CEPICI

CENTRE DE PROMOTION DES INVESTISSEMENTS EN CÔTE D'IVOIRE

MONITORING-EVALUATION REPORT ON PRIVATE INVESTMENT PROJECTS APPROVED OVER THE PERIOD 2016-2018

July 2023

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CEPICI Officiel

Jérôme Patrick ACHI
Prime Minister, Head of Government
(FROM MARCH 10, 2021 TO OCTOBER 6, 2023)

The 2030 vision of the President of the Republic, His Excellency Alassane OUATTARA, is the compass

for the Ivorian government's actions in terms of ambitions for a prosperous Côte d'Ivoire, with a developed and competitive private sector.

The Ivorian population's expectations for an improved quality of life are expressed in terms of maintaining household purchasing power, and building infrastructure in the fields of health, education, roads, rural electrification and drinking water, the government is developing a number of initiatives, notably in terms of support for Very Small Enterprises (VSEs) and Small and Medium-sized Enterprises (SMEs), entrepreneurship and technological innovation, through the Economic Program for Business Innovation and Transformation (PEPITE).

Efforts are underway to boost the Ivorian economy and achieve the objectives of strengthening value

chains and promoting national entrepreneurship.

The government has adopted reforms to facilitate the procedures for acquiring and managing industrial land and real estate, which are necessary to attract both domestic and foreign investment, essential for

creating wealth and jobs for young people, and for the structural transformation of our economy.

The industrial potential in agricultural sectors, supported by the launch of several competitive value chain projects, will be an asset for the modernization of agriculture and the foundation of our country's economic emergence by 2030.

Finally, the planning and participation of Côte d'Ivoire in a number of national and international business events, including the AFRICA CEO Forum, the COP 15 Business Forum, the NDP 2021-2025 Advisory Group, EXPO-Dubai 2020 and the CONFINDUSTRIEA Business Forum, ensure bright prospects for our country’s attractiveness to international invest.

The fifth Edition of the Monitoring and Evaluation Report on approved companies over the period of 2016-2018, reflecting the full participation of players in the private investment ecosystem, is an effective instrument for capitalizing on accountability and learning in the promotion and attraction of private investment in Côte d'Ivoire.

MESSAGE FROM THE MINISTER, CHAIRMAN OF THE MANAGEMENT BOARD

Abdourahmane CISSE

Minister, General Secretary of the Presidency, Chairman of the Management Board

(FROM MARCH 2021 TO NOVEMBER 30, 2023)

Since 2012, under the enlightened leadership of His Excellency Alassane OUATTARA, President of the Republic, Côte d'Ivoire has returned to the path of growth while stabilizing its macroeconomic environment, with an average annual growth rate of around 6% between 2012 and 2021, and controlled inflation despite exogenous shocks, notably the COVID 19 health crisis and the Russian - Ukrainian war.

The country is aiming for structural transformation of its economy, with the development of growth sectors focused on creating added value and jobs.

For this reason, the State of Côte d'Ivoire is reaffirming its commitment to build the capacities of private sector support structures, in particular the Center for Investment Promotion in Côte Ivoire (CEPICI),

through its roles and missions, in order to improve the attractiveness of domestic and foreign private capital.

To sustain the growth momentum, CEPICI needs to develop aftercare services, in particular by strengthening its investment project monitoring and evaluation system, in order to meet the challenges of international competition and reinforce its strategy to make our country more attractive to private investment.

There is a positive correlation between economic growth and investment.

Thus, the development of productive investment should continue and reach a rate of Gross Domestic Product (GDP) of around 32% in 2025, of which 25% will be private investment.

This document, entitled "Investment Code, relevant instrument of economic policy for the development of the private sector" is the fifth edition of the monitoring-evaluation report on approved companies focus: 2016-2018. It is a compendium of useful information for policy makers, local authorities, private sector participants, researchers and our country's bilateral and multilateral partners in analyzing the economic, social and environmental impact of approved private investments in Côte d'Ivoire.

MESSAGE FROM
THE GENERAL MANAGER

Solange AMICHIA

General Manager of CEPICI

The Center for Investment Promotion in Côte Ivoire (CEPICI) plays a crucial role in defining our country's economic policy instruments.

Indeed, CEPICI attracts and facilitates direct private investments, contributes to sustainable job creation, promotes our country's sectoral opportunities and furthers connections between investors and key players from public and private sector.

Thus, since 2013, CEPICI has been supporting the Government in its process of improving the business

climate and expanding to other thematic areas of reform, notably the macroeconomic framework,

infrastructure, human capital, public governance, the efficiency and accountability of the Public Civil Service, economic governance, trade, the judicial system, and instruments to support investment and innovation.

The challenges are many, and require CEPICI to strengthen its operational capacities to remain a strategic government tool for investment promotion and private sector development.

This is why CEPICI ambition is to be more than a promotion agency, an economic development agency whose objectives are anchored in the National Development Plan (NDP: 2021-2025, Côte d'Ivoire Solidaire) and in line with the vision of His Excellency Mr Alassane OUATTARA President of the Republic in the following terms: "to accelerate the economic and social change of Côte d'Ivoire, and to bring the country up to the rank of upper-middle-income countries by 2030".

Progress has been made in improving the performance of the Business Formalities Office (GUFE), namely through the implementation of one-stop Investor Services Portal (PUSI: 225invest.ci) and the Unique ID (IDU), the strengthening of the strategy for mobilizing domestic and foreign investment, and Aftercare services including the monitoring and evaluation of private investment projects.

The fifth edition of the report on the monitoring and evaluation of private investment projects focus 2016-2018 places particular emphasis on the methodology used, but above all, it takes an in-depth look at the results of the scheme, notably in terms of profiling approved companies, the panorama of growth sectors and measuring the socio-economic impact of the tax incentives granted to beneficiary companies.

THEME:

INVESTMENT CODE, A RELEVANT ECONOMIC POLICY INSTRUMENT FOR **PRIVATE SECTOR DEVELOPMENT.**

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ACKNOWLEDGEMENTS

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Mrs. Carole VERSTEEG, as Deputy Managing Director of CEPICI, effectively supported the preparation of this report through her wise advice.

This monitoring-evaluation report on approved private investment projects focus 2016-2018 was drawn up by a dynamic team led by Cyrille KOUADIO, Head of the Statistics and

Monitoring-Evaluation Department and also a specialist in project/program management, certified by the CIF, ILO. The team was made up of Franck KOUAKOU, Kony SINA and Ibrahim SAKHO, all three are financial engineers, and Grâce KEITA is economist.

Géneviève DIAKITE, PMO Special Advisor and Franck KOUASSI, Technical and Legal Advisor, provided their support and expertise.

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Salomon BIEFFO, retired Director of Planning, Studies and Statistics, proposed the theme of this report and wrote the various prefaces.

Viviane KOUASSI and Rita OKOU were responsible for the administrative aspects of producing this report.

At various stages in the preparation of the report, former members of the department were called upon to contribute their expertise: Namory BAKAYOKO, Project Manager; Benjamin LEGBEDJI; Hyppolyte YAO.

The implementation of the monitoring system focused on more than 250 private investment projects benefiting from the advantages of the investment code over the period of 2016-2018 has brought out the following encouraging results:

- The level of investment actually carried out is 784 billion FCFA against 440 billion FCFA planned.

- More than 7,600 jobs have been created

- FDI accounted for over 73% of total investments actually carried out.

- The approved companies over the 2016-2018 period, companies record a cumulative added value of around 2,000 billion FCFA, generating over 280 billion FCFA in tax revenues, 26 billion FCFA in social security contributions and 194 billion FCFA in customs revenues over the first three years of operation

Moreover, the evaluation of approved private investment projects revealed a rather positive perception on the part of investors, particularly in terms of the relevance, effectiveness, efficiency and impact of the policy of granting tax and customs incentives.

In addition, the provisions of the Investment Code promote the long-term survival of companies.

In fact, 100% of approved companies between 2016 and 2018 and monitored were still in business at the time of the data collection period.

For all that, empirical analysis of the data from the monitoring system has identified several sectors as generators of wealth and employment: agriculture, agri-food, agro-industry, construction and civil engineering, the chemical industry and materials handling.

Finally, the difficulties faced by the approved companies being monitored are mainly

concentrated in the following areas: access to skilled labor, access to bank loans, asymmetric information and the cumbersome administrative formalities.

At the end of the participative workshop test and the authentication of the 2016-2018 focus monitoring-evaluation report, several recommendations were made by the civil service's technical experts:

- Finance a more targeted communication plan

- Implement the penalty mechanism provided in the code with the General Directorate of the Treasury and Public Accounting (DGTCP);

- Accelerate the institutionalization and operationalization of the investor grievance resolution monitoring unit, in particular the “aftercare” unit (i.e. post-investment monitoring) of CEPICI with all stakeholders who interact with investors;

- Accelerate the decentralization of civil service and public services in Zones B and C, more specifically CEPICI services and partner administrations.

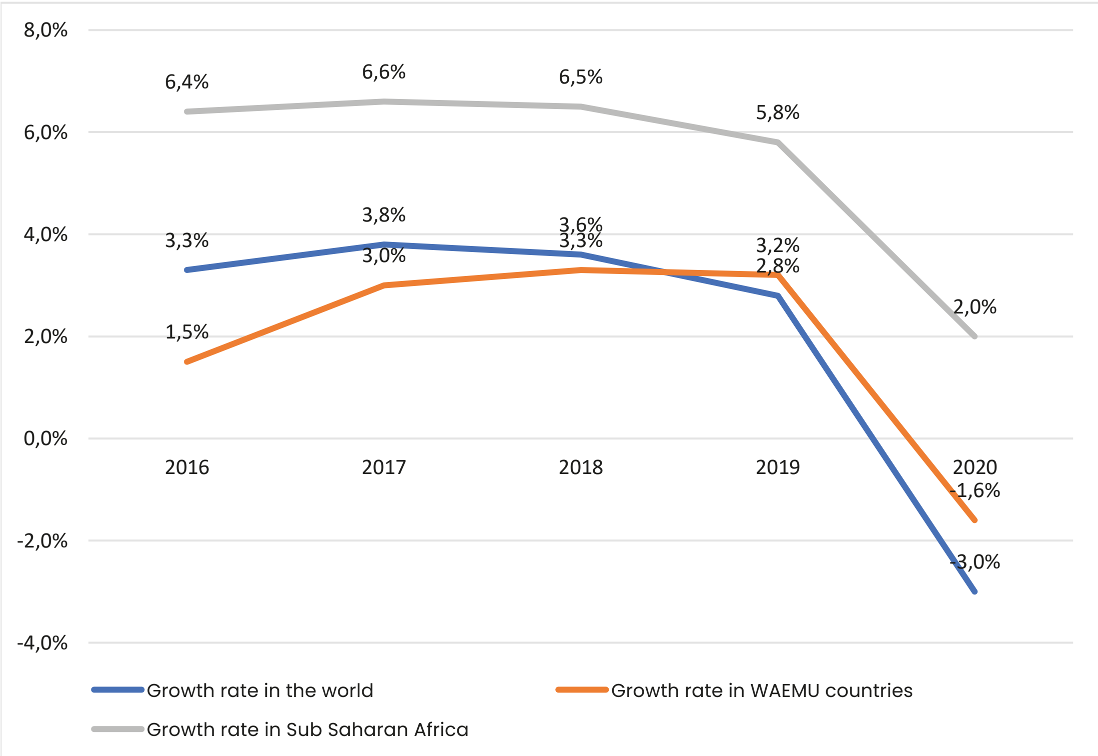
Acronyms and abbreviations

BIC	Industrial and Commercial Profits
BNC	Non-commercial profits
CCR	Findings Conclusion Recommendation
CEN	European Commission for Standardization
CEPICI	Investment Promotion Center in Côte d'Ivoire
CIFOIT	International Training Centre of the International Labour Organization
CNPS	National Social Provident Fund
CONFINDUSTRIEA	General Confederation of Italian Industry
GAR	Performance-based management
GNUE	United Nations Evaluation Group
GUFE	Business Formalities Unique Office
IDE	Foreign direct investment
IDN	Domestic Direct Investments
IDU	Unique Identifier
INS	National Institute of Statistics
ISO	International Organization for Standardization
OCDE	Organization for Economic Cooperation and Development
OIM	International Organization for Migration
PEPITE	Economic Program for Innovation and Business Transformation
PIB	Gross Domestic Product
PME	Small and Medium-sized Enterprises
PND	National Development Plan
PUSI	Single Investor Services Portal
SCE	Canadian Evaluation Society
TPE	Very Small Enterprises
TVA	Value Added Tax

• INTERNATIONAL CONTEXT

In market economies, the private sector is the main engine of growth. Indeed, private investment is one of the prerequisites for economic growth. It creates value and jobs, encourages innovation and diversification, and fights poverty. Moreover, the private sector is at the center of development strategies and contributes to overall economic development.

Graph 1 : Comparative economic growth rate from 2016 to 2020



Source : International Monetary Fund (IMF)

The global economic growth rate from 2016 to 2018 was positive, at 3.3%, 3.8% and 3.6% respectively.

However, in 2019 this rate slows to 2.8% following trade tensions between China and America, as well as Brexit-related uncertainty.

In 2020, the global economic growth rate contracted significantly by -3% due to the impact of the Covid-19 pandemic. The pandemic caused major upheavals in the global economy, including reduced demand due to containment measures and travel restrictions, disruption to supply chains, lower investment and falling commodity prices.

In sub-Saharan Africa in particular, the growth rate was 3.2% in 2019 and

-1.6% in 2020. Given these rates, WAEMU countries are recording a fine performance in terms of economic growth, i.e. 5.8% in 2019 and 2% in 2020.

Furthermore, global foreign direct investment flows recorded in 2020 were US$1,000 billion compared with US$1,500 billion in 2019, a drop of 35% (UNCTAD World Investment Report 2021).

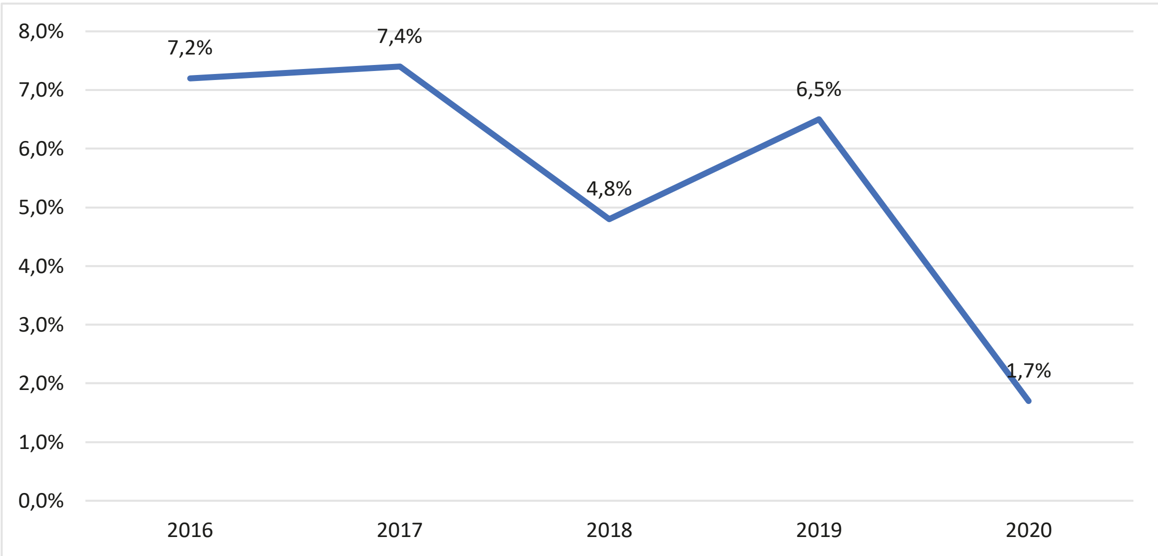
The health crisis mainly affected FDI from developed countries, at a rate of 58%, compared with 8% for developing countries.

Thus, the positive growth rate observed in WAEMU countries can be partly explained by the strengthening of regional economic integration.

- **NATIONAL CONTEXT**

The Ivorian economy has made significant progress, with positive growth rates.

Graph 2 : Côte d'Ivoire's economic growth rate from 2016 to 2020



Source : National Institute of Statistics (INS)

This economic growth was supported by an investment policy based on one hand on public investment and the other hand on private investment, through the strengthening of the system for promoting and attracting private-sector investment.

The Investment Promotion Center of Côte d'Ivoire (CEPICI), as a business formalities office for private investment, has raised much more than 1,800 billion FCFA in investment through 947 private investment projects approved from 2016 to 2018, to be carried out over the fiscal years 2016 to 2020.

To ensure the traceability of these investment projects, and report to all stakeholders in the private investment ecosystem, CEPICI has been equipped with a monitoring-evaluation system since 2015 through which it has already produced four (04) reports on approved private investment projects.

However, the political instability in 2016 further to the disputed presidential election and the health crisis of 2020 have influenced the collection of data from this device under the private investment projects approved focus 2016-2018.

In 2020, like other countries around the world, Côte d'Ivoire had to cope with the direct and indirect effects of the COVID 19-related health crisis, which slowed down progress in terms of economic performance, but also affected the implementation of approved investment projects and the operationalization of the monitoring and evaluation system.

Justification

- **General objective**

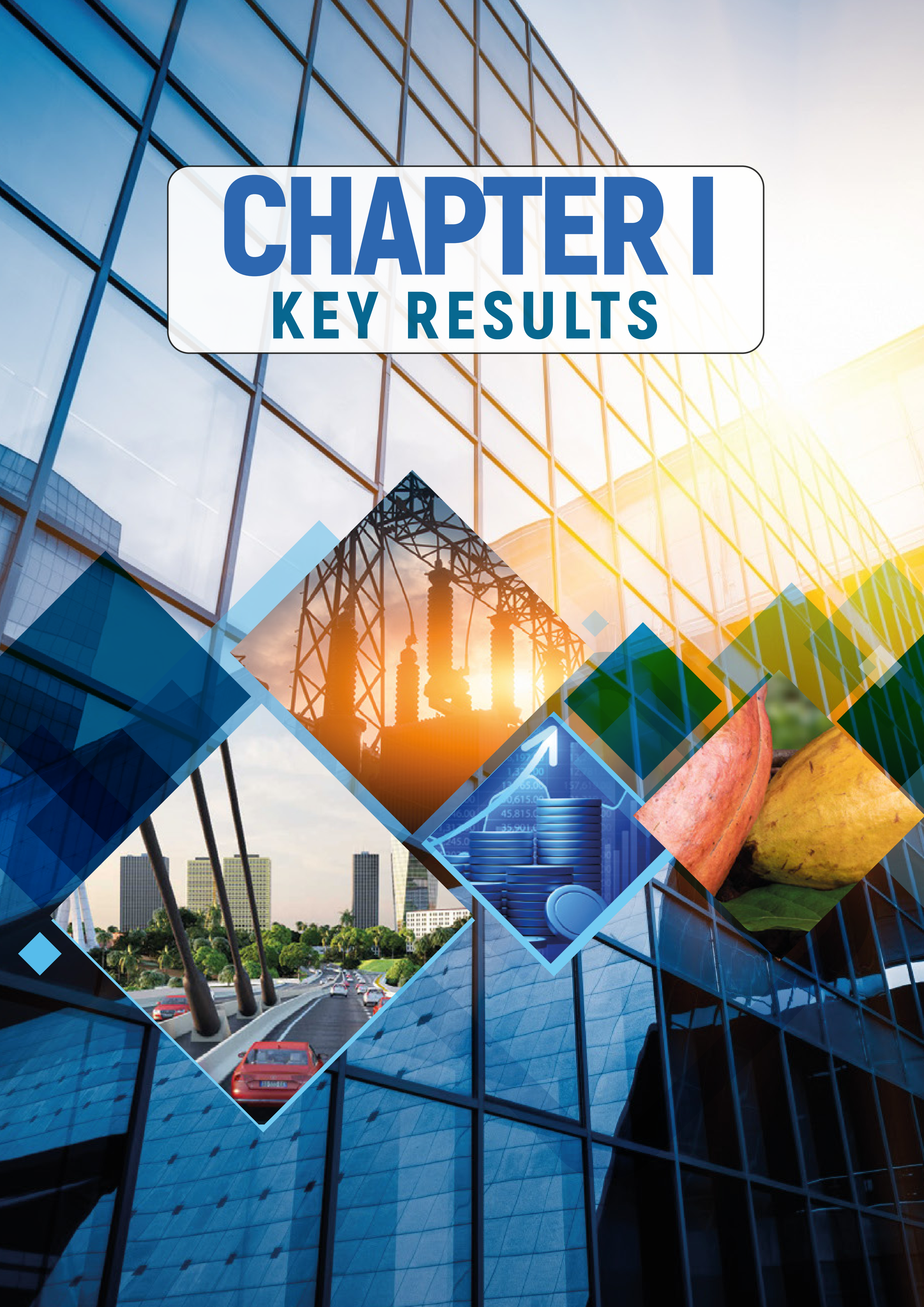
Report to all stakeholders on the management of private investment projects approved under the investment code.

- **Specific objectives**

Communicate and share the results of the implementation of the monitoring-evaluation system with all participants / parties in the private investment ecosystem with particular emphasis on:

- learning and knowledge sharing induced by monitoring-evaluation activities;
- taking into account the accountability of companies towards the State;
- measuring the socio-economic impact of approved private investments;
- Imapping the difficulties encountered by investors in carrying out their investment projects;
- traceability of approved private investment projects;
- profiling approved companies;
- growth sectors.

CHAPTER I
KEY RESULTS



I- Implementation of the monitoring and evaluation system for approved private investment projects

I.1 Investment monitoring

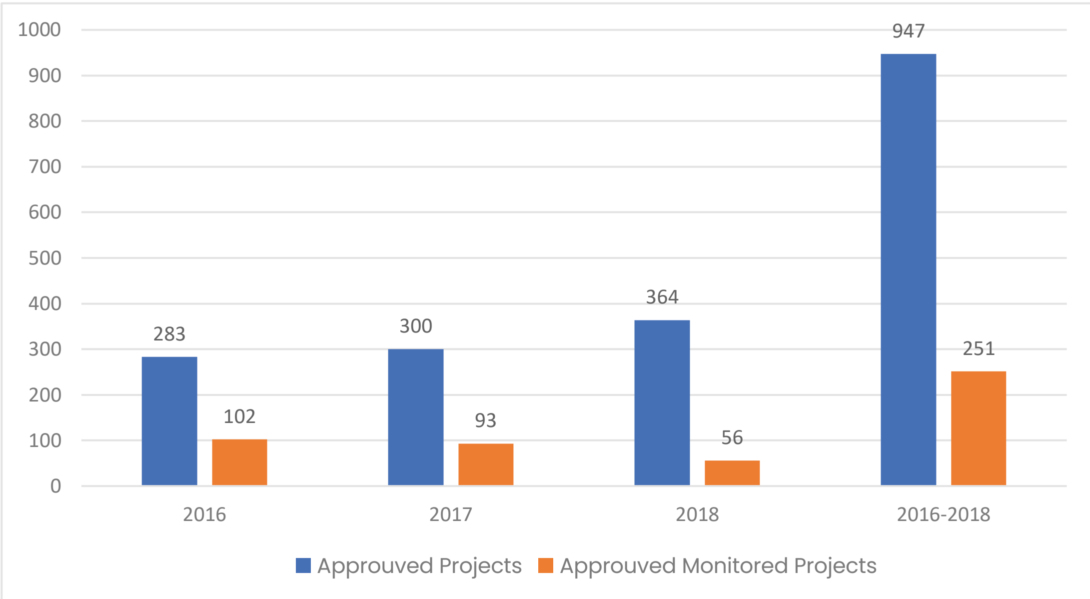
Monitoring consists in systematically collecting and analyzing information to track progress against established plans, and check compliance with set standards (Coach Roberta, CIFOIT).

