Burkina Faso

2011

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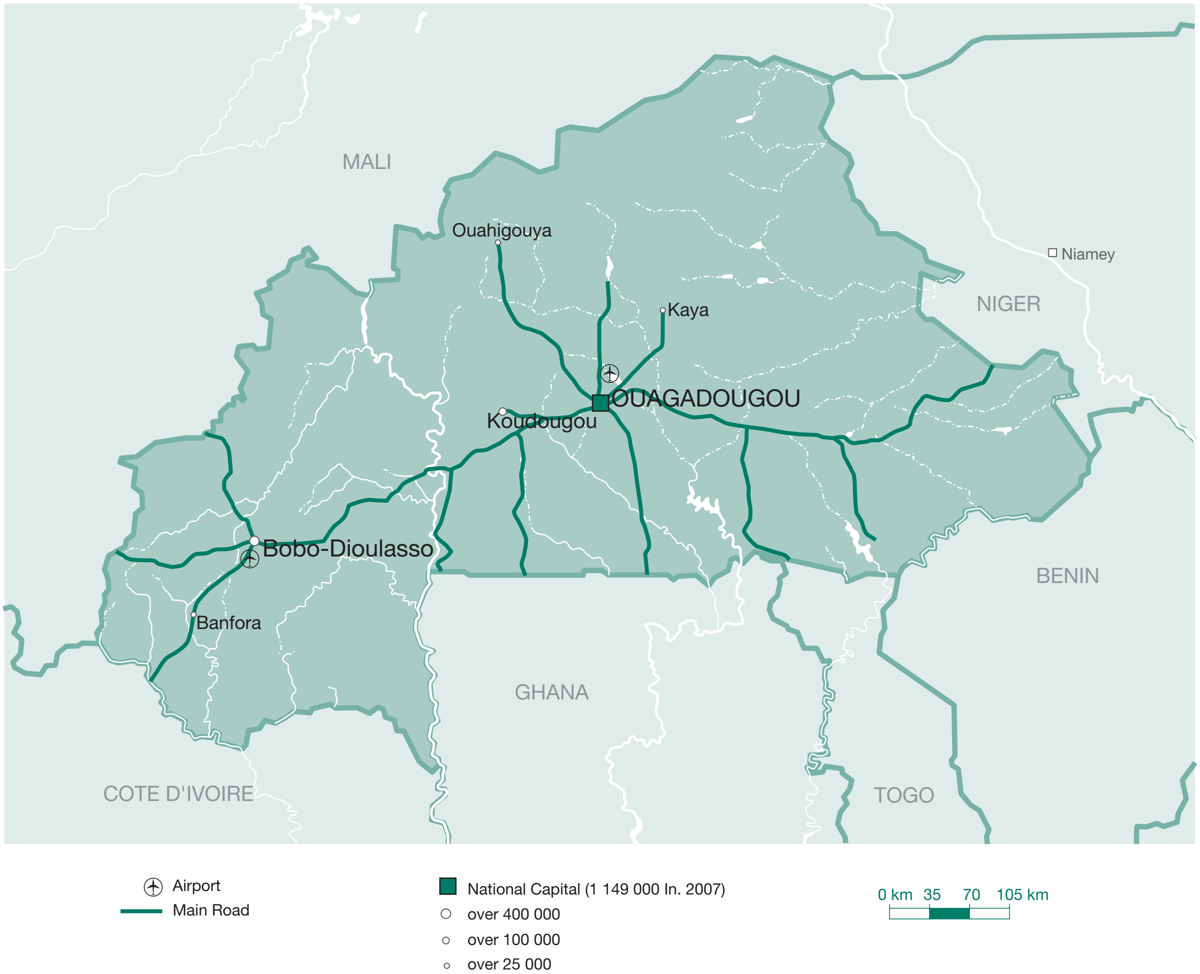

