

# Ivory Coast Cement Market:

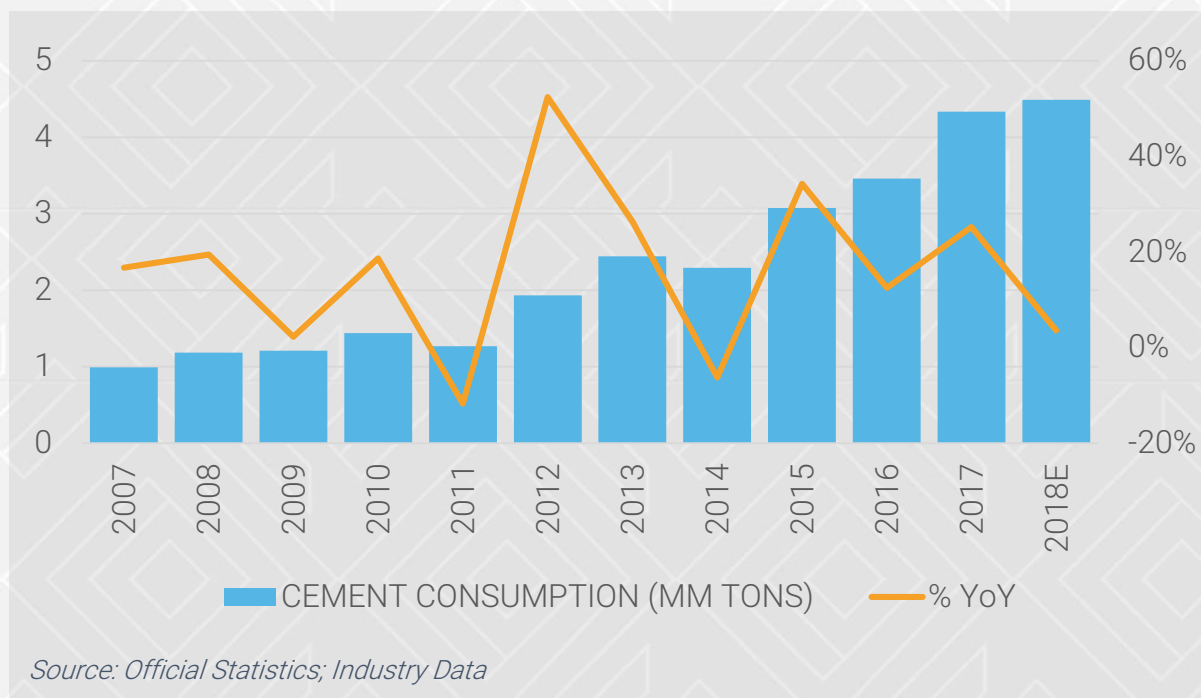


## An attractive destination for clinker exporters with challenging logistics

After hovering between 1.0-1.4 million tonnes during 2007 and 2011, the Ivorian cement consumption registered an unprecedented growth trajectory that culminated in 2018 with 4.5 million tonnes of cement consumed. The expansion of the cement industry was driven by increased investment in big Governmental infrastructure projects, which repositioned Ivory Coast as one of Africa's fastest-growing economies after the civil war.

It is important to note that cement consumption has most likely been artificially kept at lower levels given the inability to source sufficient imported clinker. During 2017 and well into 2018, clinker imports have been constrained by port congestion. This situation eased starting in mid-2018. The congestion was generated by the low availability of trucks that were occupied serving the cocoa and coffee industries, but also by the rehabilitation works performed at the Boulevard du Port.

FIGURE: CONSUMPTION OF CEMENT (2007 – 2018E)



Due to the lack of suitable raw materials (e.g. limestone), Ivory Coast is a net importer of clinker. The country imported over 20 million tonnes of clinker between 2007 and 2018, with Abidjan being the primary port of arrival. During the last decade, around 85% of all clinker imports came from seven countries: Spain (22%), Japan (14%), Morocco (12%), Greece (10%), Portugal (10%), Republic of Korea (9%) and Turkey (9%).