As such, a company is said to be monitored when it is submitted to data collection operations resulting in the provision of monitoring questionnaires and/or year-end financial statements.

In fact, out of 947 investment projects that benefited from the advantages of the investment code over the period of 2016-2018, 251 projects were monitored at the time of the survey.

The purpose of these visits, carried out by the tax and customs authorities, sectoral technical ministries and CEPICI, is to verify the completion of investment projects. In addition, the monitoring indicators analyzed in our study are taken from the logical framework (see logical framework in appendix).

Graph 3 : Number of approved projects and approved projects monitored



Source : CEPICI/DPES

I.1.1 Analysis of key indicators for monitoring investment projects

The indicators to be analyzed by disaggregation are summarized below:

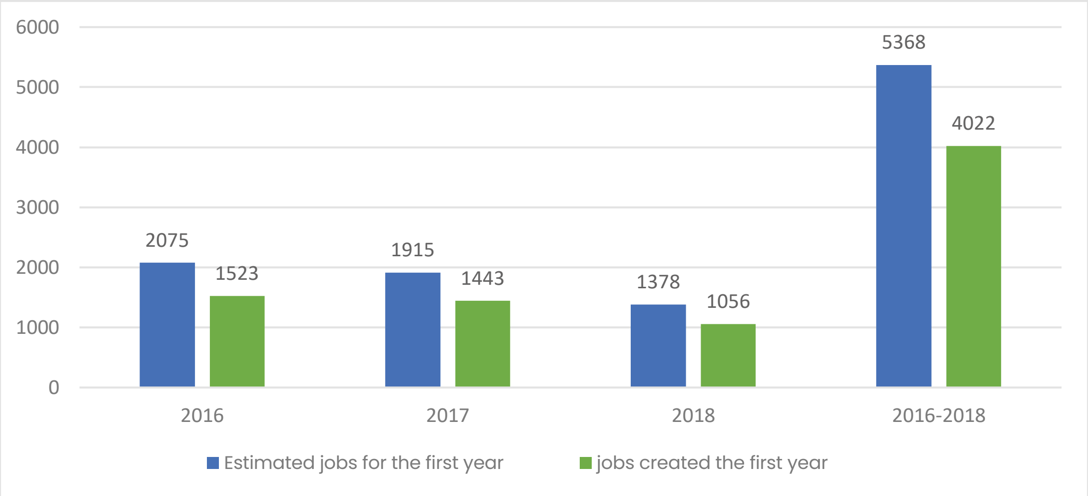
- number of jobs created by approved private investment projects ;
- volume of investments generated by approved private companies;
- value added generated by approved private companies;
- tax revenues generated by approved private companies ;
- social security contributions generated by approved private companies;
- customs revenues generated by approved private companies.

A. Number of jobs created by approved private-sector investment projects, by splitting up

A.1 Number of jobs created by approved private investment projects, by year of approval and status

The private investment projects monitored generated an estimated 5,368 jobs, with 4,022 jobs created in the first year of operation, representing a 75% completion rate.

Graph 4 : Number of jobs created for approval years 2016, 2017 and 2018



Source : CEPICI/DPES

Companies are struggling to meet their commitments in terms of job creation. This can be explained either by over-optimistic projections, or by the caution shown by company directors in recruiting staff or manpower during the first two years of operation.

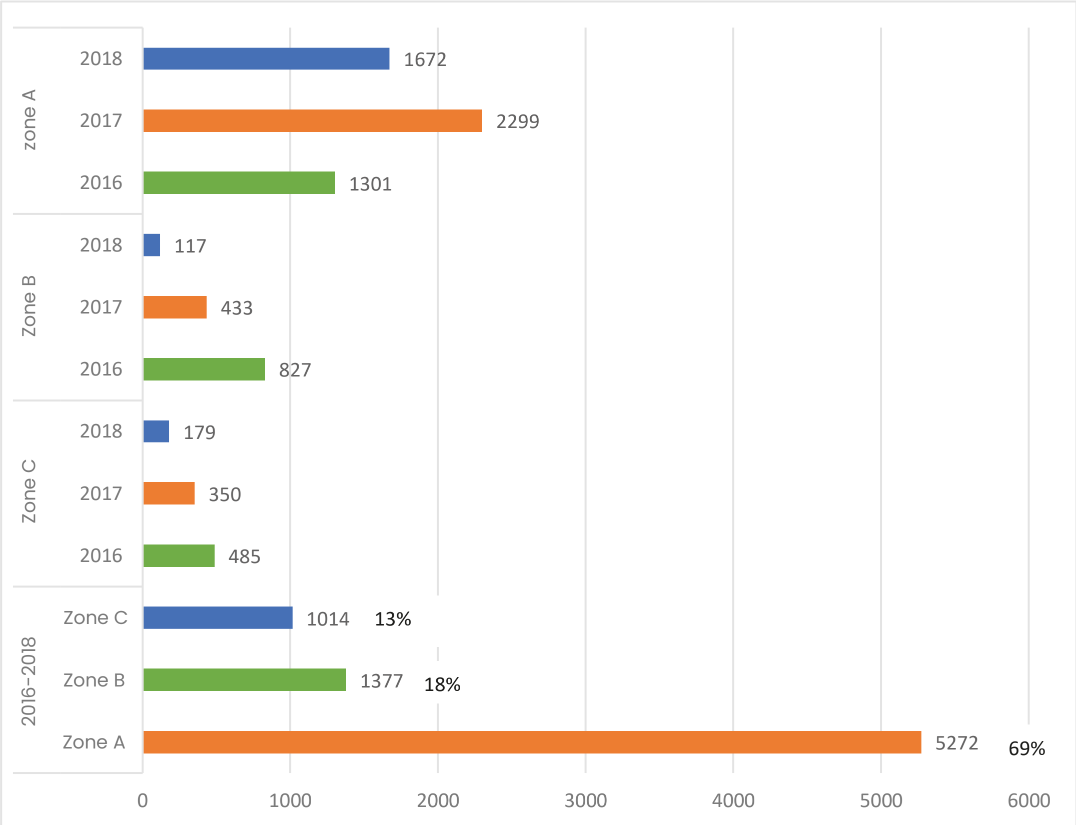
Recommendations :

- ✓ Encourage companies to make realistic job creation projections.
- ✓ Encourage companies to meet their job creation schedules.
- ✓ Set up a mechanism to guarantee job creation, like the one in place for investments.

A.2. Number of jobs created by approved private investment projects, by year of approval and by investment zone

The investment zones defined by the 2012 Investment Code are Zone A, which covers the Abidjan district; Zone B, which covers towns with more than 60,000 inhabitants (regional capital + Bonoua and Grand-Bassam); and Zone C, which covers towns with fewer than 60,000 inhabitants.

Graph 5 : Jobs created for approval years 2016, 2017 and 2018 by zone



Source : CEPICI/DPES

Zone A is by far the one that captures the majority of jobs created during the first three years of operation under investment projects approved over the 2016-2018 period, that is to say more than two jobs out of three.

These findings reflect the attractiveness of the city of Abidjan and its suburbs, notably Grand-Bassam and Dabou, in terms of developing employability and recruiting personnel.

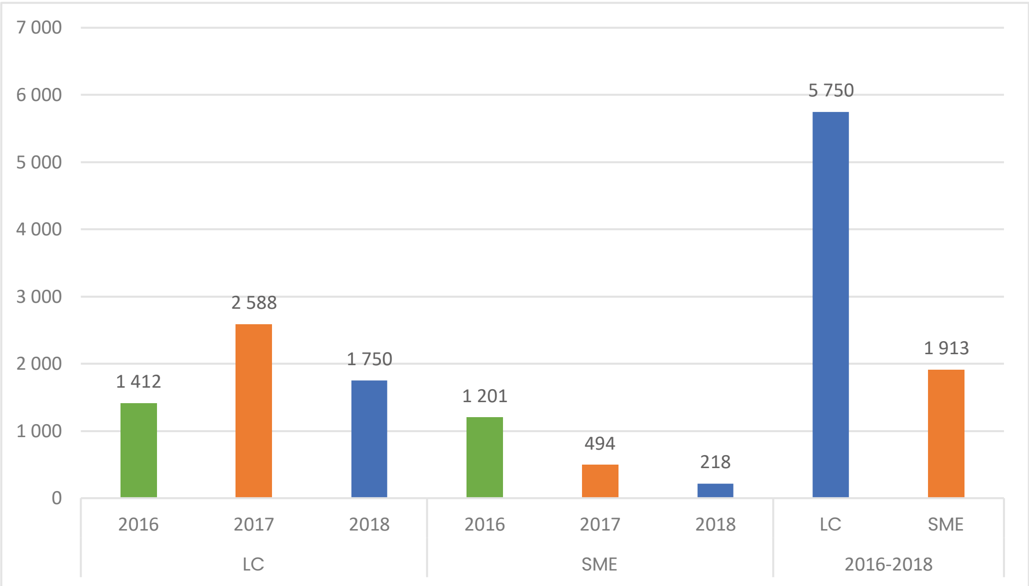
Recommendations :

✓ Continue to develop socio-economic infrastructure in zones B and C to make them more attractive for labor recruitment.

A.3 Number of jobs created by approved private investment projects, by year of approval and type of project

A company is classified as a large enterprise when it has over 200 employees and has a turnover more than one billion, whereas an SME has a turnover less than one billion and/or with fewer than 200 permanent employees.

Graph 6 : Jobs created for approval years 2016, 2017 and 2018 by type



Source : CEPICI/DPES

The majority of jobs created during the first three years of operation under investment projects approved over the 2016-2018 period are provided by large companies, representing three quarters (3/4) of the jobs created.

Among SMEs, a downward trend in the number of jobs created during the first three years of operation was observed over the 2016-2018 approval period, with an average drop of 80%.

The drop in the number of jobs created by SMEs observed in 2018 is partly linked to the Covid-19 disease health crisis that occurred at the end of 2019. In fact, companies approved in 2018 created jobs over the 2018 (63%),2019(19%) and 2020(18%) operating years.

On the other hand, in the 2017 and 2018 approval years, the location of certain companies had a strong impact on the level of job creation, resulting in a contrast between the evolution of jobs created by SMEs and those created by large companies.

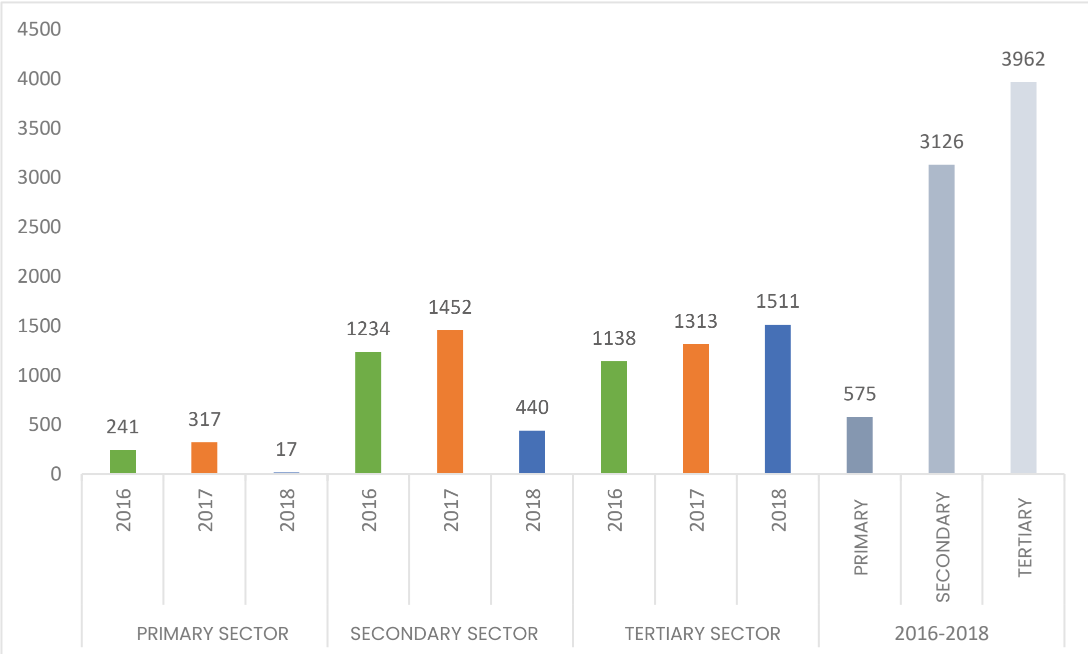
Recommendation :

- Encourage SMEs to develop investment projects that create more jobs.

A.4 Number of jobs created by approved private investment projects, by year of approval and sector of activity

The majority of jobs created over the first three years of operation under projects approved over the 2016-2018 period are absorbed by the secondary (41%) and tertiary (52%) sectors, that makes 93% of all jobs created.

Graph 7: Jobs created by approval year 2016,2017 and 2018 by business sector



Source : CEPICI/DPES

Over the same reference periods, there was an upward trend in jobs created in the tertiary sector, with an increase of 32%.

Indeed, in the 2017 approval year, two (02) industrial companies created more than 32% of the total number of jobs in the secondary sector. In the tertiary sector, one company alone generated 43% of jobs. As for the 2018 approval year, 25% of jobs created in the tertiary sector are attributable to a company operating in other services.

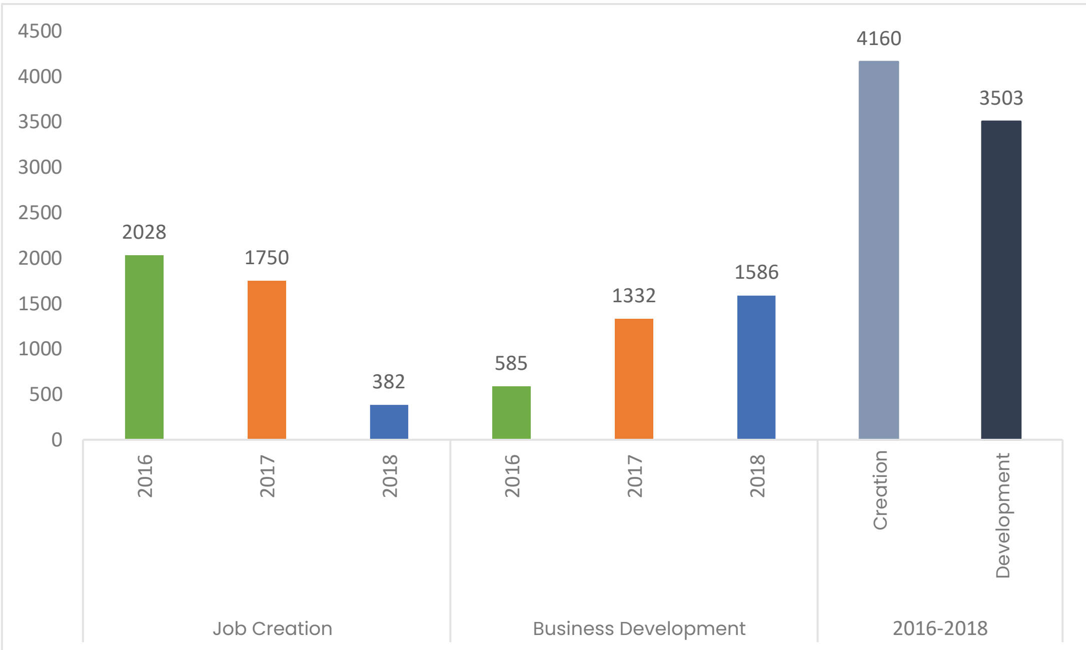
A.5 Number of jobs created by approved private investment projects, by year of approval and type of investment

According to decree no. 2012 - 487 of June 07, 2012 on the investment code, business creation is defined as the implementation of a project by a new company or an existing company investing in another sector of activity.

Business development is the implementation by a company of an extension, diversification, integration or modernization project under the conditions defined below:

- Expansion is an increase in a company's production capacity, regardless the nature of its activities;
- diversification is the manufacture of a new product or the creation of a new branch of activity by an existing company, involving the acquisition of new equipment;
- modernization is the renewal of production equipment, for technological upgrading or to meet quality or market requirements.

Graph 8 : Jobs created by approval year 2016, 2017 and 2018 by investment type



Source : CEPICI/DPES

Over the period of 2016-2018, investment projects approved for business start-ups accounted for more than 54% of the total number of jobs created during the first three (03) years of operation, compared with 46% for business development projects.

Moreover, over the same reference period, on the one hand there was an increase in the number of jobs created by companies enjoying business development (+171%), and on the other hand, a drop in the number of jobs created by companies starting up a new business (-81%).

This situation can be explained in part by the effects of the Covid 19 crisis, which led start-ups to be extremely cautious as far as job creation is concerned. The context is very different for companies expanding their business, who despite, the Covid 19 crisis continued their recruitment policy thanks to a more solid cash position.

Recommendation :

- ✓ Develop a more robust support system for start-ups in extreme emergencies such as the Covid 19 crisis.

B- Volume of investments generated by approved private companies by splitting up

Provisional investments are based on investment approval applications whose implementation schedule extends over two (02) years.

Completed investments refer to gross fixed capital formation at the end of the investment program.

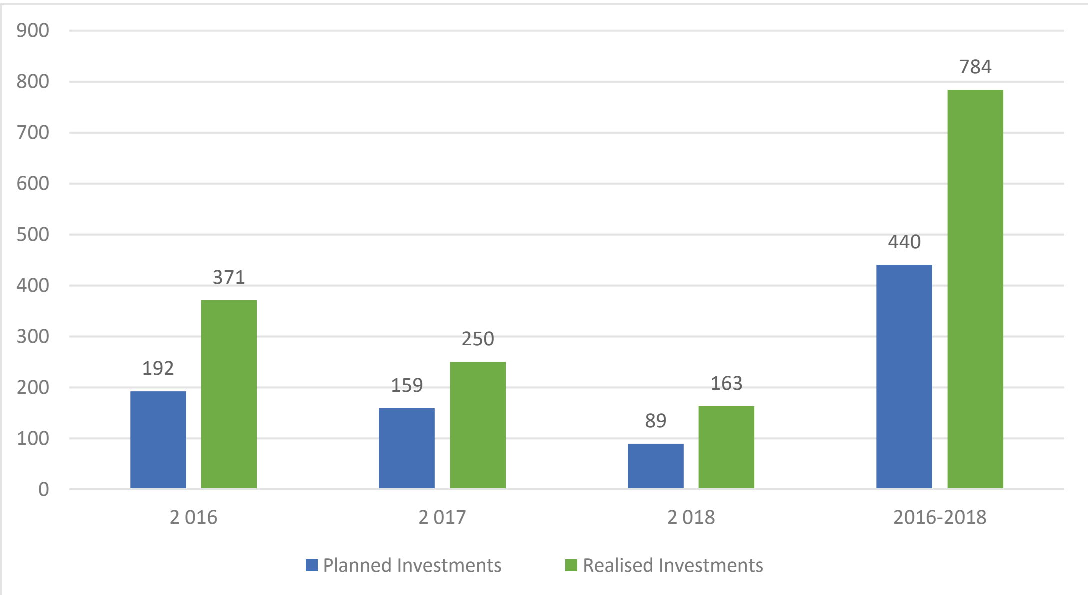
In addition, these investments are cumulated over three fiscal years, starting with the period of start-up, which may coincide with the year of approval.

B.1.Volume of investments generated by approved private companies, by year of approval and by status (amount in billions FCFA)

Monitoring of approved private investment projects :

- 102 investment projects were approved in 2016, generating FCFA 192 billion in estimated investment compared with FCFA 371 billion in actual investment, that makes a difference of (+179 billion FCFA);
- 93 investment projects were approved in 2017, generating 159 billion FCFA in estimated investment, compared with 250 billion FCFA in actual investment, that makes a difference of (+91 billion FCFA);
- 56 investment projects were approved in 2018, generating 89 billion FCFA estimated to 163 billion FCFA in actual, that is to say (+74 billion FCFA).

Graph 9 : Planned/carried out investments by approval year 2016,2017 and 2018 by approval year (amount in billions FCFA)



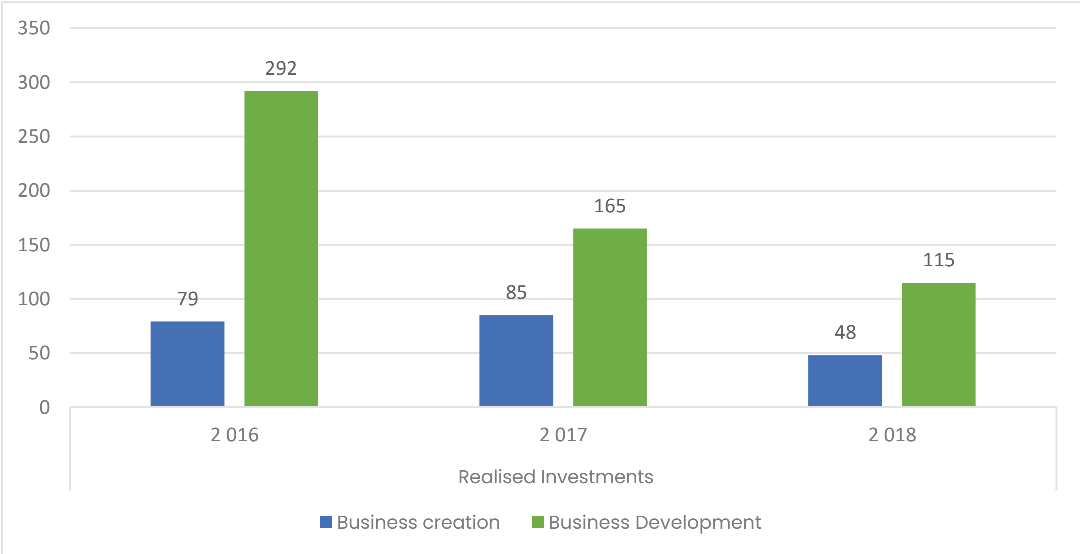
Source : CEPICI/DPES

Overall, out of 251 approved private investment projects monitored, corresponding to 440 billion FCFA in forecast investment, more than 784 billion FCFA were completed in the first three years of operation, representing a significant difference of +344 billion FCFA of investment.

It can be concluded that the private companies approved for the 2016-2018 period have met their commitments in terms of investment project completion schedules.

B.2. volume of investments made by approved private companies, by year of approval and type of investment

Graph 10 : Investments carried out by year of approval 2016, 2017 and 2018 by type of investment (amount in billions FCFA)



Source : CEPICI/DPES

Business development companies approved over the 2016-2018 period, held concurrently alone over 73% of investments made over the first three years of operation, compared with 27% for start-ups.

In fact, only 14% of companies monitored, including 10% in business development, made more than 80% of private investments over the first three years of operation for the 2016-2018 approval period.

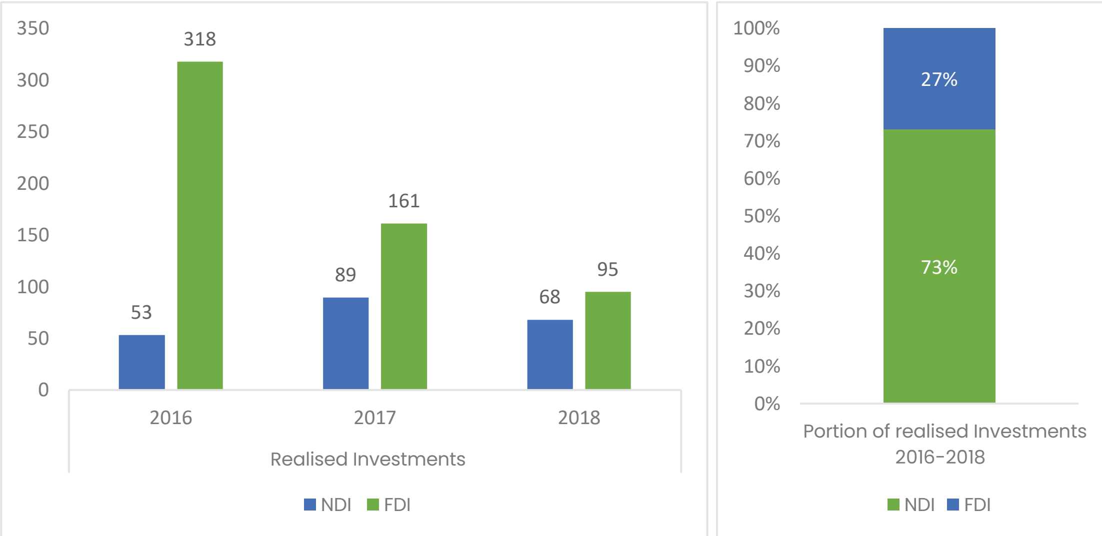
Furthermore, over the 2016-2018 investment approval period, there was a 153% drop in investments made by companies in business development.