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Burkina Faso

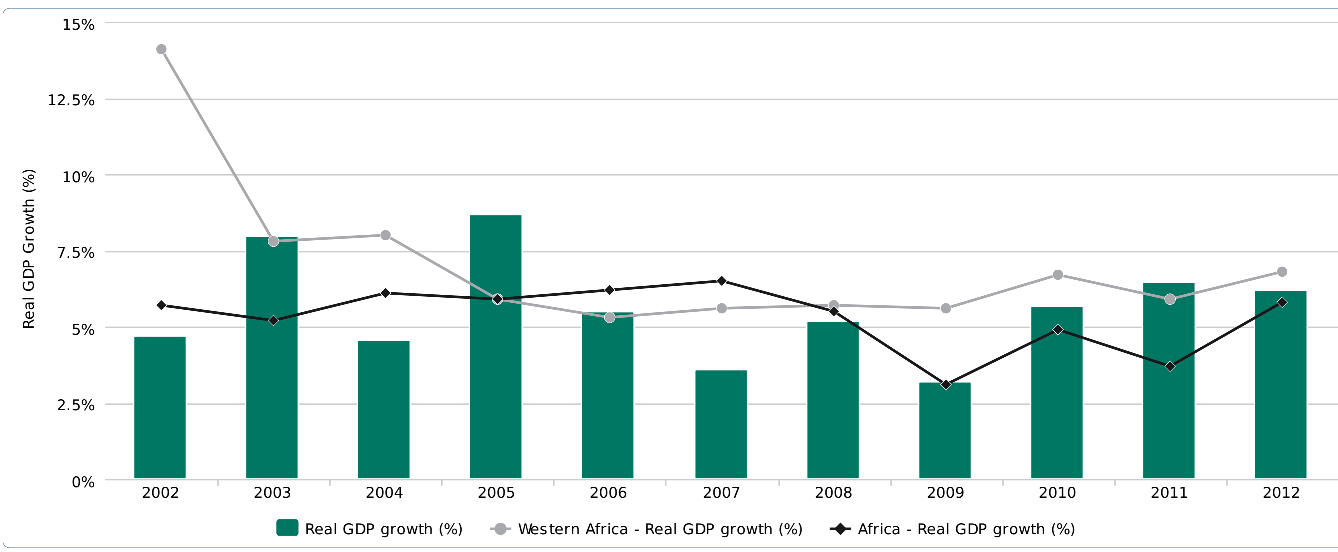
Overview

In 2010, economic growth accelerated over 2009, with real gross domestic product (GDP) growth increasing from 3.2% to 5.7%. The outlook for the economy in 2011 and 2012 is for higher growth, with respective rates of 6.5% and 6.2%.

The macroeconomic policy pursued by the authorities in 2010 was more expansionist than in 2009 and the budget deficit came in at 4.5% of GDP in 2010, against 3.5% in 2009. It was mainly covered by external aid, despite the high risk of over-indebtedness in the medium to long term. This expansionist policy aims at supporting domestic demand, reinforcing the social security net and responding to humanitarian needs for housing and reconstruction caused by the 2009 and 2010 floods. Growth in 2010 was thus led more by consumption than investment. This led to an increase in imports, particularly petroleum products, the effect of which was largely offset by a strong rise in exports, particularly gold. The current account deficit was thus partially absorbed in 2010 to around 2.7% of GDP.

On the social front, indicators have improved but poverty remains a concern. Further, the ongoing crisis in Côte d'Ivoire poses a threat to regional stability.

Figure 1: Real GDP growth (W)



Source: IMF and local authorities' data; estimates and projections based on authors' calculations.

Figures for 2010 are estimates; for 2011 and later are projections.

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Table 1: Macroeconomic indicators

	2009	2010	2011	2012
Real GDP growth	3.2	5.7	6.5	6.2
CPI inflation	2.6	0.9	2.5	2.6
Budget balance % GDP	-3.5	-4.5	-4.4	-5.1
Current account % GDP	-4.6	-2.7	-1.3	-0.4

Source: National authorities' data; estimates and projections based on authors' calculations.

Figures for 2010 are estimates; for 2011 and later are projections.

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Recent Economic Developments and Prospects

Table 2: GDP by sector (in percentage)

	2005	2009
Agriculture, forestry, fishing & hunting	38.5	35.4
Agriculture, livestock, fishery, forestry and logging	-	-
of which agriculture	-	-
of which food crops	-	-
Mining and quarrying	0.5	5.1
Mining, manufacturing and utilities	-	-
of which oil	-	-
Manufacturing	11.5	9.9
of which hydrocarbon	-	-
Electricity, gas and water	1.2	1.3
Electricity, water and sewerage	-	-
Construction	4.5	5.1
Wholesale and retail trade, hotels and restaurants	11.3	13.3
of which hotels and restaurants	-	-
Transport, storage and communication	4.1	4.8
Transport and storage, information and communication	-	-
Finance, real estate and business services	7.1	7.7
Financial intermediation, real estate services, business and other service activities	-	-
General government services	20.9	16.9
Public administration & defence; social security, education, health & social work	-	-
Public administration, education, health	-	-
Public administration, education, health & other social & personal services	-	-
Public administration, education, health & social work, community, social & personal services	-	-
Public administration, education, health & social work, community, social services	-	-
Other community, social & personal service activities	-	-
Other services	0.4	0.5
Gross domestic product at basic prices / factor cost	100	100

Source: AfDB Statistics Department; Ministry of Finance.

