

IOA | 2019 | ACBR

AFRICA COUNTRY BENCHMARK REPORT



Burundi Profile



New bicycle ambulances that allow a patient to be transported by foot-power is a practical method to provide medical services in difficult to reach areas from urban slums without proper roads to remote villages.



Image courtesy of PWRDF



BURUNDI

#44

BURUNDI

OVERVIEW ANALYSIS

The underlying factors are in place for a violent turn of events. The capture of government institutions by the ruling party allowed President Pierre Nkurunziza to execute a constitutional coup d'état. The political opposition has been repressed, and about 600,000 Burundians who fled fears of genocide remain in refugee camps in neighbouring countries. Burundi advanced two positions in the ACBR 2019, from 46th place with a score of 36.84 in ACBR 2017 to 44th place made possible by a score of 39.32. Sturdier Business, Economics and Society scores account for the improvement. However, statistically, Burundi is among Africa's lowest 10% of countries. Political tensions have been managed by government through repression. This is not normal but rather a respite from the earlier violence of the Nkurunziza government.

KEY OPPORTUNITIES

- Coffee and tea are established exports
- Trade links exist with Central African nations
- Social services, particularly education and healthcare, require large-scale refurbishments

KEY CONCERNS

- The country's landlocked position limits export industries
- A lawless dictatorial government is only prevented from committing genocide by a United Nations (UN) presence
- A refugee crisis has and will continue to distort society until resolved

COUNTRY HIGHLIGHTS

PREDOMINANT
RELIGION



Christianity

PREDOMINANT
LANGUAGE



Kirundi

POPULATION
WITHOUT
ELECTRICITY



92.4%
(#54) ▼¹

LITERACY
RATE



85.6%
(#10) —

PRIMARY
ELECTRICITY
SOURCE



Hydroelectric

IMPORT/
EXPORT



Chemical
Products/Gold

EXTERNAL
DEBT



US\$ 0.691
billion
(#49) ▼²

ACTIVE
CONFLICT



No

LAND
SIZE



27,830 km²
(#44)

INTERNET
PENETRATION



5.2%
(#46) ▼²

40%



AGRICULTURE

16%



INDUSTRY

44%



SERVICES

45.6%



0-14

19.2%



15-24

28.7%



22-54

6.5%



55+



Term:

26/08/2005 - present
7 years (2 term limit)



Political Party:

National Council for the Defense of
Democracy



Recent Electoral Information:

21/07/2015
1 961 510 Votes
69.4%

Voter turnout: 73.44%



President
Pierre Nkurunziza

CONTRIBUTIONS TO GDP BY SECTOR

POPULATION AGE BREAKDOWN

NATIONAL GOVERNANCE

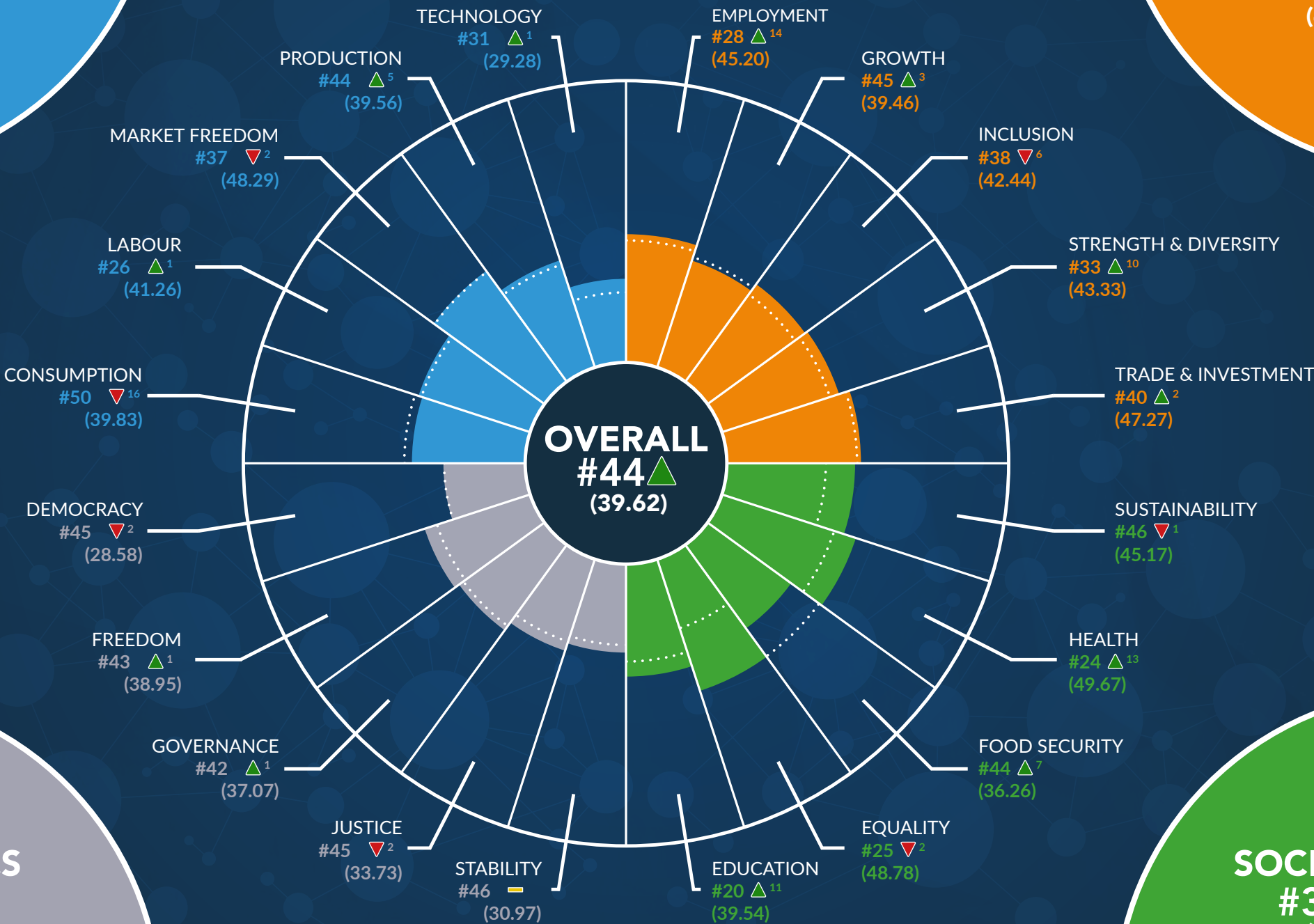
BUSINESS

 **#41**
(39.71)

BURUNDI PERFORMANCE OVERVIEW

ECONOMICS

#37 
(42.09)



OVERALL
#44 
(39.62)

POLITICS

 **#45**
(33.86)

SOCIETY

#38 
(42.83)

