

# BTI 2014 | Burkina Faso Country Report

<b>Status Index</b>	1-10	<b>4.96</b>	# 84 of 129	
Political Transformation	1-10	5.23	# 71 of 129	➔
Economic Transformation	1-10	4.68	# 90 of 129	➔
<b>Management Index</b>	1-10	<b>5.01</b>	# 61 of 129	
	scale	score	rank	trend

This report is part of the Bertelsmann Stiftung's Transformation Index (BTI) 2014. It covers the period from 31 January 2011 to 31 January 2013. The BTI assesses the transformation toward democracy and a market economy as well as the quality of political management in 129 countries. More on the BTI at <http://www.bti-project.org>.

Please cite as follows: Bertelsmann Stiftung, BTI 2014 – Burkina Faso Country Report. Gütersloh: Bertelsmann Stiftung, 2014.

This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/).

**Key Indicators**

Population	M	16.5	HDI	0.343	GDP p.c.	\$	1513.0
Pop. growth <sup>1</sup>	% p.a.	2.9	HDI rank of 187	183	Gini Index		39.8
Life expectancy	years	55.4	UN Education Index	0.196	Poverty <sup>3</sup>	%	72.6
Urban population	%	27.4	Gender inequality <sup>2</sup>	0.609	Aid per capita	\$	38.2

Sources: The World Bank, World Development Indicators 2013 | UNDP, Human Development Report 2013. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$2 a day.

## Executive Summary

Despite the tremendous challenges faced by Burkina Faso, small steps forward have been taken in political transformation during the period under review. Serious social unrest and army revolts threatened the regime's stability in the first months of 2011 and have revealed a serious erosion of state authority. In massive, sometimes violent protests, the population expressed its deep discontent with social and economic conditions and its anger toward the government and its politics. President Blaise Compaoré and his allies reacted quickly by initiating a process of dialogue, reconciliation and reform within the framework of the Advisory Council on Political Reforms (Conseil Consultatif sur les Réformes Politiques, CCRP), by replacing important leadership positions and by making some substantial economic and social concessions. Moreover, the regime brought to trial the police and soldiers responsible for human rights abuses during the turmoil. The initiated measures and reforms went far enough to reestablish a certain level of calm and stability and to regain control over the security sector.

However, they have not addressed the underlying problems of the country's compromised democracy, which include the president's continued grip on power, the executive's all-encompassing dominance over political institutions, and the ruling party's exclusive access to state resources, which together hinder justice and equality of opportunity. Prospects for justice and reconciliation suffered a setback in the granting of amnesty for all former heads of state, including Compaoré. Opposition to changing Article 37 of the constitution, a change that would allow Compaoré to serve another term, has increased, but the discussion is not yet off the table. At the same time, the president further expanded his power base by having managed to get his brother, François Compaoré, into a central party leadership position in the Congress for Democracy and Progress (Congrès pour la Démocratie et le Progrès, CDP).

While some important reforms have increased the credibility of the electoral process, the December 2012 legislative and local elections again failed to bring political change. The people's political apathy was again reflected in low voter registration rates and, once more, the fragmented

opposition was not able to gain from the government's and the ruling party's unpopularity. The election results strengthened the CDP's power on all levels, although the ruling party got less than 49% of the votes. Foreign policy has been dominated by cooperation over regional and security issues and mediation efforts in the Malian crisis.

The economic performance of Burkina Faso was fairly strong during the period under review, despite the adverse environment and the difficult national, regional and international context. The government has made further progress in implementing its development strategy, and the economy's performance under the IMF-sponsored Extended Credit Facility (ECF) has been overall satisfactory. The mining sector, especially in gold production, has become the major driver of growth. With the support of the international community, Burkina Faso was able to address numerous challenges, including social turmoil and a food crisis. The post-electoral crisis in Côte d'Ivoire and the influx of refugees from neighboring Mali have had further impact on the economy. However, socioeconomic development has not improved significantly. The country remains one of the poorest in the world and lacks an educated labor force. The reform of tax and customs administration is improving revenue collection and the authorities made significant progress in the management of debt, which brought high debt distress down to a moderate level. However, deficiencies in other areas still hinder a more dynamic and sustainable development of the economy. Dependence on both developments in the world market and on the goodwill of donors remains extremely high, and the country faces a number of structural constraints.

## History and Characteristics of Transformation

After achieving independence from France in 1960, Burkina Faso endured decades of political instability, including several military coups and persistent civil strife. The 1983 coup led by Captain Thomas Sankara, who attempted to model the country and its society on the basis of a social revolutionary program, stands out for its anti-imperialist and populist leanings. Four years later, in 1987, Sankara was assassinated in a military coup organized by Blaise Compaoré. The country began its gradual democratic transformation, and by 1991 several new parties had been formed and legalized. A new constitution was also approved in June 1991 via referendum, albeit with low voter turnout. Opposition forces demonstrated their dissatisfaction with the constitution through strong internal pressure, mainly exerted by the unions, forcing Compaoré to consider substantial reforms. The first presidential elections in that same year (1991) led to further boycotts by the opposition. The only candidate on the ballot, Compaoré, was reelected with only 25% of the electorate participating.

In 1992, Burkina Faso held its first multiparty parliamentary elections. Facing weak opposition, Compaoré's Organisation pour la Démocratie Populaire/Mouvement du Travail (ODP/MT) achieved a two-thirds majority. The president's party, renamed the Congrès pour la Démocratie et le Progrès (CDP) in 1996 after merging with several parties, among them the main political party of the opposition, repeated its success with an even bigger landslide victory in legislative elections

five years later. The dominance of the ruling party and the weakness of the opposition turned out to be one of the largest obstacles to democratization during this period. The National Assembly's ability to govern was theoretical at best, and lawmaking was reduced to a one-party affair. Party opposition began to form outside the National Assembly, which began suffering a loss of credibility among the population. Although human rights improved, state-sponsored terror and violence did not disappear under the new government. Government impunity and a weak rule of law have therefore prevailed. After being reelected president in 1998, Compaoré hoped to strengthen his legitimacy on the basis of relatively high voter turnout. However, he faced a crisis that not only further revealed the regime's authoritarian character but also tested the legitimacy of the president and of the political system as a whole. The crisis centered on the suspected state-ordered assassination of Norbert Zongo, founder and director of *L'Indépendant*, Burkina Faso's most influential private weekly. "Trop c'est trop!" (Too much is too much) quickly became the slogan of an increasingly radical opposition movement, which demanded justice not only in the Zongo case but also denounced the deficient rule of law and the lack of political accountability in the government, as well as the deteriorating living conditions experienced by most Burkinabè (citizens of Burkina Faso). Consistent political pressure forced Compaoré to make concessions. Numerous institutional and electoral reforms represented a qualitative improvement over the previous system.

The legislative elections of May 2002 shifted the balance of power, with the ruling party holding on to its majority only by a narrow margin (57 seats out of 111). For the first time since the inception of the electoral process in 1991, the parliamentary opposition now represented a serious political group. Since then, the crisis in Côte d'Ivoire has profoundly affected the political and economic situation in Burkina Faso. A divided political opposition, as well as a wave of patriotic fervor that swept through Burkina Faso following the exodus of hundreds of thousands of Burkinabè fleeing the civil war in Côte d'Ivoire, have given the CDP renewed strength. The refugee situation has also given the Compaoré government and the CDP the opportunity to pose as defenders of the national interest.

Following a rigorous public debate on the constitutionality of Compaoré's candidacy, citizens in November 2005 reelected him president by more than 80%. Despite rising social tensions based on the population's increasing dissatisfaction with difficult living and working conditions, the CDP won three-quarters of the seats in local government elections in April 2006 and gained a landslide victory in the legislative election held on 6 May 2007, a vote that expanded the party's majority in the National Assembly to 73 seats out of 111. The weak, fragmented opposition, combined with the CDP's control of official resources that helped it sustain patronage networks and co-opt political opponents, strengthened the governing party's and the president's authority while further democratization of the country fell by the wayside. Since 2006, Compaoré has changed his image from a supporter of warlords, rebel groups and coup plotters in diverse West African countries to a mediator in regional conflict situations, specifically in Côte d'Ivoire. While the population's discontent with social, economic and political conditions has grown continuously, and serious criticisms of Burkina Faso's political system have increased even from inside the

ruling circle, Compaoré secured his fifth term in office with more than 80% of the vote in the November 2010 presidential elections.

His new mandate, however, has plunged very quickly into crisis. Massive, sometimes violent street protests, strikes, and police and army mutinies during the first few months of 2011 threatened to destabilize the regime. The subsequent government initiated a reconciliation and reform process (Conseil Consultatif sur les Réformes Politiques, CCRP), a few minor democracy-oriented reforms, and some substantial economic and social concessions, which ran deep enough to calm the situation and help the government regain control.

The country's major underlying problems, however, remained unaddressed, and the ruling elite continued to concentrate on efforts to safeguard their benefits and power. As it had in November 2010, the population demonstrated its dissatisfaction and political apathy with a low registration rate in the December 2012 legislative and local elections. The still-fragmented opposition once again failed to offer a real alternative, and the CDP, despite its vast unpopularity, managed to strengthen its power at all levels.

