

REPUBLIC OF BURUNDI**PRESIDENCY OF THE REPUBLIC
Secretariat-General of the State****MEDIA RELEASE NO 11 CONSECUTIVE TO THE CABINET MEETING HELD ON WEDNESDAY 24 DECEMBER 2020**

A Cabinet Meeting was held in Gitega on Wednesday 24th of December 2020, under the chairmanship of His Excellency Evariste Ndayishimiye, President of the Republic of Burundi. The following items were analyzed:

1. File relating to the fusion process of AIR Burundi and SOBUGEA, the companies, presented by the Services of the Prime Minister.

As part of the revival of air transport, the Government of Burundi has undertaken to mobilize the necessary funds and take other accompanying measures aimed at the recovery of Air Burundi.

It is with this in mind that the Government of Burundi commissioned an audit to carry out an in-depth diagnosis of Air Burundi and extended to SOBUGEA, with a view to determining the discounted value of their assets and to propose the recovery strategy for these two companies' assets.

The work was entrusted to the BCAP International-PROSAFE AVIATION CONSULTING LTD consortium.

To monitor the proper execution of this contract, a Technical Commission was set up and, after analyzing the report of the audit mission, it supported the proposed strategy of merging Air Burundi and SOBUGEA.

On May 27, 2020, the Council of Ministers adopted the fusion strategy of these two entities and recommended to propose concrete actions in connection with the implementation of this fusion and the establishment of a national company.

It is within this framework that the Prime Minister has set up an ad hoc committee to carry out this work.

In addition to other innovations proposed as part of this reform, notably the creation of a new company called "Burundi Airlines", the Committee's report includes:

- The draft fusion contract of Air Burundi and SOBUGEA
- The draft decree authorizing the State of Burundi to participate in the share capital of the Burundi Airlines company
- The draft statutes of the Burundi Airlines company
- The structure and organization chart of Burundi Airlines
- The roadmap for the creation of the new Burundi Airlines company.

It is proposed that the shareholders of this company be formed by the State of Burundi (92%), SOCABU (4%) and bankrupt SABENA (4%).

After discussions, the Council of Ministers adopted the proposal to create the new company with, among other recommendations, to take the necessary and urgent measures allowing the good management of the assets of these two entities, especially in this transitional period, and to accelerate all the remaining steps while respecting the roadmap. The Council especially recommended to proceed with the recovery, even forced, among Air Burundi staff who owe money to this company and who do not want to reimburse, if necessary in collaboration with the other competent ministries in this case the one in charge of public security and the one in charge of justice.

It was also recommended that state contributions be carefully assessed to ensure that they were not underestimated.

In addition, the Council recommended to thoroughly study the methods and procedures for the dissolution of these two companies and the creation of the new company to avoid a legal vacuum. It will also be necessary to study the liability management mechanisms of Air Burundi. A team has been set up to support the Minister in charge of transport to study these mechanisms together so as not to put the new emerging company in difficulty

2. Foreign Policy project of the Republic of Burundi, presented by the Minister of Foreign Affairs and Development Cooperation.

By definition, foreign policy is the policy of a country vis-à-vis other countries in order to promote its geostrategic, geopolitical and economic interests.

Foreign policy is a text of reference and guidance for government departments in general and for diplomatic executives in particular in matters of foreign policy. It corresponds to the strategic and political choices of a country in terms of external relations.

With the implementation of this tool, the highest authorities, Burundian diplomats and other state actors on missions, in discussions and / or in negotiations with bilateral or multilateral partners will have a reference document that will serve as a guide.

This is a very important reference document, which is dynamic and must be adjusted according to the evolution of global issues and Burundi's interests.

By adopting this foreign policy document, the Government will have put on track a quadruple ambition which constitutes an essential dimension of authority and legitimacy, that is to say:

- Have a strengthened brand image and unfailing credibility vis-à-vis partners;
- Be a committed and consulted actor on issues of sub-regional and regional interest;
- Be a model in the Comity of Nations in terms of consolidation of democracy and peace, respect and promotion of human rights and respect for the international commitments to which it has subscribed;
- Be more involved in international relations beneficial to its economy and guarantors of its prosperity.

