

REPUBLIC OF BURUNDI**PRESIDENCY OF THE REPUBLIC
Secretariat-General of the State****MEDIA RELEASE CONSECUTIVE TO THE CABINET MEETING
HELD ON THURSDAY 22 OCTOBER 2020**

A Cabinet Meeting was held in Gitega on Thursday 22nd of October 2020, under the chairmanship of His Excellency Evariste Ndayishimiye, President of the Republic of Burundi. The following items were analyzed:

1. Environmental, agricultural and livestock orientation policy document, presented by the Minister of the Environment, Agriculture and Livestock.

In recent years, the Government of Burundi has made a lot of efforts in putting the environment, agriculture and livestock among the priority sectors.

As a result of these efforts, agricultural and livestock production has generally increased across the country, and this has resulted in food stability during the past two years.

The increase in production is also due to the increase in cultivable areas for rice and maize due to the development programs of the marshes that have been implemented, to which is added the profitability of the agricultural seasons where, currently, all seasons are almost exploited.

Based on the lessons learned from all these achievements, the Government wants not only to perpetuate these achievements, but also to go further to generate a production surplus, in order to supply the industrial sector.

To this end, an environmental, agricultural and livestock policy must be put in place to allow the balance between agricultural production and the food needs of the population.

It is within this framework that this environmental, agricultural and livestock orientation policy document was developed.

The overall objective of this policy is to contribute to the protection of the environment, the rational management of state lands, the improvement of sustainable food and nutritional security for all, the increase in household income and foreign exchange for the State, the supply of raw materials for the industrial sector, as well as the creation of jobs in the processing sector and related services to agriculture.

At the end of the discussions, the Council of Ministers adopted this policy with having a few adjustments.

2. Strategic orientation note on the management of agricultural production intended for marketing, presented by the Minister of Environment, Agriculture and Livestock.

In the agricultural sector, the Government's objective is to ensure food security for all Burundians. To achieve this, several programs have been put in place. These programs have enabled production to increase significantly. This has resulted in visible impacts on the living conditions of households where food security is already stable throughout the country.

However, in responding to the Government's call, producers have put a lot of effort into increasing production but are demotivated by market prices which do not cover production costs. These non-remunerative prices only benefit speculative traders who buy at low prices but return the same products to the market after a certain time at high prices, sometimes inaccessible to the consumer.

Another problem is linked to the fraudulent trade of these agricultural products which creates the shortage in the production region.

Faced with this situation, the Ministry in charge of agriculture is proposing, through this Note, a new incentive system for the management of agricultural production, making it possible to encourage investment in the agricultural sector by guaranteeing it a market at remunerative price.

This would make it possible to produce more and free up agricultural products to be processed and sold locally or exported.

After analysis, the Note was adopted with some corrections.

3. Bill on the ratification by the Republic of Burundi of the Protocol for the establishment of financial assistance between the Government of the Republic of Turkey and the Government of the Republic of Burundi, presented by the Minister of Foreign Affairs and of Development Cooperation.

Based on the ties of friendship, cooperation and solidarity that exist between our two countries, the Republic of Burundi and the Republic of Turkey wish to strengthen and develop them and extend their framework of cooperation.

To this end, a Protocol for the establishment of financial assistance was signed between the two countries on April 30, 2019.

This financial assistance includes the costs of support as well as the costs of short-term training provided or coordinated by the training centers available in the structure of the Turkish Armed Forces, as well as the transport costs of the personnel of the Burundi National Defense Force in Turkey. The Burundian side will have a period of five years for its implementation.

This Protocol will enter into force after an exchange of notes through diplomatic channels, confirming that the internal legal formalities have been completed.

Upon analysis, the draft was adopted.

4. Bill revising the Code of the organization and competence of military jurisdictions, presented by the Minister of National Defense and Veterans Affairs.

The organization and jurisdiction of the Burundian military courts are governed by Decree-Law No. 1/5 of February 27, 1980.