Since its independence, Burkina Faso has ranked as one of the poorest countries in the world. After decades of statist policies and resulting economic crises, the government had to give in to pressure from the donor community, and in March 1991 agreed to a Structural Adjustment Program (SAP) with the IMF. In 1993, this was followed by the first of four Enhanced Structural Adjustment Facilities (ESAF), and, in 1996, by the first three-year Poverty Reduction and Growth Facility (PRGF) arrangement. In June 2010, the PRGF was replaced by a three-year Extended Credit Facility (ECF). The Strategy for Accelerated Growth and Sustained Development (Stratégie de Croissance Accélérée et de Développement Durable, SCADD) provides a framework for the government to achieve its goals for the 2011 – 2013 period. The macroeconomic policies and structural reform priorities outlined in the SCADD are in line with the policy framework of the ECF. The ECF is aimed at broad-based growth and poverty reduction while maintaining macroeconomic stability and progressing with structural reform. Since the beginning of the reform programs, macroeconomic data has largely improved and economic and institutional reforms have been implemented mostly successfully in a country heavily dependent on international aid. However, the process was particularly painful for the poor, and macroeconomic developments have yet to translate into an increased standard of living for most citizens, of whom around 85% earn their living from agriculture and raising livestock. The booming mining sector has become the major driver of growth.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

## Transformation Status

### I. Political Transformation

#### 1 | Stateness

The state's monopoly on the use of force is established nationwide in principle, but showed worrying signs of erosion during the period under review. In the first half of 2011, police revolts and soldiers' mutinies broke out in many towns and in every major military installation across the country. They were marked by heavy violence, terror against civilians, widespread looting, and the destruction of the homes of military officers and representatives of the government and the ruling party. Most dramatically, Compaoré had to flee from the presidential palace during a mutiny by members of his own presidential guard (April 2011). Compaoré – aware of the serious destabilization potential of the situation – reacted quickly. He held consultations with members of all different groups of the security forces, made concessions to some of their immediate demands and shuffled leading personnel (including the army commander and chief of staff; he named himself defense minister). In this way did the government manage to substantially restore law and order and bring the armed forces back under control. However, serious problems remain within the security sector, threatening to weaken the state's monopoly on violence to an extent that could destabilize the regime at any time. Extensive economic grievances (poor pay, housing, etc.) among the security forces persist despite the government's efforts to meet their demands. The political aspects of the incidents have not been addressed at all. These include a clear breakdown in command; a lack of respect for the forces' leaders, whom the soldiers accuse of corruption, favoritism and embezzlement; and deep anger toward the state's authorities, including the president. The conflict in neighboring Mali has increased the threat of operations by Islamist militant groups spilling into Burkina Faso. As a consequence, the government has focused foreign policy on security cooperation with different allies and conflict resolution efforts toward Mali.

Although Burkina Faso has a relatively high degree of ethnic diversity (more than 60 ethnic groups, with the Mossi constituting almost half of the population), the

Question  
Score

Monopoly on the  
use of force

7

State identity

10

definition of and qualifications for citizenship are not politically relevant. Individuals of all ethnic and religious groups or minorities exercise their rights and basic freedoms without discrimination and with full equality under the law. The majority of the population fundamentally acknowledges the state's constitution and accepts the nation-state as legitimate.

The state is largely defined as secular, a practice inherited from French colonialism.

Religious dogmas have no noteworthy influence on politics or legal order. Nevertheless, the churches play an important role in the Burkinabè society and often times speak up, mediate and offer advice in regard to important political issues. Leaders of the influential Catholic Church have taken a clear official position against the elimination of presidential term limits as well as against general amnesty for the president. A variety of religious authorities have also been represented in the Conseil Consultatif sur les Réformes Politiques (CCRP), a commission that was established to enable a national dialogue on political reforms in 2011. The government estimates that about 15% of the population have traditional African (animist) beliefs; 61% practice Islam, with the majority being Sunni; 19% are Catholics; and 4% are Protestants. Though Muslims are less politically influential than Christians, who are generally better organized and have played an important role in the education of the state elite, there are no tensions between religious groups. So far, Islamic fundamentalists have not exercised any noteworthy influence. Since the outbreak of the crisis in Mali, however, the risk has been growing considerably of operations of the terrorist group Al-Qaeda in the Islamic Maghreb (AQIM) spilling over into Burkina Faso.

The state administration suffers from politicization and extensive corruption on all levels. As a consequence, the existing structures provide most basic public services, but they show functional deficiencies and lack capacity in many areas. In particular, the population complains about shortcomings in basic infrastructure such as water, education and health. Transportation, above all in the rural areas, is a problem. Officially, decentralization was designed to devolve some political decision-making to local authorities and to bring social services and basic administration closer to the people of the country's 309 rural communes. In practice, however, thin financial resources limited the extent to which this autonomy could be exercised and local administration could be strengthened. The completion of reforms to strengthen tax and customs administration continued to be a priority for the government during the period under review, and showed positive results in form of significantly improved revenue collection.

No interference of religious dogmas

8

Basic administration

6

## 2 | Political Participation

The constitution guarantees all citizens the right to vote in direct, general, uniform and free elections, as well as the right to run for political office. General elections are regularly conducted on the national level and universal suffrage with secret ballots is ensured. While several parties with different platforms are able to run (74 have been approved for the December 2012 elections), the principles of equality and fairness are heavily constrained by the extensive patronage network maintained by President Compaoré and the ruling CDP and their control of the state administration and political institutions. Their exclusive access to substantial resources allows for a nationwide campaign machinery, including media coverage, and opponents have difficulty countering this. At the same time, despite some efforts to build coalitions, the opposition still suffers from extreme fragmentation. It was again unable to offer convincing political alternatives or to profit from the ruling party's growing unpopularity. As a consequence, the legislative and local elections' results on 2 December 2012 strengthened the CDP's power on all levels, though only about 55% percent registered to vote. The credibility of the election process has improved following the introduction of a biometric registration system and the establishment of a new voter roll. Moreover, the new election commission (Commission Électorale Nationale Indépendante, CENI), established in July 2011, proved efficient in organizing the quite difficult polls, which for the first time combined legislative and local contests. During the election phase, there were some indications that CENI was more willing to resist political pressure than the previous commission. By a vote of the National Assembly in April 2012, the number of parliamentary deputies has been increased from 111 to 127 so that each of Burkina Faso's 45 provinces will now have at least two deputies. Before this change, about one third of the provinces had only one deputy, which, in practice, favored the CDP by making proportional representation ineffective.

Free and fair elections

6

In general, the elected government has the power to govern, but the period under review revealed the military's serious potential for acting as a veto power. In 2011, the country saw army mutinies, which threatened the regime's stability, and it proved to be difficult for the government to appease the armed forces and to bring them back under control. The extent to which army officers influence political decisions or exercise veto power is unclear, but there are signs that imply significant relationships between the military, the ruling party and the president in particular. These include the regime's failure to hold senior officers accountable for the mutinies and the president's failure to explicitly condemn either the soldiers' violence against civilians or their violation of military discipline. Compaoré had been quick in answering the first mutinies with closed-door consultations, but showed a clear reluctance to officially criticize the institution that had brought him to power. The president's

Effective power to govern

3



massive patronage machinery, the wealthy business elite, has the capacity to exercise veto powers.

As a rule, the government respects the constitutionally guaranteed freedoms of assembly and association, rights exercised extensively by different political and civic groups. During the first months of 2011, however, the government restricted the freedom of assembly in numerous cases. Police forces tried to disperse several protests and demonstrations by using extreme violence that caused the death of some demonstrators. Since the government's subsequent efforts to ease the tense atmosphere in the country, the police were ordered to react very carefully in cases of further protests or strikes. During the March and April 2011 student protests, the government allegedly limited communication by disabling text message services on telephone networks, a violation of freedom of assembly.

Association /  
assembly rights  
6

Freedom of the press and freedom of speech are relatively secure. The country's press is dynamic, its journalists' quality high and competition healthy, especially compared with many other African countries. While state-owned media outlets exhibit a significantly pro-government bias, overall they program with an eye to participation by those representing oppositional views. The private media are relatively independent and often critical of the government. However, many journalists are pressured into self-censorship and have been occasionally sued by the government under a law that defines libel in excessively broad terms. The prime minister allegedly plans to decriminalize the libel law, and libel proceedings are said to have become fairer, with increasing chances for reporters and newspapers to win cases. But the ruling class remains sensitive to criticism, specifically when it comes to reports on corruption or human rights abuses committed by people in power. The government tries to hinder such reports by making it difficult for journalists to investigate controversial issues, restricting access to government information. There are no government restrictions on access to the Internet, which only a small percentage of the population has access to. Among Internet users, bloggers are becoming an increasingly important source of news and opinion, enabled by the quickly growing availability of smart phones and Wi-Fi. While in the Global Press Freedom 2012 survey by Freedom House, Burkina Faso ranked 88th, two positions less favorable than in 2010, the country improved its standing by 22 positions on the Reporters without Borders' Press Freedom Index 2013 and now ranks 46 (for comparison: Germany, 17; Spain, 36).

Freedom of  
expression  
7

### 3 | Rule of Law

The institutional separation of powers between the executive, legislative and judicial branches is guaranteed in the constitution, but significantly limited in practical terms. The president's broad powers and the ruling party's overwhelming majority have guaranteed the executive a legally secure monopoly on power. The unicameral

Separation of  
powers  
3

National Assembly's authority and involvement in decision-making is notoriously ineffective and its mechanisms of oversight are severely limited. This state of affairs has persisted since Compaoré's arrival in power, and recent elections (including the legislative and local polls of December 2012) have only consolidated the disequilibrium between the political branches. One result of the reform process, which was initiated to contain the destabilizing turmoil of the first half of 2011, was the decision to create a Senate. In theory, this institution could help strengthen the legislative branch against the powerful executive. However, it needs to be assured that the second chamber will not suffer from the same weaknesses as its predecessor. The country's first Senate was abolished in 2002 amid different political concessions to the opposition, which considered the body duplicative, costly and insufficiently independent from government. Skeptics observe that, for the new Senate, the right of appointment lies with President Compaoré. The body will pick up its work not before some point in 2013, and many details of its functioning and tasks await legislation.