Figures for 2010 are estimates; for 2011 and later are projections.

StatLink http://dx.doi.org/10.1787/888932407163

In 2010, economic growth accelerated over 2009, with real GDP growth increasing from 3.2% to 5.7%. The outlook for the economy in 2011 and 2012 is for higher growth, with respective rates of 6.5% and 6.2%.

Growth in 2010 was primarily driven by the secondary and tertiary sectors, with respective contributions of 2.3 points and 1.9 points.

The primary and tertiary sectors dominate the economy. Figure 1 shows the sectoral distribution of GDP: agriculture, livestock, forestry and fishing represent a large proportion (35.4% of GDP), followed by trade and commerce, transport and communication (18.1%). The extractive industries are highly dynamic, accounting for 5.1% of GDP in 2010 versus 0.5% in 2009.

The primary sector (agriculture, livestock, forestry and fishing) grew strongly (4.6%) in 2010 compared with the previous year. This growth was due to the good distribution of rainfall during the 2010/11 agricultural season.

To boost cereal production, the authorities have introduced several initiatives to support farmers: providing inputs (organic manure, improved seeds, fertilisers etc.), organising training by agents from technical support units, and support of the sorghum, corn, cowpea, soya and groundnut sectors. These measures, combined with good rainfall, enabled a strong rise in cereal production (14.2%) in 2010.

The cotton sector performed well, with a 15% rise in production over 2009, bringing the harvest from 414 500 tonnes to 476 700 tonnes in 2010. This strong increase was facilitated by incentive measures taken by the government to revive the sector including an increase in the advance purchase price of cotton from XOF 160 (CFA francs BCEAO) per kilogram to XOF 182, and the maintenance of price subsidies on fertilisers.

With strong food production and the rebound of cotton production, forecasts for the primary sector in 2011 and 2012 are improved, with food production expected to increase by 2.9% and cotton by 4% during the coming two years.

The secondary sector also continued to grow in 2010, encouraging the gradual transformation of the country’s economic structure. Thus, with growth of 11% in 2010, the sector’s share in nominal GDP should reach 22.7%, against 19.6% the previous year. This increase is primarily attributable to the extractive industries (24.9%) and manufacturing (9.5%). For the former, the launch of operations at the largest gold mine (Essakane) lent new impetus to the industrial production of gold, in a country with five gold mines already in operation (Mana, Youga, Kalsaka, Taparko and Belahouro). As a result, gold production expanded from 14.0 tonnes in 2009 to 18.2 tonnes in 2010. The manufacturing industries sub-sector also performed well, thanks to the recovery of growth in cotton ginning (up 83.8%, compared with a fall of 29.1% in 2009).

The secondary sector sustained its growth, with an annual average growth rate of 10% expected in 2011 and 2012, notably owing to the extractive industries.

The tertiary sector continued its positive trajectory in 2010 with growth of 11%, over 2.8% in 2009. This strong result was supported by market services, which saw their value-added grow by 17.3% in 2010, against 3.9% in 2009. Transports posted growth of 24%, financial services of 17.2%, telecommunications and the post of 17.1%, and other market services of 30%.

Broadly, the tertiary sector benefited from large events held throughout 2010: the international craft fair in Ouagadougou, the international tourism and catering fair, national culture week, the 50th anniversary of national independence and the presidential election.

The tertiary sector should continue to expand in 2011 and 2012, with annual growth of 7% on average. Underlying this vitality are the transport and finance sub-sectors, the latter of which should benefit from the reforms currently under way. However, if the crisis in neighbouring Côte d’Ivoire persists, it could generate additional transport costs and result in a slowdown in activities related to rail transport.

In terms of demand, the growth of real GDP in 2010 was primarily led by final consumption, with a contribution of 3.7%. Private consumption was highly dynamic, with a 2.5% share, while public consumption contributed at a rate of 1.2%. External trade contributed negatively to real GDP growth, at -0.2%.

Investment, which should be a motor of economic growth, contributed only 2.2% to real GDP, with the relatively low level of public and private investment (around 23% of nominal GDP in 2010) to blame.

