INTERNATIONAL MONETARY FUND

CÔTE D'IVOIRE

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SIXTH REVIEWS UNDER THE ARRANGEMENT UNDER THE EXTENDED CREDIT FACILITY AND THE EXTENDED ARRANGEMENT UNDER THE EXTENDED FUND FACILITY, AND REQUEST FOR EXTENSION AND AUGMENTATION OF ACCESS—DEBT SUSTAINABILITY ANALYSIS[1]

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Prepared by the International Monetary Fund and the International Development Association

Risk of external debt distress	*Moderate*
Overall risk of debt distress	*Moderate*
Granularity in risk rating	*Some space to absorb shocks*
Application of judgment	*No*

Côte d'Ivoire has a moderate risk of external debt distress, with some space to absorb shocks. All liquidity and solvency external debt indicators lie below their thresholds under the baseline scenario. However, the ratio of external debt service to revenue is on an upward gradual trend starting in 2021 and an export or market financing shock would cause a breach of the liquidity indicators. This underscores the downside risks originating from external shocks and the need to boost domestic revenue mobilization. The overall risk of public debt distress is also moderate, with public debt expected to gradually decrease over the projection horizon, though the growth in SOE debt and guarantees is a source of risk. Prudent fiscal policies, in line with the WAEMU fiscal deficit criterion, and a prudent external borrowing strategy balancing the costs and economic return of new loans will be crucial to preserve borrowing space and debt sustainability. The authorities also need to remain mindful not to excessively reduce recourse to the regional financial market, as this would run counter to the WAEMU-wide efforts to support the development of that market and their published medium-term debt management strategy.

[1]This DSA updates the previous Joint DSA dated December 14, 2018 (IMF Country Report No. 18/367). Côte d'Ivoire's debt carrying capacity, calculated based on the October 2019 WEO and the World Bank's 2018 CPIA is classified as medium. The applicable thresholds to the public and publicly guaranteed external debt are: 40 percent for the PV of debt-to-GDP ratio, 180 percent for the PV of debt-to-exports ratio, 15 percent for the debt service-to-exports ratio, and 18 percent for the debt service-to-revenue ratio. The applicable benchmark for the PV of total public for medium debt carrying capacity is 55 percent of GDP.

PUBLIC DEBT COVERAGE

1. The definition of public debt covers the central government, social security, and government guarantees to other entities in the public and private sectors, including to state-owned enterprises (Text Table 1). Debt includes state-owned enterprises (SOEs) guaranteed debt by the government (2.2 percent at end-2018) and on-lent debt from the government (4 percent). The rest of SOEs debt (that is, the part that is neither guaranteed nor on-lent by the government), which represents 1.5 percent of GDP at end-2018, is currently not included in the baseline due to limited information on revenues. The authorities are working on compiling the missing information. A contingent liability tailored test is designed to fully capture risks associated with SOEs' debt, as well as public-private partnership (PPP) capital stock (Text Table 1).

Text Table 1. Côte d'Ivoire: Coverage of Public Sector Debt and Design of the Contingent Liability Stress Test

	Subsectors of the public sector	Check box
1	Central government	X
2	State and local government	
3	Other elements in the general government	
4	o/w: Social security fund	X
5	o/w: Extra budgetary funds (EBFs)	
6	Guarantees (to other entities in the public and private sector, including to SOEs)	X
7	Central bank (borrowed on behalf of the government)	X
8	Non-guaranteed SOE debt	

Public debt coverage and the magnitude of the contingent liability tailored stress test

		Default	Used for the analysis	Reasons for deviations from the default settings
1	The country's coverage of public debt	The central government plus social security, central bank, government-guaranteed debt		
2	Other elements of the general government not captured in 1.	0 percent of GDP	0	
3	SoE's debt (guaranteed and not guaranteed by the government) 1/	2 percent of GDP	2.00	
4	PPP	35 percent of PPP stock	1.24	
5	Financial market (the default value of 5 percent of GDP is the minimum value)	5 percent of GDP	5	
	Total (2+3+4+5) (in percent of GDP)		8.2	

1/ The default shock of 2% of GDP will be triggered for countries whose government-guaranteed debt is not fully captured under the country's public debt definition (1.). If it is already included in the government debt (1.) and risks associated with SoE's debt not guaranteed by the government is assessed to be negligible, a country team may reduce this to 0%.

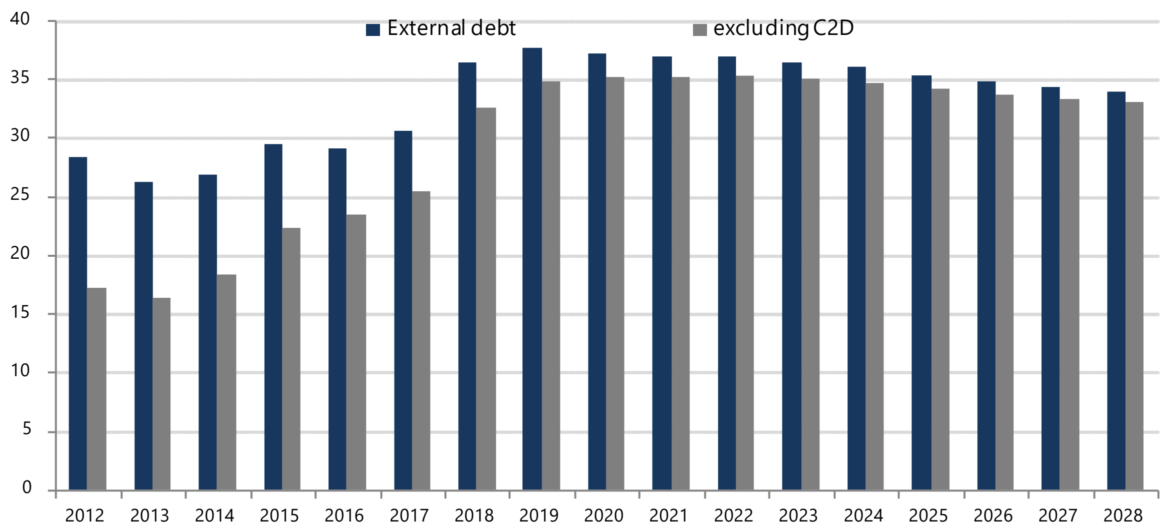
DEBT LANDSCAPE

2. External debt, defined on a currency basis, increased by 6.1 percentage points of GDP in 2018 and is projected to increase by 1.5 percentage points of GDP in 2019, before gradually declining in percent of GDP.[2] The increase in 2018 includes the two Eurobonds issued in March 2018 (4.7 percent of GDP) and the government-guaranteed loan to restructure the debt of the state-owned oil refining company (SIR) in December 2018 (1.4 percent of GDP). The projected increase in 2019 includes a counter-guarantee for a World Bank guarantee and a comfort letter, both to back a loan to support arrears clearance at CI-ENERGIES and enhance its credit quality (0.8 percent of GDP). External debt

[2]In this DSA, Public and Publicly Guaranteed external debt excludes French claims under C2D debt-for-development swaps, which were cancelled in the context of beyond HIPC debt relief. Under the C2D mechanism, debt service due on these claims is returned as grants to the government to finance development projects. Flows associated with the C2D process are included by IMF staff in the external and fiscal accounts to capture gross cash flows (debt service and grants). See IMF Country Report nº14/358 and Supp.1, 11/21/2014 for a detailed discussion. The amount in the DSA also excludes CFAF-denominated external debt.

excluding C2D[3] is therefore projected to reach 34.7 percent of GDP at end-2019. It is then projected to gradually decline over the 2020-28 period.

Figure 1. Côte d'Ivoire: Stock of External Public Debt, 2012–28
(Percent of GDP)



Sources: Ivoirien authorities and IMF staff estimates.

3. Reflecting in large part the Eurobond issuances, the share of commercial creditors in external debt rose in 2018. It reached over 54.4 percent at end-2018 from 52.8 percent at end-2017 (Text Table 2), which is fully accounted by the Eurobond issuances. Multilateral creditors represented 24.2 percent of external debt, while bilateral creditors accounted for 18.5 percent of the external debt stock at end-2018.