The judiciary is formally independent and institutionally distinct but dominated and politicized in practice by the executive branch. The executive orchestrates judicial appointments and promotions, and prosecutors are part of a hierarchy headed by the justice minister; because of this, the executive interferes in judicial decisions. The judicial system suffers from rampant corruption, which stems from an overall system that is inefficient, poorly trained and poorly equipped. The economic vulnerability of its members makes them susceptible to exploitation, and they operate under extreme political pressure. The judicial unions denounced this state of affairs during their strike following the soldiers' mutinies in March 2011. They complained about insufficient practical guarantees of the financial and institutional autonomy of judicial bodies, and about cases in which government institutions and politicians ignored verdicts. The secretary-general of the Syndicat Burkinabè des Magistrats spoke of two types of justice in the country, "one justice for the strong and another justice for the weak." Efficient court proceedings are only conducted when critics of the government are put on trial, but rarely when politically or economically powerful people are concerned. Legal processes also accelerate when they serve the government's political purposes. This was often the case during the period under review, when quick legal proceedings against members of the army and the police were necessary to calm the outraged Burkinabè population and their demands for justice, in particular after the death of student Justin Zongo, who died after a police beating. Fighting government officials' impunity has ranked among the population's main demands since the murder of journalist Norbert Zongo, but the judiciary has not made any moves toward solving this or other crimes with suspected government involvement.

Public officials can be sued for the abuse of power or for other inappropriate actions. The leading figures of the government or the ruling party, however, are rarely subject to such measures. In general, lawsuits against public officials are only conducted in

Independent  
judiciary  
4

Prosecution of  
office abuse  
4

cases of disloyalty, or if public pressure requires the government to offer up a political scapegoat. In the 2011 mutinies, 171 police officers were disciplined for their participation, the national director-general of the police was replaced, and 567 mutinous soldiers were dismissed from the military ranks, about 300 of whom were placed in detention. While holding the security forces accountable for their acts (looting, property destruction, human rights abuses and killings) was an important step toward more justice and accountability, it remains conspicuous that senior officers rarely were among the convicts. The firing of the minister of justice, after his guards beat someone for verbally challenging him, could be a sign that even high-level officials have to watch their behavior. But most politicians enjoy *de facto* immunity from prosecution. Fighting rampant political and bureaucratic corruption, including the criminal prosecution of corrupt officeholders, has been one of the public's main demands for many years and that demand continued during the period under review. Isolated cases of corruption are prosecuted, but often without consequence. On 31 December 2012, for example, the director-general of the customs service was arrested and charged with financial irregularity. But he was released and even elected as CDP (ruling party) mayor of his village in December 2012. High-level impunity experienced a further boost when a blanket amnesty was granted for all former heads of state, plus the current president, whose rule has been marked by numerous human rights abuses, rampant corruption and self-enrichment as well as illegal involvement in insurgencies in neighboring countries.

The constitution forbids torture, but, in practice, security forces often subject citizens to torture and inhumane and degrading treatment. During the period under review, repeated acts of brutality by security forces have inflamed the social and political situation. Given the frequency of beatings and killings of students and other citizens by police, sometimes over the most trivial matters, students' anger boiled over after secondary-school student Justin Zongo was beaten to death by police in Koudougou. Police killed four more students during the following months of violent protests, gendarmes shot a young man, and a soldier killed a 14-year-old housemaid. Tear gas and clubs were used to stop demonstrations. According to official reports, more than 200 people were injured during the protest in the first months of 2011, including more than 60 students and over 100 gendarmes and police. The level of violence has been exceptional not only by security forces, but also by civilians. Though violent intervention did not come to a complete halt, police since 2012 have followed an apparent official order to act much more cautiously. Prison conditions are harsh and at times life-threatening. Cases of long-term detention without trial or access to legal counsel are widespread. Equality before the law and due process under the law exist in theory, but, in practice, it is often only citizens with financial means who can secure a fair or speedy trial. In addition, the right to fair trial is limited by popular ignorance of the law and a continuing shortage of magistrates. Protected by a corrupt and easily swayed judiciary, the government cultivates a culture of impunity. Freedom of religion and a ban on discrimination, both guaranteed by the constitution, are

Civil rights

6

generally respected. A law condemns all kinds of discrimination, including gender discrimination, but the government does not effectively enforce it. Homosexuals, persons with disabilities and persons with HIV/AIDS are often confronted with social and economic discrimination, and women's rights are not always guaranteed in practice; in rural areas, traditional practices and values hold that women are inferior. While such attitudes change slowly, the government's awareness campaigns and community outreach efforts to change attitudes toward women are said to have contributed to some modest improvement. Though the government's serious commitment to fight female genital mutilation (FGM) by campaign and by law seems to have had some impact, FGM is still widely performed, especially in rural areas.

#### 4 | Stability of Democratic Institutions

Democratic institutions exist but are functional only to a limited degree and do not have intra- or inter-organizational stability. On the national, regional and local level, stability suffers greatly from shortcomings in the rule of law and a dysfunctional, politicized and often corrupt administration that lacks both materials and qualified personnel. The National Assembly is weak and has never been much more than a rubber stamp for the government's legislative propositions. From top to bottom, institutions suffer from corruption, which limits their performance.

Performance of  
democratic  
institutions

3

Acceptance and support for democratic institutions is relatively low both among the government and large segments of the population; national institutions are deemed nearly irrelevant to the rural population. During the period under review, the army proved to be more of a risk for destabilization than a guarantor of stability or security. While displays of discontent and open protests within the army's ranks have repeatedly occurred in recent years, their intensity in 2011 seriously challenged the regime. The mutinies stemmed from soldiers' difficult living conditions and the lower ranks' anger over clientelism, embezzlement and corruption among the leadership. At the same time, the violent incidents reflected a clear breakdown in command and deep antigovernment sentiment among the soldiers, even among the privileged presidential guards. Like in previous difficult phases, the government managed to ease tensions within the army to some extent through certain concessions. The underlying problems, however, have not been resolved, and the situation constitutes a serious risk in a country shaped by military coups.

Commitment to  
democratic  
institutions

3

#### 5 | Political and Social Integration

At the beginning of 2012, more than 160 parties had gained official ministerial recognition, while the election commission approved 74 parties or party alliances to field candidates for the December elections. The CDP's decades of hegemony have led to a semi-authoritarian, dominant-party system. Except for the CDP, the party

Party system

5

system is highly fragmented and the level of organizational stability is low. The parties' fragmentation and the inability of the opposition parties' representatives to build stable coalitions have been two of the main obstacles to the country's democratization process for the last 20 years. Before the last elections, there had been only one significant party merger, of four leftist parties into the Parti pour la Démocratie et le Socialisme (PDS/Metba). The elections were also marked by the emergence of the Union for Progress and Change (UPC), created by Zephirin Diabre, a former minister of finance and former UNDP associate director. Just two years after its formation, UPC became the leading opposition party, with 19 seats out of 127. However, such efforts do not go far enough to pose a serious challenge to the CDP. The opposition has failed to profit from either the party's evident unpopularity or its internal problems (factional conflicts, demoralization, dissatisfaction with the leadership, etc.), which again surfaced during the period under review. During the pre-election period, quite a number of parties that participate in government and support Compaoré tried to raise their profiles and distance themselves from the CDP. The Union pour la République (UPR), the largest member of the 25-party pro-government coalition Alliance pour la Mouance Présidentielle (AMP), even withdrew from the alliance because of discontent with the CDP's anti-democratic leadership style. In March 2012, even as his party struggled, Compaoré succeeded in strengthening his personal power base through targeted and substantial changes in the CDP's central leadership; among other changes, Compaoré's brother François assumed a direct leadership position. The system lacks programmatic capacities and shows grave weakness with regard to the population's social integration and political education. Parties can therefore only partially fulfill their political role. Civil society groups are much more able to integrate large parts of the population and contribute significantly to the absorption of democratic awareness and action. Ideologies and programmatic issues do not play a significant role in party membership.

Non-parliamentary groups and an active civil society are able to develop and to articulate their concerns. Burkina Faso has a diverse landscape of interest groups, dominated primarily by unions, student associations and human rights organizations. Other interests, such as the rural population, however, are underrepresented. Yet the quality of representation is relatively high compared to sub-Saharan standards. Interest groups, cooperative associations or civil society organizations are able to cooperate when pursuing a common goal, often even better than political parties. During the period under review, many different interest groups – student associations, teachers' unions, merchants, public workers, etc. – organized protests and strikes. They were motivated by demands for improved salaries, work and school conditions, and living standards, or by calls for the prosecution of human rights violators. In several cases, they achieved concessions from the government. After the violent army mutinies, which resulted in the freeing of imprisoned soldiers and physical attacks on diverse judicial institutions, the three unions of magistrates, which have rarely acted together on a common issue, together with three lawyers' unions, organized an

Interest groups

6

immediate work stoppage throughout the country and a joint general assembly of more than 400 representatives. In addition to demanding improved security for court personnel, repair of courthouses and the return of released soldiers to prison, they also expressed their annoyance about the general restrictions on judicial independence. Despite a rather small workforce, labor unions are particularly well organized and have shown their strength in organizing several national strikes. The network of cooperating interest groups has become highly politicized, with a risk of polarization. However, this combining of interests can lead to increased power to coerce the state to be more cooperative, particularly in times of high societal and political tension like the review period.

