

5. Country profile: Burkina Faso



1. Development profile

Burkina Faso is one of the poorest countries in the world, ranking 177 out of 182 on the Human Development Index and 131 out of 135 on the Human Poverty Index.¹ The country is landlocked, with no significant natural resources and a weak industrial base. About 90 percent of the population survives on subsistence agriculture, leaving them vulnerable to floods and droughts. In 2004, the government of Burkina Faso revised its investment code, and consequently saw an increase in foreign investment. The mining sector also benefitted from these changes in policy.²

While Burkina Faso itself enjoys a relatively stable political environment, conflict in its neighbouring countries has had a negative impact on trade and employment.

Burkina Faso exhibits numerous signs of persistent poverty. Based on 2008 estimates, almost 47 percent of Burkina Faso's 14 million inhabitants live below the poverty line.³ Further, the average life expectancy at birth is 53 years. Despite recent improvement in gross primary school enrolment – which rose 15.5 percentage points from 2005 to 33 percent in 2007 – youth literacy rates lag significantly behind the regional average of 70 percent.⁴ Adult literacy rates are even lower, at 28.7 percent. Over 90 percent of the population subsists off agriculture and animal husbandry.⁵

The primary sector – which includes agriculture, fisheries, livestock and forestry – accounts for at least 34.5 percent of GDP; trade, transportation and communication constitute other significant sectors. Gold is Burkina Faso's major export commodity, accounting for more than 41 percent of exports in 2009.

¹ UNDP. (2010, September). *Human Development Report: Burkina Faso*. Retrieved from United Nations Development Programme: http://hdrstats.undp.org/en/countries/country_fact_sheets/cty_fs_DZA.html

² CIA World Factbook. (2010, October 27). *Burkina Faso*. Retrieved from United States Central Intelligence Agency: <https://www.cia.gov/library/publications/the-world-factbook/geos/uv.html>

³ World Bank. (2010, September). *Burkina Faso: Country Brief*. Retrieved from World Bank: <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/BURKINAFASOEXTN/0,,menuPK:343886~pagePK:141132~piPK:141107~theSitePK:343876,00.html>

⁴ Ibid.

⁵ FCO. (25, February 2009). *Travel and Living Abroad: Burkina Faso*. Retrieved from Foreign and Commonwealth Office: <http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/sub-saharan-africa/burkina-faso?profile=all>.

Socioeconomic indicators ⁶	
Population (millions)	15.2
GNI per capita, PPP (current USD)	\$1,160
GDP (current USD) (billions)	\$7.9
GDP composition by sector (%)	Agriculture - 33 Industry- 22 Services- 44
GDP growth rate (%)	4.5
% below poverty line (%)	46.4
Inflation (%)	5.1
GINI index	39.6
Adult literacy rate (%)	28.7
Life expectancy (years)	53
Child dependency ratio	90
Elderly dependency ratio	3.9
HIV prevalence (%)	1.6
Overseas development aid per capita (current USD)	63
Net official development assistance 2005 (USD millions)	660
Remittances as % of GDP	0.7
2009 Human Development Index (HDI) ranking	177/182

2. Vulnerability analysis

2.1 External shocks

Indirect effects of the 2008 financial crisis will continue. These include decreased exports – which currently account for roughly 10 percent of GDP – and decreased international aid.⁷ Volatile food prices will have the biggest impact on the impoverished (43 percent of the population) and the malnourished (39 percent of the population).⁸

A new 2010-2012 Country Assistance Strategy (CAS) is in progress. The CAS will focus on: 1) helping Burkina Faso cope with the impacts of the global recession and 2) laying the groundwork for economic intensification and diversification to transform the economy.

⁶ World Bank. (2010). *World Development Indicators*. Retrieved from World Bank: <http://data.worldbank.org/indicator> and UNDP. (2009). *Human Development Report 2009*. Retrieved from United Nations Development Programme: <http://hdr.undp.org/en/reports/global/hdr2009/>

⁷ World Bank. (2010). *World Development Indicators*.

⁸ WFP. (2009). *Current Operations: Burkina Faso*. Retrieved from World Food Programme: http://192.91.247.105/operations/current_operations/countries/countryproject.asp?section=5&sub_section=7&country=854

As the country is heavily dependent on subsistence agriculture, droughts present a considerable problem; in the Sahelian zone, a drought in 1984 led to an estimated 50% decrease in the income of the poorest third of the population.⁹ Droughts result not only in decreases in income and, consequently, increased poverty levels; they also lead to increased malnutrition and rural to urban migration.

2.2 HIV/AIDS

Based on 2008 estimates, HIV rates stand at 1.6 percent, below the regional average of roughly 5 percent.

2.3. Foreign aid and remittances

While remittances account for less than 1 percent of GDP, foreign aid accounts for 13.7 percent of GDP.¹⁰ In the event that aid flows decline in light of the global economic downturn, those impacted by the financial crisis and the September 2009 flooding will become even more vulnerable.

2.4 Political unrest

While Burkina Faso itself is relatively stable, conflict in neighbouring Cote d'Ivoire and northern Ghana has "hindered the ability of several hundred thousand seasonal Burkinabe farm workers to find employment in neighbouring countries".¹¹

3. Monitoring and evaluation

Much of the National Government's economic policy and programming is informed by its relationship and joint work with the International Monetary Fund under the *Poverty Reduction Strategy Paper* (PRSP).

