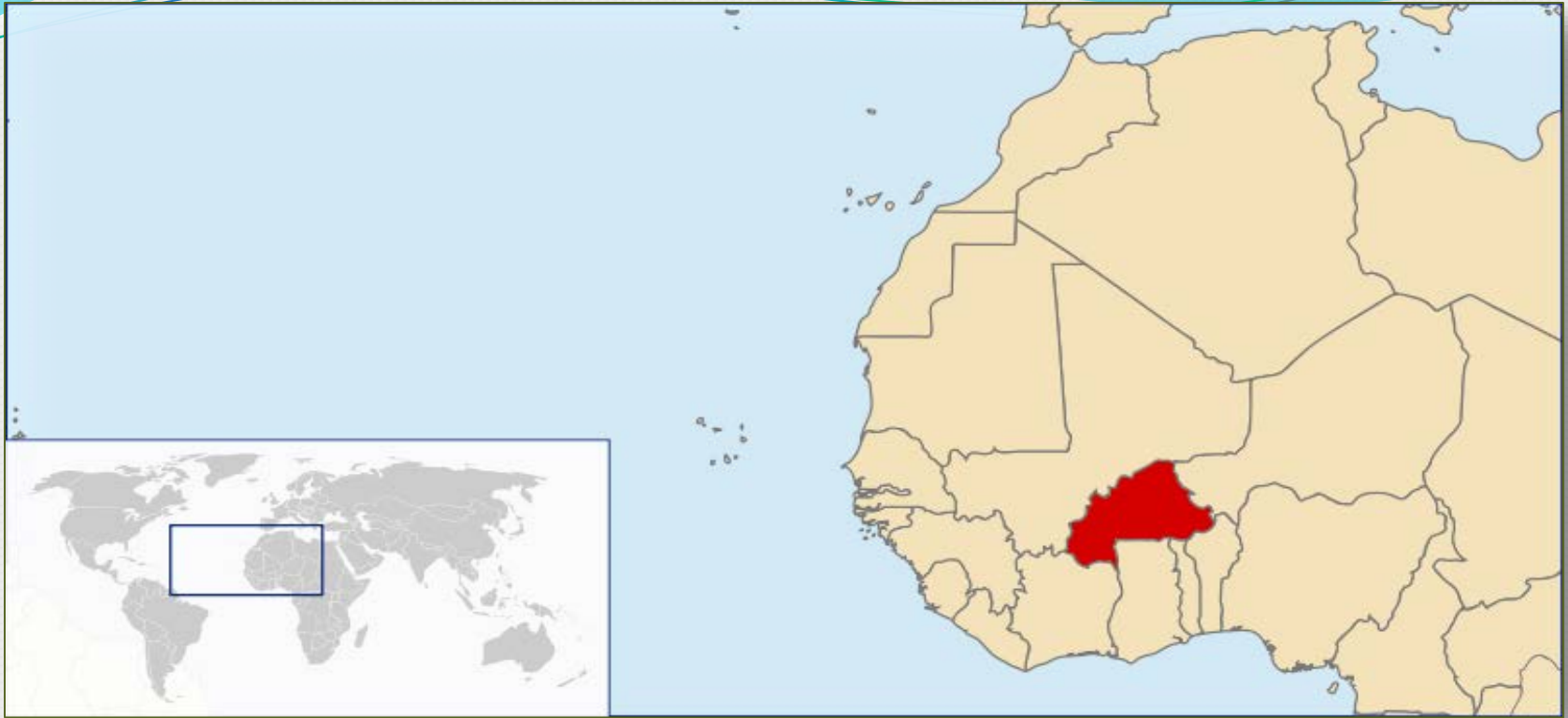


BUSINESS ENVIRONMENT AND INVESTMENT OPPORTUNITIES IN BURKINA FASO



Chamber of Commerce and Industry

Tokyo June 2014



BURKINA FASO

Your Gateway to the West African Market

AGENDA

Geographic Context

Economic Environment

Business Environment

Business Opportunities

Major Ongoing Projects and Programs