That accounts for the fact that one company alone in the telecommunications sector made more than 72% of the overall volume of investments by business development companies over the first three (03) years of operation.

B.3. volume of investments made by approved private companies, by origin (national and international) and by year of approval

Foreign direct investment made by approved companies over the 2016-2018 period being monitored accrued over 574 billion during the first three years of operation, that is to say 73% of the overall volume.

Graph 11 : Investments made by year of approval 2016,2017 and 2018 by origin (amount in billions FCFA and in %)



Source : CEPICI/DPES

There was a drastic drop in FDI between the 2016 and 2018 approval years, representing 73% of the total.

Indeed, the advent of the Covid 19 crisis has certainly influenced the realization of investment projects, particularly in the approval years 2017 and 2018 for the first three years of operation.

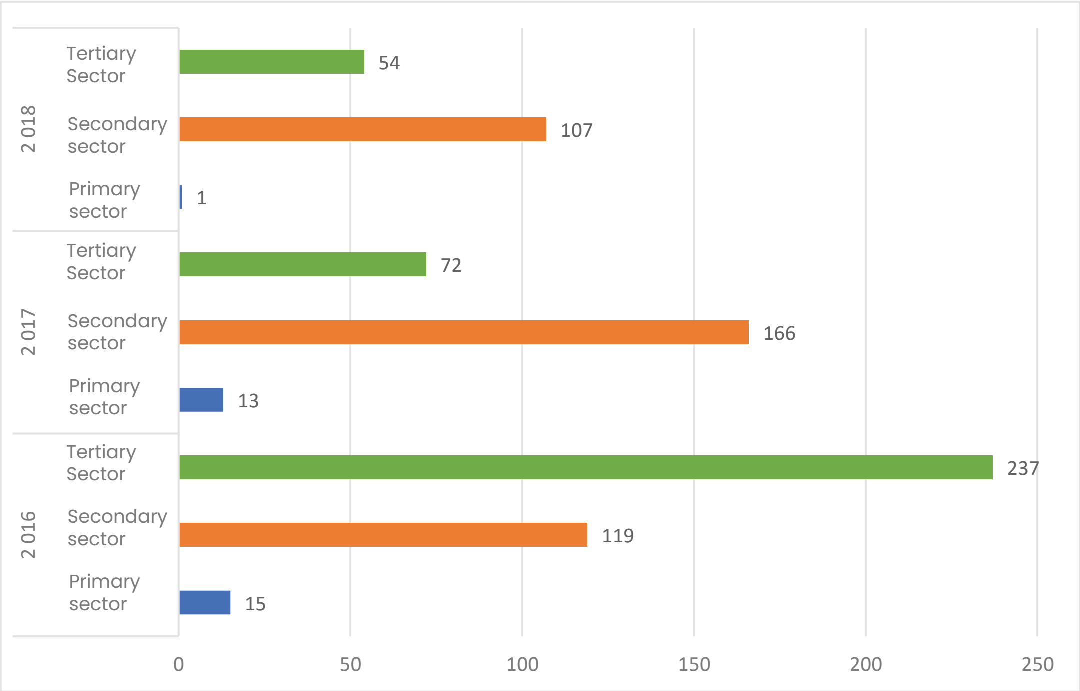
Recommendation :

- ✓ Strengthen the promotion and attraction of NDI.

B.4. Volume of investments made by approved private companies by sector of activity and by year of approval

The overall volume of investments made by approved private companies in the secondary sector (392 billion FCFA) over the period from 2016 to 2018 went beyond that of the tertiary sector (363 billion FCFA).and the primary sector (29 billion FCFA); representing half of investments over the period 2016-2018 compared with 46% for the tertiary sector and 4% for the primary sector.

Graph 12 : Investments made by year of approval 2016, 2017 and 2018 by sector of activity (amount in billions FCFA)

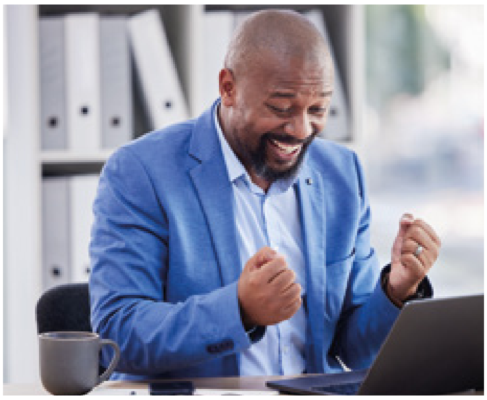


Source : CEPICI/DPES

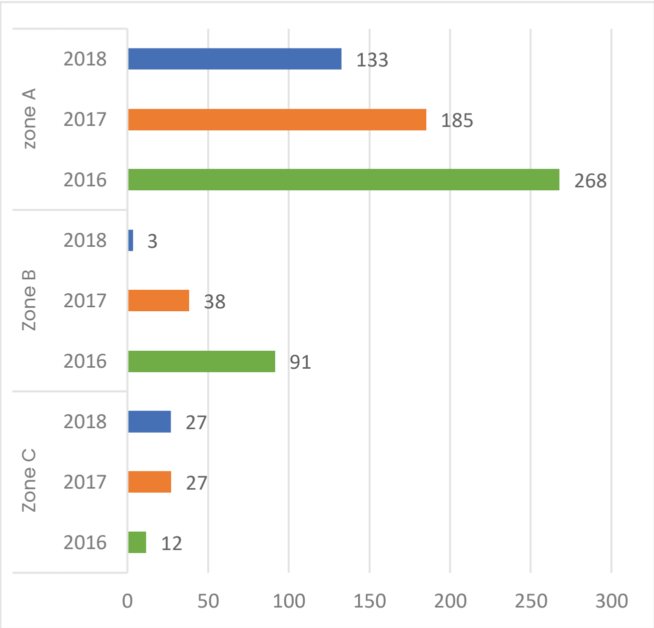
The objectives of improving the conversion of agricultural raw materials and industrial diversification explain the volume of investment generated by the secondary sector. In addition, the complementary nature of the tertiary sector to the secondary sector explains the volume of investment generated by the latter.

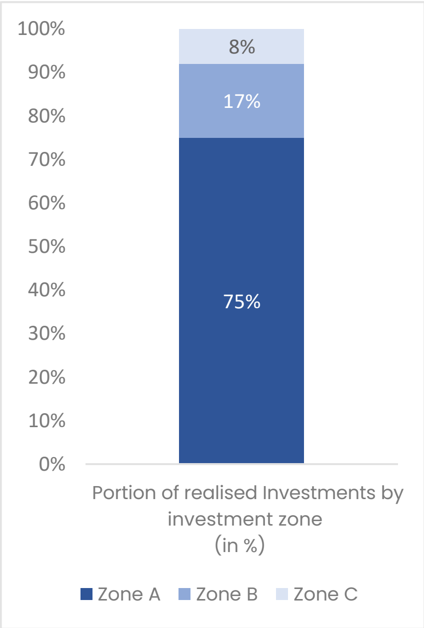
B.5. volume of investments made by approved private companies, by investment zone and year of approval (amount in billions of FCFA)

Zone A accounts for the majority of the volume of investments made by approved private companies over the period of 2016-2018, that is to say three times more investments than in zones B and C.



Graph 13 : Investments made by approval year 2016,2017 and 2018 by investment zone (amount in billions FCFA and in %)





Source : CEPICI/DPES

Despite the preferential advantages granted, investors prefer to settle down in the economic capital zone, the country's nerve center.

This could be explained by the concentration of companies and administrations in zone A, offering more opportunities than in other zones.

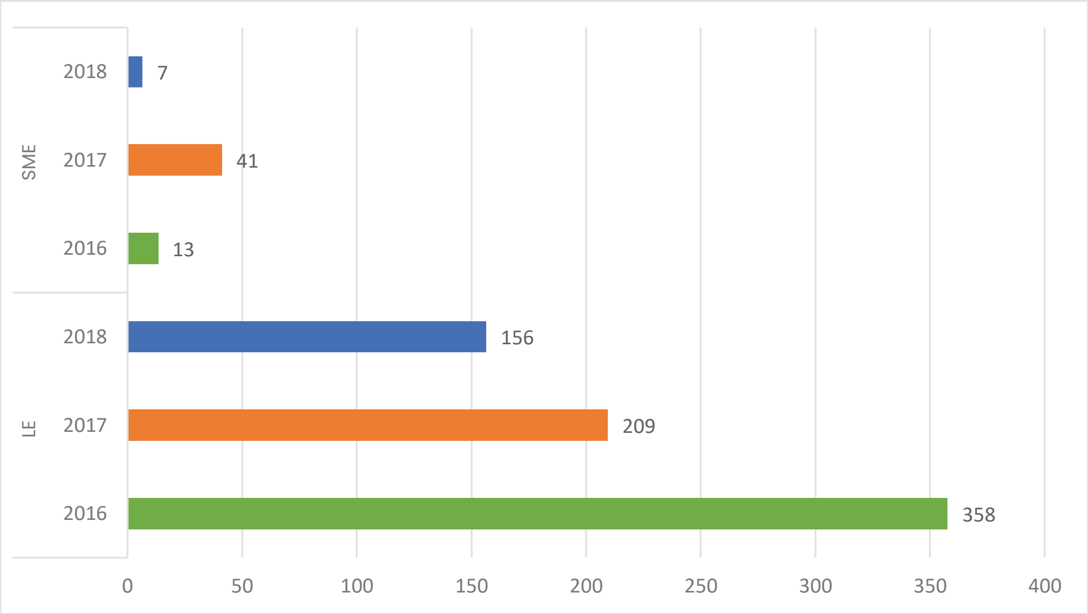
Recommendations :

- ✓ Facilitate access to industrial zones B and C.
- ✓ Develop industrial zones B and C.

B.6. Volume of investments made by approved private companies by type and year of approval (amount in billions FCFA)

Over the 2016-2018 time frame, the volume of investments made by approved large private companies is higher than that of SMEs, i.e. nine (09) times higher.

Graph 14 : Investments made by approval year 2016,2017 and 2018 by type



Source : CEPICI/DPES

Indeed, over this period, seven (07) approved private investment projects worth between 24 and 47 billion in the communications, agro-industry, construction and hotel businesses were generated by large companies.

On the other hand, the volume of investments made by SMEs could result in difficulty in accessing financing, hindering the realization of their projects.

Recommendations :

- Improve SME-related reforms to encourage their development.
- Improve access to financing for SMEs to enable them to carry out their investments.
- Make the investment code accessible among SMEs.

AN INCENTIVE INVESTMENT CODE

Scan the **QR code** to access the **investment code**

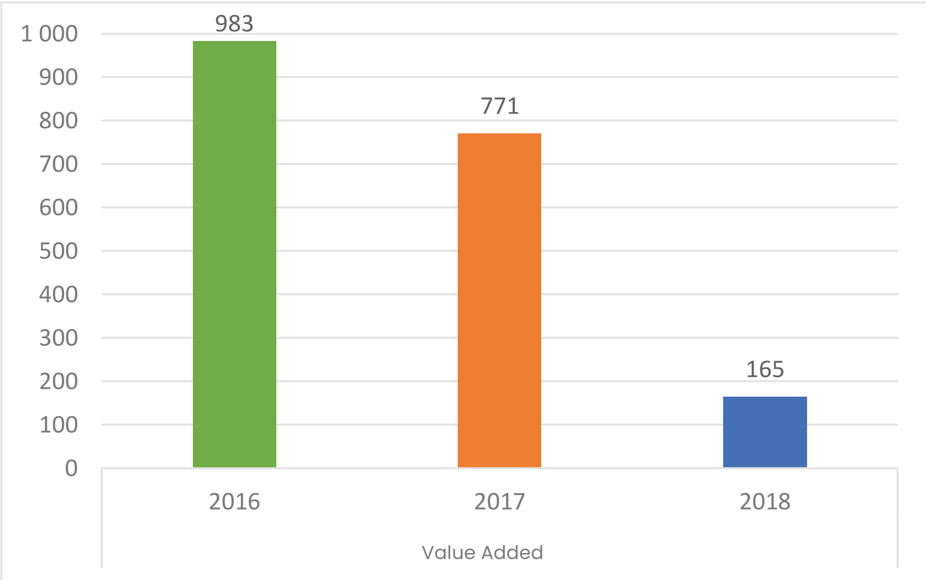
Cepici_officiel

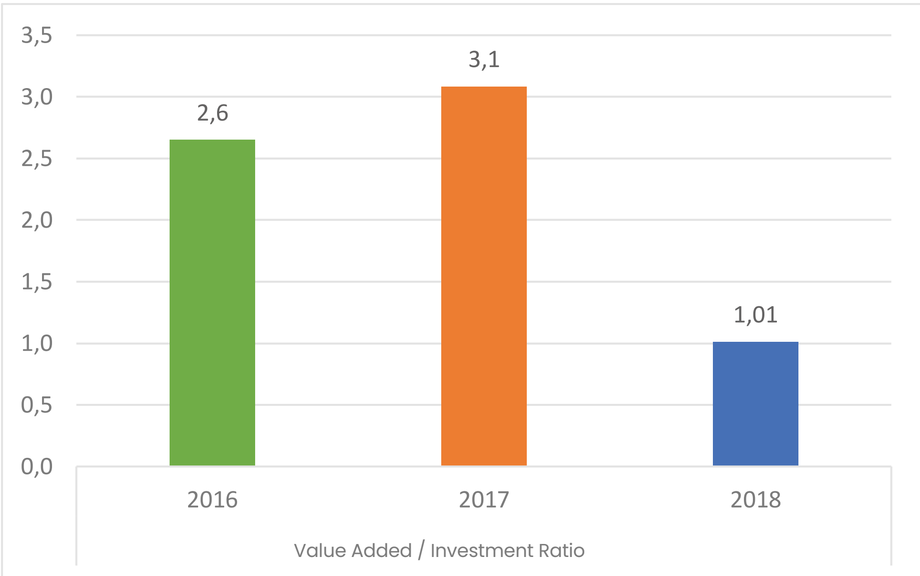
C. Value-added generated by approved private companies by disaggregation

C.1 Value added generated by approved private companies by type and approval year (amount in billions of FCFA)

Investments approved in 2016 created more wealth than in the 2017 and 2018 approval years. However, for every 1 billion FCFA invested in the 2017 approval year, 3.1 billion FCFA of wealth is generated

Graph 15 : Added value generated and investment rate by year of approval





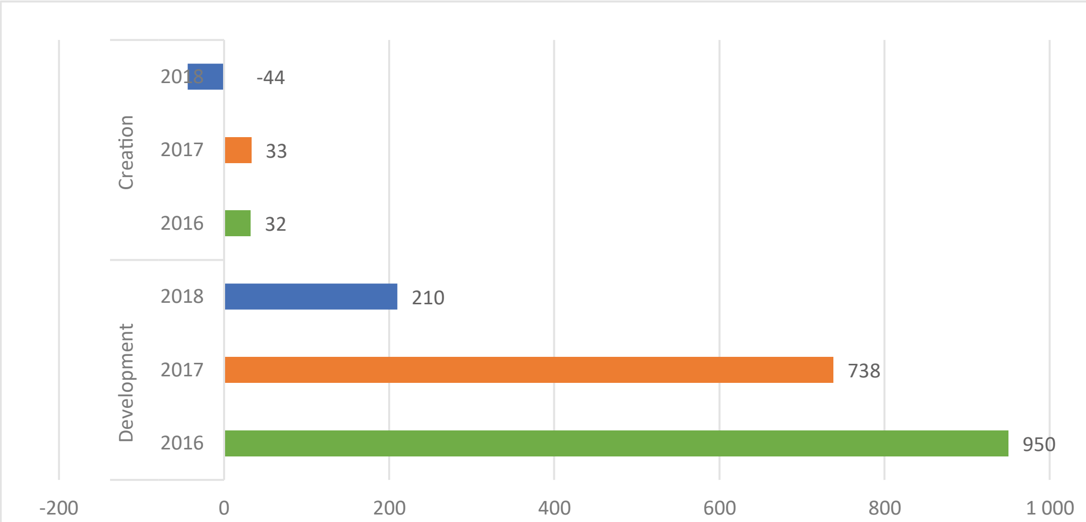
Source : CEPICI/DPES

The approved companies in 2018 generate a wealth over the first three years of operation equivalent to the amount invested, despite the drop observed between the 2017 and 2018 approval years due to the 2019 health crisis.

C.2. Added value created by approved private companies by type of investment and by year of approval (amount in billions of FCFA)

Business development companies create much greater wealth than business creation companies.

Graph 16 : Added value created by year of approval 2016, 2017 and 2018 by type of investment



Source : CEPICI/DPES

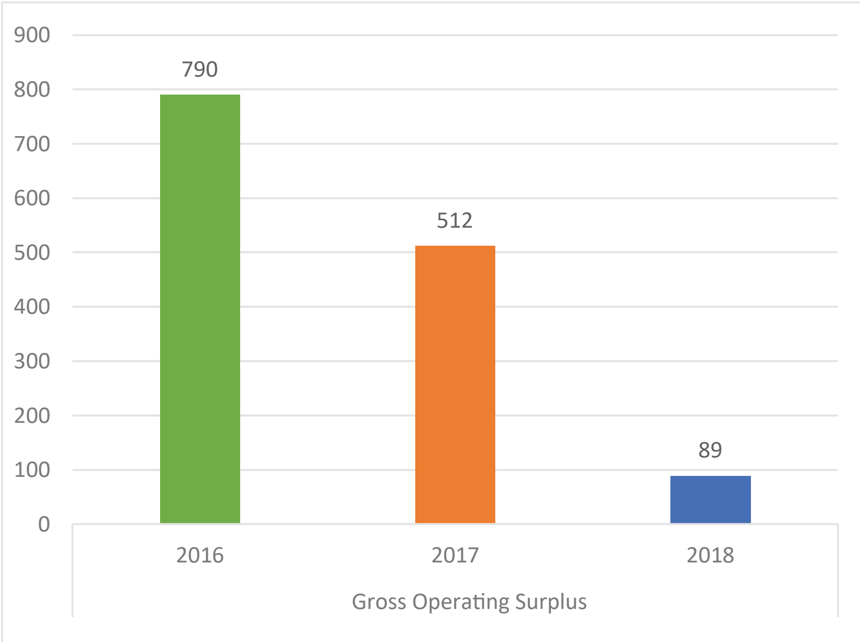
This observation would result in the seniority of companies in business development which have a better mastery of their market and their environment. The mixed results observed in the 2018 accreditation year for both companies developing business and companies creating business are explained by the socio-economic consequences due to covid-19.

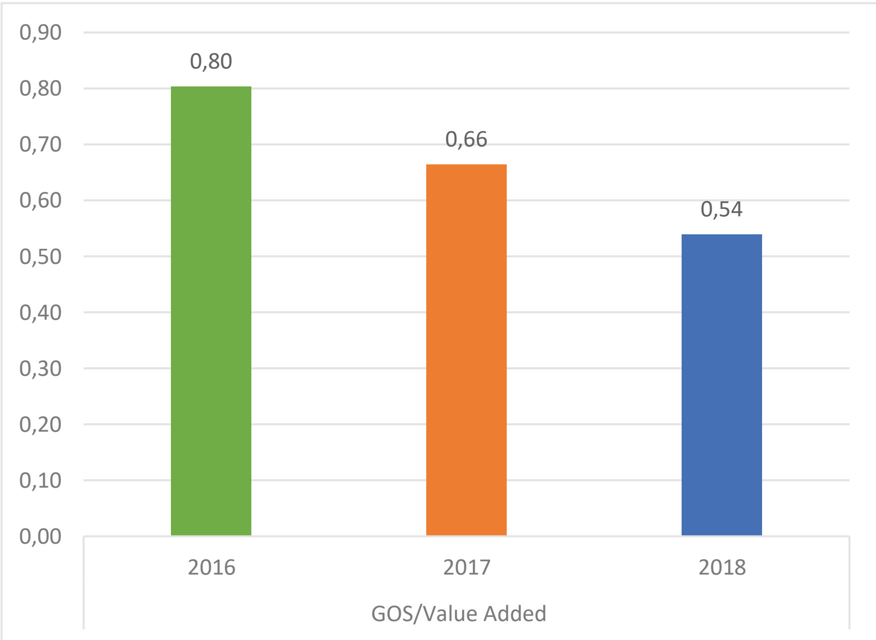
Recommendations :

- Reinforce the investment attraction strategy oriented towards companies developing their activity.
- Improve CEPICI's service offer to companies in business creation.

C.3. Gross operating surplus generated by approved private companies (amount in billions FCFA)

Graph 17 : Gross operating surplus generated by year of approval 2016, 2017 and 2018 by approved private companies





Source : CEPICI/DPES

The approved companies over the period 2016- 2018 generate a positive gross operating surplus over all their operating periods, this testifies to a good financial performance making it possible to ensure the maintenance of the activity thanks to the investments of renewal.

Recommendation :

✓ Implement a support policy for companies in the management of their activities.

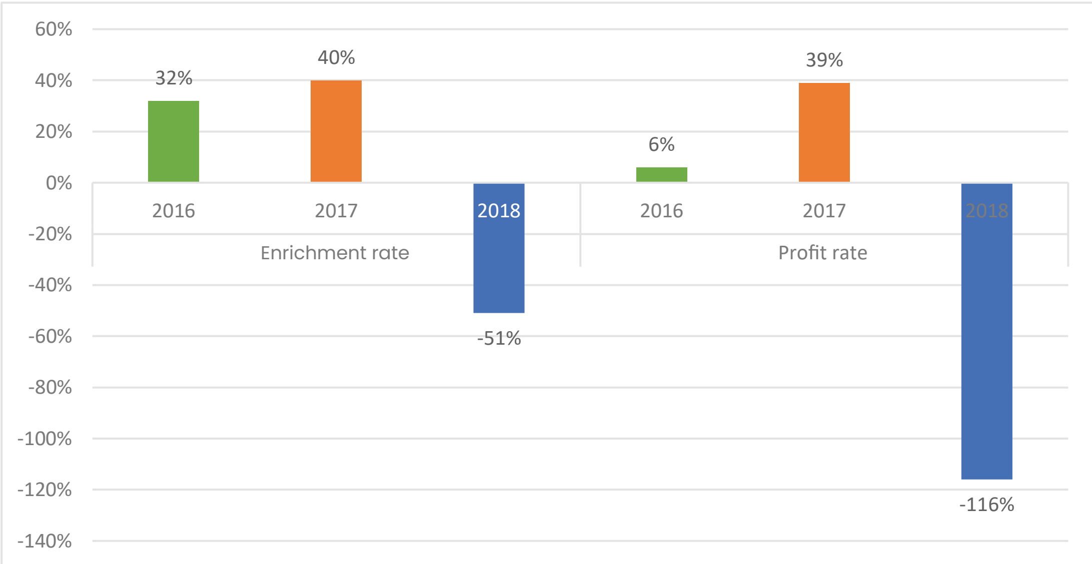
C.4. Comparative rates of enrichment and profit generated by approved companies of the business creation type and by year of approval

The enrichment rate can be defined as the company's ability to create wealth, and the profit rate is the company's ability to retain wealth.

Enrichment rate = Added value in relation to production (in %).