Text Table 2. Côte d'Ivoire: Composition of External Debt per Creditor Group

	2017	2018	
	Million USD	Million USD	Percent of total
Total (excluding C2D)	**10,292.7**	**13,616.2**	**100.0**
Multilateral creditors	**2,691.3**	**3,195.6**	**23.5**
IMF	1,291.1	1,327.6	9.8
World Bank	779.2	923.7	6.8
AfDB group	191.0	288.5	2.1
Other multilaterals	429.9	655.7	4.8
Official bilateral creditors	**2,169.6**	**2,517.8**	**18.5**
Commercial creditors	**5,431.8**	**7,410.9**	**54.4**
London Club	5,397.8	7,045.7	51.7
Other commercials	34.0	365.2	2.7
SOE Guarantee		**492.0**	**3.6**

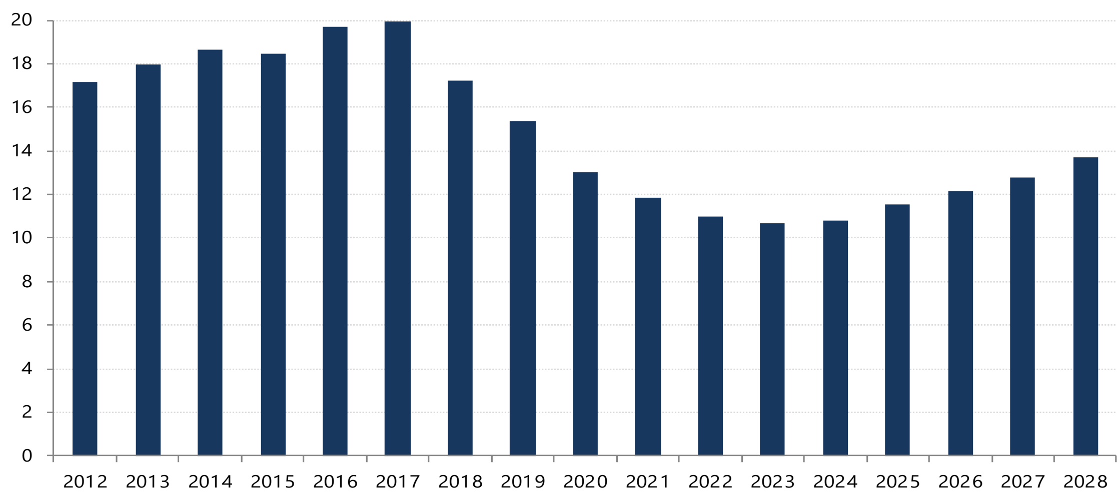
Sources: Ivoirien authorities; and IMF staff estimates.

[3] The Debt Reduction-Development Contract (C2D) is a debt restructuring tool under which Côte d'Ivoire continues to service its bilateral debts to France and Spain until repayment, but the amounts are transferred back to the country as grants to finance poverty reduction programs.

4. Reliance on domestic sources of financing is expected to decline further in 2019–23, before rebounding. Domestic debt had increased by 2.7 ppt of GDP between 2012 and 2017, reaching 19.9 percent of GDP in 2017.[4] Reversing that trend, domestic debt was back to 17.2 percent of GDP in 2018 and is projected to decrease further by about 2 percent of GDP in 2019. It would continue decreasing until 2023, before picking up again over 2023–28. This reflects the combination of (i) the authorities' strategy to fund gross financing needs in a balanced way between domestic and foreign currency sources, and (ii) the fact that rollover needs of domestic debt are larger than those of external debt in the next few years. The scenario assumes that after substantial Eurobond issuances in 2017–18 and more moderate recourse to international financial markets in 2019 and projected for 2020, the authorities would continue to tap international markets every year going forward in the same manner. However, the authorities should remain mindful not to not excessively reduce their recourse to the regional financial market in the next few years, as this would run counter to the WAEMU-wide efforts to support the development of that market.

Figure 2. Côte d'Ivoire: Stock of Domestic Public Debt[1/], 2012-2028

(Percent of GDP)



1/ Central government only.

Sources: Ivoirien authorities; and IMF staff estimates.

UNDERLYING ASSUMPTIONS

5. The assumptions in the baseline scenario are consistent with the macroeconomic framework outlined in the staff report for the sixth reviews under the EFF/ECF blended arrangements (Text Table 3). These include sustained but moderating GDP growth, subdued inflation, a gradual improvement in the external position, compliance with WAEMU fiscal deficit convergence criterion of 3 percent of GDP from 2019 onward, and a move toward more commercial debt to cover the gross financing needs as Côte d'Ivoire transitions to emerging market status.

- **Sustained but moderating GDP growth over the medium term**. Real GDP growth is expected to remain broadly unchanged in the medium-term compared to the previous DSA,

[4]A large part of the domestic debt consists of securities issued in the regional auction and syndication debt markets.

averaging 6.9 percent during the first five years of the projection period (2019–24). Growth is supported by robust domestic demand and positive net exports in the medium term. Reflecting a stabilization process, real GDP is projected to grow by almost 5.7 percent over 2025–30 on average and 5.6 percent over 2031–39 as investment normalizes and net trade contributions lessen further into the projection period.

- **Subdued inflation**. Inflation is expected to remain subdued at about 2 percent, reflecting good domestic supply conditions and the strength of the Euro to which the CFA Franc is pegged.

- **A stabilized deficit at 3 percent**. This reflects the government's efforts to mobilize domestic revenue and contain non-priority expenditure to meet the WAEMU fiscal deficit convergence criterion of 3 percent of GDP from 2019 onward.

- **The current account deficit is projected to narrow over the projection horizon**. It is projected to gradually narrow from 4.7 percent of GDP in 2018 to 3 percent by 2024, reflecting higher exports of transformed primary products and slower import growth as investment and associated service and equipment imports normalize. These assumptions are subject to downside risks including unfavorable terms-of-trade shocks and weaker-than-expected global growth in the context of rising protectionism.

- **Commercial debt financing**. Côte d'Ivoire's financing needs are expected to be covered mainly by commercial debt in the medium term as it transitions toward an emerging market economy. The government is expected to rely on both concessional and non-concessional lending to satisfy its financing needs. This is consistent with the authorities' medium-term debt management strategy, which envisages a balanced split between sources in domestic and foreign currencies to meet gross financing needs over the period 2019–23.

6. The realism of the macroeconomic framework is confirmed by several checks (Figure 6). The projected medium-term debt-creating flows do not deviate significantly from the historical outturns. The projected fiscal adjustment for the next three years is below the top quartile of the distribution of approved Fund-supported programs for LICs since 1990. The assumed fiscal consolidation plans are consistent with the WAEMU regional fiscal deficit convergence criterion of 3 percent of GDP, to which the authorities have committed starting from 2019. Regarding the relation between fiscal adjustment and growth paths, the baseline projection does not deviate significantly in 2019 from the growth paths with LIC's typical fiscal multipliers extracted from the empirical literature in 2019. The contribution of government capital to real GDP growth is projected to increase slightly over the medium term.

Text Table 3. Côte d'Ivoire: LIC DSA Macroeconomic Assumptions

	Previous DSA			Current DSA		
	2018-23	2024-29	2030-38	2018-23	2024-29	2030-38
Nominal GDP (USD Billion) 1/	54.0	86.8	147.6	51.6	82.7	143.4
Real GDP (y/y % change)	7.1	5.9	5.5	7.1	5.9	5.6
Fiscal (central government)						
Revenue and grants 2/	20.7	21.3	22.9	20.1	20.5	22.7
of which: grants	1.0	0.1	0.0	0.9	0.1	0.0
Primary expenditure	21.7	21.8	23.4	21.4	21.7	23.9
Primary basic balance (excluding C2D grants)	0.5	1.2	1.2	0.5	0.7	0.8
Balance of payments						
Exports of goods and services	35.6	33.0	27.7	28.8	27.6	25.4
Imports of goods and services	35.0	31.0	25.6	27.4	24.8	22.7
Non-interest current account deficit 3/	1.9	0.9	1.2	1.7	0.6	0.8
New foreign direct investment (net inflows)	1.8	2.3	2.2	1.4	1.7	2.1

Sources: Ivoirien authorities, and IMF staff estimates

1/ Changes from the 4th review DSA reflects an updated nominal GDP following the release of final 2017 national accounts and estimates 2018 national accounts and revised CFA/USD exchange rate assumptions.

2/ C2D grants are excluded from revenue and grants.

3/ C2D grants are excluded from official transfers.

COUNTRY CLASSIFICATION AND DETERMINATION OF SCENARIO STRESS TESTS

7. Côte d'Ivoire has a medium debt carrying capacity. As in the latest DSA, the debt carrying capacity depends on a Composite Indicator (CI) that includes the CPIA and other variables from the macroeconomic framework.[5] With a CI score of 2.97, Côte d'Ivoire has a medium debt carrying capacity, which determines the relevant external debt burden thresholds and total public debt benchmarks.

Text Table 4. Côte d'Ivoire: CI Score

Components	Coefficients (A)	10-year average values (B)	CI Score components (A*B) = (C)	Contribution of components
CPIA	0.385	3.386	1.30	44%
Real growth rate (in percent)	2.719	7.562	0.21	7%
Import coverage of reserves (in percent)	4.052	39.075	1.58	53%
Import coverage of reserves^2 (in percent)	-3.990	15.269	-0.61	-21%
Remittances (in percent)	2.022	0.446	0.01	0%
World economic growth (in percent)	13.520	3.499	0.47	16%
CI Score			2.97	100%
CI rating			Medium	

[5]The other variables from the macroeconomic framework consist of five variables: real GDP growth, remittances, import coverage of reserves, the square of import coverage of reserves, and world economic growth. The CI uses ten years of data (5 years of history and 5 years of projections) to smooth out economic cycles.

