

BURKINA FASO

Unity– Progress- Justice



Good morning !

MEASURES UNDERTAKEN BY THE
GOVERNMENT OF BURKINA TO
PROMOTE PRIVATE SECTOR IN THE
FRAMEWORK OF FOREIGN
INVESTMENTS

Mahama ZOUNGRANA

Minister of Agriculture and Food Security

OUTLINE OF THE PRESENTATION

INTRODUCTION

PART I : Context and expected outputs

PART II : Potentialities and assets of Bagré

PART III : Components of the Project

PARTIE IV : The New Alliance for Food Security and Nutrition

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INTRODUCTION

INTRODUCTION

- ▶ According to the dominating place of agriculture in the national economy (87 % of the working population, 33,83 % of the GDP for the period 2000–2010, 74,6 % of agricultural household income), the national authorities set up a suitable legal, regulatory and innovative framework which is particularly attractive along with an effective Policy for protection, security and promotion of investments.

INTRODUCTION

Public – Private Partnership

- ▶ To allow private sector to play completely its role in the economic development, the Government created the Commission for Dialogue Government – Private sector which became later the Permanent Commission for Dialogue Government – Private sector.
- ▶ The ultimate goal of this Commission is to promote strengthened and permanent dialogue between the Government and the Private sector; the objective is to take into consideration private operators' preoccupations with regard to economic decisions that the Government has to take.

INTRODUCTION

The Accelerated Growth and Sustainable Development (AGSD) 2011– 2015

- ▶ **Adopted by the Government in December 2010, AGSD (2011-2015) is the reference for both public and development partners interventions in Burkina Faso.**
- ▶ **Objective: «To achieve a strong economic growth (10% per year) »,**
- ▶ **To reach this goal, among other measures, AGSD has initiated an approach based on the promotion of Pole of Growth having a big agricultural potentiality such as Bagré Pole.**



I
**CONTEXT AND EXPECTED
OUTPUTS**

Context and expected outputs

- ▶ **The Project Bagré Pole of Growth (PBPG)** is based on the existing potentialities of the zone which, according to the **AGSD 2011–2015**, contribute to achieve the development objectives of the Government by :
 - **Accelerating growth ;**
 - **Creating jobs ;**
 - **Reducing unemployment and poverty ;**
 - **Supporting communities living in the project's zone .**

Context and expected outputs

- ▶ **General objective** : **Contribute to increase the growth of economic activity by increasing private investments, jobs creation and agricultural production.**
- ▶ **Approach** : **Public - Private partnership through public funding as catalyst for private investments.**

Context and expected outputs

PROJECT FUNDING



Context and expected outputs

GREAT EXPECTED OUTPUTS

30,000 direct jobs

20,000 beneficiaries in which 30% are composed of women

250,000 indirect beneficiaries

From 157,000 tons in 2010 to 450,000 tons of agricultural products in 2017

From 522 tons of fish in 2009 to 1,250 tons of fish in 2017

From 300 tons of animal feed to 2,400 tons of animal feed in 2017

At least 80 services providers for critical issues.



Context and expected outputs

TARGET

▶ Key target group:

- Private national and foreign operators / investors
- Producers and their organizations
- Small and Medium Enterprises (SME) dealing with agricultural production and processing
- Public institutions in charge of exports promotion, agricultural investments and private sector development in Bagré
- Services providers for enterprises development

Operating in the markets : local , national, regional (ECOWAS, EMUWA) and international

Context and expected outputs

TARGET

▶ Guiding principles :

- Ensure shared profits and optimize the added value
- No restrictions on the types of legal enterprises
- Ensure an opened process of selection which is transparent and rigorous based on :
 - Economic criteria (added value)
 - Social criteria(number of created jobs)
 - Financial criteria (rate of profitability)

Context and expected outputs

TARGET

▶ Sectors:

- Agriculture
- Livestock
- Fishing
- Processing
- Critical services
- Tourism
- Crafts industry
- Trade, etc.