Following the analysis of this foreign policy document, the Council of Ministers adopted it with certain adjustments and with among other recommendations to ensure that the persons appointed to the posts of extraordinary ambassadors and plenipotentiaries are people of integrity of

Burundian nationality, except for a punctual and precise mission, where a foreigner can carry the title of Ambassador of Burundi for this circumstance only.

It was also recommended that the staff of the Ministry of Foreign Affairs follow the day-to-day current international issues to inform the competent authorities in time, in order to adjust.

3. National Development Communication Strategy in support of the National Development Plan, presented by the Minister of Communication, Information Technologies and Media.

In 2018, the Government of Burundi adopted a National Development Plan. It is a reference document for all development actors in Burundi. Therefore, significant changes will result from the level of information, education, support of the population and its active participation in the desired changes.

Thus, the many development actions that will be undertaken to improve the quality of life of the population need to be supported by communication for development. Hence the need for a national communication strategy for development, focused on the entire National Development Plan.

After exchanges, the Council of Ministers recognized the importance and the opportunity of this strategy document and adopted it with, among other things, the recommendation to develop an action plan for its implementation.

It was also requested that the Government website be regularly updated by communicating on the actions that are carried out or to be carried out in the various ministries. To this end, it was recommended that the ministers be in permanent contact with the spokespersons of the ministries so that they are aware of the activities and programs of the ministries and that in turn they have something to feed the website of the Government.

Finally, it was recommended that the private media be made partners of the ministry in charge of communication so that they too can communicate on the development activities taking place in the country.

4. Draft decree amending Decree No. 100/116 of April 21, 2015 creating a Public Establishment of an administrative nature called “Impulse, Guarantee and Support Fund”, presented by the Minister of Finance, of Budget and Economic Planning.

The Impulse, Guarantee and Support Fund (FIGA) was created with the mission of promoting access to funding for promoters of projects working in priority sectors and carriers of economic growth to develop micro, small and medium companies. These indeed encountered difficulties in finding funds, in particular bank loans, due to their lack of collateral acceptable to lenders.

For the moment, the decree setting up the Impulse, Guarantee and Support Fund (FIGA) suffers from shortcomings because it does not take into account key partners which are among others the Investment Bank for Young People, the Investment Bank for Women and ANACOOOP, due to the fact that at the time of its establishment, these institutions had not yet been created.

The revision of the current project is proposed to address these shortcomings in order to support the current policy of the Government aimed at promoting access to credit, by granting guarantees for project promoters experiencing financing difficulties due to lack of collateral.

After discussions, the project was adopted after having undergone some alterations and with the recommendation that the managers of this Fund be far-sighted in order to avoid supporting projects without a future that risk putting the Fund in difficulty.

5. Bill on the ratification by the Republic of Burundi of the agreement establishing the African Free Trade Zone (ZLECAF), presented by the Minister of Trade, Transport, Industry and Tourism.

The African Free Trade Area has, among other objectives, to create a single market for goods and services, facilitated by the movement of people and goods at the African level.

It will contribute to the movement of capital and individuals and facilitate investments. It will also resolve the challenges of belonging to a multitude of

sometimes overlapping organizations and accelerate the processes of regional and continental integration.

During the discussions, certain concerns that had been raised in previous meetings of the Council of Ministers regarding the ratification of this agreement by Burundi were re-expressed:

- Burundi risks losing a lot because there will necessarily be taxes that it will waive when there are contributions it will have to pay;
- There should be a prior study to weigh what Burundi will lose and what it will gain;
- It is necessary to organize ourselves first so that Burundian products are competitive;
- First of all, the Compensation Fund for losses suffered in the context of inter-African trade must be set up and the modalities for implementing this compensation must be known;
- Burundi's experience in COMESA deserves to serve as a lesson;

On the other hand, ratification of this agreement is necessary because:

- The agreement is already in force because only 22 ratifications were needed and currently 34 countries have already ratified the agreement. Burundi has no interest in isolating itself;
- Burundi is in the process of producing and you have to enter this African zone to seek the market in time.
- Entering this area will be a stimulus for the Burundians to produce a lot, process and sell in other African countries.