Almost forty years after its entry into force, this text requires a review mainly for two reasons, namely:

- Fill in the gaps linked in particular to the absence of the role and the place of the General Auditor as well as of the administrative organization in general on the one hand, and harmonize it with the organic law of 2017 which governs the Force of National Defense of Burundi, on the other hand.
- The original competences of military judicial bodies have been drastically modified by other legal instruments, namely the Constitution of 2018, the law of 2005 governing the Supreme Court as well as the law of 2005 establishing the Code of judicial organization and competence.

The bill under analysis proposes to correct the shortcomings currently observed and to harmonize with all these legal instruments.

The Council of Ministers had analyzed this project and returned it for rework, making the following observations:

- The constitutional provisions in this area must be interpreted;
- The principle of the territoriality of criminal law must be respected;
- The project needs to comply with the Code of Criminal Procedure;
- It is necessary to clarify and distinguish the offenses which fall under the competence of the military courts and those which fall under the civil courts.

During the debate, the Council was informed that the Code of Judicial Organization and Jurisdiction is currently being revised, and this revision will certainly have an impact on this project under analysis.

To this end, the Council decided to delay this project so that both are analyzed in parallel at the same time to avoid possible contradictions.

5. Draft ministerial order setting the expenditure ceilings for the second quarter of 2020/2021, presented by the Minister of Finance, Budget and Economic Planning

The expenditure ceilings are subject to regulations prescribed in certain texts, in particular the decree on fiscal governance, the decree establishing general regulations for the management of public budgets, etc.

They also comply with the law establishing the general budget of the Republic of Burundi for the 2020/2021 fiscal year which introduces in its article 38, the

development of quarterly expenditure commitment ceilings which must be validated by the Council of Ministers.

These expenditures are made on the basis of collections. These expenditures ceilings, which are in line with the state treasury plan, concern all state spending, except those that are mandatory and irreducible, such as salary and debt spending.

Thus, during the 2020/2021 budget management, the pace of expenditures will depend on the pace of revenue collection.

This draft ordinance determines these expenditure ceilings for the second quarter of 2020/2021. After discussion and debate, the project was adopted.

6. Draft ministerial order establishing a benchmark for public procurement prices in Burundi, presented by the Minister of Finance, Budget and Economic Planning.

As part of its mission of producing and centralizing statistical data for better monitoring and effective management of the country's economic and social policy, the Institute of Statistics and Economic Studies of Burundi (ISTEEBU) has set up a system for monitoring the prices of goods and services intended for household consumption since 1964.

Since 1991, the collection of consumer prices has been accompanied by the collection of prices of new housing construction materials. Since 2018, the new housing construction cost index includes the price of construction materials, the price of labor, the price of management resources and the rental price of construction equipment.

This year 2020, at the request of the Ministry in charge of Finance, ISTEEBU has just implemented the first version of the price benchmark for goods and services consumed by the Government in the exercise of its missions.

This benchmark will make it possible to properly manage the expenditure devoted to the purchase of goods and services that require recourse to public contracts. It plays an important role as an indicator in the evaluation of prices offered by bidders in public procurement at the national level.

Both regional and international institutions can also make good use of it when awarding contracts for the supply of products, if these are carried out on national territory.

This repository is a tool that will be used to control public spending because it will allow in particular:

- To reduce and / or prevent overcharging in the award of public contracts;
- Refine the cost estimate for the contracts the following year;
- To facilitate the budgeting of the various public programs;
- To carry out statistical studies on price fluctuations and inflation and to derive the various indices related to the cost of materials.

This price reference will be updated every year.

After analysis and debate, the project was adopted with some adjustments.

7. Draft ministerial order on the harmonization of the remuneration and operating costs of managers and staff of projects financed by technical and financial partners (PTFs), presented by the Minister of Finance, Budget and Economic Planning.