8. Given Côte d'Ivoire's continuous reliance on global capital markets, a tailored test for international market financing was conducted. Côte d'Ivoire issued sizeable Eurobonds in 2017 and 2018 and is tapping international markets for smaller amounts in 2019. Its debt management strategy aims at leveraging global capital markets to finance part of the country's gross financing needs over 2019–23. Consequently, a tailored test for market financing assumes a temporary increase in the cost of new commercial external borrowing by 400 basis points combined with a nominal depreciation of 15 percent of the CFAF vis-à-vis the US$ and a shortening of maturities and of grace periods.[6]

9. A contingent liability tailored shock was conducted to capture potential fiscal risks arising from SOEs, PPPs, and the financial market. This tailored stress tests include the standardized 2 percent of GDP— which is in the order of magnitude of the 1.5 percent of GDP SOEs' debt stock that is not already included in the debt stock. It also includes a 1¼ percent of GDP shock to accommodate potential fiscal risks on 35 percent of the PPP capital stock, and a financial sector shock of 5 percent of GDP.

10. Standard stress tests on real GDP growth, primary balance, exports, current transfers, foreign exchange (FX) depreciation, and tailored test on commodity price have also been applied. The first four shocks set each of the above variables to its historical average minus one standard deviation, or to its baseline projection minus one standard deviation, whichever is lower, for 2019 and 2020. The FX depreciation considers a nominal depreciation of 30 percent of the CFAF vis-à-vis the US$ in the first year of the projection. The commodity price shock captures the impact of a sudden one standard deviation decline in commodity prices.

EXTERNAL DEBT SUSTAINABILITY ANALYSIS

11. The external DSA assessment indicates that all Public and Publicly Guaranteed (PPG) debt indicators are below their corresponding thresholds for the next ten years in the baseline scenario. The PV of external debt-to-GDP is expected to decrease from 28 percent in 2019 to 26 percent in 2029 (Text table 1 and Figure 3) as growth continues, fiscal consolidation takes place in 2019 and the tight fiscal position is maintained throughout the projected horizon and as the authorities rely on a balanced mix of loans in domestic and foreign currencies to meet their gross financing needs. A liability management operation, conducted in October 2019,[7] has resulted in smoother repayment peaks in 2024, 2025, and 2032, and lower indicators over 2019–29 compared to the December 2018 DSA. The two new Eurobonds will be due in 2029–31 and 2038–40. The peak in debt service-to-revenue ratio will be reached in 2031 and is projected to decrease henceforth.

[6]The share of USD denominated debt is estimated to be decreasing over time. The considered shortening of maturities of commercial external borrowing are as follows. If the original maturity is greater than 5 years, the new maturity is set to 5 years. If the original maturity is less than 5 years, the new maturity is shortened by 2/3.

[7]In October 2019, the authorities issued a EUR 1.7 bn Eurobond. A significant part of it, EUR 1.4 bn, was used to refinance debt repayment peaks coming due in 2024/2025/2032 and switch some Eurobonds from dollars into euros. Half of the Eurobond issuance was with a 12-year maturity at 5.875 percent and the other half with a 32-year maturity at 6.875 percent.

12. Among all the considered shock scenarios, the one on exports has the largest negative impact on Côte d'Ivoire's external debt sustainability. Under the standard stress test on exports, the debt-service-to-revenue ratio breaches the threshold starting in 2025. Likewise, under the market financing stress test the debt service-to-export ratio breaches the threshold starting in 2025. These results underscore the downside risks for debt sustainability originating from external shocks (such as negative terms of trade shocks) and to market financing (such as rising interest rates) that could hit the Ivoirian economy. While the stock indicators remain below their respective thresholds under the most extreme shock scenarios, they are close to them from 2021 onwards.

PUBLIC DEBT SUSTAINABILITY ANALYSIS

13. Under the baseline scenario, the PV of public debt-to-GDP ratio is below its threshold of 55 percent (Figure 4). The PV of public debt-to-GDP is expected to slightly decrease over the projection period, from 43.1 percent in 2019 to 39.7 percent in 2029. Meanwhile, the PV of debt-to-revenue ratio decreases from 212.7 percent in 2019 to 189.9 percent in 2029. Finally, the debt service-to-revenue ratio remains in the region of 32 percent, with its level initially declining somewhat from 2019 to 2023, before increasing again to reach in 2029 a level similar to the one in 2019.

14. Stress tests highlight that Côte d'Ivoire's most extreme public debt vulnerability could emerge from a shock to GDP growth and commodity prices (Figure 4 and Table 4). Under the standard stress test of real GDP growth shock, the PV of public debt-to-GDP would breach its corresponding threshold of 55 percent starting in 2022, to reach 89.9 percent in 2029. This shock would lead to an explosive pattern of the three debt and debt service indicators. In addition to highlighting the very strong sensitivity to GDP growth shocks, this underscores the importance of minimizing forecast errors by pinpointing projections of real GDP growth as precisely as possible through a strong statistical system and capacities. Under the tailored test of commodity price, PV of public debt breaches the threshold in 2023 and remain above until 2029.

RISK RATING AND VULNERABILITIES

15. The debt sustainability analysis under the new DSA indicates that Côte d'Ivoire remains at moderate risk of external debt distress as in the December 2018 DSA. While none of the external debt indicators breaches their corresponding threshold under the baseline scenario, the ratios of the external debt service-to-revenue and debt service-to-exports increase gradually starting in 2021, and standard stress tests show that they would cross the threshold in the most extreme shock scenarios. This reinforces the need to intensify revenue mobilization and diversify the export base through structural transformation over the medium term. It is also crucial to have a prudent external borrowing strategy aimed at balancing the costs and risks of new loans to preserve Côte d'Ivoire's borrowing space and medium-term debt sustainability.

16. The new DSA also indicates that the overall risk of debt distress is moderate, but stress tests highlight vulnerabilities to shocks both on the external and total debt. While the overall debt sustainability risk is moderate, the PV of public debt-to-GDP breaches its threshold of 55 percent starting in 2023 under the most extreme shock (growth) arising from the standard stress tests. While the October 2019 liability management operation has resulted in a smoother path for liquidity indicators, external debt service ratios to GDPs and exports would still breach their threshold starting in 2025 under the most extreme shock (exports and market financing).

17. The authorities may have reduced vulnerabilities related to repayment peaks in the short run, but they need to continue building resilience against shocks to debt sustainability (Figure 7). The DSA results highlight the need to carefully monitor debt indicators, ensure that GDP growth projections are conducted in a cautious way, implement judicious policies to preserve macroeconomic stability and have full oversight of SOE debt contracting. Within this context, the authorities should work toward fully integrating SOE debt in their debt sustainability assessment. To create fiscal space, the authorities should also increase their efforts in mobilizing domestic revenue while containing public expenditure.

AUTHORITIES' VIEWS

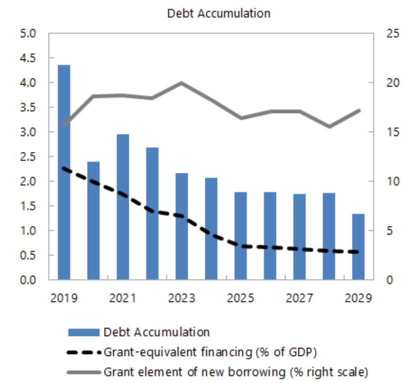
18. The authorities broadly agreed with the main conclusions of the DSA, particularly that Côte d'Ivoire remains at moderate risk of debt distress. They concurred with the importance of strengthening the monitoring of public sector debt and intend to maintain a medium-term debt management strategy that ensures continued moderate risk of debt distress. They also stressed their active debt management approach, favoring borrowing in euros to limit currency risk, while increasing the average maturity of external debt to reduce rollover risks. In particular, they pointed to the liability management operation conducted in October 2019 to smooth repayment peaks in 2024, 2025, and 2032 in relation with existing bullet-payment Eurobonds. Recognizing the risk related to repeated and substantial reliance on foreign currency borrowing in the recent years, their medium-term debt management strategy envisages a balanced split between sources in domestic and foreign currency to meet their financing needs over 2019-23. While they acknowledged the need to foster the deepening of the regional debt market to better leverage domestic savings for development objectives, they flagged that sustained presence on international capital markets helped reinforcing their status as a frontier economy and protected against the limited liquidity and depth of the regional market.