After discussions, the Council found that there are many more advantages than disadvantages to joining this platform and endorsed the bill.

6. Note relating to the signing of the Memorandum of Understanding between the Republic of Burundi and the International Labor Organization on the implementation of the Country Program for the promotion of decent work 3rd generation, presented by the Minister of Public Service, Labor and Employment.

The country program for the promotion of decent work is a reference framework through which the International Labor Organization provides support to its constituents, i.e. Governments, employers' and workers' organizations at the national level.

It contains strategies that achieve the ILO's strategic objectives or pillars of work, namely

- Promote full, productive and freely chosen employment,
- Promote and implement standards and fundamental principles and rights at work,
- Increase the scope and effectiveness of social protection for all and strengthen tripartism and social dialogue around the priorities identified by the national tripartite constituents

This program follows two others which were carried out in the periods 2006-2011 and 2012-2015 respectively.

Through this new version of the Program, the parties undertake to implement three priorities identified for Burundi which are:

- Promotion of productive and decent jobs in a diversified economy;
- Strengthening social protection;
- Promotion of social dialogue and the application of national and international labor standards.

After discussions and debate, the Note was adopted with, among other things, the recommendation to reserve the signing of the Protocol to the Government and the ILO, especially since the union and the employers' association are not subjects of International Law and to indicate, on the question of social protection, the field of demarcation between the Ministry in charge of Labor and the other ministries concerned, in particular that in charge of Social Affairs.

7. Note on the development of the land housing the AFB stadium, presented by the Minister of Infrastructure, Equipment and Social Housing

This note is presented after the observation that the TOYOTA Company, which bought this land since February 2013, has not developed it, while the contract

stipulates that the construction work had to begin within a period not exceeding one month.

The members of the Government recommended to the ministry concerned to immediately initiate the administrative procedure of formal notice to the purchaser of this land, in this case TOYOTA BURUNDI, by referring to the clauses of the contract and to keep the Government regularly informed on the evolution of the case.

8. Any Other Business

▪The Minister of the Interior, Community Development and Public Security informed the Council on the movement of young Burundian girls and women to leave for the Gulf countries in search of work.

The movement that had diminished following the border closures due to the coronavirus is gaining momentum. Private companies approved in Burundi collaborate with recruitment agencies in Arab countries to help Burundian youth to obtain employment contracts.

Following reports of inhuman and degrading treatment, slavery and other abuse against these young girls, and that the protection of Burundians is a State responsibility regardless of where they are, this work of placement of the labor should not be left to the sole responsibility of private individuals at the risk of being accused of trafficking in human beings.

Awaiting the establishment of structures responsible for monitoring Burundians going to work abroad from the start of the recruitment process to the host countries, the note proposes, among other things, to:

- Immediately suspend all recruitment agencies until further notice;
- Suspend the licensing of new recruitment agencies and the registration by the Investment Promotion Agency;
- Redouble vigilance in the granting of passports in order to detect in time the people likely to be victims of this human trafficking.

The Council of Ministers supported the proposals by further recommending that the companies involved in this trafficking be deregistered and punished according to the laws and regulations in force, and prosecute those involved in this affair.

▪ His Excellency the President of the Republic congratulated the members of the Government for the work accomplished during this year, despite the problems that the country has gone through.

He informed members of the Government that the country will organize a prayer crusade from December 28 to 31, 2020 to close the year. This prayer will take place in Mutaho Commune, Gitega Province. He asked those who will not be able to make it to Mutaho to associate with others spiritually.

He also informed them that the government leave will begin on January 02, 2021.

Finally, he wished them a Merry Christmas and a Happy New Year 2021.

Done at Gitega, December 25th, 2020

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