177.8	-161.8
Other services	-1861.3	-2004.0	-2157.6	-2324.2	-2504.3	-2699.6	-2910.5	-3139.1
Transfers (net)	-602.0	-646.9	-695.3	-747.6	-804.2	-865.4	-931.5	-1003.1
Private	-602.2	-647.0	-695.5	-747.8	-804.4	-865.5	-931.7	-1003.3
Public	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Current account	-119.8	-158.3	-211.6	-228.7	-252.6	-262.3	-259.3	-246.1
Capital account	244.1	257.7	277.3	281.1	307.5	301.4	300.7	271.9
Official medium- and long-term loans (net)	-130.2	-132.2	-129.0	-142.6	-134.7	-160.2	-181.7	-232.5
Project loans	189.8	201.2	210.0	222.0	235.0	249.0	264.0	264.0
Other bilateral and multilateral loans <sup>3/</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central government amortization due <sup>2/</sup>	-295.9	-307.4	-311.0	-336.5	-343.6	-385.5	-424.1	-475.9
Public enterprises amortization due	-24.1	-26.0	-28.1	-28.1	-26.1	-23.8	-21.6	-20.6
Other capital (including private capital, errors & omissions) <sup>4/</sup>	374.3	389.9	406.3	423.7	442.1	461.7	482.4	504.4
Of which: government securities <sup>5/</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Overall balance	124.3	99.4	65.7	52.4	54.9	39.2	41.3	25.8
Financing	-174.2	-151.6	-119.5	-120.4	-121.5	-105.9	-110.7	-97.1
Official net reserves (increase: -)	-174.2	-151.6	-119.5	-120.4	-121.5	-105.9	-110.7	-97.1
Operations account	-151.3	-141.8	-119.5	-120.4	-121.5	-105.9	-110.7	-97.1
IMF (net)	-22.9	-9.8	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial banks (net)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rescheduling <sup>6/</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Up-front payment under the 1998 London Club debt operation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Residual gross financing requirement	50.0	52.2	53.8	68.0	66.6	66.7	69.4	71.2
Memorandum items:								
Operations account (in months of imports of goods and nonfactor services)	3.6	3.6	3.6	3.6	3.5	3.4	3.3	3.2
Total grants	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3
Debt cancellation <sup>7/</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Of which: current interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operations account (end of year)	1617.1	1758.9	1878.4	1998.8	2120.3	2226.2	2336.9	2434.0
Outstanding arrears (end of year) <sup>8/</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current account (in percent of GDP)	-0.8	-1.0	-1.2	-1.2	-1.3	-1.2	-1.1	-1.0
Public external debt service before stock-of-debt operation <sup>9/</sup>	8.4	7.8	7.4	7.1	6.7	6.5	6.3	6.1
Nominal GDP	14823.9	15927.6	17119.9	18408.1	19800.7	21306.6	22935.5	24698.3
Nominal exchange rate (CFA francs per US dollar - average)	570.0	570.0	570.0	570.0	570.0	570.0	570.0	570.0

Sources: Ivorian authorities; and staff estimates and projections.

<sup>1/</sup> Baseline scenario assuming a Paris Club debt restructuring on Naples terms in 1998.<sup>2/</sup> Debt service due includes obligations to commercial banks, with the exception of interest on arrears. Assumes a debt-reduction agreement with commercial banks to be closed in 1998. The debt-service numbers do not include canceled debt-service obligations and direct payments by public sector enterprises.<sup>3/</sup> Including program loans and European Union grants disbursed in the context of programmed financial assistance and price stabilization (Stabex) funds.<sup>4/</sup> Includes short-term capital, other private capital, and errors and omissions.<sup>5/</sup> Government debt sold by the Central Bank (BCEAO) to banks in other West African Economic and Monetary Union (WAEMU) countries.<sup>6/</sup> Includes the deferred repayment of arrears on post-cutoff-date debt over a three-year period ending in December 1996, and the restructuring of pre-cutoff-date debt service and arrears due to official creditors.<sup>7/</sup> Based on the debt cancellation announced by Belgium, France, and Switzerland in 1994.<sup>8/</sup> Stock of arrears mostly to commercial banks, except in 1997 when CFAF 120.9 billion of reschedulable arrears to the Paris Club were accumulated. It is assumed that all these arrears will be cleared in 1998 in the context of a Paris Club rescheduling and an agreement to be concluded with commercial banks.<sup>9/</sup> In percent of exports of goods and nonfactor services. Includes interests on the 1998 hypothetical stock-of-debt operation.



Table 3. Côte d'Ivoire - Central Government Financial Operations, 1993-2016 1/

(In billions of CFA francs, unless otherwise indicated)