Meaningful statistical data is available from the Afrobarometer's Round 5 survey, whose preliminary results were published in February 2013. According to the results, in 2012, a strong majority (72%) of Burkinabè preferred democracy over any other kind of government, and this number has substantially increased since 2007 (58%). Only 5% (2008: 11%) of the respondents supported the idea that sometimes a nondemocratic regime might be preferable. Regarding its actual functioning, results showed increased but still limited esteem for the Burkina Faso democracy: Only 24% see the country as a full democracy while 31% see some problems, 24% see major problems, and 8% hold the view that it is no democracy at all.

There are a large number of autonomous, self-organized groups, association and organizations in Burkina Faso that address primarily social, but also cultural, environmental or other topics. In many areas, civic organizations take on a representative function that government institutions, specifically the country's weak parliament, are not able to perform. Civic organizations are cooperative and strategic. They generally operate under the principles of self-regulation and are a voice of political and social concern. It is difficult to assess the level of trust among the Burkinabè population, as no relevant public opinion survey is available. A fairly high level, however, can be assumed given the culture of "jocular relationship," which permits members of different ethnic groups to make jokes about each other without causing bad feelings. This cultural trait has been widely praised as a reason interethnic relations in the country have been amicable.

Approval of  
democracy  
n/a

Social capital  
6

## II. Economic Transformation

### 6 | Level of Socioeconomic Development

Poverty and social exclusion are quantitatively and qualitatively extensive and structurally ingrained. The 2011 United Nations Development Programme (UNDP) Human Development Report (HDR) ranks Burkina Faso 181 out of 187 countries (with no change compared with the 2010 rank of 161 out of 169 countries), despite steady but minor improvements in the country's Human Development Index since 1975. According to the World Bank World Development Indicators 2011, GNI per capita was \$570 in 2011, placing Burkina Faso well below the average for sub-Saharan Africa (\$1,257), but on the average level of that of the group of low-income countries (\$569). In the context of extreme poverty and widespread inequalities, social exclusion is severe and structurally reinforced, especially in rural areas and for women. Despite some minor improvements in the education sector, literacy and school enrollment rates remain extremely low with an average literacy rate of 29% of the population age 15 and above. In 2011, gross enrollment ratio in primary education improved slightly to 79% and at secondary level to 23%. The ratio of girls to boys in primary and secondary enrollment increased to 89%, reflecting minor improvements in the erosion of inequalities and some positive results achieved by the government in the education sector. Access to education is constrained by large disparities from province to province and between urban and rural areas. Gender disparity has decreased, but remains relatively high, with Burkina Faso occupying a rank of 121 out of 187 countries with 0.596 points on the UNDP's Gender-related Development Index (GDI). Despite recent improvements, social indicators remain weak and Burkina Faso is unlikely to meet the UN's Millennium Development Goals. The incidence of poverty is estimated to have increased, notably in urban areas, partly reflecting the impact of shocks between 2007 and 2011 that affected vulnerable groups. Still 65.8% of the population live in severe poverty and an additional 8.6% of the population are vulnerable to poverty, according to the UNDP HDR 2011.

Question  
Score

Socioeconomic  
barriers

1

Economic indicators		2009	2010	2011	2012
GDP	\$ M	8348.2	9209.3	10395.8	<b>10441.0</b>
GDP growth	%	3.0	7.9	4.2	<b>10.0</b>
Inflation (CPI)	%	2.6	-0.8	2.8	<b>3.8</b>
Unemployment	%	-	-	-	-

Economic indicators		2009	2010	2011	2012
Foreign direct investment	% of GDP	0.7	0.4	0.1	-
Export growth	%	19.6	61.4	32.4	-
Import growth	%	0.9	2.9	19.3	-
Current account balance	\$ M	-380.0	-181.4	-	-
Public debt	% of GDP	26.1	27.1	29.3	<b>27.7</b>
External debt	\$ M	1921.0	2179.2	2419.9	-
Total debt service	\$ M	43.6	49.7	70.6	-
Cash surplus or deficit	% of GDP	-4.7	-4.4	-2.4	-
Tax revenue	% of GDP	12.5	12.4	14.2	-
Government consumption	% of GDP	21.7	19.0	19.3	-
Public expnd. on edu.	% of GDP	-	3.8	3.4	-
Public expnd. on health	% of GDP	3.6	4.1	3.3	-
R&D expenditure	% of GDP	0.20	-	-	-
Military expenditure	% of GDP	1.3	1.3	1.3	<b>1.4</b>

Sources: The World Bank, World Development Indicators 2013 | International Monetary Fund (IMF), World Economic Outlook 2013 | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database 2013.

## 7 | Organization of the Market and Competition

The institutional framework for market competition remains weak, with significant entry and exit barriers, pervasive corruption, a weak judicial system, a lack of access to financing for small and medium-sized enterprises, and persistent government control over strategic sectors due to slow progress in privatization. The informal sector is large. The Heritage Foundation's Index of Economic Freedom 2013 describes Burkina Faso's economy as "mostly unfree," ranks it 86 out of 177 countries, and records a decrease of 0.7 point compared to 2012. Burkina Faso is 10th out of 46 countries in the sub-Saharan region and its overall score remains above the world average. Similarly, the World Bank Doing Business 2013 survey noted a slight cooling of the business climate in Burkina Faso with a drop in nine out of 10 indicators compared with 2012, ranking the country 153 out of 185 economies. Despite improvement in the last years and the successful implementation of recent reforms, Burkina Faso has made little progress in some areas of economic freedom,

Market-based  
competition

5



such as the simplification of the business start-up process, the set-up of two commercial courts in the two major cities, and ongoing tax administration reforms.

The formation of monopolies and oligopolies is not regulated consistently. No clear and comprehensive legal provisions exist. Moreover, the government maintains a quasi-monopoly in a number of areas. The government's privatization program has been delayed due to the strong performance of remaining state-owned enterprises, coupled with opposition from workers and unions. Further anticompetitive practices, such as price-fixing, persist. The government took the national water and power utilities off its privatization roster and nationalized the beverage producer, Brafaso, after the company ran into financial problems. The government is planning to sell another 20% of the already partially privatized national telecom utility, Onatel (Office National des Télécommunications) through a regional public offering, and preparations are underway for selling a minority share in the fuel importation and distribution company, Société Nationale Burkinabè d'Hydrocarbures (Sonaphy).

Anti-monopoly  
policy  
6

The government is in the process of reforming its tax and customs administration system with the aim of spending more on poverty reduction. While foreign trade officially follows nondiscrimination principles, supplementary taxes on imports, targeted import bans, as well as significant non-tariff barriers such as inadequate infrastructure and corruption, all limit foreign trade. As a member of the Economic Community of West African States (ECOWAS), Burkina Faso's objective is to adapt national regulations according to the Treaty on the Harmonization of Business Law in Africa (OHADA). Despite the harmonization of the majority of trade policy instruments, mainly import measures, the implementation is far from complete in all areas. A landlocked country, Burkina Faso depends heavily on its neighbors, especially Côte d'Ivoire, for non-regional trade. According to a 2010 WTO report, Burkina Faso has improved its institutional and regulatory framework since the previous review of the country's trade policy, in 2004. In 2012, Burkina Faso joined the Global Forum on Transparency and Exchange of Information for Tax Purposes and hence will participate in the peer review process, which encourages all countries to adopt an effective exchange of information in tax matters. A one-stop window for customs clearance and an electronic system to improve merchandise valuation in two customs posts were set up, but these will only be operational at the beginning of 2013. Corruption is becoming more and more pervasive. Since 2007, the surveys of the Burkinabè NGO Réseau National de Lutte Anti-corruption (REN-LAC) have ranked the customs service as the single most corrupt institution, closely followed by the gendarmerie.

Liberalization of  
foreign trade  
6

Burkina Faso's banking system is supervised by the regional central bank, the Banque Centrale des États de l'Afrique de l'Ouest (BCEAO), which serves all members of the West African Economic and Monetary Union (WAEMU). Previously regulated and controlled by the government, the banking system continues to undergo restructuring to promote competition and improve the microfinance sector. Despite

Banking system  
6

some progress in terms of diversification and increased access to financial services offered by banks, the overall healthy system has limited ability to finance the economy. Besides general weaknesses in the judicial and regulatory system, the sector lacks innovative financial instruments, notably access to credit for small to medium-sized enterprises. The banking sector is composed of 12 commercial banks and five specialized credit institutions. The IMF reports that, at the end of June 2011, three of the 12 banks held almost 50% of the total banking systems' assets. According to the IMF and the BCEAO, at the end of June 2011, the majority of banks met the new regional minimum capital requirement of CFA franc 5 billion. Further, they continued to be dynamic on the regional bond market and the sector was not adversely affected by the post-election crisis in Côte d'Ivoire. The Heritage Foundation acknowledges that the government has pursued banking liberalization and restructuring, encouraging competition in the financial sector. However, according to this source, the banking sector remained underdeveloped, providing a low level of access to banking services in general.

## 8 | Currency and Price Stability

Burkina Faso benefits from its membership in the CFA franc zone. The common currency has a fixed parity with the euro, which is guaranteed by the French Treasury. The exchange rate policy is heavily influenced by that of the European Central Bank (ECB) and thus it felt the effects of the depreciation and the crisis in the euro zone. The IMF undertook an assessment of Burkina Faso's real exchange rate over the last decade that suggested it was broadly in line with economic fundamentals with a misalignment in the range of -0.1-8.4% and that this development was similar to that observed in other WAEMU countries. Strict fiscal and monetary regulations within WAEMU have helped keep domestic inflation low by African standards (CPI averaged an estimated 3.8% from 2008 to 2012).

