REPUBLIC OF BURUNDI



PRESIDENCY OF THE REPUBLIC Secretariat-General of the State

MEDIA RELEASE NO 25 CONSECUTIVE TO THE CABINET MEETING HELD ON WEDNESDAY 08 SEPTEMBER 2021

A Cabinet Meeting was held on Wednesday 8th of September 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 which the Prime Minister chaired on Friday 3 September 2021, and which was devoted to the analysis of the same files on the agenda.

After restitution by the Secretary General of the State to the President of the Republic, the following items were analyzed:

1. Note on the dossier relating to reforms in the social security sector, presented by the Prime Minister's Office.

In his speech of June 18, 2020 during his inauguration, His Excellence the President of the Republic expressed the desire to improve the living conditions of retirees in terms of social security, the objective of which is to grant an equivalent retirement pension, roughly the last salary of the pensioner.

It is to follow up on this guideline that a commission was set up with the mission of analyzing the reform of social security with regard to retirement pensions and putting this desire into practice.

The main proposals of the Note are:

• The benchmark year is 2020;

- Start the reform at the ONPR level for all retirees and for public sector contractors at the INSS level. The sources of funding can be found at the level of the ONPR, but for the INSS it is only initially;
- Certain provisions of the Social Protection Code need to be revised to implement this reform;
- For retirees before 2020, three scenarios are proposed to increase the current pension: an increase of 30%, 40% or 50% causing a budgetary impact which will have to be financed by the State;
- An ordinance from the Ministers in charge of finance, social protection and the civil service is necessary to determine the modalities of application of this reform.

After analyzing the content of the Note and the various proposals, the Council of Ministers formulated the following observations and recommendations:

- The Ministry in charge of the civil service will provide data showing government employees who will retire in the next ten years to make budget impact projections;
- The share of the INSS and ONPR institutions and that of the State must be increased in the implementation of this reform after taking into account retirees before 2020;
- The Ministry in charge of finance is called upon to make calculations to see which of the three scenarios proposed the State to be chosen;
- In all cases, no retiree should receive a pension of less than 30,000Bif
- For the parastatal and private sectors, the implementation of these reforms will be conditional on the separation of the parastatal and private sectors.
- The provisions of the Social Protection Code relating to the calculation of the amount of the old-age pension are no longer in conformity with the reforms of the social security sector, retirement pension component and are to be revised.
- The legal framework of these two institutions (INSS and ONPR) does not match the on-going social reform, hence the need to revise them;
- The method of calculating contributions for the INSS and the ONPR must be harmonized;
- The reform must be started at the level of the ONPR for all the retirees concerned, and only for those under contract affiliated to the INSS whose salaries come from the state budget.
- A Fund must be set up to support this reform in a long-term fashion;
- A timetable for the implementation of this reform must be drawn up;
- Ensure that the reform encourages civil servants to retire early;

- Retirees who leave early will not benefit from the pension if they take up other paid jobs;
- The responsible ministry to diagnose the sources of income of the INSS, its management as well as its assets and prepare a Note for the Government. Regarding the basis for calculating the pension, the Government will decide after all the scenarios and calculations have been completed.
- 2. Bill amending certain provisions of the Social Protection Code and revaluing pensions for the public sector, presented by the Prime Minister's Services.

One of the aspects of the social protection system is the pension system providing the service of old age and invalidity benefits and the service of survivors' benefits from which members or their dependents that fulfil the conditions required by law may benefit.

However, over the years, it turned out that the amount of pensions offered to beneficiaries could no longer guarantee them a descent life compared to the cost of living.

The Government has thus expressed the will to increase, initially, the amount of the old-age pension for civil servants, executives and agents of the public sector, and to apply the same process for the parastatal and private sector in a second time. The objective is to grant a retirement pension equivalent more or less to the last salary of the pensioner.

The purpose of this bill is to modify certain provisions of the Social Protection Code relating to retirement pensions (75, 82, 83, and 54) to adapt them to the wishes of the Highest Authority.