	1993	1994	1995	1996	1997 Est.	1998 Proj.	1999 Proj.	2000 Proj.
Revenue and grants	533.0	876.6	1138.3	1272.5	1372.1	1493.6	1539.3	1642.4
Revenue	518.0	846.9	1103.3	1231.9	1328.0	1446.6	1499.3	1602.4
(as percent of GDP)	17.6	19.9	22.1	22.5	22.2	22.2	21.1	20.8
Grants (for projects only)	15.0	29.7	35.0	40.6	44.1	47.0	40.0	40.0
Primary expenditure	628.0	817.8	979.4	1062.9	1191.3	1270.4	1289.0	1369.2
(as percent of GDP)	21.3	19.2	19.6	19.4	19.9	19.5	18.2	17.8
Of which: Wages and salaries	314.6	328.0	346.3	389.6	408.1	422.5	435.2	456.9
Investment expenditure	90.8	195.0	280.1	304.0	372.3	445.0	426.0	461.4
(as percent of GDP)	3.1	4.6	5.6	5.6	6.2	6.8	6.0	6.0
Of which : financed by project loans and grants	46.4	97.5	121.5	139.0	130.7	146.9	146.0	152.1
Primary balance, including grants (payment order) 2/	-95.1	58.8	158.9	209.6	180.8	223.2	250.4	273.2
(as percent of GDP)	-3.2	1.4	3.2	3.8	3.0	3.4	3.5	3.6
Interest due on public debt	255.9	334.2	343.2	322.2	303.2	343.5	337.3	320.0
(as percent of GDP)	8.7	7.9	6.9	5.9	5.1	5.3	4.8	4.2
Domestic debt	47.4	44.6	41.5	35.7	38.6	32.5	36.2	33.3
External debt 3/ 4/	208.5	289.6	301.7	286.5	264.6	310.9	301.1	286.7
Overall balance, including grants (payment order)	-351.0	-275.4	-184.3	-112.6	-122.3	-120.2	-86.9	-46.8
(as percent of GDP)	-11.9	-6.5	-3.7	-2.1	-2.0	-1.8	-1.2	-0.6
Domestic financing	129.8	-207.2	5.8	-66.6	63.8	37.8	-26.8	-22.5
Of which: IMF counterparts (net)	-14.1	55.5	45.4	48.2	-11.6	99.7	60.3	41.1
External financing	221.1	468.0	208.9	165.2	61.7	-265.4	-82.1	-132.7
Drawings on loans	174.9	560.5	364.3	283.4	164.8	347.8	237.9	185.1
Amortization due 4/	-222.9	-326.3	-385.9	-307.5	-275.4	-351.7	-320.0	-317.8
Change in arrears (net) 3/ 4/	269.1	-352.6	7.1	2.1	120.9	-120.9	0.0	0.0
Debt rescheduling	0.0	587.7	223.4	189.4	62.0	0.0	0.0	0.0
London Club up-front payment	0.0	0.0	0.0	0.0	0.0	-140.6	0.0	0.0
Residual gross financing requirements	0.0	0.0	0.0	0.0	0.0	347.9	195.8	202.1
Memorandum item:								
Overall domestic balance (narrow definition) 5/	32.9	-166.1	133.9	155.4	297.7	228.7	233.1	288.3
(as percent of GDP)	1.1	-3.9	2.7	2.8	5.0	3.5	3.3	3.7

Sources: Ivorian authorities; and staff estimates and projections.

1/ Baseline scenario assuming a Paris Club debt restructuring on Naples terms.

2/ Revenue and grants minus primary expenditure (i.e., excluding all interest).

3/ Excluding late interest due to the commercial banks from 1993 onward.

4/ After the debt cancellations granted by France and Switzerland in early 1994.

5/ Equivalent, with the opposite sign, to the net transfer of resources from abroad (excluding project aid).

Table 3 (continued). Côte d'Ivoire - Central Government Financial Operations, 1993-2016 <sup>1/</sup>

(In billions of CFA francs, unless otherwise indicated)

	2001 Proj.	2002 Proj.	2003 Proj.	2004 Proj.	2005 Proj.	2006 Proj.	2007 Proj.	2008 Proj.
Revenue and grants	1779.3	1912.1	2051.0	2198.7	2356.1	2525.2	2699.5	2898.4
Revenue	1744.3	1882.1	2026.0	2178.7	2341.1	2515.2	2699.5	2898.4
(as percent of GDP)	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0
Grants (for projects only)	35.0	30.0	25.0	20.0	15.0	10.0	0.0	0.0
Primary expenditure	1487.1	1604.2	1736.0	1866.4	2005.1	2182.9	2380.5	2560.8
(as percent of GDP)	17.9	17.9	18.0	18.0	18.0	18.2	18.5	18.6
Of which: Wages and salaries	493.5	532.5	573.2	616.4	662.4	711.6	763.8	820.0
Investment expenditure	506.7	546.7	598.2	643.2	691.2	766.5	848.4	910.9
(as percent of GDP)	6.1	6.1	6.2	6.2	6.2	6.4	6.6	6.6
Of which : financed by project loans and grants	154.1	156.2	158.8	161.9	165.4	169.4	168.9	179.1
Primary balance, including grants (payment order) <sup>2/</sup>	292.2	308.0	315.0	332.3	351.0	342.3	319.0	337.5
(as percent of GDP)	3.5	3.4	3.3	3.2	3.1	2.9	2.5	2.4
Interest due on public debt	296.1	278.9	260.7	246.5	237.9	225.2	220.6	226.7
(as percent of GDP)	3.6	3.1	2.7	2.4	2.1	1.9	1.7	1.6
Domestic debt	26.5	26.4	26.9	29.2	30.9	31.4	30.3	29.3
External debt <sup>3/ 4/</sup>	269.6	252.5	233.8	217.3	206.9	193.8	190.2	197.4
Overall balance, including grants (payment order)	-3.9	29.1	54.3	85.8	113.1	117.2	98.5	110.8
(as percent of GDP)	0.0	0.3	0.6	0.8	1.0	1.0	0.8	0.8
Domestic financing	-29.9	-45.4	-43.4	-50.9	-74.9	-83.8	-55.5	-46.4
Of which: IMF counterpart (net)	-41.9	-53.3	-71.4	-80.0	-72.4	-57.1	-45.7	-27.6
External financing	-172.9	-184.4	-195.4	-170.8	-117.0	-111.0	-106.1	-114.9
Drawings on loans	142.9	145.0	141.6	147.4	153.3	161.1	170.6	179.1
Amortization due <sup>4/</sup>	-315.8	-329.4	-337.0	-318.2	-270.3	-272.1	-276.7	-294.0
Change in arrears (net) <sup>3/ 4/</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt rescheduling	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
London Club up-front payment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Residual gross financing requirements	206.7	200.7	184.4	135.9	78.8	77.6	63.1	50.5
Memorandum item:								
Overall domestic balance (narrow definition) <sup>5/</sup>	396.7	415.8	450.0	474.1	467.9	443.6	447.8	468.5
(as percent of GDP)	4.8	4.6	4.7	4.6	4.2	3.7	3.5	3.4