 Increase from 2017  Decrease from 2017  No change 2017 Score

BURUNDI BUSINESS ANALYSIS

#41

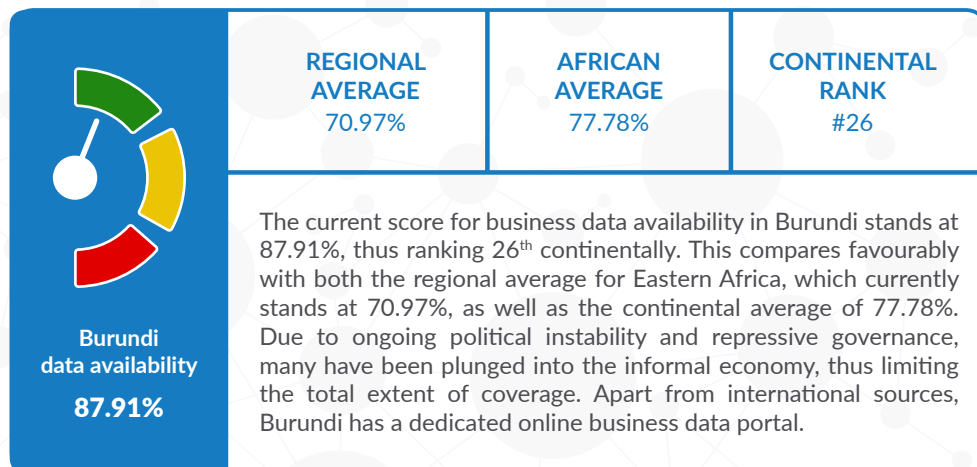
BUSINESS OVERVIEW

Any investor must view profitability as a long-term venture, with the country's political crises showing no signs of resolution. Should democracy return to Burundi, economic policies would likely favour investors. Although Burundi is short on natural resources, their own domestic market is in need of servicing. The agricultural sector can be profitable and become an export engine. Because of good rains and favourable climate, some soils allow crops to grow twice a year. Of Burundi's land, three-quarters is suitable for agriculture, which is a very high percentage for any African country. Some land productivity is being undermined by poor subsistence agricultural practices. Again, this sector needs a long-term approach by investors.

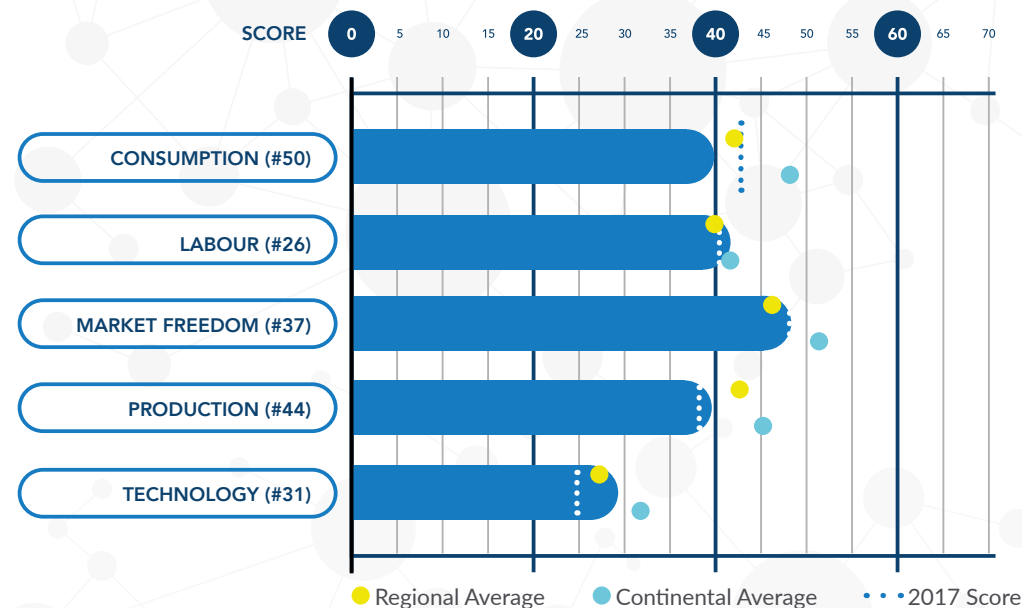
For the immediate term, businesses must cope with corruption that is the hallmark of any autocratic government. The energy sector also presents long-term profitability. Nearly all of Burundi's electricity is generated through hydroelectric plants. The electricity infrastructure is in need of expansion, and more hydrogenating capacity will mean energy for export.

Burundi dropped three rankings in the Business quadrant, from 38th to 41st, despite a score of 39.71 that is nearly a point higher than the previous period of review. This drop signals a poorer performance relative to other ranked countries. Overall, Burundi has descended to the bottom five of Africa's business environments.