Table 1. Côte d'Ivoire: External Debt Sustainability Framework, Baseline Scenario, 2016–39

(Percent of GDP; unless otherwise indicated)

	Actual			Projections								Average 8/	
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2029	2039	Historical	Projections
External debt (nominal) 1/	38.9	40.1	46.0	46.6	47.8	47.8	48.2	47.1	46.6	44.4	37.8	49.5	46.5
of which: public and publicly guaranteed (PPG)	23.4	25.4	32.5	34.7	34.8	35.0	35.0	34.8	34.5	32.2	24.6	30.4	34.0
Change in external debt	1.8	1.2	5.9	0.6	1.2	0.0	0.4	-1.2	-0.5	-0.7	-0.5		
Identified net debt-creating flows	0.5	0.6	1.5	2.0	2.1	2.0	1.8	1.6	1.8	2.2	2.5	-2.0	1.9
Non-interest current account deficit	-0.4	1.2	3.1	1.7	1.5	1.8	1.4	1.2	1.2	0.9	0.6	-2.5	1.2
Deficit in balance of goods and services	-3.0	-2.6	-0.5	-1.3	-1.3	-1.5	-1.7	-2.0	-2.3	-2.7	-2.9	-5.6	-2.2
Exports	33.4	33.6	29.8	30.1	29.0	28.3	27.8	27.8	27.9	27.0	24.2		
Imports	30.3	31.0	29.2	28.8	27.7	26.8	26.2	25.8	25.6	24.3	21.3		
Net current transfers (negative = inflow)	1.2	1.4	1.3	1.2	1.2	1.2	1.2	1.3	1.6	1.7	1.7	1.3	1.5
of which: official	-0.4	-0.4	-0.7	-0.7	-0.6	-0.5	-0.5	-0.4	-0.1	0.0	0.0		
Other current account flows (negative = net inflow)	1.4	2.4	2.4	1.8	1.7	2.1	1.9	2.0	2.0	1.9	1.9	1.8	1.9
Net FDI (negative = inflow)	1.6	0.8	1.4	1.4	1.4	1.5	1.5	1.5	1.6	1.8	2.3	1.3	1.6
Endogenous debt dynamics 2/	-0.7	-1.3	-3.0	-1.0	-0.8	-1.3	-1.2	-1.1	-1.0	-0.5	-0.5		
Contribution from nominal interest rate	1.6	1.6	1.6	2.3	2.3	1.8	1.8	1.8	1.8	1.8	1.5		
Contribution from real GDP growth	-2.8	-2.8	-2.6	-3.3	-3.1	-3.0	-2.9	-2.9	-2.8	-2.3	-2.0		
Contribution from price and exchange rate changes	0.5	-0.1	-1.9	...	...	...	...	...	...	...	...		
Residual 3/	1.3	0.5	4.4	-1.5	-0.9	-1.9	-1.3	-2.7	-2.2	-2.9	-3.0	-1.9	-2.0
of which: exceptional financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Sustainability indicators													
PV of PPG external debt-to-GDP ratio	...	...	24.6	28.0	28.0	28.2	28.2	28.0	27.8	26.0	19.5		
PV of PPG external debt-to-exports ratio	...	...	82.5	93.2	96.5	99.7	101.4	100.8	99.7	96.2	80.4		
PPG debt service-to-exports ratio	4.4	5.2	6.0	8.7	8.7	6.9	7.2	7.9	8.9	10.5	9.8		
PPG debt service-to-revenue ratio	7.9	9.0	9.5	13.8	13.3	10.3	10.3	11.3	12.5	13.7	9.8		
Gross external financing need (Million of U.S. dollars)	2563.1	3430.3	4550.9	4005.2	3434.4	4127.0	4267.9	4826.0	4863.7	7245.8	15997.0		
Key macroeconomic assumptions													
Real GDP growth (in percent)	8.0	7.7	7.4	7.5	7.3	7.0	6.7	6.5	6.4	5.6	5.7	6.1	6.4
GDP deflator in US dollar terms (change in percent)	-1.3	0.3	5.1	-4.0	1.4	2.6	2.4	1.7	1.8	1.7	1.8	0.1	1.3
Effective interest rate (percent) 4/	4.6	4.4	4.5	5.2	5.3	4.1	4.1	4.0	4.0	4.3	4.2	3.6	4.3
Growth of exports of G&S (US dollar terms, in percent)	-5.7	8.8	0.0	4.2	4.9	7.1	7.7	8.2	8.6	6.0	6.9	1.4	6.8
Growth of imports of G&S (US dollar terms, in percent)	-5.6	10.3	6.5	1.6	4.6	6.2	6.9	6.9	7.2	6.4	7.0	3.1	6.0
Grant element of new public sector borrowing (in percent)	...	...	...	15.7	18.6	18.7	18.4	20.0	18.3	17.2	16.8	...	17.5
Government revenues (excluding grants, in percent of GDP)	18.6	19.2	18.9	19.1	19.0	19.1	19.4	19.6	19.8	20.9	24.1	17.9	19.9
Aid flows (in Million of US dollars) 5/	556.3	577.6	589.9	1026.2	1134.1	1107.4	986.5	933.3	741.1	660.1	945.0		
Grant-equivalent financing (in percent of GDP) 6/	...	...	...	2.3	2.0	1.7	1.4	1.3	0.9	0.6	0.5	...	1.2
Grant-equivalent financing (in percent of external financing) 6/	...	...	...	28.5	36.7	34.3	30.9	31.4	23.3	17.4	16.9	...	24.7
Nominal GDP (Million of US dollars)	35,297	38,134	43,048	44,440	48,356	53,099	58,044	62,880	68,089	98,263	202,769		
Nominal dollar GDP growth	6.5	8.0	12.9	3.2	8.8	9.8	9.3	8.3	8.3	7.4	7.6	6.1	7.8
Memorandum items:													
PV of external debt 7/	...	...	38.1	39.9	40.9	41.0	41.5	40.4	40.0	38.2	32.7		
In percent of exports	...	...	127.9	132.9	141.2	145.0	148.9	145.1	143.3	141.4	134.8		
Total external debt service-to-exports ratio	18.4	21.0	20.4	19.7	14.4	16.0	15.9	17.9	15.6	17.0	20.2		
PV of PPG external debt (in Million of US dollars)			10582.6	12458.2	13527.0	14954.8	16382.6	17637.4	18939.3	25552.7	39507.5		
(PVt-PVt-1)/GDPt-1 (in percent)				4.4	2.4	3.0	2.7	2.2	2.1	1.3	1.0		
Non-interest current account deficit that stabilizes debt ratio	-2.2	0.0	-2.8	1.1	0.4	1.7	1.0	2.4	1.7	1.6	1.2		

Definition of external/domestic debt	Currency-based
Is there a material difference between the two criteria?	Yes



Sources: Country authorities; and staff estimates and projections.

1/ Includes both public and private sector external debt.

2/ Derived as [r - g - ρ(1+g)]/(1+g+ρ+gρ) times previous period debt ratio, with r = nominal interest rate; g = real GDP growth rate, and ρ = growth rate of GDP deflator in U.S. dollar terms.

3/ Includes exceptional financing (i.e., changes in arrears and debt relief); changes in gross foreign assets; and valuation adjustments. For projections also includes contribution from price and exchange rate changes.

4/ Current-year interest payments divided by previous period debt stock.

5/ Defined as grants, concessional loans, and debt relief.

6/ Grant-equivalent financing includes grants provided directly to the government and through new borrowing (difference between the face value and the PV of new debt).

7/ Assumes that PV of private sector debt is equivalent to its face value.

8/ Historical averages are generally derived over the past 10 years, subject to data availability, whereas projections averages are over the first year of projection and the next 10 years.

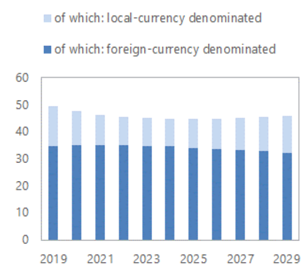
Table 2. Côte d'Ivoire: Public Sector Debt Sustainability Framework, Baseline Scenario, 2016-2039

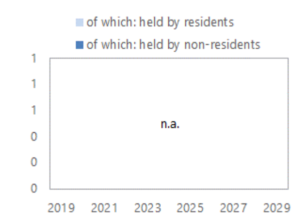
(Percent of GDP; unless otherwise indicated)