Profit rate = operating result compared to added value (in %).

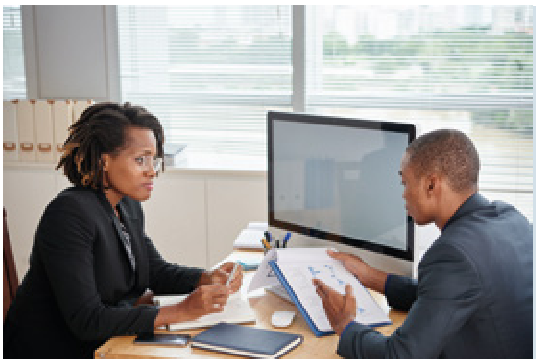
Graph 18 : Comparative rates of enrichment and profit by year of approval 2016, 2017 and 2018 for companies in creation of activity



Source : CEPICI/DPES

The limited capacity of start-ups to create wealth compromises their ability to retain it.

Indeed, newly established on the market, companies in creation of activity cannot generate enough wealth to cover State, human and technical factors.

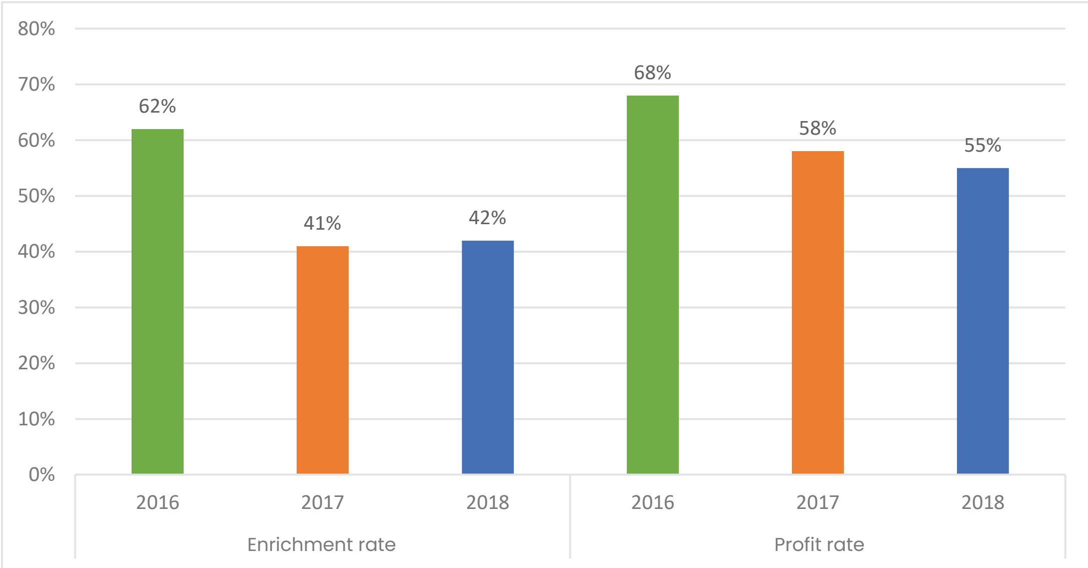


Recommendation :

- ✓ Implement a support policy for companies in the management of their activities.

C.5. Comparative rates of enrichment and profit of approved companies of the activity development type and by year of approval

Graph 19 : Comparative rates of enrichment and profit by year of approval 2016, 2017 and 2018 for companies in business development



Source : CEPICI/DPES

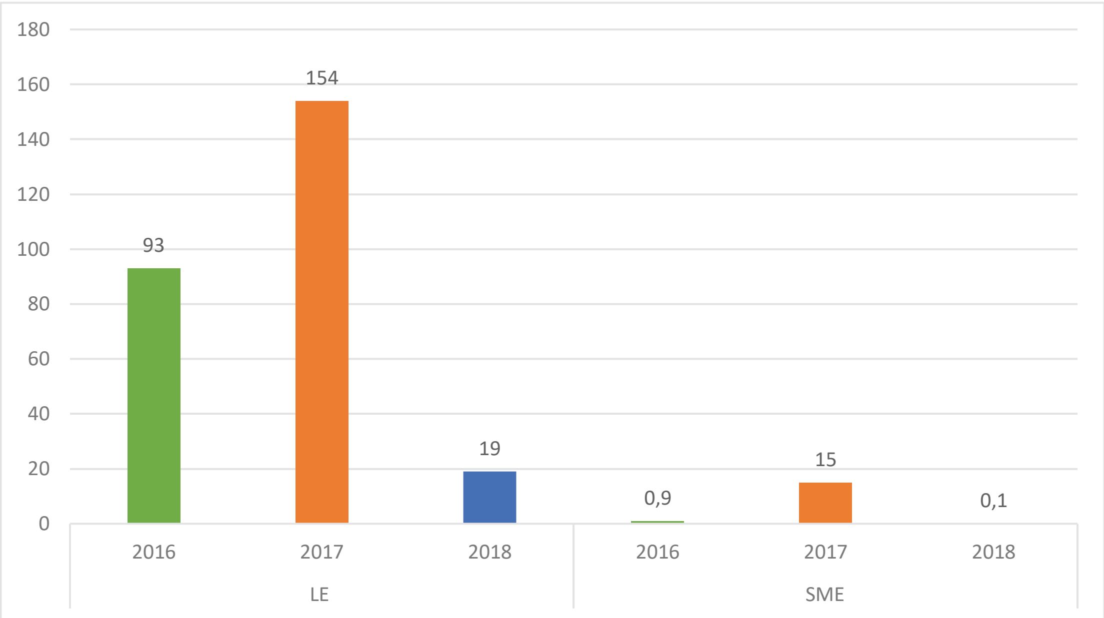
Business development companies retain more added value than they create over the 2017-2018 accreditation period. Indeed, the Covid 19 health crisis could lead companies developing their activity to optimize the distribution of added value between State, human and technical factors.

D. Tax revenue generated by licensed private companies by disaggregation

D.1. Tax revenue generated by approved private companies by type and year of approval

Large companies approved over the period of 2016-2018 generate almost all tax revenue with a peak in the year of approval 2017, i.e. 154 billion FCFA.

Graph 20 : Tax revenue generated by year of approval 2016, 2017 and 2018 by type (amount in billions FCFA)



Source : CEPICI/DPES

Indeed, large companies mostly opt for the "business development" type of investment as part of the implementation of their investment project.

In addition, business development-type companies only benefit from the advantages in the investment phase, and therefore are required to pay taxes and duties in the operating phase.Finally, the peak in tax revenue observed in the 2017 approval year is due to three (03) companies in the agri-food sector which alone account for approximately 90% of the tax revenue generated over the first three years of operation.

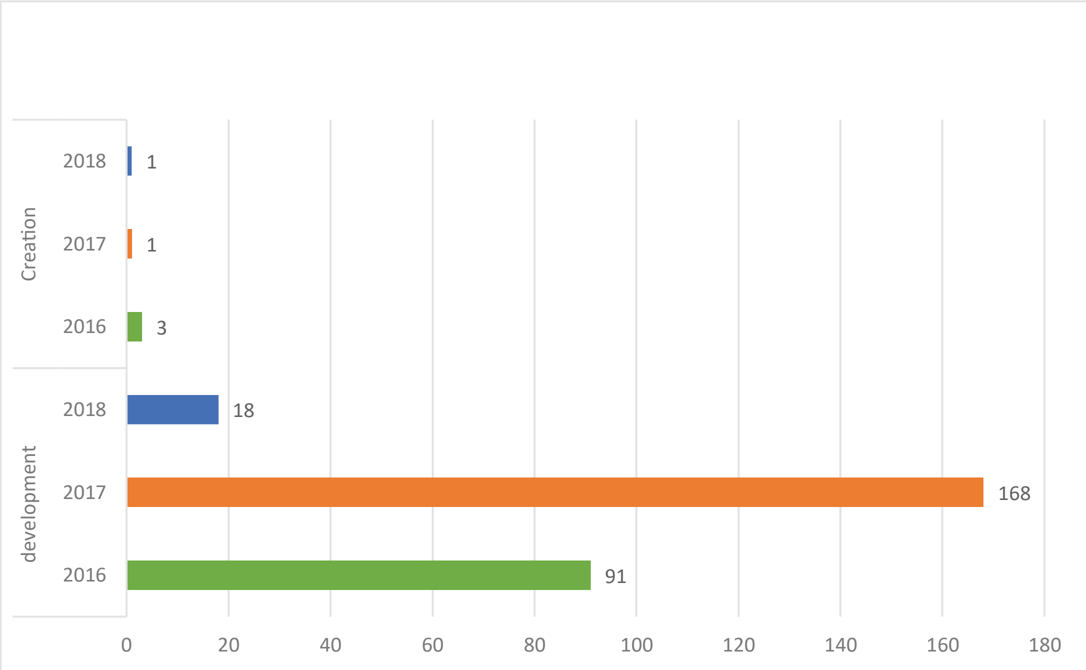
Recommendations :

- Streamline the tax ecosystem.
- Strengthen investment attraction strategies for SMEs

D.2. Tax revenue generated by approved private companies by type of investment and year of approval

Companies approved over the 2016-2018 period of the activity development type generate almost all tax revenue.

Graph 21 : Tax revenue generated by year of approval 2016, 2017 and 2018 by type of investment (amount in billions FCFA)



Source : CEPICI/DPES

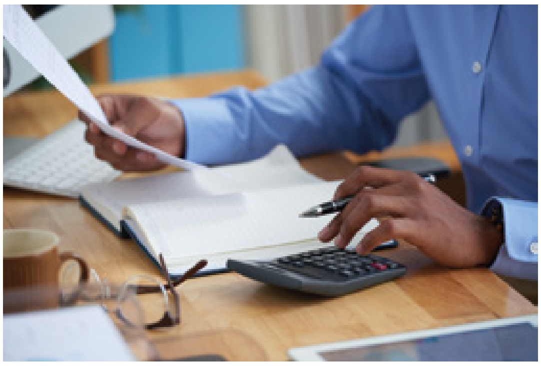
In addition, business development type companies only benefit from the advantages in the investment phase and therefore have to pay taxes in the operating phase, while those in the business creation phase do not pay any tax.

Recommendation :

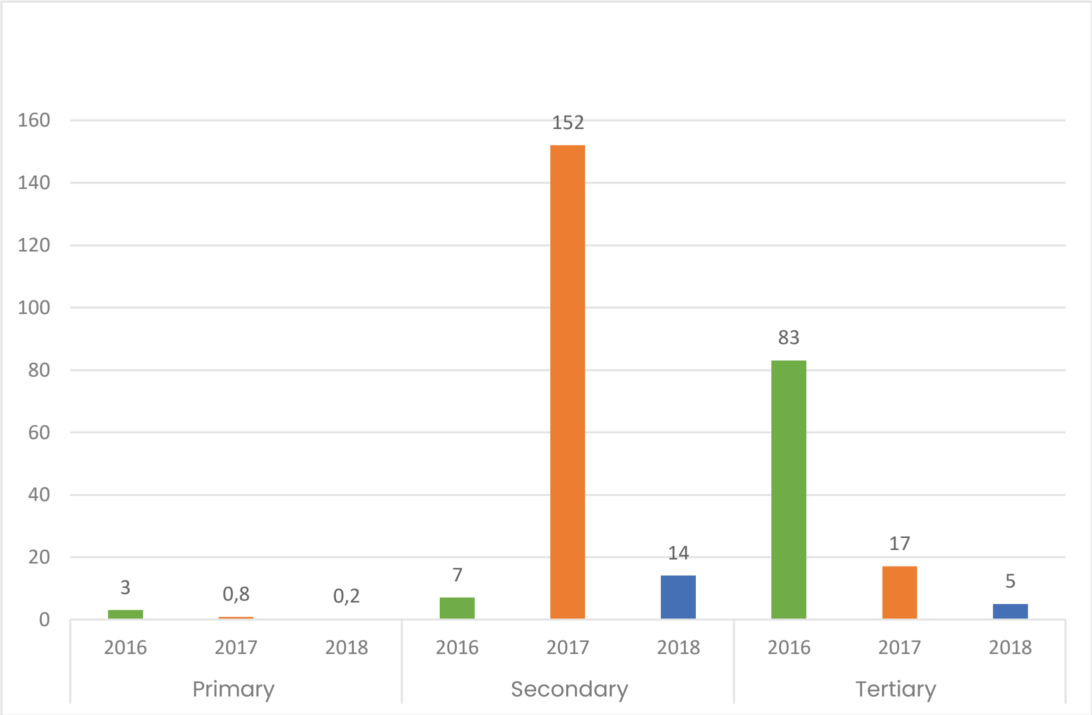
- ✓ Strengthen attraction strategies towards business creation.

D.3. Tax revenue generated by approved private companies by activity sector and year of approval

Companies approved over the period 2016-2018 from the secondary sector generate more tax revenue with a peak in the year of approval 2017, i.e. 138 billion FCFA.



Graph 22 : Tax revenue generated by year of approval 2016, 2017 and 2018 by activity sector (amount in billions FCFA)



Source : CEPICI/DPES

The peak in tax revenue observed is due to three (03) companies in the agri-food sector which alone account for approximately 89% of the tax revenue generated over the first three years of operation.

Recommendation :

- Accelerate the implementation of the tax expenditure monitoring mechanism.

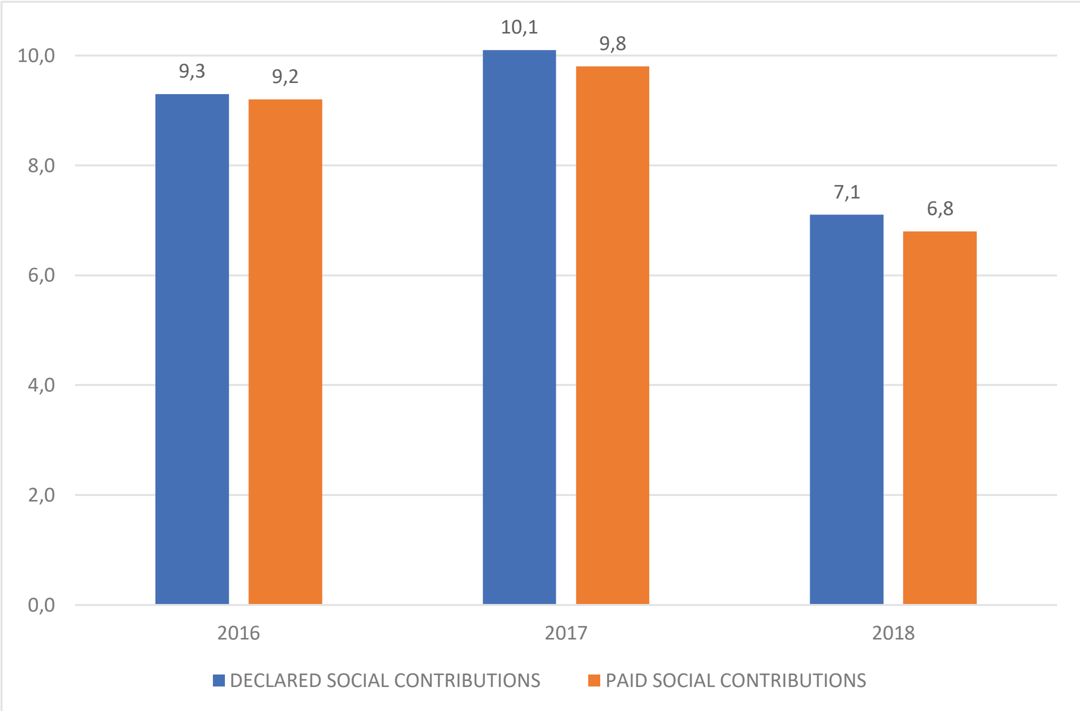
E. Social contributions generated by private companies approved by disaggregation

Social security contributions are contributions collected on behalf of the CNPS on the salaries of workers in the private sector and assimilated in order to guarantee them the payment of social benefits.

E.1. Social security contributions generated by private companies approved by statute

The social contributions declared and paid by approved companies over the period 2016-2018 are changing almost proportionally.

Graph 23 : Social contributions by year of approval 2016, 2017 and 2018 by status (amount in billions FCFA)



Source : CEPICI/DPES

In addition, the declared social contributions were paid on average at around 95% over the first three years of operation.This would reflect the ability of companies approved over the 2016-2018 period to meet their commitment in terms of creating sustainable and decent jobs.

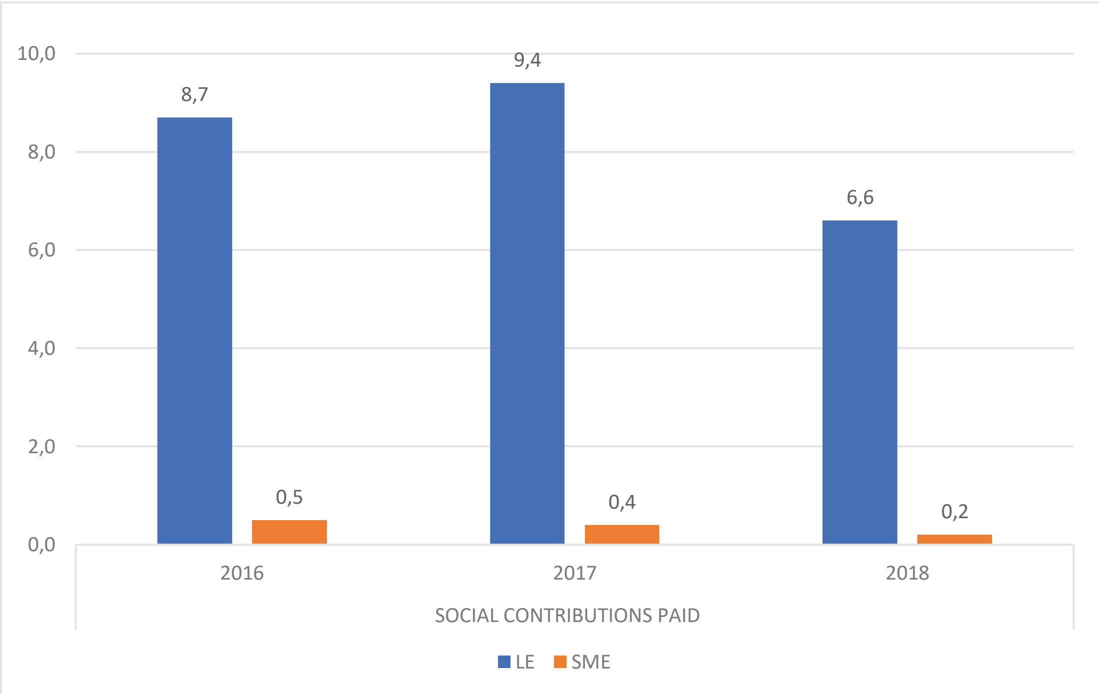
Recommendation :

✓ Encourage companies to declare the increase in the wage bill resulting from the creation of new jobs.

E.2. Social security contributions generated by approved private companies by type and year of approval

Large companies approved over the 2016-2018 period pay the majority of social security revenue (96% of the total amount).

Graph 24 : Social contributions by year of approval 2016, 2017 and 2018 by type (amount in billion FCFA)



Source : CEPICI/DPES

Indeed, large companies are mainly providers of jobs, i.e. 3 jobs out of four in total, due to their size and therefore pay social charges commensurate with their ambitions.

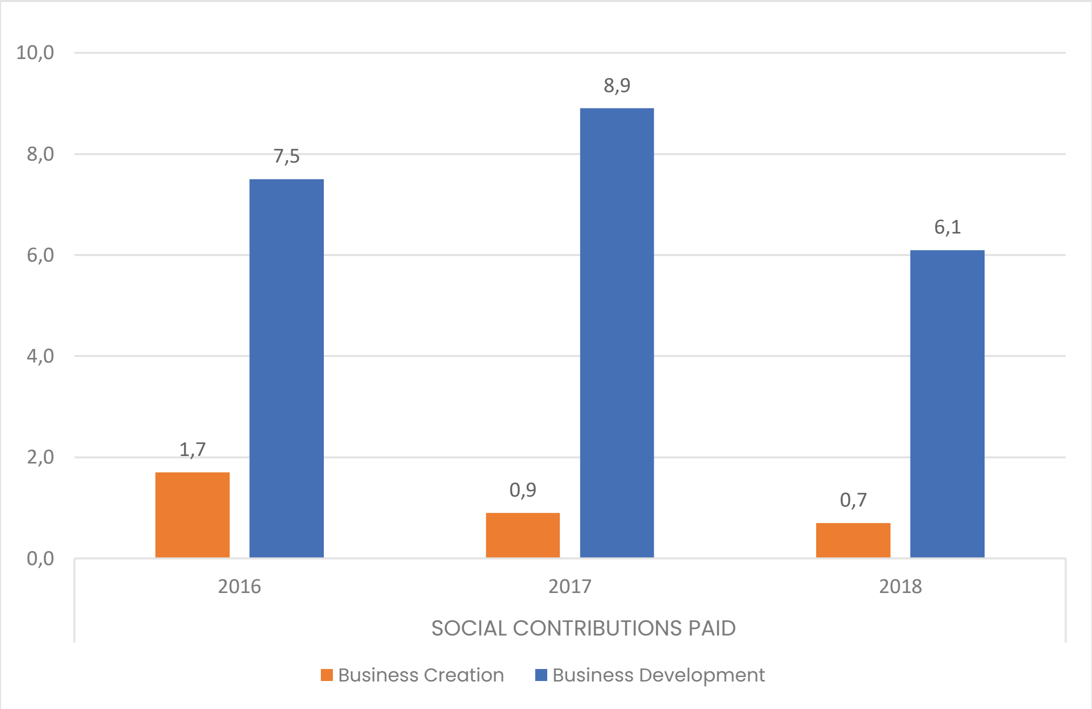
Recommendation :

- ✓ Popularize the investment code among SMEs

E.3. Social security contributions generated by approved private companies by type of investment and by year of approval

Companies approved over the 2016-2018 period of the "activity development" type accumulate the majority of social revenue paid (87% of the total amount).

Graph 25 : Social contributions by year of approval 2016, 2017 and 2018 by type of investment (amount in billions FCFA)



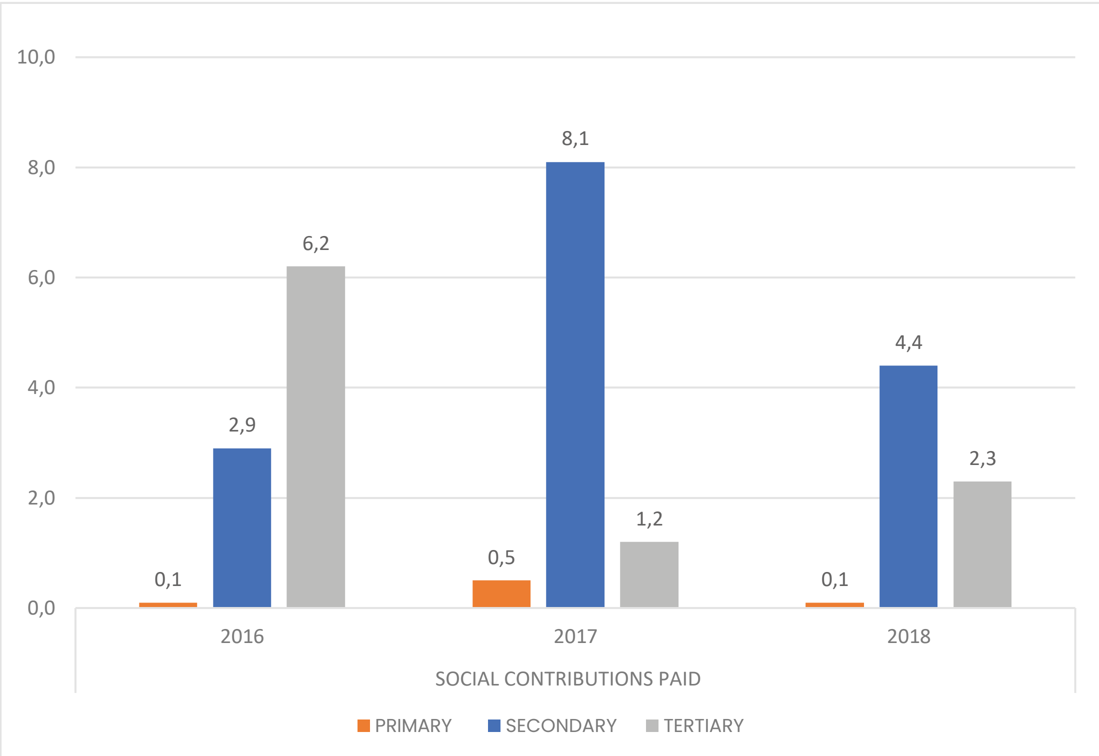
Source : CEPICI/DPES

Indeed, companies developing their activity pay social security charges to their former and new employees (83% of the total workforce). While those in business creation only pay social security charges related to their new employees (17% of the total workforce).

