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**INTERNATIONAL DEVELOPMENT ASSOCIATION  
AND  
INTERNATIONAL FINANCE CORPORATION  
COUNTRY ASSISTANCE STRATEGY PROGRESS REPORT  
FOR  
THE REPUBLIC OF BURUNDI**

**April 21, 2011**

**Eastern Africa Country Management Unit 1  
Africa Region  
International Development Association**

**International Finance Corporation  
Sub-Saharan Africa Department**

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# DATE OF CURRENT COUNTRY ASSISTANCE STRATEGY

July 8, 2008

## GOVERNMENT FISCAL YEAR

January 1— December 31

## CURRENCY EQUIVALENTS

(Exchange Rate Effective as of April 11, 2011)

Currency Unit = Burundi Franc (FBu)

US\$1.00 = 1,210 FBu

## ABBREVIATIONS AND ACRONYMS

AAA	Analytical and Advisory Activities	ISN	Interim Strategy Note
ADC	Democratic Alliance for Change	ITEKA	Burundian League of the Humans Rights
AfDB	African Development Bank	MDGs	Millennium Development Goals
ART	Antiretroviral Treatment	MDRI	Multilateral Debt Relief Initiative
BCB	Banque de Crédit de Bujumbura	MDRP	Multicountry Demobilization and Reintegration Program for the Great Lakes
CAS	Country Assistance Strategy	MOU	Memorandum of Understanding
CAS PR	CAS Progress Report	MIGA	Multilateral Investment Guarantee Agency
CEM	Country Economic Memorandum	MTEF	Medium-term Expenditure Framework
CPFR	Country Portfolio Performance Review	NGO	Non-Governmental Organization
CSOs	Civil Society Organizations	NPV	Net Present Value
DFID	Department for International Development (United Kingdom)	ODA	Official Development Assistance
DRR	Demobilization, Reinsertion, and Reintegration	OLUCOM	Anti-corruption and Economic Malpractice Observatory
DSA	Debt Sustainability Assessment	E	
EAC	East Africa Community	OTRACO	Office des Transports en Commun
ECF	Extended Credit Facility	PBA	Performance Based Allocation
ESP	Education Sector Plan	PBF	Performance-Based Financing
EFA-FTI	Education for All – Fast Track Initiative	PEMFAR	Public Expenditure Management and Financial Accountability Review
ERSG	Economic Reform Support Grant	PER	Public Expenditure Review
ESW	Economic and Sector Work	PIU	Project Implementation Unit
EU	European Union	PRSP	Poverty Reduction Strategy Paper
FBu	Burundi Franc	PSD	Private Sector Development
FDI	Foreign Direct Investment	RBF	Results Based Financing
FNL-	National Liberation Front – Party for the Liberation of the	RRI	Rapid Results Initiative
PALIPEHU	Hutu People	SDR	Special Drawing Right
TU		SME	Small and medium enterprise
FY	Fiscal Year	SOSUMO	Société Sucrière du Moso
GAC	Governance and Anti-Corruption	SOE	State-Owned Enterprise
GAVI	Global Alliance for Vaccines and Immunizations	SWAp	Sector-Wide Approach
GDP	Gross Domestic Product	TA	Technical Assistance
GFRP	Global Food Crisis Response Program	TFGIA	Trade Finance Guarantee Insurance Agreement (IFC)
GNI	Gross National Income	UN	United Nations
GTZ	German Agency for Technical Cooperation	UNDP	United Nations Development Program
HIPC	Highly Indebted Poor Countries (Initiative)	UNFPA	United Nations Population Fund
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome	UNICEF	United Nations Children's Fund
ICT	Information and Communications Technology	US	United States
IDA	International Development Association	USAID	United States Agency for International Development
IEG	Independent Evaluation Group	WBI	World Bank Institute
IFAD	International Fund for Agricultural Development	WHO	World Health Organization
IFC	International Finance Corporation		
IMF	International Monetary Fund		

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# COUNTRY ASSISTANCE STRATEGY PROGRESS REPORT FOR THE REPUBLIC OF BURUNDI

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# BURUNDI

## COUNTRY ASSISTANCE STRATEGY PROGRESS REPORT

### I. INTRODUCTION

1. **This report presents a midterm implementation assessment of the World Bank's FY2009-12 Country Assistance Strategy (CAS) for Burundi.**<sup>1</sup> The CAS is aligned with priorities of the Government of Burundi's Poverty Reduction Strategy Paper (PRSP) (2006-2010). It assists Burundi's transition from a post-conflict to a developing economy by selectively supporting the implementation of its development program. The CAS has two strategic objectives: (i) to promote sustainable and broad-based economic growth and (ii) to improve access to social services and consolidate social stability. Improving governance is a cross-cutting objective of the CAS. The results framework of the CAS program is crafted around six outcomes: (a) increased productivity of food and high value export crops; (b) improved business environment; (c) improved infrastructural services and enhanced regional integration; (d) improved reintegration of ex-combatants and vulnerable groups; (e) more efficient and transparent public financial management; and (f) improved access to and quality of basic services and decreased vulnerability to HIV/AIDS. Given the cross-cutting nature of governance, the CAS program envisages improved governance at the project, sector and macro levels.

2. **The objective of this CAS Progress Report (CAS PR) is to describe any changes in the country context, show progress toward CAS outcomes, signal remaining challenges and make any necessary adjustments to the Bank's program.** Section II will provide an update on recent political, social and economic developments. Section III will, together with the revised results framework presented in Annex 1, show progress on CAS outcomes and highlight any outstanding challenges for the rest of the CAS period and beyond. A description of adjustments to the CAS program and a report on implementation progress is presented in section IV with the perspective of the pillars, foundation and instruments of the New Africa Strategy. Section V will provide an update to the risk framework.

### II. CONTEXT

#### A. POLITICAL AND SOCIAL CONTEXT

3. **There has been mixed progress on both political and security fronts since finalization of the CAS in 2008.** Although the government and the FNL-PALIPEHUTU, the last remaining rebel group, had signed a cease-fire agreement in September 2006, sporadic fighting continued and it took two further years of negotiations to reach a cessation of hostilities. In December 2008, the government and the FNL-PALIPEHUTU signed a power sharing agreement, and in January 2009 the rebel group removed the ethnic connotation "PALIPEHUTU" from its name, making it constitutionally eligible to register as Burundi's 42<sup>nd</sup> political party following disarmament,

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<sup>1</sup> The CAS (Report No. 44193-BI) is dated July 8, 2008 and was presented to the Board of Executive Directors on August 08, 2008.

demobilization, and reintegration efforts. These developments are historic milestones, although they have been accompanied by bouts of violence and insecurity.

4. **Burundi's second democratic elections in 2010 constituted a milestone in the country's political transition.** The second democratic elections under the new constitution since 2005 took place from May 24<sup>th</sup> to September 8<sup>th</sup>. They tested the strength of the country's institutions and stability of its democracy. The election process began with local councils, followed successively by presidential, parliamentary, and senatorial elections, and ending with hillside (local) elections. According to international observers, the elections conformed to international standards despite minor observed irregularities during the local council elections. However, thirteen opposition parties, alleging fraud and vote-rigging, formed a coalition to boycott the presidential election, leaving President Nkurunziza to stand unopposed. President Nkurunziza was therefore, in June, re-elected for a second term, claiming 92 percent of the votes cast. Three political parties, notably the Union pour le progress national (Uprona) and Front for Democracy in Burundi (FRODEBU) decided to contest the legislative elections, which took place in July, and are now represented in parliament.

5. **The security situation remains calm but uncertain.** The controversies over the election results sparked violence that sometimes led to loss of life. The self exile of the FNL president and former rebel leader Rwaswa Agathon along with other opposition leaders in the consortium of opposition parties, also known as the Democratic Alliance for Change (ADC), has created an atmosphere of uncertainty. Although Rwaswa has denied any intention to return to armed struggle, sporadic attacks on the population have continued. There are reports of desertions of some officers from the armed forces with arms, and lingering rumors of a rebellion forming in the Kibira and Rukoko forests in the west of the country. Although most of the country is at peace with sufficient security for economic and social activities, fear and skepticism still abound.

6. **Political anxiety is widespread, especially among opposition parties who boycotted the elections.** The ruling party holds an overwhelming majority in the government, parliament and senate. Opposition parties allege an absence of inclusive political dialogue in public affairs and persecution of opposition political leaders. Efforts by the ruling party to reach out to other opposition parties include appointments of opposition party members in government and convening meetings for political dialogue.

## **B. ECONOMIC AND POVERTY CONTEXT**

7. **The performance of some sectors of the economy has improved, but gross domestic product (GDP) growth has been lower than expected, while the country has experienced the impact of the economic crises.** In 2008, Burundi's economy grew by 4.5 percent of GDP, owing to improved agriculture performance, an expansion of manufacturing and increased donor financing, and despite increases in fuel and food prices and energy shortages. In 2009, Burundi experienced the impact of the global economic and financial crisis; economic growth slowed to 3.5 percent, mainly because of lower than expected private transfers and foreign direct investment as well as continued energy shortages. In 2010, however, as the economy is emerging from the effects of the global crisis, economic growth is estimated to rise to 3.9 percent. Economic growth remains volatile due to its dependence on the widely fluctuating agricultural sector, which constitutes about half of GDP and employs approximately 90 percent of the population.

8. **Inflation increased in the wake of the international food and fuel price crisis, but has subsequently decreased and is expected to remain in the single digits in the absence of new global shocks.** In 2008, inflation rose to 24.4 percent (period average) due to increases in food and fuel prices and to some extent depreciation of the currency. In 2009, period average inflation decreased to 10.7 percent and declined further to 6.4 percent in 2010. Due to higher international food and oil prices, inflation rates are expected to increase slightly in 2011. Nevertheless, inflation rates are expected to be contained in the single digits owing to government's commitments to macroeconomic policies, the continuation of reforms under the Extended Credit Facility (ECF) program with the IMF, as well as the absence of a twin food and oil crisis in the magnitude of the 2008 crisis.

9. **Lack of diversity in exports, and reliance on oil and capital goods imports, continue to lead to consistent current account deficits.** In 2008, the current account deficit (including official transfers) improved to 12.3 percent (from 15.7 percent in 2007). In 2009, however, the deficit increased again to 15.9 percent mainly due to lower donor assistance, which represents more than 60 percent of net current transfers. Even though Burundi's trade balance improved in 2009, after the negative effects of higher food and fuel prices on the trade deficit in 2008, it still reflects the country's narrow range of exports, which consists almost entirely of coffee and tea, and its dependence on imported oil and capital goods. The external current account deficit is estimated to have declined to around 12 percent of GDP in 2010, because of higher exports and official transfers. Gross official reserves represented about 5.2 months of imports in the period 2008-2010.

10. **The private sector's contribution to growth remains limited.** Foreign direct investments (FDI)—representing less than one percent of GDP—remain low in Burundi, despite a significant improvement from US\$0.5 million in 2007 to US\$13.6 million in 2008, as a result of renewed involvement of foreign firms in the banking and telecommunication sectors. However, in 2009, FDI is estimated to have declined slightly to US\$10.2 million. Domestic private investments remain at low levels of about 7.6 percent of GDP (on average in 2005-2008).