Sources: Ivoirien authorities; and staff estimates and projections.

<sup>1/</sup> Baseline scenario assuming a Paris Club debt restructuring on Naples terms.<sup>2/</sup> Revenue and grants minus primary expenditure (i.e., excluding all interest).<sup>3/</sup> Excluding late interest due to the commercial banks from 1993 onward.<sup>4/</sup> After the debt cancellations granted by France and Switzerland in early 1994.<sup>5/</sup> Equivalent, with the opposite sign, to the net transfer of resources from abroad (excluding project aid).

Table 3 (concluded). Côte d'Ivoire - Central Government Financial Operations, 1993-2016 <sup>1/</sup>

(In billions of CFA francs, unless otherwise indicated)

	2009 Proj.	2010 Proj.	2011 Proj.	2012 Proj.	2013 Proj.	2014 Proj.	2015 Proj.	2016 Proj.
Revenue and grants	3113.0	3344.8	3595.2	3865.7	4158.2	4474.4	4816.5	5186.6
Revenue	3113.0	3344.8	3595.2	3865.7	4158.2	4474.4	4816.5	5186.6
(as percent of GDP)	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0
Grants (for projects only)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Primary expenditure	2805.0	3049.0	3302.5	3591.7	3886.3	4187.3	4516.5	4863.1
(as percent of GDP)	18.9	19.1	19.3	19.5	19.6	19.7	19.7	19.7
Of which: Wages and salaries	880.7	946.3	1017.2	1093.7	1176.4	1265.9	1362.7	1467.4
Investment expenditure	1019.9	1105.4	1201.8	1314.3	1413.8	1521.3	1637.6	1763.5
(as percent of GDP)	6.9	6.9	7.0	7.1	7.1	7.1	7.1	7.1
Of which : financed by project loans and grants	189.8	201.2	210.0	222.0	235.0	249.0	264.0	264.0
Primary balance, including grants (payment order) <sup>2/</sup>	308.1	295.8	292.7	274.0	271.9	287.1	300.0	323.5
(as percent of GDP)	2.1	1.9	1.7	1.5	1.4	1.3	1.3	1.3
Interest due on public debt	222.5	218.4	231.4	222.6	224.8	213.0	199.0	182.6
(as percent of GDP)	1.5	1.4	1.4	1.2	1.1	1.0	0.9	0.7
Domestic debt	28.0	26.9	22.6	21.8	21.6	21.4	21.2	20.8
External debt <sup>3/ 4/</sup>	194.5	191.5	208.8	200.8	203.2	191.6	177.8	161.8
Overall balance, including grants (payment order)	85.6	77.4	61.2	51.4	47.1	74.1	101.0	140.9
(as percent of GDP)	0.6	0.5	0.4	0.3	0.2	0.3	0.4	0.6
Domestic financing	-29.4	-23.3	-14.0	-4.9	-5.1	-4.3	-10.2	-0.2
Of which: IMF counterparts (net)	-14.3	-2.9	0.0	0.0	0.0	0.0	0.0	0.0
External financing	-106.1	-106.2	-101.0	-114.5	-108.6	-136.5	-160.1	-211.9
Drawings on loans	189.8	201.2	210.0	222.0	235.0	249.0	264.0	264.0
Amortization due <sup>4/</sup>	-295.9	-307.4	-311.0	-336.5	-343.6	-385.5	-424.1	-475.9
Change in arrears (net) <sup>3/ 4/</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt rescheduling	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
London Club up-front payment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Residual gross financing requirements	50.0	52.2	53.8	68.0	66.6	66.7	69.4	71.2
Memorandum item:								
Overall domestic balance (narrow definition) <sup>5/</sup>	454.8	449.6	466.0	469.3	480.2	510.4	532.6	566.5
(as percent of GDP)	3.1	2.8	2.7	2.5	2.4	2.4	2.3	2.3

Sources: Ivorian authorities; and staff estimates and projections.

<sup>1/</sup> Baseline scenario assuming a Paris Club debt restructuring on Naples terms.<sup>2/</sup> Revenue and grants minus primary expenditure (i.e., excluding all interest).<sup>3/</sup> Excluding late interest due to the commercial banks from 1993 onward.<sup>4/</sup> After the debt cancellations granted by France and Switzerland in early 1994.<sup>5/</sup> Equivalent, with the opposite sign, to the net transfer of resources from abroad (excluding project aid).