After discussion and debate, the bill was adopted with, among other recommendations:

- Submit the project to the National Legislation Service for legal grooming and translation into Kirundi;
- Write the protection code under revision in clear and understandable terms that are not susceptible to different interpretations;

- Incorporate the provisions that will have been amended in the Social Protection Code under revision so that at the end there is a single text that is easy to consult.
- 3. Sectoral strategy of the priority actions of the Ministry of Public Health and the Fight against AIDS and its monitoring framework, presented by the Minister of Public Health and the Fight against AIDS.

This strategy constitutes a strategic plan for the orientation of priority actions to operationalize the policy documents for health in Burundi.

It was developed with the aim of extending the National Health Development Plan, third generation until 2027, which should end in 2023 in order to allow the implementation of the National Development Plan which runs from 2018 to 2027.

This strategy is also in line with Burundi's subscriptions to international health declarations and acts.

It aims to contribute to the reduction of mortality, disabilities and preventable disabilities through the provision and use of quality health services.

It revolves around twelve priority strategic directions, namely:

- 1 ° Improving the supply of maternal health care and services for new-borns, children and young people, the elderly as well as quality nutritional health;
- 2 ° The fight against communicable, non-communicable and deficiency diseases;
- 3 $^{\circ}$ Improving the production and management of health personnel;
- 4 $^{\circ}$ Improving the availability and quality of health products;
- 5 ° Improving the availability and quality of health infrastructure and equipment;
- 6 $^{\circ}$ strengthening the health information system and health research;
- 7 $^{\circ}$ The strengthening of financing mechanisms for the health sector;
- 8 $^{\circ}$ Strengthening governance and leadership in the health sector;
- 9 ° Improvement of the community health system;
- 10 ° strengthening intersect oral collaboration for better health;
- $11\,^\circ$ Strengthening of integrated disease surveillance and management of public health emergencies and natural disasters;
- $12\ ^{\circ}$ The strengthening of the management of population issues to tend towards demographic dividends.

Regarding the monitoring and evaluation framework, this Strategy:

• Defines the institutional and operational framework for implementing the Strategy;

- Identifies and defines the key indicators making it possible to measure the progress made at all levels in the implementation of the strategy;
- Indicates the collection tools, the data circuit and the quality control mechanisms for health data used to inform the indicators in the results framework;
- Describes the methodological orientation for the mid-term evaluation of this strategy and its final evaluation;
- Indicate the mechanisms for the dissemination and use of monitoring data and evaluation results at all levels.

After analyzing this strategy, the Council of Ministers adopted it with the following recommendations:

- Develop an action plan that indicates the government's share as funding and partner support;
- Update the data included in the document;
- Update the organization chart of the ministry;
- Indicate the number of health centres to be built as well as the number of staff needed during the period that the strategy will last;
- Plan, in collaboration with the other ministries concerned, the construction of a pharmaceutical plant;
- Develop a roadmap for the implementation of this strategy;
- Develop project documents for the implementation of the Strategy with related budgets to be submitted to partners.
- **4. Bill revising the Mining Code of Burundi,** presented by the Minister of Hydraulics, Energy and Mines.

The mining sector is currently governed by law n $^{\circ}$ 1/21 of October 15, 2013 on the Burundi mining code.

This text made it possible to rationalize, clean up and increase mining activity both in terms of research and operation.

However, it has been observed that this legal framework is no longer in line with the development of the local mining sector and the new orientations of national policies, in particular the National Development Plan, the 2020 mining policy and international policies such as the Millennium for Development, the African Mining Vision, etc. ...

Moreover, despite the significant results obtained in this sector, the impact on the national economy has remained low.

It therefore appeared necessary to revise this Code in order to correct the shortcomings found in it and to achieve a better rebalancing in order to maintain the attractiveness of the sector so as to guarantee a mutually beneficial partnership between the State, investors and local community.

The revision of this text could not be carried out in dissociation from the reality experienced in the mining sector at regional and continental level. This is why this project was inspired by texts governing the mining sector of certain African countries.