Reasons to investing to Burkina Faso



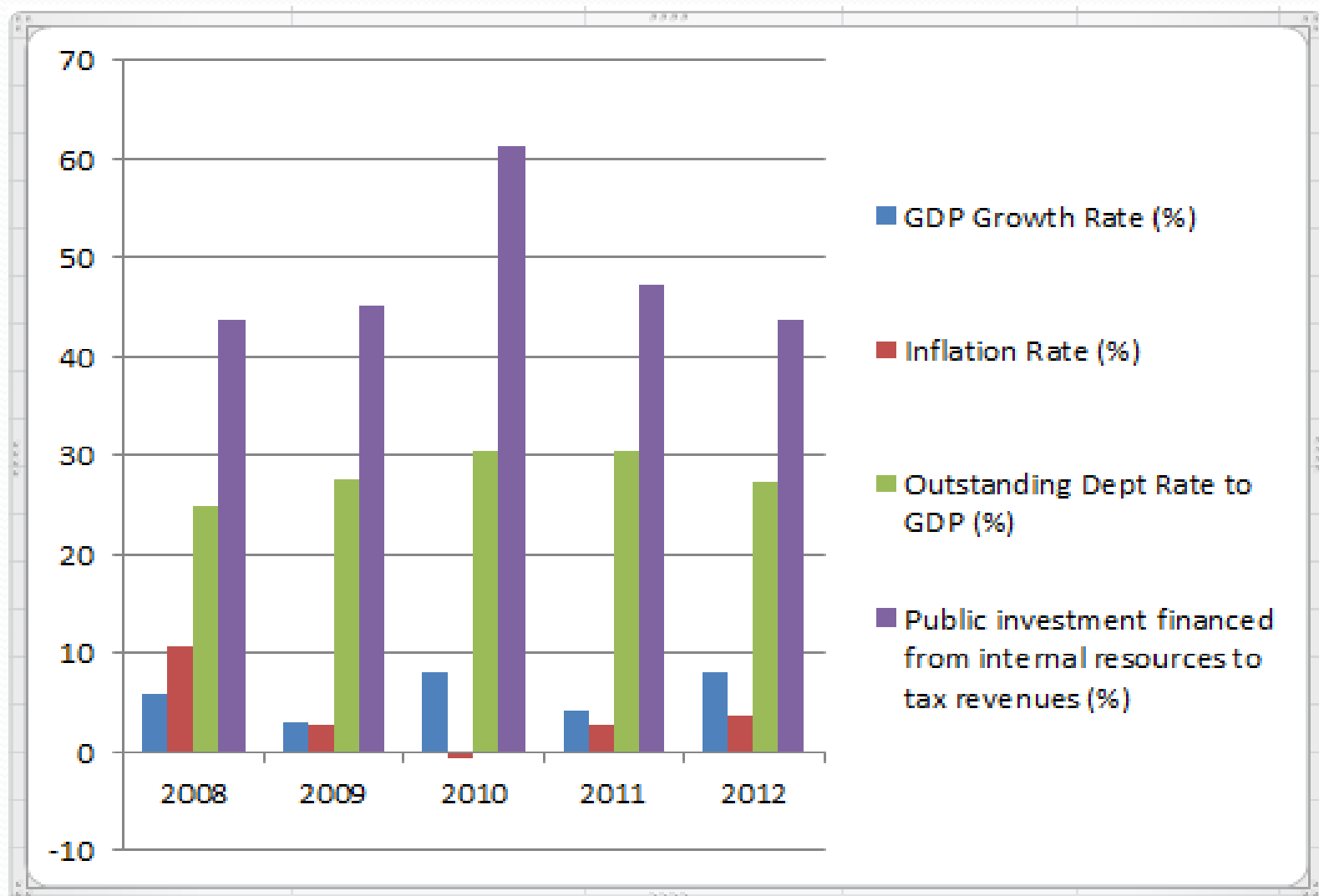
Key numbers on Burkina Faso

INDICATOR	VALUE	YEAR
Surface	274 200 km ²	
Population	17,3 millions inhabitants	2013
Life Expectancy	56,7	2006 (INSD)
Doing Business 2014 Ranking	<ul style="list-style-type: none">- 154/189- 24th in Sub-Saharan Africa	2014