Table 4. Côte d'Ivoire: Key Debt Ratios Under the Baseline Scenario, 1996-2000, 2006, and 2016 <sup>1/</sup>  
(In percent)

	1996	1997	1998	1999	2000	2006	2016
NPV external debt/average exports							
Public	353.2	306.1	171.0	156.7	147.5	90.3	35.2
Private	78.3	77.4	75.8	74.8	73.7	71.1	63.0
Total	431.5	383.5	246.8	231.5	221.2	161.4	98.2
Debt service/exports							
Public	25.0	20.8	20.2	14.1	12.7	9.0	5.5
Private	10.3	11.1	11.6	11.4	11.1	10.7	9.5
Total	35.3	31.9	31.7	25.4	23.9	19.7	15.0
NPV public debt/GDP	144.7	130.4	72.4	65.5	61.0	36.6	14.3
NPV of public debt/government revenue	643.0	587.5	326.8	310.1	292.9	174.4	67.9
Public debt service/government revenue	52.1	43.6	41.0	29.7	27.3	18.7	11.4
Memorandum items:							
Exports of goods and nonfactor services	2564.9	2788.4	2940.3	3171.8	3436.4	5208.3	10785.6
Exports of goods and nonfactor services (average)	2242.8	2548.7	2764.5	2966.8	3182.8	4858.8	10012.8
Government revenue	1231.9	1328.0	1446.6	1499.3	1602.4	2515.2	5186.6
GDP	5473.6	5983.4	6529.8	7100.2	7690.7	11977.2	24698.3
NPV of public debt before 1998 Paris Club restructuring	7921.1	7802.5	5967.4	5811.6	5766.0	5064.3	4301.8
NPV of public debt after 1998 Paris Club restructuring			4727.8	4648.7	4693.4	4386.8	3524.3
NPV of private debt	1755.9	1973.1	2095.7	2219.4	2346.8	3454.3	6310.2
Reference exchange rate (CFA francs per US dollar - end-1997)	598.8	598.8	598.8	598.8	598.8	598.8	598.8

Sources: Ivoirien authorities; and Fund and World Bank staff estimates and projections.

<sup>1/</sup> After the implementation of the debt and debt service reduction agreed with London Club creditors and assuming a Paris Club stock-of-debt operation in 1998 on Naples terms with a 67 percent reduction of Côte d'Ivoire's pre-cutoff-date debt in NPV terms.

Table 5. Selected Structural Reforms, 1997–2000

Reforms	Timing
<b>Trade and price liberalization and legal reforms</b>	
▶ Reduction of number of goods subject to price controls from 13 to 6	June 1997
▶ Liberalization of price of bread	1998
▶ Removal of 4 of the 6 remaining NTBs	June 1997
▶ Reduction of number and level of customs tariffs	March 1998
▶ Removal of NTB on refined petroleum products	1998
▶ Decentralization of judicial system and modernization of court registry offices	1998
<b>Privatization and restructuring of public enterprises</b>	
▶ Privatization of 9 public enterprises in 1997, 15 in 1998, 15 in 1999, and 10 in 2000	1997–2000
▶ Revision of articles of incorporation and enhanced control of public enterprises	Nov. 1998
<b>Tax reform and expenditure management</b>	
▶ Improvement in functioning of ASDI (prepayment of taxes)	Dec. 1997
▶ Reform of property taxes and cadastre	Dec. 1998
▶ Reduction of export taxes on cocoa from 22 percent of average export price in 1996 to 16 percent by 2000	1997–2000
▶ Reduction of wage bill from 7 percent of GDP in 1996 to 6 percent in 2000	1997–2000
▶ Expenditure restraint while increasing allocations for health and education	1997–2000
<b>Civil service reform</b>	
▶ Reduce the size of the civil service	1998
▶ Priority of new recruitments in health, education and justice sectors	1997–2000
▶ Introduction of productivity-linked promotion system	June 1998
<b>Strengthening of the financial sector</b>	
▶ Submission of CAA-GDD to all banking laws and prudential regulations	Jan. 1998
▶ Ensuring that all banks meet the prudential ratios	1998–2000
<b>Liberalization of the cocoa and coffee sectors</b>	
▶ Limitation of direct sales of CAISTAB to 15 percent of production	1998–99
▶ Full liberalization of coffee sector with beginning of 1998/99 campaign	Oct. 1998
▶ Full liberalization of cocoa sector with beginning of 1999/2000 campaign	Oct. 1999