During the analysis of this project, the Council of Ministers made the following observations:

- The text must make it clear that the minerals belong to the state;
- The basement belongs to the State and the person who operates a property has only the right of use;
- Clear conditions must be set in order to be able to obtain a mining exploration permit or an exploitation permit;
- The State of Burundi must be associated in the research and exploitation of minerals;
- The operator's compensation is to be negotiated after calculating the value of the minerals and the cost of his investment:
- The state must have the latitude to donate part of the ore body for exploitation;
- The installation of a treatment plant is necessary to have at least one semifinished product;
- A body for verifying and monitoring mineral exploitation must be set up;
 - The operator must give a guarantee of his capacities in the form of a financial deposit at the central bank;
 - •The text should highlight aspects related to compensation and resettlement of expropriated people as well as the establishment of social infrastructure in the mining area;
 - •With regard to sanctions, in addition to the fine to be paid, the subject to the sanction must pay the loss of earnings caused to the State;
 - •The Ministry in charge of Finance should make its own budget available for mining research;
 - •Investors in the mining sector should be encouraged to strengthen the national laboratory so that it is certified at the international level;

- •The project should show how mining companies whose activities have been suspended will be managed;
- •It is necessary to show how the parts of the perimeters given in concession to mining companies for exploitation but which it has been proven that they do not contain minerals must be managed.

The Ministers in charge of Mines, Finance, Justice and Infrastructures have been appointed to rework the project taking into account these orientations. The reworked project will be brought back to the Council of Ministers for reanalysis and adoption.

5. Draft memorandum of understanding between the Government of the Republic of Burundi and the Government of the United Republic of Tanzania for cooperation in the mining sector, presented by the Minister of Water, Energy and Mining.

During the visit of His Excellency the President of the Republic of Burundi to Tanzania in September 2020, in the talks he held with his Tanzanian counterpart, the strengthening of bilateral ties, with particular emphasis on the promotion and strengthening of economic cooperation.

It is in this context that experts from these two countries met in February 2021 to follow up on the directives of these two heads of state.

It was during the 6th session of the Permanent Mixed Commission between the Republic of Burundi and the United Republic of Tanzania held in Kigoma in March 2021 that it was recommended to conclude a draft memorandum of understanding between the Government of Republic of Burundi and the Government of the United Republic of Tanzania for cooperation in the mining sector. It is this memorandum that is being analyzed.

It indicates in particular its objective, the competent authorities responsible for its implementation as well as the commitments of the parties.

After discussion, the memorandum was adopted with the recommendation to monitor its implementation so that there is a win-win partnership.

- 6. Draft law revising law n $^{\circ}$ 1/21 of December 31, 2010 amending law n $^{\circ}$ 1/15 of April 29, 2006 relating to the status of officers of the National Defense Force of Burundi.
- 7. Draft law revising law n $^{\circ}$ 1/20 of December 31, 2010 amending law n $^{\circ}$ 1/16 of April 29, 2006 relating to the status of non-commissioned officers of the National Defense Force of Burundi.
- 8. Draft law revising law n $^{\circ}$ 1/19 of December 31, 2010 amending law n $^{\circ}$ 1/17 of April 29, 2006 relating to the status of rank and file members of the National Defense Force of Burundi.

These three projects were presented by the Minister of National Defense and Veterans Affairs.

The Burundi National Defense Force is governed by organic law n ° 1/04 of February 20, 2017 on the missions, organization, composition, conditions of service and functioning of the Burundi National Defense Force.

Currently, the officers, non-commissioned officers and ranks of the National Defense Force of Burundi are governed by Statutes put in place in December 2010.

These statutes should therefore be adapted to this recent organic law.

These projects are largely inspired by these statutes of December 2010 while adapting to the organic law of 2017, by bringing certain innovations that could allow the Officer, the non-commissioned officer and the rank and file to work in an environment socio-economic and security of the moment.

This project brings innovations in terms of rights, duties and incompatibilities, advantages linked to working conditions, seniority, support for the family of the serving soldier who dies as well as support for a worthy reintegration to civilian life for those who retire.

New developments have also been made with regard to bonuses, allowances and other social benefits as encouragement and compensation for the constraints and risks of the military profession.

Innovations can also be observed in career management as well as in the disciplinary system.

At the end of the debate, the three drafts were all adopted.

