PROJECT PERFORMANCE ASSESSMENT REPORT

CÔTE D'IVOIRE

First, Second, and Third Poverty Reduction Support Credits

Report No. 163936
DECEMBER 13, 2021

IEG
INDEPENDENT EVALUATION GROUP
WORLD BANK GROUP
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WHAT WORKS

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PROJECT PERFORMANCE ASSESSMENT REPORT

Côte d'Ivoire

First Poverty Reduction Support Credit (IDA No. 53000)

Second Poverty Reduction Support Credit (IDA No. 55580)

Third Poverty Reduction Support Credit (IDA No. 57250)

December 13, 2021

Human Development and Economic Management

Independent Evaluation Group

Abbreviations

AfDB	African Development Bank
CFAF	Communaute Française d'Afrique Franc
CPF	Country Partnership Framework
DPO	development policy operation
EU	European Union
GDP	gross domestic product
HIPC	heavily indebted poor countries
ICR	Implementation Completion and Results Report
ICRR	Implementation Completion and Results Report Review
IDA	International Development Association
IEG	Independent Evaluation Group
IFC	International Finance Corporation
IMF	International Monetary Fund
PDO	project development objective
PPAR	Project Performance Assessment Report
PRSC	Poverty Reduction Support Credit
SME	small and medium enterprise
WAEMU	West African Economic and Monetary Union

All dollar amounts are US dollars unless otherwise indicated.

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This is a Project Performance Assessment Report (PPAR) by the Independent Evaluation Group (IEG) of the World Bank Group on the First Poverty Reduction Support Credit (P127449), Second Poverty Reduction Support Credit (P143781), and Third Poverty Reduction Support Credit (P155259). This instrument and the methodology for this evaluation are discussed in appendix C. Following standard IEG procedure, the draft PPAR is shared with relevant government officials for their review and comment. No comments were received from the government.

Côte d'Ivoire First Poverty Reduction Support Credit (IDA No. 53000)

Basic Data

Country	Côte d'Ivoire	Financing source	International Development Association
Global Practice	Macroeconomic and Fiscal Management	World Bank financing commitment	SDR 33.30 million
Project name	Poverty Reduction Support Credit 1	Actual amount disbursed	SDR 33.30 million
Project ID	P127449	Programmatic series	Yes
Financing instrument	Development policy lending		

Dates

Event	Original Date	Actual Date
Approval	August 30, 2013	August 30, 2013
Effectiveness	December 12, 2013	December 12, 2013
Closing	December 31, 2013	December 31, 2013

Key Staff Responsible

Management	Appraisal	Completion
Project team leader	Volker Treichel	Samba Ba
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Management	Appraisal	Completion
Sector director or senior Global Practice director	Marcelo Giugale	Carlos Felipe Jaramillo
Country director	Madani M. Tall	Pierre Laporte

Côte d'Ivoire Second Poverty Reduction Support Credit (IDA No. 55580)

Basic Data

Country	Côte d'Ivoire	Financing source	International Development Association
Global Practice	Macroeconomic and Fiscal Management	World Bank financing commitment	SDR 47.30 million
Project name	Poverty Reduction Support Credit 2	Actual amount disbursed	SDR 47.30 million
Project ID	P143781	Programmatic series	Yes
Financing instrument	Development policy lending		

Dates

Event	Original Date	Actual Date
Approval	December 4, 2014	December 4, 2014
Effectiveness	December 15, 2014	December 15, 2014
Closing	June 30, 2015	June 30, 2015

Key Staff Responsible

Management	Appraisal	Completion
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Practice manager	Miria Pigato	Lars Moller
Sector director or senior Global Practice director	Marcelo Giugale	Marcelo Giugale
Country director	Ousmane Diagana	Pierre Laporte

Côte d'Ivoire Third Poverty Reduction Support Credit (IDA No.: 57250)

Basic Data

Country	Côte d'Ivoire	Financing source	International Development Association
Global Practice	Macroeconomic and Fiscal Management	World Bank financing commitment	SDR 89.5 million
Project name	Poverty Reduction Support Credit 3	Actual amount disbursed	SDR 89.5 million
Project ID	P155259	Programmatic series	Yes
Financing instrument	Development policy lending		

Dates

Event	Original Date	Actual Date
Approval	September 29, 2015	September 29, 2015
Effectiveness	November 19, 2015	November 19, 2015
Closing	June 30, 2016	June 30, 2016

Key Staff Responsible

Management	Appraisal	Completion
Project team leader	Samba Ba	Samba Ba
Practice manager	Yaye Seynabou Sakho	Lars Moller
Sector director or senior Global Practice director	Marcelo Giugale	Marcelo Giugale
Country director	Ousmane Diagana	Pierre Laporte

Summary

Background and Description

Côte d'Ivoire's promising economic future at independence in 1960 was undermined, starting in the late 1990s, by political instability and civil strife, adversely affecting socioeconomic indicators. After a brief but bloody (second) civil war in 2011, government and economic institutions had resumed functioning by April 2012. The new government was eager to improve governance, reform institutions, and restore economic growth. It prepared the 2012–15 National Development Plan with a focus on achieving high growth, poverty reduction, an improved business climate, and good governance. In alignment with the government plan, the World Bank Group–supported Country Partnership Strategy (fiscal years 2010–13) had four pillars: strengthening governance and institutions, improving the performance of the agricultural sector, enhancing private sector development, and renewing infrastructure and basic services.

A series of three development policy operations (DPOs) was initiated in 2013. The program development objective was to support a balanced reform program that would strengthen public sector governance and administration and facilitate private sector–led growth. It was implemented through three pillars that were consistent with both government and Bank Group strategies. The pillars were as follows:

- Pillar 1: Good governance, transparency, and enhanced public financial management;
- Pillar 2: Improvement of the business climate and higher private investment; and
- Pillar 3: Strengthening potential economic growth sectors, focusing on energy and several agricultural subsectors (cocoa, cashews, and rice).

Although Côte d'Ivoire has suffered periodic conflicts resulting from underlying issues of inequality and political tension, it differs from many countries that suffer from fragility, conflict, and violence in having a strong macroeconomic and growth base and a capable government administration. Unlike other fragile countries, Côte d'Ivoire did not lose its critical human resources during the conflicts. The Côte d'Ivoire Poverty Reduction Support Credit (PRSC) series provides an opportunity to test the hypothesis that a DPO series can effectively help restore a postconflict country to growth and catalyze longer-term reforms when there is a sound underlying macroeconomic framework and capable administration. The PPAR adds value to the initial Independent Evaluation Group (IEG) validation of this programmatic series by reviewing the sustainability of reforms undertaken, applying the new Implementation Completion and

Results Report Review methodology for development policy financing, and incorporating the views of a wider range of stakeholders to draw lessons.

Findings

The PPAR supports the hypothesis that development policy financing through DPOs can effectively help restore a postconflict country to growth and catalyze longer-term reforms for private sector–led growth, given a sound underlying macroeconomic framework and capable government administration to support the prioritization of policy and institutional reforms, even in the face of fragility. The World Bank's interventions supported a process of building institutions to address weak governance and improve the business climate. Successes were significantly due to (i) a capable civil service that could implement reforms supported by the World Bank, (ii) the provision of complementary technical assistance to support the implementation of difficult reforms, (iii) the provision of follow-up support to sustain key reforms, and (iv) supporting reforms that had long gestation periods.

Conversely, some delays and setbacks in achieving results point to the importance of focusing on a few areas rather than spreading actions too ambitiously over many sectors. In addition, more up-front analysis of the sociopolitical environment was needed to identify allies in the government and private sector and development partners who could help champion reforms after and during the series. The series would have benefited from more careful guidance during the design stage regarding politically sensitive reforms, especially with respect to the risks posed by vested interests in the cocoa and energy sectors. Last, the absence of a joint development partner framework meant that the World Bank was not able to leverage other development partners to help monitor and sustain the reforms after the series had closed.

Finally, the tension between disbursement pressures and rigorous implementation of reforms must be acknowledged. Government expectations were influenced by a strong commitment by the Country Director to provide financing to assist the country, even before negotiating the associated policy reforms. The consequence was a tendency to adjust triggers and actions in the face of opposition to the implementation of some reforms.

Results

As of the closing of the series, only 6 of the 14 targets had been met; 2 showed no progress. At the time of this PPAR, 10 targets had been met, and progress had been made on all but one of the others. Achievement of the intended objectives was confirmed through complementary data and interviews with the World Bank staff and government officials. Despite the large number of actions without clear results chains

and some setbacks, the momentum for reform and growth was sustained, with a clear relationship between some reform processes set in motion during the series and subsequent continued progress toward objectives.

What Worked: Improved Business Climate and Private Investment

The legal and institutional reforms supported by the series effectively reformed the governance and business environment and improved public perceptions of governance and the investment climate. In particular, the new anticorruption law led to the establishment of the High Authority for Good Governance and the implementation of provisions for government officials to declare their assets; the establishment of the Commercial Court facilitated the settlement of commercial disputes; and the "one-stop shop" helped reduce the time to start a business from 32 days in 2011 to 6 days in 2019. In addition, the time for obtaining construction permits was reduced from 583 days in 2011 to 163 days in 2019. A census and audits of the cocoa sector helped overcome vested interests and increase farmers' share of the cost, insurance, and freight prices of cocoa and coffee from 50 percent to 60 percent (IMF 2013, 48; 2017, 7). The share of farm gate prices was maintained after the operation when international cocoa prices fell (IMF 2018a, 24). Without the backing of the PRSC series, it is unlikely that such progress would have been made and sustained.

Côte d'Ivoire's Coffee and Cocoa Board and Ghana's Cocoa Board continued working together after the series on a pricing mechanism to help farmers earn a living wage by suspending forward sales of cocoa beans, setting a floor selling price, and mobilizing funds for a "Living Income Differential" (Aboa 2020; Nieburg 2019). For the 2020–21 season, the government increased the farm gate price by 21 percent,[1] representing 69 percent of the floor price of $2,600 (the prevailing world price in early 2021).[2]

The ongoing engagement of the World Bank through the PRSC series was viewed by respondents as a strong positive signal to private investors that helped build confidence and trust, triggering complementary support from other development partners.

The series also helped improve the overall business environment by supporting the National Agricultural Investment Plan as a framework for the overall development of the agriculture sector (development of the cashew sector was particularly important for

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[1] More information is available at https://www.theafricareport.com/16196/can-ghana-and-cote-divoire-really-deliver-higher-cocoa-prices.

[2] See https://tradingeconomics.com/commodity/cocoa.

income distribution) and dialogue between the government and independent power producers (cleaning up arrears helped avert a crisis in the electricity sector).

What Didn't Work Well: Governance, Transparency, Procurement, and Inequality

Accountability and transparency was a challenge in Côte d'Ivoire, as government institutions failed to sanction officials whose activities breached the law. Follow up was inadequate regarding violations of the anticorruption law, and measures taken on paper rarely resulted in officials being punished for transgressions, fostering a general culture of impunity. Perception of corruption remains high, partly owing to nonapplication of sanctions and a lack of justice and accountability, despite a decrease in the Transparency International's Corruption Perceptions Index (from 154 in 2011 to 106 in 2019).

The procurement system remains cumbersome, and the government has continued to use single-source procurement as a significant approach for contracting. Efforts to reduce single-source procurement during the series were compromised by emergency contracting under the president's office. (The single-source share did decrease after the series, although not to the targeted 15 percent.) The complexity of the procurement system persists despite various reforms supported by the PRSC series, such as the establishment of procurement units in public agencies, the establishment of a monitoring and evaluation unit for public procurement, and the adoption of new standard bidding documents.

Reducing inequality is essential to addressing the underlying causes of fragility, but the benefits of strong gross domestic product growth are not showing up in the relevant socioeconomic indicators for the general population. The government's emphasis on large projects, infrastructure, and private investment has tended to favor the wealthier, urban, southern parts of the country. Considerable pushback on reforms from the private sector has resulted in the reinstatement of some tax exemptions that favor large firms.

Design and Preparation

What Worked? Analytical Base, Dialogue, Partnership with the International Monetary Fund

Prior analytical work at the sectoral level and by the International Monetary Fund (IMF) and the International Finance Corporation provided a sound basis for selection of appropriate reforms. The PRSC series provided a means to pull various sectors together into a comprehensive dialogue, led by the Ministry of Economy and Finance, but incorporating sectoral priorities that were critical to the growth agenda. It helped build

momentum and ownership for critical reforms, several of which were supported through a sequence of prior actions in each operation.

Partnership with the IMF was strong, mutually beneficial, and complementary. The IMF provided technical assistance in 2013 aimed at eliminating key constraints to private credit and helping banks manage liquidity. This assistance complemented the second PRSC pillar on improving the business climate and private investment (IMF 2013, 15; 2017, 20). The IMF also used the World Bank's *Doing Business* reports alongside the Global Competitiveness Index and Global Enabling Trade Index to assess Côte d'Ivoire's external stability and competitiveness, as well as ratings from the World Bank's Worldwide Governance Indicators and the Index of Economic Freedom of the Heritage Foundation to benchmark the quality of governance (IMF 2013, 19).

Furthermore, there was regular dialogue on debt sustainability and macroeconomic policy, and a common agreement was reached on reforms such as those of the electricity sector, supported by the IMF, the International Finance Corporation, African Development Bank, and the Export-Import Bank of China.

What Didn't Work Well? Framework, Number of Prior Actions, Disbursement Imperative

Despite good communication among donors on specific policy reforms and briefings during missions, there was no joint framework to ensure coherence of assistance among donors. Greater involvement in designing complementary projects might have motivated other development partners to better follow through and monitor results.

The range and large number of prior actions was extensive, and many lacked cohesion and synergy, making it difficult to focus on the most critical areas. For instance, Pillar 3 included actions on electricity pricing, oil refinery arrears, cocoa, cashews, rice, rural roads, and agricultural strategy. As a result, implementing agencies faced coordination challenges. Rather than driving implementation of reforms among the implementing agencies, the Ministry of Economy and Finance limited itself to collating information, and it did not continue to monitor the sustainability of the reforms supported by the series after it had closed.

The pressing need for budget support dominated the evolution of triggers. As a result, the perceived need to disburse on time sometimes undermined the implementation of reforms envisaged at the outset of the series.

The Bank Group relied heavily on the government to consult with the private sector. A more independent role for the World Bank in consultations with the private sector in the

preparation and design of the series might have helped avoid some of the eventual pushback and reversal of actions.

Implementation and Supervision

What Worked? Country Presence

The task team leaders were domiciled in the country office in Abidjan and had previous country experience and knowledge. This translated into increased relevance and oversight of the reforms supported by the Bank Group. The physical presence of the task team leaders enabled them to undertake follow-up actions and enhanced communication with other development partners.

What Didn't Work? Changes in Triggers, Vested Interests

As noted in the Implementation Completion and Results Report of the series, 11 of 14 triggers (or components of triggers) in the PRSC-1 matrix for PRSC-2 changed when the task team leaders changed and appeared oriented mainly toward removing obstacles to disbursement. These changes in the policy matrix were not fully aligned with the government's budget cycle, creating challenges for implementation and monitoring of the results.

Reforms related to energy, cocoa, and tax exemptions were reversed in part because of their impact on elite private sector stakeholders and a lack of national consensus on the reforms. Many of the affected prior actions represented initial steps in a nascent reform process, making it easy to delay or avoid implementation.

IEG project ratings are described in appendix A. The evaluation methodology and evidence sources are described in appendix C.

Lessons

This assessment offers the following lessons:

- Designing DPO series with too many unrelated prior actions may undermine achievement of results. The large number of prior actions made it difficult to monitor, prioritize, and focus implementation on the most critical areas. Results were most evident when there was a clear series of complementary actions across the series.
- A clear results chain is needed to prioritize critical actions and monitor results. A more explicit linking of actions to outcomes could have helped reduce the

number of prior actions and orient results indicators more toward desired outcomes.

- Critical reforms that require sequencing over an extended period for effective implementation should be complemented by institutional measures for sustained implementation and technical assistance projects to build capacity. Reforms to the legal and institutional framework take time to implement and may succumb to pushbacks if not supported by appropriate technical assistance projects.
- In postconflict situations, the need for budget support provides an opportunity for introducing and accelerating reforms. By taking advantage of political will in Côte d'Ivoire in its postconflict situation, DPOs helped accelerate reforms that addressed basic constraints to private sector–led growth. Many reforms that were not politically sensitive were effectively implemented and sustained. At the same time, the risk of resistance to reforms in some areas from vested interests in Côte d'Ivoire needs to be better assessed to design appropriate mitigating measures.

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Résumé

Contexte et description

L'avenir économique prometteur de la Côte d'Ivoire au moment de son accession à l'indépendance en 1960 a été compromis à partir de la fin des années 1990 par l'instabilité politique et les troubles civils, ce qui a eu un impact négatif sur les indicateurs socio-économiques. Après une brève mais sanglante (deuxième) guerre civile en 2011, les administrations publiques et les institutions économiques ont repris leurs activités en avril 2012. Le nouveau gouvernement voulait améliorer la gouvernance, réformer les institutions et rétablir la croissance économique. Il a préparé le plan de développement national 2012–15 en mettant l'accent sur une croissance élevée, la réduction de la pauvreté, l'amélioration du climat des affaires et la bonne gouvernance. En accord avec le plan du gouvernement, le cadre de partenariat stratégique pour la Côte d'Ivoire appuyé par le Groupe de la Banque mondiale (exercice 2010–13) reposait sur quatre piliers, à savoir le renforcement de la gouvernance et des institutions, l'amélioration des performances du secteur agricole, le développement du secteur privé et le renouvellement des infrastructures et des services de base.