E.4. Social security contributions generated by approved private companies by sector of activity and by year of approval

Companies approved over the period 2016-2018 from the secondary sector pay 60% of social revenue over the first three (03) years of operation, with a peak in the year of approval 2017, i.e. 8.1 billion FCFA.

Graph 26 : Social contributions by year of approval 2016, 2017 and 2018 by sector of activity (amount in billion FCFA).



Source : CEPICI/DPES

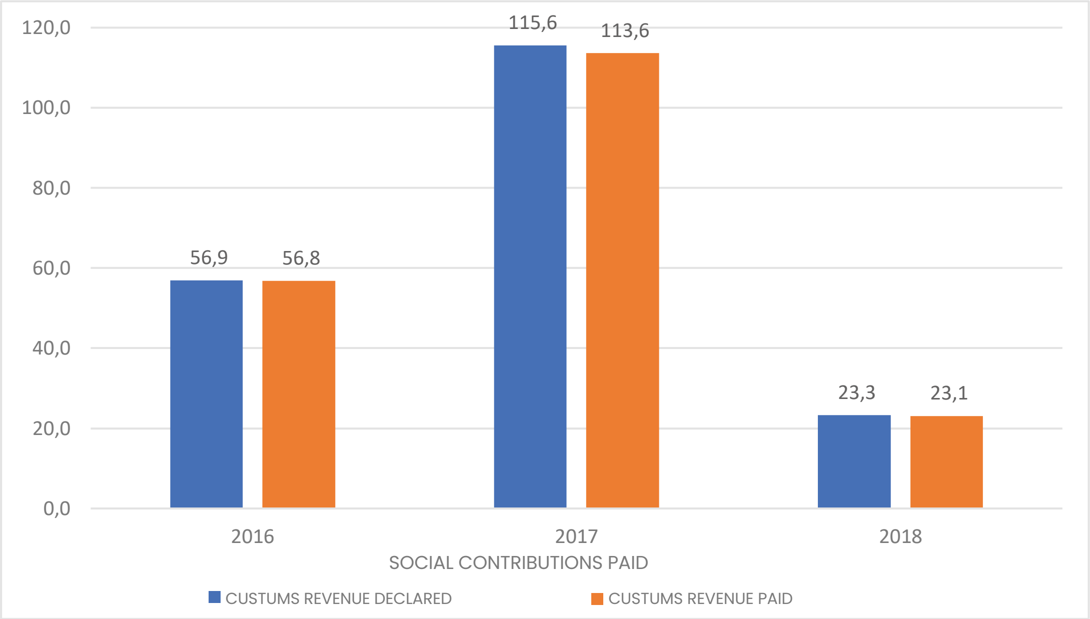
Indeed, out of the workforce from approved companies over the period 2016-2018, 70% are generated by the secondary sector. In addition, for the 2017 accreditation year, the secondary sector accounts for approximately 74% of the workforce.In short, the importance of the paid social revenue provided by the secondary sector would result from this workforce.

F. Customs revenue generated by approved private companies by disaggregation

F.1. Customs revenue generated by private companies approved by status

Almost all declared customs revenue was paid by approved companies over the 2016-2018 period.

Graph 27 : Customs revenue generated by the year of approval 2016, 2017, 2018 (amount in billion FCFA)



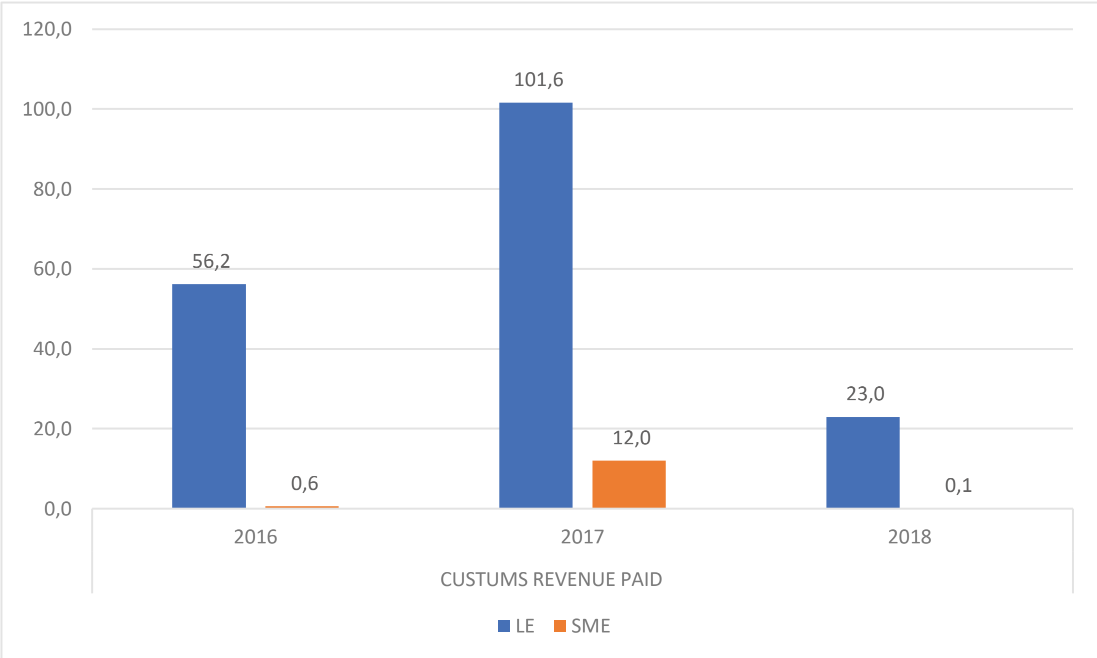
Source : CEPICI/DPES

However, the peaks observed in the year of approval 2017 would result in the fact of four (04) companies which alone accumulate 70% of customs revenue declared and paid.

F.2. Customs revenue generated by approved private companies by type and year of approval

Large companies approved over the 2016-2018 period generated more than almost all customs revenue over the first three years of operation, i.e. 93% of the total amount of customs revenue.

Graph 28 : Customs revenue generated by year of approval 2016, 2017, 2018 by type (amount in billion FCFA)



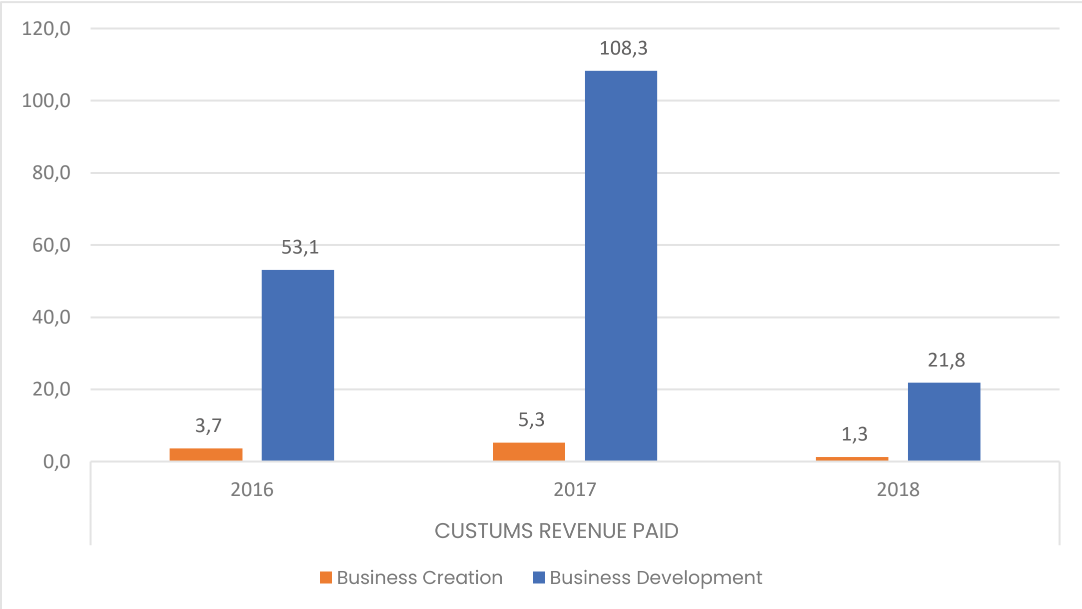
Source : CEPICI/DPES

Indeed, large companies that accumulate a little over 90% of the total amount of investments made during the first three years of operation pay customs charges in proportion to their level of investment despite exemptions from customs duties.

F.3. Customs revenue generated by approved private companies by type of investment and year of approval

Companies approved over the 2016-2018 period of the activity development type account for approximately 94% of customs revenue paid.

Graph 29 : Customs revenue by year of approval 2016, 2017, 2018 by type of approval (amount in billion FCFA)



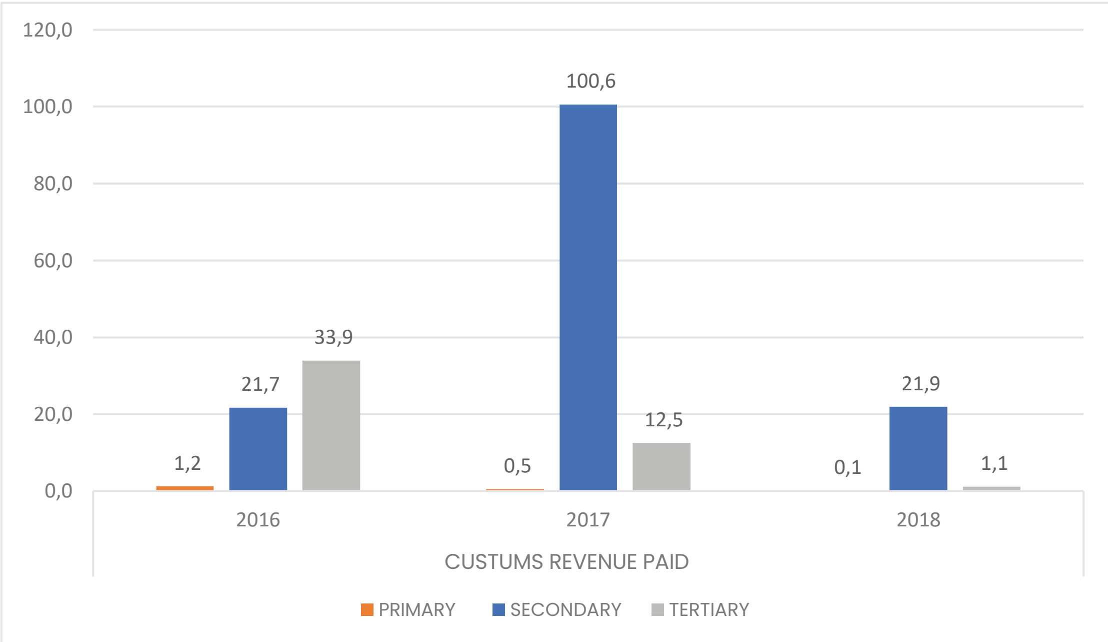
Source : CEPICI/DPES

This observation would result in the fact that companies of the "activity development" type which mobilize about 70% of the investments made pay customs charges in proportion to their level of investment despite the exemptions from customs duties.

F.4. Customs revenue generated by approved private companies by sector of activity and year of approval

The secondary sector captures about three quarters of the customs revenue paid by approved companies over the period 2016-2018.

Graph 30 : Customs revenue generated by year of approval 2016, 2017, 2018 by sector of activity (amount in billion of FCFA)



Source : CEPICI/DPES

This could be justified by the import of equipment induced by the investments made in the industrial sector (50% of the overall investment volume).

I.1.2 Analysis of the profile of the companies monitored

- The analysis of the profile of approved companies over the period 2016-2018 subject to monitoring was carried out using the methodology below:
- identification of profiling determinants;
- the universe of profile categories;
- the assignment of companies according to profile categories;
- the selection of standard profiles;
- the characteristics of typical profiles.

Identification of profiling determinants

The determinants used for the development of the profile of the approved companies monitored were chosen on the basis of their invariable nature over time.

These determinants are:

- the legal form;
- the social capital;
- the typology

The companies approved over the 2016-2018 period and subject to monitoring are either SMEs or large companies and mostly SARLs or LLCs with a share capital of less than or more than 5 million FCFA.

• The universe of profile categories

The universe of different possible standard profiles is summarized below:

- **Profile of type A** : SME ; CS < 5M; SARL
- **Profile of type B** : GE ; CS ≥ 5M ; LLC
- **Profile of type C** : GE ; CS ≥ 5M ;SARL
- **Profile of type D** : PME ; CS ≥ 5M; SARL
- **Profile of type E** : GE ; CS < 5M ; SARL
- **Profile of type F** : SME ; CS ≥ 5M ; LLC
- **Profile of type G** : SME ; CS < 5M ;LLC
- **Profile of type H** : GE ; CS < 5M ; LLC

• The assignment of companies according to profile categories

The table below summarizes the allocation of companies according to profile categories.

Table 1 : Assignment of companies by profile categories

PROFILE CATEGORIES	NUMBER OF COMPANIES (IN %)
Profile of type A	31%
Profile of type B	24%
Profile of type C	17%
Profile of type D	15%
Profile of type E	5%
Profile of type F	5%
Profile of type G	2%
Profile of type H	1%
TOTAL	100%

Source : CEPICI/DPES

- **The selection of standard profiles**

The arbitrary threshold of number of companies > 5% was retained in the selection of standard profiles. Thus, the standard profile entitled “others” was also retained for the profile categories of companies whose number is less than 5%. The table below summarizes the standard profiles identified.

Table 2 : Identification of type profiles

TYPE PROFILES		NUMBER OF COMPANIES (IN %)
Profile of type A	SME ; CS < 5M ; SARL	31%
Profile of type B	GE ; CS ≥5M; LLC	24%
Profile of type C	GE ; CS≥ 5M; SARL	17%
Profile of type D	SME ; CS≥ 5M; SARL	15%
Profile of type others	GE ; CS < 5M; SARL	13%
	SME ; CS≥ 5M ; LLC	
	SME ; CS < 5M; LLC	
	GE ; CS < 5M ; LLC	
TOTAL		100%

Source : CEPICI/DPES

- **Characteristics of standard business profiles**

The characteristics of typical profiles are analyzed on the basis of the following indicators:

- the level of job creation
- the level of completion of the investments
- the level of tax revenue generated
- The level of turnover

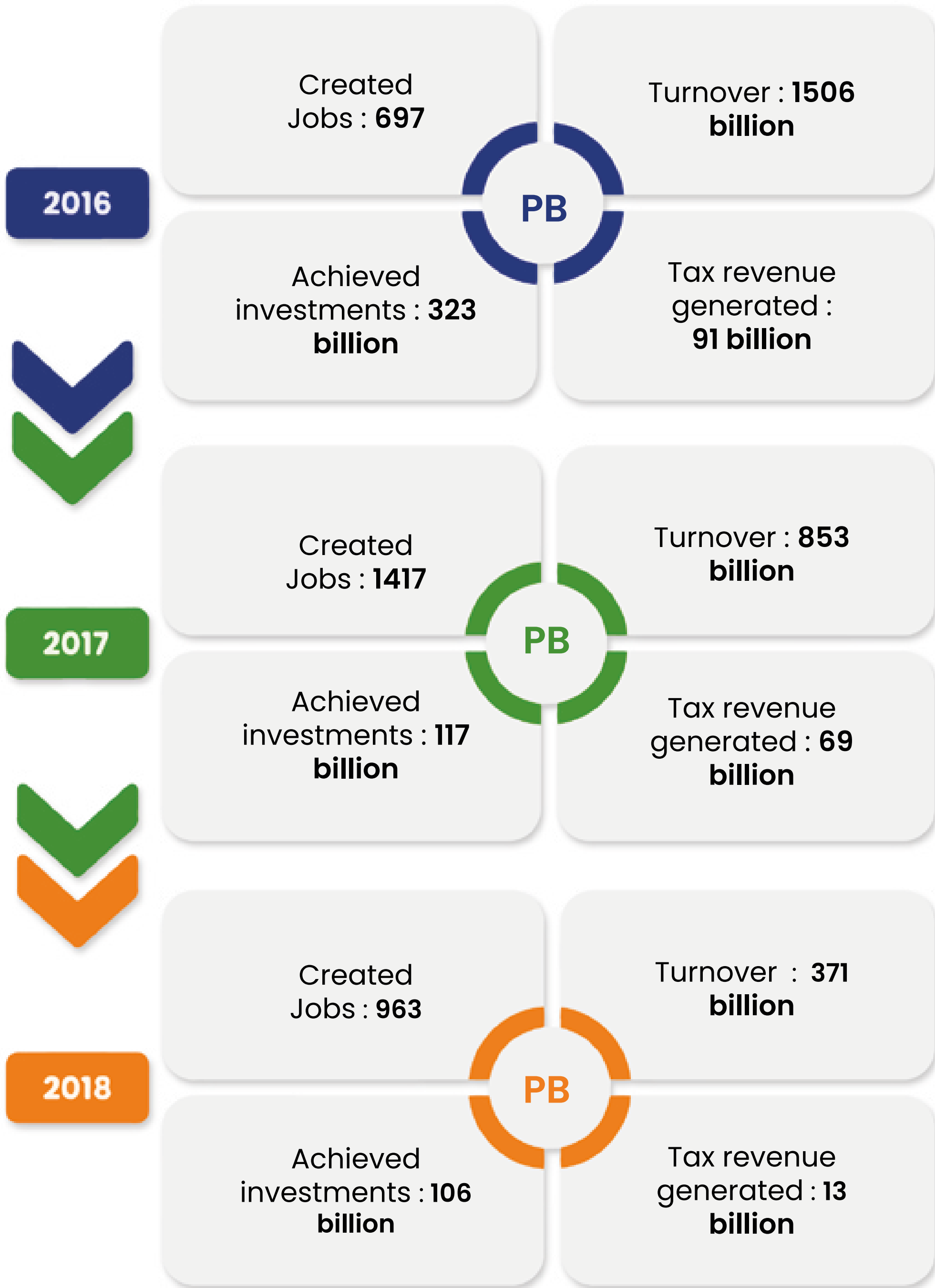
Figure 1 : Breakdown of indicators by typical profile

PA : SME ; CS < 5M ; SARL

Source : CEPICI/DPES

Figure 2 : Breakdown of indicators by typical profile

PB : GE ; CS ≥ 5M ; SA

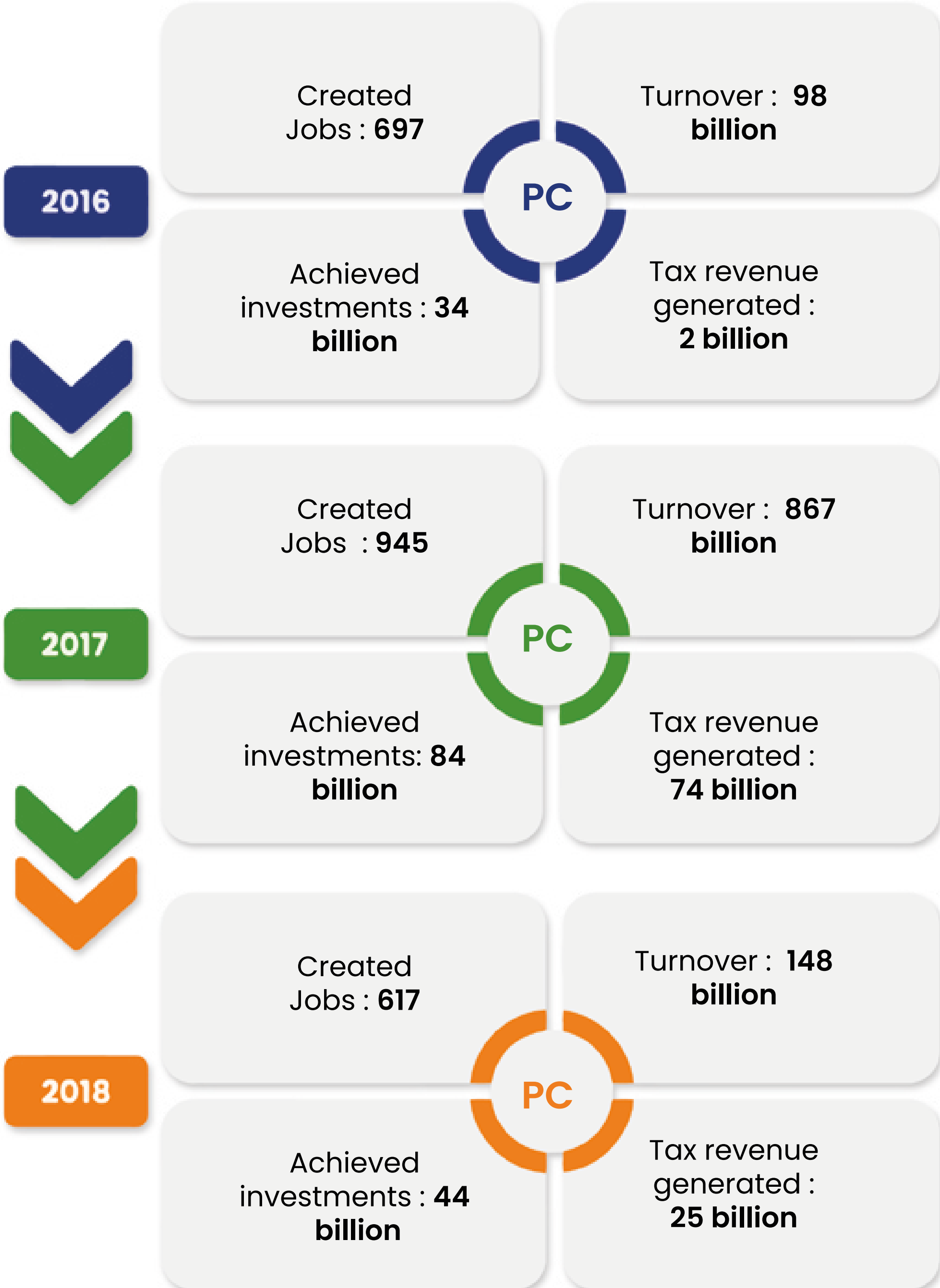


Source : CEPICI/DPES

KEY RESULTS

Figure 3 : Breakdown of indicators by typical profile

PC: GE; CS ≥ 5M; SARL



Source : CEPICI/DPES

Figure 4 : Breakdown of indicators by typical profile

PD: SME; CS ≥ 5M; SARL

Source : CEPICI/DPES

Figure 5 : Breakdown of indicators by typical profile

OTHERS : GE ; CS < 5M ; SARL / SME ; CS ≥ 5M ; LLC / SME ; CS < 5M ; LLC / GE ; CS < 5M ;

2016 — OTHERS

Created Jobs : **490**

Turnover : **7 billion**

Achieved investments : **2 billion**

Tax revenue generated : **0.093 billion**

2017 — OTHERS

Created Jobs : **261**

Turnover : **28 billion**

Achieved investments : **12 billion**

Tax revenue generated : **0.466 billion**

2018 — OTHERS

Created Jobs: **55**

Turnover : **21 billion**

Achieved investments : **2 billion**

Tax revenue generated : **0.069 billion**

Source : CEPICI/DPES

We can conclude that the companies that belong to the type B profile, that is to say the large companies whose legal form is the type of public limited company and for a share capital greater than 5 million create jobs (3,077 jobs), carry out investments (546 billion), generate 2,730 billion in turnover and return 139 billion in tax revenue and are predominant compared to other companies.

