





burundi

trade on the ground

There's a growing trade momentum building across the country.

Trade's footprints are moving over endless green hills, fringed by palms, offering wide-screen views of the valleys below. Up high, trucks laden with tea, passion fruit and coffee navigate the bends, direction Kayanza, heading abroad to Kigali, Kampala and Nairobi.

Trade's journey passes by the Tanganyika lakeshore at fishermen's villages over by Rumonge. Here, hotels and restaurants newly under construction look out onto groups of young boys diving headfirst into clear water, clothes drying on the rocks. At the forest trails in Kigwena reserve, bird calls and baboon cries bounce off the canopy.

Trade is busy in action at Bujumbura's central market place where vocal women dressed in *kitenge* bargain over the daily catch at fish and fruit stalls. Next door, at tower block building sites, overlooking the crowds heading to catch a ride at the local bus terminal, animated workers throw materials up the scaffolding.

“We’ve opened up trade and put the emphasis on developing exports, agricultural products, standards and tourism services that will have a real impact on rural families.”

Victoire Ndikumana, Minister of Trade, Industry, Posts and Tourism

trade journey

Trade is giving development a step-up nationwide. Businesses are being set up – in just one day; coffee and tea factories are working hard to meet national standards and boost production; laboratories and regulatory bodies are looking at quality and certification for new markets; and tourism services are growing.

setting out the trade action plan

Putting the people involved in trade at the heart of the national plan for development is a bold ambition. In the past, communities living in less connected rural areas missed out. Vision Burundi 2025 is the framework partners have signed up to for the country’s long-term social and economic development. It’s planning to bring about change that lasts within a generation. To turn this into reality, a Development Assistance Database aims to improve transparency, make planning more efficient, coordinate actions as well as document and analyse aid flows.

The EIF has made an impact in helping to plug trade into this comprehensive national vision. Trade cuts across the latest Poverty Reduction Strategy Paper (PRSP), which acts as Vision Burundi 2025’s medium-term planning tool. It features strongly in development partner dialogues, such as in the Burundi Development Partners Conference (Geneva round-table) in October 2012. And trade has been a focus in the sectoral conference on Trade, Private Sector Development and Tourism held in Bujumbura in July 2013. At the same time, trade is present in sector strategies on agriculture, extractive industries, manufacturing, tourism and

trade snapshot

At ARFIC, workers in white coats package neatly stacked coffee embossed with the Royal Drummers’ Dance Troupe in the red, white and green national colours.

Research body ISABU puts its slogan ‘50 years’ agricultural research for the nation’ to the test as trained staff analyse samples with laboratory microscopes.

At Bujumbura’s loading port, masks are put on, and workers use cranes to heave sacks to Maersk containers once forklift trucks move goods from the warehouse.

Fruit and vegetable producers along the Bukeye-Bugarama road take turns to display produce washed in mountain streams, perfecting their sales patter.

At the Bandaga Marex Cooperative exporting passion fruit, local hill farmers rush in to have produce weighed, tested and certified to receive the season’s income.

Rwegura Tea Plantation and Factory’s animated colourful signs in Kirundi show simple steps to follow to protect product quality and keep workers safe on site.

Bujumbura’s craft market place is where browsing becomes an art form as wooden handicrafts, from crosses to boxes, are carved by hand using local skills.





“We believe that with the Enhanced Integrated Framework, we will have real benefits for Burundi’s population. We have started the second-generation Poverty Reduction Strategy Paper, and these EIF projects will also work towards the fight against poverty for the people of Burundi.”

Jérémie Banigwanizigo, EIF Focal Point and Director General of Trade, Ministry of Trade, Industry, Posts and Tourism

services, transport and energy. This has been the result of longstanding work by all stakeholders energized by the EIF National Implementation Unit (NIU) rallying support nationwide. It’s been done through broad-based workshops and information and outreach campaigns. The aim has been to use TV and print media to make people aware of what trade can do for growth and in the fight against poverty.

Important steps have been taken to map out priority areas on trade and translate them into concrete actions. Supported by the World Bank (WB), Burundi is the first country in the EIF programme to have updated their Diagnostic Trade Integration Study (DTIS) with cutting-edge analysis and an Action Matrix. There was a wide consultative process with stakeholders throughout as different leads were identified for the sectors. A workshop was held that discussed every chapter with relevant networks leading to strong partner buy-in to the process, the results and the plan on delivery. The team also focused on providing key findings from the DTIS Update (DTISU) into the PRSP process, particularly in the area of the country’s regional engagement. Significant progress has already been made in setting out trade policy goals and stabilizing the macroeconomic environment for investment, alongside a focus on competitiveness with steps taken to build on regional opportunities with the EAC Common Market and to attract visitors. English language skills are being honed for the team to operate more effectively in the Anglophone regional bloc.

building the trade partnership

The EIF has built up a broad national partnership on trade with Government economic ministries, private sector and civil society, agencies and development

partners. The Ministry of Trade, Industry, Posts and Tourism is taking a lead role, championed at the political level by the Minister. The EIF's active NIU, which is integrated into the Ministry structures that also provide the team with logistics support, is getting the agenda moving. Specific training on project management and monitoring and evaluation has helped build the team's know-how to deliver the programme.