11. **Burundi's external debt situation has improved, but remains vulnerable to debt distress due to the country's narrow export base.** In January 2009, Burundi reached the Highly Indebted poor Countries (HIPC) completion point and was eligible for US\$833 million (in net present value) in debt relief, including US\$425 million from IDA and US\$38 million from the IMF. The most recent Debt Sustainability Assessment (DSA) from July 2010 reveals that Burundi continues to face debt distress and recommends: (i) acceleration of structural reforms to increase and diversify the export base; and (ii) continued reliance on grants and highly concessional loans.

12. **Medium-term growth prospects supported by productivity improvements in the agriculture sector are favorable.** Growth is projected to rise from 3.9 percent in 2010 to reach 4.5 percent in 2011 and average 4.9 percent in 2012-2013. Under these projections, growth would be supported by productivity improvements in the agriculture sector (including coffee) and its linkages with the secondary sector (mostly agro-industry, mining and energy, and construction). In addition, a renewed impetus in the service sector, including banking and telecommunications, within the East Africa Community (EAC) should have a positive effect on growth. Finally, planned investments in the energy sector should relieve the economy from a significant constraint.

13. **The macroeconomic framework is expected to be stable and the current account deficit should improve.** Inflation is projected to decrease to about 7.0 percent in 2011-2013. Despite the

slow recovery of the global economy, the current account deficit will likely decline compared to its 2009 level. Following the liberalization reforms of main export crops, Burundi's export earnings will increase, but higher international food and oil prices are expected to exacerbate the trade deficit. As a result, the current account deficit will deteriorate to about 15 percent of GDP in 2011-13 from 11.9 percent of GDP in 2010. FDI is expected to continue to rise over the next couple of years to about US\$12.8 million on average in 2010-2013 from US\$10.2 million in 2009, due to the modest recovery of the world economy, as well as continued reforms of the investment climate and public finance. Gross official reserves will average 5.4 months of imports in 2011-2013.

14. **Burundi's poverty outlook remains daunting; the country continues to be unlikely to reach the Millennium Development Goals (MDGs) by 2015.** Burundi's GDP per capita remains very low, even though it increased from about US\$147 in 2008 to US\$178 in 2010 according to IMF estimates. In 2010, Burundi ranked 167<sup>th</sup> of 169 countries on the UNDP Human Development Index. The last measured poverty level for Burundi stood at about 67 percent in 2006, still far from the MDG target of 18 percent in 2015. However, the country achieved progress on some key social indicators, such as maternal and child health, HIV/AIDS prevalence and in education enrollment.

15. **Burundi's economic structure and geographic location continues to make the country vulnerable to various economic, political and climatic shocks.** First, as already discussed, economic growth depends mainly on the performance of the agriculture sector which is very sensitive to weather shocks. Second, because Burundi is a net food importer and depends heavily on fuel imports, it is very susceptible to shocks in international markets. Third, recurrent episodes of conflict have been a huge drag on growth in the past decades. Given Burundi's landlocked position, political problems in neighboring countries can have large negative impacts. These shocks, especially when they are cumulative, can have large welfare consequences. For instance, because households spend a large share of their income on food, an increase in food prices worsens poverty. Internal and external conflicts drive prices even higher or delay the delivery of food and magnify the size of the welfare losses. Moreover lack of adequate safety nets reduces the country's ability to protect its population from shocks.

16. **Burundi is in the process of formulating its second PRSP expected to be finalized in mid-2011.** A comprehensive performance and impact assessment of the first PRSP has been prepared and informs ongoing consultations for the formulation of the second PRSP. The new PRSP is not expected to deviate from the objectives set forth in the first PRSP, but rather build on the progress achieved and deepen the reform efforts put in place. It will focus on increasing growth and employment opportunities through investments in: (i) agriculture; (ii) infrastructure (water, energy, roads, and ICT); (iii) private sector development; and (iv) tourism. The current CAS continues to be in line with these objectives, and the new CAS will be designed based on the second PRSP.

### III. PROGRESS TOWARD CAS OUTCOMES

17. **Burundi's progress toward CAS outcomes has been mixed.** Within the two CAS objectives (i) Promote sustainable and broad-based economic growth; and (ii) improve access to social services and consolidate social stability – there has generally been more progress under the second objective and major challenges remain to achieve more satisfactory outcomes under the first objective. Among eleven outcome indicators under the first objective, three have been achieved

and six are on track albeit with much more work still needed; one indicator (energy) remains off track (the ICT progress indicator is not available). While agriculture indicators progressed well with respect to food crops, export crops indicators have lacked behind and proved too ambitious. Business environment indicators were achieved even though a lot more needs to be done. Roads and water remain on track, but energy outcome indicators are currently off track. Among thirteen outcome indicators under the second objective, four have been achieved and five are well on track. Four indicators are currently off track. Progress toward reintegration of ex-combatants and vulnerable groups is going well, even though one indicator on effective reintegration is currently off track. In addition, there has been good progress on public finance management indicators. Excellent progress has been achieved toward meeting the CAS outcomes in health and HIV/AIDS. A total of three indicators are currently off track in the education sector, which continues to face major challenges further described below.

18. **The recent Performance and Impact Assessment of the Growth and Poverty Reduction Strategy Framework confirmed the good progress on key human development indicators, particularly in health, albeit with some shortcomings in education.** It emphasized the important challenges that remain on promoting the country's economic transformation and increasing growth, especially of exports.

#### **A. PROGRESS ON CAS OBJECTIVE ONE: PROMOTE SUSTAINABLE AND BROAD-BASED ECONOMIC GROWTH**

19. The CAS outcomes under Objective One are:

- 1.1: Increased productivity of food and high-value export crops;
- 1.2: Improved business environment; and
- 1.3: Improved infrastructural services with enhanced regional integration.

20. **There has been progress in increasing productivity of food crops, but improving the productivity of export crops and increasing overall agriculture sector growth are key challenges.** While there have been noticeable improvements in the production and yields of rice, milk and oil palm, production of traditional export crops, such as tea and coffee, was either stagnant or declining. As already outlined above, sluggish growth of the economy overall during the last years can be, among other factors, ascribed to limited progress in agriculture production, which resulted in weak agriculture growth of less than 3 percent from 2006-2009. This also continues to severely hamper any progress in poverty reduction given that about 90 percent of Burundians work in the agriculture sector. Specific key challenges in this regard include the need to further improve the productivity of agriculture investments through adoption of agriculture technology aimed at increasing yields, and improved agriculture research and extension efforts, including the production of seed and the distribution of fertilizer. Additional challenges include the need for further irrigation development and the rehabilitation of rural feeder roads. Traditional export crops need to be modernized, but agriculture exports—just like the country's economy overall—are also in a dire need for diversification. Finally, an important challenge remains for increased private sector participation in commercial agriculture. This challenge is evident in the CAS outcome indicator on a reduction in government ownership of coffee assets, which proved too ambitious and had to be revised. One specific challenge includes the privatization of coffee washing stations. So far only 13 out of the 117 washing stations have been privatized.

21. **Progress in improving the business environment has been good according to the targets set forth in the CAS, but significant challenges remain in making Burundi a better place to do business.** Arrears to the private sector have been paid and there has been some progress in revising legislative codes (commerce, corporations, and investments) and improving collaboration between the public and the private sector. While there has been significant contribution to this outcome from the Bank's financing program, certain knowledge products had a significant impact as well. For example, a 2009 report of the legal and institutional framework for privatization pointed out the weaknesses of the agency in charge of privatization and its lack of capacity in bringing about substantial improvements in the performance of the sector and to plan and monitor the privatization program envisaged by government. In addition, the FY10 CEM recommended improvements in the regulatory environment to attract domestic and foreign investment. Among other things it pointed out the need for the implementation of the investment code, the finalization of a revision to the tax code and the establishment of an export and investment promotion agency. Nevertheless, private sector activities remain severely hampered by institutional constraints and slow progress with respect to the development of the formal sector and the restructuring or privatization of public enterprises. The country's business climate continues to be uninviting, hampered by its small domestic market and landlocked position, but also a high cost of doing business, which is due to high energy and telecommunication costs and poor infrastructure. According to the 2011 *Doing Business* report, the country ranks 181<sup>st</sup> (among 183 countries) in the world and much remains to be done to improve this situation.

22. **Progress on improving transport and water infrastructure has generally been good. The country made progress on the roll-out of ICT coverage, but important challenges remain with respect to energy generation and access as well as in sector governance.** Development of infrastructure in general remains a key growth impediment. Given the landlocked position of Burundi, regional infrastructure continues to play a key role, but improved domestic infrastructure to improve market access from rural areas to urban centers, is also key. In the transport sector, there has been good progress on road rehabilitation and notable efforts have been made to improve road maintenance for which domestic resources more than doubled between 2007 and 2010. The paved road network in good and fair condition has improved from 21 percent of 1,100 km to 49 percent in the same period. IDA contributions in the road sector complemented government's contributions and resources by other partners, including the EU. However, Burundi's international transportation costs, representing 40 percent of the value of agriculture exports, remain exorbitant. Internet access increased, as did the expansion of mobile phone services, thanks to the private sector. The extremely weak levels of electricity generation – currently only about three percent of the population has access to electricity – remain a key constraint, calling for the mobilization of increased public and private investments. Infrastructure sectors in general still lack comprehensive governance frameworks and exhibit the need to streamline and harmonize various efforts in building their regulatory capacity as a priority going forward.

## **B. PROGRESS ON CAS OBJECTIVE TWO: IMPROVE ACCESS TO SOCIAL SERVICES AND CONSOLIDATE SOCIAL STABILITY**

23. The CAS outcomes under Objective Two are:

2.1: Improved reintegration of ex-combatants and vulnerable groups;

- 2.2: More efficient and transparent public financial management; and
- 2.3: Improved access to and quality of basic social services and decreased vulnerability to HIV/AIDS.

24. **Demobilization of ex-combatants and reintegration of vulnerable groups has progressed well.** Since the 2008 peace agreement with the FNL to transform the rebel movement into a political party, the Government of Burundi moved forward with the final phase of demobilization, reinsertion and reintegration (DRR) and as a result over 6,500 FNL ex-combatants were demobilized. The Government is now focusing on reintegration efforts for these ex-combatants and the host communities. On the other hand, there has been slower than expected progress on the amount of returnees and displaced persons that have been effectively reinserted into their communities. A key challenge remains the unemployment of ex-combatants. While opportunities for labor-intensive public works jobs have been created by the Bank-financed public works program, it is important for the government to develop an environment conducive to private sector development so that more jobs will be created. Partnerships have been a strong element of demobilization and reintegration activities in Burundi. The DRR project has brought together, on one level, collaboration between four bilateral donors and the Government of Burundi. The effective execution of activities has been realized through the engagement of 15 implementing partners representing a broad spectrum of civil society actors. These implementing agencies represent regional CSO's working on the ground in Burundi, as well as specialized agencies working in the domain of medical service provision for disabled ex-combatants, as well as psycho-social support services. DRR programming in Burundi is achieved by the successful management of partnerships at all levels.