According to the World Bank, consumer price inflation fell to 2.6% in 2009 and to -0.8% in 2010 as a result of successive drops in food prices caused by an extraordinarily good harvest in 2010. During the period under review, inflationary pressure persisted. The inflation rate is forecast to average at a moderate 2.8% in 2011, due to high global commodity prices, and to rise to an estimated 3.6% in 2012 in response to continued high oil prices and an increase in commodity prices tied to the food crisis. The forecasts for 2013 and 2014 range slightly below the 3% mark as food prices will moderate following the 2012 harvest. The authorities plan to intensify measures, initiated in recent years to support agricultural production, which have helped contain inflation.

The government's fiscal and debt policies generally promote macroeconomic stability, but there remains a moderate risk of debt distress due to Burkina Faso's excessive dependence on commodity exports, low diversification of the export sector

Anti-inflation /  
forex policy

8

Macrostability

7

and its reliance on external financing for most of its public investment programs. The government is pursuing an IMF-sponsored Extended Credit Facility (ECF), which seeks to bolster macroeconomic stability and boost real GDP growth per capita by at least 6% by 2013. Also, the government's goal is to reduce the percentage of the population living in poverty to less than 35% by 2015. The latest IMF reviews acknowledged strong performance under the program. Despite the increase of public expenditure due to the emergency measures the country had to take, the fiscal policy remained prudent reflecting significant improvements in Burkina Faso's debt dynamic. The World Bank and IMF lowered Burkina Faso's risk of debt distress from "high" to "moderate," reflecting the country's enhanced debt management capacity in recent years. This shift comes in response to the rapid development of Burkina Faso's gold mining sector, coupled with notable improvements in underlying macroeconomic fundamentals. During the period under review, revenue collection improved significantly following reforms in tax policies and tax administration that led to higher corporate income taxes and mining royalties. Thus, according to the IMF, total revenue increased between 2009 and 2012 by 3% of GDP, 80% of which was tax revenue. However, tax revenue was still at only 14.5% of GDP in 2011 and is forecast to rise only by 0.5% in 2012. As a result of multiple external shocks and emergency measures, public expenditure, in 2011, increased to an estimated CFA1.2 billion and drove public debt up to an estimated CFA1.4 billion, which translates into 29.3% of GDP, in 2011, 83% of which was allocated to external debt (IMF figures). The fiscal deficit (including grants) is expected to be 3.2% of GDP in 2012. The current account deficit will expand modestly from an estimated 1.1% in 2011 to 4.2% in 2012 as a result of shock-related spending.

## 9 | Private Property

Property rights and rules regarding the acquisition of property are adequately defined under the law, but weaknesses in the judicial system complicate or prevent their protection or implementation. The International Property Rights Index (IPRI) for 2012 scores Burkina Faso 76 among 130 countries. In 2011, Burkina Faso was among a group of ten countries that demonstrated the most improvement in their IPRI score. The World Bank Doing Business 2013 report ranks Burkina Faso among the ten economies making the biggest improvements in property registration since 2005, thanks to effective efforts to increase efficiency in the registration process, such as the introduction of a one-stop shop system. According to Doing Business 2013, it takes about 59 days to register a property and four procedures are involved. Burkina Faso law permits private ownership. However, traditional systems play an important role in allocating and protecting rights to land and, in practice, agricultural land is mostly governed by customary tenure systems. Land tenure insecurity is a serious

Property rights  
6

and increasing problem. Structural deficiencies remain in enforcing property rights, including the arbitrary removal of land titles.

The exercise of privatizing state-owned enterprises has been delayed. Private companies can, in principle, act freely but they may encounter economic, political and social barriers to development, such as a lack of financing. According to the Doing Business 2013, it takes about 13 days on average to start a new business and three procedures are involved. Improvements to simplify the registration process for foreign companies have been achieved, for example the creation of eight enterprise registration centers designed as one-stop shops. The government has announced plans to revise its mining code to collect revenue, which might negatively affect the attractiveness of the mining sector. According to the 2011/2012 Policy Potential Index, Burkina Faso was deemed to have sub-Saharan Africa's second most attractive mining policies. State companies, or rather companies recently privatized or operating under significant state ownership, dominate the country's strategic business sectors.

Private enterprise  
6

## 10 | Welfare Regime

Rudimentary measures to preserve social welfare do exist but are extremely diverse in terms of territory, social strata and sector. The country cannot systematically combat poverty on its own. The Human Development Report 2007 – 2008 estimates that close to 80% of non-agricultural employment exists in the informal sector of the economy; thus only a very small group of salaried workers, including state employees, benefits from the country's modest social security system. Existing social welfare laws provide pensions, disability insurance, occupational injury insurance and health insurance. Workers and unions have demanded improved social welfare networks for years and continued to make this a key issue during strikes. The government, in cooperation with donors, has continued its efforts to increase access to education and health care, in addition to basic needs such as clean water and sanitation services, and to promote income-generating activities for vulnerable social groups. The poorest households will benefit from subsidies and school nutrition programs, reduced fees for health services and the introduction of cash transfer schemes. The main target of the new development policy SCADD is to combat poverty and improve people's well-being based on an enforced stimulation of the annual GDP growth. These efforts have shown minor success; the gross enrollment rate for primary education increased from 76% in 2010 to 79% in 2011 and from 21% in 2010 to 23% in 2011, at the secondary level, according to the World Bank; overall, these are still low levels even for regional standards. In 2012, the government has, with support from the IMF, initiated an emergency response program to combat the needs arising from last season's crop failure and the food crisis, exacerbated by the large influx of refugees from neighboring Mali. Due to the social turmoil and

Social safety nets  
3

pressures, the government kept giving subsidies to maintain prices of staples such as rice and fuel at an affordable level.

Inequalities and disparities remain widespread across the sectors. Even though ethnicity is not a reason for the denial of equal opportunity, women and members of other vulnerable social groups have limited access to education, social services, public office and so on. It is nearly impossible for individuals to combat the effects of poverty alone, particularly in rural areas. Women are particularly affected by poor social services, especially in rural areas. Gender equality has become one of the government's priorities. Ensuring primary education for all, promoting gender equality and empowering women have become key objectives of the SCADD. A gender policy was adopted in 2009, and other important measures, such as a new law introducing a quota for female candidates in legislative elections, have been taken in order to empower women in decision-making positions. However, legal and political measures to promote equal rights between men and women have not yet resulted in a fundamental change of the status of women in society. Especially in the agricultural sector, women have less access to micro-credits, land rights, technology and know-how. The cultural and religious context in Burkina Faso still boosts the status of men with regard to basic social services, activities of public and private life and their participation in decision-making processes. Even though better access to higher education for women has been promoted, the proportion of women with higher education has remained far below that of men.

Equal opportunity  
3

## 11 | Economic Performance

The economic performance of Burkina Faso during the period under review was relatively positive despite the difficult national, regional and international context. The impact of adverse shocks in 2011 on the main sectors of economic growth was marginal and price pressures subsided. The cotton sub-sector was seriously shaken up in 2011 by producers demanding a higher purchase price in line with world cotton prices. Cereal production dropped by nearly 20% from 2010 to 2011, due to a drought in the Sahel, but bounced back strongly in 2012. Gold extracted from more than eight mines has been the major driver of growth, accounting for an estimated 75% of the country's economic growth in 2011. In 2012, Burkina Faso became Africa's fourth-largest gold producer. The strong growth of the mining sector is increasingly structured around the industrial sector, but the primary and tertiary sectors continue to be the main drivers of growth, accounting for 34.6% and 42.1% of the country's GDP (respectively) in 2011. Growth thus remained relatively strong under the period of review with real GDP growth of 4.2% in 2011 and an estimated 7% in 2012 thanks to a rebound in agricultural output, an increase in public investment and further expansion of the mining sector. Consumer price inflation was relatively stable during the period, as it was in 2011 with an estimated 2.8% average – below the 3% limit set

Output strength  
6

by WAEMU community standards. The inflation rate is forecast to rise to 3.6% in 2012 in response to continued high oil prices. As the CFA franc is pegged to the euro, the exchange rate is relatively stable, with some depreciation to dollar rates since 2011, due to the crisis in the euro zone. Burkina Faso's current account balance is chronically negative. The current account deficit widened in response to rising food costs and capital imports, from an estimated \$0.12 billion in 2011 to an estimated \$0.43 billion in 2012 (source: IMF), which translates to 1.1% to 4.2% of GDP respectively. Burkina Faso has benefited from various initiatives, including Heavily Indebted Poor Countries (HIPC) and the Multilateral Debt Relief Initiative (MDRI), which have helped the country improve its sustainability over the past decade and also helped keep the debt/GDP ratio at 27.1% in 2010. However, Burkina Faso's external debt rose to \$2.2 billion in 2010 and \$2.4 billion in 2011, according to the World Bank. New debt-relief initiatives are under discussions. Ongoing macroeconomic reforms aim at increasing tax revenue and reining in government expenditures. In 2011, tax revenues improved to 14.5% of GDP while total government spending increased to 29.3% of GDP. The fiscal deficit (including grants) increased slightly, from 2.5% to an estimated 3.2% of GDP from 2011 to 2012 (IMF figures). The post-electoral crisis in neighboring Côte d'Ivoire has not affected the country as much as expected.

## 12 | Sustainability

Awareness of environmental issues and sustainable development of the economy have improved. To ensure environmental sustainability is one of the eight most important objectives of the SCADD. However, environmental policies issues remain subordinated to other economic considerations. Burkina Faso relies heavily on natural resources and encounters severe climate problems such as droughts and floods. In the SCADD from June 2011, the IMF and the World Bank state that land degradation is a severe problem and that 34% of the territory (9,234,500 ha of agricultural land) is degraded due to anthropogenic (agriculture, livestock, land tenure, fuel wood, etc.) and climatic reasons, with an annual estimated increase in land degradation of 105,000 to 250,000 ha. The mining industry, in particular, is causing severe damage by using archaic mining techniques. Slash-and-burn agriculture is a current technique in the agricultural sector. Burkina Faso is one of the pilot countries of the Forest Investment Program (FIP). The Investment Plan was endorsed in June 2011. The FIP is an initiative of a group of donors within the framework of the Climate Investment Fund with the goal of reducing deforestation and promoting sustainable forest management.