I.2.Evaluation of investment projects

The term evaluation is defined as a systematic and objective assessment of a project, programme or policy, whether in progress or completed, its design, implementation and results (Guillaume Mercier, CIFOIT).

In addition, the evaluation of approved private investment projects was carried out from the perspective of assessing the perception of company managers with regard to the granting of benefits under the Investment Code.

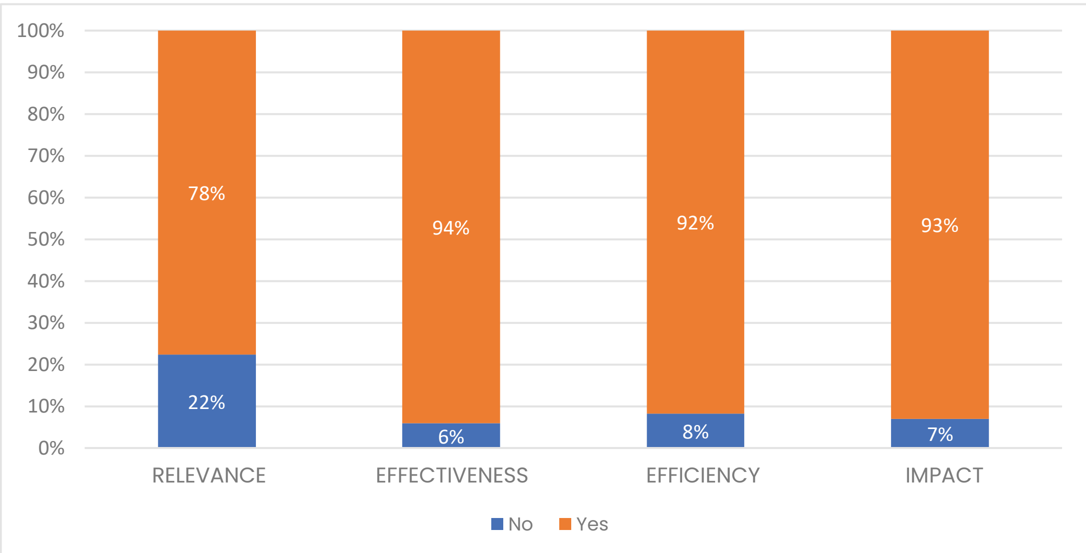
This assessment is of course based on the use and analysis of evaluation questionnaires submitted to companies, which include OECD indicators :

- relevance;
- effectiveness
- efficiency;
- impact

I.2.1 Summary of the evaluation of investment projects

Investors' perception of the relevance, effectiveness, efficiency and impact of granting approval to benefit from the advantages of the Investment Code is rather favourable.

Graph 31 : Allocation of evaluation criteria by perception

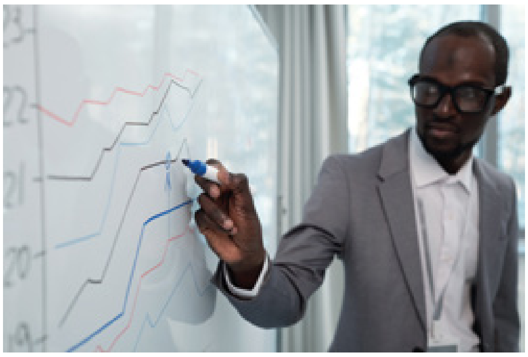


Source : CEPICI/DPES

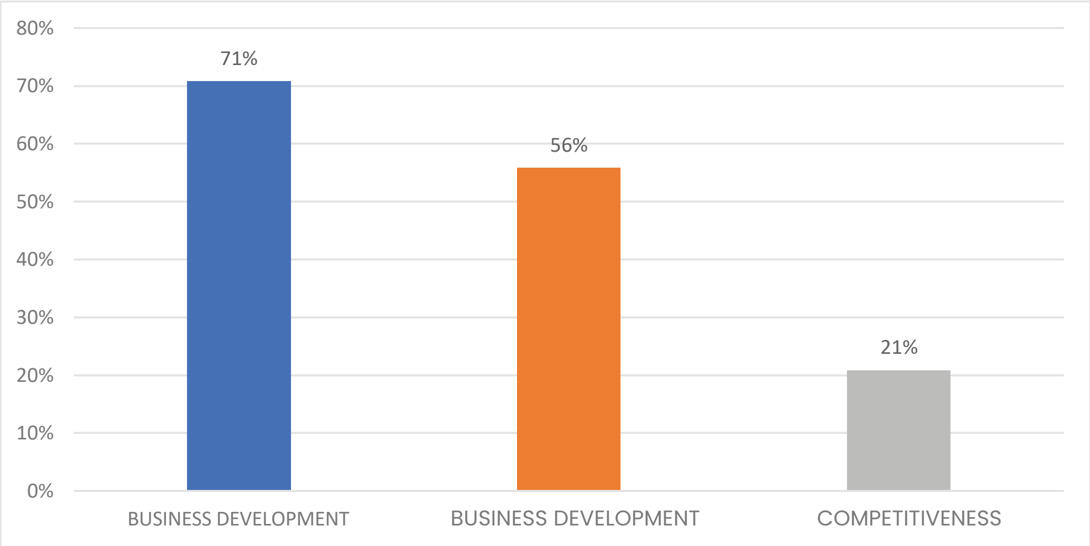
I.2.2 Analysis of evaluation indicators

- **Relevance indicator**

Relevance is the extent to which the objectives of an intervention correspond to the expectations of beneficiaries, the needs of the country, international priorities and the policies of partners.



Graph 32 : Perception of relevance by area of change



Source : CEPICI/DPES

Benefiting from the advantages of the investment code, which is a recurring CEPICI service, perfectly meets the expectations of beneficiaries (approved companies). 71% of business managers mentioned the cost reduction aspect, 56% mentioned the business development aspects and 21% mentioned the competitiveness aspects.

Indeed, the provisions of the investment code allow companies to benefit from advantages on costs and profits, for eligible companies, including the reduction of charges.

In addition, the code's provisions encourage business development and competitiveness.

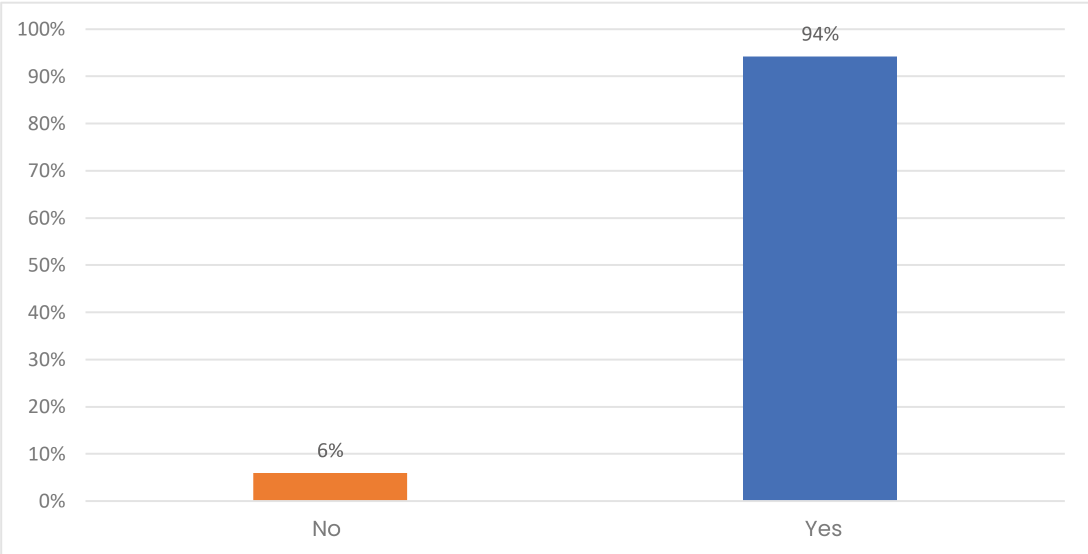
Recommendation :

✓ Develop initiatives to improve competitiveness.

- **Effectiveness indicator**

Effectiveness is the extent to which the objectives of the intervention have been or are being achieved, taking into account their relative importance.

Graph 33 : Perception of effectiveness

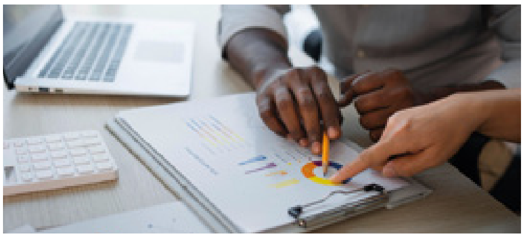


Source : CEPICI/DPES

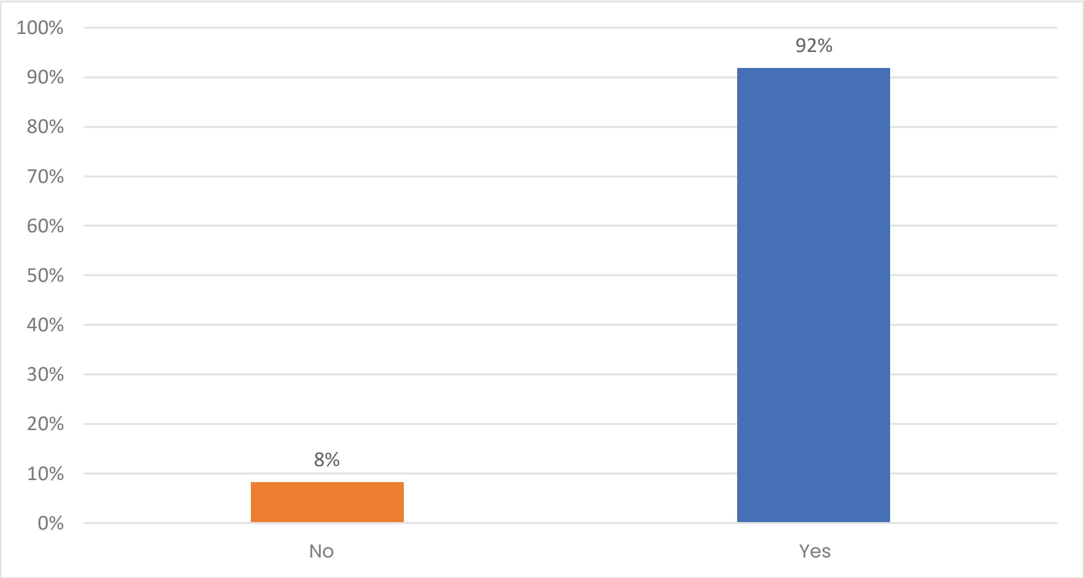
94% of the assessed investors consider that the granting of approval to benefit from the advantages of the code has been effective. In fact, the services offered by CEPICI and the stakeholders enabled companies to achieve their objectives in terms of carrying out investment programme and benefiting from customs and tax advantages.

- **Efficiency indicator**

Efficiency is the extent to which resources/inputs (funds, expertise, time, equipment, etc.) are economically converted into results.



Graph 34 : Perception of efficiency



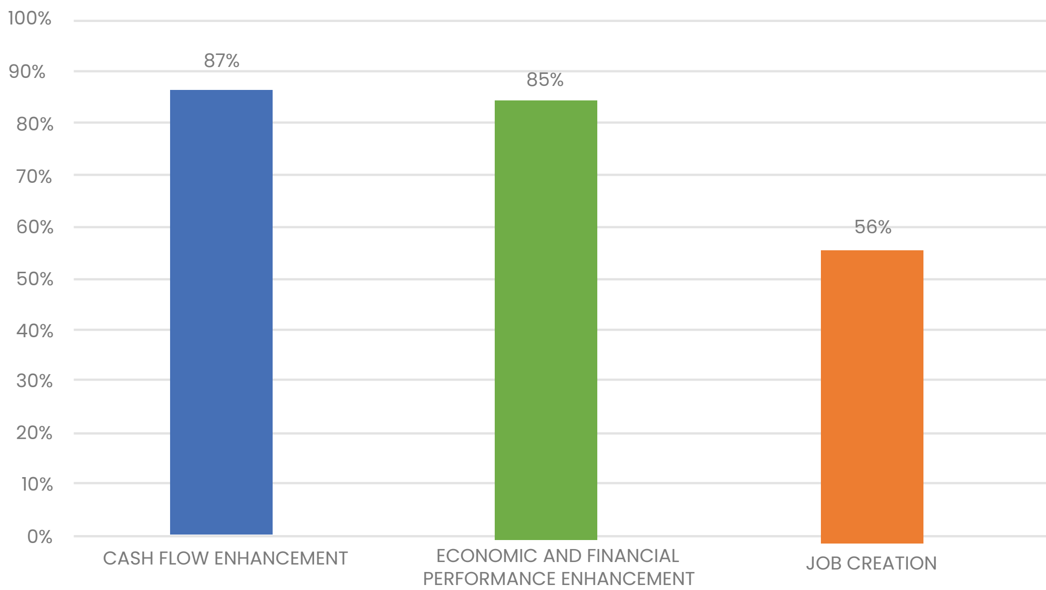
Source : CEPICI/DPES

92% of investors evaluated felt that the granting of approval to benefit from the advantages of the code was efficient. In fact, the resources of CEPICI and its stakeholders enabled companies to achieve their objectives in an optimal way, in terms of carrying out their investment program and benefiting from customs and tax advantages.

- **Indicator of perception of the impact induced by private investment projects**

Impact is a long-term, positive and/or negative, primary or secondary effect, directly or indirectly induced by an intervention, intentionally or unintentionally.

Graph 35 : Perception of the impact



Source : CEPICI/DPES

The benefits of the Investment Code, which is a recurring service of CEPICI, has had an impact on the operations of approved companies. To this end, 87% of managers believe that there has been an impact in terms of improving cash flow, 85% have mentioned the impact in terms of improving economic and financial performance and 56% have indicated the impact in terms of job creation.

Indeed, the provisions of the Investment Code allow companies to benefit from cost and profit advantages in order to improve their financial health and cash flow. Moreover, the investment code promotes the creation of sustainable and decent jobs.

II. Business continuity, promising sectors and difficulties encountered

II.1. Business continuity, promising sectors and promising sectors Overview

II.1.1 Business continuity

Analysis of the determinants of business continuity follows the following steps

- selection of method ;
- selection and justification of study variables ;
- Collection and analysis of data from the choice of variables.

- **Selection of method**

The method used for analysing the determinants of business continuity is that of triangulation of sources. Source triangulation is a method consisting in collecting data from various sources, and in our case, it is the databases of DGI, CNPS and DGD, as well as the financial statements collected from licensed companies.

- **Selection of variables or study determinants**

The variables or determinants used to analyse the continuation of activities of licensed companies are:

- tax charges ;
- payroll taxes and ;
- customs charges.

As a matter of fact, monitoring the regularity of the payments of tax, social security and customs charges by a company enables to observe the continuation of its activities.

On the basis of this justification, the following basic hypothesis is formulated:

"any company that manages to generate resources to cover its tax, social and customs charges over a specific period of time is considered to be a business in pursuit of activity".

- **Data collection and analysis based on variable selection**

Data collection for the analysis of the determinants of business continuity is based on the following time horizons:

- data collection for companies approved in 2016 in relation to the variables is carried out over the 2016–2020-time horizon;
- data collection for companies approved in 2017 in relation to the variables is carried out over the 2017–2020-time horizon;
- the collection of data from companies approved in 2018 in relation to the variables takes place over the 2018–2020-time horizon.

In the end, we can conclude that the mortality rate for companies approved over the period 2016-2018 and monitored is 0%.

II.1.2 Analysis of promising sectors

- **Nomenclature used**

The sectors of activity derived from the macroeconomic framework were used to analyse the sectoral dynamics of the monitored companies.

The macroeconomic framework can be defined as the set of activities in the Ivorian Classification of Activities and Products (ICAP), drawn up on the basis of international nomenclature standards and taking into account the Ivorian economic environment. In fact, these activities enable a better analysis of the results, as well as a clearer view of the sectors most targeted by economic operators.

- **Methodology for identifying promising sectors**

The identification of the promising sectors of the monitored companies is based on the following stages:

- selection of indicators ;
- determining the weight of sectors of activity per indicator ;
- determining the average contribution of business sectors per indicator ;
- threshold determination ;
- scoring ;
- determination of promising sectors.

- **Selection of indicators**

The indicators used to analyse the sectoral dynamics of the monitored companies are: investment, value added and employment.

- **Determining the weight of business sectors by indicator**

The weight of business sectors per indicator was determined for each of the three accreditation years (2016, 2017 and 2018).

As a reminder, data is collected over three fiscal years, starting from the period of entry into operation which may coincide with the year of approval.

Consequently, for the 2016 approval year, the values collected for calculating the weighting of business sectors by indicator are drawn from the cumulative figures for the 2016, 2017 and 2018 fiscal years.

For the 2017 approval year, the values collected for calculating the weight of business sectors per indicator are drawn from the combined fiscal years of 2017, 2018 and 2019. For the 2018 approval year, the values collected for calculating the weight of business sectors per indicator are drawn from the aggregate of the 2018, 2019 and 2020 fiscal years.

- **Determining the average contribution of business sectors per indicator**

The average contribution or the average share of business sectors is determined by calculating the arithmetic mean.

The arithmetic mean is obtained from the weight of each business sector per indicator over the approval period from 2016 to 2018. The average contribution per sector of activity is 6.7% for all indicators.

- **Determining the threshold**

The threshold at which the contribution or weight of a sector of activity is considerable is determined by calculating the geometric mean of each indicator over the approval period from 2016 to 2018.

Specifically, over the 2016-2018 timeframe, the threshold obtained for each indicator is:

- 2% for investments ;
- 1% for value added and ;
- 4% for jobs.

- **Scoring**

Scoring is a technique used to assign a score or point to a variable or indicator.

In our case, scoring consists of assigning a score of one (01) to sectors whose weight or contribution is greater than the thresholds cited above, and 0 if the opposite is true.

This mechanism makes it possible to obtain, for each sector over the reference period, a maximum score of three (03) for each indicator, i.e. a total of nine (09) for the 3 indicators.

At the end of this scoring process, the scores obtained for each variable are cumulated to produce a final score out of 100. Nine (09) being the maximum score, the rule of three (03) is used to determine the final score out of 100 for sectors with a cumulated score of less than 9.

- **Determining promising sectors**

Sectors with scores of 60 or more out of 100 are considered promising.

Table 3 : Summary of scores of promising sectors per indicator

SECTORS	INVESTMENTS	VALUE ADDED	JOBS	SCORE	SCORE OUT OF 100
FOOD-PRODUCING AGRICULTURE, LIVESTOCK	2	2	2	6	67%
FOOD PROCESSING/ AGRO-INDUSTRY	3	2	3	8	89%
CONSTRUCTION AND PUBLIC WORKS	3	3	3	9	100%
CHEMICAL INDUSTRY (COSMETICS - PHARMACEUTICALS - RUBBER)	3	3	2	8	89%
TRANSPORT / WAREHOUSING (HANDLING)	3	3	3	9	100%

Source : CEPICI/DPES

Based on the above methodology, the main promising sectors are: Transport/warehousing (handling) (100%), Construction (100%), Chemical industry (cosmetics-pharmaceuticals rubber) (89%), Food processing/agro-industry (89%) and Food-producing agriculture, livestock (67%).

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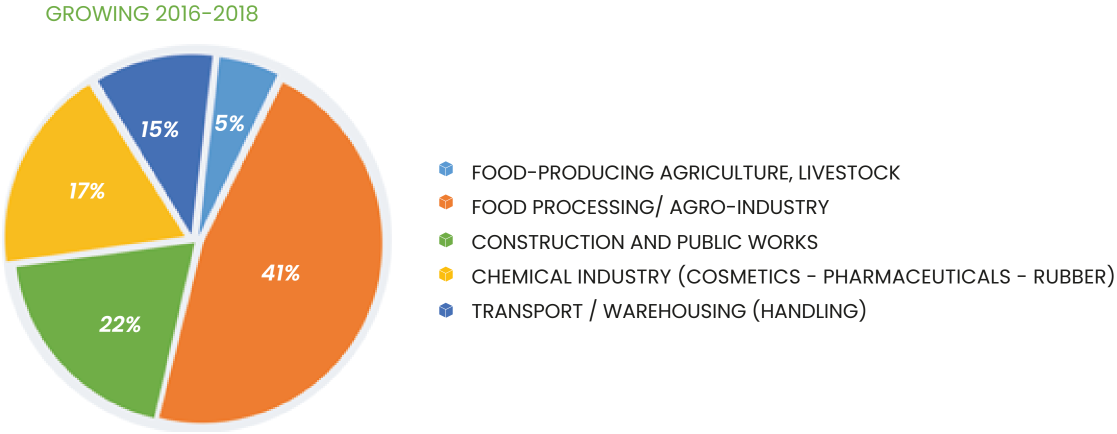
• Promising sectors by investment volume and type

The majority of investment projects by start-ups over the 2016-2018 timeframe come from the construction and public works sector (49%), followed by the transport sector (21%).

Graph 36 : Allocation of cumulative promising sector investments by year of approval 2016,2017 and 2018 per type of investment.



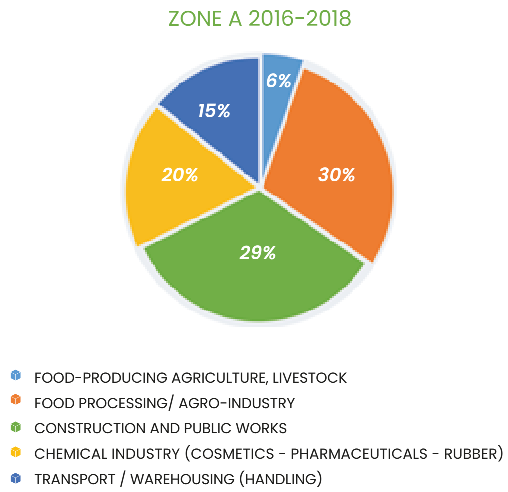
Source : CEPICI/DPES

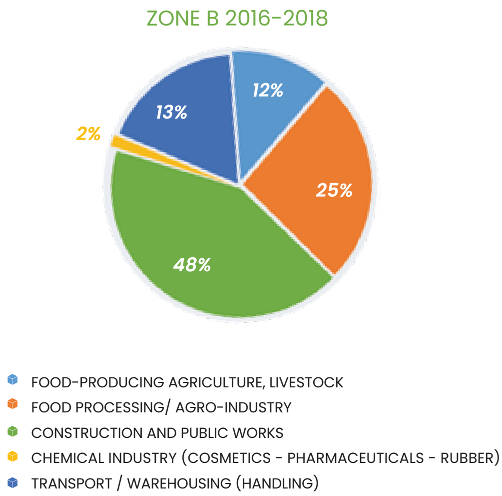
As for companies expanding their activities, most of the investments made over the first three years of operation came from the food processing sector, at 41%, followed by the construction and public works sector, at 22%.