25. **Important progress has been achieved in putting in place the framework and systems for more efficient and transparent public financial management, but the quality of public spending must be improved.** Significant progress was made in the enactment of the 2009 Budget Framework Law (*Loi Organique*). In addition, there has been a modernization of the procurement code and a computerized financial management system has been extended to virtually all financial management and cash flows. There has also been good progress on the development of central and sector medium-term expenditure frameworks (MTEF), even though there is still need for the central MTEF to be used to define the overall budget envelope and allow for inter-sector budget choices consistent with national priorities. While the percentage of expenditures allocated to priority sectors increased laudably, from about 41 percent in 2005 to 55 percent in 2009, challenges remain with respect to improvements in budget planning process and the quality of public spending. A mix of instruments contributed to progress under this outcome, including an economic management project and the development policy series, but most notably also various analytic work and technical assistance. A Public Expenditure Financial Accountability report in FY09 recommended, among other things the development of an MTEF to improve budget planning as well the implementation of cash management plans. Other knowledge products included a study on options for pay reform, the Financial Sector Advisory Program, a debt management performance assessment, as well as technical assistance for poverty monitoring and quantitative macro-fiscal framework. A FY11 Public Expenditure Review (PER) assessed the state of public expenditure in Burundi, with a focus on public investment, and recommended specific actions that need to be taken to stimulate growth and reduce poverty. Another PER is planned for FY12 in addition to technical assistance that will aim at building capacity to extend the use of MTEFs across ministries.

26. **Significant progress has been achieved in the health sector including a major and successful reform through the introduction of performance-based financing.** Significant efforts have been made to train general practitioners and nurses and increase capacity. Government policy of free health care for pregnant women and children under the age of five has increased utilization rates. The number of women giving birth in health facilities is increasing; maternal and child mortality rates have been declining albeit not significantly. The introduction of performance contracts with health facilities with support from IDA financing has significantly improved the utilization and quality of services (including with regard to availability of essential drugs). Burundi is now only the second country in Sub-Saharan Africa (after Rwanda) to have performance-based financing (PBF) for all public and private non-profit health facilities nationwide. This is a major achievement that exemplifies positive changes in the health sector, including: (i) the creation of an internal market for PBF with IDA financing leveraging funding from other sources; (ii) successful innovative civil service reform in the health administration at all levels; (iii) introduction of innovative data management systems, which led to an advanced level of transparency and a different way of doing business. Key challenges going forward will be to consolidate and enhance these gains in utilization and quality and to show progress in certain indicators and areas of the country where progress has been lagging. It will be important to continue to strengthen health systems, especially with respect to human resources but also regarding the systems for distributing and managing drugs and medical consumables, planning and budgeting, M&E, enhancing the autonomy of decentralized structures (e.g. health facilities) and addressing various inefficiencies in resource use.

27. **Combating HIV/AIDS has made steady progress with respect to several prevention and screening measures.** As of June 2010, 20,307 new HIV/AIDS patients out of a total 63,000 patients (i.e. 37 percent) have been enrolled on antiretroviral treatment (ART); 8,758 out of almost 16,900 HIV+ pregnant women (i.e. 52 percent) were receiving ART prophylaxis for the prevention of mother-to-child transmission. IDA funding is highly complementary with funding from other partners, including UNAIDS. Prevalence rates are declining overall. Compared to 2002, the 2008 National serological survey suggests that HIV/AIDS prevalence is stable in urban areas (from 4 percent to 3.8 percent) but moderately increasing in rural areas (from 2.2 percent to 2.9 percent). The most important challenge will be to not become complacent, but continue to widen efforts, especially with respect to prevention measures.

28. **The education sector has trouble in providing quality education after the spectacular growth in enrollment since 2005 (Table 1).** Reintegration combined with the abolition of school fees resulted in gross enrollment growth from about 80 percent in 2005 to 134 percent in 2009. In order to accommodate this increase, there has been an expansion in the number of classrooms, but key quality indicators such as completion rates, student-teacher or student-textbook ratios are improving at a much slower speed than expected by the CAS. Burundi, however, did achieve gender parity in primary education. A key short-term challenge will be for Burundi to join the Education for All – Fast Track Initiative (EFA-FTI). One key obstacle for joining the EFA-FTI has been the absence of an endorsed Education Sector Plan (ESP). The Government had prepared a plan in October 2009, but Development Partners did not endorse it for various reasons including its complexity. In October 2010 a new policy of 9-years of Basic Education was introduced. Government is currently working on updating the ESP to accommodate the new policy. A new plan is envisaged for November/December 2011, following which the ESP will be reviewed and endorsed by donors.

**Table 1: Performance Indicators in Health and Education Sectors**

	2000	2005	2006	2007	2008	2009
<b>Health</b>						
Births attended by skilled health staff (% of total)		33.5 <sup>(a)</sup>				64.4 <sup>(f)</sup>
Under 5 mortality rate (per 1,000 live births)	177.6	176 <sup>(a)</sup>	170	168.7	167.5	166.3
Infant mortality rate (under 1, per 1,000 live births)	107.3	103.9	103.3	102.6	101.9	101.3
Maternal mortality ratio (modeled estimate, per 100,000 live births)	1,200	1,100			970	970
Maternal mortality ratio (GOB estimate, per 100,000 live births)		615			620	620
Person sick/injured during the last 4 weeks preceding surveys (%)			29.9 <sup>(e)</sup>			23.4 <sup>(f)</sup>
<b>HIV/AIDS</b>						
Prevalence of HIV, total (% of population aged 15-49)	3.2 <sup>(b)</sup>			2.97 <sup>(c)</sup>		3.0 <sup>(d)</sup>
<b>Education</b>						
Primary completion rate (GOB, %)	26.8	36.1	38.5	40.7	46	48
Net school enrollment, primary (GOB, %)	44.0	69.8	72.4	82.6	84.6	89.7
Pupil-teacher ratio, primary (GOB, number)		49	55			51.9
Pupil-classroom ration (GOB, number)		76.3	86.3			82.7
Girl-boy ratio (GOB, number)		0.86	0.91			0.97

Notes: <sup>(a)</sup> estimated by the GOB from the MICS-2005 survey; <sup>(b)</sup> figure estimated from the 2002 survey; <sup>(c)</sup> HIV sero-prevalence survey of 2007; <sup>(d)</sup> figure estimated in 2009 from a survey of 63,741 people (in the general population) conducted by Family Health International (FHI); <sup>(e)</sup> estimated from CWIQ-2006 survey; <sup>(f)</sup> estimated from the 2009 baseline Bank-funded health survey. Other data come from the *World Development Indicators* database. GOB stands for Government of Burundi.

Source: Various sources assembled/calculated by World Bank staff.

## C. PROGRESS ON THE GOVERNANCE OBJECTIVE

29. **Governance is a cross-cutting objective under the CAS, and is addressed at three levels: (i) at the project level; (ii) at the sector level; and (iii) at the macro level.** At the project level, a recently completed Country Portfolio Performance Review (CPPR) concluded that financial management and procurement performance of the 14 projects in the portfolio has been generally satisfactory. Burundi's portfolio has no current projects in problem status, compared to 28 percent on average for the Sub-Saharan Africa region. Remaining challenges include the need to: (i) strengthen internal audit capacity in technical ministries; and (ii) train procurement specialists in Project Implementation Units (PIUs) on procurement issues, such as (a) standardized procurement documents, (b) procurement software PROCYS, and (c) the preparation of bidding documents. At the sector level, the IDA-financed health project has introduced results-based financing to accompany the government's free health care policy for under 5 children and pregnant women at the time of delivery, helping to ensure that resources reach the intended beneficiaries. In the infrastructure sectors there has generally been good progress on governance at the project level, but there is still a lack of more comprehensive governance frameworks at the sector level. This includes the need to streamline and harmonize various efforts in building regulatory capacity in the sectors.

30. **At the macro level, progress includes:** (i) the revision of the budget framework law, which has improved the transparency of public financial management; (ii) the revision of the procurement code to increase transparency; (iii) the establishment of the Financial Management Information

System (SIGEFI) to improve the transparency of budget execution; and (iv) the computerization of payroll management, which was effectively introduced with the January 2011 payroll. The introduction of the new software in payroll management has already started showing positive results: data entry mistakes have been reduced, resulting in savings of about US\$18,000 in the wage bill of January 2011. Other measures at the macro level that will be important to reduce corruption include the need to improve ethics and internal control, internal and external audit, forensic investigation and improved prosecution and sanctions.

31. **Strengthening governance and fighting corruption remain major challenges.** The government has not yet finalized its Governance Strategy (First draft September 2009) which was expected to provide the framework and action plan for addressing governance issues. The lack of consensus around governance reform priorities undermined the ability of government to approve the Governance Strategy prior to the September 2010 Presidential Elections. Nevertheless, following the elections, the new administration has expressed a renewed commitment to encourage good governance and fight corruption, and has taken some steps towards finalization of the strategy—including during a High Level Cabinet Seminar on governance in March 2011. It is now envisaged that the strategy will be presented to the Council of Ministers for approval in May 2011. Furthermore, the Ministry in charge of Good Governance and Privatization, the anti-corruption Brigade and civil society organizations, such as the Burundian League of the Humans Rights (ITEKA) and the Anti-corruption and Economic Malpractice Observatory (OLUCOME), are collaborating to set up local committees of good governance. There have been recent arrests of officials of public enterprises such as *Société Sucrière du Moso* (SOSUMO) and *Office des Transports en Commun* (OTRACO) accused of embezzlement. However, high profile graft cases such as the sale of the presidential plane (2007) and Interpetrol (2006) remain unresolved. The government has not recovered the US\$42 million owed by petroleum companies, as identified by a petroleum sector audit.

32. **The Bank provides knowledge and technical assistance aimed at improving governance.** Three Policy Notes drawn from the findings of a FY10 Country Economic Memorandum (CEM) on (i) priority areas for economic growth, (ii) creating fiscal space for productive investment and (iii) improving governance for development effectiveness, served as the base document for discussion at the High Level Cabinet Seminar on governance held in March 2011. Technical Assistance from the World Bank Institute has provided support to the governance objective of the CAS, including through the Rapid Results Initiative (RRI) program that has helped to improve the provision of public services and enhance efficiency and accountability in public expenditure. So far, 2,764 civil servants have been trained in RRI and 7 of 25 ministries are using the RRI method.

#### IV. ADJUSTMENTS TO THE CAS AND PROGRESS IN IMPLEMENTATION

33. **Although the implementation period of the Poverty Reduction Strategy Paper (PRSP 2006-2010) supported by the CAS has just been completed, its development objectives remain relevant.** The government has recently launched the preparation of a second generation PRSP (2011-2015). After stakeholder consultations, the objectives of the new strategy will remain similar given that the country's economic and social challenges remain broadly the same. The new PRSP would focus more on the acceleration of economic growth (closing the infrastructure gap and

raising agricultural productivity and accelerating private sector development), while consolidating peace and security, improving governance and the rule of law and enhancing human capital development. The strategy to promote sustainable and broad-based growth and to improve access to social services and consolidate social stability as laid out in the CAS therefore remains relevant. Furthermore, these new PRSP and CAS objectives are also aligned with the two pillars and the foundation of the new Africa strategy. The instruments of partnerships, knowledge and finance also remain valid. Therefore, no major changes to the CAS program are proposed.