Une série de trois opérations de politique de développement (DPO) a été lancée en 2013. L'objectif de développement du programme était d'accompagner un programme de réforme équilibré qui renforce la gouvernance et l'administration du secteur public et facilite une croissance tirée par le secteur privé. Il a été mis en œuvre au moyen de trois piliers compatibles avec les stratégies du gouvernement et du Groupe de la Banque mondiale. Ces piliers sont :

- Pilier n° 1 : bonne gouvernance, transparence et meilleure gestion des finances publiques;
- Pilier n° 2 : amélioration du climat des affaires et augmentation des investissements privés;
- Pilier n° 3 : renforcement des secteurs de croissance économique potentielle, en mettant l'accent sur l'énergie et plusieurs filières agricoles (cacao, noix de cajou et riz).

Bien que la Côte d'Ivoire ait souffert de conflits périodiques résultant de problèmes sous-jacents d'inégalité et de tension politique, elle se distingue de nombreux pays touchés par la fragilité, les conflits et la violence en c qu'elle possède une base macroéconomique et de croissance solide et une administration publique compétente. Contrairement à d'autres pays fragiles, la Côte d'Ivoire n'a pas perdu ses ressources humaines essentielles pendant les conflits. La série de crédits de soutien à la réduction

de la pauvreté (CSRP) de la Côte d'Ivoire offre l'occasion de tester l'hypothèse selon laquelle une série d'opérations de politique de développement (DPO) peut effectivement aider à restaurer la croissance d'un pays sortant d'un conflit et impulser des réformes à plus long terme lorsqu'il existe un cadre macroéconomique sous-jacent solide et une administration compétente. Le PPAR ajoute de la valeur à la validation initiale du Groupe indépendant d'évaluation (IEG) de cette série programmatique en examinant la viabilité des réformes entreprises, en appliquant la nouvelle méthodologie d'examen des rapports d'achèvement de la mise en œuvre et des résultats pour le financement des politiques de développement, et en incorporant les points de vue d'un plus large éventail de parties prenantes pour en tirer des enseignements.

Constatations

Le PPAR soutient l'hypothèse selon laquelle le financement des politiques de développement par le biais des DPO peut contribuer efficacement à rétablir la croissance dans un pays sortant d'un conflit et à impulser des réformes à plus long terme pour une croissance tirée par le secteur privé, à condition que le cadre macroéconomique sous-jacent soit solide et que l'administration publique soit capable d'apporter un appui à la priorisation des réformes politiques et institutionnelles, même en cas de fragilité. Les interventions de la Banque mondiale sont venues appuyer un processus de renforcement des institutions pour remédier à la faiblesse de la gouvernance et améliorer le climat des affaires. Les succès tiennent en grande partie i) à une fonction publique compétente capable de mettre en œuvre les réformes soutenues par la Banque mondiale, ii) à la fourniture d'une assistance technique complémentaire pour soutenir la mise en œuvre de réformes difficiles, iii) à la fourniture d'un appui complémentaire pour accompagner les réformes clés, et iv) au soutien des réformes longtemps restées en gestation.

D'un autre côté, certains retards et revers dans l'obtention des résultats soulignent l'importance de se concentrer sur quelques domaines plutôt que d'engager des actions trop ambitieuses sur plusieurs secteurs. En outre, une analyse plus précoce de l'environnement sociopolitique était nécessaire pour identifier les alliés au niveau des administrations publiques, du secteur privé et des partenaires de développement qui pourraient aider à défendre les réformes après et pendant la série. Celle-ci aurait pu bénéficier d'une orientation plus prudente au cours de la phase de conception concernant les réformes politiquement sensibles, notamment en ce qui concerne les risques posés par les intérêts particuliers dans les secteurs du cacao et de l'énergie. Enfin, l'absence d'un cadre commun de partenaires de développement a fait que la Banque mondiale n'a pas été en mesure de mobiliser d'autres partenaires de développement pour aider à suivre et à soutenir les réformes après la clôture de la série.

Pour terminer, il faut reconnaître la tension qui s'observe entre les pressions liées aux décaissements et la mise en œuvre rigoureuse des réformes. Les attentes du gouvernement ont été influencées par un engagement fort du Directeur pays à fournir un financement pour aider le pays, avant même de négocier les réformes politiques associées, ce qui a eu pour conséquence une tendance à ajuster les déclencheurs et les actions face à l'opposition à la mise en œuvre de certaines réformes.

Résultats

Au moment de la clôture de la série, seuls six objectifs sur 14 avaient été atteints; deux n'avaient pas progressé. Au moment de la rédaction du présent rapport, 10 cibles avaient été atteintes et des progrès avaient été réalisés pour toutes les autres cibles sauf une. La réalisation des objectifs visés a été confirmée par des données complémentaires et des entretiens avec le personnel de la Banque mondiale et les représentants de l'État. Malgré le grand nombre d'actions sans chaînes de résultats claires et certains revers, la dynamique de réforme et de croissance a été maintenue, avec une relation claire entre certains processus de réforme mis en route pendant la série et les progrès continus ultérieurs vers les objectifs à atteindre.

Ce qui a marché : amélioration du climat des affaires et de l'investissement privé.

Les réformes juridiques et institutionnelles soutenues par la série ont effectivement permis de réformer la gouvernance et l'environnement des affaires et d'améliorer la perception de la gouvernance et du climat d'investissement par le public. En particulier, la loi anti-corruption a conduit à la création de la Haute Autorité pour la bonne gouvernance et à la mise en œuvre de dispositions obligeant les fonctionnaires à déclarer leur patrimoine; le tribunal de commerce a facilité le règlement des différends commerciaux; et le « guichet unique » a permis de ramener le délai de création d'une entreprise de 32 jours en 2011 à six jours en 2019. En outre, le délai d'obtention des permis de construire a été réduit, de 583 jours en 2011 à 163 jours en 2019. Un recensement et des audits du secteur du cacao ont permis de surmonter les intérêts particuliers et d'augmenter la part des agriculteurs dans les prix CAF (coût, assurance, fret) du cacao et du café de 50 pourcent à 60 pourcent (Fonds monétaire international [FMI] 2013, 48; 2017, 7). La part des prix à la production a été maintenue après l'opération lorsque les cours internationaux du cacao ont chuté (FMI 2018a, 24). Sans le soutien de la série de CSRP, il est peu probable que de tels progrès auraient été réalisés et maintenus.

Après la série, le Conseil du Café-Cacao de Côte d'Ivoire et le Conseil du cacao du Ghana ont continué à travailler ensemble sur un mécanisme de fixation des prix pour aider les planteurs à gagner un revenu décent en suspendant les ventes à terme de fèves

de cacao, en fixant un prix de vente plancher et en mobilisant des fonds pour un « différentiel de revenu minimal » (Aboa 2020; Nieburg 2019). Pour la saison 2020–21, le gouvernement a augmenté le prix à la production de 21 pourcent,[1,] ce qui représente 69 pourcent du prix plancher de 2 600 dollars (le cours mondial en vigueur au début de 2021).[2]

L'engagement continu de la Banque mondiale à travers la série de CSRP a été considéré par les personnes interrogées comme un signal positif fort pour les investisseurs privés, qui a contribué à renforcer la confiance, ce qui a déclenché un appui complémentaire de la part d'autres partenaires de développement.

La série a également contribué à améliorer le climat général des affaires en soutenant le Plan national d'investissement agricole en tant que cadre pour le développement global du secteur de l'agriculture (le développement du secteur de la noix de cajou était particulièrement important pour la répartition des revenus) et le dialogue entre le gouvernement et les producteurs d'électricité indépendants. Précisons que l'apurement des arriérés a permis d'éviter une crise dans le secteur de l'électricité.

Ce qui n'a pas bien fonctionné : gouvernance, transparence, passation de marchés et inégalités.

La responsabilité et la transparence ont constitué un défi en Côte d'Ivoire, les institutions gouvernementales ne parvenant pas à sanctionner les fonctionnaires dont les activités sont contraires à la loi. Le suivi était inadéquat en ce qui concerne les violations de la loi anti-corruption, et les mesures prises sur le papier se traduisaient rarement par des sanctions à l'encontre des fonctionnaires, ce qui favorisait une culture générale de l'impunité. La perception de la corruption reste élevée, en partie en raison de la nonapplication des sanctions et du manque de justice et de responsabilité, malgré une baisse de l'indice de perception de la corruption de *Doing Business* (de 154 en 2011 à 106 en 2019).

Le système de passation de marchés reste lourd, et le gouvernement a continué à recourir à l'approvisionnement à une source unique comme une approche importante pour la passation de marchés. Les efforts visant à réduire les achats à une source unique pendant la série ont été compromis par la passation de marchés d'urgence par la Présidence. (La part des marchés à fournisseur unique a effectivement diminué après la

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[1] D'autres renseignements sont disponibles sur le site https://www.theafricareport.com/16196/can-ghana-and-cote-divoire-really-deliver-higher-cocoa-prices.

[2] Voir https://tradingeconomics.com/commodity/cocoa.

série, mais sans atteindre l'objectif de 15 pourcent). La complexité du système de passation de marchés persiste malgré les diverses réformes soutenues par la série de CSRP, telles que la création d'unités de passation de marchés dans les organismes publics, la création d'une unité de suivi et d'évaluation des marchés publics et l'adoption de nouveaux dossiers d'appel d'offres standard.

La réduction des inégalités est essentielle pour s'attaquer aux causes sous-jacentes de la fragilité, mais les avantages de la forte croissance du produit intérieur brut n'apparaissent pas dans les indicateurs socio-économiques pertinents pour la population générale. L'accent mis par le gouvernement sur les grands projets, les infrastructures et les investissements privés a eu tendance à favoriser les régions urbaines plus riches du sud du pays. La forte résistance opposée par le secteur privé aux réformes a abouti au rétablissement de certaines exonérations fiscales qui favorisent les grandes entreprises.

Conception et préparation

Ce qui a marché : base analytique, dialogue, partenariat avec le Fonds monétaire international.

Des travaux d'analyse antérieurs au niveau sectoriel et par le FMI et la Société financière internationale ont fourni une base solide pour la sélection des réformes appropriées. La série de CSRP a permis de rassembler divers secteurs dans le cadre d'un dialogue global, piloté par le ministère de l'Économie et des Finances, mais intégrant les priorités sectorielles essentielles au programme de croissance. Elle a contribué à créer une dynamique et à favoriser l'appropriation des réformes essentielles, dont plusieurs ont été soutenues par une série d'actions préalables dans chaque opération.

Le partenariat avec le FMI était solide, mutuellement bénéfique et complémentaire. Le FMI a fourni une assistance technique en 2013 visant à éliminer les principales contraintes pesant sur le crédit privé et à aider les banques à gérer les liquidités. Cette assistance complétait le deuxième pilier du CSRP sur l'amélioration du climat des affaires et de l'investissement privé (FMI 2013, 15; 2017, 20). Le FMI a également utilisé les rapports *Doing Business* de la Banque mondiale ainsi que l'indice de compétitivité mondiale et l'indice Global Enabling Trade pour évaluer la stabilité et la compétitivité extérieures de la Côte d'Ivoire, ainsi que les notations des indicateurs de gouvernance dans le monde de la Banque mondiale et l'indice de liberté économique de la Heritage Foundation pour évaluer la qualité de la gouvernance (FMI 2013, 19).

En outre, un dialogue régulier a eu lieu sur la viabilité de la dette et la politique macroéconomique, et un accord commun a été trouvé sur des réformes telles que celles du secteur de l'électricité, soutenues par le FMI, la Société financière internationale, la Banque africaine de développement et la Banque d'import-export de Chine.

Ce qui n'a pas bien fonctionné : cadre, nombre d'actions préalables, impératif de décaissement

Malgré une bonne communication entre les donateurs sur des réformes politiques spécifiques et des séances d'information pendant les missions, il n'existait pas de cadre commun pour assurer la cohérence de l'aide entre les donateurs. Une plus grande implication dans la conception de projets complémentaires aurait pu motiver les autres partenaires de développement à aller jusqu'au bout et à contrôler les résultats.

L'éventail et le grand nombre d'actions préalables étaient de portée considérable et beaucoup manquaient de cohésion et de synergie, ce qui a fait en sorte qu'il soit difficile de se concentrer sur les secteurs les plus critiques. Par exemple, le troisième pilier comprenait des actions sur la tarification de l'électricité, les arriérés des raffineries de pétrole, le cacao, la noix de cajou, le riz, les routes rurales et la stratégie agricole. Par conséquent, les agences de mise en œuvre ont été confrontées à des problèmes de coordination. Au lieu de piloter la mise en œuvre des réformes de concert avec ces agences, le ministère de l'Économie et des Finances s'est borné à rassembler des informations et n'a pas continué à surveiller la durabilité des réformes soutenues par la série après sa clôture.

Le besoin pressant de soutien budgétaire a dominé l'évolution des déclencheurs. En conséquence, la nécessité perçue de procéder aux décaissements dans les délais a parfois compromis la mise en œuvre des réformes envisagées au début de la série.

Le Groupe de la Banque s'est fortement appuyé sur le gouvernement pour consulter le secteur privé. Un rôle plus indépendant de la Banque mondiale dans les consultations avec le secteur privé lors de la préparation et de la conception de la série aurait pu permettre d'éviter certaines des réactions négatives et des revirements de situation.

Mise en œuvre et supervision

Ce qui a marché : présence dans le pays

Les chefs d'équipe étaient domiciliés au bureau pays d'Abidjan et avaient une expérience et des connaissances préalables du pays. Cela s'est traduit par une pertinence et une supervision accrues des réformes financées par le Groupe de la Banque. La présence physique des chefs d'équipe de travail leur a permis d'entreprendre des actions de suivi et a renforcé la communication avec les autres partenaires de développement.

Ce qui n'a pas fonctionné : changements dans les déclencheurs et intérêts particuliers

Comme l'indique le Rapport sur l'achèvement de la mise en œuvre et les résultats de la série, 11 des 14 déclencheurs (ou composantes de déclencheurs) de la matrice du CSRP-1 pour le CSRP-2 ont changé lorsque les responsables de l'équipe de travail ont changé et semblaient principalement orientés vers la suppression des obstacles au décaissement. Ces changements dans la matrice des politiques n'étaient pas totalement alignés sur le cycle budgétaire du gouvernement, ce qui a compliqué la mise en œuvre et le suivi des résultats.

Les réformes relatives à l'énergie, au cacao et aux exonérations fiscales ont été annulées en partie en raison de leur impact sur l'élite du secteur privé et de l'absence de consensus national autour de ces réformes. Bon nombre des actions préalables concernées représentaient les premières étapes d'un processus de réforme embryonnaire, ce qui a facilité le report ou l'évitement de leur mise en œuvre.

La notation des projets par l'IEG est décrite à l'annexe A. La méthodologie d'évaluation et les sources de données sont décrites à l'annexe C.

Leçons

- Cette évaluation permet de tirer les enseignements suivants :
- La conception de séries DPO comportant un nombre excessif d'actions préalables sans lien entre elles peut compromettre l'obtention de résultats. Eu égard au grand nombre d'actions préalables, il a été difficile d'assurer le suivi, d'établir les priorités et d'axer la mise en œuvre sur les secteurs les plus critiques. Les résultats étaient plus évidents lorsqu'il y avait une série claire d'actions complémentaires dans l'ensemble de la série.
- Une chaîne de résultats claire est nécessaire pour hiérarchiser les actions critiques et suivre les résultats. Un lien plus explicite entre les actions et les résultats aurait pu contribuer à réduire le nombre d'actions préalables et à orienter davantage les indicateurs de résultats vers les résultats souhaités.
- Les réformes critiques qui ont besoin d'être étalées sur une longue période en vue d'une mise en œuvre efficace doivent être complétées par des mesures institutionnelles pour une exécution soutenue et des projets d'assistance technique visant à renforcer les capacités. Il faut du temps pour mettre en œuvre les réformes du cadre juridique et institutionnel et celles-ci peuvent se heurter à des résistances si elles ne sont pas assorties de projets d'assistance technique adaptés.

- Dans les situations de postconflit, la nécessité d'un soutien budgétaire offre la possibilité d'introduire et d'accélérer les réformes. En profitant de la volonté politique en Côte d'Ivoire dans sa situation d'après-conflit, les DPO ont contribué à accélérer les réformes qui ont permis de lever les contraintes fondamentales à une croissance tirée par le secteur privé. Nombre de réformes qui n'étaient pas politiquement sensibles ont été efficacement mises en œuvre et soutenues. Dans le même temps, le risque de résistance aux réformes dans certains domaines du fait d'intérêts particuliers en Côte d'Ivoire doit être mieux évalué afin de concevoir des mesures d'atténuation appropriées.