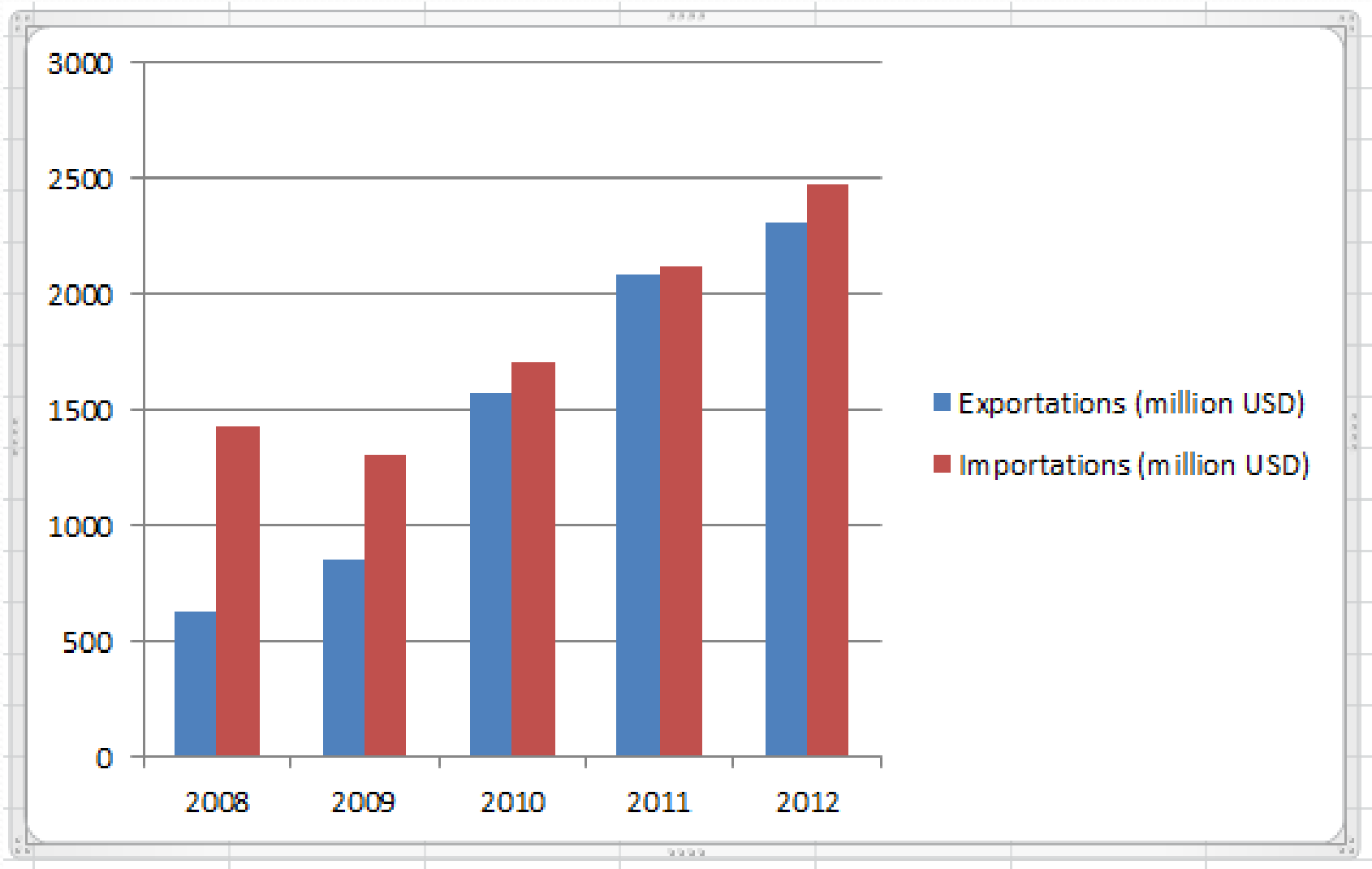
Key Macro-economic indicators

INDICATOR	VALUE	YEAR
GDP	10.95 billion USD	2013
GDP per Capita	634.32 USD	2012
Growth Rate	6.8%	2013
Inflation Rate	0.5%	2013

Evolution of Key Macroeconomic indicators



Evolution of Export & Import



Economic environment

➤ Exports

- **Main exports:** Gold (67% in 2012), Cotton (18% in 2012), livestock, Sesame, Shea nuts & Shea butter , fruits & vegetables, cashew nuts, arts, hides & skins;
- **Major Customers:** Switzerland, Côte d'Ivoire, Japan, Germany, France;
- **Japan : 7th in Asia with 1.140 million**
- **Main export products : cotton and seeds**