34. **The Bank's program in Burundi will continue to address vulnerability issues through a multi-sectoral approach.** Various Bank interventions, across different sectors, aim to address Burundi's vulnerability to external shocks mentioned above. For example, agriculture projects aim to increase food crops productivity, which will make the country less susceptible to rising international food prices. At the same time, the projects also focus on making sure vulnerable groups are being effectively integrated into their communities by supporting them in their own agriculture activities. These efforts synch directly with other projects that promote better and more equitable local service delivery together with projects that focus on demobilization of ex-combatants and providing them with socio-economic integration. Furthermore, the Bank's program supports short-term employment through public works aimed at providing income and safety nets outside of agriculture. These efforts are being complemented by transport projects with a focus on enhancing road maintenance that creates permanent jobs. The Bank's program will continue and further elaborate its multi-sector approach to vulnerability in the next CAS in conformity with the directions outlined in the World Development Report 2011.

35. **Overall delivery of planned projects has been on track, with slight adjustments to accommodate a few project delays.** The delivery of two regional projects (Lake Victoria Project and Rusumo Falls Project) that were planned in FY10 and FY11 respectively have been moved one year later. They took a longer time to prepare than anticipated because of national capacity constraints in project preparation. The regional transport project planned for FY11 has been slipped to the next CAS period (FY13-17) to allow time to identify a regional transport project that will involve Burundi, given that Burundi is not likely to be included in the proposed East Africa Transport Links Project (FY12). To respond quickly to changing circumstances and the energy crisis, Crisis Response Window resources were used to finance an Emergency Electricity Infrastructure Project (US\$15.4 million) in FY11. In FY09, to respond to the impact of the twin crisis in fuel and food prices on the 2008 national budget (estimated at about 1.1 percent of GDP), the Bank granted Burundi with US\$10 million under the Global Food Crisis Response (GFRP) program. The impacts of the crisis were also mitigated by the authorities' policies, such as revising the 2008 budget to include a number of measures, notably: (i) suspension of custom duties and domestic transaction taxes on 13 basic food items, (ii) sustaining and/or extending school feeding programs (including for girls) in primary schools of vulnerable provinces, and (iii) adding more resources to the budget for the emergency humanitarian relief to cope with a threat of famine in the country following the drought.

36. **The combination of development policy and investment lending grants has provided significant financial support to Burundi's development program.** The IDA portfolio currently has 13 projects with net commitments of US\$414.5 million. Key sectors include: agriculture (22 percent); water and energy (16 percent); roads (12 percent); private sector (11 percent); public works and urban (11 percent) and health and HIV/AIDS (10 percent). The portfolio has currently no problem projects and the implementation period averages 3.3 years (see Annex 6). The portfolio

also includes three regional projects with a total (national and regional) IDA amount of US\$40.4 million of which US\$21.4 million remain undisbursed (see Annex 7). Projects planned for the rest of the CAS period include Lake Victoria Environmental Management Project (FY11), Fourth Economic Reform Support Grant (FY11), Financial and Private Sector Development -Additional Financing (FY11), Road Sector Development Additional Financing (FY11), Regional Rusumo Falls Hydroelectric and Multipurpose Project (FY12), Fifth Economic Reform Grant (FY12) and Public Works and Urban Management Additional Financing (FY12). The government has asked the Bank to provide assistance to mitigate the impact of the recent increases in fuel prices and to improve its trunk road links with its EAC neighbors. In addition, there is a possibility for additional financing of the results-based financing program for health due to the better-than-expected performance and rapid increase in utilization. Taking into consideration Burundi's IDA 16 allocation, the indicative lending program might need to be revised further.

37. **Trusts funds have complemented IDA resources for Burundi.** There are currently 14 trust funds with a total grant amount of US\$32 million. Only four trust funds exceed US\$2 million, with the majority providing less than US\$0.5 million.

38. **The Bank has played an active role in the aid effectiveness agenda.** In October 2009, the Bank chaired Burundi's first Consultative Group at which Burundi presented progress on its first PRSP. Over the past two years the Bank has chaired the sector working group on agriculture and on HIV/AIDS and has co-chaired the Strategic Forum for donor coordination, which serves as a forum for dialogue in the coordination of development aid and fosters alignment and harmonization of development partner programs and projects with the development priorities of the Government of Burundi. In the health sector, IDA financing contributed to the creation of an internal market for the purchase of quality health services, which has currently ten fund holders. Government's own budget together with HIPC debt relief and IDA financing provide 70 percent. The remaining fund holders include the European Commission, Belgium, Switzerland, the Global Fund, the Global Alliance for Vaccines and Immunization (GAVI) and others.

39. **The Bank also strengthened its working relations with civil society groups, the media and Parliamentarians during the CAS Implementation period.** The Bank meets quarterly with civil society organizations to discuss issues related to the Bank's analytic work, project design and implementation and key issues in policy dialogue. The Bank has also offered training to journalists on how to report on economic and governance issues. Parliamentarians have had a briefing on the World Bank project cycle and their role in ensuring efficient project implementation in their respective constituencies. This has also been useful in building confidence between citizens and the state and thereby facilitating the transition out of fragility.

40. **IFC investment in Burundi currently consists of one project of US\$1.5 million.** The project is an equity participation in Diamond Trust Bank Burundi S.A., a greenfield subsidiary of Diamond Trust Bank Kenya Limited (DTB-Kenya). The project is expected to have a high development impact in the following areas: (i) increasing credit availability to small- and medium-sized enterprises (SMEs); (ii) enhancing competition in the banking sector in Burundi; and (iii) expanding credit availability across all segments of the market. IFC also recently approved a US\$25 million senior loan to help upgrade and expand the telecommunications network of U-Com Burundi S.A. Commitment is expected in the coming weeks. In addition, IFC is considering a senior loan of US\$6.4 million to Opulent (B) Limited to support the renovation and rebranding of the former Novotel hotel in Bujumbura, Burundi. A Country Advisory Services (AS) strategy was

recently completed and identified access to finance, agribusiness, SME capacity building and privatization as areas for IFC AS focus. The IFC Investment Climate Team, in cooperation with the IFC Conflict Affected States in Africa (CASA) program is currently helping the government to undertake a range of reforms in the areas of (i) Doing Business; (ii) business taxation; (iii) public-private dialogue; (iv) support to the implementation of the East African Community Common Market Protocol and (v) reform communication.

41. **To improve the quality and realism of the CAS results matrix, some indicators have been updated.** Some indicators required updating, due to either: (i) indicators that are not being monitored by the program and for which there is no indication of progress; (ii) indicators that proved too ambitious and had to be revised; or (iii) a change in program delivery. Annex 2 provides an overview of the updated CAS indicators.

## V. RISKS

42. **Most of the major risks identified in the FY 09-12 CAS are still valid.** Some of the risks have materialized in various degrees. Going forward, the Bank's program will continue to support the government's efforts to manage those risks and to reduce their impact.

43. **Macroeconomic stability will continue to be threatened by fiscal pressures.** The origins of those pressures include weak performance of agriculture, due to exogenous shocks including weather and fuel and food prices, and slow economic growth due to the global economy. These might lead to the loss of revenue and a weakening of the debt sustainability position as well as insufficient investment in energy and infrastructure that drive growth. The Bank will continue to support national investments in agriculture and infrastructure to maintain growth and thereby improve macro stability.

44. **The weak governance environment remains a risk to the CAS program.** As already noted above, while there has been progress on the project level, important reform efforts are needed to improve governance in some sectors (e.g. infrastructure). Reforms in public finance management and procurement supported by development policy grants and policy advice will help mitigate this risk. The Bank will continue to support the governance strategy once it is finalized.

45. **Burundi's political and security situation remains stable but fragile.** The insecurity level according to UN security sources has significantly decreased. Movement throughout the country is relatively free and the implementation of development programs is not hampered. On the political front, so far the Cabinet Ministers sworn in after the elections in September 2010 are still in office and there have been few changes in key technical team in ministries working on Bank-financed projects. Nevertheless there are fears that opposition leaders in exile might return and incite conflict, and ordinary criminality is high in much of the country.

## Annex 1: Updated CAS Results Matrix

CAS Outcomes & Results Indicators	FY11 Status	Milestones	World Bank and Partner Support
<b>CAS STRATEGIC OBJECTIVE I: PROMOTE SUSTAINABLE AND BROAD-BASED ECONOMIC GROWTH</b>			
<b>Aligned with PRSP Axis 2: Promotion of sustainable and broad-based growth</b>			
<p><b>1.1 Increased productivity of food crops and high-value export crops</b></p> <p><u>Food crops</u></p> <ul style="list-style-type: none"> <li>- Irrigated rice: from 4.0 tons/ha (2008) to &gt; 5.0 tons/ha by 2012</li> <li>- Cassava: from 10 tons/ha (2008) to at least 18 tons/ha by 2012</li> <li>- Milk: from 5 l/cow/day (2008) 8l/cow/day by 2012</li> <li>- Palm oil: from 2.2 tons/ha (2008) to 3.0 tons/ha of oil by 2012</li> </ul> <p><u>Export crops</u></p> <ul style="list-style-type: none"> <li>- At least 30 (of 117) coffee washing stations are sold to private investors by 2012 (revised indicator)</li> </ul>	<ul style="list-style-type: none"> <li>- <b>On track</b> (4.5 tons/ha in 2010)</li> <li>- <b>On track</b> (10 tons/ha in 2010)</li> <li>- <b>On track</b> (6 l/cow/day in 2010)</li> <li>- <b>Achieved</b> (3 tons/ha in 2010)</li> <li>- <b>On track</b> (13 coffee washing stations have been privatized in 2010)</li> </ul>	<p><u>Food crops</u></p> <ul style="list-style-type: none"> <li>- Increase in area under irrigation from 300 ha in 2008 to 1,225 ha by 2010. <b>Achieved</b> (1,475 ha of marshland in the project areas are currently under irrigation)</li> <li>- At least 10 new agricultural technologies developed/disseminated by 2010. <b>Partially achieved</b> (8 had been disseminated by 2010)</li> <li>- At least 1,050 additional productive investment subprojects (including for tea and coffee) implemented by 2010 (from 2,345 in 2008 to 3,400 by 2010). <b>Achieved</b> (4,433 subprojects by 2010 of which 3,416 have been implemented)</li> </ul> <p><u>Export crops</u></p> <ul style="list-style-type: none"> <li>- Action plan on divestiture in coffee sector implemented by December 2009. <b>Achieved</b> (Action plan for state divestiture was adopted, including the establishment of the regulatory agency in mid-2009)</li> <li>- A clear time-bound strategy for state's divestiture of key tea sector assets is available by December 2009. <b>Not achieved</b> (Tea sector reform has been delayed)</li> </ul> <p><u>Land Management</u></p> <ul style="list-style-type: none"> <li>- Increase in area of selected watershed under SLM practices from 3,000 ha in 2008 to 9,000 ha by 2010. <b>Achieved</b> (25,215 ha in 2010)</li> <li>- Land use plans developed and adopted for 8 provinces in 2010 up from 2 in 2008. <b>Achieved</b> (10 provinces in 2011)</li> </ul>	<p><b>Ongoing operations:</b> PRASAB: Agriculture Rehabilitation and Sustainable Land Management (FY05) and Additional Financing (FY08) PAGE: Economic Management Support (FY04) Agro-Pastoral Productivity and Markets Development Project (FY10) Road Sector Development (FY04) ERSG DPL Series (Annual)</p> <p><b>Planned operations:</b> ERSG DPL Series (Annual) Lake Victoria-regional (FY11)</p> <p><b>Ongoing/Planned AAA and TFs:</b> Coffee Sector Strategic Environmental Assessment</p> <p><b>Main partners:</b> USAID, FAO, EU, IFAD</p>
<p><b>1.2 Improved business environment</b></p> <ul style="list-style-type: none"> <li>- At least 70% of Government arrears to the private sector have been cleared by 2012</li> <li>- Commercial court cases where the delays in rendering judgment is over 60 days reduced from 40% in</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Achieved</b> (All arrears to the private sector have been settled)</li> <li>- <b>Achieved</b> (Considerable reduction in delays of court</li> </ul>	<ul style="list-style-type: none"> <li>- Tax payment process simplified by end of 2009. <b>Not Achieved</b> (Acquisition of tax software still underway)</li> <li>- Updated legal framework (investment code, commercial code, business and privatization laws) more transparent and in line with international standards by 2009. <b>Achieved</b> (Investment code and privatization law, commercial code and private and public business code</li> </ul>	<p><b>Ongoing operations:</b> PAGE: Economic Management Support (FY04) Financial and Private Sector Development (FY10) ERSG DPL Series (Annual) Burundi Investment Climate</p>