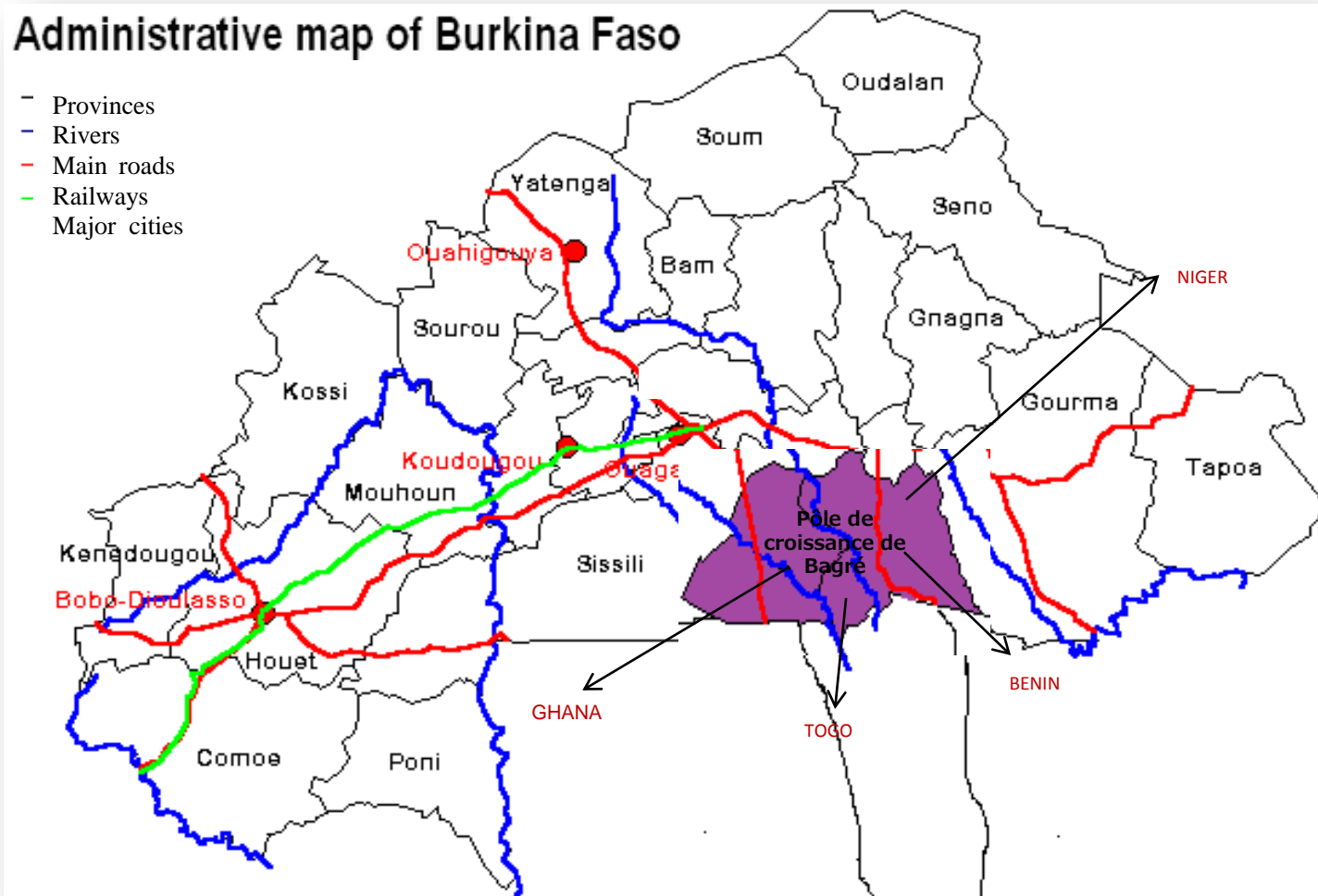
II

**POTENTIALITIES AND
ASSETS OF BAGRE**

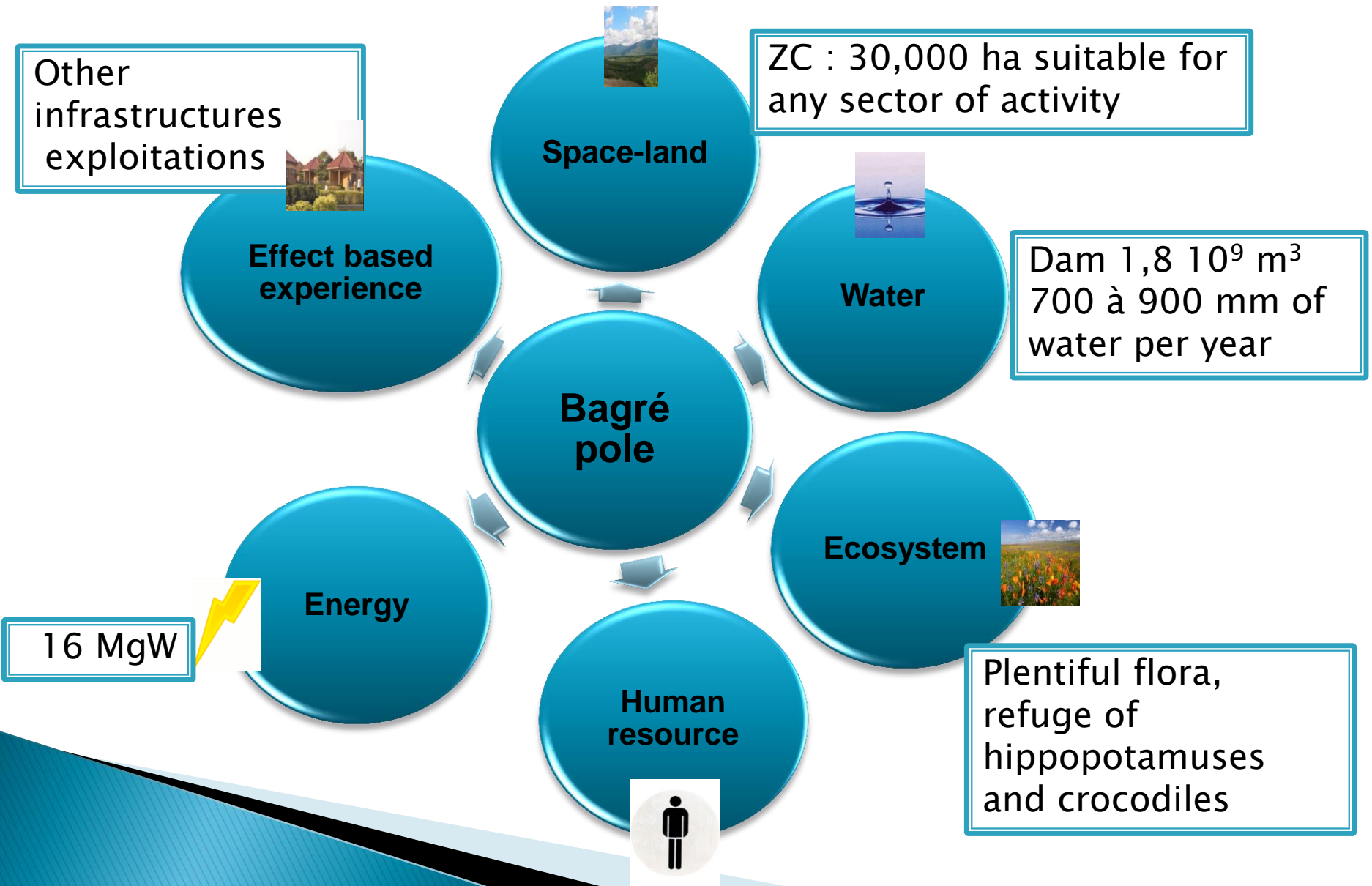
POTENTIALITIES AND ASSETS OF BAGRE

Administrative map of Burkina Faso

- Provinces
- Rivers
- Main roads
- Railways
- Major cities



III. Components of the Project : the 6 elements driving growth and comparative advantages in Bagré Pole





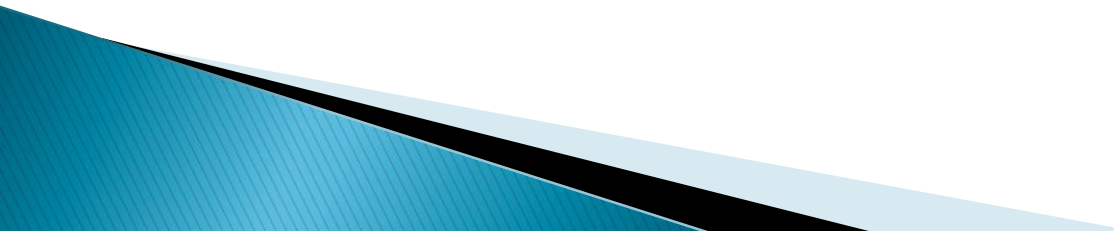
**IV. THE NEW ALLIANCE
FOR FOOD SECURITY AND
NUTRITION**

The new alliance for food security and nutrition

1. ORIGIN AND OBJECTIVE OF THE NEW ALLIANCE FOR FOOD SECURITY AND NUTRITION

- Origin:
 - G8 countries' commitments decided in Aquila (Italy) in 2009 to support African countries in their efforts of fight against food insecurity .
- Contents of the concept and aimed objective :
 - Joint commitment of G8 countries, African partner countries and private sector to extract during the next 10 years from poverty and hunger, 50 million of persons through a sustainable agricultural growth. For the Burkina Faso case , 1,6 million of persons will be concerned.