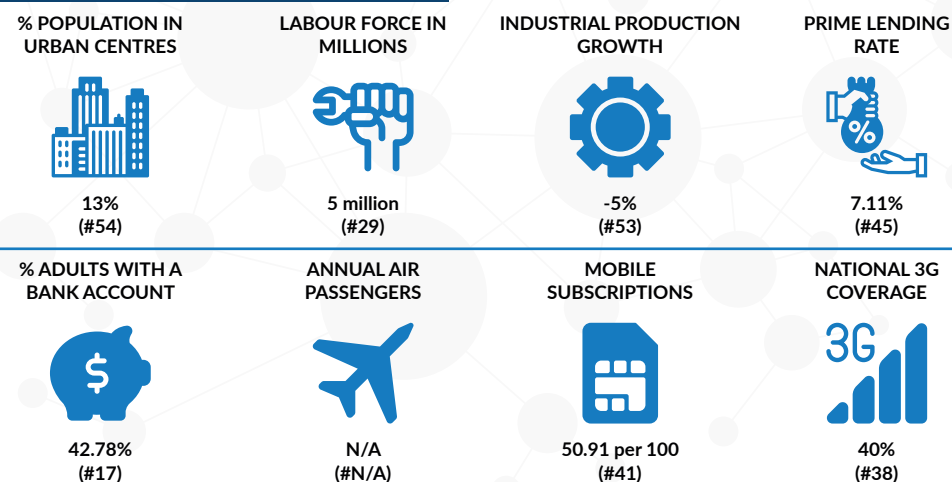
BUSINESS DATA COMMENTARY



BUSINESS SCORES & RANKINGS



BUSINESS STATISTICS



BURUNDI ECONOMIC ANALYSIS



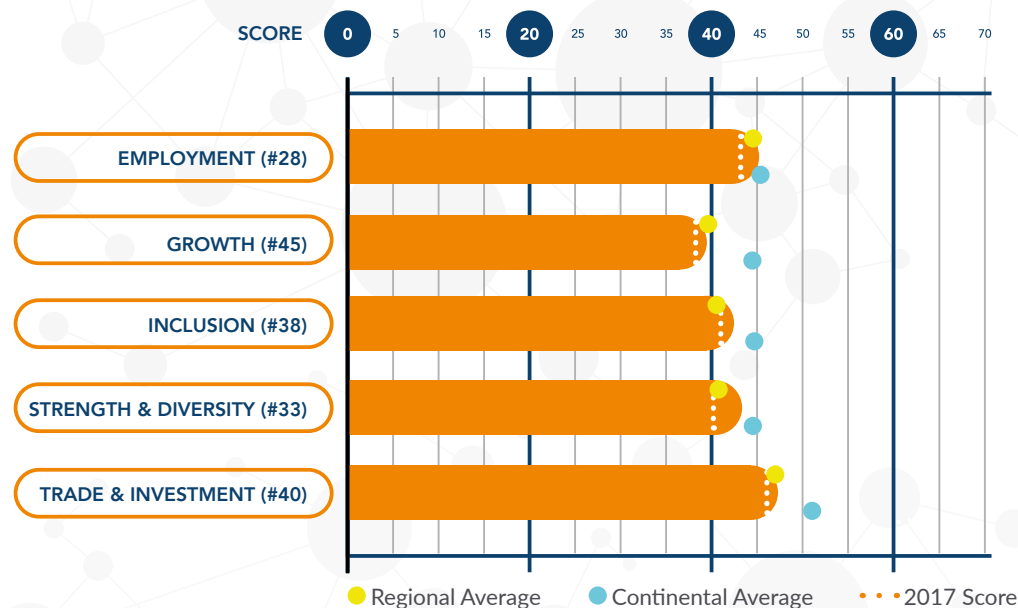
ECONOMIC OVERVIEW

Coffee and tea contribute 90% to Burundi's export earnings. While 90% of the workforce is engaged in agriculture, this represents the sector's potential rather than current output. Currently, the output is geared towards subsistence farming rather than products for export.