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1. Background, Context, and Design

Background and Context

1.1 Following a civil war in 2002, Côte d'Ivoire was undergoing strong recovery from two decades of economic stagnation (owing to declining cocoa prices, drought, and debt). However, political strife resurfaced in a 2010 postelection crisis, resulting in a second civil war that ended in 2011. By April 2012, all three branches of government were functional, with Alassane Ouattara recognized as the election winner and ex-president Laurent Gbagbo charged by the International Criminal Court in The Hague (World Bank 2013a, 2). Nevertheless, the country remained fragile because of the presence of rebels, displacement of people, weak institutions, entrenched vested interests, and division along geographic lines. High inequality and low human development posed further challenges.[1]

1.2 A return to growth was made possible by efforts to de-escalate political tensions, including dialogue between the new government and the former ruling party; setting up a Dialogue, Truth, and Reconciliation Commission; and disarming, demobilizing, and reintegrating former combatants. By 2013, economic institutions had become operational, though weakened by the legacies of conflict, self-interest, corruption, and division of civil servants along political lines. The new government was eager to improve governance and restore economic growth.

1.3 **Government strategy:** The key challenges identified in the government's Poverty Reduction Strategy Paper for 2009–15 included restoring peace, improving governance, improving the performance of the agriculture sector, revitalizing the private sector, strengthening infrastructure services, increasing pro-poor investment, building human capital, and regional integration. The government's 2012–15 National Development Plan focused on achieving high growth and poverty reduction, improving the business climate and governance, and creating fiscal space by reinforcing the financial sector and maintaining external stability. It noted that the rising trend in the share of the population living in poverty from 1985 to 2008 had been reversed, with 46 percent of the population below the national poverty line in 2018 (still double Ghana's 23 percent).

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[1] Côte d'Ivoire was ranked 165 out of 189 countries by the Human Development Index in 2018, and it falls in the lowest group (of five) in terms of the Gender Development Index (United Nations Development Programme, Human Development Report, 2019). Gross domestic product growth was negative or negligible in 1990–93, 2000–03, and 2011 (https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=CI).

1.4 **World Bank Group–supported strategy:** The Country Partnership Framework (CPF) for fiscal years 2010–13 and its progress report noted the political and economic difficulties in Côte d'Ivoire. The Country Partnership Strategy was prepared as the country was in the process of moving from postconflict recovery to restoration of sustainable growth and poverty reduction. The World Bank Group–supported strategy was built in relation to four pillars: strengthening governance and institutions, improving the performance of the agricultural sector, enhancing private sector development, and renewing infrastructure and basic services (World Bank 2015b). It stated, however, that the 2011 crisis delayed implementation of the CPF, although the CPF pillars and objectives were maintained because they continued to be relevant, as noted in the 2012 Progress Report. The series was also influenced by the draft Systematic Country Diagnostic (2014), which guided reforms in the energy and financial sectors and fiscal sustainability.[2]

1.5 **Macroeconomic framework:** Macroeconomic performance ahead of the program was strong. Following the postelectoral crisis, sizable external financial support and a large fiscal stimulus helped limit the 2011 contraction in real gross domestic product (GDP) to −4.7 percent (IMF 2013). Emergency budget support operations by the World Bank and the African Development Bank (AfDB) in 2011 helped clear arrears and reach Heavily Indebted Poor Countries (HIPC) Initiative completion, creating new scope for borrowing (albeit with continuing moderate risk of debt distress). After 2011, Côte d'Ivoire returned to strong economic growth (over 7 percent per year) and reduced the fiscal deficit steadily (from 5.6 percent of GDP in 2011 to 2.3 percent in 2013), helping to restore business and consumer confidence, with strong rebounds in the energy, construction, public works, retail, and agrofood sectors. The macroeconomic context at preparation of the Poverty Reduction Support Credit (PRSC) series was adjudged to be "sustainable, striking a balance between fiscal probity and the ongoing substantial need for public investment to keep growth momentum and maintain economic stability. In particular, aggregate saving was viewed as being adequate to finance a significant increase in investment" (World Bank 2019b, 6).

1.6 Under these conditions, a PRSC series was initiated in 2012 to disburse funds rapidly to help jump-start economic recovery.[3] However, it proved impossible to obtain

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[2] The Systematic Country Diagnostic was finalized in June 2015. However, the third operation in the series cited the 2014 draft as the analytical underpinning for the third pillar related to the energy sector. It supported a progressive rate structure for tariffs that focused subsidies on low-income consumers.

[3] The International Development Association 16th Replenishment Mid-Term Review meeting was held in Abidjan in November 2012.

the additional funds needed under the 16th Replenishment of the International Development Association replenishment (IDA16), and the initial project had to be updated with new triggers in 2013 for presentation to the Board.

Objective, Design, and Financing

1.7 The overall objective of the series of three PRSCs was to support a balanced reform program focused on strengthening public sector governance and administration and facilitating private sector–led growth. The (implicit) expected outcomes included improved public perception of government, more efficient use of government resources, increased investment resulting from improvements in the business climate, enhanced economic growth, and reduced rural poverty. The project development objective (PDO) remained consistent throughout the series and can be disaggregated as follows:

- PDO 1: Strengthening public sector governance and administration; and
- PDO 2: Facilitating private sector–led growth.

1.8 These objectives were supported under three pillars:

- Pillar 1: Good governance, transparency, and enhanced public financial management;
- Pillar 2: Improvement of the business climate and higher private investment; and
- Pillar 3: Strengthening potential economic growth sectors, focusing on energy and several agricultural subsectors (cocoa, cashews, and rice).

1.9 The specific actions proposed under these pillars were based on the findings of several analytical studies (see appendix A, table A.2), although no explicit theory of change was articulated. The implicit assumptions underlying pillars 1 and 2 were that the new laws and institutions would build public confidence in government and the investment climate by reducing corruption and improving transparency and that complementary reductions in the time and cost of starting businesses and construction would bolster private investment by improving the perceived climate for doing business. Under Pillar 3, apart from measures to raise the share of the cocoa price going to farmers, the link was less clear between the institutional and strategic reforms supported and the government's desired results of employment and income generation (World Bank 2013a, annex 1, paras. 24–25). The implicit assumption was that the measures taken would help catalyze continued reforms that would facilitate increased employment and income generation in rural areas. Similarly, it was implicitly assumed that addressing the precarious finances of energy companies (for example, by clearing

arrears from government to energy and oil suppliers) would clear the path for increased investment and growth in these sectors.

1.10 The design of a programmatic series represented a change from stand-alone operations in Côte d'Ivoire, after a prolonged period of political instability. A programmatic series was chosen to build momentum toward sustaining reforms. For a country coming out of conflict, the focus on strengthening public confidence in the government, building investor confidence, and creating economic opportunities was appropriate. However, this necessitated a broad range of interventions that challenged the political will and capacities of the government to implement, the results of which could not necessarily be realized within the time frame of the series.

1.11 A return to strong economic growth was viewed as essential for short-term stability and longer-term reductions in poverty and inequality. The Ivorian economy depended heavily on the exports of cocoa (and, increasingly, cashews). Thus, reforms to increase revenues to farmers and improve private sector investment were considered central to maintaining social cohesion and economic stability. The selection of prior actions in the agricultural sector was based on prior analytical work: a Country Economic Memorandum and Public Expenditure Review (2014). Business climate reforms derived from an investment climate assessment (2012) and prior work by the International Finance Corporation (IFC) (appendix A, table A.2). Similarly, governance and public financial management reforms were based on the recommendations of Public Expenditure Management and Financial Accountability Reviews (World Bank 2008, 2013b) and a diagnostic study on reforms to address corruption, improve the awarding of public contracts, and link budget execution to government contracts. Thus, the specific reforms and actions were important and relevant to the sectoral objectives based on robust analytical underpinnings. What was lacking was a strategic framework (overall and for each pillar) providing a coherent series of reforms and a plan for how they would interact synergistically to achieve results, along with analysis of how potential risks to their implementation would be addressed.

1.12 The Implementation Completion and Results Report Review (ICRR) describes the design as complex because of the number of prior actions (37 prior actions in 20 clusters, including 17 follow-up subactions to carry through initial reforms; see appendix A, table A.3); the inadequate design of prior actions in agriculture; and the varied scope of the prior actions across sectors. It notes that many reforms were process oriented based on implicit assumptions that up-front legislative and institutional changes would be followed through. It also cites substantial changes in triggers over the life of the series that affected the continuity of the reform program. (Although some such changes represented appropriate adjustments to circumstances, others seemed intended to enable timely disbursement.) Finally, it mentioned that several reforms faced

considerable entrenched interests that would make them hard to achieve, such as public sector contracting and electricity pricing.

1.13 The large number and spread of actions affected the relevance of the results indicators. Six of the 20 primary prior actions had no directly relevant indicator. In some cases, the indicator related only to an intermediate step (for example, number of audits or reports), not the outcomes expected to ensue (prosecutions, better budget management). In such cases, the Project Performance Assessment Report (PPAR) sought additional information regarding achievement of results.

1.14 **Financing:** A total of $220 million was provided over two and a half years. PRSC-1 ($50 million) was approved August 30, 2013; became effective December 12, 2013; and closed December 31, 2013, fully disbursed. PRSC-2 ($100 million) was approved December 4, 2014; became effective December 15, 2014; and closed June 30, 2015, fully disbursed. PRSC-3 ($70 million) was approved September 29, 2015; became effective November 19, 2015; and closed June 30, 2016, fully disbursed.

2. What Worked, What Didn't Work, and Why?

Results

2.1 Budget support through a programmatic series of development policy operations (DPOs) provided a relevant way to manage reforms and engage the government to foster an appetite for continued implementation in the postcrisis recovery period, while enabling the government to finance its recovery effort and return to growth. The PRSC series was intended to pull various sectors together into a comprehensive dialogue, led by the Ministry of Economy and Finance, but incorporating sectoral priorities that were critical to the growth agenda. Many important reforms supported by the series were in complex and politically challenging areas with vested interests, such as the cocoa sector. There was political will to undertake reforms at the design stage.

2.2 The DPO series also facilitated engagement with other development partners in ways that helped the government overcome domestic opposition. Respondents believed that many of the reforms supported would not have been undertaken without the DPO series. Nevertheless, pressing for a broad range of complex reforms posed a challenge for the Bank Group. In a postconflict country such as Côte d'Ivoire, the potential gain from supporting a diverse set of reforms had a greater risk of reversal because of pushback from groups with vested interests. Some of the reforms agreed with the government suffered from weak implementation partly because of political and institutional resistance rather than lack of implementation capacity.

Governance and Public Financial Management: What Worked

2.3 The use of prior actions for governance-related reforms at the onset of the series helped improve perceptions about the government's readiness to address corruption. Although some of the prior actions may be critiqued as "process oriented" rather than "results oriented," the step-by-step process toward better governance established by the PRSC series was effective in improving public perceptions of the government's commitment to addressing corruption. Cases in point were the anticorruption law (PRSC-1), the establishment of the High Authority for Good Governance (PRSC-2), and the implementation of the asset declaration provisions (PRSC-3), with a schedule for implementing other provisions. These measures helped overcome the fragility of the postconflict environment by signaling to civil society that steady progress was being made toward reforms and the rule of law. This was reflected in steady improvement in the Transparency International Corruption Perceptions Index, although the target was not fully achieved until the year after the series closed (table A.4).

2.4 The West African Economic and Monetary Union (WAEMU) provided an important foundation for some reforms by setting norms for governance and procurement. The PRSC series supported implementation of these norms in Côte d'Ivoire in its role as a leading country in WAEMU, in particular the introduction of standard bidding documents. Public procurement audits increased steadily over 2014–18. However, the share of single-source contracting initially rose during 2013–16 owing to emergency contracting outside normal procurement procedures; the intended reduction did not occur until 2017–19 (appendix A, figure A.2). Although efforts to introduce e-procurement as a reform were unsuccessful during the PRSC series, e-procurement was eventually included in the 2019 government effectiveness project.

2.5 The audit of the cocoa forward-sales system and publication of the report (actions under Pillar 3) were important to improve governance and transparency. Without the backing of the PRSC series, World Bank staff indicated that it was unlikely that any progress would have been made, given the vested interests in the sector.

2.6 Reduction of tax exemptions for businesses was seen as essential to raise revenue. This is an area in which political will clashed with vested interests. The government had introduced a new investment code with an increase in exemptions, which the World Bank succeeded in having withdrawn in the negotiations for PRSC-3 and revised with fewer exemptions. The census of civil servants and the resulting reduction of "ghost workers" were important steps toward improving governance and reining in expenditures. The deployment of SIGFAE, an integrated civil service personnel management system, by the Ministry of Civil Service and Administrative

Reform helped eliminate ghost workers, strengthened performance evaluation, and enhanced public service delivery (World Bank 2015a).

Governance and Public Financial Management: What Didn't Work

2.7 Corruption remains a major problem (especially in cocoa and construction). Although implementing asset declaration was a positive step under the anticorruption law, some interviewees questioned how meaningful this was in the Ivorian context. There was little follow up regarding compliance or legal consequences for violations of the anticorruption law. The general culture of impunity—with officials rarely punished for transgressions—meant that the measures undertaken on paper were not very effective in reducing actual corruption. In 2014–15, the High Authority for Good Governance forwarded only nine cases (out of 26 reviewed) for investigation and prosecution (no evidence is available as to whether these resulted in actual prosecutions, let alone convictions). Some respondents were skeptical that the Transparency International Corruption Perceptions Index reflects effective changes in actual corruption.

2.8 Efforts to reduce single-source contracts—a significant avenue for corruption and irregularities—were not very successful during the series. In terms of design, although the share of single-source contracts was a results indicator for progress in procurement, there were no specific policy actions to effectively change behavior. Some initial reduction in the share of single-source contracts was reversed because of a combination of (i) local businesses complaining about contracts going to foreigners; (ii) the desire to help local companies impacted by conflict to get back on their feet; (iii) government prioritization of creating jobs, especially for youth; and (iv) the need to satisfy political allies. Nevertheless, the reforms eventually yielded steady reduction in the share of single-source contracting over 2017–19 (although not yet to the targeted level; see figure A.2).

Private Sector Development and the Business Climate: What Worked

2.9 Reforms and prior actions in the DPO series addressed specific binding constraints on the private sector development identified in the 2012 Investment Climate Survey (and the overall problem of governance and corruption). Pillar 2 reforms addressed both the critical constraints of "lack of access to effective dispute resolution" and the "bureaucratic procedures and multiplicity of institutions" affecting business start-ups, with specific actions in all three DPOs to initiate and implement reforms (prior action clusters 2.1–2.6 in table A.3). The Bank Group team members interviewed believe that these measures, supported by the World Bank's presence in the field through the PRSC series, helped build the confidence and trust of private investors, improve the

business climate, and maintain the political will to follow through on business-related reforms (para. 2.36).

2.10 At least partial success in achieving results for private sector development is reflected in key business climate indicators and in investment. Although the selected *Doing Business* indicator targets were only partially achieved during the series, they continued to improve thereafter, reflecting continued government commitment to empower the private sector to lead growth (table A.5 and figures A.3a and A.3b). Other *Doing Business* indicators provide additional evidence of an improved business climate (figure A.3c). The strong increase in (and shift from government investment toward) domestic private investment (figure A.4a) and the reversal of the decline in foreign direct investment (figure A.4b) represent reasonable evidence of the positive impact of the legal and institutional reforms supported by the series. In absolute terms, foreign direct investment inflow increased from $14 million to $394 million in 2020.[4] Further, domestic credit to the private sector rose from below 15 percent of GDP in 2013 to over 21 percent in 2020 (figure A.5; above the 13 percent average for low-income countries, but still below the 2020 average of 42 percent for lower-middle-income countries).[5]

2.11 Establishment of the Commercial Court (lacking in many developing countries) was an important success. This strengthened the rule of law and laid a foundation for expedited handling of commercial disputes and for further decrees to simplify procedures. Passage of a new investment code likewise gave a positive signal to private investors, and simplifying the procedures for occupying industrial land and promotion of industrial zones was an important step toward moving higher on value chains (targets were only partially met during the series but continued to improve thereafter; see figure A.3). The PPAR found complementary evidence that the objective of increasing private investment in Côte d'Ivoire was being achieved, which can reasonably be attributed to the fundamental legal and institutional reforms supported by the series.

Private Sector Development and the Business Climate: What Didn't Work

2.12 Despite its stated commitment to private sector–led growth in plans and documents, the government's actual dialogue with the private sector was weak (see paras. 2.21 and 2.28). The PRSC team had expected the government to consult with private sector representatives to prepare them for the elimination of certain tax

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[4] See https://edenpub.bceao.int/rapportPredefini.php.

[5] See https://data.worldbank.org/indicator/FS.AST.PRVT.GD.ZS?end=2020&start=2020&view=bar.