CAS Outcomes & Results Indicators	FY11 Status	Milestones	World Bank and Partner Support
2008 to below 25% in 2012	cases to 10% of cases beyond the 60 day deadline by July 2009)	<ul style="list-style-type: none"> <li>have been adopted)</li> <li>- Strategy to clear Government arrears to the private sector implemented. <b>Achieved</b> (Strategy has been implemented)</li> <li>- Computerized business registry operational by 2009. <b>Not available</b></li> <li>- Priority organizational measures to speed up Commercial court proceedings adopted by 2009. <b>Achieved</b> (Measures have been adopted and court proceeding accelerated)</li> <li>- Action plan for improving the institutional capacity for public sector reform adopted by 2010. <b>Achieved</b> (Action plan was adopted)</li> <li>- Financial Sector Assessment completed and implementation of recommendations initiated by 2010. <b>Achieved</b> (Financial Sector Assessment has been completed)</li> </ul>	Reform Program (IFC/WB)  <b>Planned operations:</b> ERSG DPL Series (Annual)  <b>Main partners:</b> US
<p><b>1.3 Improved infrastructural services with enhanced regional integration</b></p> <p><u>Roads</u></p> <ul style="list-style-type: none"> <li>- 51% of paved road network in good and fair condition by 2012 (from 21% in 2008) (revised indicator)</li> </ul> <p><u>Water</u></p> <ul style="list-style-type: none"> <li>- 363,200 people served with access to improved water in Bujumbura (with surroundings) in 2012, compared to 185,000 in 2008</li> </ul>	<ul style="list-style-type: none"> <li>- <b>On track</b> (49% of paved roads in good and fair conditions in 2010)</li> <li>- <b>On track</b> (218,874 in 2010)</li> </ul>	<p><u>Roads</u></p> <ul style="list-style-type: none"> <li>- 240 kilometers of paved roads and 300 km earth roads (including rural access roads) rehabilitated by 2010. <b>Partially Achieved</b> (Achieved for paved roads; 154 km of earth roads by 2010)</li> <li>- National Road Fund Revenues increase from US\$3.7 million in 2007 to US\$ 5 million in 2009. <b>Achieved</b> (US\$7.5 million in 2010)</li> <li>- Increased Fuel Levy for road maintenance from 6 Cents in 2007 to 8 Cents by end-2009. <b>Achieved</b> (8 cents by end-2008)</li> </ul> <p><u>Water</u></p> <ul style="list-style-type: none"> <li>- Water production capacity in Bujumbura increased from 66,000 (2008) to 96,000 m3/day in 2010. <b>Not Achieved</b> (there has been no progress on this indicator)</li> <li>- Functioning water stand posts in Bujumbura increased from 35 to 60 in 2010. <b>Achieved</b> (The number of public stand posts increased from 35 to 65 using largely internal resources; an additional 85 stand posts are planned with works started in December 2010 financed by IDA)</li> </ul>	<p><b>Ongoing operations:</b>  Road Sector Development (FY04) and Additional Financing (FY11)  Multisectoral Water and Electricity infrastructure (FY08)  Regional Communications Infrastructure Project (RCIP) (FY08)  ERSG DPL Series (Annual)</p> <p><b>Planned operations:</b>  ERSG DPL Series (Annual)  Rusumo Falls - regional</p> <p><b>Ongoing AAA and TFs:</b>  Tariff study on water and electricity (FY11)</p> <p><b>Planned AAA and TFs:</b></p>

CAS Outcomes & Results Indicators	FY11 Status	Milestones	World Bank and Partner Support
<u>Energy</u> - Unplanned power interruptions reduced from 3,100 minutes of unplanned MV interruptions/quarter in 2007 to 2,000 in 2012 (revised indicator)  <u>ICT</u> - Annual volume of international Internet traffic from 250 (Mbit/s simplex) in 2007 to 500 in 2011	- <b>Off track</b> (3,100 minutes in 2010)  - <b>Not available</b> (no data for 2010)	<u>Energy</u> - Thermal generation capacity increased by 11 GWh/year from 2009, 2010. <b>Achieved</b> (Target exceeded by 6.7 GWh/year through a combination of IDA financing (9.9 MWh/year) and other GoB resources (7.6 MWh/year) through power purchase agreement with private operator)  <u>ICT</u> - Number of internet subscribers from 2,000 in 2007 to: 10,000 in 2010. <b>Not Achieved</b> (4,652 subscribers in 2010)	Study on management of public stand posts (FY12)  <b>Main partners:</b> Germany, EU, AfDB, China, Belgium
<b>CAS STRATEGIC OBJECTIVE II: IMPROVING ACCESS TO SOCIAL SERVICES AND CONSOLIDATION OF SOCIAL STABILITY</b>			
<b>Aligned with PRSP Axis 1: Improved Governance and Security; Axis 3: Development of Human Capital; Axis 4: Fight against HIV/AIDS</b>			
<b>2.1 Improved reintegration of ex-combatants and vulnerable groups reintegrated</b>  - 70% of beneficiaries (ex-combatants) report being in a similar economic situation to that of their peers in the community (revised indicator) - 500,000 person-days short-term employment created through labor-intensive public works by 2012 (accumulative number) (revised indicator) - 120,000 returnees and displaced persons have been effectively reinserted into their communities (from zero in 2005) by 2012 (revised indicator)	- <b>On track</b> (61% of beneficiaries in 2010)  - <b>On track</b> (242,000 in 2010; but 48,000 permanent jobs created by road maintenance)  - <b>Off track</b> (40,000 in 2010)	- 90% of demobilized ex-combatants participate in reintegration support programming within one year of discharge. <b>Achieved</b> (about 95% received timely reintegration support) - All irregular armed groups in Burundi are dismantled by 2010. <b>Achieved</b> (achieved in 2009) - At least 50% of the targeted Communes have integrated the concerns of Vulnerable Groups in their Communal Development Plans. <b>Achieved</b> (100% of communes have plans) - Provision of counseling and juridical assistance to vulnerable groups in Communes supported by the PRADECs. <b>Achieved</b>	<b>Ongoing operations:</b> Emergency Demobilization & Transitional Reintegration Project (FY09) Public Works and Urban Management (FY09) Agriculture Rehabilitation and Sustainable Land Management (FY05) and Additional Financing (FY08) Community and Social Development (FY07) Road Sector Development (FY04) and Additional Financing (FY11)  <b>Planned AAA and TFs:</b> Poverty Assessment (FY12)  <b>Main partners (DDR):</b> EU, Belgium, Netherlands, Norway
<b>2.2 More efficient and transparent public financial management</b> - Draft annual budget prepared on the basis of new Budget law and	- <b>On track</b> (draft budget presented to the National	- Up-to-date budget framework law with clear definitions of tasks and responsibilities of all involved entities by 2009. <b>Achieved</b> (the 2009 budget has been developed based on the new organic law and since then is being	<b>Ongoing operations:</b> PAGE: Economic Management Support (FY04) PARSEB: Education Sector

CAS Outcomes & Results Indicators	FY11 Status	Milestones	World Bank and Partner Support
presented to National Assembly 3 months before beginning of the fiscal year from 2009 onwards	Assembly three months before the beginning of the fiscal year since 2009, albeit with some delays.)	<p>implemented in the sector ministries)</p> <ul style="list-style-type: none"> <li>- Public expenditure tracking surveys (PETS) in health, education and justice sectors and beneficiary assessments are finalized and published. <b>Partially achieved</b> (PETS and elements of action plans have been prepared)</li> <li>- SIGEFI includes functional models for calculation payroll and covers complete budgetary execution cycle by 2010. <b>Partially achieved</b> (SIGEFI is operational since December 2009, but wage bill is still captured by interim system)</li> <li>- Revised accounting and budgetary chart adopted by 2010</li> <li>- Establishment of the procurement regulatory authority by end 2009. <b>Achieved</b> (New procurement code promulgated in February 2008; regulation agency and central procurement directorate established in July 2008)</li> </ul>	<p>Recon. (FY07) Second Multi-Sector HIV/AIDS (FY08) Health Sector Development Support (FY09) ERSG DPL Series (Annual)</p> <p><b>Planned operations:</b> ERSG DPL Series (Annual) Public Works Additional Financing</p> <p><b>Planned AAA and TFs:</b> Annual PERs</p> <p><b>Main partners:</b> AfDB, EU, Belgium, France, IMF, Netherlands, Norway</p>
<p><b>2.3 Improved access to and quality of basic social services and decreased vulnerability to HIV/AIDS</b></p> <p><u>Education</u></p> <ul style="list-style-type: none"> <li>- Increase in the primary completion rate from 40% in 2006/7 to 65% in 2012</li> <li>- Increase in primary gross enrollment rate (GER) from 80% in 2005/06 to 100% in 2010 (new indicator)</li> <li>- Improvement in student teacher ratio from 57:1 (2006/07) to 50 (2012)</li> <li>- Textbooks per student in French &amp; Kirundi increase from 3:1 in 2006 to 1:1 in 2012</li> <li>- Reach parity in ratio of girls to boys in primary (%) (new indicator)</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Off track</b> (48% in 2010)</li> <li>- <b>Achieved</b> (Primary GER 134% in 2009)</li> <li>- <b>Off track</b> (52 in 2009)</li> <li>- <b>Off track</b> (3:1 in 2010)</li> <li>- <b>Achieved</b> (parity reached in 2010)</li> </ul>	<p><u>Education</u></p> <ul style="list-style-type: none"> <li>- 420 classrooms built or rehabilitated by 2010. <b>Achieved</b> (431 classrooms built or rehabilitated)</li> <li>- 2,950 unqualified teachers trained by 2010. <b>Not achieved</b> (2,343 teachers trained by 2010)</li> <li>- 1.5 million primary level textbooks distributed by 2009. <b>Nearly achieved</b> (1.4 million textbooks by early 2010)</li> <li>- 940,000 lower secondary level textbooks distributed by 2010. <b>Not available</b> (indicator not tracked)</li> <li>- Burundi joins the EFA-FTI by 2010. <b>Not achieved</b> (Evaluation and endorsement of EFA FTI sector plan envisaged for November/December 2011)</li> <li>- MINEDUC establishes targets for improvements in the equitable distribution of the teaching force between schools by 2010. <b>Not achieved</b> (Not yet established)</li> <li>- 40% of schools distribute de-worming tablets twice a year. <b>Not available</b></li> </ul> <p><u>Child and Maternal Health</u></p> <ul style="list-style-type: none"> <li>- 40 general practitioners and 80 nurses trained in basic obstetric care and deployed in the country by 2010. <b>Achieved</b> (46 general practitioners and about 500</li> </ul>	<p><b>Ongoing operations:</b> PARSEB: Education Sector Recon. (FY07) Second Multi-Sector HIV/AIDS (FY08) Health Sector Development Support (FY09) PRADEC: Community and Social Dev. (FY07) Regional Great Lakes Initiative on HIV/AIDS Multi-Sector Water and Electricity Infrastructure (FY08)</p> <p><b>Planned AAA and TFs:</b> Poverty Assessment (FY12)</p> <p><b>Main partners:</b> Belgium, EU, Japan, France, Switzerland, UK-DFID,</p>