The new alliance for food security and nutrition

- ▶ In connection with these commitments, the partners from national and international private sector agree to sign intention letters detailing their investment plans during several years in the agricultural sector of the concerned country.
 - ▶ These investments have to be focused on an including agricultural growth and allow smallholders to have access to financing and technology in view of improving the level of technology development and adoption and then increasing agricultural growth along with the goal of sustainable poverty and malnutrition reduction
 - ▶ The commitments must be formalized in a framework of cooperation.
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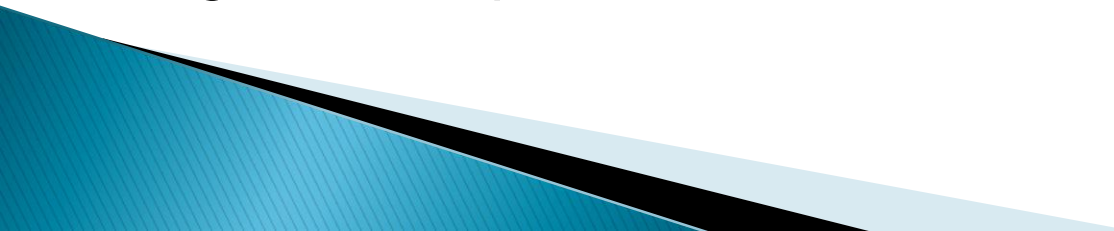
The new alliance for food security and nutrition

2. FRAMEWORK OF COOPERATION BETWEEN BURKINA FASO AND G8

Key political commitments of the Burkina Faso Gouvernement:

- **Objective 1** : Promote for vulnerable populations an integrated accessibility to agricultural inputs, marketing and processing channels of agricultural products while improving their resilience capacity;

The new alliance for food security and nutrition

- **Objective 2** : Develop irrigated perimeters and create conditions for sustainable management through a revision of rules governing water management and use ;
 - **Objective 3** : Create a suitable climate of investment securing private investors ;
 - **Objective 4** : Facilitate land access and its secure use for agricultural production.
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The new alliance for food security and nutrition

3. INTENTIONS FOR FUNDING FROM G8 COUNTRIES AND OTHER ENTITIES:

- **USA**

Funds for agricultural sector from Millennium Challenge Corporation Compact : • **396 million USD.**

Annual disbursements of funds for agriculture and nutrition :

- **2011 : 12,6 million USD ;**

- **2012: 1,6 million USD.**

If funds are available : • **2013: 15,9 million USD.**

The new alliance for food security and nutrition

- ▶ **France : • 2012-2015 : 30,5 million EUR / 40 millions USD ;**
- ▶ **Germany : • 2012-2014: 51,5 million EUR (67.5 millions USD) ;**
- ▶ **Japan:** Disbursements planned to support agricultural sector and related sectors during the period (Japanese fiscal year) : • **2012-2015 : 39 million JPY (0,5 millions USD).**

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▶ European Union

On-going programs : • **24 million EUR (31,5 million USD).**

Planned funding : • **2012-2013 : 48 million EUR (62,9 million USD).**

Total of funds until end of 2013 : • **72 million EUR (94,4 million USD).**

4. Intentions of investments from Private sector:

▶ **Burkinabe companies:**

- Agence Deli Internationale (ADI) ;
- Union Conannet des Etuveuses de Riz de Bagré (UCERB);
- EBT-TRADING Sarl ;
- GROUPE VELEGDA Sarl ;
- Société Burkinabé des Corps Gras (SBCG) ;

The new alliance for food security and nutrition

- Société Agro-Pastorale et de Services (SAPAS) ;
- SAREPTA S.A. ;
- PRO-AGRO ;
- PICKOU EXPORT ;
- Société d'exploitation des produits alimentaires (SODEPAL).

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▶ **International companies:**

- Ecobank Group ;
- AGCO ;
- United phosphorus Limited (ULP) ;
- Yara ;
- African Cashew Initiative ;
- Competitive African Cotton Initiative (COMPACI).

The new alliance for food security and nutrition

5. IMPLEMENTATION OF THE NEW ALLIANCE FOR FOOD SECURITY AND NUTRITION

Main actions which are achieved or on-going :

- Validation of financing announcement within the framework of cooperation : achieved.
- Organization of stakeholders information meeting (private sector, civil society): achieved.
- Organization of a launching ceremony : achieved
- Interaction with international private investors : on-going.
- Planning of the use of funds indicated within the framework of cooperation : achieved.
- Implementation of steering and coordination bodies : on-going
- Set up of a monitoring and evaluation system: on-going.

**THANK YOU VERY MUCH FOR YOUR
KIND ATTENTION**