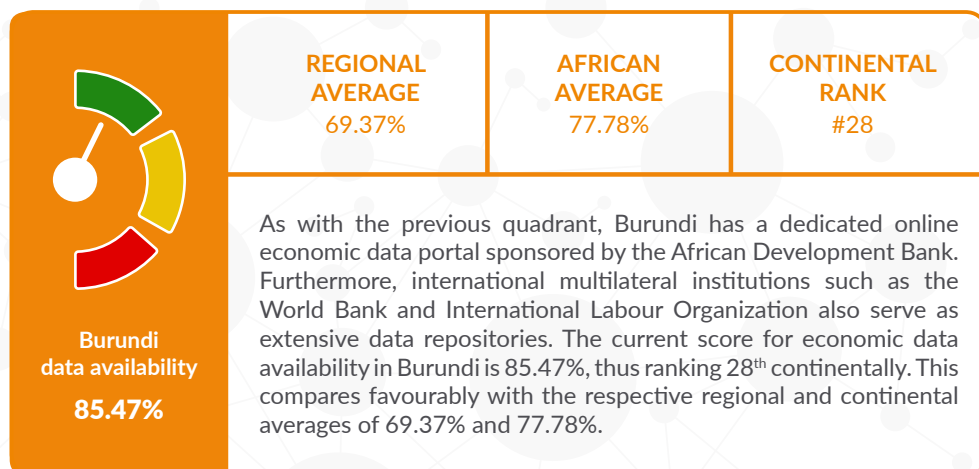
Because the country's poverty limits taxation revenue from individuals, Burundi's government has relied on foreign aid for years to meet basic budgetary needs. Sometimes, the support from bilateral partners and international organisations has been required to meet nearly half of government's budget. This aid dependency may have the beneficial effect of curbing government's more aggressive tendencies that worry the international community.

Among the 500,000 Burundians who are refugees from the country, many will never return. Their exodus has permanently deprived the economy of their skills, leaving a disruptive workforce.. Despite these on the ground developments, Burundi's Economics quadrant position of 37th sees the country's most robust quadrant performance in ACBR 2019. A score of 42.09 allowed Burundi to rise four positions from 41st in 2017, when a score of 41.72 was achieved. This improvement can be attributable to government's efforts to normalise national life, which has resulted in less reported bloodshed. Some new economic activity has returned to the country, and Burundi now seeks to join the SADC regional body.