	Actual			Projections								Average 6/	
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2029	2039	Historical	Projections
Public sector debt 1/	43.1	45.3	49.7	49.6	47.6	46.4	45.5	45.0	44.7	45.9	52.9	48.2	45.8
of which: external debt	23.4	25.4	32.5	34.7	34.8	35.0	35.0	34.8	34.5	32.2	24.6	30.4	34.0
Change in public sector debt	2.4	2.2	4.4	-0.1	-2.0	-1.3	-0.9	-0.5	-0.3	0.5	0.9		
Identified debt-creating flows	2.1	-0.6	1.3	1.0	-1.6	-0.9	-0.6	-0.7	-0.7	-0.9	-0.7	-0.3	-0.7
Primary deficit	2.4	2.8	2.1	1.0	0.8	1.3	1.3	1.3	1.3	1.1	1.3	1.4	1.2
Revenue and grants	20.0	20.4	19.9	20.3	20.2	20.1	20.1	20.2	20.0	20.9	24.1	18.9	20.3
of which: grants	1.4	1.2	1.0	1.2	1.2	1.0	0.7	0.6	0.2	0.0	0.0		
Primary (noninterest) expenditure	22.4	23.2	22.1	21.3	21.0	21.4	21.4	21.5	21.3	22.0	25.4	20.3	21.5
Automatic debt dynamics	-0.1	-3.3	-0.8	0.0	-2.0	-2.2	-1.9	-2.0	-2.0	-2.0	-2.0		
Contribution from interest rate/growth differential	-1.3	-1.3	-2.0	-1.7	-1.9	-2.1	-1.8	-2.0	-1.9	-1.6	-2.0		
of which: contribution from average real interest rate	1.7	1.8	1.2	1.8	1.4	1.0	1.1	0.8	0.8	0.8	0.8		
of which: contribution from real GDP growth	-3.0	-3.1	-3.1	-3.5	-3.4	-3.1	-2.9	-2.8	-2.7	-2.4	-2.8		
Contribution from real exchange rate depreciation	1.2	-2.0	1.2	...	...	...	...	...	...	...	...		
Other identified debt-creating flows	-0.1	-0.1	0.0	0.0	-0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Privatization receipts (negative)	-0.1	-0.1	0.0	0.0	-0.4	0.0	0.0	0.0	0.0	0.0	0.0		
Recognition of contingent liabilities (e.g., bank recapitalization)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Debt relief (HIPC and other)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Other debt creating or reducing flow (please specify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Residual	0.3	2.8	3.0	0.6	-0.4	-0.5	-0.4	0.3	0.5	1.4	1.7	-1.8	0.5
Sustainability indicators													
PV of public debt-to-GDP ratio 2/	...	...	42.1	43.1	40.6	39.4	38.6	38.2	38.0	39.7	47.7		
PV of public debt-to-revenue and grants ratio	...	...	211.4	212.7	201.4	196.0	192.1	189.3	189.5	189.9	198.2		
Debt service-to-revenue and grants ratio 3/	11.9	13.2	29.1	32.6	32.0	27.1	26.2	25.2	27.5	32.1	41.8		
Gross financing need 4/	4.6	5.4	7.9	7.6	6.9	6.8	6.6	6.4	6.8	7.9	11.3		
Key macroeconomic and fiscal assumptions													
Real GDP growth (in percent)	8.0	7.7	7.4	7.5	7.3	7.0	6.7	6.5	6.4	5.6	5.7	6.1	6.4
Average nominal interest rate on external debt (in percent)	4.0	4.1	3.9	5.5	5.2	3.5	3.5	3.5	3.6	3.9	3.6	2.8	3.9
Average real interest rate on domestic debt (in percent)	6.4	7.1	4.5	4.4	3.6	4.9	6.1	7.2	8.0	9.5	7.7	2.4	7.2
Real exchange rate depreciation (in percent, + indicates depreciation)	5.5	-8.9	4.9	...	...	...	...	...	...	...	...	1.5	...
Inflation rate (GDP deflator, in percent)	-1.1	-1.7	0.4	1.0	1.7	1.7	1.7	1.7	1.8	1.7	1.8	2.1	1.7
Growth of real primary spending (deflated by GDP deflator, in percent)	13.5	11.7	2.1	3.5	6.1	9.0	6.8	6.9	5.6	6.0	6.8	8.7	6.4
Primary deficit that stabilizes the debt-to-GDP ratio 5/	0.0	0.6	-2.2	1.1	2.8	2.6	2.2	1.8	1.6	0.7	0.4	-0.6	1.5
PV of contingent liabilities (not included in public sector debt)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		

Definition of external/domestic debt	**Currency-based**
Is there a material difference between the two criteria?	**Yes**

Public sector debt 1/





Sources: Country authorities; and staff estimates and projections.

1/ Coverage of debt: The central government plus social security, central bank, government-guaranteed debt . Definition of external debt is Currency-based.

2/ The underlying PV of external debt-to-GDP ratio under the public DSA differs from the external DSA with the size of differences depending on exchange rates projections.

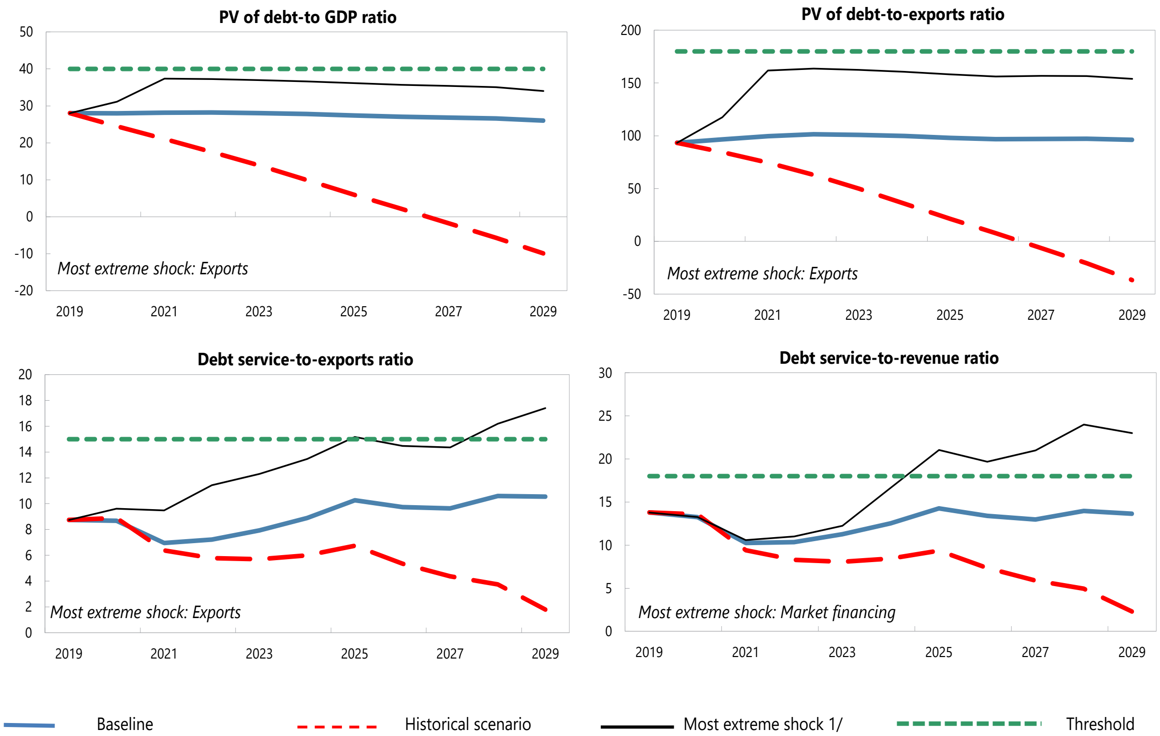
3/ Debt service is defined as the sum of interest and amortization of medium and long-term, and short-term debt.

4/ Gross financing need is defined as the primary deficit plus debt service plus the stock of short-term debt at the end of the last period and other debt creating/reducing flows.

5/ Defined as a primary deficit minus a change in the public debt-to-GDP ratio ((-): a primary surplus), which would stabilizes the debt ratio only in the year in question.

6/ Historical averages are generally derived over the past 10 years, subject to data availability, whereas projections averages are over the first year of projection and the next 10 years.

Figure 3. Côte d'Ivoire: Indicators of Public and Publicly Guaranteed External Debt under Alternative Scenarios, 2019–29[1/]



Customization of Default Settings		
	Size	Interactions
Tailored Stress		
Combined CL	No	
Natural disaster	n.a.	n.a.
Commodity price	No	No
Market financing	No	No

Note: "Yes" indicates any change to the size or interactions of the default settings for the stress tests. "n.a." indicates that the stress test does not apply.

Borrowing assumptions on additional financing needs resulting from the stress tests*		
	Default	User defined
Shares of marginal debt		
External PPG MLT debt	100%	
Terms of marginal debt		
Avg. nominal interest rate on new borrowing in USD	3.9%	7.0%
USD Discount rate	5.0%	5.0%
Avg. maturity (incl. grace period)	18	18
Avg. grace period	7	7

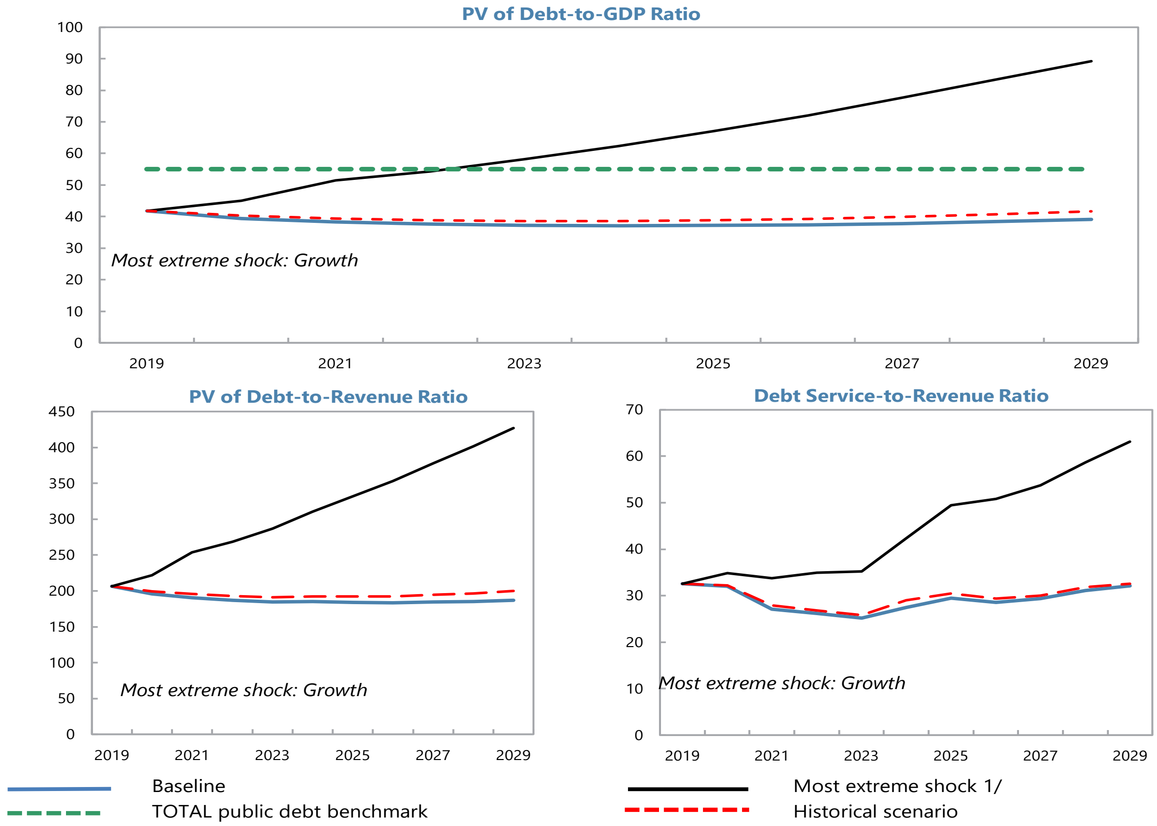
* Note: All the additional financing needs generated by the shocks under the stress tests are assumed to be covered by PPG external MLT debt in the external DSA. Default terms of marginal debt are based on baseline 10-year projections.