9. Draft decree revising decree n ° 100/053 of 11 May 2018 establishing the Day dedicated to local solidarity, presented by the Minister of National Solidarity, Social Affairs, Human Rights and Kind.

By decree n $^{\circ}$ 100/053 of May 11, 2018, the Day dedicated to local solidarity was established, celebrated in all the hills / districts of the country on the last Saturday of the month of July.

The concern is to promote the entrenchment of the culture of mutual aid and solidarity which has always characterized the Burundian people.

During his opening speech at the 6th general assembly of the National Commission for Social Protection held in December 2020, the President of the Republic recommended that this day be celebrated the day before or the day after the Communal Day which is celebrated on the first Saturday in August.

This assumes that Local Solidarity Day will be celebrated on the first Friday or the first Sunday in August.

To comply with this recommendation of the Head of State, this project proposes that the local solidarity day be celebrated on the first Friday of August, the eve of the municipal holiday.

The project also proposes the establishment of a national committee in charge of the organization, monitoring and evaluation of the Day.

At the end of the debate, the project was adopted with, among other recommendations:

- Include in the national monitoring committee, a representative of the Ministry in charge of Communication;
- Specify the list of members of the municipal monitoring committee;

- Do not specify that perishable aids will be distributed in the collection locality, because they can be sent elsewhere.
- 10. Note on the urgent measures to be taken to prevent a possible malfunction of the Warubondo Special Economic Zone and an implementation plan for the recommendations of the Support Agency for the Realization of Public-Private Contracts (ARCP), presented by the Minister of Transport, Trade, Industry and Tourism.

The Warubondo Special Economic Zone was created by decree n ° 100/23 of February 16, 2017 with the aim of introducing industrial innovation in the country and stimulating economic growth.

A contract for the establishment, operation and management of the Special Economic Zone of Warubondo was signed between the Republic of Burundi and the company ProCerv on 05/16/2018.

Currently, the site of the area is not yet serviced and no construction is visible there apart from a small market with an area of 3 hectares while the site has an area of 600 hectares.

However, the contract provides that this company was to start work within a period not exceeding three months after signing the contract.

Faced with this situation, the Ministry in charge of Trade gave notice to the company ProCerv and granted it a period of one month to be able to honour its obligations, but four months have just passed without this company making a sign of heading in the sense of honouring its obligations.

The Note proposes a series of measures to prevent a possible malfunction of the Warubondo Special Economic Zone and an implementation plan for the recommendations of the Support Agency for the Realization of Public-Private Contracts (ARCP).

After analyzing the Note's proposals, the Council of Ministers recommended, among other things, the following:

- The Ministry in charge of Trade in collaboration with the Ministry in charge of Justice will **call off** the contract between ProCerv and the Government of Burundi for non-compliance with the terms of the contract by the company ProCerv;
- The person who built the market in the area will sign another agreement with the new buyer;
- Point out to the Public-Private Contract Realization Support Agency (ARCP) that the report it produced is biased;
- The legal framework governing Special Economic Zones must be prepared,
- The site must be serviced;
- The Ministry in charge of Trade in collaboration with that in charge of infrastructure and that in charge of Hydraulics will develop a development and occupation plan for the Warubondo site according to the sectors of activity.

11. Any other Business

His Excellency the President of the Republic asked the members of the Government to closely follow the officials of their ministries because he noticed that they can knowingly mislead them in the treatment of files, or quite simply hide them important files.

He returned to the fight against the coronavirus where he is noted for indiscipline in cities and particularly among so-called "advanced" people, because they do not respect the barrier measures against the coronavirus. This has resulted in an increase in positive cases especially during this dry season.

All ministries were asked to make their staff aware of compliance with barrier measures, to be screened regularly and to put in place measures to protect visitors from this pandemic. The aim is that within a month, the positive cases have significantly decreased.

One of the factors in the spread of the coronavirus has been found to be the multiplicity of social celebrations and ceremonies. Therefore, in order to reduce them, the Council of Ministers proposed that they be held on Saturdays and Sundays only.

Done at Bujumbura, September 9th, 2021

Prosper NTAHORWAMIYE Secretary-General and Spokesman.-