The state's system of primary, secondary and tertiary education remains inadequate despite increased investment and some improvements, such as the expansion of the free school program for all children from three to 16 years under the new Strategic

Environmental  
policy  
5

Education policy /  
R&D  
2

Development Program for Basic Education (PDSEB) running from 2012 to 2021. According to the HDI 2011, the mean years of schooling reach only 1.3 (after Mozambique the lowest average of all surveyed countries) and the expected years of schooling only 6.3, one of the lowest figures of all 187 countries observed. The gross enrollment rate in primary education increased slightly, from 76% in 2010 to 79% in 2011, and from 21% in 2010 to 23% in 2011, at the secondary level, (World Bank figures), but remains low due to weak infrastructure and the low quality of education. Permanent infrastructure and investment in science as well as research and development remain underdeveloped, despite increased government expenditure in education and rising donor assistance over the years. According to the World Bank, research and development expenditure was at only 0.21% of GDP in 2009; the number doubled from 2007, but this proportion still remains extremely low.

## Transformation Management

### I. Level of Difficulty

The structural constraints on effective governance in Burkina Faso are still massive. Chief among them is the extremely high poverty rate, as reflected in all common indicators such as the low GDP per capita and Burkina Faso's bottom ranking in the Human Development Index (181 out of 187 countries in 2011). Other constraints include a weak infrastructure, in both physical and institutional terms; vulnerability to weather risks (floods and droughts), which regularly affects the country's ability to produce staples as well as part of its main export commodities (cotton and livestock); the low diversification of the economy; its high dependency on imported fuel and food; and its concomitant exposure to world market developments as well as unstable terms of trade for its main export products. The country's landlocked situation adds a further level of difficulty. Despite the recent recovery of the cotton sector and the booming mining sector, Burkina Faso's current account balance remains negative and is characterized by high imports of services and capital goods imports. The country lacks an educated labor force due to a rudimentary education system and a low literacy rate.

Structural  
constraints  
9

Burkina Faso has considerable civil society traditions by sub-Saharan standards. The fragmentation and fluctuation of a number of political parties do not reflect these traditions and one should not mistake the relative strength of civil society with particularly strong political influence. Numerous organizations and associations, which partially have their roots in pre-colonial society, constitute one of the society's key strengths. These organizations include "groupement villageois" (village groups) and youth associations, which were originally self-help groups or traditional warrior associations. Trade unions, student unions and a wide spectrum of literacy, environmental and women's advocacy groups, such as trade and professional organizations, are vital to civil society in Burkina Faso.

Civil society  
traditions  
5

Social cohesion in Burkina Faso is relatively high. However, social unrest and popular dissatisfaction with the government and the president have steadily grown over the last couple of years. In 2011, the protests were as intense and violent as during the state crisis that followed the murder of Norbert Zongo in 1999. Almost all different groups of society demonstrated, some in quite a violent manner. Among them were students, teachers, workers, judiciary personnel, security personnel and

Conflict intensity  
4



even merchants who had never before protested. The government had no choice but to make substantial economic concessions and to initiate a process of reform and reconciliation that entailed some democracy strengthening elements. The growing gap between a small circle of wealthy, powerful figures and the poor masses has widened dangerously, mainly as a result of the government's policies, which are predominantly oriented toward maintaining power rather than the well-being of the population. Therefore, the potential for conflict has grown over the years and violence intensified during the period under review. The crisis appears to have also triggered an acceleration of local conflicts, which have already been on the increase in recent years. Numerous such disputes, often about land issues, were reported during the period under review, and an increasing number seems to follow ethnic lines. A clash between Peulhs and Mossis in a village close to the regional capital Gaoua, for example, resulted in two deaths, extensive property damage and more than 250 Peulhs fleeing the village. All in all, the deep split between Burkinabè society and the political elite arises not along ethnic or religious lines, but rather along social lines. As such, radical political actors occasionally have success in mobilizing groups and protest movements.

## II. Management Performance

### 14 | Steering Capability

The government has, by and large, adequately pursued strategic economic priorities that correspond with the normative framework in terms of striving for a market economy. The country's fiscal deficit has remained within acceptable limits. It slightly decreased in 2011 before rising again in 2012, and the government has pledged to continue with policies supporting its poverty reduction and growth program. The social turmoil at the beginning of 2011 had only a marginal impact on the main sectors of economic growth, and measures to reduce prices of key consumer goods contained inflationary pressures. In order to ease social unrest, the government designed measures to defuse some of the economic causes of public discontent. It increased salaries for public-sector workers by 5%, reduced taxes on workers' salaries by 10%, and abolished an unpopular development tax. At the beginning of 2012, the authorities started to implement a food security program, supported by the international community, to address the food shortages caused by the 2011 drought and the influx of refugees from neighboring Mali. A new pricing and taxation system for petroleum products was adopted in April 2012 to help prevent new social unrest. On democratization, the government under Compaoré has followed a strategy of stating its commitment to long-term aims, but then compromising them regularly to serve short-term interests and to maintain power through political bargaining. During

Question  
Score

Prioritization  
5

the period under review, the government's and specifically the president's activities and strategies have followed two main objectives: first, to maintain the preconditions for perpetuating the president's or his family's hold on power; and second, to calm the dissatisfied population and critics with some reform plans, which are far-reaching enough to reestablish the regime's stability. In this context, the government's policy measures seemed to be quite prioritized and organized. During the peak of the crisis, quick measures were undertaken to regain control over the security forces, and steps were taken to create the impression that Compaoré and his allies were open to major reforms. Among other things, Compaoré dissolved the government and, completely unexpectedly, appointed as prime minister Luc Adolphe Tiao, a person with no cabinet experience but with quite a good reputation even among the opposition. The government offered a framework for reconciliation and reform in form of the CCRP. The forum made some nonbinding reform recommendation that concerned the creation of a Senate, an increase in the number of deputies from 111 to 127 in the National Assembly, the fixation of a minimum and maximum age of presidential candidates at 35 and 75 respectively, and the recognition of the traditional and customary role of the constitution. With his approach of dialogue, conciliatory gestures and concrete economic and social concessions, Tiao managed to earn some credibility among the population. Particularly important, however, was the fulfillment of promises to prosecute the security forces who were accused of human rights abuses after the violent protests, first and foremost, the police officers who had killed the student Justin Zongo.

The government has made initial progress in the implementation of its new poverty reduction strategy paper (SCADD), supported by the IMF and the World Bank. Yet the country remains extremely sensitive to developments in the global markets and dependent on the goodwill of donors, a situation that is aggravated by the structural constraints facing the country. Despite positive steps, reforms are sometimes implemented superficially or incompletely, as shown by the limited progress of privatization in the past two years. Improvements in conditions are not expected in the short or medium term. Although reforms are properly prepared and legally enacted, they often fail to become fully implemented. In many cases, the government simply does not have the required capacity to monitor results. Poverty reduction measures have not been effective, and poverty levels remain high. Furthermore, decentralization and a culture of self-help mean implementation of measures is typically left to local institutions or organizations. Often, organizations' financial support is dependent on foreign donors, which relieves fiscal pressure on the state budget. All in all, the effective impact of reforms is subject to the constraints of a global market economy. The government continues to successfully pursue its primary objective of maintaining its hold on power. While the framework for national dialogue on political reforms in 2011, for example, held out hope for a more democratic and participatory society, it ultimately remained controlled by the government and its allies and never seriously challenged the existing power structure.

Implementation  
5

The presidency's and CDP's machinery of power, which includes unlimited access to state resources, overrides actors who might try to hinder the effective implementation of this political objective.

Burkina Faso's path of transformation has long been characterized by partial and shortsighted democratic reforms that only go as far as necessary to address instances of social unrest and intense popular pressure. During the period under review, there were some developments or reforms that strengthened further democratization or at least have the potential to do so. In this sense, there has been a certain amount of policy learning regarding transformation goals. Probably the most substantial one was the introduction of a biometric registration system and the establishment of a new voter roll, which together clearly enhanced the credibility of the election process. Moreover, the new election commission not only worked in a more professional manner than the previous one, but also showed more willingness to persist in its independence. By increasing the number of parliamentary seats in the National Assembly from 111 to 127, the electoral chances for smaller parties and proportional representation have improved. The establishment of a Senate has the most potential for strengthening democratic transition as it is expected to fortify the legislature against the overwhelming presidency. However, Burkina's first Senate, abolished ten years ago, was not able to fulfill this role. It is hoped that the new Senate will be provided with the necessary mechanisms for playing a strong role in the democratic institutional set-up. Despite these positive changes, none of the reforms or implemented policies have touched the underlying problem that blocks substantial democratization in Burkina Faso: the continued grip on power exerted by Compaoré and his family, together with a small elite unwilling to give up any of its enormous power or to be held accountable for the abuses, corruption and mismanagement that have marked Compaoré's rule since 1987. For the most part, reforms reflect the Compaoré administration's self-serving and power-maintaining strategies rather than any long-term aim to strengthen democracy.