Sources: Country authorities; and staff estimates and projections.

1/ The most extreme stress test is the test that yields the highest ratio in or before 2029. The stress test with a one-off breach is also presented (if any), while the one-off breach is deemed away for mechanical signals. When a stress test with a one-off breach happens to be the most exterme shock even after disregarding the one-off breach, only that stress test (with a one-off breach) would be presented.

2/ The magnitude of shocks used for the commodity price shock stress test are based on the commodity prices outlook prepared by the IMF research department.

Figure 4. Côte d'Ivoire: Indicators of Public Debt Under Alternative Scenarios, 2019–29



Borrowing assumptions on additional financing needs resulting from the stress tests*	Default	User defined
Shares of marginal debt		
External PPG medium and long-term	58%	46%
Domestic medium and long-term	33%	42%
Domestic short-term	9%	12%
Terms of marginal debt		
External MLT debt		
Avg. nominal interest rate on new borrowing in USD	3.9%	7.0%
Avg. maturity (incl. grace period)	18	18
Avg. grace period	7	7
Domestic MLT debt		
Avg. real interest rate on new borrowing	4.4%	4.4%
Avg. maturity (incl. grace period)	4	4
Avg. grace period	3	3
Domestic short-term debt		
Avg. real interest rate	3.9%	3.0%

* Note: The public DSA allows for domestic financing to cover the additional financing needs generated by the shocks under the stress tests in the public DSA. Default terms of marginal debt are based on baseline 10-year projections.

Sources: Country authorities; and staff estimates and projections.

1/ The most extreme stress test is the test that yields the highest ratio in or before 2029. The stress test with a one-off breach is also presented (if any), while the one-off breach is deemed away for mechanical signals. When a stress test with a one-off breach happens to be the most exterme shock even after disregarding the one-off breach, only that stress test (with a one-off breach) would be presented.

Table 3. Côte d'Ivoire: Sensitivity Analysis for Key Indicators of Public and Publicly Guaranteed External Debt, 2019–29

(Percent)

	Projections 1/										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
PV of debt-to GDP ratio											
Baseline	28.0	28.0	28.2	28.2	28.0	27.8	27.4	27.0	26.8	26.6	26.0
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2019-2029 2/	28.0	24.5	21.0	17.6	13.9	9.9	6.0	2.2	-1.8	-5.7	-9.9
B. Bound Tests											
B1. Real GDP growth	28.0	30.7	33.7	33.7	33.5	33.2	32.7	32.3	32.0	31.8	31.1
B2. Primary balance	28.0	28.7	29.9	29.9	29.7	29.6	29.4	29.0	28.8	28.6	28.0
B3. Exports	28.0	31.1	37.4	37.2	37.0	36.6	36.1	35.7	35.4	35.0	34.0
B4. Other flows 3/	28.0	28.9	29.9	30.0	29.8	29.5	29.1	28.7	28.5	28.2	27.5
B5. Depreciation	28.0	35.3	32.9	33.0	32.8	32.6	32.1	31.7	31.4	31.1	30.5
B6. Combination of B1-B5	28.0	33.3	33.5	33.6	33.4	33.2	32.7	32.3	32.0	31.7	31.0
C. Tailored Tests											
C1. Combined contingent liabilities	28.0	31.8	32.3	32.3	32.0	32.9	32.6	32.3	32.0	32.1	31.6
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	28.0	28.3	29.0	29.2	29.2	29.1	28.8	28.5	28.3	28.2	27.6
C4. Market Financing	28.0	31.2	31.5	31.7	31.7	31.6	31.1	30.6	30.1	29.6	28.8
Threshold	40	40	40	40	40	40	40	40	40	40	40
PV of debt-to-exports ratio											
Baseline	93.2	96.5	99.7	101.4	100.8	99.7	98.1	96.8	96.9	97.2	96.2
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2019-2029 2/	93.2	84.5	74.4	63.0	49.9	35.6	21.3	7.8	-6.4	-20.8	-36.7
B. Bound Tests											
B1. Real GDP growth	93.2	96.5	99.7	101.4	100.8	99.7	98.1	96.8	96.9	97.2	96.2
B2. Primary balance	93.2	99.0	105.7	107.5	106.8	106.3	105.2	103.9	104.1	104.4	103.7
B3. Exports	93.2	117.5	161.7	163.6	162.5	160.6	158.2	156.2	156.7	156.6	153.9
B4. Other flows 3/	93.2	99.7	106.0	107.6	107.0	105.8	104.1	102.8	103.0	103.1	101.9
B5. Depreciation	93.2	96.5	92.3	94.1	93.6	92.6	91.1	89.8	89.9	90.1	89.5
B6. Combination of B1-B5	93.2	111.1	102.2	121.3	120.8	119.6	117.7	116.2	116.5	116.4	115.3
C. Tailored Tests											
C1. Combined contingent liabilities	93.2	109.6	114.1	115.8	115.1	117.9	116.9	115.5	115.8	117.4	117.0
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	93.2	97.9	102.7	105.1	105.1	104.4	103.0	101.9	102.4	102.9	102.1
C4. Market Financing	93.2	96.5	99.9	102.0	102.1	101.4	99.9	98.1	97.5	97.1	95.5
Threshold	180.0	180.0	180.0	180.0	180.0	180.0	180.0	180.0	180.0	180.0	180.0
Debt service-to-exports ratio											
Baseline	8.7	8.7	6.9	7.2	7.9	8.9	10.3	9.7	9.6	10.6	10.5
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2019-2029 2/	8.7	8.9	6.4	5.8	5.7	6.0	6.7	5.3	4.4	3.7	1.8
B. Bound Tests											
B1. Real GDP growth	8.7	8.7	6.9	7.2	7.9	8.9	10.3	9.7	9.6	10.6	10.5
B2. Primary balance	8.7	8.7	7.2	7.7	8.4	9.3	10.7	10.2	10.1	11.2	11.3
B3. Exports	8.7	9.6	9.5	11.4	12.3	13.5	15.2	14.5	14.4	16.2	17.4
B4. Other flows 3/	8.7	8.7	7.2	7.6	8.3	9.3	10.7	10.1	10.0	11.2	11.3
B5. Depreciation	8.7	8.7	6.9	6.7	7.5	8.4	9.8	9.3	9.2	10.1	9.7
B6. Combination of B1-B5	8.7	9.3	8.7	8.7	9.6	10.7	12.3	11.6	11.5	13.1	12.7
C. Tailored Tests											
C1. Combined contingent liabilities	8.7	8.7	7.8	8.2	8.9	9.8	11.4	11.0	10.9	11.8	11.9
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	8.7	8.7	7.1	7.5	8.2	9.2	10.7	10.1	10.1	11.1	11.1
C4. Market Financing	8.7	8.7	7.2	7.7	8.6	11.8	15.1	14.3	11.8	10.6	10.6
Threshold	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Debt service-to-revenue ratio											
Baseline	13.8	13.3	10.3	10.3	11.3	12.5	14.3	13.4	13.0	14.0	13.7
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2019-2029 2/	13.8	13.6	9.4	8.3	8.1	8.4	9.4	7.4	5.9	4.9	2.3
B. Bound Tests											
B1. Real GDP growth	13.8	14.5	12.3	12.4	13.5	15.0	17.0	16.0	15.5	16.7	16.3
B2. Primary balance	13.8	13.3	10.6	11.0	11.9	13.1	14.9	14.1	13.7	14.8	14.6
B3. Exports	13.8	13.4	11.4	13.4	14.3	15.5	17.2	16.3	15.8	17.5	**18.4**
B4. Other flows 3/	13.8	13.3	10.6	10.9	11.8	13.1	14.8	13.9	13.5	14.7	14.6
B5. Depreciation	13.8	16.7	12.9	12.2	13.4	15.0	17.2	16.1	15.6	16.9	15.8
B6. Combination of B1-B5	13.8	14.7	12.8	12.4	13.5	15.0	17.0	15.9	15.5	17.2	16.4
C. Tailored Tests											
C1. Combined contingent liabilities	13.8	13.3	11.5	11.7	12.6	13.8	15.9	15.1	14.7	15.6	15.4
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	13.8	14.0	10.9	11.2	12.1	13.3	15.0	13.9	13.6	14.6	14.4
C4. Market Financing	13.8	13.3	10.6	11.0	12.3	16.6	**21.0**	**19.7**	16.0	14.0	13.7
Threshold	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0