CAS Outcomes & Results Indicators	FY11 Status	Milestones	World Bank and Partner Support
<p><u>Child and Maternal Health</u></p> <ul style="list-style-type: none"> <li>- % of children covered by DPT3/pentavalent 3 vaccine before reaching age one from 63% in 2005 to at least 80% over the CAS period (revised indicator)</li> <li>- % of assisted births increase from 37% in 2006 to at least 45% by 2012</li> <li>- % of pregnant women with at least three ante-natal care visits increase from 20% to 40% by 2012</li> </ul> <p><u>HIV/AIDS</u></p> <ul style="list-style-type: none"> <li>- 20% of HIV-infected pregnant women receive complete PMTCT services by 2012 (6% in 2008)</li> </ul>	<ul style="list-style-type: none"> <li>- <b>On track</b> (87% in 2009)</li> <li>- <b>Achieved</b> (64% in 2009)</li> <li>- <b>Achieved</b> (57% in 2008)</li> <li>- <b>On track</b> (11% in 2009)</li> </ul>	<p>nurses)</p> <ul style="list-style-type: none"> <li>- Performance contracts with health facilities in place to deliver the basic service package (including ante-natal care, child delivery and child vaccination) by 2010. <b>Achieved</b> (All public and private non-profit health facilities have signed performance contracts since April 2010)</li> </ul> <p><u>HIV/AIDS</u></p> <ul style="list-style-type: none"> <li>- 70% of people most-at-risk populations who received an HIV/AIDS test in the last 12 months and came back for test result by 2010. <b>Not available</b></li> <li>- Peer-to-peer education and behavioral change activities. <b>Not available</b></li> <li>- 30% of health facilities offer HIV testing to all pregnant women by 2010. <b>Partially achieved</b> (20% in 2010)</li> <li>- Public Sector Organizations include in their annual action plans or sector strategies HIV/AIDS related targets. <b>Achieved</b> (12 organizations in 2010)</li> </ul>	<p>UNICEF, UNFPA, UNAIDS, UNFPA, OMS, Global Fund, UN</p>

## Annex 2: Revised CAS Outcomes

Original CAS Outcomes and Indicators	Revised CAS Outcomes and Indicators
<b>CAS Outcome 1.1 Increased productivity of food crops and high-value export crops</b>	
<p><u>Export crops</u></p> <ul style="list-style-type: none"> <li>- Reduction in Government ownership of coffee assets from 90% in 2008 to 40 % by 2012</li> <li>- First grade coffee: from 65 % 2008 of production to 80% by 2012</li> <li>- First quality tea: from 75% of production in 2008 to 90% in 2012</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Revised.</b> At least 30 (of 117) coffee washing stations are sold to private investors by 2012.</li> <li>- <b>Dropped.</b></li> <li>- <b>Dropped.</b> Indicator not tracked.</li> </ul>
<b>CAS Outcome 1.2 Improved business environment</b>	
<ul style="list-style-type: none"> <li>- Simplified small business tax reduces tax complexity by consolidating at least 3 taxes into one</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Dropped.</b> Indicator not tracked.</li> </ul>
<b>CAS Outcome 1.3 Improved infrastructural services with enhanced regional integration</b>	
<ul style="list-style-type: none"> <li>- 30% of paved road network in good condition by 2012 (from 21% in 2008)</li> <li>- 332,00 people served with access to potable water in Bujumbura (with surroundings) in 2012, compared to 185,000 in 2008</li> <li>- Unplanned power interruptions reduced from 3,100 minutes of unplanned MV interruptions/quarter in 2007 to 1,000 in 2012</li> </ul>	<ul style="list-style-type: none"> <li>- 51% of paved road network in good and fair condition by 2012 (from 21% in 2008)</li> <li>- <b>Updated.</b> 363,200 people served with access to improved water in Bujumbura (with surroundings) in 2012, compared to 185,000 in 2008</li> <li>- <b>Updated.</b> Unplanned power interruptions reduced from 3,100 minutes of unplanned MV interruptions/quarter in 2007 to 2,000 in 2012</li> </ul>
<b>CAS Outcome 2.1 Improved reintegration of ex-combatants and vulnerable groups integrated</b>	
<ul style="list-style-type: none"> <li>- 80% of former combatants supported by the program are able to access mainstream (regularly available) employment and productive opportunities</li> <li>- Increased job creation from public works programs to 120,000 man-months from 2009 onwards</li> <li>- 120,000 beneficiaries capable of producing seeds and restarting own agricultural activities by 2012 (from 71,810 in 2007)</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Revised.</b> 70% of beneficiaries (ex-combatants) report being in a similar economic situation to that of their peers in the community</li> <li>- <b>Updated.</b> 500,000 person-days short-term employment created through labor-intensive public works by 2012 (accumulative number) (revised indicator)</li> <li>- <b>Updated.</b> 120,000 returnees and displaced persons have been effectively reinserted into their communities (from zero in 2005) by 2012</li> </ul>
<b>CAS Outcome 2.2 More efficient and transparent public financial management</b>	
<ul style="list-style-type: none"> <li>- Percent of expenditure authorized and executed by exceptional procedures below 1% from 2009 onwards</li> <li>- Number of days from commitment to payment is reduced from 84 to 40 days by 2012</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Dropped.</b> No data available.</li> <li>- <b>Dropped.</b> No data available.</li> </ul>
<b>CAS Outcome 2.3 Improved access to and quality of basic social services and decreased vulnerability to HIV/AIDS</b>	
<ul style="list-style-type: none"> <li>- Increase in primary gross enrollment rate (GER) from 80% in 2005/06 to 100% in 2010</li> <li>- Reach parity in ratio of girls to boys in primary (%) (new indicator)</li> <li>- % of children under 1 year fully immunized increase from 40% to at least 60% by 2012</li> <li>- Every province has at least 2 general practitioners and 4 nurses trained in basic obstetrics (baseline information available)</li> <li>- 30% increase in female sex workers reporting use of a condom with their most recent client (baseline currently being established)</li> </ul>	<ul style="list-style-type: none"> <li>- <b>New indicator.</b></li> <li>- <b>New indicator.</b></li> <li>- <b>Revised.</b> % of children covered by DPT3/pentavalent 3 vaccine before reaching age one from 63% in 2005 to at least 80% over the CAS period</li> <li>- <b>Dropped.</b> Indicator not tracked.</li> <li>- <b>Dropped.</b> No data available.</li> </ul>

### Annex 3: Division of Labor

	World Bank	European Commission	AfDB	IFAD	Belgium	France	USAID	DFID	Netherlands	Germany	Switzerland	Norway	United Nations
Agriculture	L	X	X	L	X		L						X
Economic Governance	X	L			X	X			X				
Education	X				L	X		L					L
Energy	L	X	X						X				
Environment / Forestry /Land	X	L		X	X								
Health (incl. HIV/AIDS)	X	X			L		X	L			X		X
Housing development					X								X
ICT	L												
Macroeconomics	L	L	X		X	X			X			X	
Peace building - Justice, Human Rights, Reconciliation					X			X					L
Private Sector Development	X						L		X				
Public Administration / Capacity Building	X	X			X	X			X				
Regional Integration	X	X			X			L		X			
Reintegration / Community Development	L	X	X	X	X	X					X	X	L
Security Sector					L	X	X		L				X
DDR	L	X			X				X			X	X
Transport	L	L	X										
Water and Sanitation	X	X	L							L			

L : Lead donor or key player

X : Complementing other donors

#### Annex 4: Lending Program

Fiscal Year	Original CAS Program	Original IDA Amount (US\$ million)	Revised Program		Revised IDA Amount (US\$ million)		
					National	Regional CRW	
2009	Economic Reform Support Grant II	30.0	Actual	30.0	-	-	
	Health Sector Support	25.0	Actual	25.0	-	-	
	Second Public Works and Urban Management	45.0	Actual	45.0	-	-	
	Emergency Demobilization and Transitional Reintegration Project	10.0	Actual	10.0	-	-	
	<b>Total</b>	<b>110.0</b>		<b>110.0</b>	-	-	
2010	Economic Support Reform Grant III	25.0	Actual	25.0	-	-	
	Agriculture (Agro-Pastoral Productivity and Markets Development Project)	43.0	Actual	43.0	-	-	
	Public Enterprise and Financial Sector (Financial & Private Sector Development Project)	16.0	Actual	19.0	-	-	
	(Regional) Lake Victoria Environment Management	5.0	<i>Slipped to FY11</i>			-	
	<b>Total</b>	<b>89.0</b>		<b>87.0</b>	-	-	
2011	Development Policy Operation (ERSG IV)	25.0	Actual	25.0	-	-	
	Additional Financing: Roads (Regional) Transport	20.0	<i>Planned</i>	19.0	-	-	
	(Regional) Transport	15.0	<i>Slipped</i>		-	-	
	(Regional) Hydropower (Rusumo Falls Hydroelectric and Multipurpose Project)	10.0	<i>Slipped to FY12</i>				
			<u>Additional Planned</u>				
			Emergency Electric Infrastructure Project	Actual	-	-	15.4
			Additional Financing - Financial and Private Sector Development Project	<i>Planned</i>	8.0		
			(Regional) Lake Victoria Environment Management	<i>Planned</i>	5.0		
<b>Total</b>	<b>70.0</b>			<b>57.0</b>	-	<b>15.4</b>	
<b>IDA 15 Total</b>	<b>269.0</b>			<b>254.0</b>	-	<b>15.4</b>	
2012	Development Policy Operation (ERSG V)	25.0	<i>Planned (August 2011)</i>	25.0	-	-	
	Additional Financing: Second Public Works	15.0	<i>Planned (March 2012)</i>	15.0	-	-	
			<u>Additional Planned</u>				
			(Regional) Hydropower (Rusumo Falls Hydroelectric and Multipurpose Project)	<i>Planned (March 2012)</i>	27.0		
<b>Total</b>	<b>40.0</b>			<b>67.0</b>	-		

Note: The FY12 IDA envelope is indicative only.