The economic outlook for 2011 and 2012 in terms of the contribution to growth should be more or less sustained, with a slight upswing of the contribution of investment (2.6% per year). To achieve stronger growth, as projected in the new development strategy adopted at the end of 2010, Burkina Faso will have to encourage further the promotion of public and private investment, in particular infrastructure construction. It must also improve its economic competitiveness.

Table 3: Demand composition

	Percentage of GDP (current price)		Percentage changes, volume			Contribution to real GDP growth		
	2002	2009	2010	2011	2012	2010	2011	2012
Gross capital formation	17.7	21.1	9.2	10.7	10	2.2	2.6	2.6
Public	8.3	5.4	7	10	10	0.4	0.6	0.6
Private	9.4	15.7	10	11	10	1.8	2	1.9
Consumption	96	89.7	4.1	4.3	4.7	3.7	3.9	4.1
Public	21.4	18.7	6.1	5.2	5.5	1.2	1	1.1
Private	74.6	70.9	3.5	4	4.4	2.5	2.8	3
External sector	-13.7	-10.7	-	-	-	-0.2	-0.1	-0.5
Exports	9.2	13.1	6.9	14.4	10.1	1	2.2	1.6
Imports	-22.9	-23.9	4.1	7.4	6.9	-1.3	-2.2	-2.1
Real GDP growth rate	-	-	-	-	-	5.7	6.5	6.2

Source: Data from Ministry of Finance; estimates (e) and projections (p) based on authors' calculations.

Figures for 2010 are estimates; for 2011 and later are projections.

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Fiscal Policy

The government's budgetary policy focused on several fronts in 2010: supporting internal demand, strengthening social protection, and responding to humanitarian needs for housing and reconstruction related to the 2009 and 2010 floods. The measures undertaken contributed to a slight deterioration of the overall budget deficit (including grants), which should reach 4.5% of GDP in 2010, against 3.5% in 2009. This deficit however is mostly covered by budgetary support aid from international donors (XOF 163.8 billion), drawdowns on resources from the International Monetary Fund (IMF) (XOF 9.5 billion) and Treasury bonds (XOF 43.3 billion). The level of bonds remains reasonable (1% of GDP) and is not likely to have a large crowding-out effect on the private sector.

For 2011 and 2012, the government is planning on continuing the prudent management of public finances. This should enable the budget deficit to be kept below or at 5% of nominal GDP.

In terms of public resource mobilisation, the authorities continued to implement a fiscal reform plan in 2010. This is comprised of, among other points, the introduction of a tax code and the simplification of the tax assessment system of other scheduled taxes, such as the tax on industrial and commercial gains, tax on non-commercial income, property tax, employers' apprenticeship tax and the introduction of corporate taxes. It also entails rationalising tax incentives in the investment code, particularly the eradication of temporary exemptions on profit taxes for new businesses, and capital gains exemptions on condition of reinvestment. It also includes improving the management and yield on indirect taxes, particularly by specifying the modes for reimbursing VAT credits.

To implement the reform plan, the government formalised the creation of a fiscal reform committee as well as a tax policy research and monitoring committee. This committee will make it possible to deepen impact analyses of tax measures, one of the weaknesses of the Burkinabe tax system. The authorities also continued the experiment with collection units, which are set up with periodically evaluated annual performance targets and which apply several measures set out in the sectoral action plans of the public finance reinforcement strategy.

Thanks to the measures implemented in 2010, tax receipts grew by almost 9%. However, despite these positive results, the mobilisation level of fiscal receipts (12.5% of nominal GDP) remains weak compared to the West African Economic and Monetary Union (WAEMU) norm, which is a minimum of 17% of nominal GDP.

In terms of domestic resource mobilisation, the current level of 12.5% should be broadly maintained throughout 2011 and 2012. Grants, which were at 6.8% of nominal GDP in 2010, should also be more or less maintained in 2011-12.

In 2010, actions taken to deal with the effects of the international financial crisis and those of the 2009 and 2010 floods resulted in a 19% increase in spending over 2009. Thus, total spending and net loans represented 24.9% of nominal GDP in 2010, versus 23.1% in 2009. Wages were kept below 6% of nominal GDP in order to contain current spending to 12.5% of nominal GDP. This situation made it possible to bring capital expenditure to 11.0% of GDP in 2010, against 10.9% of GDP in 2009.

In 2011 and 2012, the share of spending and net loans should fall slightly, to 23.5% and 24.2%, respectively.