EIF project proposals, selected from DTIS Action Matrix priorities, are screened by the 14 member-strong National Steering Committee (NSC). Alongside the Ministry of Trade, Industry, Posts and Tourism, it brings together the Ministry of Finance, Planning and Economic Development, Ministry of Agriculture and Livestock, Ministry of Telecommunications, Information and Communications and Parliamentary Relations alongside development partners and agencies including USAID, IFC and UNDP. The private sector is present with the Federal Chamber of Commerce and Industry, the Chamber of Women's Affairs, the Agency for Investment Promotion and partners on Land Management and Economic and Social Reform.

The Inter-Ministerial Committee provides overarching guidance on the focus areas on trade, while the Private Sector Development Group supports delivery on the agenda. Here, public and private sector partners discuss direction, and development partners pledge targeted support. The public-private sector link is strengthened through a sector group led by the Ministry of Trade, Industry, Posts and Tourism.

The EIF has helped secure strong backing from development partners. USAID as the EIF Donor Facilitator (DF) is helping coordination support national goals, backed by the IFC and the WB as Vice-DF. This has involved linking up with UNIDO on regional trade programmes, such as on standards to multiply results. Norad has also come in to provide project support in this area. At the same time, the DF has promoted advocacy efforts through user-friendly publicity brochures on expected results that have been disseminated countrywide. The Government has made important steps to engage in donor dialogues on trade and private sector development at the global level. The October 2012 Burundi Development Partners Conference in Geneva was supported by UNDP, the European Union,

SECO, Belgium, Germany, the World Bank (WB), AfDB and the IMF. The Government, the Agency for Investment Promotion and the EAC all backed the event, and follow-up is underway in 2013 to track commitments going forward.

getting trade moving on the ground

The public-private sector partnership is growing, driven by the Ministry of Trade, Industry, Posts and Tourism, and supported through EIF coordination efforts. Private sector companies lost out in the past crisis, and now, the Federal Chamber of Commerce and Industry links up SMEs across regions and also offers micro-finance.

With EIF support, the country has moved to tackle blockages to trade with a UNIDO-backed project to promote quality standards. 1,000 sanitary and phytosanitary (SPS) standards have already been harmonized nationwide. The project aims to boost capacity to export and protect consumers through stronger national systems, analysis, inspection and testing. Making industries aware of quality to improve exports has made an impact, and 50 people have been trained in five key areas to date. The focus on delivery is being rolled out through tailored local solutions with help going to public and private sector institutions. The wide project partnership comes from: the Standards and Quality Control Bureau, the Office for the Protection of Plants (DPV), the Institute of Agronomic Sciences of Burundi (ISABU), the National Centre for Food Technology (CNTA), the Regulatory Authority for the Coffee Sector (ARFIC), the National Institute for Public Health (INSP), Intercafé, the Agronomy Sciences Faculty (FACAGRO) and the Chambers on Agribusiness and Industry.

EIF projects to give greater exports and tourism a boost are also coming up. There'll be backing going to improve Export Processing Zones and cold storage chains in airports, a vital gap in the export chain, and help with mapping high potential tourist sites. It will include partnering with the National Office of Tourism, alongside the UNWTO, who have developed a tourism strategy for the country to be delivered with EIF support.



what next for trade

It's an inspiring set of goals for a small and landlinked country transitioning to a more secure, inclusive and prosperous outlook. Through Aid for Trade (Aft), with the EIF's backing, the country is planning for the future with a medium-term programme to consolidate the gains being made on trade nationally, regionally – through active participation in the East African Community – and globally.

Making progress on the DTISU's Action Matrix will mean working with partners to create a better business climate, diversifying exports and linking up value chains. That's alongside spreading the uptake of quality norms through information dissemination, having a tailored approach to look at company needs and taking a look at each sector in turn. Tapping in to regional programmes to facilitate trade, build food security and improve information systems will all be important. Not forgetting to strengthen private sector associations and support the small traders, providing access to market information and trade finance for them to expand. And at the same time, it will mean training a growing labour force in updated market skills. Making national and regional infrastructure accessible, storage facilities to work more effectively and mobility to take off through cheaper transportation will bring big rewards.

Keeping an ear close to the ground engaging communities nationwide, including women and young people, for their voices to impact on trade policies and projects, will lead to long-term development results. Now it's the turn of the full partnership to support Burundi's trade roadmap and go the distance together.



“The partnership between the Ministry of Trade and the donors has worked very well and has been one of the key elements of success of the programme, through the National Steering Committee.”