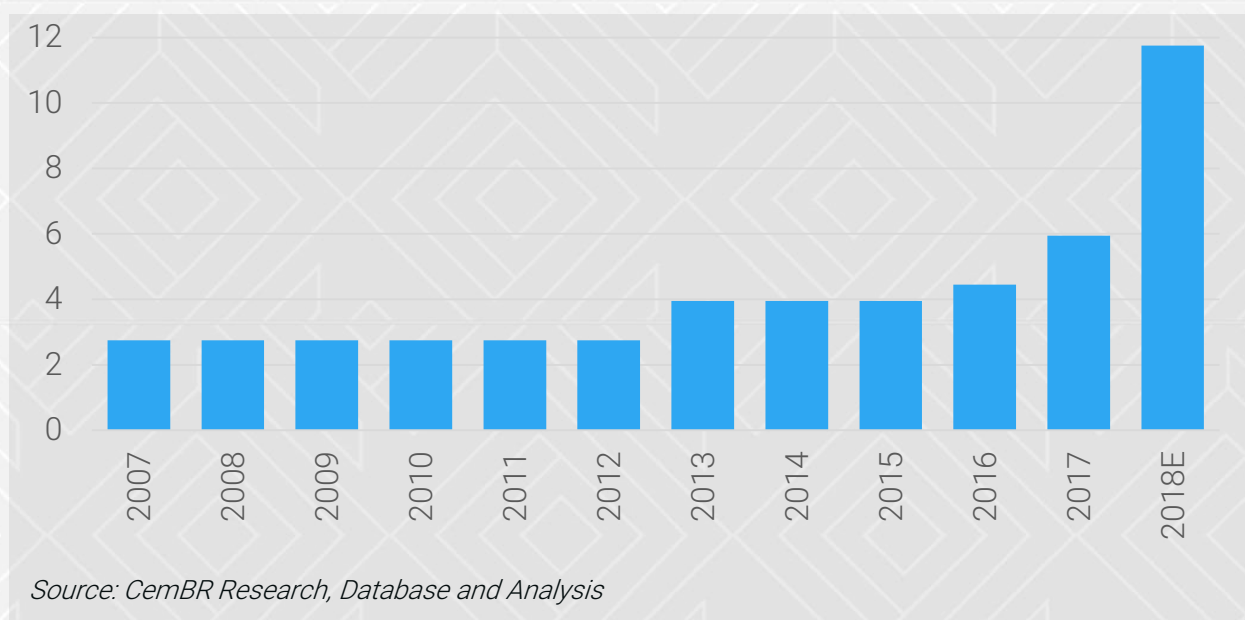
FIGURE: CEMENT AND CLINKER MARKET IMPORTS – EXPORTS (2007 – 2018E)





On the supply side, Ivorian grinding plants have been operating at high DCUF™ (Domestic Capacity Utilisation Factor) levels between 2015-2017 (73%-78%). The high DCUF™s raised significant interest from investors that expanded or entered the Ivorian cement market, with the bulk of the cement capacity increases taking place between 2017 and 2018. This has translated into a sharp decline of the DCUF™, which will remain constrained during the forecasting period, especially in the conditions of continued increases in cement capacity.

FIGURE: CEMENT INSTALLED CAPACITY (MT) BY TIME PERIOD (2007-2018E)



The DCUF™ is less relevant in cement markets that only have grinding plants. As opposed to the clinker lines, cement mills are not continuous process facilities. Thus, cement mills can operate under a strict schedule that follows demand with most of their costs being variable. But the low utilization rates do affect the return on investment and, with so many grinding units commissioned in such a short time span, it is expected that most of the companies will face lower than estimated ROIs.

Going forward, Ivory Coast will fuel its expansion through increased clinker imports, with the major limitation coming from the logistics side. All these and many more insights are provided in CemBR's Ivory Coast Cement Market (Country Report to 2023). Check the report contents [here](#).

Ivory Coast Cement Market – Country Report to 2023 (Published Q2 2019) is an essential tool for anyone interested in the country and West Africa. You can order the 43-page report directly from our website ([www.cementbusinessresearch.com](http://www.cementbusinessresearch.com)). Alternatively, please contact us for more information.

Business Research and Insights into the global cement sector