

## BURKINA FASO

CWA REFORM COMMITMENTS IN 2018	PROGRESS ON REFORM COMMITMENTS SINCE 2018	ADDITIONAL REFORM INITIATIVES	PARTNER SUPPORT
<b>Macro Framework:</b>			
<b>Macro stability:</b>			
Adopt a new debt strategy with emphasis on concessional loans	The content of the medium-term debt strategy has been improved. But more need to be done (especially regarding risk assessment, interest rate hypothesis, and timely macroeconomic framework. The WB and the IMF are pursuing the dialogue with the DDP on the matter in the next couple of months.	Improve coverage of contingent liabilities, especially SOEs debt.  Establish a transmission mechanism between SOEs and the DGTCP/DDP for a timely usage (for DSAs) and publication (on the front of debt transparency) of aggregate financial and debt data.	
Implement IMF-supported ECF program 2018-2020	Done. Performance under the ECF program (concluded in November 2020) was satisfactory.		A new program is currently under preparation. Board approval is expected in June. The amount of the program is yet to be confirmed, though the cumulative quota outstanding for Burkina Faso is SDR 222 million.
<b>Domestic Revenue Mobilization:</b>			
Introduction of on-line declaration and payment of taxes	Online tax declaration and payment system for large companies put in place.	Expansion to medium-sized enterprises is effective since January 1 <sup>st</sup> , 2021.	
Computerize fiscal controls and use risk-based selection methods	Not completed.		
Adoption of a new tax code Improve management of tax exemptions and VAT reimbursement	Since 2017, the annual budget includes a report on tax exemptions. This is a first step to rationalize these exemptions.  A VAT special account was established to foster VAT reimbursement.		Concrete steps are yet to be taken to effectively reduce the number and amount of tax exemption.
Expand use of a standard form for all taxpayers	Expansion underway, but not completed.		
<b>Public Investment Management (procurement, PPPs, SOEs, utilities):</b>			
Cost-benefit analysis and risk assessment of all large projects including PPPs	A Public Investment Management framework was adopted in 2017 and being enforced. All large projects are subject to screening process.	Discussions are ongoing to enhance the prioritization criteria to include impact on job, climate, lagging regions and growth.	The IFC PPP team is supporting with the development of a web-based PPP Toolkit to help the GoBF streamlining its approach to PPPs. It comprises a PPP Guide, document templates and project screening and analysis tools.

Revision of legal and institutional framework for PPPs	As of January 2021, the following actions have been carried out by the PPP Directorate (DPPP/DGCOOP) of the Ministry of Finance in close coordination with the inter-ministerial Committee on PPPs: 1) Diagnostic of the existing PPP framework and recommendations for improvement: completed in June 2018 2) Approval of a new PPP strategy: completed in June 2020 3) Submission of the first draft of the new PPP law and implementing decree to the Committee in charge of the approval of the law texts (COTEVAL): completed August 2020		The IFC PPP team has been supporting the GoBF in the revision of the legal and institutional framework for PPPs and note the strong commitment to achieve this reform. Approval of the draft new PPP law and implementing decree is expected during the next parliamentary session of March 2021.
Increase in the domestic funds for preparation of new projects and programs from CFAF2 billion. to CFAF6 billion.			
Open energy generation to private investment and improve legal framework	Energy generation is open to private players with the law 014-2017 of 20 April 2017 regulating the energy sector		

#### Business Framework:

#### Regulations and Institutions:

Create Centers for Business Formalities	A new additional office for company registration was opened to Law professionals in the capital city to ease and speed up the registration process		
Decrease minimum capital required to create a business to CFAF5000	Minimum capital was reduced from CFA 100,000 to CFA 5,000 in 2016.		IFC
Create center for facilitating construction permits	The Single window was created in 2008 and was operational in Ouagadougou and Bobo. Recently the Government open offices in all the 13 regions of the country The center, Centre de facilitation des actes de construire (CEFAC), was created in May 2019. Further, in June 2020, the minister of Housing introduced new reforms that will enable to receive a construction permit in less than 15 days (from about 30 days now).		IFC African Development Bank World Bank European Union
Create a single window for trade and investment	The electronic single window for pre clearance document collection was operationalized in 2016.		ICF/ Investment Climate Facility for Africa IFC Burkina Faso Chamber of Commerce
Put in place an integrated system for single windows (SIGU), accelerate procedures in the single window for land, and operationalize the land module in SIGU	Reforms on access to land titles for agribusiness purposes are being implemented Single window performances are improving and reforms to reduce time and costs were undertaken		WB IFC

Reduce profit tax to from 35% to 27.5%	Profit tax rate is now 27.5%		
Liberalize the labor code	Not yet effective but employment contracts are freely signed between employers and workers.		
Implement the new mining code	The current mining code was set in place in June 2015. As of March 2020, it seems that discussions about a new mining code are still under way. However, the revised regional mining code was approved on June 2019 by the ministers of mining of the WAEMU states and it is now pending approval from the Council of Ministers of the Union		

#### Investor protection and dispute resolution:

Implement Emergency Program for the Sahel region and engage in G5 Sahel Alliance to improve security	Unit to fight against terrorism		
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#### Financing Framework:

#### Investment risk mitigation:

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#### Mobilization of private and institutional investments:

Creation of an agriculture bank	Done Banque Agricole du Faso (BADF) was launched in March 2018		
Creation of a bank for SMEs	Done		
Creation of a deposit and consignments fund	Done A depositor guarantee fund, FGD-UMOA - was created in 2014 and fully established in 2018 to protect the savings of small depositors in case of bank failure: all banks and MFIs must adhere to the fund.		
Introduce partial credit guarantees, medium-term lines of credit, and insurance for agricultural investments			