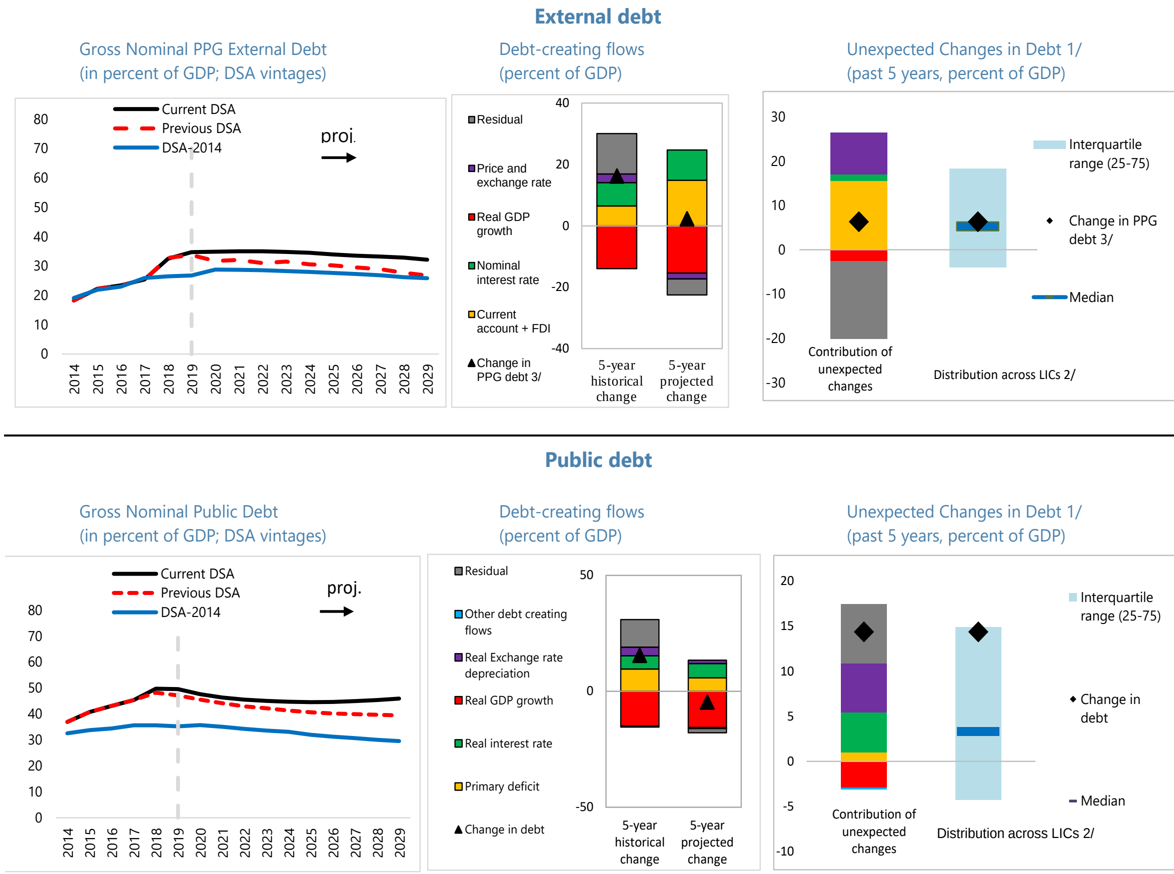
Sources: Country authorities; and staff estimates and projections.
1/ A bold value indicates a breach of the threshold.
2/ Variables include real GDP growth, GDP deflator (in U.S. dollar terms), non-interest current account in percent of GDP, and non-debt creating flows.
3/ Includes official and private transfers and FDI.

Table 4. Côte d'Ivoire: Sensitivity Analysis for Key Indicators of Public Debt, 2019–29
(Percent)

	Projections 1/										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
PV of Debt-to-GDP Ratio											
Baseline	43.1	40.6	39.4	38.6	38.2	38.0	38.0	38.1	38.5	39.1	39.7
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2019-2029 2/	43.1	41.5	40.5	39.8	39.5	39.4	39.6	39.9	40.6	41.4	42.3
B. Bound Tests											
B1. Real GDP growth	43.1	46.3	52.8	**55.5**	**59.3**	**63.4**	**67.9**	**72.8**	**78.4**	**84.1**	**89.9**
B2. Primary balance	43.1	42.1	42.4	41.6	41.6	41.9	42.6	43.6	45.0	46.6	48.2
B3. Exports	43.1	43.4	47.8	46.8	46.3	46.0	45.9	46.0	46.3	46.7	46.9
B4. Other flows 3/	43.1	41.5	41.2	40.4	39.9	39.7	39.6	39.8	40.2	40.7	41.2
B5. Depreciation	43.1	46.9	43.5	40.7	38.8	37.3	36.1	35.3	35.0	34.8	34.7
B6. Combination of B1-B5	43.1	41.3	41.9	41.5	42.0	42.8	43.9	45.3	47.2	49.3	51.3
C. Tailored Tests											
C1. Combined contingent liabilities	43.1	48.9	47.4	46.5	46.5	46.7	47.3	48.2	49.6	51.2	52.7
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	43.1	43.7	47.6	51.9	**56.8**	**61.6**	**66.5**	**71.4**	**76.9**	**82.5**	**88.2**
C4. Market Financing	43.1	40.6	39.5	38.8	38.6	38.5	38.5	38.5	38.7	39.0	39.5
TOTAL public debt benchmark	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0
PV of Debt-to-Revenue Ratio											
Baseline	212.7	201.4	196.0	192.1	189.3	189.5	188.1	187.2	187.6	188.3	189.9
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2019-2029 2/	212.7	205.4	201.2	198.0	195.8	196.8	196.1	196.1	197.8	199.6	202.5
B. Bound Tests											
B1. Real GDP growth	212.7	228.3	260.0	274.2	292.1	315.6	336.4	357.6	381.9	405.4	430.6
B2. Primary balance	212.7	208.9	211.0	206.8	206.2	209.3	211.2	214.0	219.3	224.4	230.7
B3. Exports	212.7	215.1	237.5	232.8	229.3	229.4	227.3	225.7	225.7	225.2	224.5
B4. Other flows 3/	212.7	205.9	204.8	200.8	197.8	198.0	196.4	195.4	195.7	196.1	197.2
B5. Depreciation	212.7	233.4	217.0	202.8	192.6	186.2	179.1	173.5	170.4	167.6	166.0
B6. Combination of B1-B5	212.7	204.7	208.3	206.4	208.0	213.5	217.6	222.6	230.1	237.4	245.8
C. Tailored Tests											
C1. Combined contingent liabilities	212.7	242.2	235.9	231.2	230.1	233.0	234.4	236.8	241.8	246.6	252.6
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	212.7	226.1	247.3	269.6	290.5	314.2	333.1	350.7	374.7	397.7	422.3
C4. Market Financing	212.7	201.4	196.3	193.0	191.0	191.9	190.6	189.0	188.4	188.2	189.0
Debt Service-to-Revenue Ratio											
Baseline	32.6	32.0	27.1	26.2	25.2	27.5	29.4	28.5	29.4	31.1	32.1
A. Alternative Scenarios											
A1. Key variables at their historical averages in 2019-2029 2/	32.6	32.2	27.9	26.8	25.8	29.0	30.5	29.3	30.0	31.9	32.6
B. Bound Tests											
B1. Real GDP growth	32.6	34.9	33.8	35.0	35.2	42.4	49.5	50.8	53.7	58.6	63.2
B2. Primary balance	32.6	32.0	28.5	27.9	26.4	30.9	32.8	30.4	30.9	33.4	34.6
B3. Exports	32.6	32.0	28.0	28.8	27.8	30.1	32.0	31.1	31.9	34.2	36.5
B4. Other flows 3/	32.6	32.0	27.4	26.7	25.8	28.0	30.0	29.1	29.9	31.9	33.0
B5. Depreciation	32.6	32.1	28.5	27.0	26.5	28.8	29.7	29.5	29.9	31.2	31.6
B6. Combination of B1-B5	32.6	31.7	28.4	27.7	26.8	29.3	32.5	31.6	32.7	34.6	36.1
C. Tailored Tests											
C1. Combined contingent liabilities	32.6	32.0	34.0	29.3	27.9	42.6	35.5	32.5	32.9	38.3	36.9
C2. Natural disaster	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
C3. Commodity price	32.6	33.6	31.1	33.3	33.9	42.1	49.6	50.7	53.1	57.8	62.4
C4. Market Financing	32.6	32.0	27.5	26.8	26.2	31.6	36.2	34.8	32.4	31.2	32.2

Sources: Country authorities; and staff estimates and projections.
1/ A bold value indicates a breach of the benchmark.
2/ Variables include real GDP growth, GDP deflator and primary deficit in percent of GDP.
3/ Includes official and private transfers and FDI.