Table 6. Côte d'Ivoire: Social Development Performance Indicators, 1997–2000

Areas	Objectives	Specific Measures	Follow-up
Poverty Reduction	Reduce the incidence of poverty from 36.8 percent in 1995 to under 30 percent by 2000.	<ul style="list-style-type: none"> <li>● Preparation (by March 1998) of specific sectoral action programs to increase and better target government expenditure to reach the poorest groups, and improve the effectiveness and usefulness of these expenditures (see below).</li> <li>● Development of key poverty indicators by March 1998.</li> </ul>	<ul style="list-style-type: none"> <li>● Annual surveys of household living standards and conditions (INS).</li> <li>● Annual monitoring and publication of these indicators.</li> </ul>
Education	<p>Increase <b>net</b> rates of primary school enrollment from 51 percent in 1996 to 55 percent in 2000.</p> <p>Improve school enrollment of children, particularly girls in areas of poor primary school enrollment. Increase the percentage of girls total students from 42 percent in 1996 to 44 percent in 2000.</p> <p>Improve the quality of teaching with a particular focus on continuous training of teachers and an annual reduction of 5 percent in the repetition rate over the period.</p> <p>Increase the literacy rate from 43 percent in 1996 to 48 percent in 2000.</p>	<ul style="list-style-type: none"> <li>● Raising the share of education in total primary spending (excluding foreign-financed investments) from 31.6 percent in 1996 to 39 percent in 2000, i.e., from 4.5 percent of GDP to 5.4 percent. Keeping the share of the education budget devoted to primary education at least 45 percent.</li> <li>● Targeting of school construction and maintenance programs toward low-income areas with poor primary school enrollment rates, the overall goal being the construction of 1000 primary school classrooms per year.</li> <li>● Measures to reduce the cost of schooling for the poor (school meals, uniforms, school fees, free books, etc.).</li> <li>● Development and implementation of an action plan to increase access to education for girls.</li> <li>● Recruitment of 2000 primary school teachers per year.</li> <li>● Continuous training of teachers.</li> <li>● Continuation and intensification of literacy programs (particularly toward women, youth in rural areas, and in the Northern area where school enrollment is poor).</li> </ul>	<ul style="list-style-type: none"> <li>● Annual monitoring of budget allocations and actual spending.</li> <li>● Budget allocations by district and monitoring of the number of classrooms built per district.</li> <li>● Inventory of these actions and the number of beneficiaries.</li> <li>● Periodic progress reviews.</li> <li>● Actual recruitment per year.</li> <li>● Periodic progress reviews.</li> <li>● Periodic progress reviews.</li> </ul>
Health	<p>Increase the coverage and quality of health services, especially in rural and disadvantaged urban areas.</p> <p>Increase the infant vaccination rate to 80 percent in 2000, compared to the current 60 percent.</p>	<ul style="list-style-type: none"> <li>● Raising the share of health in total primary spending from 7.1 percent in 1996 to 10.8 percent by 2000 (i.e., an increase from 1.0 percent of GDP to 1.5 percent). Raising the share of the health budget devoted to primary health care from 33 percent in 1996 to 39 percent in 2000. Increasing the share of non-wage current spending.</li> <li>● Increased access to health centers in poor and rural areas, and improvement in the quality of health care and development of preventive care.</li> <li>● Continuation of the campaign to promote generic drugs to health care providers, patients, and dispensaries (public and private).</li> <li>● Extension of the vaccination program.</li> </ul>	<ul style="list-style-type: none"> <li>● Budget allocations and actual spending.</li> <li>● Monitoring of the number of health centers in the areas identified (Ministry of Public Health - MSP).</li> <li>● Review of the proportion of generic drugs in dispensary sales (MSP).</li> <li>● Periodic review.</li> </ul>

