

REPUBLIC OF BURUNDI

PRESIDENCY OF THE REPUBLIC
Secretariat-General of the State

**MEDIA RELEASE N°04 CONSECUTIVE TO THE CABINET MEETING HELD ON
WEDNESDAY 16 MARCH 2022**

The Cabinet meeting was held on Wednesday 16th of March 2022, in Gitega, under the chairmanship of His Excellency Major General 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 11 March 2022, and which was devoted to the analysis of the same files on the agenda.

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

1. Bill on the status of Parliament staff, presented by the Minister of Justice.

The Constitution of June 07, 2018 provides that the statute of the staff of the Parliament is one of the matters which fall within the domain of the law.

It is to comply with this constitutional obligation that the Burundian Parliament is updating this bill which will govern its staff. The prolonged absence of this law calls into question the socio-professional situation of the members of the staff of Parliament, most of whom have been hired for more than 25 years.

Some members of Parliament staff have already lost the ability to return to their original ministries or institutions within the meaning of the General Staff Regulations.

Currently, the administrative acts still refer to the regulatory text governing the staff of the then single Chamber of Parliament, in this case internal instruction No. 130/PAN/004 of June 25, 2001 of the Office of the National Assembly of Transition on the status of the personnel of the Transitional National Assembly. This status would update these references deemed anachronistic and unconstitutional.

It is therefore appropriate to provide Parliament staff with a statute in order to determine precisely their rights and obligations vis-à-vis their employer and vice versa.

This bill was inspired, among other things, by the Constitution of the Republic of Burundi, the General Statute of State officials, the Labor Code and the Statute of magistrates.

After discussion and debate, the project was adopted with the following recommendations:

- Remove all bonuses and allowances as they go against the salary policy;
- With regard to the rating, adjust to refer to the fiscal year which begins on July 1 and ends on June 30 of the following year and determine the period of the rating movement accordingly;
- All ministries should harmonize the quotation period by conforming to the budget year.
- Adjust the rating scales to those in force in the Burundian public administration;

- With regard to the categories of staff, use the usual nomenclature in the Burundian administration (Direction-Collaboration-Execution) and specify the component of each category;
- The grades of advancement are to be specified in this draft Statute;
- The conditions of recruitment should be specified in this draft Statute;
- Internal instructions with a budgetary impact will be taken by the President of the National Assembly and the President of the Senate in collaboration with the Minister in charge of Finance.

2. Draft mining policy for Burundi, presented by the Minister of Hydraulics, Energy and Mines

The mining sector presents an opportunity to significantly increase government revenue, but also a number of risks. For this reason, having a mining policy is of paramount importance to have a clear vision, allowing to maximize the benefits of the sector and to limit the related risks. Thus, the involvement and consultation of the various stakeholders are essential.

The Government of Burundi has recognized the need to develop this mining policy document through an inclusive process that involved all stakeholders in the mining sector.

Its development was inspired by the African Mining Vision (AMV) and the experience of some African countries that have already put in place modern and attractive policies for the sustainable development of the mining sector.

In addition, this policy must guide the evolution of the mining sector by complying with the new orientations of national and international policies, in particular the National Development Plan, the Regional Initiative to combat the illegal exploitation of Natural Resources, etc.

This document includes an analysis of the situation of the mining sector, the guiding principles of this policy, the objectives and strategies for its implementation, as well as an implementation plan for this mining policy.

The vision of this policy is to have a developed, competitive extractive sector, contributing significantly to the sustainable socio-economic development of the country.

At the end of the analysis, the Council of Ministers adopted this project, with the following observations and recommendations:

- The State, as owner of the subsoil, must not only play the role of regulator of the mining sector but also must supervise everything from research to exploitation;
- The granting of concessions for mining perimeters should be abandoned;
- In mining, it is necessary to calculate the quantity of minerals corresponding to the capital contributed by the investor to disinterest him, and to agree on the follow-up so that the win-win principle is respected;
- Special emphasis should be placed on gold, which should have specific provisions concerning its exploitation;
- Provision must be made for mechanisms allowing the State to exploit gold, conserve it and market it;
- The Burundian Office of Mines and Quarries must use the cooperatives for the exploitation of gold, collect them and remunerate these cooperatives;
- The Burundian Office of Mines and Quarries must be revitalized so that it plays its role;
- The Government, through the ministries in charge of finance and mines, must set an objective and a timetable for the quantities of gold and foreign currency reserves to be available over a well-defined period;
- Measures must be taken to discourage intermediaries-gold collectors and order cooperatives to sell directly to the Central Bank;
- The Bank of the Republic of Burundi (BRB) should set up a refinery to transform gold into bullion