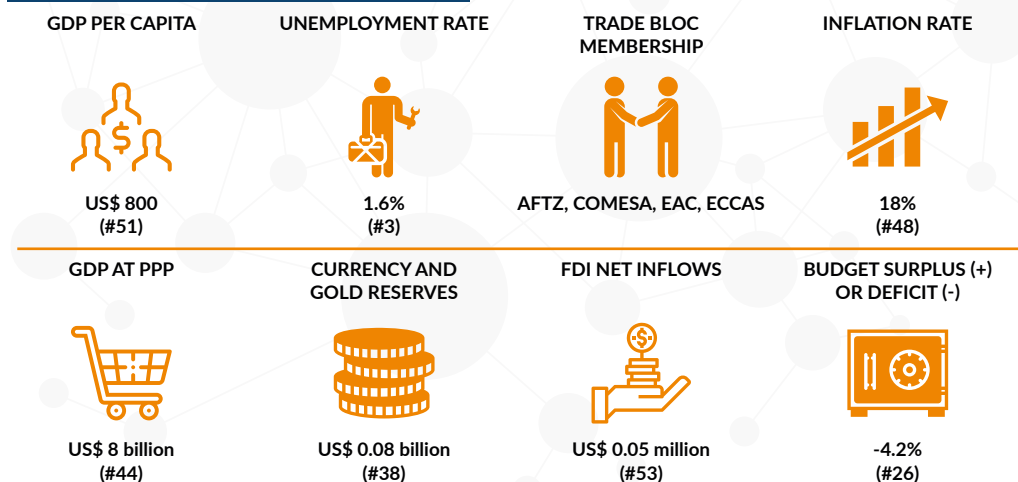
ECONOMIC SCORES & RANKINGS



ECONOMIC DATA COMMENTARY



ECONOMIC STATISTICS



BURUNDI POLITICAL ANALYSIS

#45

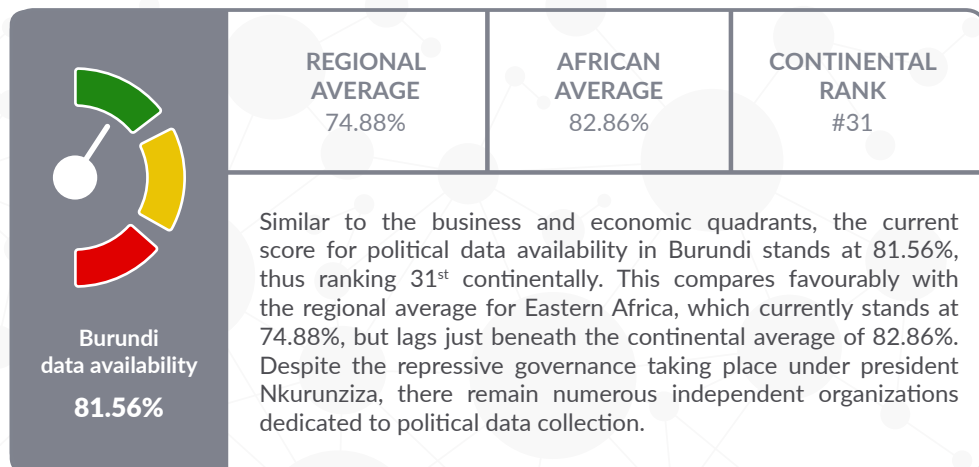
POLITICAL OVERVIEW

Burundi ranks 18th in the category of Africa's biggest spenders on their military. While capital punishment has been abolished, state executions carried out by government-supported hit squads have been documented by human rights observers. Although the past year has been characterised by relative calm in government-sponsored violence, the country's democratic institutions continued to decline in ACBR 2019.

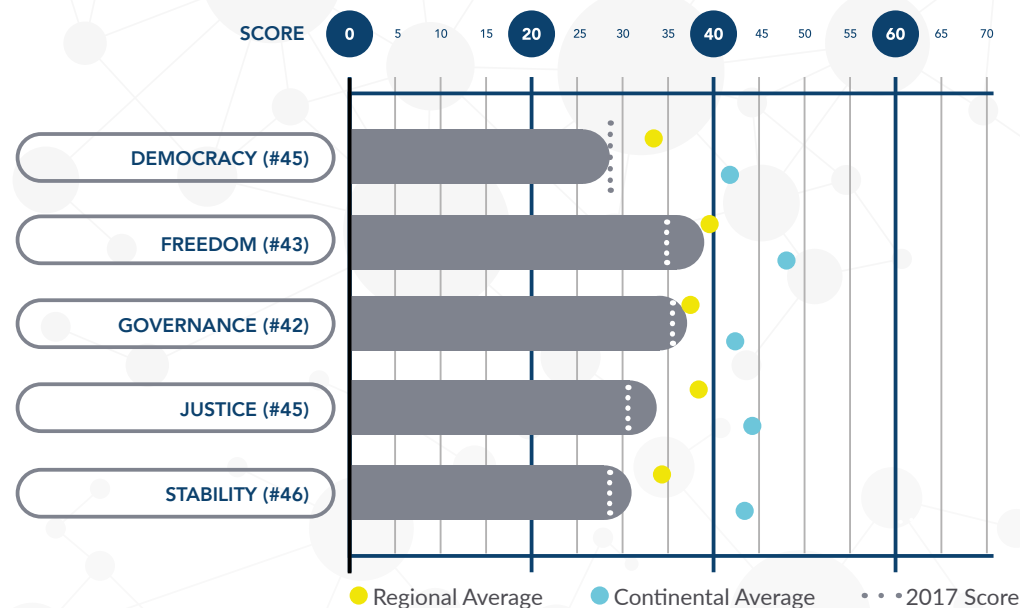
East African leaders have come to accept the governance of Nkurunziza, and no international intervention will happen beyond the continuing deployment of UN observers. Despite Nkurunziza's objections to their presence in the country, the observers act as a deterrent, through

their presence, to the government's human rights abuses. Nkurunziza's takeover of government is four-years-old, but remnants of the political opposition exist. The Independents of Hope party holds 21 parliamentary seats to 77 held by the ruling party, the National Council for the Defense of Democracy - Forces for the Defense of Democracy (CNDD-FDD). The Independents of Hope party and their members living in exile are at the forefront of keeping attention on government. Burundi's ranking in the Politics quadrant of ACBR 2019 remains unchanged from the previous period of review. The country stands at 45th, in the lowest 10% of Politics rankings across the continent, with a score of 33.86. This score rose slightly from 31.58 recorded in 2017.