Table 4: Public finances (percentage of GDP)

	2002	2007	2008	2009	2010	2011	2012
Total revenue and grants	17.8	20	17.1	19.6	20.5	19.1	19.1
Tax revenue	10.9	12.5	12.1	12.6	12.5	12.5	12.4
Oil revenue	-	-	-	-	-	-	-
Grants	6.1	6.5	4	5.9	6.8	5.5	5.5
Other revenues	-	-	-	-	-	-	-
Total expenditure and net lending (a)	22.7	25.7	21.5	23.1	24.9	23.5	24.2
Current expenditure	11.5	13.8	12.3	12.4	12.5	12.4	12.4
Excluding interest	10.7	13.4	12	11.9	11.9	11.9	12
Wages and salaries	4.7	5.8	5.4	5.8	5.6	5.5	5.4
Goods and services	2.8	2.9	2.6	2.4	2.5	2.5	2.6
Interest	0.8	0.4	0.3	0.4	0.5	0.4	0.5
Capital expenditure	11.4	11.8	8.8	10.9	11	11.3	11.7
Primary balance	-4.2	-5.3	-4	-3.1	-3.9	-4	-4.7
Overall balance	-4.9	-5.7	-4.4	-3.5	-4.5	-4.4	-5.1

a. Only major items are reported.

Source: Data from Ministry of Finance; estimates (e) and projections (p) based on authors' calculations.

Figures for 2010 are estimates; for 2011 and later are projections.

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Monetary Policy

In 2010, the monetary policy led by the Central Bank of West African States (BCEAO) in the context of a fixed exchange rate, reinforced the positive overall demand in Burkina Faso.

The money supply increased by 16.6% over its 2009 level. This increase is exclusively linked to deposits, which grew by 16% in 2010. Credit to the economy also rose by 2.5% over the previous year. The share of credit in nominal GDP, which was 16.4% in 2010, remains generally weak however compared to the needs of the economy.

Thanks to prudent monetary policy, combined with relative international price stability for food and oil products and to a good harvest, Burkina Faso recorded inflation below 1% in 2010. This rate remained below the community norm of 3%. The country should experience relative price stability in 2011 and 2012, with inflation kept below 3% on average per year.

External Position

In 2010, external trade was marked by good international prices for cotton and gold. In addition, gold production increased with the start of operations at the country's largest mine, Essakane. The positive effects of these two factors were dampened by the slight rise in international oil prices in the second quarter of 2010, by imports linked to the intensification of agriculture and mining activity, and by the investment needs for reconstruction and modernisation of socio-economic infrastructure following the floods of 2009 and 2010.

In 2010, the deficit on the trade account was 2.8% of GDP. With the strong rise in gold exports (+40%), the trade deficit was mostly absorbed compared to 2009, when it accounted for 5.8% of GDP. Cotton, long the primary export, ceded its place to gold which contributed 57% to exports, versus 23% for cotton.

The current account balance also improved in 2010. Its deficit was 2.7% of nominal GDP, against 4.6% the previous year. This trend should continue in 2011 and 2012, with respective deficits of 1.3% and 0.4%.

Three-quarters of the country's public debt is comprised of foreign debt. As a result, the public policy on debt consists of limiting new loans to concessional financing, with 'grant' elements above 35%. In 2010, foreign debt accounted for 25% of nominal GDP. The outlook for 2011 and 2012 indicates that this should increase to reach 26.2% of GDP in 2011 and 28% in 2012.

In terms of debt viability, Burkina Faso falls into the category of countries with a risk of high indebtedness in the medium term. Indeed, the ratio of net present value of debt to exports, which was 109.6% in 2010, should reach 97.1% in 2011 and 103.7% in 2012.

Table 5: Current account (percentage of GDP)

	2002	2007	2008	2009	2010	2011	2012
Trade balance	-10.4	-8.8	-10.9	-5.8	-2.8	-1.6	-0.9
Exports of goods (f.o.b.)	7.7	9.2	8.4	10.8	15	16.3	16.9
Imports of goods (f.o.b.)	18.2	18	19.3	16.6	17.8	17.9	17.8
Services	-3.3	-5.3	-5.7	-4.9	-5.8	-5.2	-4.4
Factor income	-0.7	0	0	-0.1	-0.1	-0.1	-0.2
Current transfers	4.1	5.9	5	6.2	6	5.6	5.1
Current account balance	-10.3	-8.3	-11.7	-4.6	-2.7	-1.3	-0.4

a. Only major items are reported.

Source: Data from Ministry of Finance; estimates (e) and projections (p) based on authors' calculations.