- The revision of the Mining Code should be accelerated, but in the meantime, ongoing activities related to mining should continue but within a win-win framework;
- As part of the development of the mining map, it will be necessary to continue to request the repatriation of mining maps located abroad for parallel reading and complementarity with the research carried out by national experts;
- In the exploitation of minerals, the protection and restoration of ecosystems must be demanded;
- In the exploitation of mines, the State can exploit alone, associate with mining companies or entrust the exploitation activity to a company for remuneration;
- Concerning the natural resource "water" which is currently marketed a lot, operators in this field must pay to the State because it cannot limit itself to the collection of taxes only;
- With regard to the rare earth ores produced and in stock for the moment, they must be marketed so that the State derives revenue from them.

3. Draft decree authorizing the participation of the Bank of the Republic of Burundi in the share capital of the Stock Exchange, presented by the Services of the Presidency of the Republic

After the promulgation of Law No. 1/05 of February 27, 2019 governing the Capital Market in Burundi and Law No. 1/08 of October 29, 2020 governing the Capital Market Regulatory Authority in Burundi, the step in progress concerns the establishment and operationalization of the institutions of this market, including the creation of the Burundi Stock Exchange as well as the establishment of other intermediaries.

The Burundi Stock Exchange will be operated by a mixed company called "Burundi Stock Exchange", whose role will be to manage the stock market, to help and control the purchase and sale of securities.

The Burundi Stock Exchange will be established as a commercial entity, registered under the Code of Private Companies with Public Participation.

A share capital of two billion five hundred million Burundi Francs (2,500,000,000 BIF) is proposed, divided into twenty-five million (25,000,000) shares with a nominal value of one hundred Burundi Francs (100 BIF) each. According to the proposed shareholding structure, the Bank of the Republic of Burundi will be entitled to twenty-five percent (25%) of the shares.

In accordance with the Code of Private Companies with Public Participation, the participation of the Bank of the Republic of Burundi in the capital of the Burundi Stock Exchange is subject to the joint decision between the Supervisory Authority and the Ministry in charge of finance.

It is with this in mind that a draft decree is proposed.

This project was adopted.

4. Draft decree on the creation, powers, composition and operating rules of the National Statistical Information Committee (CNIS), presented by the Minister of Finance, Budget and Economic Planning.

The Statistical System in Burundi is governed by Law No. 1/08 of May 20, 2021 revising Law No. 1/17 of September 25, 2007 on the organization of the Statistical System in Burundi. The 2007 law has been revised with a view to correcting the weaknesses observed in the national statistical system.

The 2021 law provides for the establishment of the National Committee for Statistical Information (CNIS) and the Technical Committee for Statistical Information (CTIS), the composition and prerogatives of which are defined in a decree.

This draft decree on the creation, powers, composition and operating rules of the CNIS meets this requirement.

To ensure the proper functioning of the CNIS and the CTIS, this draft decree provides for the establishment of Technical Statistical Groups whose role is to analyze, on behalf of these committees, statistical issues and find appropriate solutions for the development of statistics in Burundi.

The project was adopted with, among other recommendations, to limit the committee to the ministries in charge of Finance, National Education, Information Technologies, Civil Service, Agriculture, Public Health and Interior.

5. Draft decree on the creation, powers, composition and operating rules of the National Statistical Authority (National Institute of Statistics of Burundi (INSBU), presented by the Minister of Finance, Budget and Economic Planning.

The purpose of this draft decree is to implement the provisions of Law No. 1/08 of May 20, 2021 amending Law No. 1/17 of September 25, 2007 on the organization of the Statistical System in Burundi.

This law defines and creates the National Statistical Authority in the National Statistical System, and highlights the fundamental principles of official statistics adopted in 1994 by the United Nations Statistical Commission.

The National Statistical Authority coordinates the National Statistical System and must be set up by decree.

The establishment of a National Statistical Authority reinforces the technical coordination missions of the National Statistical System hitherto carried out by ISTEERU.

In addition, a study on the institutional organization of ISTEERU carried out during the implementation of the second National Strategy for the Development of Statistics has shown that it is essential to fill the gaps observed in the functioning of the National Statistical System, in general, and ISTEERU in particular.

To do this, it is proposed to review the organizational and functional system of ISTEERU to enable it to fully play its role as a true National Statistical Authority.