➤ Imports

- **Main Imports:** Oil and oil related products (roughly 20% of total imports), pharmaceuticals, foodstuffs, cars, electric equipment and materials, telecommunications equipment, industrial supplies.
- **Main suppliers:** Côte d'Ivoire, France, Mainland China ;
- **Japan : 3rd in Asia with 52.826 million**
- **Main products: vehicles (tourism, transport), motorcycles; tyres, rice, and spare parts, tractors, etc**

A friendly business environment

- A liberal trade and pricing policies after an extensive state-owned companies' privatization program
- Setting up of the Presidential Council for Investment
- The Creation of an Investment Promotion Agency
- A Strong and permanent public-private dialogue

Speedy business setting up procedures

- Establishment of a Single Window Centre for centralizing, streamlining, simplifying and speeding up trade and investment procedures
- 3 days to complete a company creation procedures at the Business Formalities Centers (CEFORE) for only 68 euros
- 19 days to obtain a building permit at the Centre for construction documentation (CEFAC)
- 14 days to obtain a land title at the One-Stop-Shop for Property land issues
- Creation of the Crafting and the Mining Chambers for sectorial policy advocacy

Institutional arrangement to ensure the rule of law in Business

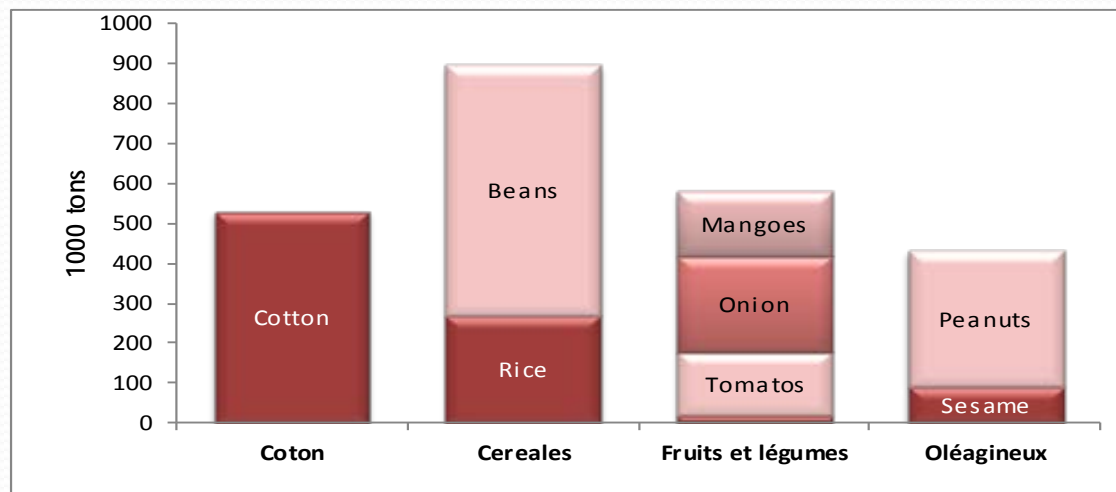
- Commercial courts to settle commercial cases
- Centre for Arbitration, Mediation and Conciliation of Ouagadougou (CAMCO) for the settlement of trade disputes;
- Establishment of a Procurement Regulations Authority to ensure greater transparency in public procurement

An improved business environment

- Reduction of the number of setting up procedures
- A favorable tax and customs theme in compliance with regional economic community's texts
- A new procurement code to ensure more transparency in public procurements
- The reform of the labor law to ensure more flexibility
- Reform of the financial system
- Attractive investment and mining codes
- Adoption of a law on legal regime of the public-private partnership to secure private sector investments

Agriculture sector profile

- 21 % contribution to GDP formation in 2010
- 9 millions ha arable land of which only 1/3 is currently used
- Potential in irrigable lands: 233 500 ha of which only 26 758 ha are developed
- Water resources: 10 billion m³ of surface water & 113 billion m³ underground