Table 6. Côte d'Ivoire: Social Development Performance Indicators, 1997–2000

Areas	Objectives	Specific Measures	Follow-up
	Strengthen measures to combat AIDS.	<ul style="list-style-type: none"> <li>● Implementation of specific STD and HIV prevention measures (education and condoms) targeting the most underprivileged populations, particularly young people and women.</li> </ul>	<ul style="list-style-type: none"> <li>● Monitoring of prevention activities (testing, etc.)</li> <li>● Monitoring the distribution of condoms.</li> </ul>
Family Planning	Lower the fertility rate from the current 5.6 to 4.5 by 2015.	<ul style="list-style-type: none"> <li>● Establishment of reproductive health units in all health facilities.</li> </ul>	<ul style="list-style-type: none"> <li>● Monitoring of the number of reproductive health units (MSP).</li> </ul>
	Raise the level of modern contraceptive use from 4 percent in 1996 to 10 percent by 2000.	<ul style="list-style-type: none"> <li>● Expansion of family planning programs (information-education-communication/ guidance, prevention, extension to all districts) and distribution of contraceptives.</li> </ul>	<ul style="list-style-type: none"> <li>● Monitoring of number of centers per region (MSP)</li> </ul>
Basic Infrastructure	Increase <u>water supply</u> to cover 65 percent of villages by 2000 compared to the current 50 percent, and 85 percent of urban areas instead of the present 75 percent.	<ul style="list-style-type: none"> <li>● Preparation of a strategy to provide access to basic services in urban and rural areas.</li> <li>● Increase in the number of rural villages serviced by establishing 5000 new water supply points by 2000.</li> </ul>	<ul style="list-style-type: none"> <li>● Monitoring of the number of new areas serviced each year.</li> <li>● Monitoring of the number of new villages serviced each year.</li> </ul>
	<u>Rural roads:</u> Make cut-off rural areas accessible by maintaining rural roads.	<ul style="list-style-type: none"> <li>● Proper regular maintenance of 35,000 km of rural roads per year.</li> </ul>	<ul style="list-style-type: none"> <li>● Periodic monitoring (audit of transport SECAL).</li> </ul>
	<u>Rural electrification:</u> Increase coverage from the current 23 percent to 33 percent by 2000.	<ul style="list-style-type: none"> <li>● Increase in the pace of the rural electrification program (200 rural villages per year).</li> </ul>	<ul style="list-style-type: none"> <li>● Monitoring of the number of villages supplied with electricity per year.</li> </ul>
	<u>Living standards of low-income households:</u> Improve the living conditions of the poorest segments of the population in the areas of housing, health, education, and environment.	<ul style="list-style-type: none"> <li>● Adoption of housing, development, and utilities standards on par with the financial capacity of the households targeted.</li> <li>● Wider application of the practice of awarding building contracts (with specifications) to competing private developers.</li> <li>● Establishment of a system with a majority private sector holding ownership to raise long-term funding for housing and channel it through the commercial banks.</li> </ul>	<ul style="list-style-type: none"> <li>● Utilities standards adopted in March 1988.</li> <li>● Periodic monitoring starting in the fourth quarter of 1997.</li> <li>● Private system of raising operating funds starting in June 1999.</li> </ul>
		<u>Rundown neighborhoods:</u> <ul style="list-style-type: none"> <li>● Taking stock of neighborhoods requiring rehabilitation or relocation.</li> <li>● Supply of water, sewage, etc. to rundown neighborhoods to be rehabilitated, and regularization of property status.</li> <li>● Formulation and execution of a plan for resettlement of the poor groups to be relocated, covering social, educational, and health concerns.</li> <li>● Implementation of preventive measures to avoid resettlement in areas at risk.</li> </ul>	<ul style="list-style-type: none"> <li>● Criteria defined for relocation of neighborhoods.</li> <li>● Timetable adopted.</li> <li>● Preparations for the drafting of a resettlement plan.</li> </ul>
Rural Development	Increase income for poor people in rural areas.	<ul style="list-style-type: none"> <li>● Implementation of measures to ensure land tenure security in the context of the PNGTER.</li> <li>● Strengthen private vocational agricultural organizations and provide assistance to young farmers and women.</li> </ul>	<ul style="list-style-type: none"> <li>● Monitoring in the context of the supervision of the PNGTER.</li> <li>● Monitoring in the context of the supervision of the PNSA- and AfDB-supported projects.</li> </ul>
Social Funds	Assess the impact of social funds in the poverty reduction action plan.	<ul style="list-style-type: none"> <li>● Based on that assessment, preparation and implementation of mechanisms to ensure a net improvement in the management, targeting, and impact of social funds in the context of the poverty reduction policy.</li> </ul>	<ul style="list-style-type: none"> <li>● Completion of annual audits for 1997–2000.</li> </ul>

Table 7. Côte d'Ivoire: Nominal and NPV External Debt Outstanding, End-1996 and End-1997

	Nominal debt at end-1996		NPV debt at end-1996		NPV debt at end-1997 (provisional)		
	US\$ millions	Percent of total debt	US\$ millions 1/	Percent of public debt	US\$ millions 1/	Percent of total debt	Percent of public debt
Total public and private external debt	19522.8	100.0	16264.6	100.0	16297.9	100.0	100.0
Total public external debt	16169.9	82.8	13332.3	82.0	13002.8	79.8	100.0
Multilateral (including IMF)	4167.8	21.3	3082.1	18.9	2949.7	18.1	22.7
IMF	498.1	2.6	369.6	2.3	365.5	2.2	2.8
World Bank Group	2327.6	11.9	1527.7	9.4	1476.9	9.1	11.4
IBRD	1303.1	6.7	1206.8	7.4	1054.8	6.5	8.1
IDA	1024.5	5.2	320.9	2.0	422.1	2.6	3.2
AfDB Group	854.8	4.4	839.5	5.2	800.3	4.9	6.2
Other multilaterals	487.3	2.5	345.3	2.1	307.0	1.9	2.4
IFAD	4.0	0.0	3.6	0.0	2.2	0.0	0.0
European Union/European Investment Bank	166.0	0.9	117.7	0.7	110.2	0.7	0.8
ECOWAS Fund	0.3	0.0	0.3	0.0	0.1	0.0	0.0
Conseil de l'Entente	2.4	0.0	2.1	0.0	1.5	0.0	0.0
West African Development Bank	36.4	0.2	27.6	0.2	26.0	0.2	0.2
BCEAO	278.2	1.4	194.0	1.2	167.0	1.0	1.3
Paris Club	5126.8	26.3	4227.1	26.0	4041.7	24.8	31.1
Pre-cutoff-date debt	3110.3	15.9	2681.2	16.5	2519.5	15.5	19.4
Post-cutoff-date debt	2016.5	10.3	1545.9	9.5	1522.2	9.3	11.7
London Club	6831.0	35.0	5974.2	36.7	5974.2	36.7	45.9
Of which: arrears	6831.0	35.0	5974.2	36.7	5974.2	36.7	45.9
Other creditors 2/	44.3	0.2	48.9	0.3	37.2	0.2	0.3
Total private external debt	3352.9	17.2	2932.3	18.0	3295.1	20.2	

Sources: Ivoirien authorities; and Fund and World Bank staff estimates.

1/ Using end-1997 CFA franc-US dollar exchange rate (CFAF 598.8 per US dollar).

2/ Including debt owed to China and South Africa.