## Annex 5: Analytic and Advisory Activities

Fiscal Year	Analytic and Advisory Activities by CAS Theme
<b>2009</b>	Financial Sector Assessment Program (ESW) Public Expenditure Financial Accountability - PEFA (ESW) Poverty & PRSP TA BPRP 2 (TA) Legal and institutional framework for privatization (TA) Option for pay reform (TA) Petroleum Sector Technical Advice (TA)
<b>2010</b>	Country Economic Memorandum (Core ESW) Debt Management Performance Assessment (ESW) GAC Strategy Development (TA) TA for Poverty Monitoring (TA) Quantitative Macro-Fiscal Framework (TA) Review of Poverty Reduction and Transport Strategies (TA) Investment Climate Reform Program (WB/IFC Advisory)
<b>2011</b>	Public Expenditure Review (ESW) Coffee Sector Strategic Environmental Assessment (TA) Investment Climate Reform Program (WB/IFC Advisory)
<b>2012</b>	Poverty Assessment (Core ESW) Public Expenditure Review (ESW) Extending Medium Term Expenditure Frameworks (MTEF) Capacity Building (TA) Investment Climate Reform Program (WB/IFC Advisory)

TA Technical Assistance

ESW Economic and Sector Work

## Annex 6: Selected Indicators of Portfolio Performance and Management

As Of Date 3/24/2011

Indicator	2008	2009	2010	2011
<b>Portfolio Assessment</b>				
Number of Projects Under Implementation <sup>a</sup>	9	10	12	13
Average Implementation Period (years) <sup>b</sup>	3.3	2.8	3.3	3.3
Percent of Problem Projects by Number <sup>a, c</sup>	0.0	10.0	16.7	0.0
Percent of Problem Projects by Amount <sup>a, c</sup>	0.0	14.6	16.3	0.0
Percent of Projects at Risk by Number <sup>a, d</sup>	11.1	20.0	16.7	0.0
Percent of Projects at Risk by Amount <sup>a, d</sup>	15.7	29.6	16.3	0.0
Disbursement Ratio (%) <sup>e</sup>	27.1	20.9	26.8	25.4
<b>Portfolio Management</b>				
CPPR during the year (yes/no)	Yes	No	No	Yes
Supervision Resources (total US\$)	1107	913	1328	698
Average Supervision (US\$/project)	79	57	89	50

Memorandum Item	Since FY 80	Last Five FYs
Proj Eval by OED by Number	50	5
Proj Eval by OED by Amt (US\$ millions)	937.5	205.0
% of OED Projects Rated U or HU by Number	30.0	20.0
% of OED Projects Rated U or HU by Amt	30.3	12.6

- a. As shown in the Annual Report on Portfolio Performance (except for current FY).
- b. Average age of projects in the Bank's country portfolio.
- c. Percent of projects rated U or HU on development objectives(DO) and/or implementation progress(IP)
- d. As defined under the Portfolio Improvement Program.
- e. Ratio of disbursements during the year to the undisbursed balance of the Bank's portfolio at the beginning of the year: Investment projects only.
- \* All indicators are for projects active in the Portfolio, with the exception of Disbursement Ratio, which includes all active projects as well as projects which exited during the fiscal year.
- \*\* 2011 data is as of March 24, 2011

## Annex 7: IDA and Grants Operations Portfolio, Regional Projects and Trust Funds

Closed Projects 59

As Of Date 3/23/2011

IBRD/IDA *	
Total Disbursed (Active)	225.93
of which has been repaid	0.00
Total Disbursed (Closed)	385.28
of which has been repaid	103.28
Total Disbursed (Active+Closed)	611.21
of which has been repaid	103.28
Total Undisbursed (Active)	188.52
Total Undisbursed (Closed)	0.00
Total Undisbursed (Active+Closed)	188.52

<u>Active Projects</u>		<u>Last PSR</u>					<u>Difference Between Expected and Actual Disbursements</u>			
Project ID	Project Name	Supervision Rating		Fiscal Year	IDA	Cancel.	Undisb.	Disbursements		
		<u>Development Objectives</u>	<u>Implementation Progress</u>					Orig.	Frm Rev'd	
P064558	BI-Agr Rehab & Sustain Land Mgmt (FY05)	S	S	2005	50.0		1.5	-14.3	0.7	
P095211	BI-Community and Social Dvpt SIL (FY06)	MS	MS	2007	40.0		12.3	-0.1		
P078627	BI-Econ Mgmt Supt SIL (FY04)	S	S	2004	26.0		5.9	4.2		
P064557	BI-Educ. Sector Reconstr. (FY07)	MS	MS	2007	20.0		4.7	4.1		
P122217	BI-Emergency Elect. Infrast. Project	S	S	2011	15.4		15.7			
P107851	BI-Finance & Private Sector Development	S	S	2010	19.0		16.3	3.2		
P101160	BI-Health Project (FY09)	S	MS	2009	25.0		15.1	-2.1		
P097974	BI-Multisectoral Water & Electricity Inf	MS	MS	2008	50.0		32.5	2.7		
P064876	BI-Road Sec Dev SIM (FY04)	S	S	2004	51.4		3.4	-23.7	2.9	
P109964	BI-Second HIV/AIDS MAP (FY08)	MS	S	2008	15.0		2.7	0.8		
P113506	BI: Emerg Demob and Transitional Reint.	S	S	2009	15.0	5.0	2.1			
P112998	BI:Public Works and Urban Management	MS	MS	2009	45.0		35.1	3.1		
P107343	BI-Ag. Past. Product. & Market Devel.	S	S	2010	43.0		41.1			
<b>Overall Result</b>					<b>414.8</b>	<b>5.0</b>	<b>188.5</b>	<b>-33.4</b>	<b>3.5</b>	
<b>Regional Projects</b>					<b>Regional IDA</b>	<b>National IDA</b>	<b>Total Undisb.</b>			
P080413	3A-HIV/AIDS Great Lakes Init APL (FY05)	U	MS	2005	20.0	n/a	0			
P094103	3A-Telecommunications APL (FY07)	MS	MS	2007	13.4	6.7	17.9			
P103298	3A-Lake Victoria Phase II APL1 (FY09)	MS	MU	2009	7.0	n/a	3.5			
<b>Overall Result</b>					<b>40.4</b>	<b>6.7</b>	<b>21.35</b>			
<b>Trust Funds</b>					<b>Grant Amount</b>	<b>Undisb.</b>				
TF053661	GEF3 FSP BI-Agricultural Rehabilitation and Sustainable Land Management Project				5.0	4.9				
TF094010	Salary Expenditure for International and Local ETCS				2.4	0.6				
TF094469	GAVI Proposal for Africa HSS Work in Burundi				0.2	0.2				
TF095007	Artisanal and Small-Scale Mining in Burundi				0.1	0.1				
TF095638	FIRST #9012 Burundi: Development of Financial Sector Strategy				0.3	0.2				
TF096384	Emergency Demobilization and Transitional Reintegration Project-Bank executed portion				0.8	0.2				
TF096411	Emergency Demobilization and Transitional Reintegration Project-Trust Fund administration				0.1	0.0				
TF096439	Emergency Demobilization and Transitional Reintegration Project-Recipient executed portion				12.5	3.0				
TF096921	Extending capacity building efforts for Sector Medium Term Expenditure Frameworks				0.2	0.0				
TF096986	GAVI Proposal for Africa HSS Work in Burundi				0.2	0.2				
TF097438	IDF: Capacity building for the use of sectoral Medium Term Expenditure Frameworks				0.4	0.0				
TF098380	Poverty and Social Impact Analysis for Results Based Financing in Health in Burundi				0.1	0.0				
TF098638	BI-HRBF Restructuring				0.3	0.0				
TF098669	BI-Fourth Economic Reform Support Grant				9.5	0.0				
<b>Overall Result</b>					<b>32.0</b>	<b>9.4</b>				

## Annex 8: IFC Operations Portfolio

	2008	2009	2010	2011*
<b>Original Commitments (US\$m)</b>				
IFC and Participants		2.88	0.03	0.66
IFC's Own Accounts only		2.88	0.03	0.66
<b>Original Commitments by Sector (%)- IFC Accounts only</b>				
FINANCE & INSURANCE		100	100	100
<b>Total</b>	0	100	100	100
<b>Original Commitments by Investment Instrument (%) - IFC Accounts only</b>				
Equity		27.99		100
Guarantee		72.01	100	
<b>Total</b>	0	100	100	100

\* Data as of March 01,2011

**Burundi**  
**Committed and Disbursed Outstanding Investment Portfolio**  
**As of 2/28/2011**  
**(In USD Millions)**

<u>FY</u>	<u>Approval</u>	<u>Company</u>	<u>Committed</u>				<u>Disbursed Outstanding</u>					
			<u>Loan</u>	<u>Equity</u>	<u>**Quasi</u> <u>Equity</u>	<u>*GT/RM</u>	<u>Partici</u> <u>pant</u>	<u>Loan</u>	<u>Equity</u>	<u>**Quasi</u> <u>Equity</u>	<u>*GT/RM</u>	<u>Partici</u> <u>pant</u>
2009/11		Dtb burundi	0	1.51	0	0	0	0	1.51	0	0	0
<b>Total Portfolio:</b>			<b>0</b>	<b>1.51</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1.51</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* Denotes Guarantee and Risk Management Products.

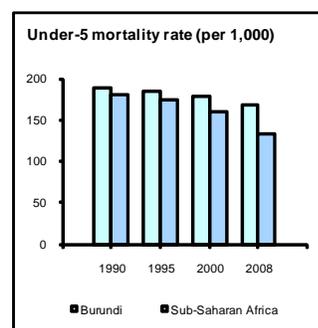
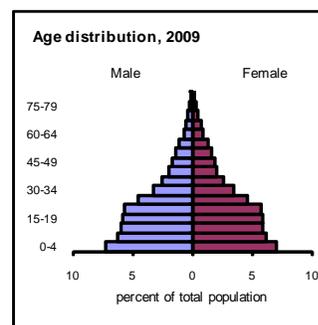
\*\* Quasi Equity includes both loan and equity types.