The Ministry in charge of Finance, in its capacity as principal authorizing officer for all State expenditure, whether it is expenditure from internal resources or from external resources, has decided to set up a salary scale harmonizing the remuneration of managers and staff as well as operating costs within projects financed by Burundi's technical and financial partners for a series of reasons:

1 ° Funding from technical and financial partners in the form of grants and loans becomes public funds that deserve to be managed efficiently by aligning with the laws and regulations in force in Burundi. For loans, the State is required to reimburse via tax deductions from taxpayers

2 ° The funding received from technical and financial partners is intended for investment projects in harmony with the priorities retained in the National Development Policy and not for management costs. The current situation shows the opposite because the operating costs occupy a good part of the financing

3 ° With regard to the specifications within the externally financed projects, the volume of work is similar to that found at the level of the public administration

and Burundian public establishments. The excessively high level of remuneration within these projects is not justified.

4 ° The performance in projects financed by technical and financial partners is doubtful in view of the delays in the execution of projects, with requests for extension of deadlines, disputes observed, as well as ineligible expenses that the State is called upon to pay in some cases.

5 ° The wage disparities within projects financed by technical and financial partners cannot be justified in a national context of research to restore pay equity by the establishment of an equitable wage policy in the Burundian public administration.

6 ° All Burundian consumers who go to the same market require fair treatment which should take into account the cost of living.

In view of all these reasons, the proposed grid refers to the salary levels in force within the better paid Burundian Public Establishments.

After discussion and debate, the project was adopted with some corrections.

8. Note on the commitment of the Government of Burundi for a public-private partnership between the Province of Gitega and a consortium of Dutch private sector companies for the implementation of the “Implementing Measurable Productive Agri Cooperation Trade (IMPACT)” project, presented by the Minister of the Interior, Community Development and Public Security.

In 2018, the Government of Burundi established Gitega as the Political Capital of Burundi.

This Province has just expressed its interest in working with Dutch industrialists from the private sector, to contribute to the socio-economic development of rural areas, to the development of infrastructure in rural areas, to job creation and income generation.

Since April 2019, some Dutch companies have started a feasibility study of the project “Implementing Measurable Productive Agri Cooperation Trade (IMPACT).

In May 2019, a delegation of these companies came to Burundi to discuss this partnership.

In November and December 2019, these companies conducted field surveys on how to establish collection points for the storage and distribution of food, especially fruits and vegetables, with appropriate technology.

This public-private partnership project plans to lead to the installation of a food processing plant in Gitega called "Organic Burundi Food" where the Government would hold 49% of the shares.

Processing is indeed the only alternative to increase the value of these products in Burundi, to mitigate the deterioration of surplus production and to increase the shelf life of these products.

The beneficiaries of this Project will be mainly farmers from Gitega, Karusi, Kayanza, Mwaro, Muramvya, Ngozi and Rutana provinces organized in agricultural cooperatives.

The Council of Ministers analyzed this Note and reiterated its support for the policy of processing Burundian agricultural products.

It nevertheless indicated that everything must be done within the framework already drawn by the Government. A team had been appointed to finalize the file before bringing it back to the Council of Ministers for adoption.

Upon completion of the analysis, Council noted that the concerns raised were addressed and adopted it.

9. Any Other Business

- The Minister of East African Community Affairs, Youth, Sports and Culture briefed the Council on the organization of a Youth Retreat planned in Bujumbura from October 27 to 28, 2020.

This Retreat will bring together 700 young Burundian intellectuals and will be placed under the theme "Intellectual youth, pioneer of sustainable development in Burundi".

The aim is to encourage young people to be entrepreneurs.

- His Excellency the Prime Minister has promised to prepare a Reminder Note on certain points of the Government's flagship policy so that the members of the Government can exploit each one as far as they are concerned and / or collectively as the case may be.

Done at Bujumbura, October 23rd, 2020

**Prosper NTAHORWAMIYE
Secretary-General and Spokesman.-**