Figures for 2010 are estimates; for 2011 and later are projections.

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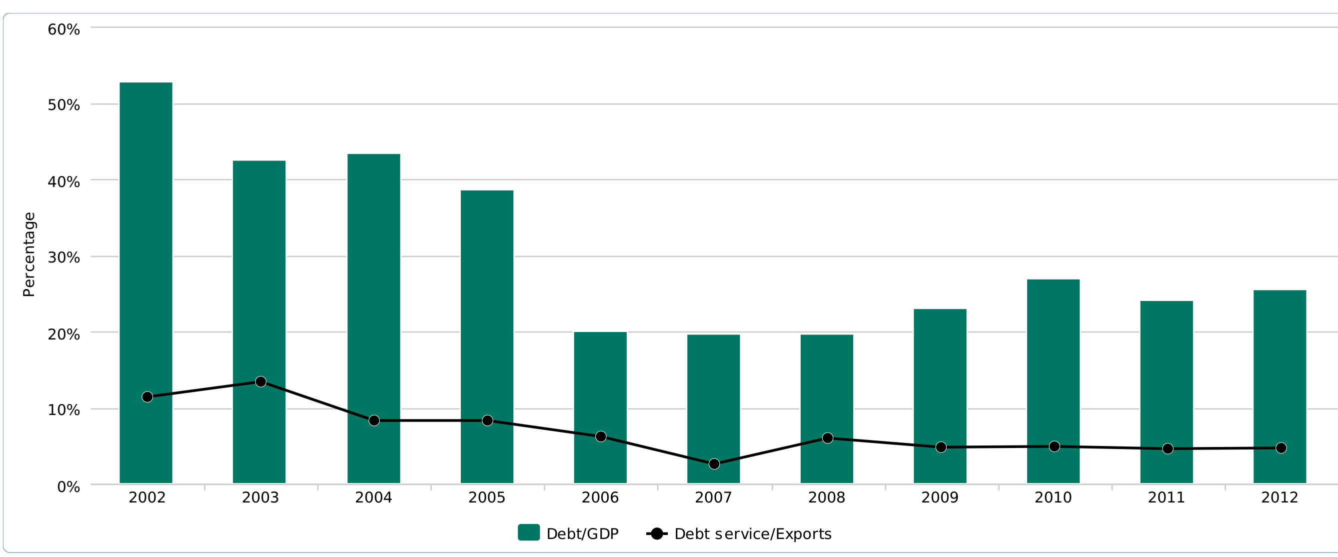
Figure 2: Stock of total external debt (percentage of GDP) and debt service (percentage of exports of goods and services)



Source: IMF and local authorities' data; estimates and projections based on authors' calculations.

Figures for 2010 are estimates; for 2011 and later are projections.

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Structural Issues

Private Sector Development

Burkina Faso is attempting to improve its business environment. In the World Bank's *Doing Business* report for 2010, the country was ranked 151st out of 183 countries, a three-place improvement over 2009. It remains the leading reformer in the WAEMU zone and these efforts have led to improvements in three of the ten indicators used in the *Doing Business* ranking. In terms of obtaining construction permits, the introduction of a construction permit facilitation centre (*Centre de facilitation des actes de construire*) made it possible to reduce the number of procedures to obtain permits from 32 to 15, and to bring the time required down from 226 days to 15 days. The cost of executing contracts fell, while the number of documents required in international trade for both exporters and importers has begun to fall. However, the measures to protect property rights and enforce contract arrangements remain generally inefficient, among other reasons because of delays in obtaining judgements. According to the *Doing Business* report, debt recovery costs remain high in Burkina Faso, representing 81.7% of the debt, versus 50% on average in sub-Saharan African countries.

Another challenge for the development of the private sector is to improve economic competitiveness by extending and modernising infrastructure. The idea is to reduce the high cost of factors of production (electricity, telephones, water, information and communication technologies [ICTs], etc.). The difficulty of accessing credit and the low level of qualifications of the workforce compound this challenge.

Financial system development

The financial sector is well structured by the monitoring rules introduced under the framework of WAEMU banking regulations. A number of prudential regulations exist that are rigorously applied by the WAEMU banking commission. The observation of these rules enabled the country to avoid the direct effects of the international financial crisis on the financial system.

In 2010, 11 banks and five financial establishments existed in Burkina Faso. These institutions primarily concentrated their activities in short-term financing, particularly in trade and granting seasonal loans for cotton. The banks are thus overexposed to risk linked to the cotton sector.