The major innovations introduced by this revision essentially concern:

- The name of the National Statistical Authority with reference to the other national statistical institutes of the sub-region;
- The reorganization of the Institute by bringing together certain services to make it more efficient, taking into account all the missions of the National Statistical Authority.

After analysis, the project was adopted with the following recommendations:

- Delete the aspects relating to the Board of Directors because this body is not necessary in State structures with management autonomy which do not generate revenue;
- The decrees organizing State structures with management autonomy but which do not generate revenue must be revised to remove the Board of Directors.

6. Progress report of the Commission responsible for the effective implementation of the decisions and recommendations of the Council of Ministers meeting of October 14, 2021 on the Ex EPB and GPSB file, presented by the Minister of Finance, Budget and Economic Planning.

As a reminder, this file had been analyzed during the meeting of the Council of Ministers of October 14, 2021, and among other recommendations made, it was about:

- Valuing assets and identifying other assets that belong to the State;
 - Carry out the necessary checks to find out the circumstances that led to the 18 boats that the Kingdom of Belgium transferred to the State of Burundi ending up in the hands of ARNOLAC and take the appropriate measures;
 - Check whether the other existing boats belonging to individuals have not been generated by boats belonging to the State of Burundi;
 - Properly value the assets of the State in order to accurately define the actions of the State in Global Port Services Burundi;
 - Monitor the progress of disputes involving the State of Burundi and proceed with the execution of those who have been judged;
 - Check the account on which transit the rents of buildings and other assets.
- The appointed Commission is working to implement these recommendations.

It was, for this moment, a progress report to show where the work is up to.

At the end of the analysis, the Council of Ministers adopted this report with the following observations:

- The Commission set up has done its job well and is called upon to close the file;
- The Commission must be asked to transmit the final report;
- For the points which require in-depth research, the Commission will indicate which ones and show the services concerned for the implementation;
- For the goods that the State considers as its own, it is necessary to proceed to the seizure and any person who will consider themselves in grievance will bring the evidence indicating that they are the owners;
- The capital of the State used by Global Port Services Burundi must be valued and reimbursed.

7. Integrated Lake Tanganyika Coastal Development Plan, presented by the Minister of Environment, Agriculture and Livestock

Lake Tanganyika plays an important role in the country's economy. In addition to being a reservoir of fresh water, it hosts enormous biodiversity and contributes to maritime transport.

In order to ensure good management of the “water” sector and of Lake Tanganyika, several policies, strategies and texts have been put in place.

Thus, the 2012 Water Code provides for a strip 150 meters wide from the waters of the lake which is part of the public domain.

Despite all these efforts, the shoreline of Lake Tanganyika is managed in an anarchic and irrational manner.

In order to remedy this, the Ministry in charge of the environment has produced an integrated development plan for the shoreline of Lake Tanganyika which takes into account environmental, tourist and economic aspects.

This document aims to guide decision-makers and investors so that the Lake Tanganyika coastline is valued and protected.

This plan shows the inventory of the Lake Tanganyika coastline as well as the schematic proposals for the various occupations.

The Council of Ministers had analyzed the file and had returned it to be deepened with the support of experts.

After analyzing the reworked and enriched document, the Council of Ministers greatly appreciated it and adopted it because it is a very useful reference document for potential investors. It made the following observations:

- The document constitutes a reference for good planning in the management of the Lake Tanganyika coastline;
- At each location, the document shows the infrastructure that will have to be erected there;
- For the development of the operationalization plan of this strategy, set up a Commission where the ministries in charge of the Interior, Finance, Tourism, Infrastructure, Scientific Research and Hydraulics will be represented;
- The Bujumbura City Master Plan should refer to this Plan;
- It is necessary to popularize this Development Plan so that it is known to the population before the end of 2022;
- This Lake Tanganyika Coastal Development Plan must be accompanied and supported by the development upstream of the rivers flowing into Lake Tanganyika;
- Even the buildings already built in the identified areas must comply with this Plan.

8. Corporate Regulations of the Coffee Development Office (ODECA), presented by the Minister of the Environment, Agriculture and Livestock

The Office for the Development of Coffee in Burundi, "ODECA" which is a Technical Body set up by the Government of Burundi with a view to redressing, revitalizing and sustaining the coffee sector in Burundi was set up by Decree No. 100 /001 of January 07, 2020.

This decree provides in its article 33 that the company regulations of ODECA must be validated by the Council of Ministers.