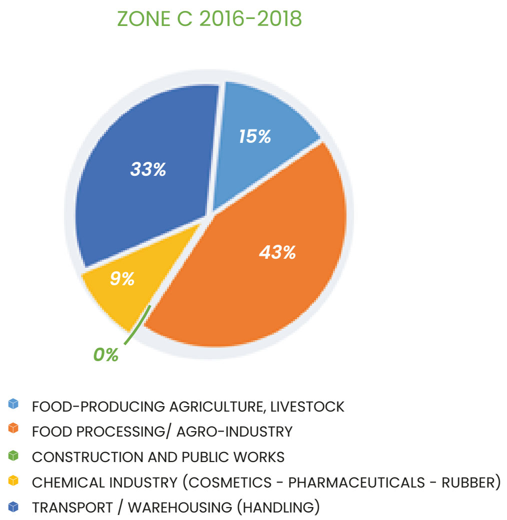
- **Promising sectors by investment volume and zone**

Almost all of the investment in Zone A over the first three years of operation is referred to projects in the food processing/agro-industry sector either 30%, followed by construction and public works up to 29% and chemicals (cosmetics-pharmaceuticals-rubber) up to 20%.

Graph 37 : Allocation of cumulative investments in promising sectors by year of approval 2016,2017 and 2018 by investment zone.







Source : CEPICI/DPES

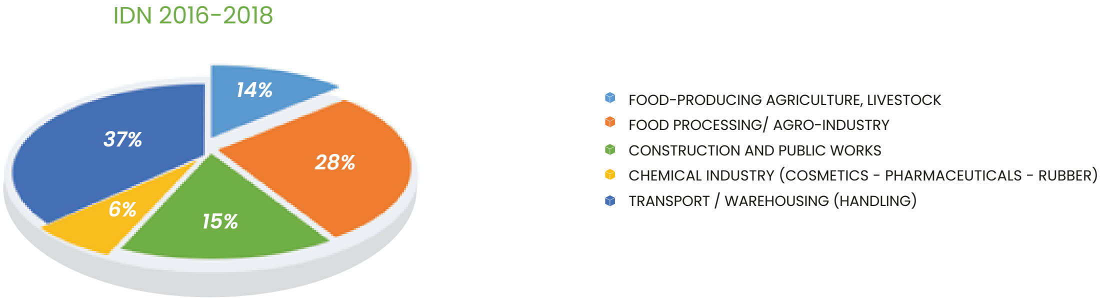
Zone B, on the other hand, sees the largest share of its investments in the construction and public works sector (48%) and the food processing/agro-industry sector (25%).

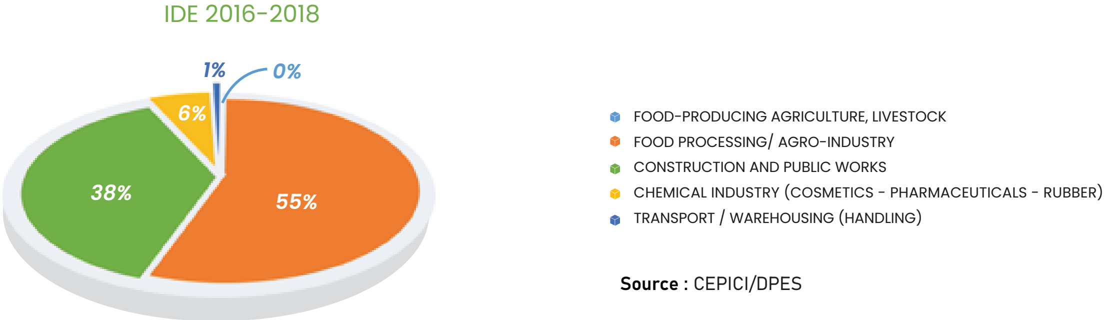
Meanwhile, in Zone C, 43% of investments made came from the food processing sector and 33% from the transport sector.In short, the common sector to all three zones that recorded a high level of participation was food processing/agro-industry.

- **Promising sectors by investment volume and origin**

Investments made in the sectors identified as promising over the first three years of operation came from both nationals (IDN) and non-nationals (FDI). However, there is a clear distinction in the choice of sectors.

Graph 38 : Allocation of cumulative investments in promising sectors by year of approval 2016, 2017 and 2018 by origin of investment over the 2016 period





Source : CEPICI/DPES

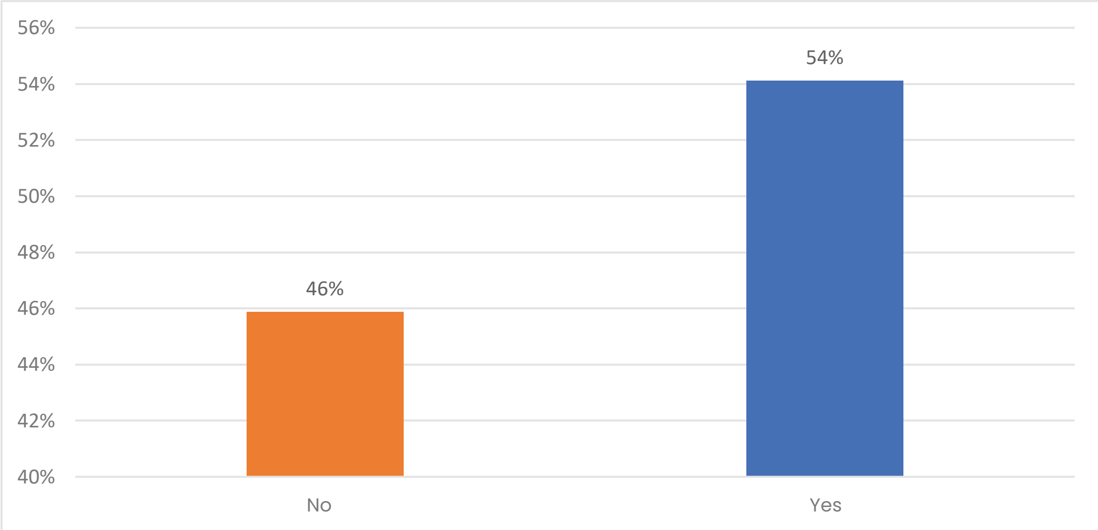
Out of the five (05) promising sectors, National Direct Investment (IDN) recorded two massive sectors: transport (37%) and food processing (28%).

As for Foreign Direct Investment (FDI), the food processing (55%) and building and civil engineering (38%) sectors accounted for a high proportion among the five (05) promising sectors.

II.2 Analysis of difficulties and levels of difficulty encountered by investors

II.2.1.Analysis of difficulties encountered by investors

Graph 39 : Difficulties encountered by investors



Source : CEPICI/DPES

54% of company managers claim to have encountered difficulties during the implementation of their investment program. These difficulties are mainly concentrated in the following areas :

Table 4 : Summary of difficulties encountered by investors

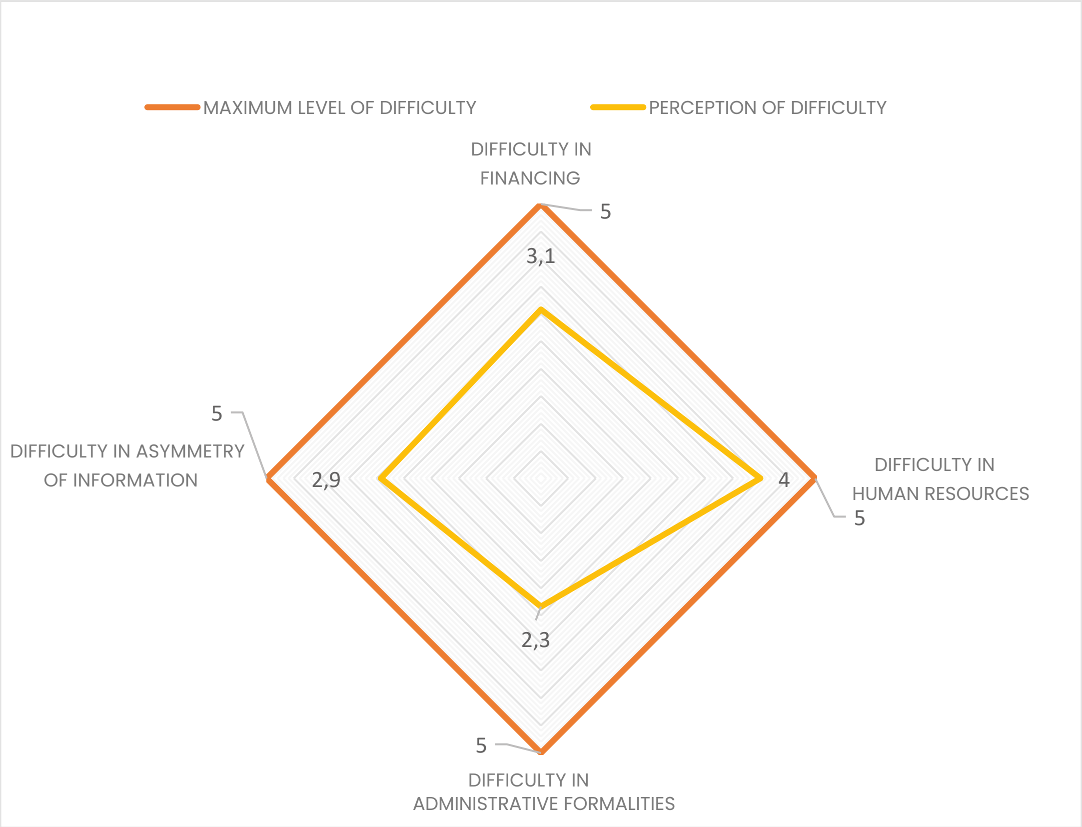
AREAS OF DIFFICULTIES	RECURRENCE OF DIFFICULTIES (in %)	DETAILS
Financing	15,2	• Difficult access to bank credit
Human resources	4,9	• Difficult access to skilled labour
Administrative formalities	49,3	• Slowness in processing applications • Hermetic nature of procedures or administrative red tape
Asymmetry of information	18,8	• Lack of synergy between CEPICI and the Directorate General of Customs regarding companies benefiting from customs exemptions • Non-conformity of customs codes and nomenclature • Lack of contact for obstacles

Source : Survey

II.2.2. Analysis of levels of difficulties encountered by investors

From an overall point of view, the level of difficulty is assessed at 3.07/5, reflecting the relative importance of the difficulties encountered by investors in implementing their investment project.

Graph 40 : Level of difficulties encountered by investors



Source : CEPICI/DPES

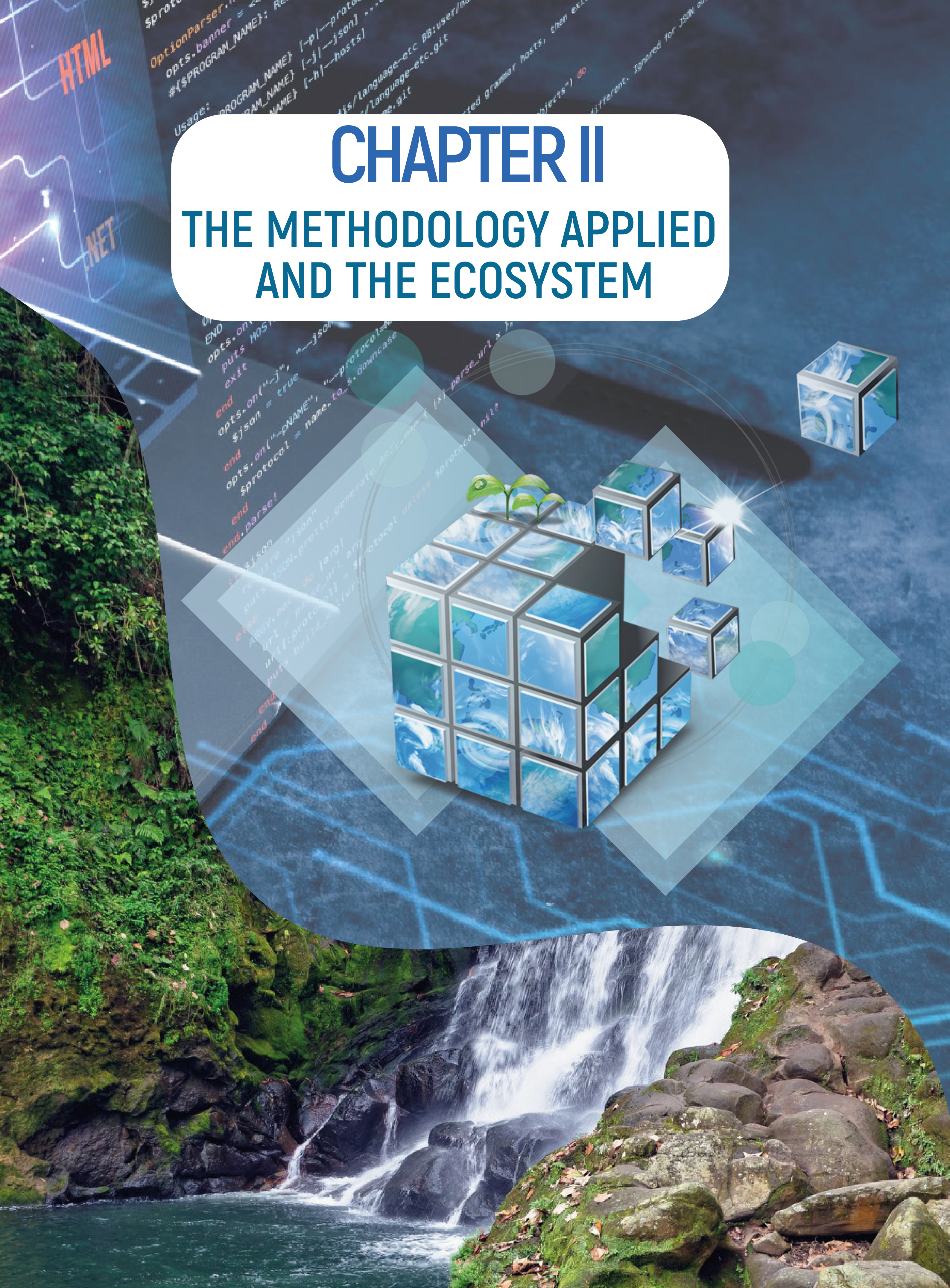
The intensity of difficulties encountered by approved companies is particularly focused on human resources (4/5) and financing (3.1/5). This would seem to reflect a fairly significant brake on the implementation of their investment program.

Indeed, the evaluated companies, particularly SMEs, are experiencing difficulties in accessing financing for their cash flow, operating cycle and investment.

Despite the duration of the tax and customs incentives available in zones B and C, and the goodwill shown in favour of local content, companies are finding it hard to recruit skilled local labour.

CHAPTER II

THE METHODOLOGY APPLIED AND THE ECOSYSTEM



III- Concepts and considerations relating to projects/programmes monitoring and evaluation

III.1 Reference framework, institutional arrangements and requirements for projects/programmes monitoring and evaluation

III.1.1. Reference framework for investment projects monitoring and evaluation

Criticism towards developed countries linked to:

- the unpredictability of their actions in financing projects/programmes;
- the non-utilisation of the capacities of institutions, systems and rules of aid-recipient countries by international organisations;
- the contradictory languages, processes and rules used by these organisations;
- the multiplicity of actors involved in project/program financing, which leads to confusion;
- the competition and fragmentation of aid; has prompted donors from the Organisation for Economic Co-operation and Development (OECD) to propose solutions such as the systematic evaluation of public programmes and accountability to better assess the results, data and evidence of the aid they provide.

Exchanges between the various players in the official development assistance ecosystem led to the signing of the Paris Declaration in 2004. This declaration is based on five key principles:

- **Ownership:** partner countries exercise real control over their development policies and strategies, and ensure the coordination of the action in support of development.
- **Alignment:** donors base all their support on partner countries' national development strategies, institutions and procedures.
- **Harmonisation:** donors' actions are better harmonised and more transparent, leading to greater collective effectiveness.
- **Mutual accountability:** donors and partner countries take responsibility for development results.
- **RBM:** managing resources and improving decision-making to achieve results.

In view of these principles, the tool used for projects/programs evaluation is Results-Based Management (RBM). RBM is a management strategy focused on performance, output and the achievement of direct effects. It is used to assess the effectiveness of development aid, and remains the main tool used for ensuring compliance with the above principles.

An analysis of these different principles reveals that monitoring and evaluation play a central role, as they activate results-based management and strengthen accountability.

III.1.2.Institutional arrangements for monitoring-evaluation of investment projects

Monitoring-evaluation is supported by articles of law at national level. Notably Ordinance N°2012-487 of June 07, 2012 on the investment code stipulates in Article 54 that "The Minister in charge of Industry and the Private Sector has the task of monitoring and evaluating all investments that have benefited from the advantages provided for in this Code".

Furthermore, in this context of private investment development, the State of Côte d'Ivoire has adopted Ordinance N 2018-646 of August 1, 2018 on the Investment Code.

This new law on private investment in Article 47 clearly mentions that "investments benefiting from advantages granted under this code are subject to monitoring evaluation".

The ordinance also sets out the details of how the monitoring and evaluation system is to be implemented:

- "The monitoring carried out by the investment promotion agency is realised in the form of support and assistance to investors, as well as the collection of various statistical data on project progress and exploitation."
- "In terms of monitoring, and in liaison with the investment promotion agency, the administrations and bodies involved in implementing the incentives scheme provided for in this code are responsible for ensuring, in accordance with their powers and during the exemption period, that investors comply with their obligations under the benefits granted."

The National Assembly and the Senate have also adopted Law N° 2022-966 of December 14, 2022 on the evaluation of public policies. This law, which is the result of the participation of all stakeholders in the evaluation of the public and private sectors, aims to consolidate accountability within the administration, in order to ensure the effectiveness of public action.

III.1.3. Requirements for Investment monitoring and evaluation

- **Ethical requirements**

According to Ricœur (1991), ethics, from the Latin ethos (way of living), can be defined as a practical wisdom whose ambition is "the aim of the good life, with and for others, in fair-minded institutions". In other words, to behave ethically is to respect the rules, standards and requirements in force, while questioning the values that motivate one's actions, and choosing the most appropriate course of action on this basis.

According to the United Nations Evaluation Group, there are ethical principles designed to help professionals in the field carry out their mission. These principles are:

- an evaluation-friendly environment;
- an evaluation policy;
- responsibility for the evaluation function and
- the use and follow-up of evaluation.

- **Standards requirements**

A standard is a reference document designed to provide guidelines and technical prescriptions relating to the quality of products, services and practices in a particular field of activity.

According to the International Organization for Standardisation (ISO), standards are based on the knowledge of experts in their chosen field (assessors, chartered accountants, quality managers, etc.), aware of the needs of the organizations they represent, whether manufacturers, distributors, buyers, users, trade associations, consumers or regulatory bodies. They can take on a number of different characteristics, with a distinction being made between formal and informal standards.

Formal standards are those drawn up by recognized standards bodies such as ISO and the European Commission for Standardization (CEN), laws, codes and regulations.

As for **informal standards**, they are set up by professionals in a given field on the basis of habits and best practices, with the aim of harmonizing the rules in force.

The development of project/program monitoring and evaluation practices is governed by standards, rules and ethics designed to ensure the conformity of monitoring and evaluation systems, and in particular the quality of the reports produced.

With regard to project/program monitoring, there are few scientific articles or literature highlighting standards, rules and ethics.

However, the International Organization for Migration (IOM) has established six (6) guiding principles as part of its monitoring policy, which are:

- impartiality ;
- usefulness ;
- transparency ;
- credibility ;
- disclosure and
- participation.

As far evaluation is concerned, a large number of scientific articles and literature highlight the importance of standards, rules and ethics in the management of projects/programmes:

- The Canadian Evaluation Society (CES) has mapped out five (5) main standards, which are ;

- usefulness ;
- feasibility ;
- appropriateness ;
- accuracy
- accountability.

- The United Nations Evaluation Group (UNEG) has identified 10 standards:

- internationally set principles, objectives and targets
- usefulness ;
- credibility ;
- independence ;
- limpartiality ;
- ethics ;
- transparency ;
- human rights and gender equlity ;
- national evaluation capacity and
- professionalism.

- The Organisation for Economic Co-operation and Development (OECD) records four (4) standards:

- impartiality ;
- independence ;
- credibility and ;
- relevance.

- **The national body governing monitoring and evaluation standards**

The role of the Ivorian Monitoring and Evaluation Network (IMEN) is to:

- promote a culture of monitoring and evaluation for development in Côte d'Ivoire;
- strengthen national capacities in monitoring and evaluation in Côte d'Ivoire;
- harmonise professional standards and practices in monitoring and evaluation.

- **CEPICI's position with regard to these standards and ethics requirements**

The Côte d'Ivoire Investment Code is the legal reference in Côte d'Ivoire that governs all actions

undertaken by CEPICI, particularly those relating to monitoring and evaluation.

With regard to international best practices, and taking into account the institutional framework in terms of evaluation, CEPICI respects certain standards in particular :

- **Usefulness:** the evaluations carried out within the department in charge of studies and monitoring-evaluation of projects/programmes follow a well-defined logic model. This model follows a causal chain grouping all the activities relating to the achievement of the project's final results.

These activities are carried out by each party involved in the project. In this way, the analyses, conclusions and recommendations drawn from the studies concern all the stakeholders.

- **Credibility:** the evaluations carried out by the monitoring and

evaluation department are based on qualitative data (evaluation questionnaires) and quantitative data (accreditation applications, financial statements) collected from both project donors (public administrations) and beneficiaries (private companies).

The use of these standards guarantees the transparency, reliability, impartiality and independence of the evaluation process. This is because

- the evaluation process is carried out according to a well-defined schedule, and is based on facts and data;

- the process uses the same criteria for assessing investment projects;

- the data resulting from the process is collected coherently on the basis of the evaluation criteria;

- the process takes into account the opinions, concerns and suggestions of stakeholders;

- the process enables data to be communicated and made available to stakeholders;

- the process is able of withstand any external pressure that might compromise its objectivity.

III.2 The investment code as an economic policy instrument

III.2.1.Focus on economic policy instruments

By definition, an economic policy is the set of measures taken by a country to correct or improve its general economic situation (Blanchard Blancheton, 2020). A country's economic policy is determined by the relevant authorities.

An economic policy instrument can be defined as a device or tool that helps implement economic policies.

There are two main types of economic policy and each one uses specific instruments to meet specific needs or correct economic imbalances.

The first is structural policy, which aims to have a medium or long-term impact on economic the activity. Its aim is to boost potential growth, encourage innovation and make growth bearable. The instruments used for this policy are :

- regional development policy, which consists in developing infrastructure ;
- industrial policy, which supports business start-ups and favors strategic sectors;
- social policy, which corrects income inequalities and fights poverty;
- energy policy, which involves the development of renewable and non-polluting energies;
- research and innovation policy, which provides a favorable framework for bringing new ideas to market;
- training policy, which helps to develop human capital.

The second is the short-term conjectural policy. According to Nicholas Kaldor (1908-1986), the objectives of this Keynesian-inspired policy (1936) are growth, employment, price stability and external equilibrium, and to achieve them, it relies on the following instruments:

- monetary policy, which regulates the economy by influencing money. In other words, this policy permits to control inflation and avoid recession. To this end, the main financial institution BCEAO (**Central Bank of West African States**) regulates bank liquidity and key interest rates;
- wage policy, which covers all decisions taken by the government in terms of wage indexation and training management;
-exchange rate policy, which aims to control the value of the currency in relation to other foreign currencies, in order to ensure and maintain the stability of the currency's value and increase the competitiveness of exports;
- fiscal policy, which regulates the economy through the State budget (expenditure and revenue). This involves, on the one hand, increasing or reducing the tax burden and, on the other hand, increasing (investing in) or reducing public spending.

Authorities sometimes change paradigms, but more importantly, they frequently adopt new tools. In the case of private sector development, the investment code is one of the instruments used by the government of Côte d'Ivoire to stimulate private initiative.

The investment code is an incentive scheme that offers domestic and foreign investors advantages during the investment and operating phases. The code is designed to attract domestic and/or foreign investment, making the private sector the engine of economic growth.

III.2.2. Evolution of the various investment codes from 1959 to the present day

To encourage and direct private initiative towards the industrial sector, Côte d'Ivoire has put in place a particularly attractive private investment regime, based essentially on an investment code adopted in 1959. Over the years, this code has been revised not only to strengthen public-private partnerships, but also to create a dynamic private sector that is competitive both nationally and internationally.The objectives pursued by this code since its inception are summarized in the table below.