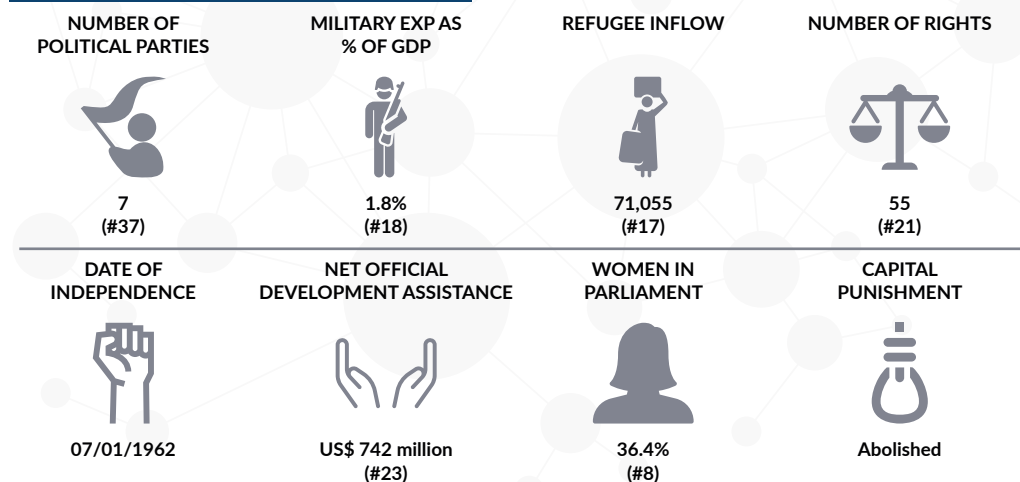
POLITICAL DATA COMMENTARY



POLITICAL SCORES & RANKINGS



POLITICAL STATISTICS



BURUNDI SOCIETAL ANALYSIS



SOCIETAL OVERVIEW

An explanation is required for Burundi's sometimes impressive gains relative to other less-conflicted African countries in the Society quadrant segments. Burundi rose by 11 positions in Education and by 13 in Health. While their position dropped by two places in Equality and by one in Sustainability, Burundi rose past seven other countries in Food Security.

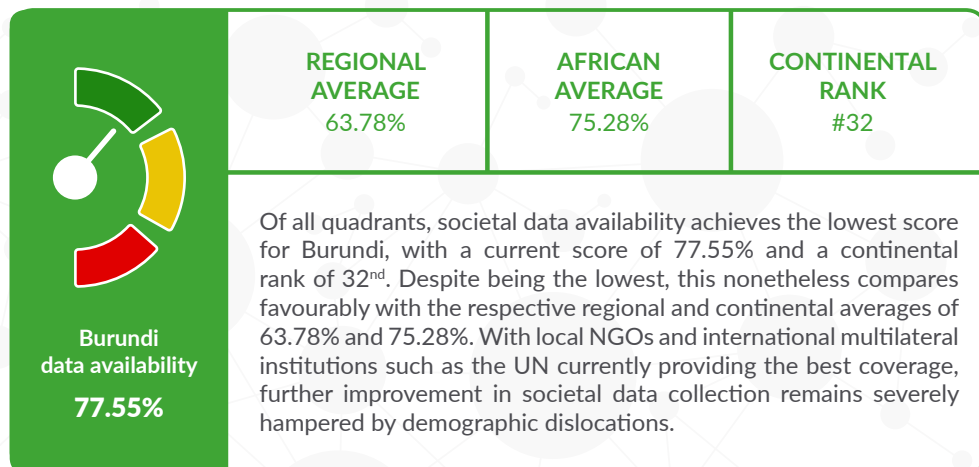
This performance suggests a recovering country that is growing their social services. In actuality, Burundi's ruling government has lessened the degree of violence against opponents to allow a degree of normal activity in some places. The country's humanitarian crisis, like their fiscal crisis, is being managed in large part by outside intervention. Such interventions

are showing results but, as suggested by the Sustainability segment, cannot be permanent.