Another weakness of the national financial system is the high rate of interest (12%), which makes the banks less competitive. Lease-purchasing is not very well developed, with just one financial establishment (Burkina Bail) operating in this market.

The microfinance sector is flourishing. However, it has serious shortcomings particularly in terms of governance and the systems of information and management of these institutions. Supervision remains weak compared with the increasing importance of the sector, which includes 81 institutions and holds more than XOF 78 billion in assets. The new law for the regulation of decentralised financial systems aims to reduce the risks associated with the development of the sector and to secure transactions.

In 2010, the authorities adopted a development strategy and action plan for the financial sector. Some banks (*Banque commerciale du Burkina*, *Banque ouest-africaine*) increased their social capital with a view to conforming to the new regulatory arrangements. These require that the minimum capital of banks in the WAEMU zone be increased to XOF 10 billion between now and the end of 2011.

Other Recent Developments

Public sector

In 2010, privatisation focused primarily on the large cotton-ginning company *Société burkinabè des fibres textiles* (Sofitex), which had been hard hit by the crisis in the sector following a sharp drop in world prices. After a recapitalisation in 2009, the state-owned 65% of the company's capital. The importance of the cotton sector in the economy prompted the authorities to continue reforming the company in order to improve the sector's financial viability. Thus in 2010, the Sofitex board of directors undertook a new recapitalisation, valued at XOF 16.4 billion. In addition, the company committed to reforms with the aim of reducing operating costs. Notably, the company was restructured with a new internal audit department and the creation of a procedures manual and an information system for management.

In the domain of public administration, the authorities formulated a public-service quality charter and a ten-year strategic plan to modernise the state. Efforts have been made in decentralising the processing of administrative documents by public bodies. The programme of public-finance reform is progressing satisfactorily. In this regard, the authorities proceeded in 2010 with the second evaluation of public finance management under the Performance Evaluation Framework, which revealed an improving trend in the national system.

In terms of the fight against corruption, the state monitoring authority, the (*Autorité supérieure de contrôle de l'État*) published its 2010 audit report, the contents of which were largely reported in the national press. This report clearly underlines responsibility for mismanagement. Still, the country fell in the 2010 report by Transparency International, the leading civil society organisation devoted to transparency and probity in public and economic life. Burkina Faso ranked 98th out of 178 countries assessed, down from 79th place in 2009. This fall was due to the fact that the majority of cases of financial malpractice brought to light by the monitoring authority went unpunished.

Infrastructure

The development of infrastructure was an important arm of the authorities' policy in 2010. Projects to construct road infrastructure were ongoing, particularly works to reinforce, tarmac and enlarge local and national roads. The key sections involved are the Ouagadougou-Sakoinsé road, the Koudougou-Dédougou road, the Yegueresso-Diébougou road and the link road to Hamile, the Ouagadougou-Pô road up to the border with Ghana, and the Dori-Téra road up to the border with Niger. In terms of urban infrastructure, work focused on interchanges as well as developing a commercial zone in Ouagadougou. The social and hydro-agricultural infrastructure (bridges, dams, schools, sanitation structure, etc) that was damaged or destroyed by the 2009 and 2010 floods was also rebuilt. The challenge is to make these infrastructure durable as they are generally overloaded and have no effective maintenance system.

Poor electricity supply created real bottlenecks, with almost systematic blackouts throughout the first quarter of 2010. This crisis situation caused by inadequate supply from electricity-exporting countries (Côte d'Ivoire, Ghana), prompted the authorities to respond with initiatives. They continued to reinforce the national electricity network, particularly by finalising the Bobo-Dioulasso-Ouagadougou interconnection, by building a new 18 megawatt power plant at Ouagadougou and by introducing an energy consumption reduction policy in public administration buildings. They also continued the programme to create a national interconnected network by linking isolated plants, and by electrifying several towns and villages.

Infrastructure (roads, railways, electricity, ICTs) is crucial for improving the economic competitiveness of a landlocked country like Burkina Faso. To deal with the large deficiencies in this area, the authorities should develop a legal instrument designed to promote public-private partnerships and encourage private foreign direct investment.

Management of natural resources and the environment

In 2010, Burkina Faso continued to prepare and develop its first public report with a view to adhering to international best practice in natural-resource management under the framework of the Extractive Industries Transparency Initiative by May 2011.

The authorities also subscribed in 2010 to the Mining Governance and Growth Support Project, which forms part of the programme to strengthen management capabilities in the mining sector and harmonise regional mining policies.