Table 8. Côte d'Ivoire: Scheduled External Debt Service, 1996-2000, 2006, and 2016 1/

(In billions of CFA francs)

	1996		1997		1998		1999		2000		2006		2016								
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total						
Total external debt 2/	506.4	414.3	920.7	485.1	410.9	896.0	571.2	467.9	1,039.1	556.3	465.2	1,021.5	581.3	459.0	1,040.3	671.4	431.3	1,102.7	1,072.0	496.5	1,651.6
Public sector debt 3/	343.8	297.9	641.7	300.9	269.1	570.0	361.0	315.2	676.2	333.4	305.5	638.9	347.1	291.2	638.2	348.0	198.9	547.0	496.5	166.1	662.6
Multilateral creditors 4/	156.4	133.5	290.0	160.2	128.1	288.3	138.0	111.7	249.7	131.2	96.2	227.3	138.5	87.1	225.6	151.0	26.6	177.5	33.6	5.7	39.3
Fund	25.1	4.9	29.9	12.9	2.9	15.8	0.0	2.9	2.9	4.8	3.3	8.1	23.9	3.6	27.5	57.8	2.1	59.9	0.0	1.4	1.4
World Bank	88.0	65.8	153.8	102.8	64.7	167.6	89.1	52.4	141.5	74.2	39.7	113.9	64.3	34.9	99.2	55.8	15.0	70.8	31.7	4.2	35.9
IBRD	88.0	65.8	153.8	102.7	59.8	162.5	89.0	47.2	136.1	74.0	33.9	108.0	64.2	28.9	93.1	41.3	9.3	50.5	0.0	0.0	0.0
IDA	0.0	0.0	0.0	0.1	4.9	5.0	0.1	5.2	5.4	0.1	5.8	5.9	0.1	6.0	6.1	14.5	5.7	20.2	31.7	4.2	35.9
African Dev. Bank Group	35.1	37.3	72.4	36.1	33.5	69.6	39.4	31.5	70.9	42.2	28.9	71.1	40.7	25.9	66.6	31.7	8.8	40.5	0.0	0.0	0.0
Others 4/	8.2	25.7	33.9	8.4	27.1	35.4	9.5	24.9	34.4	10.0	24.2	34.2	9.5	22.7	32.3	5.7	0.7	6.4	1.9	0.2	2.1
Bilateral creditors	169.6	149.7	319.3	127.5	135.7	263.2	185.9	127.6	313.5	178.6	117.0	295.5	190.7	107.1	297.8	119.7	47.9	167.6	74.5	15.1	89.6
Paris Club 5/	167.5	149.7	317.1	127.1	135.6	262.7	185.9	127.5	313.4	178.5	116.9	295.4	190.7	107.0	297.7	119.7	47.9	167.6	74.5	15.1	89.6
Paris Club pre-out-of-date	106.0	107.3	213.4	102.0	94.2	196.2	139.6	87.3	227.0	116.3	79.4	195.8	129.5	72.6	202.1	45.0	32.7	77.6	57.5	13.7	71.2
Not previously rescheduled debt	18.6	3.9	22.5	13.7	2.9	16.5	7.5	2.3	9.8	5.6	2.1	7.6	5.6	1.9	7.5	4.8	0.8	5.6	1.0	0.1	1.1
Previously rescheduled debt on non concess. terms	8.0	0.4	8.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Previously rescheduled debt on Toronto terms	78.6	80.1	158.8	85.8	62.3	148.0	129.5	55.3	184.8	107.9	47.7	155.5	120.8	40.9	161.7	30.3	3.3	33.6	0.0	0.0	0.0
Previously rescheduled debt on London terms	0.8	22.9	23.7	2.5	29.1	31.7	2.7	29.8	32.5	2.9	29.7	32.6	3.2	29.8	32.9	9.9	28.6	38.5	36.5	13.6	70.1
Previously rescheduled debt on Naples terms	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Paris Club post-cutoff-date	61.4	42.3	103.8	25.2	41.4	66.5	46.2	40.2	86.4	62.2	37.5	99.6	61.2	34.4	95.6	74.7	15.2	89.9	17.0	1.4	18.4
Other bilateral creditors	2.1	0.1	2.2	0.4	0.1	0.5	0.0	0.1	0.1	0.0	0.1	0.1	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Commercial banks	0.0	0.0	0.0	0.0	0.0	0.0	13.8	30.4	44.2	13.7	29.9	43.7	13.7	29.7	43.4	15.9	31.9	47.7	184.4	31.4	215.8
Other private creditors	6.5	3.2	9.8	7.3	1.0	8.3	7.3	0.6	7.9	3.6	0.1	3.8	0.0	0.0	0.0	0.6	0.0	0.6	0.0	0.0	0.0
Debt service on new financing 6/ 7/	0.0	0.0	0.0	0.0	2.9	2.9	9.0	42.7	51.7	0.0	60.5	60.5	0.0	66.1	66.1	60.7	92.6	153.3	203.8	113.8	317.7
Public enterprise non guaranteed debt	11.3	11.4	22.7	5.9	1.4	7.3	7.0	2.3	9.4	6.4	1.8	8.1	4.2	1.2	5.5	0.14	0.06	0.2	0.21	0.01	0.2
Private sector debt	162.6	116.4	279.0	184.1	141.9	326.0	210.2	152.6	362.8	222.9	159.7	382.6	234.2	167.8	402.0	323.4	232.3	555.7	575.5	413.5	989.0
Memorandum item:																					
Central government external debt	307.5	286.5	594.0	275.4	264.6	540.0	351.7	310.9	662.6	320.0	301.1	621.1	317.8	286.7	604.5	272.1	193.8	465.8	475.9	161.8	637.7

Sources: Caisse Autonome d'Amortissement, Central Bank of West African States (BCEAO); World Bank; and staff estimates and projections.