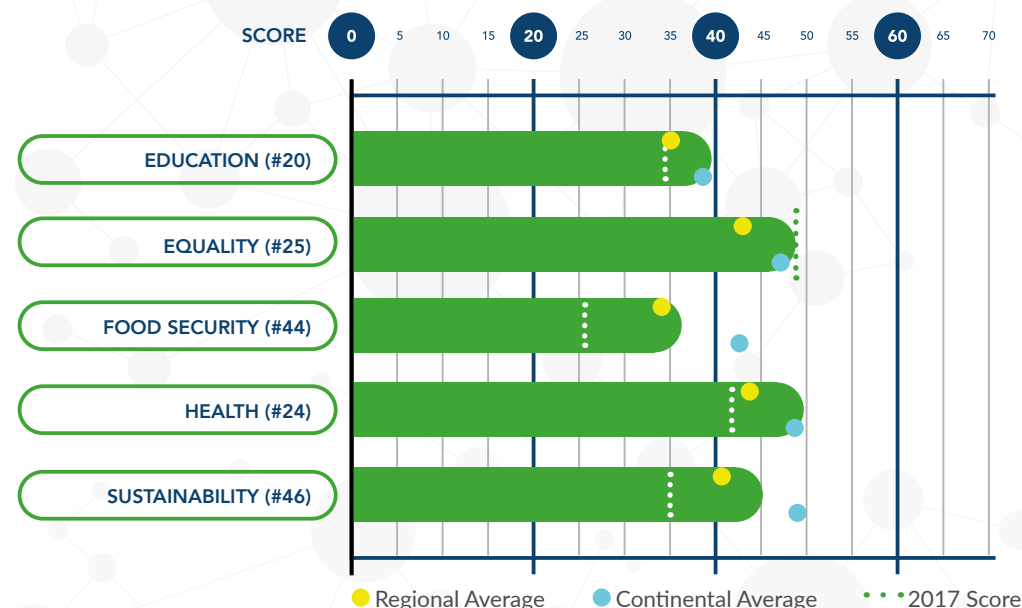
Access to clean drinking water and communications is poor. Burundians wanting to be employed in the formal sector may need to establish good relations with the ruling CNDD-FDD party. The massive refugee outflow of Burundians fleeing the Nkurunziza government has affected all aspects of society.

Although the ongoing political crisis has engendered societal maladies from the refugee crisis to the establishment of a police state, Burundi's greatest improvement in ACBR 2019 is in the Society quadrant.

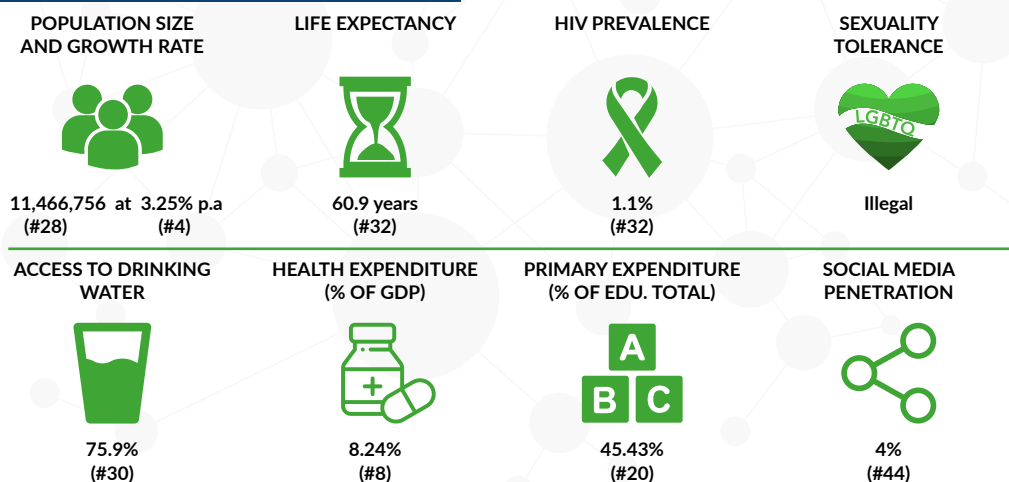
SOCIETAL DATA COMMENTARY



SOCIETAL SCORES & RANKINGS



SOCIETAL STATISTICS



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