Income from the natural resource sector remained very low (less than 1% of GDP). To boost this level, the authorities throughout 2010 undertook a series of studies aimed at improving the sector's governance and socio-environmental impact. These studies should result in the revision of the mining code. The government also proceeded to increase taxes on gold royalties raising them from 3% to 5% of turnover.

Agriculture

The modernisation of agriculture is key to the country's development policy. In 2010, the authorities adopted a series of eight application texts implementing land law in rural areas. The Millennium Challenge Corporation's programme drew on these measures to conduct work on the ground, notably in issuing deeds to rural property.

In terms of promoting agriculture, the authorities continued discussions as part of the process of harmonisation and intervention co-ordination with a view to developing a national rural sector programme.

The main action undertaken in the livestock sub-sector was the adoption of a new national sustainable development policy.

Emerging Economic Partnerships

The most important emerging partners for the country are, in order: China, India, Chinese Taipei, Thailand and Brazil. In Africa, Morocco is the main emerging partner. Relations with China, India and Morocco have particularly intensified over the past five years. The key centres of interest are trade (exports and imports), foreign direct investment (FDI) and diplomacy.

Trade has increased substantially; initially, Burkina Faso traded primarily with Europe. Imports of manufactured goods (China) and food (India and Thailand) are the largest items traded with emerging partners, In 2009 accounting for 34% of all of the country's imports. The share of imports from China alone represented 16% of total imports throughout the year. Exports of Burkinabe products to emerging countries in contrast remain low (6.5% of total exports). China is the largest market for Burkina Faso goods (5% of total exports).

This revival in trade was driven mainly by the private sector. Imports gave a large section of the population, particularly the poorest, access to a diverse range of low-cost products (two-wheeled vehicles, clothing, electrical products, etc.). However, it is generally perceived that the quality of these products is very poor. Burkina Faso does not have good infrastructure for monitoring quality standards that could establish regulations.

FDI comes essentially from Morocco. Over the past five years, this country accounted for 36% of FDI, which is concentrated in services, particularly telecommunications.

Investment in infrastructure is very recent and is concentrated in the electricity sector. India remains the leading partner in this field. While the government is driving negotiations to develop electricity infrastructure, it has not developed a well-defined strategy.

Chinese Taipei maintains very dynamic diplomatic relations with Burkina Faso, supplying 8% of official development assistance (ODA). The head of state's office supervises this co-operation and directs the financing, largely towards the president's political commitments. However, an explicit strategy does not exist. The sectors in which co-operation is concentrated are principally health, professional training, agriculture, etc. Civil society and the private sector remain for the moment untouched.

Broadly, Burkina Faso's traditional partners supplying ODA adhere to the country's development objectives. However, to improve the effectiveness of their actions, traditional donors (bilateral or multilateral organisations) should further target sectors focused on economic growth, good governance, infrastructure (roads, electricity, ICTs, etc.), innovation, private-sector development and the development of human capital.

Political Context

The outcome of the November 2010 presidential election resulted in Blaise Compaoré, who had been in power since 1987, being re-elected. In 2010 there was much debate among the political class and civil society regarding whether Article 37 of the constitution should be amended to remove the clause limiting the number of terms a president can serve.

In the press, the private media were quick publicly to criticise unethical behaviour. In 2010, measures were taken by the authorities to facilitate access to information. In addition, a collective agreement between the state and private press organisations was adopted. A professional press card was also introduced.

The authorities have made progress in terms of public security. They have improved protection of the goods and lives of the majority of citizens from crime and violence. Armed attacks on the road network in particular declined significantly in 2010.

Social Context and Human Resource Development

Poverty is endemic in Burkina Faso, despite good economic performances and the improving trend of social indicators. According to the results of the integrated survey of household living conditions (EICVM), poverty still affected 43.9% of the population in 2009 (50.7% in rural areas and 19.9% in urban areas).

In terms of social indicators, the gross school enrolment rate has improved, from 74.8% (71.2% for girls) in 2009 to 77.1% in 2010 (74.4% for girls). Access to sanitation increased from 56% in 2009 to 59% in 2010. Finally, access to safe drinking water rose to 76% in urban areas and 56.5% in rural areas in 2010. In terms of access to electricity, the EICVM survey revealed that only 13.9% of the population had access to electricity in 2010, with 2% in rural areas and 46% in urban ones. With these results, it will be difficult for the country to fulfil the Millennium Development Goals by 2015.