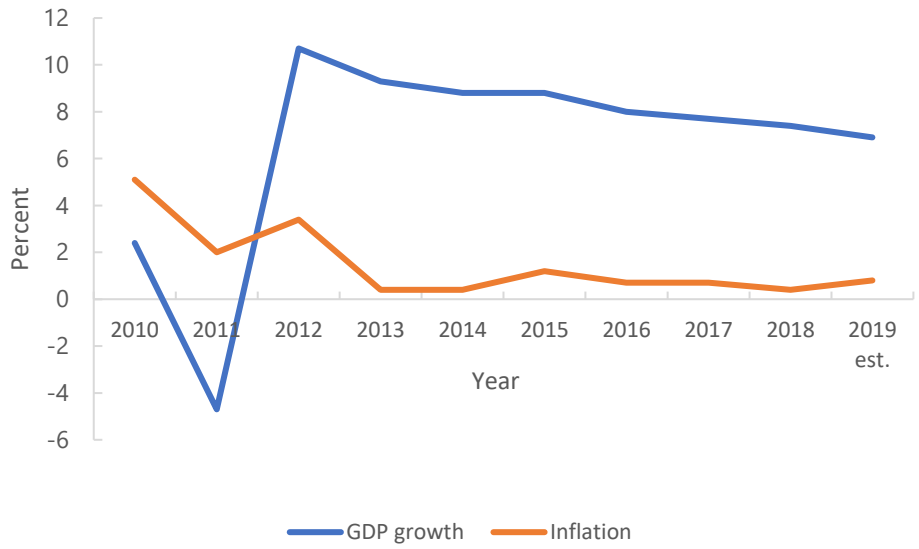
exemptions, but this did not occur, resulting in considerable pushback and the reinstatement of some exemptions.

2.13 Private sector job creation was weak—a particular problem with respect to youth. Government concern about youth employment was one reason it continued to favor single-source contracts with local firms, which officials expected to employ more Ivorians than foreign contractors would. However, local small and medium enterprises (SMEs) were not well supported to be able to take on government contracts. Slow government payment systems posed a particular problem for domestic SMEs that lacked the capital and access to funding to deal with delayed payments on government contracts. More was needed both to streamline the government payment system and to build up the capacities of SMEs to fulfill contracts and meet the conditions for financing. Although some steps were taken toward warehouse receipts, these had little impact in the presence of other obstacles, such as inadequate ability of SMEs to meet collateral and other requirements. Access to finance was a persistent problem for SMEs that was not adequately addressed in practical terms. Although the government continued to implement the financial sector development plan after the series, the focus was on restructuring the commercial banking system rather than extending access to finance (World Bank 2017a, 30). Weak job creation, especially by the private sector, was one consequence.

Economic Growth Sectors: What Worked

2.14 GDP growth was strong, averaging 8.3 percent per year during the PRSC and 7.3 percent thereafter, whereas inflation remained low (figure 2.1). The construction, telecommunication, and energy sectors have experienced strong growth (IMF 2012, 33; IMF 2017, 14; IMF 2018a). Mobile phone subscriptions increased from 18 million in 2013 to 37 million in 2020, indicating rapid growth of the telecommunication sector. By facilitating dialogue between the government and independent power producers and cleaning up some arrears, a crisis in the electricity sector was averted. Electricity tariffs were raised to cost-recovery level, as supported through several prior actions (3.7, 3.8, and 3.10 in table A.3), despite partial reversal of some increases.

Figure 2.1. Gross Domestic Product Growth and Inflation, 2010–19



Sources: IMF 2011, 2016a, 2019a, 2020a.
Note: GDP = gross domestic product.

2.15 The National Agricultural Investment Plan (supported by prior actions [3.2 in table A.3] in PRSC-1 and PRSC-2) provided a framework for overall development of the agriculture sector, which remains critical for strong economic growth, even while the economy is shifting toward industry and services. Improvement in cocoa farm gate prices resulted from the census of cocoa farmers and audit of the revenue distribution system as a basis for compliance with the HIPC Initiative requirement that 60 percent of the world price the farmers. Improved income at the farmer level is critical to retaining young people for the continued growth of the sector. Development of the cashew sector was important for income distribution, with production mainly in the poorer northern part of the country (strong growth of production actually tended to undermine achievement of the indicator of the portion that is processed domestically).

Economic Growth Sectors: What Didn't Work

2.16 Although the previous decline in some economic indicators has been reversed, inequality (both income and geographic) remains problematic.[6] Although the series did not directly address issues of poverty, inequality, or social sensitivities—nor was it linked to specific actions in these areas—it was intended to "catalyze employment

[6] Côte d'Ivoire's United Nations Development Programme Human Development Index of 0.538 ranks 162 (despite some improvement since 2010), but it is 0.346 when adjusted for inequality; see http://hdr.undp.org/en/countries/profiles/CIV.

creation and income generation in rural areas" (Pillar 3). The assumption that enhanced growth in agricultural crops would benefit lower-income rural areas was implicit, not laid out in a results chain or theory of change. Gender was addressed only via one indicator (on the formation of women's cooperatives), which was unrelated to any prior actions.

2.17 Improvements in cocoa pricing to benefit farmers (supported by prior actions [3.1 in table A.3] in all three PRSCs) were constrained by strong pushback from the Conseil du Café-Cacao and political interests to prevent Bank Group oversight. Although inclusion of cocoa, cashews, and rice provided some benefits to rural areas and the northern zone, the government's overall emphasis on large projects, infrastructure, and private investment tended to favor the already wealthier urban, southern parts of the country.

2.18 Road rehabilitation was neglected in the prior actions, although it had been recommended in the Agricultural Public Expenditure Review (Ouédraogo and Kama 2014). The PRSC-3 prior action (3.5 in table A.3) to develop a strategy for maintaining rural roads lacked a corresponding results indicator and follow-up actions. The results chain linking agricultural performance to roads was implicit in the government's 2019 agriculture public update review, which noted that degradation of transport and marketing infrastructure had considerably increased transport costs, thereby constraining growth in the agriculture sector for a decade (World Bank 2019a). Although transport infrastructure is required to improve access to markets for rural farmers to achieve DPO objectives for income growth, no clear strategy was evident in the DPO series or parallel projects.

2.19 Progress in clearing arrears and increasing tariffs in the electricity sector (prior actions 3.7, 3.8, and 3.10 in table A.3) was less than expected, largely because of the reversal of tariff increases under political pressure. Access to electricity outside major urban centers remains inadequate, and overall household access to power is only 26 percent, well below the access rate of two decades ago and rather low by the standards of countries with comparable GDP (World Bank 2015c). The increase in electricity tariffs was reversed because it affected the popularity of the government. The government relies on budgetary subsidies to cover the operating costs in the sector rather than aligning tariffs with higher production costs. The government is still implementing its rural electrification and social tariffs for poorer households, with a focus on increasing access to electricity (IMF 2019a).

Leveraging Support: What Worked

2.20 Political will to implement was high in key areas that involved international agencies and standards. As noted in para. 2.4, Côte d'Ivoire's membership in WAEMU

strengthened its commitment to implementing the governance and procurement reforms needed to follow its standards. Likewise, restructuring of cashew and cotton cooperatives (supported by prior actions in PRSC-2 and PRSC-3 [3.4c and 3.6 in table A.3]) was driven by a desire to come into accordance with the Organization for the Harmonization of Business Law in Africa standards.

Leveraging Support: What Didn't Work

2.21 Although many reforms supported by the prior actions were intended to improve the conditions for private sector–led growth, little was done by either the government or the World Bank to mobilize private sector support or to anticipate and forestall opposition to some measures (see paras. 2.28, 2.31, and 2.37). Likewise, the absence of a joint framework and proactive collaboration with other development partners meant there was no structure of complementary projects that could continue to support reforms beyond the series.

Sustainability

2.22 Overall, the reforms initiated under the PRSC series have been sustained. Important institutions established through actions taken as part of the PRSC series (High Authority for Good Governance, Commercial Court, asset declaration) continue to function satisfactorily. In terms of desired outcomes, GDP has remained above 7 percent per year (figure 2.1) and foreign direct investment has increased (para. 2.10). There has been no slippage in results indicators and, in many cases, continued improvement as of the date of this PPAR, in particular in the Corruption Perceptions Index and *Doing Business* indicators (including ones not explicitly used as results indicators; see appendix A, figure A.3).

2.23 Nevertheless, continued fragility was highlighted by civil unrest surrounding Alassane Ouattara's decision to run again in 2020, despite term limits. Although order has been restored, sociopolitical tensions continue to simmer not far below the surface. Continued growth and reforms, as supported under the PRSC series, and measures to reduce inequality will be important for stability to prevail.

Design and Preparation

Dialogue and Coordination: What Worked

2.24 The stage for the PRSC series was set through prior dialogue and support for Côte d'Ivoire to reach the HIPC Initiative completion point in 2012, as well as through investment projects, such as the Small and Medium Enterprise Revitalization and

Governance Project and Agriculture Sector Support Project (P119308).[7] Prior analytical work at the sectoral level and by the International Monetary Fund (IMF) and IFC provided a sound basis for selection of appropriate reforms. The PRSC series provided a means to pull various sectors together into a comprehensive dialogue, led by the Ministry of Economy and Finance, but incorporating sectoral priorities that were critical to the growth agenda. Having a series proved important to help build momentum and ownership for reforms, in particular by including follow-up actions for the implementation of initial legal and institutional reforms.

2.25 Besides providing financial support, the leadership of the World Bank was important to make other development partners comfortable with supporting Côte d'Ivoire in the fragile postconflict period and likewise provided a comforting signal to businesses and investors. The IMF and the World Bank met with development partners at the beginning of each mission to provide overall information and coordination. Sectoral working groups were useful for practical coordination, especially the private sector group led by the World Bank. The European Union (EU) and AfDB provided useful guidance and support on technical assistance for postconflict recovery and institution building (also supported by the Japan International Cooperation Agency). Overall, the process was considered by those interviewed to have been successful in providing a coordinated response with minimal duplication and some complementarity in operations. Although the World Bank was mainly providing information, this did yield some harmonization: the EU and the French Development Agency used the PRSC policy matrix, and AfDB had a similar one for its 2012/13 AfDB operation.

2.26 Partnership with the IMF was strong, especially on macroeconomic issues, public financial management, and monitoring. A review done by the IMF during the crisis was helpful at the design stage. In turn, the IMF relied on the World Bank for sectoral reforms to address growth and poverty.

Dialogue and Coordination: What Didn't Work

2.27 Donor coordination started relatively late (2012/13) for a DPO series and was mainly informational. There was no joint framework matrix for all development

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[7] The project development objective was to improve smallholder access to technologies and markets and enhance governance of selected value chains supported under the project.

Sectors covered include the following: agriculture (markets, commercialization, and agri-business); public administration (agriculture, fishing, and forestry); crops (agriculture extension, research, and other activities); and roads (rural and interurban).

partners and hence no coordinated follow up of implementation through complementary projects.

2.28 Consultation with the private sector was inadequate at the preparation and design stage. The PRSC team had expected the government to discuss the elimination of certain tax exemptions with the private sector to prepare them and obtain acquiescence, but this did not occur—resulting in considerable pushback and the reinstatement of some exemptions.

Design: What Worked

2.29 Identification of needed reforms was greatly facilitated by prior analytical work and studies by the IMF and the Bank Group (including IFC as well as country and sectoral teams). Prior actions and triggers were arrived at through consultations with these teams. Being able to provide badly needed budget support on a predictable basis over three years opened the door to enact basic but difficult legal and institutional reforms. Because the macroeconomic fundamentals were sound and the political crisis had been resolved, the design differed from DPOs in more systemically fragile countries in focusing more on addressing barriers to growth (including legal and institutional reforms) and private sector development than on the causes of fragility and conflict.

2.30 In two areas (governance and cocoa), the design took advantage of the series to take an initial step in PRSC-1 (legislation, publication of report) with follow-up actions in PRSC-2 and PRSC-3 to move toward implementation.

Design: What Didn't Work

2.31 Significant shortcomings in the design of the series, as noted in the ICRR and appendix A (section 2), yielded a rating of moderately unsatisfactory for outcome (despite improved efficacy as of the PPAR). The Bank Group staff were inadequately involved in the design of critical reforms in the cocoa and electricity sectors, and the risk of social-political pushback from vested interests was not adequately assessed or mitigated. The large number (37) and wide spread of actions in many areas made it difficult to follow up systematically on implementation. It was not clear whether changes to triggers were informed by evidence not known at the point of entry or by pressure to disburse.

2.32 There was no explicit theory of change (results chain) for each pillar, which would have provided for greater cohesion and synergy across the range of prior actions. Furthermore, there was little explicit attention to addressing the causes of inequality, which in turn was an important source of long-term conflict and fragility.

Outcome

2.33 Achievement of results has improved since closure of the series based on targets reached, complementary data, and perceptions of interviewees from the World Bank, development partners, and government (appendix A, section 2). The PRSC series can be considered as contributing to achievement of results in that each pillar had at least one cluster of prior actions with substantial relevance to achieving the desired objectives, and implementation of those actions was sustained. Nevertheless, this did not change the overall outcome rating (appendix A, section 3) of moderately unsatisfactory because of the large number of prior actions with modest or negligible relevance and the lack of an explicit, comprehensive strategic and results framework.

Implementation and Supervision: What Worked

2.34 As noted in the Implementation Completion and Results Report, there was strong Bank Group presence throughout the series: both the World Bank and IFC had field offices in Abidjan. The World Bank and IFC were complementary in that IFC depended on PRSC-supported reforms to reduce risks and costs for its investments, and the success of the reforms depended on support from IFC and other financiers to realize benefits in the form of increased private investment. The second and third operations were prepared and disbursed promptly. Some follow-up actions and triggers were adjusted in light of progress made and changing circumstances. The World Bank and IFC staff collaborated well in designing the prior actions and indicators related to the private sector pillar and the adjustment of tariffs.

Implementation and Supervision: What Didn't Work

2.35 The initial one-year delay in making IDA funds available meant that the planned program was disrupted. Changes in the policy matrix and triggers at times did not provide the government with sufficient time to incorporate them into the national budget. The ICRR stated that triggers were sometimes adjusted under pressure to disburse at the expense of fundamental development objectives, and the "instability of triggers compromised the long-term outcomes of the reforms" (World Bank 2019b, 10).

2.36 Three main issues undermined the impact and sustainability of some reforms:

- Political will to maintain certain reforms in the face of pushback from political interest groups was inadequate in some areas (especially pricing of energy and cocoa and tax exemptions), leading to reversal of the reforms. These reforms required the intervention of the prime minister to implement and sustain the achievements. There was, however, political will at the very top for reforms that related to doing business.

- Coordination across sectoral ministries was weak. The Ministry of Economy and Finance lacked the will to enforce implementation on sectoral ministries. It also did not continue to monitor the reforms when the project closed.
- Because many of the prior actions represented initial steps in a process of reforms, ongoing technical assistance, monitoring, and continued support at the sector level were needed to ensure effective implementation. Although complementary technical assistance was provided in some areas by IFC, AfDB, the EU, and the Japan International Cooperation Agency, it is difficult to attribute the sustainability of the reforms to the assistance from these institutions.

2.37 Not enough attention was paid to understanding and addressing sociopolitical considerations; implementation of some reforms was undermined by the political economy of the electricity, cocoa, and tax sectors. Little was done to reduce inequality, particularly the disparities between north and south, which were a main source of conflict and fragility. The government's emphasis on infrastructure and large projects (through public-private partnership) meant little trickle-down effect. The orientation of reforms and associated *Doing Business* indicators was toward large-scale formal private investments, rather than SMEs and the self-employed, which are relatively more important for employment and income generation to reduce poverty and inequality. Attention to social sensitivities is an issue for DPOs generally.

Key Success and Risk Factors

2.38 Although the PRSC series was designed in a postconflict situation, resolution of the political crisis created an opportunity to take advantage of the new government's pressing desire for economic recovery to promote legal and institutional reforms favorable to longer-term growth and improvement in governance and the investment climate. There was less urgency to address the underlying issues of inequality (income and geographic), which, nevertheless, constitute a risk to stability in the long run.

2.39 Drawing on the Independent Evaluation Group's (IEG's) stocktaking of key success factors and risks for development policy financing in IDA countries (World Bank 2018b), the following factors helped explain areas in which the Côte d'Ivoire PRSC series was effective:

- Objectives were consistent with the priorities of the government.
- A sound macroeconomic policy framework enabled the series to focus on legal, institutional, and sector reforms that would support improved public perceptions and sustained economic growth.

- Strong analytical underpinnings, including Public Expenditure Reviews, facilitated the selection of important reforms.
- The programmatic series built momentum for reforms (including follow-up subactions in subsequent PRSCs to support initial prior actions) that would have been difficult to achieve in a stand-alone operation.
- Technical assistance (by other development partners) helped facilitate implementation of reforms related to the business climate and institution building.
- The absence of a joint policy assessment framework did not unduly hamper implementation owing to adequate consultation to provide information and the tendency of other development partners to be comfortable with following the World Bank's lead.