1/ After the implementation of the debt and debt service reduction agreed with London Club creditors and assuming a Paris Club stock-of-debt operation in 1998 on Naples terms with a 67 percent reduction of Côte d'Ivoire's pre-cutoff-date debt in NPV terms.

2/ Debt-service numbers include current payments due to commercial banks and are before restructuring.

3/ Including debt of public enterprises.

4/ Including interest payments to the BCEAO.

5/ The breakdown of official development assistance (ODA) is not available.

6/ Debt service on new disbursements after January 1, 1997.

7/ Includes interest on the 1998 hypothetical stock-of-debt operation and debt service on the financing of the up-front cost of the 1998 agreement with the London Club.

Table 9. Côte d'Ivoire: Assistance, Net Present Value (NPV) of Public Debt Targets, and Burden Sharing

(Completion point at Early-2001)

(In millions of U.S. dollars, unless otherwise indicated)

	Completion Point Before Assistance <sup>1/</sup>	Proposed Targets	Proposed HIPC Assistance	Share in Total Assistance	Proportionality Factor <sup>3/</sup>	Common reduction Factor at the Decision Point <sup>4/</sup>
	(In percent)				(In percent)	
	(In millions of U.S. dollars)					
NPV of public debt/exports ratio	147.5	141.0	6.5			
NPV of public debt/government revenue ratio	292.9	280.0	12.9			
Projected NPV of public external debt after debt restructuring <sup>2/</sup>	7837.9	7492.7	345.2	100.0	5.7	
Multilateral	3192.3	3010.5	181.8	52.7	5.7	6.2
Bilateral <sup>5/</sup>	2870.4	2707.0	163.4	47.3	5.7	
Of which:						
Paris Club pre-cutoff non-ODA	1061.5					
Paris Club pre-cutoff ODA	180.9					
Paris Club post-cutoff debt	1625.1					
Non-Paris Club non-reschedulable	2.9					
London Club debt	1775.3					
Memorandum items						
Projected exports of goods and services	5315.3					
Projected government revenue	2676.0					

Sources: Data provided by the Ivorian authorities, and Fund and Bank staff projections.

<sup>1/</sup> With a completion point in 2001, the latest available debt, export, and government revenue data as at end-2000 will be used.

<sup>2/</sup> After the implementation of the debt and debt service reduction agreed with London Club creditors and assuming a Paris Club stock-of-debt operation in 1998 on Naples terms with a 67 percent reduction of Côte d'Ivoire's pre-cutoff-date debt in NPV terms.

<sup>3/</sup> To calculate the proportionality factor, the non-reschedulable debt to non-Paris Club creditors and the London Club debt which was already subject to a highly concessional restructuring are excluded from the total NPV of public debt.

<sup>4/</sup> This is the ratio by which each multilateral institution commit itself at the decision point to reduce the NPV of its claims at the completion point. It is calculated as the ratio of assistance from multilaterals at the completion point to the NPV of debt to multilaterals at the decision point.

<sup>5/</sup> The percentage NPV reduction on eligible debt from Paris Club creditors consistent with proportional burden sharing under the HIPC Initiative is estimated at 73 percent, assuming at least comparable action from other non multilateral creditors.

Table 10. HIPC Initiative: Status of Early Cases 1/

Country (in order of expected decision point within groups)	Decision point	Completion point	NPV of debt-to-export target (in percent)	Assistance at completion point (US\$ millions, present value at completion point)			World Bank	Percentage reduction in NPV of debt 2/ debt 2/	Estimated total nominal debt service relief (in US\$ mn.)	Satisfactory assurances from other creditors
				Total	Bilat- eral	Multi- lateral				
Côte d'Ivoire	Mar. 98	Mar. 01	141 3/	345	163	182	23	91	800	Being sought
<i>Decision point reached and assistance committed by Fund and Bank:</i>										
Uganda	Apr-97	Apr-98	202	338	67	271	69	160	700	Mostly received
Burkina Faso	Sep-97	Apr-00	205	115	21	94	10	44	200	Being sought
Bolivia	Sep-97	Sep-98	225	448	157	291	29	54	600	Being sought
Guyana	Dec-97	Dec-98	107 3/	253	91	161	35	27	500	Being sought
<i>Preliminary HIPC document issued; targets based on majority view in preliminary discussions at Bank and Fund Boards, assistance based on preliminary HIPC documents and is subject to change:</i>										
Mozambique	early 98	mid 99	200	1,487	928	559	...	...	...	...
<i>Debt judged sustainable:</i>										
Benin	Jul-97	...	...	...	...	...	...	...	...	...

Sources: Fund and Bank Board decisions, final HIPC documents, preliminary HIPC documents, and staff calculations.

1/ Further countries which could reach the decision point within the coming year include Chad, Ethiopia, Guinea, Guinea-Bissau, Mali, Mauritania, Senegal, Togo, and Vietnam. Not all would be expected to require assistance under the HIPC Initiative.

2/ In percent of NPV of debt at completion point, after full use of traditional debt relief mechanisms.

3/ Expected to be eligible under fiscal/openness criteria, NPV of debt to exports target chosen to meet NPV of debt-to-revenue target of 280 percent.