

REPUBLIC OF BURUNDI



PRESIDENCY OF THE REPUBLIC Secretariat-General of the State

MEDIA RELEASE NO 14 CONSECUTIVE TO THE CABINET MEETING HELD ON WEDNESDAY 03 MARCH 2021

A Cabinet Meeting was held in Bujumbura on Wednesday 3rd of March 2021, under the chairmanship of His Excellency Evariste Ndayishimiye, President of the Republic of Burundi.

After the presentation of the agenda, His Excellency the President of the Republic invited the Prime Minister to present the summary of the observations resulting from the preparatory meeting of the Council of Ministers chaired by the Prime Minister on Friday 12 February 2021, and which was devoted to the analysis of the same items on the agenda.

After restitution of the Prime Minister to the President of the Republic, the following files were analyzed:

1. Draft decree amending article 24 of decree n ° 100/031 of July 28, 2020 revising decree n ° 100/54 of September 24, 2005 relating to the internal regulations of the Council of Ministers, presented by the Prime Minister's Services.

Before the Cabinet Meeting, the Prime Minister chairs a preparatory meeting to analyse the items which will be debated in the Cabinet Meeting as provided for by article 133 of the Constitution which stipulates that "The Prime Minister animates and coordinates government action. The Prime Minister chairs the preparatory meetings of the Council of Ministers".

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Article 134 of the same Constitution indicates that "The Government's internal regulations specify those who lead and coordinate the action of the Government in the event of the Prime Minister's impediment".

Although the Constitution provided for it as such, the analysis of the texts in force, in particular decree n ° 100/031 of July 28, 2020 revising decree n ° 100/54 of September 24, 2005 relating to the internal regulations of the Council of the Ministers did not provide for the one who animates and coordinates the action of the Government in the event of the Prime Minister's impediment.

This draft decree comes to fill the above gap.

Taking into account the order of precedence of Ministers, the draft provides that in the event of the Prime Minister's impediment, the presidency of preparatory meetings of the Council of Ministers is delegated to the Minister in charge of the Interior, and to the Minister in charge of justice in the event of the latter's impediment.

After discussion and debate, the Council of Ministers noted that according to the Constitution, it is the Internal Regulations of the Government which specifies the one who coordinates the action of the government in the event of the Prime Minister's impediment and not the Internal Regulations of the Council of Ministers. However, the Internal Rules of the Government do not exist to this day.

It was therefore recommended to prepare this text as quickly as possible with a view to its adoption by the Council of Ministers in order to comply with the Constitution. It will also be necessary to examine the provisions of the Constitution to see if the two texts (the Internal Regulations of the Government and the Internal Regulations of the Council of Ministers) should be separated or if they can be the subject of a single text.

- 2. Bill on the ratification by the Republic of Burundi of the agreement on the promotion and reciprocal protection of investments between the Government of the Republic of Burundi and the Government of the Republic of Equatorial Guinea
- 3. Bill on the ratification by the Republic of Burundi of the trade agreement between the Government of the Republic of Burundi and the Government of the Republic of Equatorial Guinea
- 4. Bill on the ratification by the Republic of Burundi of the cooperation agreement in the maritime and port transport sector between the Government of the Republic of Burundi and the Government of the Republic of Equatorial Guinea
- 5. Bill on the ratification by the Republic of Burundi of the reciprocal visa waiver agreement for holders of diplomatic and service passports between the Government of the Republic of Burundi and the Government of the Republic of Equatorial Guinea

These four projects were presented by the Minister of Justice.

On July 21, 2017, the Government of the Republic of Burundi and the Government of the Republic of Equatorial Guinea signed the framework agreement for economic, cultural, scientific and technical cooperation. The agreement aims to intensify bilateral ties of friendship and cooperation between the two countries.

In order to materialize this framework agreement, on the sidelines of the State visit carried out by the President of the Republic of Burundi to Equatorial Guinea from November 1 to 7, 2020, sectoral agreements were signed, in this case the agreement on the reciprocal promotion and protection of investments, the trade agreement, the cooperation agreement in the maritime and port transport sector, the reciprocal visa exemption agreement for holders of diplomatic and service passports.

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Regarding the Agreement on Reciprocal Investment Promotion and Protection, each party undertakes to promote and facilitate the investors of the other party in accordance with the laws and regulations as well as relevant investment promotion policies, creating the conditions favorable to the reciprocal investments of the two States. It also undertakes to protect in its territory the investments made by the investors of the other party.