2.40 The IEG study also identified some of the risks that limited success in some areas of the PRSC series:

- Weak government ownership and vested interests at the institutional level hampered implementation in some areas, despite strong political will at the top.
- Endemic corruption and entrenched interests constrained the effectiveness of government institutions in implementing reforms and enabled impunity to persist in areas such as procurement, despite reforms made on paper.
- The ultimate success of this complex, multisector series of operations was limited by the failure to "balance Equitable Growth, Finance, and Institutions–related objectives on the one hand, with Human Development– and Sustainable Development–related objectives on the other" (World Bank 2018b, summary). The sociopolitical divisions and inequality that underlie fragility were not addressed (whether through complementary measures or within the DPOs), and civil unrest recurred in relation to the controversial 2020 election.

3. Lessons

3.1 This assessment offers the following lessons.

3.2 Designing a DPO series with many unrelated prior actions may undermine the achievement of results. The large number of prior actions made it difficult to monitor, prioritize, and focus implementation on the most critical areas.

3.3 A clear results chain is needed to focus on critical actions and monitor results. A more explicit linking of actions to outcomes could have helped reduce the number of prior actions and ensured that critical barriers were addressed. A clearer results chain would also have facilitated results indicators oriented more toward desired outcomes than intermediate steps.

3.4 When critical reforms require sequencing over an extended period for effective implementation, they should be complemented by institutional measures for sustained implementation and technical assistance to build the necessary capacity. Evidence to assess the efficacy, sustainability, and impact of reforms with respect to governance and the business climate began to emerge three to four years after series completion. Reforms to the legal and institutional framework take time to implement and may succumb to pushback if not supported by appropriate technical assistance to strengthen institutions. As the groundwork laid during a DPO series may bear fruit only gradually, monitoring and evaluation requires a focus on intermediary outcomes in the medium term and final outcomes over a more prolonged period.

3.5 In postconflict situations, the urgent need for budget support provides an opportunity to accelerate reforms, but the reform package must be aligned with political sensitivities and uncertain country conditions. In this case, a combination of sound macroeconomic fundamentals and the government's readiness to implement reforms enabled Côte d'Ivoire's postconflict DPO series to enhance the government's ability to function and pursue reforms for long-term economic growth. By taking advantage of political will in the postconflict situation, DPOs helped accelerate reforms that address basic constraints to private sector–led growth. Many reforms that were not politically sensitive were effectively implemented and sustained, especially when related to the regional economic body (WAEMU). Nonetheless, in taking advantage of the opportunity to advance legal and institutional reforms to improve the investment climate in Côte d'Ivoire, DPO design should assess the political will to overcome potential resistance from vested interests and include measures to mitigate the risks to implementation of actions that are retained.

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Appendix A. Ratings

Côte d'Ivoire: First, Second, and Third Poverty Reduction Support Credits

Table A.1. ICR, ICR Review, and PPAR Ratings

Indicator	ICR	ICRR	PPAR
Outcome	Moderately unsatisfactory	Moderately unsatisfactory	Moderately unsatisfactory
Risk to development outcome	High	High	High
Bank performance	Moderately unsatisfactory	Unsatisfactory	Moderately unsatisfactory
Quality of monitoring and evaluation	Moderately unsatisfactory	Moderately unsatisfactory	Moderately unsatisfactory

Sources: World Bank 2017a, 2019a.
Note: The Implementation Completion and Results Report (ICR) is a self-evaluation by the responsible Global Practice. The ICR Review (ICRR) is an intermediate Independent Evaluation Group product that seeks to independently validate the findings of the ICR. PPAR = Project Performance Assessment Report.

1. Relevance of the Objectives and Design

Objectives

As noted in para. 1.7 of the main text, the development objectives of the Poverty Reduction Support Credit (PRSC) series can be disaggregated as follows:

- PDO 1: Strengthening public sector governance and administration.
- PDO 2: Facilitating private sector–led growth.

Relevance of the Objectives

The series' objectives were highly relevant to the government's priorities of reviving growth and improving governance (World Bank 2017a, 14). The new government desired to address the rampant corruption that had characterized the previous regime, especially with respect to public contracts and cocoa revenues. Improving public perceptions of governance was also important to ameliorate the business climate for renewed private sector–led growth. Although the macroeconomic situation was adequate, improving financial management was seen as important for more efficient use of public resources. Facilitating growth in agriculture was a priority to generate employment and income in rural areas with the aim of addressing income and regional gaps that were underlying causes of instability. The objectives also broadly reflected the first and second objectives of the government's Poverty Reduction Strategy Paper, that is, restoring the foundations of the nation and transforming Côte d'Ivoire into an emerging economy.

The series' objectives reflected three of the four priorities of the World Bank Country Partnership Strategy for 2010–13. These are as follows:

- Strengthening of governance and institutions (Pillar 1);
- Strengthening the private sector (Pillar 2); and
- Improving the performance of the agricultural sector (Pillar 3).

Relevance of the Design

As discussed in para. 1.11, the design and specific reforms of the series were based strongly on prior analytical work and appear warranted (table A.2).

Table A.2. Analytical Underpinnings of the Poverty Reduction Support Credit Series Design: Links to Actions

Document	Key observations and recommendations	Pillar
Diagnostic study of governance in Côte d'Ivoire (January 2013)	• Inequality and poverty are exacerbated by corruption. • It is necessary to improve how public contracts are awarded and how civil servants are managed. • The quality of public institutions and of the services they provide vary significantly across regions and across sectors.	Pillar 1 Corruption, procurement local governments
PEMFAR (World Bank 2008; 2012)	• Allocation of resources from central government to subnational governments is not determined by transparent and rules-based systems. • The link between declared policies and budget execution is undermined by excessive recourse to extrabudgetary procedures. • Transparency of budget execution is affected by the lack of effective controls of the use of budgetary resources. • Procurement processes suffer from the lack of effective application of the new procurement code on account of capacity constraints.	Pillar 1 Procurement Local governments Adoption of WAEMU directives
Investment climate assessment (2012)	• Lack of access to effective dispute resolution ranks among the most important constraints to investment by the private sector. • Start-up of new businesses is affected by bureaucratic procedures and a multiplicity of institutions. • Absence of effective physical infrastructure is a key obstacle to greater investment by the private sector; however, government lacks adequate resources and implementation capacity for large-scale infrastructure projects.	Pillar 2 Commercial Court One-stop-shop PPP framework
CEM on Sources of Growth	• Cotton, cashew nuts, and rice production hold high growth potential. • Cashew nut processing has significant employment creation potential, as Côte d'Ivoire could be competitive in world markets in this sector, provided the right framework is being put in place. • Cocoa production has significant potential for poverty reduction, provided farm gate prices are more reflective of international prices and farmers have greater income security.	Pillar 2 Cotton, rice, cashew nuts

Document	Key observations and recommendations	Pillar
PER for agriculture	• The effectiveness of agriculture spending is undermined by weak governance of the sector, including the absence of comprehensive databases on producers and cooperatives.	Pillar 3 Census of producers and accreditation of cooperatives
Electricity tariff study (December 2011) and PSIA of electricity tariffs (May 2013)	• Tariff structure is highly regressive, hence rewarding consumption by large consumers and unduly burdening consumers with low volumes of consumption in lower-income categories. • Social tariff has been awarded to consumers who do not qualify. • Weaknesses in regulatory framework impinge investments in generation of electricity by the private sector.	Pillar 3 Reclassification of consumers and adoption of a new progressive tariff structure

Source: World Bank 2013a, table 4.1.
Note: CEM = Country Economic Memorandum; PEMFAR = Public Expenditure Management and Financial Accountability Review; PER = Public Expenditure Review; PPP = public-private partnership; PSIA = poverty and social impact analysis; WAEMU = West African Economic and Monetary Union.

Nevertheless, no theory of change was articulated as to how these reforms would contribute to results to meet the objectives. Except for governance reform and the cocoa sector, strategic frameworks to guide reforms in each area were generally lacking. The Implementation Completion and Results Report Review (ICRR) stated that "the link between prior actions and desired outcomes was often unclear, and changes in the program obscured links between intermediate and final outcomes some triggers being canceled in favor of those that could be completed within the necessary period" (World Bank 2019b, 5).

For governance and cocoa sector audits, the design took advantage of the series by introducing an initial step in PRSC-1 (legislation, publishing report), with follow-up actions in PRSC-2 and implementation-oriented actions in PRSC-3. However, some of the prior actions were critiqued in the Implementation Completion and Results Report (ICR) and ICRR as initiating a process or being designed as a trigger that could be met for disbursement, rather than results oriented. There was some sequencing of reforms to build momentum as the series progressed; approximately half of the 37 prior actions carried forward initial reforms. But approximately half of the results indicators were oriented more toward confirming a stage in a process than actual results. Some prior actions lacked an indicator (for example, rural roads), and one results indicator (number of women's cooperatives benefiting from technical assistance) lacked a corresponding prior action. The relevance of the prior actions (in clusters, by PDO) is assessed below. (See table A.3 for prior actions, results indicators, and ratings.)

Table A.3. Pillars, Project Development Objectives, Prior Actions, and Results Indicators and Ratings for Côte d'Ivoire Poverty Reduction Support Credit Series

Prior Actions (primary cluster)	Follow-up Prior Actions	Prior Action Rating (comment)	Results Indicators, Direct or Indirect	Results Indicator Rating (percent achieved)
PDO 1: Strengthening public sector governance and administration Pillar 1: Promoting good governance, transparency, and enhanced public financial management				
PRSC-1 1.1 Adoption of the anticorruption law and submission to Parliament	PRSC-2 1.1a Appointment of Secretary General and members of the High Authority for Good Governance 1.1b Ministerial decree for 2014 budget for High Authority for Good Governance PRSC-3 1.1c High Authority for Good Governance has implemented the first phase of the asset declaration provisions in the anticorruption law 1.1d High Authority for Good Governance has provided a schedule to complete the remaining phases	Moderately satisfactory (key steps in process toward good governance; but outputs rather than outcomes)	(1) Improvement in country score on the Transparency International Corruption Perceptions Index (Dropped: Increase in the number of prosecuted corruption cases)	High (100 percent)
PRSC-2 1.2 Ministerial decree establishing procurement units in public agencies	PRSC-3 1.2a Selection of shortlisted companies to undertake the national public procurement audit report for 2014 1.2b Establishment of a monitoring and evaluation unit for public procurement by decree	Moderately unsatisfactory (preliminary steps; but no clear link to results)	(2) Number of procurement audits conducted (3) Share of single-source procurement (Dropped: No. of agencies with a procurement unit)	High (>100 percent) Substantial (>82 percent) as of 2018
PRSC-1 1.3 Adoption of the new standard bidding documents		Moderately unsatisfactory (weak results chain)	<no indicator>	

Prior Actions (primary cluster)	Follow-up Prior Actions	Prior Action Rating (comment)	Results Indicators, Direct or Indirect	Results Indicator Rating (percent achieved)
PRSC-2 1.4 Adoption of a strategic framework for PFM reform, including an action plan to modernize the PFM system and implement the decentralization agenda	PRSC-3 1.4a Deployment of an integrated financial management information system for local governments in at least 10 localities	Moderately satisfactory (steps to achieve reform, but input rather than results oriented)	(4) Number of local governments producing quarterly computerized budget execution reports (Dropped: Share of resource allocation transferred to local government)	High (>100 percent)
PDO 2: Facilitating private sector–led growth				
Pillar 2: Improving the business climate and revising the legal framework for private enterprise				
PRSC-1 2.1 Creation of new Commercial Court (Tribunal du Commerce) 2.2 Passage of a decree creating the Business Formality Facilitation Center	PRSC-1 2.1a Formal nomination of the Court's President, consular and professional judges, and clerks 2.1b Publication of all Court decisions on its website PRSC-3 2.1c The computerization of the Commercial Courts has been completed	Satisfactory (key steps to achieve transparency and conflict resolution) Moderately satisfactory (key agency, but not a result)	(5) Number of days required to settle commercial dispute (Dropped: Number of days required to start a business)	Substantial (77 percent)
PRSC-1 2.3 Establishment of the institutional framework for procurement and management of PPP pilot projects	PRSC-2 2.3a Issuance of an invitation to launch a tender for at least three PPPs	Moderately unsatisfactory (not critical for PDO)	(6) Number of PPP investment projects signed (7) Cost of property registration as a	High (>100 percent)

Prior Actions (primary cluster)	Follow-up Prior Actions	Prior Action Rating (comment)	Results Indicators, Direct or Indirect	Results Indicator Rating (percent achieved)
PRSC-2 2.4 The adoption of a decree reducing cost of property registration and the creation of an online tool for property registration		Moderately unsatisfactory (input; mainly for new large businesses)	percentage of the value of property	Substantial (84 percent)
PRSC-3 2.5 Decree adopted simplifying the procedures for obtaining construction permits, including reducing the time required to obtain such permits 2.6 Decree adopted simplifying the procedures for occupying industrial land		Moderately unsatisfactory (input; mainly for new large businesses) Moderately unsatisfactory (input; mainly for new large businesses)	(8) Number of days required to receive a construction permit <no indicator>	High (>100 percent)
Pillar 3: Strengthening economic sectors with high growth potential **Agriculture sector**				
PRSC-1 3.1 Publication of report on the cocoa forward-sales system and the prices received by producers 3.2 Adoption of institutional framework for the National Agricultural Investment Plan 3.3 Technical secretariat's approval of the document operationalizing the rice strategy PRSC-2	PRSC-2 3.1a Publication of audit report on the cocoa forward-sales system and management of the Technical Reserve Fund PRSC-3 3.1b Implementation of recommendations in the cocoa sector audit report PRSC-2 3.2a Adoption of an action plan for the development of the agriculture sector	Satisfactory (critical for cocoa farmers and production; strategy well articulated) Moderately unsatisfactory (indirect basis for actions)	(9) Farm gate price as a percentage of the CIF export price <no indicator> (10) (Modified) Paddy rice production	High (100 percent) (with qualifications)

Prior Actions (primary cluster)	Follow-up Prior Actions	Prior Action Rating (comment)	Results Indicators, Direct or Indirect	Results Indicator Rating (percent achieved)
		Moderately unsatisfactory (indirect)		High (>100 percent)
Adoption of measures to promote cashew processing, including the following: 3.4a Establishment of a fund to support technical assistance activities 3.4b Launch of a tender to recruit service providers of technical assistance to cashew nut processors 3.4c Establishment of a cashew nut processor association PRSC-3 3.5 A strategy for maintaining rural roads has been adopted by the Ministry of Agriculture and Ministry of Economic Infrastructure 3.6 Action plan to assist professional associations and cooperatives in complying with OHADA has been adopted	PRSC-3 3.4d Draft law on the warehousing receipt system 3.4e Establishment of a separate window dedicated to cashews as part of the national fund (FREMIN)	Moderately satisfactory (useful, but indirect steps toward improving environment) Unsatisfactory (desirable, but no actions) Unsatisfactory (no clear role of associations)	(11) Share of cashew production processed domestically (12) Number of women's cooperatives benefiting from technical assistance on cashew processing (added PRSC-3) <no indicator> (13) (Modified) Number of restructured cashew and cotton cooperatives established in accordance with OHADA standards	High (100 percent) Negligible High (>100 percent)
Energy sector				
PRSC-1 3.7 Reclassification of consumers using more than 200 kWh in a two-month billing cycle to the regular tariff group		Moderately unsatisfactory (unclear link to investment)	<no indicator>	n.a.

Prior Actions (primary cluster)	Follow-up Prior Actions	Prior Action Rating (comment)	Results Indicators, Direct or Indirect	Results Indicator Rating (percent achieved)
PRSC-2 3.8 Billing of electricity exports to Burkina Faso and Mali in 2014 at prices that reflect the power exports' marginal cost		Moderately satisfactory (improves revenues, not necessarily growth)	<no indicator>	n.a.
3.9 Clearance of arrears to the National Oil Refinery (SIR)	PRSC-3 3.9a Action plan adopted for clearing all remaining cross-arrears in the energy sector	Moderately satisfactory (unclear link to investment)	(14) Reduction in government arrears to SIR (added PRSC-3)	High (>100 percent)
PRSC-3 3.10 Implementation of a progressive rate structure for tariffs in the electricity sector		Moderately satisfactory (indirect link to investment)	(Dropped: Electricity sector deficit)	
Overall				
TOTAL 20 distinct primary prior actions (or prior action clusters)	17 follow-up or supplementary prior actions	1 satisfactory 7 moderately satisfactory 9 moderately unsatisfactory 2 unsatisfactory	7 direct indicators of results 7 indirect or process indicators 5 dropped indicators 6 prior actions with no relevant indicator	10 high 3 substantial 1 negligible

Source: Independent Evaluation Group.
Note: CIF = cost, insurance, and freight; n.a. = not applicable; OHADA = Organization for the Harmonization of Business Law in Africa; PDO = project development objective; PFM = public financial management; PPP = public-private partnership; SIR = Société Ivoirienne de Raffinage.