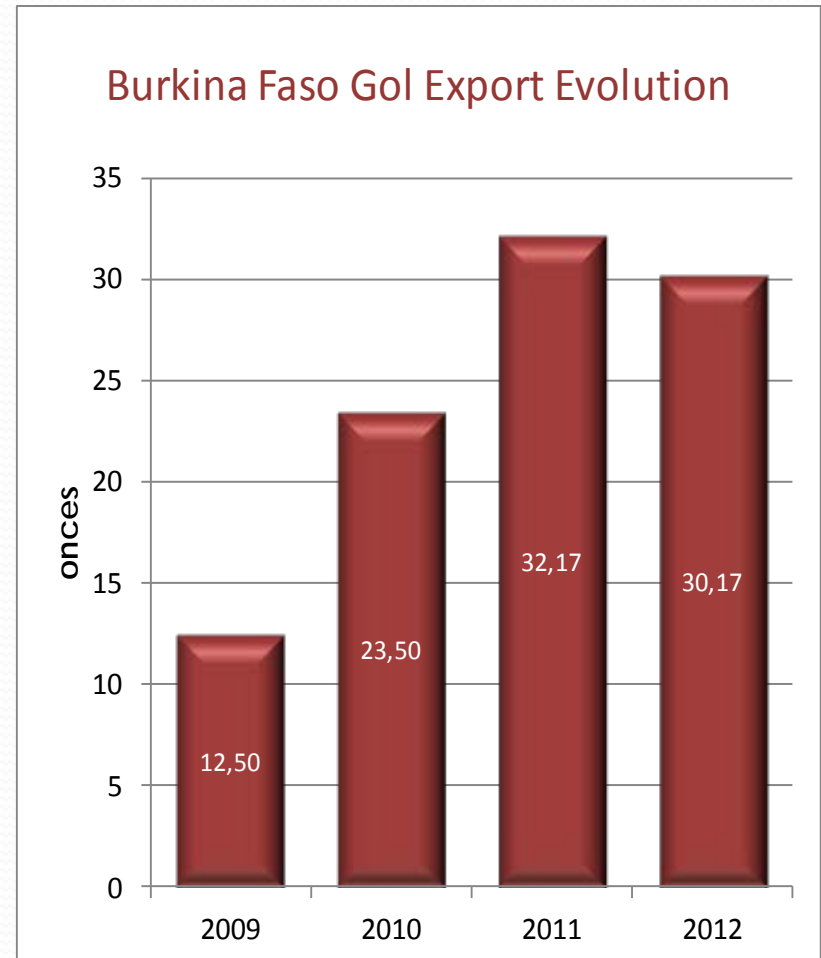
Profile of livestock sector

- Burkina Faso is the 4th cattle-rearing in West and Central Africa
 - Poultry: 42 million
 - Goat breeding: 13 million
 - Sheep: 8 million
 - Cattle: 8.5 million
 - Pigs: 2.2 million
- Meat production in 2012 was 319.946 tons, far below the national need
- Milk production in 2012 was 283.6 million de liters, that corresponds to around 10% of the national demand
- The Government is looking for partners on a PPP basis for
 - Modernizing slaughterhouses of Ouagadougou and Bobo
 - Setting up a hatchery for crossbred chick production
 - Setting up a central purchasing center of veterinary drugs
 - Setting modern milk processing plants across the country



Mining sector profile

- Gold is the first export product since 2009
- High potential
- 7 gold operating mines
- A major manganese under development in Tambao
- A zinc operating mine in Perkoa with more than 6 million MT of ore at 18%