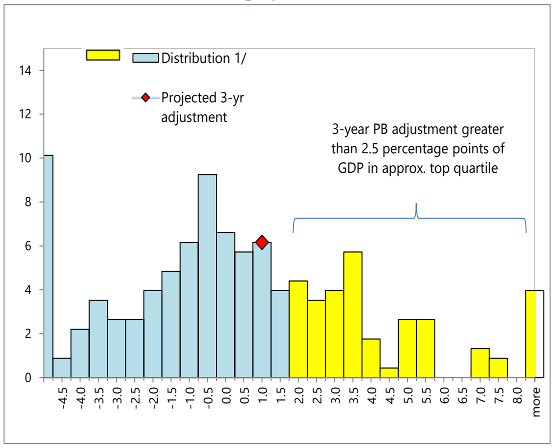
Figure 5. Côte d'Ivoire: Drivers of Debt Dynamics – Baseline Scenario



1/ Difference between anticipated and actual contributions on debt ratios.
2/ Distribution across LICs for which LIC DSAs were produced.
3/ Given the relatively low private external debt for average low-income countries, a ppt change in PPG external debt should be largely explained by the drivers of the external debt dynamics equation.

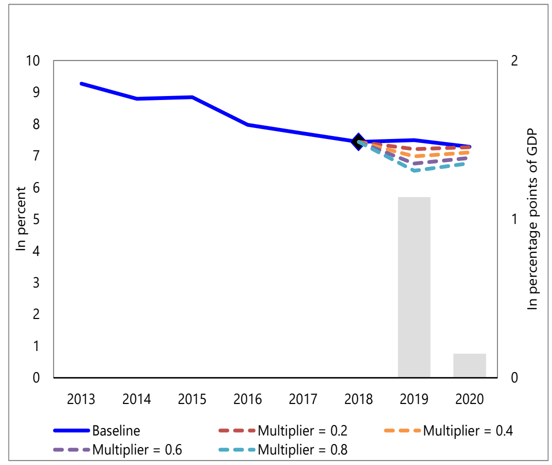
Figure 6. Côte d'Ivoire: Realism Tools

3-Year Adjustment in Primary Balance
(Percentage points of GDP)



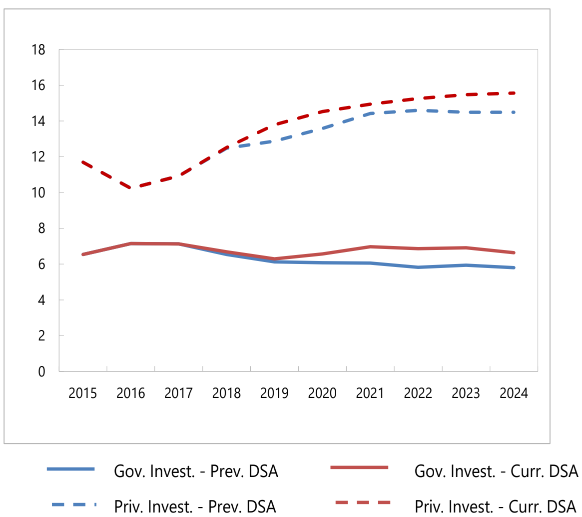
1/ Data cover Fund-supported programs for LICs (excluding emergency financing) approved since 1990. The size of 3-year adjustment from program inception is found on the horizontal axis; the percent of sample is found on the vertical axis.

Fiscal Adjustment and Possible Growth Paths 1/



1/ Bars refer to annual projected fiscal adjustment in terms of primary balance (right-hand side scale) and lines show possible real GDP growth paths under different fiscal multipliers (left-hand side scale).

Public and Private Investment Rates
(percent of GDP)



Contribution to Real GDP growth
(percent, 5-year average)

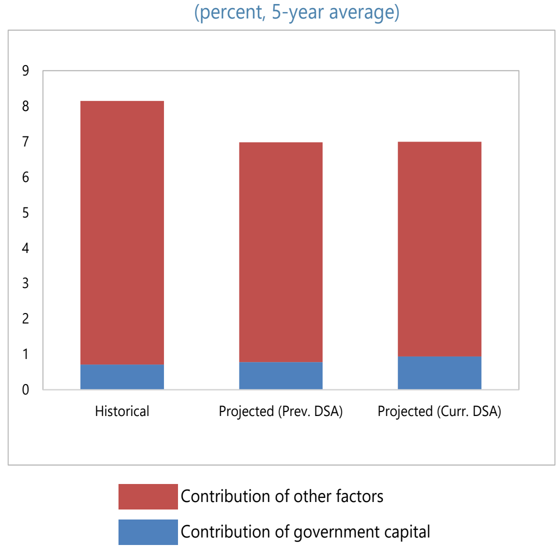
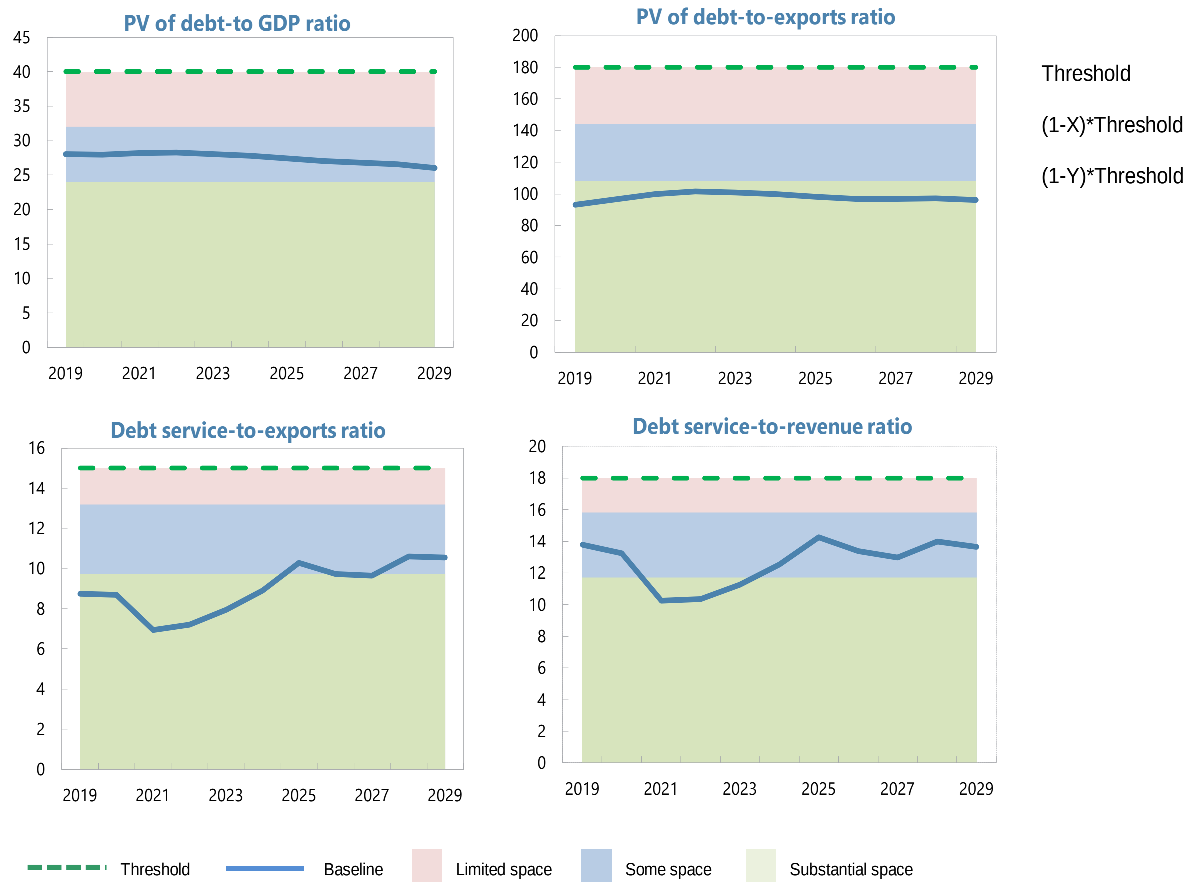


Figure 7. Côte d'Ivoire: Qualification of the Moderate Category, 2019–29[1/]



Sources: Country authorities; and staff estimates and projections.

1/ For the PV debt/GDP and PV debt/exports thresholds, x is 20 percent and y is 40 percent. For debt service/Exports and debt service/revenue thresholds, x is 12 percent and y is 35 percent.