Relevance of Prior Actions

PDO 1: Strengthening Public Sector Governance and Administration

Pillar 1: Good Governance, Transparency, and Enhanced Public Financial Management

Actions (cluster 1.1, table A.3) to improve governance and reduce corruption were based on the National Governance and Anti-Corruption Plan (adopted by presidential decision) and the Decree on the Civil Service Obligations and an Ethics Charter (adopted by the Council of Ministers). This provided "a comprehensive, sequenced, results-oriented road map for strengthening governance and improving public service delivery [including] specific action plans for implementation" (World Bank 2013a, 18). The government had adopted a new anticorruption law (a trigger for PRSC-1), and prior actions in PRSC-2 and PRSC-3 were aimed at following through in implementing the High Authority for Good Governance, asset declaration, and other provisions. Although the outcome would depend on how effectively these were implemented, the actions associated with this cluster of prior actions were critical in laying the groundwork of laws and institutions conducive to good governance. Rating: **moderately satisfactory.**

Reform of the procurement system was critical to reduce the scope for corruption and improve transparency in the use of public funds (cluster 1.2). In 2010, the government had adopted a new procurement code, created a public procurement regulatory authority, and adopted a code of ethics (World Bank 2013a, 17). To follow up on these steps, PRSC-2 and PRSC-3 supported the establishment of procurement units in public agencies and promoted procurement audit reports. Although these actions were important in carrying procurement reforms forward, links to implementation and results in the form of accountability through prosecutions of adverse audit findings were unclear. Rating: **moderately unsatisfactory.**

To help bring Côte d'Ivoire in line with the West African Economic and Monetary Union directives, PRSC-1 included the adoption of standard bidding documents (prior action 1.3), intended to "increase efficiency by minimizing errors, waste, and sources of discretion" (World Bank 2013a, 22). Although helpful, how this action would in fact lead to meaningful results was unclear. Rating: **moderately unsatisfactory.**

Pursuit of the public sector management objective was predicated on a study to be undertaken by the World Bank to "assess the existing financial management of local governments, identify their strengths and weaknesses and … identify and recommend a menu of options for the institutional strengthening of such systems through technical assistance and capacity building. The study will also map the PFM systems of local governments" (World Bank 2013a, 22). Thus, it was only in PRSC-2 that a prior action was included to adopt a strategic framework and action plan for public financial

management reform, followed by a prior action in PRSC-3 to begin deploying an integrated financial management system for local governments (cluster 1.4). Although these were critical steps on the path toward better financial management, such measures did not necessarily guarantee that outcome. Rating: **moderately satisfactory.**

Pillar 1: With two of the four prior action clusters under Pillar 1 rated as moderately satisfactory and two as moderately unsatisfactory, the rating for Pillar 1 is **moderately satisfactory** (borderline moderately satisfactory / moderately unsatisfactory).

PDO 2: Facilitating Private Sector–Led Growth

Pillar 2: Improving the Business Climate and Revising the Legal Framework for Private Enterprise

The actions supported in PRSC-1 to create a new Commercial Court (with follow-up actions in PRSC-2 and PRSC-3; cluster 2.1) and to establish the Business Formality Facilitation Center ("one-stop shop") were highly consequential signals of the government's intentions to support business investment and operation in a transparent manner. Although not part of an explicit private sector strategy, such measures were recommended by prior analytical work by the International Finance Corporation and others. Rating: **satisfactory.**

The program document for PRSC-1 states that "the [Ivorian] private sector is dominated by micro and small businesses and by the informal sector" (World Bank 2013a, 22).

Nevertheless, the actions pursued under the series for the business climate are heavily oriented toward large, formal firms and therefore rated somewhat lower in relation to achieving desired outcomes than if a more comprehensive and inclusive approach had been taken toward enhancing investment, employment, and incomes in private enterprises of all sizes. This orientation is in large part a consequence of having to rely on the International Finance Corporation for perspective and *Doing Business* for indicators. Additional measures supported by the series to lower the costs of doing (formal) business in Côte d'Ivoire included the adoption of a decree reducing the cost of property registration (PRSC-2) and simplifying the procedures for obtaining construction permits and for occupying industrial land (PRSC-3). Ratings (clusters 2.3, 2.4, 2.5, and 2.6): **moderately unsatisfactory.**

The series also supported the government's "strategy to promote innovative public-private partnerships (PPP) to broaden access to social services and infrastructure" (World Bank 2013a, 24). The program document is not explicit on the underlying rationale and theory of change, other than to note that "opportunities cover power, ports, roads, industrial zones, health, and education." Prior actions supported the

establishment of an institutional framework and an invitation to tender (cluster 2.2). Rating: **moderately satisfactory.**

Pillar 2: With four out of six prior actions rated moderately unsatisfactory, one satisfactory, and one moderately satisfactory, the rating for Pillar 2 is **moderately satisfactory** (borderline moderately satisfactory / moderately unsatisfactory).

Pillar 3: Strengthening Economic Sectors with High Growth Potential

A series of actions (cluster 3.1) supported greater transparency and a minimum farmer share in the price of cocoa through a set of "profound reforms" that are well articulated in the program document (World Bank 2013a, 26–7). Given the importance of cocoa for the economy and for rural incomes, and the high relevance of the sectoral strategy being supported to the country strategy and the PDO, this set of prior actions would be rated as high, except that several proposed prior actions to improve the oversight and performance of the influential Coffee-Cocoa Council had to be dropped in the face of opposition. Rating: **satisfactory.**

A cluster of actions (3.4) in PRSC-2 and PRSC-3 was intended to support increased domestic processing of cashews, an up-and-coming crop important for the poorer northern part of the country. The strategy and implementation plan for the cashew sector was not as well developed as for cocoa; it was only in 2013, under the Agriculture Sector Support Project, that "a study was launched to determine an appropriate incentive framework" (World Bank 2013a, 25). The various actions supported (ranging from technical assistance to associations to a draft warehouse receipt law) were reasonable initial steps, but how implementation would be carried through to develop the cashew sector as a whole was not fully articulated. Rating: **moderately satisfactory.**

A PRSC-1 prior action (3.1) for "approval of the document operationalizing the rice strategy" was intended "to further promote rice production, including through [public-private partnerships]" (World Bank 2013a, 29) and was relevant to the government's objectives, but lacking in follow-up subactions to ensure implementation and results. Rating: **moderately unsatisfactory.**

The PRSC-1 prior action (3.2) for the adoption of an institutional framework for the National Agricultural Investment Plan did have a follow up in PRSC-2 to adopt an action plan. Although these were relevant to overall growth objectives and useful at the beginning of the series to prepare the way forward, such a plan only indirectly supports results. Rating: **moderately unsatisfactory.**

The same can be said for further new prior actions introduced in PRSC-3 to adopt a strategy for maintaining rural roads (prior action 3.5) and an action plan (prior action

3.6) to assist professional associations in complying with the Organization for the Harmonization of Business Law in Africa. How these would lead to results was not well articulated, and they have the appearance of ongoing activities being introduced late in the game more to satisfy triggers for disbursement than to carry through on well-designed reforms. Rating: **unsatisfactory.**

Although the stated objective in the energy sector was to "increase the rate of investment," the actions were focused entirely on addressing the "main challenge in the electricity sector … securing financial sustainability" (World Bank 2013a, 31). Three separate actions (prior actions 3.7, 3.8, and 3.10) were aimed at raising revenues by reclassifying high-use consumers (PRSC-1), marginal-cost pricing of electricity exports to Burkina Faso and Mali (PRSC-2), and introducing a progressive tariff structure (PRSC-3). A pair of actions in PRSC-2 and PRSC-3 sought to clear arrears, first to the oil refinery and then for the energy sector as a whole. Although they were necessary as a prerequisite, these measures did not necessarily ensure the desired result of increased investment. In particular, the reclassification of consumers had no follow up to achieve results. Ratings: prior action 3.7: **unsatisfactory**; prior actions 3.8–3.10: **moderately unsatisfactory.**

Pillar 3: Four out of 10 prior actions (or prior action clusters) are rated as moderately satisfactory, three moderately unsatisfactory, two unsatisfactory, and only one satisfactory. Pillar 3 rating: **moderately unsatisfactory.**

Overall relevance of design rating: **moderately unsatisfactory.**

The ICR noted that "the usual limit of 10 prior actions in any one operation was therefore exceeded in two of the three operations.… A fewer number of sectors would have reduced the number of actors, facilitating coordination and supervision" (World Bank 2017a, 21). One lesson is that trying to spread across too many sectors may work against focusing on a cluster of actions needed to ensure efficacy in a key but complex area (as was done in the case of governance).

2. Efficacy

Achievement of targets increased from the closing of the series[1] to the latest data available at the time of the PPAR, with the share of the 14 targets at least two-thirds met rising from 71 percent to 93 percent, and the number fully met or exceeded rising from 6

[1] Results achieved in the Implementation Completion and Results Report of the series and validated by the Implementation Completion and Results Report Review.

to 10. This suggests that the reforms were sustained, insofar as captured by the indicators.

Table A.3 presents the prior actions and associated results indicators and results.

Results Indicators

The design of results indicators was weak in several aspects, in part because many represented triggers for prior actions that were only initial steps in a process that would take several years to achieve desired outcomes, and in part because of the lack of a clear results chain that would have clarified whether changes in triggers and prior actions were motivated by achievement of results or by disbursement pressures. Approximately half of the results indicators were input oriented or just confirming that a trigger had been met, rather than being related to eventual results. For example, whereas *Doing Business* indicators were convenient, available, and related to specific prior actions, these only reflected intermediate steps—such as reducing the days to receive a construction permit or start a business, which does not show whether the volume of construction and businesses was increasing. In such cases, the PPAR sought additional data related to the ultimate objectives of increasing private investment and overall economic growth.

Procurement audits as a target give no indication of the results of those audits, nor of changes in behavior (the ICR [World Bank 2017b, 10] notes that only 32 percent of cases, representing only one-quarter of the value of procurements, followed the required procedures). The ICR also cites definitional or statistical inadequacies in the indicators for single-source contracts, local government budget execution reports, PPP projects signed, farm gate prices, number of cashew and cotton cooperatives, share of cashew production processed domestically, women's cooperatives (unrelated to any actions), paddy rice production (choice of base year), and government arrears to the National Oil Refinery (SIR) (excludes its arrears to creditors).

Even when some indicators are relevant to the development objective, their adequacy may be questioned. For example, the only indicator relevant to the objective of improving public sector management is the number of local governments producing computerized budget execution reports. However, efficient public financial management involves much more than just producing reports. Hence, ratings of efficacy based on the selected indicators do not necessarily represent actual achievement of the intended outcomes. In such cases, the PPAR sought confirmation from interviewees as to whether the intended outcome was indeed associated with achievement of the target or there was a gap between action and outcome. The monitoring and evaluation framework could have been improved by involving other development partners and ensuring that the relevant indicators were incorporated into complementary projects.

Findings are summarized in the main report based on achievement of results discussed in this section, along with additional supporting evidence, by PDO (rated by pillar).

PDO 1: Strengthening Public Sector Governance and Administration

The PDO to strengthen public sector governance was supported in PRSC-1 by a prior action to adopt a new anticorruption law and in PRSC-2 and PRSC-3 by follow-up actions to implement the High Authority for Good Governance and declaration of assets. Côte d'Ivoire's score (and ranking) on the Corruption Perceptions Index, used as an indicator of good governance, rose during the PRSC series to reach 83 percent of the target by 2016 and subsequently to 100 percent of the target (or better) during 2017–19 (table A.4).

Table A.4. Transparency International Corruption Perceptions Index for Côte d'Ivoire, 2010–19

Year of Data Indicator	2010	2011	2012	2013 (PRSC-1)	2014 (PRSC-2)	2015 (PRSC-3)	2016	2017	2018	2019
Index	22	22	29	27	32	32	34	36	35	35
Rank	146	154	130	136	115	107	108	103	105	106

Source: Trading Economics; https://tradingeconomics.com/ivory-coast/corruption-index (accessed September 22, 2020).
Note: PRSC = Poverty Reduction Support Credit.

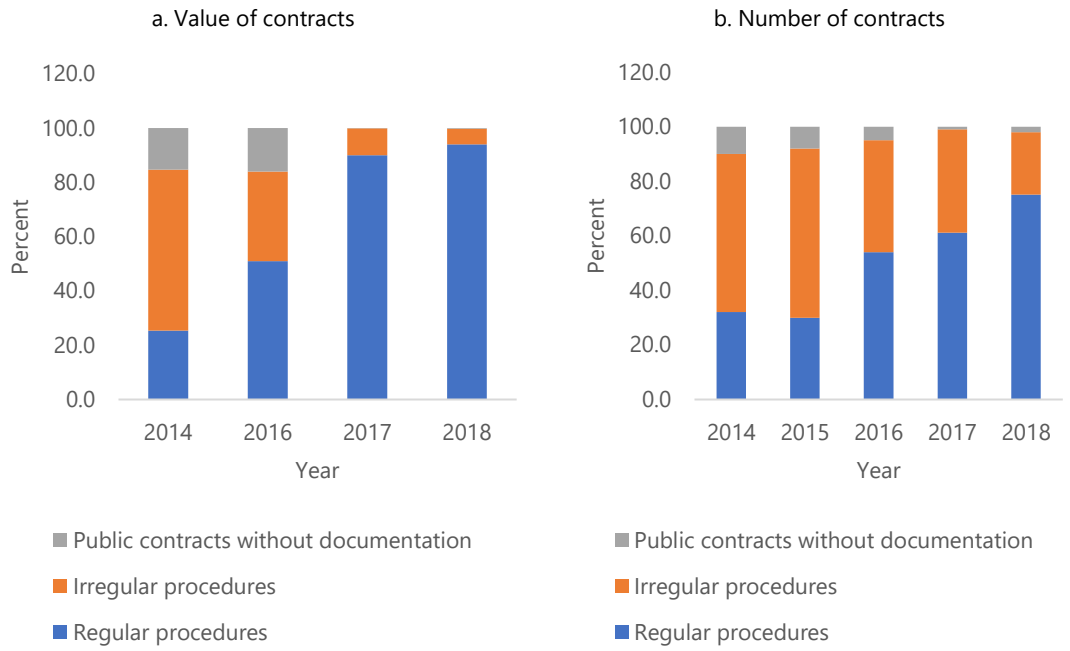
Positive results are evident in implementation actions undertaken by the High Authority for Good Governance, including providing online forms and guides for complaints and denunciations of acts of corruption; expansion of the obligation to declare assets (and provision of online forms); training and sensitization programs; and designation in each court of magistrates of the bench and of the prosecution for corruption cases (HABG 2016, 2020).

Good governance in the form of improved procurement processes was also supported in PRSC-2 by establishing procurement units in public agencies. These were reinforced by follow-up actions in PRSC-3. The indicator of an increase in the number of procurement audits conducted showed strong success, exceeding the target for 2016 by 50 percent, and by 246 percent as of 2018, although the ICRR noted that these audits did not necessarily change behavior or result in the prosecutions of cases referred for action.

Furthermore, the share of procurements audited by number does not necessarily correspond to the values: although the share of procurements audited rose from 6.1 percent in 2017 to 7.3 percent in 2018, the share in terms of value actually fell from 26.4 percent to 9.8 percent (ANRMP 2017, 2018, 2019). Conversely, there was considerable capacity building over the period 2010–18 (8,497 people trained, of whom 60 percent were public officials), and there is evidence of a continued rise in compliance with procurement procedures with the share (by value) following regular procedures

rising from 51 percent in 2016 to 94 percent in 2018 (figure A.1). In addition, the procurement authority has sanctioned 33 companies for irregular or fraudulent practices.[2] This indicates that the objective of tackling corruption was being achieved, confirming the findings from the (indirect) results indicators for the Corruption Perceptions Index and number of audits conducted.

Figure A.1. Share of Public Contracts Following Regular Procedures (percentage)



Sources: ANRMP 2017, 2018, 2019.
Note: In panel a, data are not available

The second indicator, a decrease in the share of single-source contracts, showed no progress (indeed, a worsening) during the series (2013–16) compared with before (figure A.2). This was largely attributable to the government's postconflict emergency program, operated out of the president's office, which bypassed normal procurement procedures. Nevertheless, substantial improvement was made in the three years after the series, reaching 19 percent, or 82 percent of the targeted decline to 15 percent (as of 2018; subsequent data not yet available).

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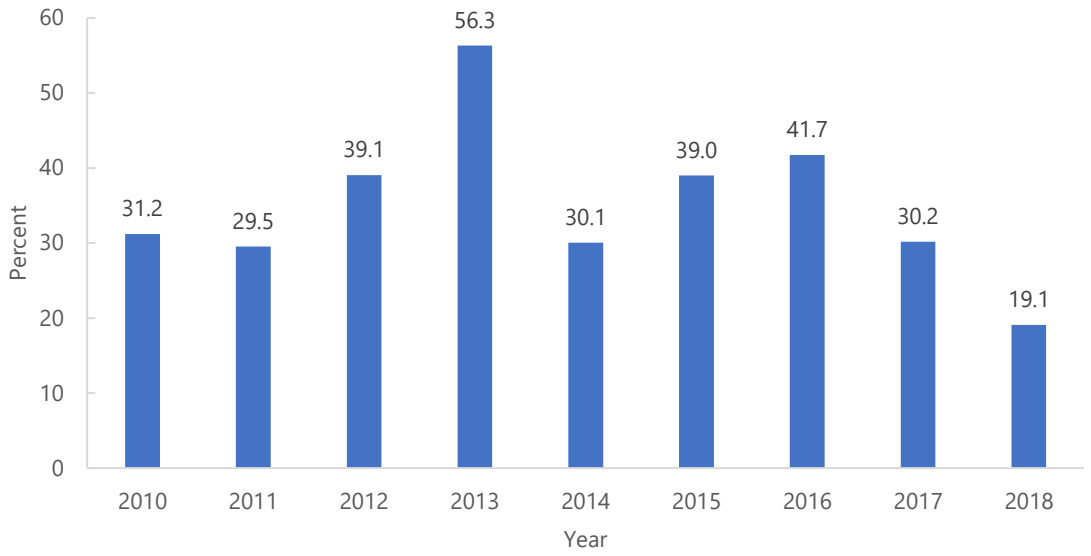
[2] ANRMP website (https://www.anrmp.ci).