With regard to the trade agreement, the two parties undertake to take all necessary measures to facilitate the promotion of trade between the two countries, including facilities for the organization of exhibitions and trade fairs, as well as the creation of commercial companies according to the laws and regulations in force in the respective countries.

With regard to the cooperation agreement in the maritime and port transport sector, the two parties agree to cooperate to promote the use of safe, secure and uncontaminated navigable waters as well as maritime transport practices respectful of the environment. The parties also undertake to exchange information in this sector.

Due to the reciprocal visa waiver agreement for holders of diplomatic and service passports, nationals of one of the parties holding such passports will be exempt from the visa requirement to enter, exit and stay temporarily in the territory of the other party.

Through this agreement, the two parties will have facilitated the mobility of nationals of their countries on the one hand, and intra-African mobility on the other hand.

After discussion and debate, the Council of Ministers adopted these four projects with a few formal aspects to be cleaned up.

It was also recommended, on the one hand, to finalize and prepare the cooperation agreement on the exchange of agricultural labor and on the other hand, the competent services were asked to properly regulate the granting and use of diplomatic passports in order to limit their misuse.

6. Bill on the reorganization of the drinking water and basic sanitation sector, presented by the Minister of Hydraulics, Energy and Mines.

The drinking water and basic sanitation sector is a key sector for the life of a human being. Its good management allows the improvement of the living conditions of the population, and consequently, socioeconomic development. To this end, it is necessary to have an adequate political and legal framework.

Burundi has important policy and strategy documents relating to overall planning in the drinking water and sanitation sector, but it lacks an appropriate legal framework for this sector.

Indeed, the analysis of the situation shows that the entire legal system applicable to the drinking water and basic sanitation sector calls for the following observations:

- •The texts are multiple and scattered
- •The provisions governing the basic sanitation sector are very weak
- Some texts date from the colonial era and require updating
- •The drinking water and basic sanitation sector is liberalized but needs more regulation, particularly in terms of entry and exit procedures for private actors, facilities to attract investors to the sector, etc.

It is in this context that the development of this Bill takes place. It has the merit of:

- •Constitute a unified legal framework governing drinking water and basic sanitation instead of having scattered provisions found in several texts
- •Establish the legal and administrative regime of the basic sanitation sub-sector, thus filling the legal vacuum that can be observed on this subject
- •Set the framework for coordinating the activities of the various stakeholders in this sector
- •Devote, in addition to the already existing Burundian Agency for Water and Sanitation in Rural Areas, another similar agency in urban areas
- •During the debate, the Council of Ministers made the following observations, among others:
- The basic sanitation sector is a transversal sector with many stakeholders depending on the specificity of each
- The organization of the drinking water sector cannot be combined with that of basic sanitation
- ➤ Clear agreements are needed between Regideso and the people or groups who organize themselves to collect water, so that they can be sure that their investment will be profitable to them because Regideso's tendency is to appropriate water infrastructure
- A coordination framework is necessary to guide activities in the basic sanitation sector given its cross-cutting nature

The Council has, ultimately, set up a team that will rework this bill under the coordination of the Prime Minister. It will also be necessary to ensure that the other texts from which this project draws its substance, in particular the Water Code, do not require updating. The team will check whether the text should take the form of a law or a decree.

7. Note on the report of the Commission for analysis and validation of the value of the assets of the former EPB and determination of the State's contributions in the company Global Port Services Burundi, presented by the Minister of Finance and Economic Planning

In 1967, the State entrusted the management of the Port of Bujumbura to a concessionary company "Société d'Exploitation du Port de Bujumbura" EPB "with a 30-year contract. This contract was to end in 1997.

With the rehabilitation of the Port in 1988, the State shortened the contract in 1992 by concluding a new contract with EPB which was to end in 2002. After this period, EPB renegotiated a new 10-year contract ending in 2012.

In December 2012, the State signed a thirty-year concession agreement with Global Port Services Burundi for the operation of the Port of Bujumbura.

It was understood that the State was going to proceed quickly to the valuation of its contributions in this Agreement, and that in the meantime, the company would pay, as rent each year, a royalty in the amount of 11.5% of the turnover achieved.

Unfortunately, since then, the rented equipment has never been determined and the State does not know exactly its contribution as capital in the company Global Port Services Burundi, because the report of the consultant committed for this purpose and produced in 2019 has never been validated.