Table 5 : Investment code objectives from 1959 to 2018

INVESTMENT CODE	OBJECTIVES
1959 Investment Code	▪ focus on the economic and social development plan; ▪ encourage investment by granting tax exemptions or reductions.
1995 Investment Code	▪ attract domestic and foreign investment through tax and customs exemptions that increase with the amount invested; ▪ strengthen the competitiveness of the economy; ▪ ensure equality between foreign and domestic investors.
2012 Investment Code	▪ encourage and promote productive, green and socially responsible investment; ▪ encourage the creation and development of activities in eligible sectors; ▪ extend the scope of the code: lower the eligibility threshold; ▪ improve support for SMEs.
2018 Investment Code	▪ ensure sustainable development through productive and socially responsible investment in CI; ▪ strengthen regional development ; ▪ develop local content ; ▪ make national companies competitive.

Source : investment codes from 1959 to 2018

III.2.3. The investment code: Engine of economic growth

- **Focus on the 2012 investment code**

The country's economic performance has been driven by structural reforms in several sectors, most notably investment and FDI attraction, with the adoption of the 2012 Investment Code by the decree N°2012-487 of June 7, 2012. This code defines the government's economic ambitions by improving the business environment.

Table 6 : description of the objectives of the 2012 investment code

OBJECTIVES	DESCRIPTIONS
Encourage and promote productive, green and socially responsible investments	To make the business environment more attractive and the economy more competitive, the investment code grants advantages and guarantees to investors who choose to invest in Côte d'Ivoire.
Encourage the creation and deve-lopment of activities focused on : the processing of local raw materials, the creation of sustainable and decent jobs, the production of competitive goods for the domestic and export markets, technology, research and innovation, the protection of the environment and the improvement of the quality of life, the improvement of product quality, agricultural entrepreneurship, food safety, agro-industrial sectors, regional economic promotion, major infrastructure projects, tourism and hotel development, crafts, agro-silvopastoral activities, all educational projects, social housing, green sectors within the framework of green investment.	The cover measures put in place enable business creation and development.

Source : 2012 investment codes

- **Focus investment code 2018**

Despite the strong economic results noted, a new code adapted to the priorities defined by the Ivorian State, as part of the National Development Plan (NDP) 2016- 2020 has been established.

Decree N°2018-646 of August 1, 2018 on the investment code sets out all the incentive measures put in place to adapt the private investment regime to new economic data, particularly growth prospects.

Table 7 : description the objectives of the 2018 investment code

OBJECTIVES	DESCRIPTIONS
Sustainable development through productive andsocially responsible invesment in Côte d'Ivoire	To ensure strong, sustainable growth, the provisions of the investment code ensure the transformation of local raw materials and the transfer of technology; drive the transformation of the economy towards industrialization; improve the business climate and international relations; eliminate discretionary power; ensure respect for human rights and corporate social responsibility in relation to business sectors.
Regional development	Free access to raw materials, together with zoning and structuring projects, is driving regional dynamism and development. Indeed, the processing of raw materials and the diversification of agricultural production are leading to balanced development in the country's various localities, creating wealth throughout the country, reinforcing regional planning and, consequently, improving living conditions for the population.
Local content	According to Article 21 of the 2018 Investment Code on local content, in order to benefit from supplementary advantages, foreign companies facilitate the acquisition of capital shares by domestic players, as well as the creation of sustainable and decent local jobs. This fits perfectly with the second pillar of the 2016-2020 national development plan relating to the acceleration of human capital development and social well-being.
Company competitiveness	The various tax incentive schemes and the presence of foreign companies lead to technology transfer and encourage domestic companies to improve their production levels and diversify their business sectors.

Source : 2018 investment codes

In addition, Ordinance No. 2019-1088 of December 18, 2019, amending Ordinance No. 2018-646 of August 1, 2018 on the investment code, redefines structuring projects, local content, modifies investment thresholds in certain regions and clearly displays possibilities for sanctions in the event of non-compliance with commitments by companies and provides for control andmonitoring-evaluation mechanisms.

III.3 Focus on private sector development instruments

The OECD defines the private sector as "all private companies, households and non-market institutions serving households. This includes private investors, namely for profit companies and, to a lesser extent, private foundations".

As the main engine of growth, investment is an essential prerequisite for economic growth. It creates value and jobs, furthers innovation and diversification, and fights poverty.

To achieve its development objectives, this sector relies on a number of instruments.

III.3.1. Overview of public schemes to support private sector development

Considered as an engine of growth, the private sector is one of the strategic axes of the Ivorian government's development policy.

In order to achieve development objectives in terms of wealth creation, job creation, poverty alleviation and industrialization of the economy, and to respond to the problems faced by investors, the following initiatives have been taken in favor of the private sector:

- The establishment of the Business Investment Formalities Office (decree No. 2012-867 of September 06, 2012): which is responsible for carrying out procedures for business start-ups, investment approvals and industrial land applications. This office makes administrative procedures easier for both national and international investors.
- The Enterprise Development Business Formalities Office of Côte d'Ivoire (GUDE- PME):

with an economic fabric made up of more than 90% micro, small and medium-sized enterprises (MSMEs), this office contributes to the development of the private sector by supporting SMEs in accessing financing, obtaining guarantees and conquering foreign markets. It supports sustainable growth, economic competitiveness and innovation.

- The Industrial Infrastructure Management and Development Company (SOGEDI), whose role is to plan, promote, finance, design, build, rehabilitate and manage industrial infrastructures.
- Sector-based codes: reinforce private sector development through incentives in sensitive sectors such as water and mining.
- National Development Plan (NDP): set up to achieve economic performance, the NDP enables the private sector to play its role as an engine of growth by industrializing the economy and strengthening infrastructures.
- Public-Private Partnerships (PPP): considered as structuring projects, these partnerships ensure the development of the private sector through agreements with a strong economic and social impact.

In short, the development of the private sector depends on measures to support investors, speed up administrative services and improve the business climate.

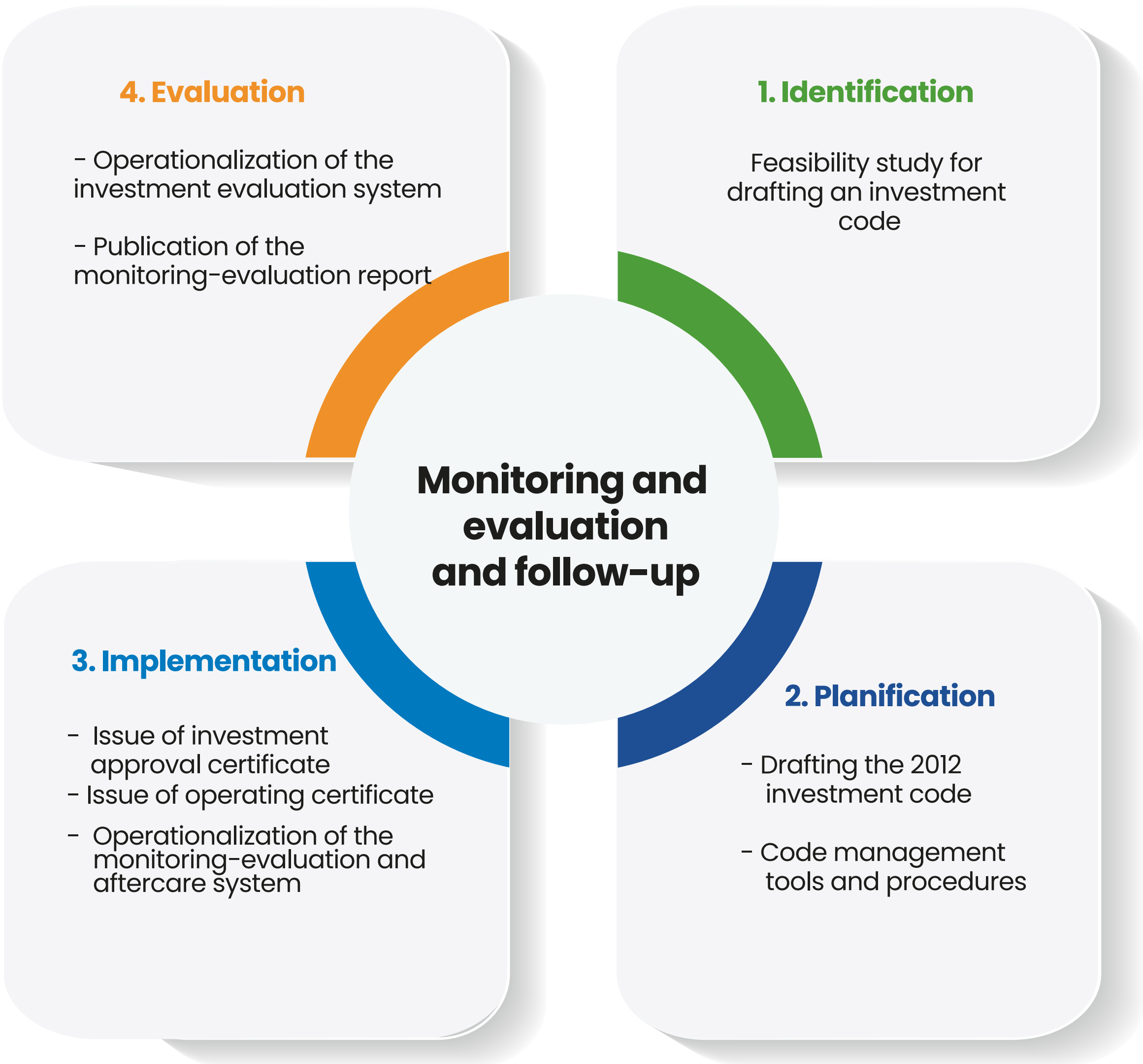
III.3.2. Mechanisms for private sector development through the investment code

In order to attract more companies and ensure private sector development, the investment code, through its benefits, enables companies to:

- generate cash flow through tax savings;
- create wealth through reinvestment;
- create sustainable, productive jobs;
- be sustainable / perennial.

The development of the private sector through the investment code is materialized through several stages of a recurring cycle.

Graph 6 : Value chain of activities related to the development of private investments registered at CEPICI



Source : CEPICI/DPES

For the development of the private sector, a feasibility study was carried out to examine the needs and difficulties encountered by the various stakeholders in the ecosystem. This study led to the drafting of the investment code. The aim of this code is to improve the business climate in order to attract national and international investors through the incentive schemes it offers.

CEPICI, in its role as a body promoting and attracting private investment, manages the code.

To ensure that it meets its objectives in terms of attracting investment, it has drawn up a Strategic Investment Promotion Plan (PSPI). This plan is based on a logical framework matrix, which identifies and formulates the activities required to achieve these objectives. These activities are monitored by an action plan.

To benefit from the advantages of the code, companies submit their application for approval to CEPICI. On receipt of the application, it is examined by CEPICI experts and representatives of the various technical committees on the approval committee. Once the application has been validated, the company is issued with an approval order or certificate, and can then benefit from cost advantages (customs advantages) when carrying out its investment. Once this period has elapsed, a representative of CEPICI and the technical ministries carry out an on-site inspection to ensure that the investment has been completed effectively.

This visit is equivalent to closing the investment if the company has fulfilled the commitments made at the time of application for approval in terms of job creation and investment completion.

Following this closure, a decree/order or certificate of approval to operate is issued to the company. This certificate allows the company to benefit from tax incentives.

The monitoring and evaluation system helps to ensure that the company's actions are in line with its approval file, and also to map any difficulties encountered. These difficulties are dealt with by the aftercare teams.

As part of a dynamic of learning and accountability, evaluations are carried out and reports published for players in the private investment ecosystem in Côte d'Ivoire.

IV. Focus on the methods and tools used to run the system

IV.1 Conceptual approaches

IV.1.1. Logical framework, OECD evaluation criteria and interview grids

- **Logical framework**

  The logical framework is the basis for designing a relevant and accountable monitoring and evaluation system. It is a strategic project management tool. It provides a precise definition of objectives, a structure for the results chain and the activities required to achieve them. It is a Results-Based Management (RBM) tool.

It takes the form of a matrix that verifies the logic of the project. As such, it is subdivided into 4 main sections: the intervention logic or results chain, the performance indicators which are perfectly correlated to each element of the chain, the sources of verification and finally the assumptions which enable us to assess the risks incurred in carrying out project activities.

Table 8 : logical framework model

INTERVENTION LOGIC	INDICATORS	VERIFICATION SOURCES	HYPOTHESIS
Final Results			
Intermediate and immediate results			
Output results			
Activities			

Source : CEPICI/DPES

In short, the logical framework ensures the traceability of actions taken to achieve set objectives. It is a document that enables us to identify useful and relevant information for monitoring and evaluating the project/program.

- **OECD evaluation criteria**

The OECD's Development Assistance Committee (DAC) project/program performance or evaluation criteria determine the type of intervention carried out, and the interest, value or importance of a project/program. Considered as evaluation standards, their aim is to harmonize evaluation methods in order to obtain a quality evaluation. Their application is also intended to provide guidance on the various aspects of the project/program to be evaluated.

The evaluation of investment projects/programs was carried out using general information from approved companies on the one hand, and on the other, using the OECD criteria summarized in the table below:

Table 9 : OECD criteria

OECD CRITERIA	OECD QUESTIONNAIRE
Pertinence	Does the project meet a need? A policy and the priorities of the country's beneficiaries ?
Coherence	Does the intervention match with other interventions carried out ?
Efficiency	Have resources been used optimally ? Is the project producing results economically and continuously ?
Efficiency	Have the project's objectives and results been achieved ? Are they being achieved, including results differentiated between populations ?
Impact	Does the project produce significant positive or negative effects ? Are they of a higher levels or not ?
Durability	Will the net benefits generated by the project last, or are they likely to last ?

Source : CIF/OIT

- **Interview grid**

The tool used to implement monitoring operations for approved private investment projects is the monitoring interview grid, based on the logical framework. It is a questionnaire comprising several sections:

- Section A, which collects general information about the company;

- Section B, which focuses on the benefits of the investment code;

- Section C highlights guarantees and obligations;

- Section D, which maps difficulties and expectations.

A user guide also go with this interview grid to facilitate data collection from stakeholders.

IV.1.2. CPS technique and data analysis methods

- **Most significant change (MSC) technique**

The aim of impact evaluations is to improve the quality and effectiveness of a project/program or aid. According to the International Training Centre (ITC), International Labour Office (ILO), impact evaluation can be defined from several angles. The definitions used for the evaluation of investment projects are as follows:

- An assessment of the potential impact that a proposed project may have on the nvironment, including environmental, social and economic aspects;
- An assessment of the positive and negative changes produced by a development intervention, directly or indirectly, intentionally or unintentionally;
- An assessment of the impact of a development intervention on beneficiaries that can be strictly attributed to that action.

Impact assessment permits to analyze the effects produced by programs/projects and policies.

These effects are analyzed by using specific methods that produce tangible results. These methods are:

- **Quantitative methods:** which may be experimental or quasi-experimental, using the counterfactual approach.
- **Qualitative methods:** which are subdivided into methods for ruling out alternatives and methods for gathering coherent evidence proving the cause-and-effect relationship.

The table below summarizes the nature and feasibility of using these methods for impact assessment in our context.

Table 10 : summary of impact assessment methods by nature and feasibility

NATURE	METHOD	FEASIBILITY OF USING THE METHOD IN OUR CONTEXT
Quantitative (Experimental methods)	Stepwise randomized procedure	This method cannot be applied to the implementation of the intervention focused on customs and tax exemptions granted to eligible companies. Indeed, although the intervention takes place every year and is focused on a cohort of companies, the overall size of the cohort of companies is not known at the start of the intervention, since beneficiaries participate voluntarily year after year. And it is not possible to randomly and progressively assign the beneficiary group to the control group.
Quantitative (Experimental methods)	Random promotion	This method cannot be applied to the implementation of intervention focused on customs and tax exemptions granted to eligible companies. Indeed, it is not possible for the public organisation to promote the intervention randomly, since promotion strategies are based on a coherent strategic plan. And this strategic plan requires the promotion of the intervention to be focused on all companies in Côte d'Ivoire.
Quantitative (Quasi-experimental methods)	Regression discontinuity model	This method cannot be applied to the implementation of an intervention based on customs and tax exemptions granted to eligible companies. Indeed, the intervention does not use a single eligibility index, but several eligibility criteria (activity regime; investment zone; activity sectors) and several eligibility indices (company size; investment level).
Quantitative (Quasi-experimental methods)	Double difference	This method cannot be applied to the implementation of the intervention focusing on customs and tax exemptions granted to eligible companies. Indeed, although this method allows us to take into account differences between the treatment and comparison groups, it does not help to eliminate possible differences that vary over time between these two groups.
Quantitative (Quasi-experimental methods)	The "equal tendencies" hypothesis in double difference	This method can be applied to the implementation of the intervention based on customs and tax exemptions granted to eligible companies, even though companies eligible for the intervention can decide whether or not to benefit from them. We are able to set up a valid comparison group. Indeed, this method compares trends between treatment and comparison groups, which is well suited to our intervention, since we can obtain trends at both beneficiary and comparison group level. We are also able to test the validity of the equal trends hypothesis by comparing changes in outcomes for the treatment and comparison groups several times before the intervention begins. However, this method has a number of drawbacks: • there is no way of proving that differences between treatment and control groups would have evolved in tandem in the absence of treatment; • if other factors affect the difference in trends between the two groups and are not taken into account in the multivariate regression, the estimate is distorted.
Quantitative (Quasi-experimental methods)	Matched double difference	This method is applied to the implementation of the intervention focused on customs and tax exemptions granted to eligible companies. As the basic data for the intervention are available, the use of this method will reduce the risk of bias in the estimation. The use of this method makes it possible to take into account all unobserved characteristics that are constant over time between the two groups. However, this method has a number of drawbacks: • the problem of dimensionality must be taken into account in this approach; • Common support between treatment and control groups may be missing.

Source : CIF/OIT

The Most Significant Change (MSC) technique is ultimately the impact assessment method that best fits our current context, namely private sector development through the investment code, which is a recurrent service managed by CEPICI.

The Most Significant Change method is a participatory approach based on collecting data from beneficiaries on the effects felt as a result of an intervention, and ranking them according to importance. According to the French Development Agency (AFD), the stages of the most significant change method are as follows:

- **Framing** : sensitize beneficiaries of an intervention to this participatory approach and identify areas of change to be investigated.
- **Collection** : gather testimonials from beneficiaries on the most significant changes they have identified. Prioritize these elements by different stakeholder groups to retain "the most significant". Gather additional information on these changes, on one or more occasions.
- **Analysis** : analyze all the data collected and identify the most significant changes in terms of their corroboration by the data collected.
- **Results** : describe the main changes for beneficiaries.

The International Labour Office has identified 10 stages leading to the implementation of the most significant change technique:

Generate interest: present the CPS to a range of stakeholders.

- **Define areas of change** : identify areas of change to be tracked.
- **Define reporting period** : determine how often to track changes
- **Collect data** : get respondents to assign a domain category to their stories.
- **Select the most significant stories**: analyze and filter stories across levels of authority found within an organization to select the most significant change account in each domain.
- **Report the results of the selection process** : reduce the selected stories through a systematic and transparent process.
- **Verify the stories** : verify the selected stories by visiting the sites where the events described took place.
- **Quantify :** nclude quantitative and qualitative information when describing an account of change.
- **Perform secondary and meta-tracking analyses** : analyze the frequency with which different types of change are reported.
- **Revise the system** : revise the design of the CPS process to take account of learning aspects.

It should be noted that, as part of the implementation of the monitoring-evaluation system for approved investment projects focus 2016-2018, the use of the integrated approach, i.e. taking into account all the stages described by AFD, is closer to our realities while taking into consideration some stages according to the ILO.

Furthermore, according to the AFD, the data collection tools to be favored when using a CPS can be summarized as follows:

1- Individual interviews with beneficiaries

2- Focus group facilitation

3- Questionnaire survey of beneficiaries

4- Analysis of existing documents

- **Data analysis using the Findings Conclusions Recommendations (CCR) approach**

Indicators are the measure of change within a logical framework. Properly defined indicators enable us to assess the extent to which objectives have been achieved. Consequently, an indicator must respect a certain number of design criteria.

An indicator is built around five (05) components: the variable, the reference group, the reference values, the time dimension, the place or space. It must be Specific, Measurable, Attainable, Realistic and Time-bound (SMART).

In this study, the analysis of indicators is structured around the following approach:

- **Findings** : evidence-based statement based on primary and secondary data
- **Conclusions** : summarized interpretation of results
- **Recommendations** : prescription based on conclusions

This approach provides a clear, structured view of the results of the analysis, as well as recommendations for improving performances.

IV.2 Operational approaches

The operationalization of the monitoring-evaluation system for approved private investments relies on several essential links, including the monitoring system and the evaluation system.

IV.2.1. Monitoring system

Carried out according to a schedule, field visits to companies benefiting from the advantages of the investment code over the period 2016-2018 consist of:

- collecting financial statements for the last three fiscal years, starting with the entry into operation;
- administering questionnaires to company directors to gather economic and social data and map their difficulties;
- individual interviews with sampled business leaders to understand their overall perception of the business environment in Côte d'Ivoire;
- collection of documents relating to the commitments made by promoters, in particular Corporate Social Responsibility (CSR) reports, environmental impact reports and social contribution forms.

Regular telephone reminders and occasional communication via the press help to raise awareness among economic operators as part of the monitoring system.

Following the data collection phase, data processing and analysis are used to produce the provisional monitoring report on approved private investment projects.

IV.2.2. Evaluation system

The evaluation of approved private investment projects is made operational through the administration of an evaluation questionnaire sent to company directors. Regular telephone reminders are used to raise awareness among economic operators and encourage them to cooperate more closely in the evaluation process.

Once the evaluation questionnaires have been collected, they are entered, processed and analyzed.

Lessons learned and specific recommendations

Lessons learned are an essential step in knowledge management, in order to retain best practices and enhance the effectiveness of actions.

At the end of the various analyses carried out, several lessons were lerned.

- **Lessons learned from the monitoring-evaluation system and on the private investment climate**

> The low level of communication on the monitoring-evaluation system for investment projects has created a climate of reluctance on the part of approved companies to transmit statistical and economic data ;

> The State does not systematically create the appropriate ecosystem around industrial zones to promote the mobilization of investments and reinvestments

> The absence of a single point of contact in the implementation of investment projects slows down compliance with the implementation schedule;

> Local SMEs encounter financing difficulties in the implementing their investment projects.

> The results' evaluation of this report enables us to formulate recommendations for strengthening the monitoring-evaluation system and improve the business climate.

- **Specific recommendations for strengthening the monitoring-evaluation system and improving the private investment climate**

> Finance a more targeted communication plan;

> Implement the penalty mechanism provided in the code with the General Directorate of the Treasury and Public Accounting (DGTCP);

> Accelerate the institutionalization and operationalization of the investor grievance resolution monitoring unit, in particular the "aftercare" unit (i.e. post-investment monitoring) of CEPICI with all stakeholders who interact with the investors;

> Accelerate the decentralization of civil service and public services in Zones B and C, more specifically CEPICI services and partner administrations.

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CONCLUSION

The implementation of the monitoring-evaluation system for approved investment projects focus 2016-2018 was underpinned by a methodological approach based on international standards, notably those of the ILO and the OECD.

This methodological approach has enabled us to achieve convincing results in terms of investment project monitoring and evaluation:

- Ensuring traceability of approved companies;
- Measuring socio-economic impact
- Highlighting promising sectors
- Identify company profiles;
- Map the difficulties encountered by promoters;
- Demonstrate the relevance, efficiency, effectiveness and impact of the investment code.

These encouraging results justify the importance of the investment code as a relevant economic policy instrument for private sector development.

Moreover, the lessons learned from these rich experiences have strengthened our learning culture and allowed us to formulate specific recommendations with a view to holding our governments to account

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