Eric Mabushi, EIF Vice-Donor Facilitator, Economist, IFC – The World Bank

trading high

making trade matter:

The Action Matrix of the Diagnostic Trade Integration Study Update (DTISU) features in the second generation Poverty Reduction Strategy Paper (PRSP) together with a new section on gender

Trade cuts across sector strategies on agriculture, extractive industries, manufacturing, tourism and services, transport and energy

The Burundi Agency for Investment Promotion (API) has been set up, leading to improvement in three 'Doing Business' indicators, with reforms in nine indicator areas underway

support to trade:

EIF total support equals US\$4,316,646

EIF Trust Fund support is reinforcing standards with US\$2,610,372; Norad support adds up to US\$374,143

The EIF trade-capacity building project of US\$900,000 is matched by the Government's contribution of US\$70,000 per year plus logistics support

"We are supporting training and awareness-raising sessions. Without norms, you cannot have something of quality and be competitive. You cannot gain customers' trust and ultimately earn money from what you produce."

Damien Nakobedetse, Director, Standards and Quality Control Bureau

private sector:

The Federal Chamber of Commerce and Industry works with regional Chambers and offers micro-finance; the private sector is made up of approximately 3,000 SMEs

A 2008 Presidential Decree set up the Public-Private Sector Consultation Framework

exports:

EIF project support to standards will help the Government's fruit and vegetable initiative in getting 800 tons of passion fruit exports to reach 2,000 tons every year and at the same time move up the value chain with juices and concentrates

EIF project support will help to improve the Export Processing Zone and quality and airport storage for horticulture products, flowers and other perishable goods

"The Enhanced Integrated Framework can help us enormously in the sense that it can mobilize its partners, choose priority projects. The project to identify the tourist sites that are not yet known in Burundi, we are working on all these factors."

Déo Ngendahayo, Director, National Office of Tourism

standards:

EIF support will help over 100 pilot small and medium enterprises to boost exports with sanitary and phytosanitary (SPS) standards; support is going to upgrade research institutions and laboratories on norms and build national expertise	1,000 SPS standards are harmonized nationwide. The goal is to reach up to 1,150
A new law on standardization and quality assurance is already in place	

tourism:

EIF support is going to studies to look at tourism sites for community development, skills enhancement and boosting investment	A tourism strategy is in place with support from UNWTO
Burundi has the southern-most source of the Nile for untapped tourism potential while chimpanzees and other rare wildlife can be found in the country's unspoiled forests	

"We have developed a tailored strategy whereby we study each company. This tailored approach will help us a lot to deliver quicker results. It's a whole chain that needs to be developed, and everyone must be up to date, aware and make it their business to do so."

Nestor Bikorimana, National Project Coordinator, UNIDO

agriculture:

Agriculture employs over 95% of the population and accounts for 43% of GDP	Coffee accounts for 80% of exports; bio certification could add up to 30% more value
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trade across borders:

Burundi has upped regional trade and is part of the EAC Common Market since 2010	Evidence suggests informal trade accounts for US\$101 million in the EAC, contributing to 28% export growth rate
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doing business:

Just one day is needed to set up a business with the right authorizations and start operating	The World Bank's 'Doing Business' ranking went from 172 in 2012 to 159 in 2013, and the <i>starting a business</i> indicator scored 28 in 2013 from 99 in 2012
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"Coming out of crisis, the country has seen the private sector harder hit than other sectors. This DTIS will better respond to private sector needs. We are going to have a good programme that will be positive for the private sector. The EIF is coming to support these export initiatives at their core."

Christian Nkengurutse, Secretary General, Federal Chamber of Commerce and Industry





trade story

“Tourism is helping us to get a lot of customers. If we can get customers, we can get a lot of income thanks to tourism. We must get the information we need so that tourism can continue to help us.” Jeanine Mpawenayo, waitress

Jeanine looks out across the expanse of Lake Tanganyika, her check-patterned ironed shirt blowing in the breeze, and breaks into a smile. Behind her, a group of recently arrived tourists enjoy fresh fish and tropical juice at the upmarket Blue Bay hotel where she has been a waitress for the last few years. *“For us as women, we are learning a lot, all these ideas are helping us grow in knowledge.”* For Jeanine, tourism isn’t just about helping her three children under five through school and with healthcare, though clearly a big motivation. It’s also been a journey of pride in her country and in herself. *“We can show [customers] the forests, the land, we can give out information. It’s really helping us.”*

Burundi’s brand is captured in the slogan *‘mutima wa Africa,’* ‘the heart of Africa,’ as sung by BBC Africa award winner Serge Nkurunziza. It’s a fresh vision of what is possible after years of insecurity and standing still. Jeanine and other women are ready to make their mark, plugging in to trade’s promise of growth and prosperity. *‘Amakuru,’* ‘what’s the news?’ is voiced in greeting when friends meet in Burundi. Today, you can often connect the reply to trade’s newfound energy nationwide.

“The main result has been the identification of the constraints and potential in relation to trade promotion. We have national structures that are working to coordinate partners’ actions, programmes that aim to support business but also impact on the grassroots.”

Léonard Ntibagirirwa, EIF NIU Coordinator, Ministry of Trade, Industry, Posts and Tourism