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The competent authority should therefore rule on this study report on the determination of the value of the assets of the former EPB on 12/24/2012 which also includes the valuation of the contributions of the State in the company Global Port Services Burundi.

During the analysis of the Note, the Council of Ministers was informed that the former EPB, which has not yet been liquidated, holds bank accounts as well as other State property illegally withheld, which 'it is necessary to value. The ex EPB also has pending litigation.

The Council of Ministers ultimately asked the Ministers in charge of Finance, Trade and Justice to work jointly with regard to the new elements to deepen this file and produce a more in-depth note which will be analyzed by the Council of Ministers within a month.

It will be necessary to separate what must be considered as a contribution of the State as capital and what Global Port Services Burundi must rent.

With regard to disputes, the Council of Ministers recommended that they be emptied as quickly as possible.

Regarding state property held by the former EPB, the Council of Ministers recommended that they be recovered as soon as possible, including by duress in case of necessity.

The Council also reiterated the need to revisit contracts where the interests of the state have not been properly taken into account. 8. Strategic note on the transformation of ISABU into an industry for the production of improved seeds and efficient livestock in Burundi, presented by the Minister of Environment, Agriculture and Livestock

In order to increase animal and fishery agricultural production, the Government of Burundi has taken many initiatives to support farmers and breeders through various programs.

However, their implementation has been hampered by poor access by producers to improved seeds and efficient livestock

This mismatch is attributable to several levels of the link:

- •At the level of the Institute of Agronomic Sciences of Burundi which is experiencing difficulties, such as the low financial capacity to have effective genetic material for starting research, as well as the lack of qualified personnel
- •At the level of seed producers and birthing centers who have weak organizational and financial capacities
- •At the level of farmers and herders who have low purchasing power that does not allow them to buy improved seeds.

This Note proposes strategies to transform ISABU into an industry for the production of improved seeds and high-performance livestock in Burundi, in order to sustain the results already achieved, further increase agro-pastoral production and release surplus production for processing and export.

For this, ISABU needs both material and human resources. The budgetary support that ISABU needs for this purpose is estimated at 8.4 billion Burundian francs in 2021, which will gradually decrease to reach slightly more than 4.5 billion in 2023, in order to increase the production of seeds and increasing animals from single to triple.

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In their discussions, the members of the Government appreciated the content of the Note produced in order to promote the activities of ISABU in order to make it effective.

However, given the excessive resources required, they recommended identifying priority actions gradually and showing the necessary financial resources relating to them.

It will also be necessary to ensure that the allocated funds bring added value to the state by preventing them from being used in the ordinary functioning of ISABU.

Note on the marketing of maize for season A 2021, presented by the Minister of Trade, Transport, Industry and Tourism.

Through the support of subsidies in agricultural inputs by the Government, the production of corn will go from simple to triple for the cropping season A 2021. The departments concerned then took the initiative to study strategies for good management of this harvest.

It is in this context that, to encourage the producer, the price of a kilo of dry corn has been set at 680 Fbu per kg.

In terms of the maize collection campaign, the note proposes that initially the collection be limited to 200,000 tons of maize.

During the discussions, the members of the Council appreciated the fact that the Government's efforts to increase production are beginning to produce very appreciable effects. They recommended in particular to:

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➤ Raise awareness among the population in order to harvest sufficiently dry maize

Ensure that the private parties who have signed up to collect and buy the corn harvest actually pay producers at the price set by the State;

> That the State grant facilities to private individuals who want to engage in this fundraising by guaranteeing their credits

Ensure that storage costs are not exorbitant in storage sheds built by the private sector;

➤ That the State build its own silos with a maize processing system to avoid its degradation;

The Ministry in charge of Finance should ensure that farmers have access to microcredits so that they can cultivate in a modern way

➤ Prepare for the management of the harvest of other products such as rice, potatoes which will also be good.

9. Any Other Business

His Excellency the President of the Republic requested that any woman who wishes to participate in the activities marking International Women's Day on March 8 be allowed to go and that she does go there. Those who will fail to go will have to stay at work.

He finally wished everyone a Happy International Women Day and specified that he will grace the activities marking this Day at the national level in Gitega.

Done at Bujumbura, March 4th, 2021

Prosper NTAHORWAMIYE Secretary-General and Spokesman.-