Policy learning  
5

## 15 | Resource Efficiency

Available human, financial and organizational resources are utilized efficiently in very few areas. Huge amounts of resources are wasted due to corruption, clientelism, favoritism, poor coordination, and the country's lack of infrastructure and official monitoring. Two reports, by a special parliamentary commission and by the government's anti-corruption body, ACSE, both investigated public contracting and health services. They revealed many cases of overspending, misused funds, irregular bidding and tardy work, missing funds from the Ministry of Health, illegal land transactions by a mayor's office, customs fraud and other misdeeds. The fillings of jobs or dismissals of public servants often serve favoritism or political motivations, hindering effective management. Thin financial resources limit the autonomy of the

Efficient use of  
assets  
3

local state administration. The country's youth, who as a whole are economically disenfranchised and lack adequate education and employment, have become increasingly frustrated with the selfish behavior of the political leadership and are essentially being ignored en masse as a valuable resource. Many citizens respond with caution or even distrust to government appeals for help in contributing human or economic resources to meet development objectives. The fruits of public goodwill have been too often harvested. Consequently, directed reforms are often met with skepticism. Some budgetary resources might have freed up for more pressing needs through a cabinet reshuffle in 2011, which reduced its size from 38 to 30 posts. The country cannot manage the level of state debt on its own and has benefited and will continue to benefit from debt relief under the IMF and World Bank's Heavily Indebted Poor Countries initiative. As a result of improved capacities for debt management, Burkina Faso's ranking shifted from "high" to "moderate," opening the door to new financing opportunities besides grants. Burkina Faso's fiscal policy is subject to requirements established by the IMF-sponsored Extended Credit Facility. Recent reviews commended Burkina Faso's strong performance under the program despite the continuing challenges. By the end of June 2012, all quantitative performance criteria and structural benchmarks had been met and crisis lending programs had been implemented in line with expectations. Budget deviation from planned expenditure has been low. The authorities are preparing a medium-term debt strategy with technical assistance and support from the IMF and World Bank. Thanks to improved revenue collection, mainly through the increase of tax revenues and reduction of fuel subsidies, the authorities put the public finances on a more stable footing. The multiple external shocks had only marginal impact on the growth and the fiscal deficit (including grants) remained moderate with an expected 3.2% of GDP in 2012.

The population's skepticism about reforms helps to explain the government's conflicting objectives, even in cases where it may show foresight in seeking necessary change. Too many times, the authorities have made vast promises of far-reaching political reforms, but have mostly failed to deliver. Peasants and urban laborers fear, with good reason, that their efforts are misused to benefit only a small group of elites. Although the government does try to coordinate conflicting objectives and interests, it is not always successful. In some cases, self-serving interests by a small group of individuals circumvent successful coordination. This has been the case, for example, with a proposed modification of Article 37 of the constitution that would allow Compaoré another run for office in 2015. While the government-initiated CCRP dialogue process reached strong support for retaining Article 37, and participants thought the controversial issue was finally off the table, Compaoré and his allies persisted in further discussions and added complementary proposals (notably for a public referendum) on the agenda. Different parts of the government tend to compete with each other against the background of the fractured ruling party. Compared to the previous period under review, tensions and divisions within the

Policy  
coordination  
5

CDP seem to have been reduced, but demoralization remains widespread and factional conflicts surface at many occasions. The exact impact of the comprehensive overhaul and rejuvenation of the party's leadership a couple of years ago remains difficult to assess.

Rampant corruption on all levels is one of the main problems blocking democratic and economic development in Burkina Faso. The perception of corruption is widespread and the government's rhetoric and institutional action in fighting corruption is significant. Besides the Superior Authority of State Control (ASCE), an entity under the authority of the prime minister that merges the High Commission for the Coordination of Anti-Corruption Activities, the State Inspector General, and the National Commission for the Fight against Fraud, there is the Public Accounts Court, which audits the government's accounts and complements the functions of the ASCE, and the Regulatory Authority of Government Tenders, which monitors government contract processes. All of these bodies have comprehensive mandates and they have already exposed corruption at different levels of government and administration. In almost no cases, however, have their findings or recommendations been followed by action. The two reports that have investigated public contracting and health services, revealing major irregularities and misuse of funds, were passed to the prosecutor-general. She, however, noted "no infractions" warranting legal action. In this context, the head of the ASCE complained that only one of the 14 cases his body had submitted to the courts since 2009 has gone to trial, while just 3% of the funds that the ASCE ordered to be reimbursed have been recovered. Though the law provides criminal penalties for official corruption, the government did not implement it effectively. In rare cases, corrupt officials have been removed from office – including during the period under review – but cases are rarely brought to trial. There are few reliable public sources of information about corruption, and the media are often left to publish rumors and accusations. Few government agencies provide customer-friendly services (for example on Web sites), which seriously compromises citizens' ability to obtain information about government operations, including the proposed national budget. Laws or regulations guaranteeing information access do not exist; nor does a provision for the president and major officeholders to declare assets acquired during public service. The government's candidacy to become a member of the Extractive Industries Transparency Initiative (EITI) is a positive example of its efforts to promote transparency. Within this context, civil society organizations were granted a structured mechanism for accessing powerful contacts within mining companies and government.

Anti-corruption  
policy  
4

## 16 | Consensus-Building

Major political actors agree on the tenets of a market economy. The majority of the population, however, has yet to benefit from a socially responsible market economy,

Consensus on goals  
6

while it suffers from the negative effects of privatization, restructuring and liberalization. A consensus on the tenets of democracy is driven by opportunism rather than a deep conviction of the benefits of such a system. Consequently, further democratization has, so far, always been carried out only with reluctance and in response to civil society and foreign pressure. This was also true for the period under review, when the pressure from opposition parties, different types of civil society organizations and unions left the government with no choice but to undertake at least some efforts to strengthen democratic transformation. While all of these groups outside the government seem to agree on the goal of fundamental democratic change, their strategic assessments might differ. For example, the dialogue and reform process within the framework of the CCRP, which was meant to be an all-inclusive process, was boycotted by the main opposition parties and most of the main human rights and civil society organizations. A possible revision of Article 37 of the constitution has dominated the political discussion for quite some time now. The constitutional change, which would get rid of term limits and allow Compaoré to prolong his tenure beyond the end of his current term in 2015, would be a serious setback for democracy in Burkina Faso. Since the 2011 crisis and the subsequent CCRP dialogue process, the proponents of the revision have been put on the defensive and an increasing number of CDP members have dared to openly oppose it. Nevertheless, the issue is not yet off the table. The newly raised possibility of taking the question to voters in a public referendum alarms the opposition, which fears that the CDP would use its party machinery and financial resources to achieve a majority for lifting the term limit.

Burkina Faso is a neopatrimonial state, and politics is dominated by clientelism and political patronage. Within such a system, maintaining power becomes the primary or only objective for the political elite, and democratic reforms that could undermine this strategy will be circumvented by any means, which include exclusive access to the state's machinery and its financial resources. In such a system, real reformers are rare. Against this background, the members of the ruling class, in particular the wider Compaoré clan, are the main anti-democratic veto actors. To ease the serious tensions that threatened to undermine the regime's stability at the beginning of 2011, the president promised to reform Burkina's political and state institutions. While the subsequent national dialogue and reform process actually brought some positive results, their contribution to improving democracy in the country is uncertain. The reform agenda remained substantially controlled by the government and excluded any issues that could endanger the ruling class's continued grip on power. The politics of the new prime minister, Luc Adolphe Tiao, who was appointed after dissolution of the government in April 2011, have so far showed some promising signs of commitment to democratization. It remains to be seen how much political scope he will be granted, particularly with respect to his promises to fight official corruption and human rights violations. As for the military, civilian authorities had serious problems maintaining effective control over the potentially anti-democratic

Anti-democratic  
actors  
5

soldiers during the crisis in 2011. Wealthy businessmen are an integral part of the ruling elite. While their exact influence on policymaking is unknown, it must be assumed that they do have some degree of veto power. The same applies for traditional chiefs, who also play an important role within Compaoré's power structure.

In Burkina Faso, societal cleavages are increasingly manifested in social conflicts or tensions. Political aspects of discontent have increasingly figured in demonstrators' social and economic grievances. The period under review revealed unprecedented anger against the government. This even resulted in acts of violence against individual regime members. As was stated in the previous evaluation report, there is a continuing conflict potential that could rage out of control if more fuel is added to the fire. This actually happened in the course of the police and military mutinies and their clashes with civil protestors. Only minimal concessions were necessary before the government regained wide control over the situation and rebuilt a certain level of stability. The government is alarmed by the rising number of local disputes and increasing ethnic strife, and often intervenes to mediate conflicts, for example by sending, to the relevant area, ministers who pled for calm and promised investigations of violent incidents. In many cases, though, communities considered such responses no more than workarounds that missed the underlying social problems. The erosion of state authority since the serious political crisis in 2011 has made it harder to contain localized conflicts. All in all, the political leadership repeatedly did not manage to prevent cleavage-based conflicts from escalating.

Cleavage /  
conflict  
management  
5

While civil society participation is permitted in general, organizations' influence on the political leadership's democratization efforts becomes apparent only in situations when ignoring civil society would seriously endanger the government's power. This was clearly the case during the period under review, when protests and violent uprising jeopardized the regime's survival. To calm the socially and politically tense situation, the government chose a course oriented toward reconciliation and reform. Within this context, the government and the parliamentary or extra-parliamentary opposition partly showed an increased willingness to cooperate with one another. While Compaoré claimed credit for having initiated the reform process, it was actually the pressure from opposition parties and different civil society actors, primarily trade unions, student associations and human rights organizations, that gave the impetus for the government's reform approach. In this way did all these groups exert considerable influence over the political agenda. This influence touched not only economic and social welfare policy, but also, to a limited extent, issues such as impunity, the judiciary, corruption and others. It should not be overlooked, however, that the army revolts stirred the regime into action. Unrest limited to student and labor groups might have led to much more limited government concessions.