Figure A.2. Share of Single-Source Procurement Contracts in Total Contracts



Source: ANRMP 2019.

PRSC-1 had a prior action to adopt new standard bidding documents, but no associated indicator. The key activity for strengthening public sector management was to modernize and decentralize the public financial management system, as indicated by the number of local governments producing quarterly computerized budget execution reports. As of ICR, the target had already been exceeded by 80 percent. The Ministry of Economy and Finance, which coordinated the data collation for the PRSC series, was unable to provide an update to the team on the status of this prior action.

Pillar 1 rating: **satisfactory.**

Three of the four indicators were fully achieved (or more), and the other was at 82 percent as of 2018 and trending toward 100 percent. Although the results indicators were only weakly related to desired outcomes, evidence of complementary actions and improvements, confirmed in interviews, supports the conclusion that efficacy for Pillar 1 at PPAR has improved substantially compared with that at the time of ICR.

PDO 2: Facilitating Private Sector–Led Growth

Pillar 2: Improving the Business Climate and Revising the Legal Framework for Private Enterprise

The most consequential action for improving the business climate and legal framework—and indeed governance—was establishing a new Commercial Court under PRSC-1, with follow-up actions in PRSC-2 and PRSC-3. As a result, the average number

of days to settle a commercial dispute had fallen from 770 to 525 (77 percent of the targeted decrease) during the PRSC period, where it remains as of PPAR (table A.5).

Several steps were taken toward streamlining the process of establishing a business and obtaining permits, including creating a Business Formality Facilitation Center ("one-stop shop"; PRSC-1); reducing the cost of property registration and facilitating online registration (PRSC-2); and simplifying the procedures for obtaining construction permits and occupying industrial land (PRSC-3). Targets were only partially achieved during the PRSC series: 43 percent for the days required to obtain a construction permit and 77 percent for the cost of property registration as a percentage of the value of the property (tables A.3 and A.5). Further progress had been made as of the PPAR, reaching over 100 percent and 84 percent, respectively.

Table A.5. *Doing Business* Indicators for Business Climate Results Indicators

Indicator	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Days to settle a commercial dispute	770	770	770	585	525	525	525	525	525	525
Days to obtain a construction permit	583	583	474	407	347	347	347	162	162	163
Cost of property registration as percentage of value	13.9	13.9	13.9	10.9	10.6	7.5	7.6	7.4	7.1	7.1

Sources: World Bank *Doing Business: Economy Profile* annual reports for Côte d'Ivoire, 2011–20.

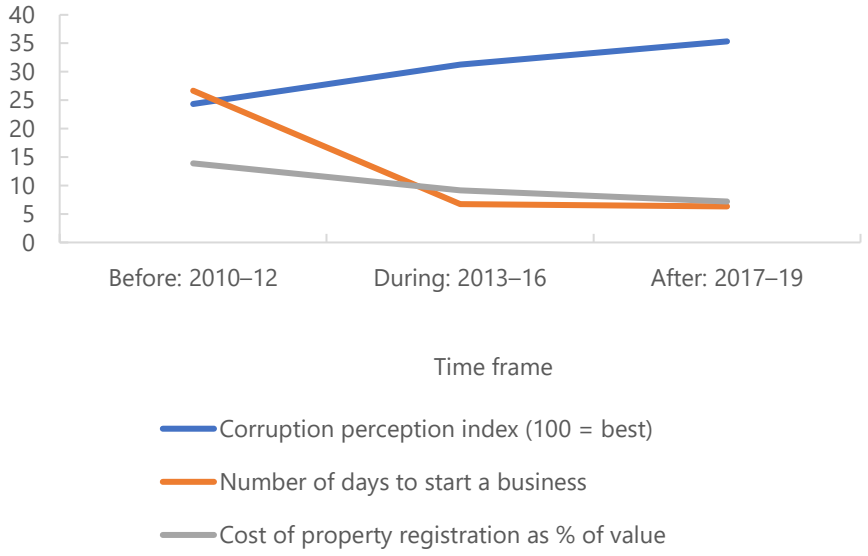
Sustainability of Reforms

Evidence shows continued improvement in results during the three years after the completion of the PRSC series in several *Doing Business* indicators used as results indicators (as well as the Corruption Perceptions Index), albeit at a slower pace (figures A.3a and A.3b).

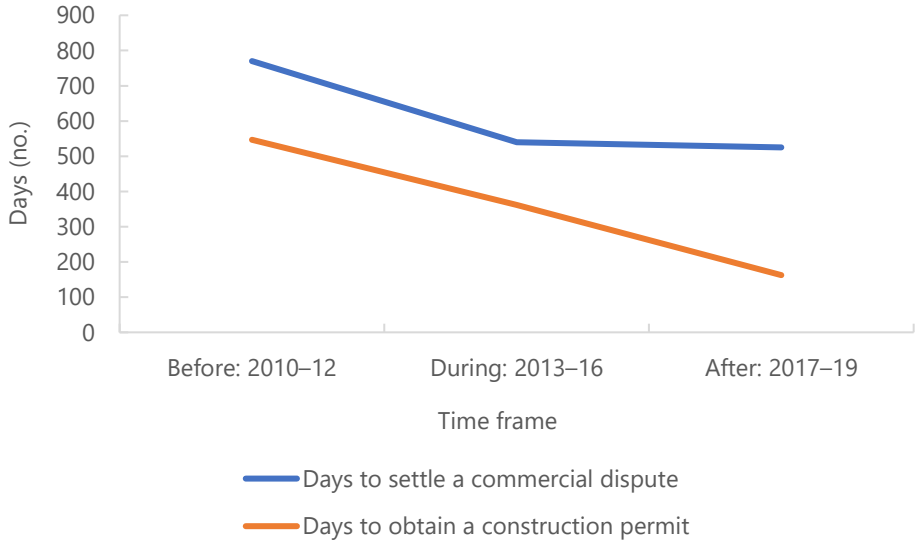
Ongoing improvement in the business climate is corroborated by several other *Doing Business* indicators, especially ease of getting credit, paying taxes, and obtaining construction permits (figure A.3c), as well as through interviews.

Figure A.3. Results Indicators: Before, During, and After PRSC Series (Average Score)

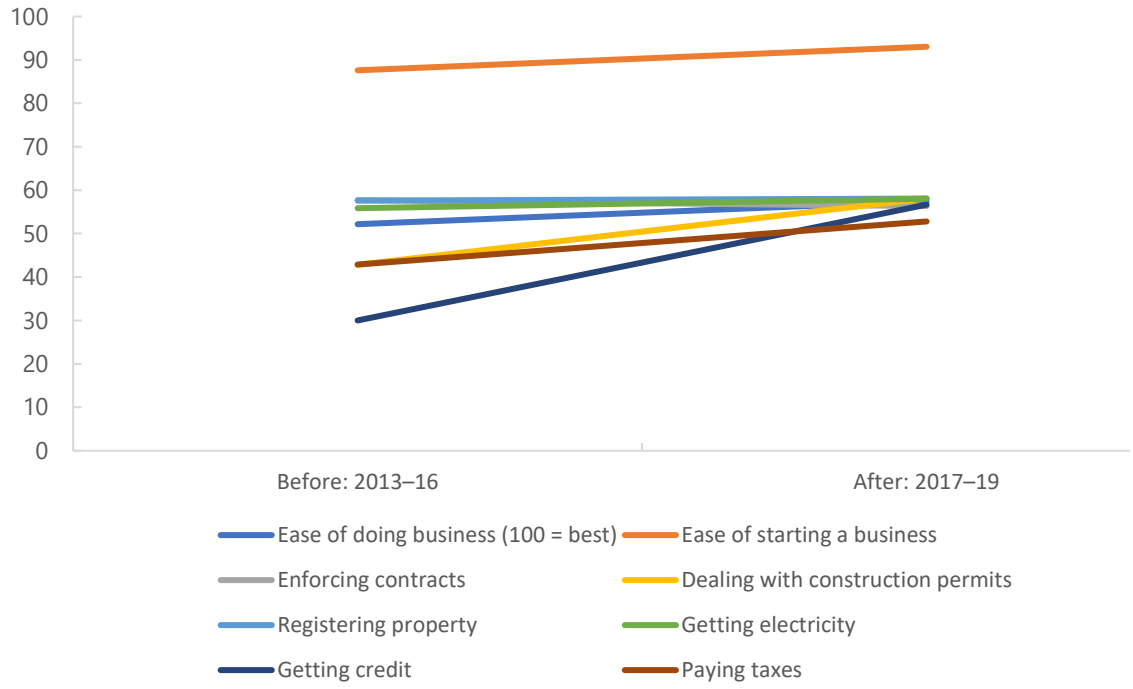
a. Key results indicators



b. Settling disputes and obtaining permits



c. Additional *Doing Business* indicators (index)



Sources: World Bank *Doing Business: Economy Profile* annual reports for Côte d'Ivoire, 2011–20.
Note: PRSC = Poverty Reduction Support Credit.

Public-Private Partnerships

Two prior actions under PRSC-1 and PRSC-2 were intended to support reforms to the framework for PPP projects and increase the number (in part as a way of moving forward with infrastructure investments). The regulatory and institutional framework for PPPs had been established through three decrees issued in 2012–14, including (i) a National Steering Committee for Public-Private Partnerships (CNP-PPP), which is the steering and orientation body; (ii) an Executive Secretariat for PPP to ensure the day-to-day management; and (iii) the PPP Support Unit to assist in the preparation, transaction, and monitoring phases of the implementation of PPP projects (CNP-PPP 2017). The targeted number of three new PPP contracts signed was far exceeded by 2016, with 13 signed (16 as of 2017), although it was noted that many represented single sourcing and were not accounted for in budgets. Key sectors included transport (aviation, rail, metro, Abidjan bridge) and health (hospitals, sanitation).

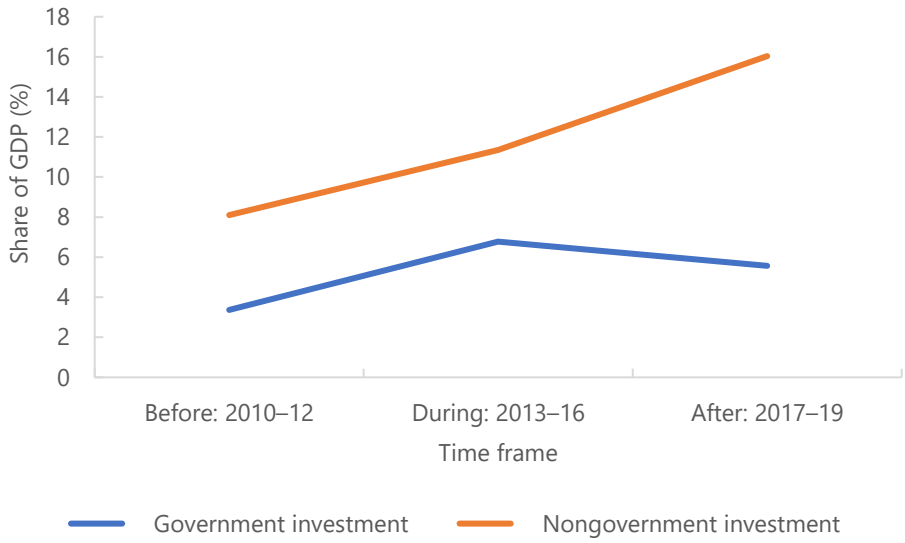
Further Evidence of Investment

There is evidence that the reforms supported by the PRSC series were associated with the objective of increasing private investment in Côte d'Ivoire, which can reasonably be attributed to the fundamental legal and institutional reforms supported by the series.

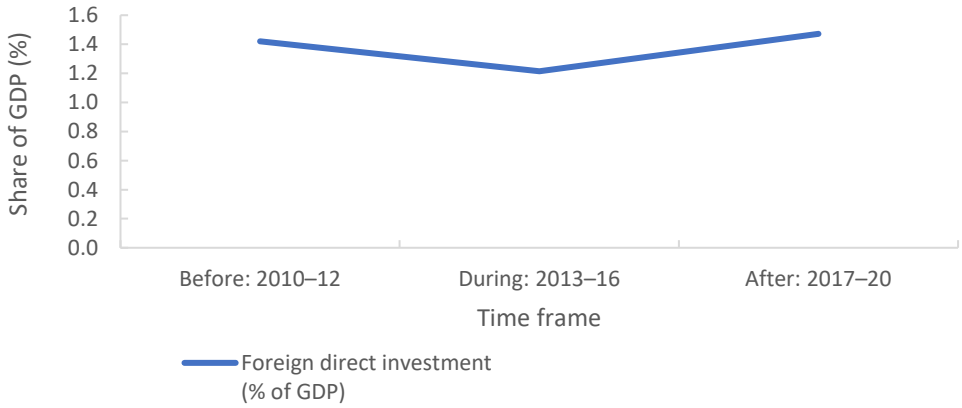
Domestic nongovernment investment as a share of gross domestic product (GDP) rose from 8 percent during the period before the series to 11 percent during and continuing to 16 percent after, offsetting a decline in government investment (figure A.4a). Although average foreign direct investment fell slightly during the PRSC series, it recovered during 2017–20 to 1.47 percent of GDP, slightly exceeding the preseries (2010–12) level of 1.42 percent of GDP (figure A.4b).

Figure A.4. Investment Before, During, and After PRSC Series

a. Average domestic investment (government and private)



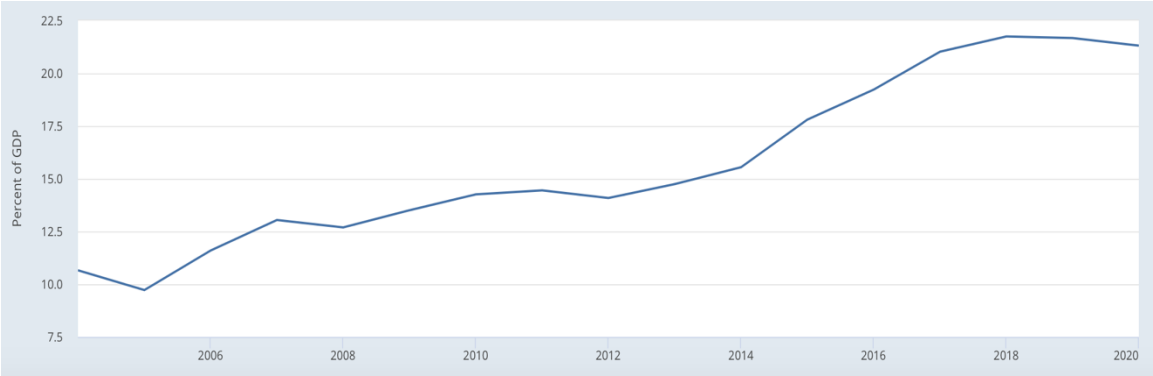
b. Average foreign direct investment (as percentage of GDP), 2010–20



Source: BCEAO 2020.
Note: GDP = gross domestic product; PRSC = Poverty Reduction Support Credit.

Credit to the private sector rose substantially during the PRSC series and continued to grow (at a slightly slower pace) thereafter (figure A.5).

Figure A.5. Credit to the Private Sector, 2010–20



Source: Federal Reserve Bank of St. Louis, using data from the International Monetary Fund (https://fred.stlouisfed.org/series/CIVFDSAOPGDPPT#0).
Note: GDP = gross domestic product.

Pillar 2 rating: With two indicators fully achieved and two more than three-quarters, and complementary evidence of positive results, Pillar 2 efficacy is rated as **satisfactory.**

Pillar 3: Strengthening Economic Sectors with High Growth Potential Agriculture

The importance of agriculture for economic growth was signaled by prior actions to adopt a framework and develop an action plan for the National Agricultural Investment Plan in PRSC-1 and PRSC-2 (however, with no specific indicator).

The main focus was on the cocoa and cashew sectors. A series of actions over the three operations involved auditing and publishing reports on the cocoa forward-sales system, intended to address corruption in the sector and increase the share of the world price going to farmers (as mandated under the Heavily Indebted Poor Countries Initiative). The target of 60 percent going to farmers was fully achieved by 2016 (although slightly undermined in 2017). Beyond the series, Côte d'Ivoire's Coffee and Cocoa Board and the Ghana Cocoa Board worked together to set a pricing mechanism to help farmers earn a living wage by suspending forward sales of cocoa beans, setting a floor selling price, and mobilizing funds for a "Living Income Differential" (Aboa 2020; Nieburg 2019). For the 2020–21 farming season, the government increased the farm gate price by 21 percent (from $1,800 per metric ton),[3] representing 69 percent of the floor price of $2,600, which was also the world price prevailing at the beginning of 2021. Thus, despite some interim pushback and setbacks, the objective of raising farmer's incomes appears to be achieved,

[3] Information is available at https://www.theafricareport.com/16196/can-ghana-and-cote-divoire-really-deliver-higher-cocoa-prices.

attributable in large part to the pressure brought through the PRSC series and complementary initiatives.

