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

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>VALUE</th>
<th>YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface</td>
<td>274 200 km²</td>
<td></td>
</tr>
<tr>
<td>Population</td>
<td>17.3 millions inhabitants</td>
<td>2013</td>
</tr>
<tr>
<td>Life Expectancy</td>
<td>56.7</td>
<td>2006 (INSD)</td>
</tr>
<tr>
<td>Doing Business 2014 Ranking</td>
<td>154/189</td>
<td>2014</td>
</tr>
<tr>
<td></td>
<td>24th in Sub-Saharan Africa</td>
<td></td>
</tr>
</tbody>
</table>
## Key Macro-economic indicators

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>VALUE</th>
<th>YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP</td>
<td>10.95 billion USD</td>
<td>2013</td>
</tr>
<tr>
<td>GDP per Capita</td>
<td>634.32 USD</td>
<td>2012</td>
</tr>
<tr>
<td>Growth Rate</td>
<td>6.8%</td>
<td>2013</td>
</tr>
<tr>
<td>Inflation Rate</td>
<td>0.5%</td>
<td>2013</td>
</tr>
</tbody>
</table>
Evolution of Key Macroeconomic indicators
Evolution of Export & Import

- Exportations (million USD)
- Importations (million USD)
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 litters, 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%

![Burkina Faso Gold Export Evolution](chart.png)
## Gold operating mines

<table>
<thead>
<tr>
<th>Deposit</th>
<th>Company</th>
<th>Expected Production</th>
<th>Investments (X 1000) $</th>
<th>Beginning of operations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Taparko Bouroum</strong> (Sanmatenga)</td>
<td><strong>SOMITA</strong></td>
<td>35 tons</td>
<td>120</td>
<td>October 7, 2007</td>
</tr>
<tr>
<td><strong>Youga</strong> (Boulgou)</td>
<td>Burkina Mining Company (ETRUSCAN)</td>
<td>25 tons</td>
<td>92</td>
<td>May 16, 2008</td>
</tr>
<tr>
<td><strong>Wona Fobiri Mana</strong> (Balé)</td>
<td>SEMAFO-BF (SEMAFO)</td>
<td>35 tons</td>
<td>120</td>
<td>June 30, 2008</td>
</tr>
<tr>
<td><strong>Kalsaka</strong> (Yatenga)</td>
<td>KALSAKA Mining (CLUFF MINING)</td>
<td>20 tons</td>
<td>1252</td>
<td>October 30, 2008</td>
</tr>
<tr>
<td><strong>Inata</strong> (Soum)</td>
<td>SMB-SA (WEGA Mining)</td>
<td>22.5 tons</td>
<td>120</td>
<td>April 8, 2010</td>
</tr>
<tr>
<td><strong>Essakane</strong> (Oudalan)</td>
<td>ESSAKANE SA</td>
<td>90 to 120 tons</td>
<td>350 to 400</td>
<td>July 2010</td>
</tr>
<tr>
<td><strong>Bissa- Zandkom</strong> (Bam)</td>
<td>BISSA GOLD</td>
<td>34.3 tons</td>
<td>193.2</td>
<td>January 16, 2013</td>
</tr>
</tbody>
</table>
Energy sector

• Electricity coverage rate: 28.15% in 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

<table>
<thead>
<tr>
<th>Project</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bagrepole</td>
<td>✓ Development of 21,000 ha</td>
</tr>
<tr>
<td></td>
<td>✓ Cost: 133.70 USD</td>
</tr>
<tr>
<td></td>
<td>✓ Contribution of 115 million USD from the World Bank Group</td>
</tr>
<tr>
<td>Samandeni</td>
<td>✓ Total cost of the project: 305 million Euros</td>
</tr>
<tr>
<td></td>
<td>✓ 1st Phase (2008-2014): 114 million Euros</td>
</tr>
</tbody>
</table>
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!