Civil society  
participation  
5

A straightforward strategy to deal with historical acts of injustice in Burkina Faso remains one of the most important steps toward further democratization and reconciliation of society. The political leadership, however, neither recognizes the need for such a policy nor has it ever started any reconciliation attempts. On the contrary, the government interprets the country's history in a self-serving way that neglects some relevant historical facts, specifically regarding the military coup against the former president, Thomas Sankara, and Compaoré's takeover in 1987. Burkina Faso has yet to establish anything resembling a truth and reconciliation commission, for example, to examine past human rights violations and, in particular, the circumstances of Norbert Zongo's assassination. Recent developments, however, dashed hopes for a serious process of coming to terms with the past. The blanket amnesty granted in 2012 to all heads of state since 1960 will allow Compaoré to remain silent and evade responsibility for all cases of human rights abuse, corruption and crime he has been accused of during his presidency.

Reconciliation  
3

## 17 | International Cooperation

Burkina Faso has made progress in implementing its development programs supported by the international community. The influx of funds is increasingly being allocated as grants, which reflects donor satisfaction with ongoing reform measures. A May 2012 debt sustainability analysis prepared by the World Bank and the IMF observed significant improvements in the authorities' capacity to manage debt, upgrading Burkina Faso's debt distress from "high" to "moderate." This allowed Burkina Faso to receive financing other than grants, providing both new opportunities and new challenges. The government's economic policy is enshrined in the three-year IMF-sponsored Extended Credit Facility (ECF), which supports the economic program of the development strategy (SCADD) for the period 2011 – 2015. Key macroeconomic targets of the ECF include increasing real GDP growth above 6% by 2013, containing average inflation below 3% for the duration of the program, containing the current account deficit to 8.7% of GDP by 2013, and reducing the fiscal deficit from 5% of GDP in 2010 to 3.4% by 2013 by implementing structural reforms. Recent reviews commended Burkina Faso's strong performance under the program despite the social difficulties and adverse external shocks. Burkina Faso's economic policy remains strongly dependent on international aid. In 2010, Burkina Faso received, according to the World Bank, \$1.06 billion (\$65 per capita) of net Official Donor Assistance (ODA). ODA remains at a very high level. Burkina Faso has benefited and will continue to benefit from debt relief under the Heavily Indebted Poor Countries initiative. The Netherlands, the country's biggest bilateral donor so far, decided to stop their financial support to Burkina Faso in 2013 as a result of financial retrenchment. The political leadership seems to follow clear aims of

Effective use of  
support  
7



internationally assisted development, based on a roadmap that specifies necessary steps and required inputs.

The government is considered credible and reliable and enjoys an acceptable amount of confidence from the international community. The government's efforts in regard to the economy and security cooperation, along with the president's numerous diplomatic interventions in the region, seem to create enough confidence within the international community to make it largely overlook the lack of commitment to implementing democratic reforms. Criticism is usually made in a restrained manner and without confronting the regime with clear consequences in the case of noncompliance. While the international community is claiming a stronger commitment to combat human rights abuses and corruption, it comments only very cautiously on other difficult issues. A more rigorous international position would be desirable, for example, in the discussion on eliminating the presidential term limit. The crisis in Mali, the upheavals in Libya and other North African countries in 2011, and the international fight against terrorism in the region further strengthened security cooperation with important actors like France and the United States during the period under review. France, Burkina Faso's longstanding main trading partner and closest Western ally, has provided the country with military equipment and training, and, in January 2013, about 150 Burkinabè soldiers were the first African troops that arrived in Mali to support the French and Malian forces in fighting Islamist militants. The United States has also continued to intensify its military collaboration with Burkina Faso in its anti-terrorist operations (in particular, against Al-Qaida in the Islamic Maghreb, AQIM), and economic and political ties between the two countries remained strong. As he has frequently in recent years, Compaoré again contributed successfully to the release of terrorists' hostages, for example of three Europeans who had been held 10 months by a jihadist group in north Mali until July 2012. Moreover, he continued to fulfill his image as regional peacemaker as the focus shifted, after 2011, from Côte d'Ivoire to Mali. Recognition of Burkina Faso as a good development performer increased when it became one of the first countries to prepare a full PRSP in 2000, to which donors have progressively aligned their support. In June 2010, the country was awarded a three-year IMF-sponsored Extended Credit Facility covering the period 2010 – 2013, and it faces a new Strategy for Accelerated Growth and Sustainable Development for the period of 2011 – 2015. The main pillars of the new strategy include economic consolidation and accelerated growth, private sector promotion, development of human capital and economic infrastructure, and good governance promotion.

Credibility

8

Working within a regional context is a key element of Burkina Faso's statehood. More than 60 ethnic groups in the country have cross-border settlements; nomads and migrant workers depend on pastures and jobs in neighboring countries; the fight against desertification and trafficking is impossible without regional collaboration; seaport access for landlocked Burkina Faso is dependent upon agreements with

Regional  
cooperation

8

neighbors to the south; and the CFA franc pegs the country to other states with the same currency. Since 2006, Compaoré has gathered an acceptable standing among regional and international partners due to his several successful mediation efforts in West African countries. With each new mediation engagement, some critics voice their doubts as to whether a former coup plotter like Compaoré could be the right person to negotiate in crises, most of which stem from military coups. The actual successes of the Burkinabè president, however, usually silence his critics. The crisis in Côte d'Ivoire has dominated Burkina Faso's foreign policy agenda for the last decade, and Compaoré was involved in regional mediation efforts until its resolution in 2011. The end of the conflict has been important for Burkina Faso and was a great relief for the government and for the whole population. It diminished the risk of a mass exodus of between 3 million and 4 million Burkinabè who live and work in neighboring Côte d'Ivoire, and enabled the restoration of important trade relations as well as power and transport links. Unexpectedly and quickly, however, the 2012 crisis in adjoining Mali has led to new challenges, which have shaken the authorities in Burkina Faso. The uprising and assumption of power by militant radical Islamist movements in Mali's north have been followed by an outflow of more than 100,000 refugees (as of December 2012) to Burkina Faso, which again could put a strain on social peace and the economy in the country. At the same time, the fragmentation of the Malian state and its consequences pose a major threat to the stability of the whole region and increase the risk that Islamist terrorist groups such as AQIM will rise in influence in the Sahelian countries, including Burkina Faso. As the designated ECOWAS mediator, Compaoré started to play a central role in efforts to restore peace in Mali, and guaranteed the country's contribution to a potential military intervention.

## Strategic Outlook

The period under review saw quite a high level of conflict that seriously threatened the stability of the regime. The government managed to widely contain the turmoil and to regain control over the situation with a certain amount of reform and reconciliatory gestures. While some of the reforms and initiatives could be evaluated as a slight positive step toward democratization, they have again failed to address the underlying problems of Burkina Faso's compromised democracy. The major hurdle persists in the president's and his closest allies' continued grip on power and the executive's all-encompassing dominance over political institutions. Compaoré's and the ruling party's power is based on a massive patronage network and exclusive access to state resources, a situation that reinforces injustice on all levels and obviates equality of opportunity. Without a substantial change of this status quo, real democratic transformation will not take place in Burkina Faso. Deep distrust toward the regime and wide-ranging discontent with the social, economic and political conditions remain. The overall fragile stability bears a high risk of potentially negative developments in the (near) future.

Against this background, there are several key issues that need to be addressed: First, only a transfer of power could substantially enhance the prospect for urgently needed changes and strengthened democracy in the country. Therefore, the opposition must considerably intensify its efforts to overcome fragmentation and to offer the population an attractive political alternative. By the same token, the Burkinabè should not only bring politics to the streets but should express their dissatisfaction also at the ballot box. Second, the parliamentary and extra-parliamentary opposition must continue to concentrate its strength on preventing the ruling party from misusing its majority to change the constitution and to allow Compaoré to run for a further term in office. A clear statement must also come from international and regional partners, who, too often, ignore the Burkinabè government's anti-democratic maneuvers. Third, the government has to undertake all necessary steps to answer the security forces' grievances and to find solutions to the institutions' severe underlying problems. Fourth, corruption hinders economic and democratic development. The government must increase transparency and accountability in all areas through serious anti-corruption measures, including effective and deterrent sanctioning procedures.

The government will need to continue its economic reform program to meet its poverty reduction objectives. The mining sector and in particular the gold sub-sector are forecast to be the major drivers of growth. In this context, Burkina Faso should try to further strengthen its attractiveness to investors and increase income in this sector through an adequate revision of the mining code, currently in process. Services such as telecommunications and banking also will boost economic growth. The output of the agricultural sector will depend heavily on weather conditions while lack of irrigation and of reservoirs persist. The diversification of the sector and the expansion of irrigation systems are urgent needed. The level of support and the impact of measures envisaged by the government will influence cotton sector growth. Given these considerations, real GDP growth is forecast to rise as much as 6.5% in 2013 and 6.9% in 2014 (Economist Intelligence Unit

estimates). Better targeting of poverty alleviation measures remains an urgent task upon which the government has not yet fully embarked, and which also faces structural constraints. Burkina Faso must stay the course and continue to enforce ongoing tax and customs reforms to generate funds for poverty reduction measures. The government should use its upgraded risk rating for external debt distress to take advantage of new financing opportunities besides grants. It also must keep its dynamic debt management sustainable. Furthermore, the country must continue improving its difficult business environment, for example by strengthening the judicial framework; by promoting private sector development, in particular through improved access to financing; and by reviving its privatization process. Burkina Faso should enforce the diversification of its main sectors and increase public spending to further support agricultural sector development, and it should invest in public works to reduce high vulnerability to external shocks and to provide employment opportunities. Finally, a stronger emphasis should be put on education, social protection and gender policies in order to achieve a certain level of socioeconomic development.