A series of actions under PRSC-2 and PRSC-3 supported the cashew sector (particularly important to raise income and employment in the poorer northern part of the country), including support for technical assistance activities, establishment of a cashew nut processor association, financing through a special lending window for cashews, and a draft law for a warehouse receipt system. The key indicator of an increase in the share of cashew production processed domestically was only 40 percent achieved by 2016 (table A.3). However, the ICRR noted that this indicator was flawed because it was undermined by successful growth in the production of raw nuts (the total volume of processed cashews might have been a better indicator). The government has continued to take measures to promote cashew processing, including signing agreements in 2019 with eight industries intended to increase cashew processing by 107,000 metric tons over the next four years in return for tax incentives, and with a Chinese company to build 108 cashew nut storage warehouses (financed by a 15-year loan from a Chinese bank).[4]

PRSC-3 introduced assistance to professional associations and cooperatives in complying with the Organization for the Harmonization of Business Law in Africa requirements, with a target of 20 that was greatly exceeded within the year. There was, however, no progress in establishing women's cooperatives in cashew nuts (an indicator unrelated to specific actions that may have been introduced to have something related to gender, and negligible performance of which forestalls an efficacy rating of satisfactory for Pillar 3).

PRSC-1 included an action to operationalize the rice strategy, and the indicator for increased production of paddy rice was more than fully met by 2016 (table A.3). Milled rice production for 2020/21 is projected at 1.4 million metric tons.[5]

Energy

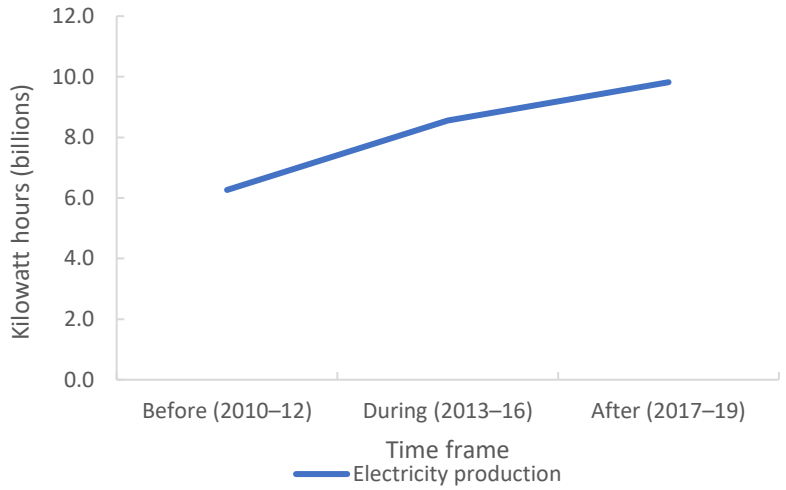
Energy sector actions focused initially on billing, with PRSC-1 reclassifying consumers; PRSC-2 raising tariffs on electricity sold to Burkina Faso and Mali to cover production costs; and PRSC-3 attempting to implement a more progressive rate structure (which suffered some pushback and partial reversal after implementation). The initial indicator

[4] See http://www.commodafrica.com/20-08-2019-la-noix-de-cajou-en-cote-divoire-une-filiere-en-pleine-evolution.

[5] See https://www.fas.usda.gov/regions/cote-divoire.

of electricity sector deficit was dropped. It may be noted that electricity production and consumption increased steadily during and after the PRSC series (figure A.6).

Figure A.6. Electricity Production Before, During, and After PRSC Series (billion kWh)



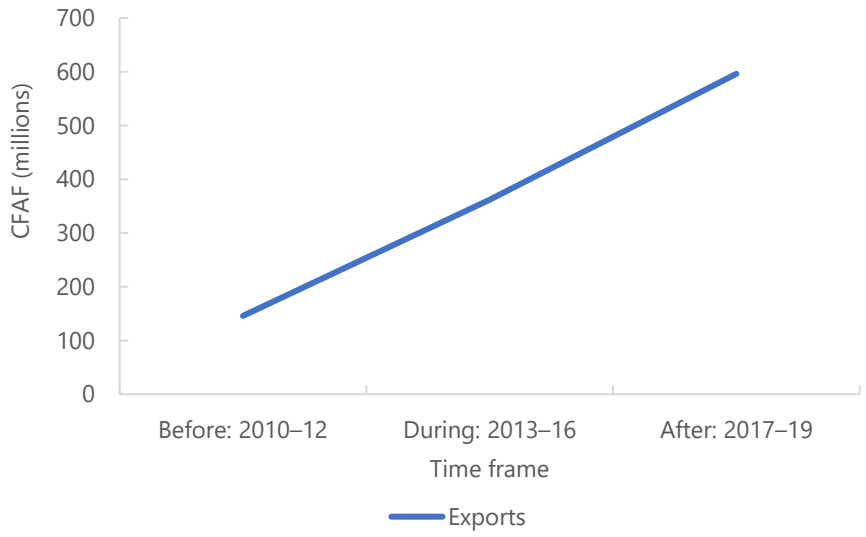
Source: BCEAO 2019. (Annual consumption averages 77 percent of production, ranging from 72 percent to 82 percent.)
Note: PRSC = Poverty Reduction Support Credit.

Attention also turned to arrears: clearance of arrears to SIR under PRSC-2 and clearing all remaining cross-arrears in the energy sector under PRSC-3. Reduction of arrears to SIR was added as an indicator in PRSC-3 and fully met, although the ICRR noted that SIR's financial situation remained fragile, in part because of its arrears to suppliers and creditors.

Overall Economic Growth

As discussed in para. 2.14, the series was associated with a strong increase in economic growth that was sustained (at a slightly lower rate) thereafter. Exports (including strong growth of cashews) grew sharply both during and after the series, tripling overall on average (figure A.7), although they peaked in 2017 and declined somewhat in 2018–19.

Figure A.7. Exports Before, During, and After PRSC Series



Source: BCEAO 2019.
Note: CFAF =Communaute Française d'Afrique Franc; PRSC = Poverty Reduction Support Credit.

Pillar 3 Rating

Overall, for agriculture, three targets were fully (or nearly) met, one only partially (40 percent), with no progress on the other; whereas for energy, the one indicator was more than fully achieved. It may be noted, however, that two of the indicators that were fully met were introduced only in PRSC-3 and met right away, raising the question as to whether they were more disbursement driven than results oriented. Further, several of these indicators represent only the first steps in a process, not the actual intended results, and came too late in the series for follow-up prior actions to support implementation.

Although five out of six indicators were fully achieved and there is complementary confirmation of sustained economic growth, with one results indicator rated negligible and some concern about the relevance of some results indicators, the overall rating for Pillar 3 is **moderately satisfactory.**

Overall efficacy rating: **satisfactory.**

Despite a number of prior actions considered as having low relevance to achievement of objectives (table A.3), each pillar had at least some prior action clusters with substantial relevance to achieving the desired objectives, and it is reasonable to attribute sustained progress toward achieving objectives (verified by supplementary data and interviews) to fundamental reforms initiated under the series. Thus, the PRSC series can be considered as contributing to the improved, satisfactory achievement of results compared with the

assessment as of the ICRR (based on attaining targets, complementary data, and confirmation through interviews).

3. Outcome

As noted in the ICRR, "the objectives of the series were highly relevant to restoring the economy of Côte d'Ivoire that had languished after the breakdown of democracy and civil war. The improvement in governance, the support for improving the business environment and the assistance to selected sectors were all important for the country" (World Bank 2019b, 10). Continued improvement in indicators of the business climate, private investment, and agricultural production belied the concerns expressed in the ICRR regarding the impact and sustainability of reforms, and efficacy has improved in the postseries years. Nonetheless, an improvement in the rating for outcome is prevented by the weaknesses in design and relevance of prior actions (that is, under the new guidelines, Overall Outcome cannot be rated above moderately unsatisfactory if prior actions or design are rated moderately unsatisfactory, no matter how satisfactory the efficacy).

Overall outcome rating: **moderately unsatisfactory.**

4. Risk to Development Outcome

Although the civil war and disputed election of 2011 had been resolved, considerable social and political tensions remained that posed an ongoing risk to stability. (Although these did not cause disruption during the series, they erupted in postelection violence in 2020—fortunately less consequential than in 2011.) Corruption was high, and improvement in governance rested on the unproven establishment of several new institutions (see paras. 2.3 and 2.7 of section 2 of the main text).

Although administrative capacity in Côte d'Ivoire was considered high, and political commitment to the reform program was high at the top of government, the risk of bureaucratic inertia and weak implementation at the institutional level was not adequately addressed. Although the Ministry of Economy and Finance was given a lead role, it approached this as an overall coordinator, rather than a driver of the complex multisector reforms involving many ministries.

An important risk that was only partly taken into account was the strength of vested interests in several areas. Setbacks with respect to the investment code and tax exemptions might have been mitigated through greater up-front consultation with private sector associations (para. 2.28). In the cocoa sector, audits and public information were intended to challenge vested interests through greater transparency, but the Cocoa-Coffee Council remained a powerful force impervious to Bank Group oversight.

Risk to development rating: **high.**

5. Bank Performance

Performance at Design and Preparation Stage

An important lesson applied during the design of the operations was to use a programmatic development policy operation (DPO) series that allows for the sequencing of reforms to steadily increase the strength of reforms over a three-year period. The choice of a programmatic series of three DPOs over three years was appropriate to the needs and context at the time, and the specific actions were justified by prior analytical work in various sectors. The instrument enabled the World Bank to pursue follow-up reforms in some sectors, such as governance, commercial courts, and cocoa audits. Conversely, some complex areas (such as roads and occupying industrial land) were only introduced in PRSC-3, and five policy areas had only one action and no indicator.

The program documents of the series identified lessons learned from previous operations where the government achieved results despite the exogenous shocks the country faced (World Bank 2013b). This lesson made the World Bank less concerned about ex ante risks and the impact of fragility on the reforms it supported. For instance, it was assumed that the government leaders would be able to undertake actions to reduce fragility and make appropriate use of resources. Nevertheless, although the new government was at the time committed to reforms, the World Bank underestimated the influence of vested interests in the cocoa and electricity sectors and the possible impact on results. Also, very little attention was paid to the trade-off between providing predictable financing and undertaking reasonably strong reforms, which might require delaying project approval until critical conditions were met. In this case, prioritizing the predictability of disbursements undoubtedly contributed to some of the instability in the policy matrix and the selection of some weak triggers and prior actions (World Bank 2017a, 31–32).

Overall, the design of the series suffered from a wide range of shortcomings. First was the lack of a clear results chain to link actions to objectives and outcomes, and of coherent strategic frameworks for each sector based on consultations with stakeholders (including development partners and intended beneficiaries). As a result, some changes in triggers were driven more by the need to disburse than by holding the government accountable. The prioritization of financing was worsened by a one-year delay in start-up, with consequent changes in the policy matrix and triggers. This led to increased pressure to provide financing to maintain the dialogue with government, and thus the rapid preparation of the first operation in the series. The lack of involvement of the World Bank staff in the design of critical reforms in the cocoa and electricity sectors

affected the expected results of the series. Finally, weak design of the monitoring and evaluation system, including many results indicators that were input oriented rather than results oriented, or added or dropped during the series without a clear rationale, was a shortcoming of this series.

Design rating: **moderately unsatisfactory.**

Performance at Implementation

The World Bank consulted with development partners and civil society groups during the implementation of the reforms. The main development partners in the private sector were France, the United States, the Netherlands, the European Union (EU), and the African Development Bank. The World Bank worked closely with the International Monetary Fund and the EU during implementation on budget support to the government. For instance, there were apparent synergies between the reforms in the series and those of EU budget support, which aimed to catalyze progress on poverty reduction and economic growth. A particular area of success was specific reforms to strengthen the achievement of results regarding external audits of the public sector by the Chamber of Accounts. In general, however, interaction with other development partners was primarily informational, not leading to common strategic frameworks or complementary projects that could have extended monitoring and implementation to achieve long-term objectives.

The task team leaders were domiciled in the country office in Abidjan and had previous country experience and knowledge. This translated into increased relevance of the reforms supported by the Bank Group. The physical presence of the task team leaders enabled them to undertake follow-up actions and adjust the triggers in light of progress made and changing country circumstances, as well as to communicate effectively with other development partners. However, the ICR (World Bank 2017a, 30) notes that this did not translate into coherence in reform program implementation, with changes in indicators and in triggers even after the program had been negotiated. The changes reduced the time the government had to implement some of the reforms.

Quality of supervision rating: **moderately satisfactory.**

Overall Bank performance rating: **moderately unsatisfactory.**

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Appendix B. Environmental and Social Effects

Poverty, Gender, and Social Aspects

The series did not attempt to address issues of poverty, inequality, or social sensitivities directly. The expectation was that increased growth would lead to reduced poverty. The assumption that enhanced growth in agricultural crops would benefit lower-income rural areas was implicit, although not demonstrated in a results chain or theory of change. Gender was addressed only via one indicator (on the formation of women's cooperatives), which was unrelated to any prior actions.

The Implementation Completion and Results Report (World Bank 2017, 57) notes that the poverty rate "has fallen by 5 points relative to the estimated peak of 51 percent during the 2011 postelectoral crisis, [but] this decline falls short of the Government's goals," which the government's new National Development Plan for 2016–20 sought to remedy through "accelerated redistribution of the fruits of growth, especially to the most disadvantaged." The only poverty- and gender-related impacts cited in the Implementation Completion and Results Report (World Bank 2017, 29) were maintaining the cocoa price at 60 percent, exempting impoverished households from increases in electricity tariffs, and increased cashew processing (providing jobs for women, although efforts to organize women's cashew cooperatives fell short).

Environmental, Natural Resource, and Forest Effects

The series did not involve any environmental or natural resource effects.

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Appendix C. Methods and Evidence

This report is a Project Performance Assessment Report (PPAR) evaluating a series of three development policy operations (DPOs) in Côte d'Ivoire: The First, Second, and Third Poverty Reduction Support Credits, approved and disbursed over 2013–16. This instrument and its methodology are described at https://ieg.worldbankgroup.org/methodology/PPAR.

It is part of a cluster of PPARs on "DPOs that Catalyze Private Sector Development through Upstream Reforms," intended to "examine the extent to which the reforms supported by the prior actions catalyze private sector development, and in this regard, the extent to which the reforms were well designed and targeted to the country's most binding private sector development constraints" (World Bank 2020). Côte d'Ivoire was one of the five countries selected on the basis of being International Development Association eligible and having a series of DPOs with development objectives explicitly addressing country-specific constraints to private sector development, an Implementation Completion and Results Report Review completed in 2017 or later, and at least five prior actions that contribute to progress in private sector development.

This PPAR used a mixed-methods approach, including desk review of program documents, Implementation Completion and Results Reports, Implementation Completion and Results Report Reviews, and other relevant documents; analysis of macroeconomic, sectoral, and other indicators; and semistructured interviews with the Bank Group and International Monetary Fund staff, government officials, development partners, and private sector and other stakeholders, conducted remotely during January–February 2021. Nevertheless, it proved very difficult to obtain appointments for remote interviews, and interaction with the private sector was much more limited than it would have been during an in-country mission. There was little in the way of useful reports from development partners.

Data for the basic indicators were available from the World Bank (especially *Doing Business*) and government of Côte d'Ivoire (including the Autorité Nationale de Régulation des Marchés Publics and the High Authority for Good Governance). One weakness of *Doing Business* indicators is their orientation toward large, formal businesses; however, data and indicators are lacking for small and medium enterprises despite their importance for employment and inequality. Furthermore, the core indicators are insufficient to assess performance of relevant trends in poverty reduction, private investment, and access to finance. Additional data were used from the Banque Centrale des Etats de l'Afrique de l'Ouest, International Monetary Fund, Oxford Business Group, and others (see Bibliography and sources to tables).

The key issues for evaluation were as follows:

- To what extent were the reforms designed and targeted to address the most critical binding constraints in the economy (and the private sector in particular)?
- To what extent was the DPO instrument adapted to reflect the circumstances, changing conditions, and risks and capacity constraints related to fragility, conflict, and violence?
- How did other World Bank and development partner operations contribute to the achievement of results in governance, economic growth, and public financial management?
- To what extent were the reforms supported by the prior actions effective in (i) improving the business climate, (ii) catalyzing private sector investment and job creation, and (iii) changing practices and perceptions of politically active interest groups? Is there evidence of a fiscal feedback loop through increased contribution to the sectors the series supported, especially the private sector and composition of government revenues?
- How did finance for private investment evolve during the period under review, in particular in terms of the extent of complementarity with International Finance Corporation activities and other World Bank operations?

Reference

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