These regulations contain legal rules that govern the working relationship between ODECA and its staff and are inspired by the Labor Code, the General Statute of civil servants and other conventions.

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

- Delete the appendices which accompany these Regulations and which refer to bonuses and allowances and other benefits because they are contrary to the salary policy.
- Refer to existing texts when setting remuneration;
- Carry out audits of ODECA's accounts to determine whether the Government should continue to grant it subsidies or not, given that it generates profits;
- Develop a management policy for the private sector operating in the coffee sector so that all the currencies generated enter the public treasury.

9. Collaboration strategy between the Ministry of Infrastructure, Equipment and Social Housing through the Road Agency of Burundi and the hillside cooperatives in the manual routine maintenance of roads, presented by the Minister of Infrastructure, Equipment and Social Housing

This strategy for the national road network maintenance campaign comes at a time when most of the national roads that connect the Economic Capital to the interior of the country are in poor condition today. It should also be noted that a large part of the roads in the municipality of Bujumbura is also in advanced degradation.

Given the economic, social and security importance of the road network, the State pays particular attention to it by reserving substantial investments for this sub-sector, with a view to facilitating the mobility of people and goods.

Indeed, the combined efforts of public authorities and development partners have contributed to the improvement of the paved national road network, not only in quality but also in quantity.

However, the country still faces significant challenges to overcome, not only relating to the development of the road network but also to its maintenance in good condition.

The Government of the Republic of Burundi has already recognized cooperative societies as an important vector for human promotion and economic and social development.

It is in this context that the Ministry of Infrastructure, Equipment and Social Housing, through the Road Agency of Burundi wanted to review the good practices of road maintenance by local residents and especially hill cooperatives to that they take ownership themselves of this activity.

The hillside cooperatives will take care of the sections of the roads passing through the hillside locality.

The roads to be maintained as a priority are the roads playing the role of regional integration and/or which have a proven economic, strategic, social, security and tourist nature or the roads of facilitation of cross-border trade.

Considering the priority roads which total a length of 909 km, the annual cost will be around one billion one hundred million Burundian francs (1,100,000,000 FBU).

At the end of the analysis, the Council of Ministers adopted the Strategy with the following recommendations:

- Collaborate with the local administration in the implementation of this strategy;
- With the local administration, put in place clear criteria in the choice of cooperatives called upon to carry out this work
- Properly supervise these cooperatives so that the work is carried out according to the required standards;
- Pay these cooperatives on time.

It was an opportunity for the Council of Ministers to discuss the case of the Bubanza-Ndora road which deteriorated even before its reception.

For this, the request was reiterated to the Minister in charge of infrastructure to have produced the acceptance report for this road by April 1, 2022 at the latest, with reference to the contract that was signed and the current state of this road so that the responsibilities are established and that the consequent measures are taken.

The same recommendation applies to the Mpanda and Kajeke dams.

10. Project to support Digital Economy Foundations in Burundi, presented by the Minister of Communication, Information Technologies and the Media

As the document included very important aspects, particularly those relating to conditionalities and disbursement modalities, it was recommended that the project be re-analyzed in depth during an extraordinary meeting of the Council of Ministers.

11. Any Other Business

The Minister in charge of Finance spoke about the progress of the Uvinza-Musongati-Gitega-Kindu railway construction project.

This project, which is part of a new trade corridor, is an alternative that will connect the central Tanzania railway line from Uvinza, Tanzania, to Kindu, DRC, through Musongati-Gitega- Bujumbura in Burundi, with the aim of opening up unexploited mining sites, enhancing the natural resources and agricultural products of Burundi and eastern DRC.

The purpose of this note was to provide information on the progress, but also to draw everyone's attention to the various advantages that Burundi can derive from this project in its various phases.

With regard to Burundi, pending the establishment of the Railway Authority, the Government can set up a team which would look into the question of the advantages to be drawn from all the phases of the Project and to propose the actions to be carried out with a view to taking advantage of each phase of the Project.

The Council of Ministers welcomed the collaboration of these three countries in this matter.

The Prime Minister was asked to set up this technical team which will reflect on what to do at each stage.

His Excellency the President of the Republic reminded the members of the Government that currently, the authority of the State must be a reality. This must be visible at all levels of responsibility.

For this, he asked the members of the Government to visit the General Directorates under their supervision and explain to them the objectives that the Government must achieve so that they become imbued with them, so that in turn, they transmit the same message to the Directorates under their responsibility.

Done at Gitega, 17 March 2022

Prosper NTAHORWAMIYE

Secretary-General and Spokesman.-