## Annex 9: Burundi at a Glance

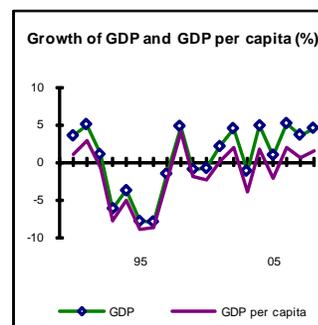
### Burundi at a glance

2/25/11

Key Development Indicators	Burundi	Sub-Saharan Africa	Low income
<b>(2009)</b>			
Population, mid-year (millions)	8.3	819	828
Surface area (thousand sq. km)	28	24,242	17,838
Population growth (%)	2.8	2.5	2.2
Urban population (% of total population)	11	36	28
GNI (Atlas method, US\$ billions)	12	897	389
GNI per capita (Atlas method, US\$)	150	1,095	470
GNI per capita (PPP, international \$)	390	1,981	1,131
GDP growth (%)	3.5	5.2	6.2
GDP per capita growth (%)	0.6	2.7	3.9
<b>(most recent estimate, 2003–2008)</b>			
Poverty headcount ratio at \$125 a day (PPP, %)	81	51	..
Poverty headcount ratio at \$2.00 a day (PPP, %)	93	73	..
Life expectancy at birth (years)	50	52	57
Infant mortality (per 1,000 live births)	101	83	77
Child malnutrition (% of children under 5)	..	25	28
Adult literacy, male (% of ages 15 and older)	72	72	73
Adult literacy, female (% of ages 15 and older)	60	54	59
Gross primary enrollment, male (% of age group)	139	105	107
Gross primary enrollment, female (% of age group)	132	95	100
Access to an improved water source (% of population)	72	60	64
Access to improved sanitation facilities (% of population)	46	31	35



Net Aid Flows	1980	1990	2000	2009 <sup>a</sup>
<i>(US\$ millions)</i>				
Net ODA and official aid	116	263	93	509
<i>Top 3 donors (in 2007):</i>				
European Commission	12	36	9	85
Belgium	28	40	6	58
Netherlands	1	1	4	32
Aid (% of GNI)	12.6	23.5	12.9	43.7
Aid per capita (US\$)	28	46	14	63
<b>Long-Term Economic Trends</b>				
Consumer prices (annual % change)	9.5	7.0	24.3	5.0
GDP implicit deflator (annual % change)	16.4	6.0	13.2	13.6
Exchange rate (annual average, local per US\$)	90.0	171.3	720.7	1230.2
Terms of trade index (2000 = 100)	225	148	100	108
Population, mid-year (millions)	4.1	5.7	6.5	8.3
GDP (US\$ millions)	920	1,132	709	1,325
<i>(% of GDP)</i>				
Agriculture	62.2	55.9	40.4	34.8
Industry	12.6	19.0	18.8	20.0
Manufacturing	7.4	12.9	8.7	8.8
Services	25.1	25.2	40.8	45.1
Household final consumption expenditure	91.4	94.5	88.5	91.1
General gov't final consumption expenditure	9.2	10.8	17.5	28.8
Gross capital formation	13.9	14.5	6.1	16.4
Exports of goods and services	8.8	7.9	7.8	10.7
Imports of goods and services	23.3	27.8	19.9	47.0
Gross savings	..	-5.4	0.5	13



1980–90	1990–2000	2000–09
<i>(average annual growth %)</i>		
3.2	1.3	2.8
4.4	-2.9	3.0

Note: Figures in italics are for years other than those specified. 2009 data are preliminary. .. indicates data are not available.  
a. Aid data are for 2008.

Development Economics, Development Data Group (DECDG).

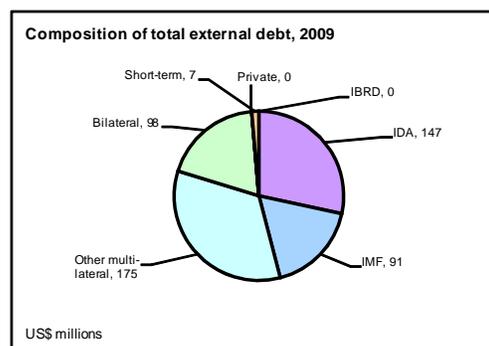
Balance of Payments and Trade	2000	2009
<i>(US\$ millions)</i>		
Total merchandise exports (fob)	49	56
Total merchandise imports (cif)	127	234
Net trade in goods and services	-96	-223
Current account balance	-50	-68
as a % of GDP	-7.0	-5.9
Workers' remittances and compensation of employees (receipts)	..	28
Reserves, including gold	..	..

**Central Government Finance**

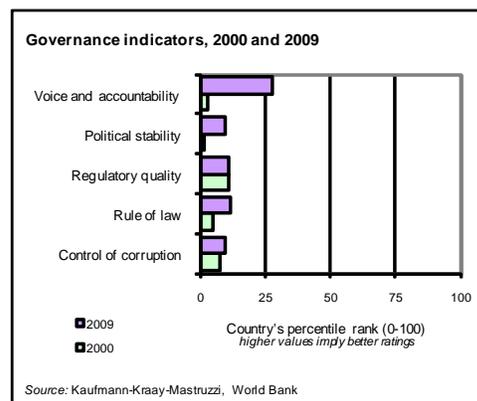
<i>(% of GDP)</i>		
Current revenue (including grants)	19.2	30.7
Tax revenue	18.3	17.8
Current expenditure	18.8	19.2
Overall surplus/deficit	-1.8	-10.4
Highest marginal tax rate (%)		
Individual	..	..
Corporate	..	..

**External Debt and Resource Flows**

<i>(US\$ millions)</i>		
Total debt outstanding and disbursed	1,108	518
Total debt service	22	19
Debt relief (HIPC, M DRI)	964	70
Total debt (% of GDP)	156.3	39.1
Total debt service (% of exports)	39.0	21.7
Foreign direct investment (net inflows)	12	10
Portfolio equity (net inflows)	0	0



Private Sector Development	2000	2009
Time required to start a business (days)	-	32
Cost to start a business (% of GNI per capita)	-	151.6
Time required to register property (days)	-	94
Ranked as a major constraint to business (% of managers surveyed who agreed)	2000	2009
Electricity	..	40.7
Access to/cost of financing	..	16.0
Stock market capitalization (% of GDP)	..	..
Bank capital to asset ratio (%)	..	..



Technology and Infrastructure	2000	2008
Paved roads (% of total)	7.1	10.4
Fixed line and mobile phone subscribers (per 100 people)	1	6
High technology exports (% of manufactured exports)	0.0	7.7

**Environment**

Agricultural land (% of land area)	88	89
Forest area (% of land area)	7.7	5.2
Terrestrial protected areas (% of surface area)	..	5.6
Freshwater resources per capita (cu. meters)	1,487	1,246
Freshwater withdrawal (billion cubic meters)	0.3	..
CO2 emissions per capita (mt)	0.05	0.02
GDP per unit of energy use (2005 PPP \$ per kg of oil equivalent)	..	..
Energy use per capita (kg of oil equivalent)	..	..

**World Bank Group portfolio**

<i>(US\$ millions)</i>		
<b>IBRD</b>		
Total debt outstanding and disbursed	0	0
Disbursements	0	0
Principal repayments	0	0
Interest payments	0	0
<b>IDA</b>		
Total debt outstanding and disbursed	600	147
Disbursements	36	9
Total debt service	13	1
<b>IFC (fiscal year)</b>		
Total disbursed and outstanding portfolio of which IFC own account	0	1
Disbursements for IFC own account	0	1
Portfolio sales, prepayments and repayments for IFC own account	0	0
<b>MIGA</b>		
Gross exposure	0	0
New guarantees	0	0

Note: Figures in italics are for years other than those specified. 2009 data are preliminary.  
.. indicates data are not available. - indicates observation is not applicable.

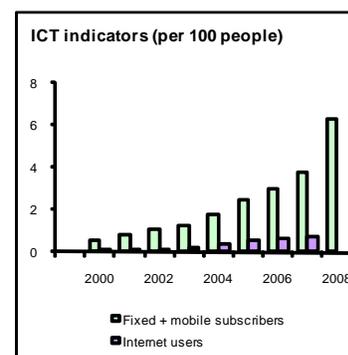
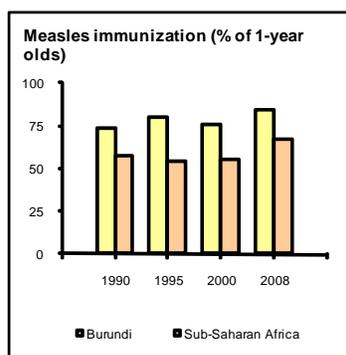
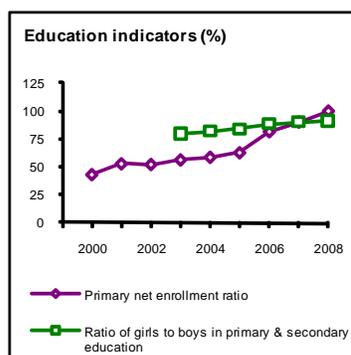
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# Millennium Development Goals

Burundi

With selected targets to achieve between 1990 and 2015  
(estimate closest to date shown, +/- 2 years)

	Burundi			
	1990	1995	2000	2008
<b>Goal 1: halve the rates for extreme poverty and malnutrition</b>				
Poverty headcount ratio at \$125 a day (PPP, % of population)	84.2	..	86.4	81.3
Poverty headcount ratio at national poverty line (% of population)	36.4	..	68.0	..
Share of income or consumption to the poorest quintile (%)	7.9	..	5.1	9.0
Prevalence of malnutrition (% of children under 5)	..	..	38.9	..
<b>Goal 2: ensure that children are able to complete primary schooling</b>				
Primary school enrollment (net, %)	..	50	43	85
Primary completion rate (% of relevant age group)	41	53	25	45
Secondary school enrollment (gross, %)	5	7	..	18
Youth literacy rate (% of people ages 15-24)	..	..	73	76
<b>Goal 3: eliminate gender disparity in education and empower women</b>				
Ratio of girls to boys in primary and secondary education (%)	79	80	..	91
Women employed in the nonagricultural sector (% of nonagricultural employment)	14	..	..	..
Proportion of seats held by women in national parliament (%)	..	..	6	31
<b>Goal 4: reduce under-5 mortality by two-thirds</b>				
Under-5 mortality rate (per 1,000)	189	184	178	168
Infant mortality rate (per 1,000 live births)	114	111	107	102
Measles immunization (proportion of one-year olds immunized, %)	74	80	76	84
<b>Goal 5: reduce maternal mortality by three-fourths</b>				
Maternal mortality ratio (modeled estimate, per 100,000 live births)	1,200	1,200	1,200	970
Births attended by skilled health staff (% of total)	..	..	25	34
Contraceptive prevalence (% of women ages 15-49)	..	..	16	9
<b>Goal 6: halt and begin to reverse the spread of HIV/AIDS and other major diseases</b>				
Prevalence of HIV (% of population ages 15-49)	17	5.2	3.8	3.0
Incidence of tuberculosis (per 100,000 people)	150	220	320	360
Tuberculosis case detection rate (% all forms)	52	24	28	24
<b>Goal 7: halve the proportion of people without sustainable access to basic needs</b>				
Access to an improved water source (% of population)	70	71	72	72
Access to improved sanitation facilities (% of population)	44	45	45	46
Forest area (% of total land area)	11.3	9.5	7.7	5.2
Terrestrial protected areas (% of surface area)	..	..	..	5.6
CO2 emissions (metric tons per capita)	0.1	0.1	0.0	0.0
GDP per unit of energy use (constant 2005 PPP \$ per kg of oil equivalent)	..	..	..	..
<b>Goal 8: develop a global partnership for development</b>				
Telephone mainlines (per 100 people)	0.1	0.3	0.3	0.4
Mobile phone subscribers (per 100 people)	0.0	0.0	0.3	6.0
Internet users (per 100 people)	0.0	0.0	0.1	0.8
Personal computers (per 100 people)	..	..	0.1	0.9



Note: Figures in italics are for years other than those specified. .. indicates data are not available.

2/25/11

# BURUNDI

- SELECTED CITIES AND TOWNS
- ⊙ PROVINCE CAPITALS
- ⊗ NATIONAL CAPITAL
- RIVERS
- MAIN ROADS
- PROVINCE BOUNDARIES
- - - INTERNATIONAL BOUNDARIES

*This map was produced by the Map Design Unit of The World Bank. The boundaries, colors, denominations and any other information shown on this map do not imply, on the part of The World Bank Group, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries.*