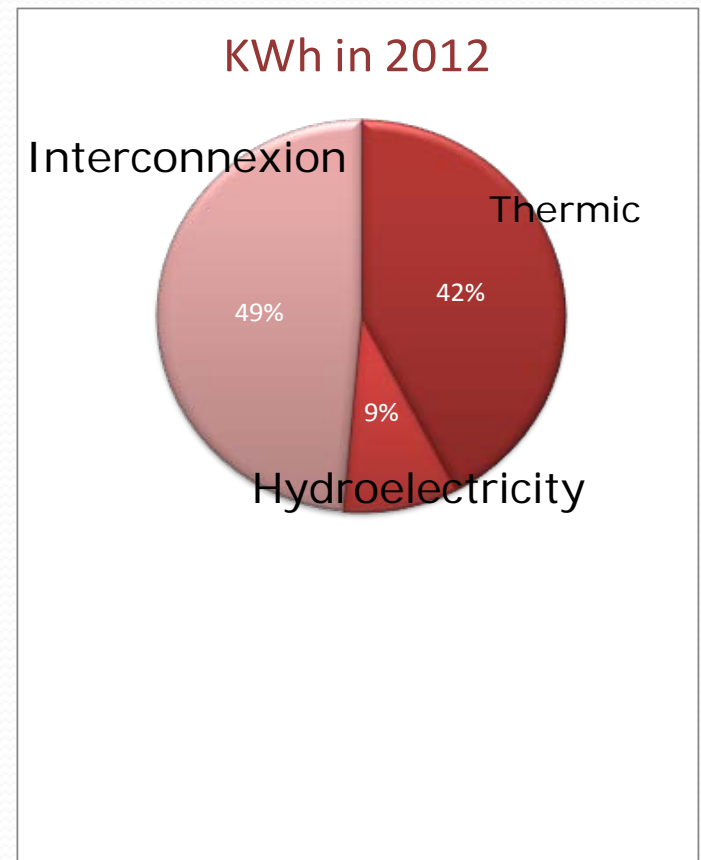


Gold operating mines

Deposit	Company	Expected Production	Investments (X 1000) \$	Beginning of operations
Taparko Bouroum (Sanmatenga)	SOMITA	35 tons	120	October 7, 2007
Youga (Boulgou)	Burkina Mining Company (ETRUSCAN)	25 tons	92	May 16, 2008
Wona Fobiri Mana (Balé)	SEMAFO-BF (SEMAFO)	35 tons	120	June 30, 2008
Kalsaka (Yatenga)	KALSAKA Mining (CLUFF MINING)	20 tons	1 252	October 30, 2008
Inata (Soum)	SMB-SA (WEGA Mining)	22.5 tons	120	April 8, 2010
Essakane (Oudalan)	ESSAKANE SA	90 to 120 tons	350 to 400	July 2010
Bissa- Zandkom (Bam)	BISSA GOLD	34.3 tons	193.2	January 16, 2013

Energy sector

- Electricity coverage rate : 28,15% en 2012
- Electrification rate: 16,38% in 2012
- Current production capacity: 310.65 MW
- High investment potential in energy sector in thermic, solar and hydroelectricity power plants rural electrification and interconnection programs
- Electricity annual growth rate: 10%



Craft sector profile

The crafts employ more than one million people. This is the second source of employment after agriculture and livestock sector

Burkina Faso is the showcase of African crafts thanks to the International Art and Craft Fair of Ouagadougou (SIAO) organized every 2 years



Tourism and hospitality sector



- Prime geographical location in the region
- The industry is made of:
 - Business tourism
 - Conventions
 - Resorts, hunting and hiking
- Burkina Faso is host to major International events such as:
 - FESPACO, the biggest African movies festival
 - SIAO, International Art and Craft Fair of Ouagadougou
 - SITHO, the International Fair of Tourism and Hospitality of Ouagadougou

Major ongoing agricultural projects

Bagrepole

- ✓ Development of 21, 000 ha
- ✓ Cost: 133.70 USD
- ✓ Contribution of 115 million USD from the World Bank Group

Samandeni

- ✓ Total cost of the project: 305 million Euros
- ✓ 1st Phase (2008-2014): 114 million Euros
- ✓ 2nd Phase (2015-2019): 191 million Euros

Major ongoing infrastructure projects

A new International Airport in Ouagadougou

- ✓ Strong involvement of the private sector
- ✓ Great implication of the private sector
- ✓ Cost : € 268 million

Housing Programs

- ✓ “10 000 low cost houses” for about € 106 million
- ✓ “5 000 affordable housing” € 95 million

Ten good reasons for investing in Burkina Faso

- A political and institutional stability based on a permanent quest for social dialogue and political consensus
- A stable and healthy macroeconomic context
- A committed choice for an opened economy
- A conducive and innovative legislative and regulatory framework with a firm investment promotion and protection policy
- A common and freely convertible currency within the UEMOA having a fixed parity against the Euro
- An abundant, young, and dynamic workforce

Ten good reasons for investing in Burkina Faso

(Continued)

- A prime geographic position at the center of the West Africa, giving access to a potential market of more than 300 million within the ECOWAS
- A constantly improving legal and judicial environment within the Organization for the Harmonization of Business Law in Africa(OHADA)
- A good international road network and a powerful international transit system, making of Burkina Faso a crossroads for trade within UEMOA and ECOWAS zones
- Huge and yet unexploited economic potentials in the fields of agriculture, mining, industry, tourism and services



Thank You For Your Attention!