According to the July 2008 Annual Performance Review of the PRSP, the monitoring and evaluation framework consists of three levels. First, the National Government serves as a primary approver. Secondly, the National Steering Committee, which includes members of civil society, operates as an additional approver. Finally, the process of monitoring and evaluation involves "eight thematic and sectoral commissions responsible for designing sector policies and programmes and for reporting on achieved progress".¹²

⁹ Ould El Hadj, S.A. (n.d.). *Social Protection Schemes in West and Central Africa: A Proposal for Renewal (Draft)*. Retrieved from UNICEF: http://www.unicef.org/files/Social_Protection_Schemes_in_West_and_Central_Africa.pdf

¹⁰ World Bank (2010). *World Development Indicators*.

¹¹ CIA (2010).

¹² IMF. (2008). *Burkina Faso: Poverty Reduction Strategy Paper: Annual Performance Review*. Retrieved from International Monetary Fund: www.imf.org/external/pubs/ft/scr/2008/cr08212.pdf

Although a monitoring and evaluation framework is in place, this framework is plagued by several issues, including:

- A shortage of timely data in some sectors;
- Limited analytical tools and a shortage of skilled staff;
- An insufficient or nonexistent operating budget for all commissions;
- High mobility among administration staff;
- Weak capacity in the regional directorates of the Ministry of Economy and Finance, which are supposed to coordinate monitoring and evaluation activities at the local level.¹³

4. Social assistance programmes overview

*All currency conversions are based on 17th February 2010 rates:

- 1 XOF = 0.00204 USD
- 1 EUR = 1.369 USD
- 1 GBP = 1.57161 USD.¹⁴

Programme# 1: unconditional cash transfer	Programme name	Emergency Response to High Food Prices in Burkina Faso in Main Cities¹⁵
	Programme overview	▪ Led by the World Food Project, in conjunction with the government.
	Programme objective	▪ The programme targets the food insecure urban population of Burkina Faso.
	Programme components	▪ Monthly cash vouchers of approximately \$21.15 USD, 45% of average household income (\$47 USD for a family of six).
	Programme duration	▪ Temporary. However, it is expected that the government will eventually launch a long-term social protection programme with the help of WFP.
	Programme coverage	<ul style="list-style-type: none"> ▪ 886,276 people in Ouagadougou. ▪ 326,657 people in Bobo Dioulasso. ▪ Approximately 27 percent of its target population.
	Finance	<ul style="list-style-type: none"> ▪ Finance: <ul style="list-style-type: none"> ○ Government: \$1.2 million USD. ○ Kingdom of Saudi Arabia: \$5 million USD. ○ UN Central Emergency Response Fund (UN-CERF): \$750,000 USD. ○ World Food Programme. ▪ The current financing gap is potentially 73 percent.¹⁶
	Legal framework	▪ While no legal framework exists in support of the programme, there has been legislation and formal government planning with regards to the work.

¹³ Ibid.

¹⁴ *Currency Converter*. (n.d.). Retrieved from OANDA: <http://www.oanda.com/currency/converter/>

¹⁵ Unless otherwise specified, table drawn from WFP. (2009, February 13). *WFP Launches First Food Voucher Programme in Africa*. Retrieved from World Food Programme: <http://www.wfp.org/news/news-release/wfp-launches-its-first-food-voucher-operation-response-high-food-prices-africa>

¹⁶ WFP (2009). *Current Operations: Burkina Faso*.

		<ul style="list-style-type: none"> ○ In 2007, donors agreed to prepare a joint strategy, supported by Burkina Faso's "Plan d'Action National de l'Efficacité de l'Aide"(PANEA). ○ A Country Assistance Strategy (CAS) for the Fiscal years 06-09, approved by the World Bank Board of Executive Directors in May 2005, supports the pillars of the National Poverty Reduction Strategy with analytic work, technical advice, ongoing operations and new financing.¹⁷
	Administrative framework	<ul style="list-style-type: none"> ▪ Programme implementers will manage vouchers by establishing Field Level Agreements (FLA) with cooperating partners. The FLA will be amended to reflect the specific requirements of the implementation of the vouchers programme, including: <ul style="list-style-type: none"> ○ A system to select shops; ○ Content of the agreement with shops; ○ Voucher design and serial numbers system ○ Voucher printing and distribution; ○ Control measure and monitoring system; ○ Financial arrangements; ○ Reporting, etc. ▪ Cooperating partners will use beneficiary lists established by the Burkinabe Red Cross and jointly cleared by the Ministry of Social Affairs and WFP for the final registration of voucher beneficiaries. ▪ Monthly vouchers will specify: <ul style="list-style-type: none"> ○ Family size; ○ Place of residence; ○ Selected shop where households can exchange the voucher; ○ Name of the household head. ▪ Vouchers will be issued in the name of the woman within each household; exceptions will be made for eligible male-single parent households. Grocers will redeem the vouchers from the cooperating partners and/or the Bank. ▪ The cooperating partners and the WFP will closely monitor the grocers to ensure that they do not undervalue vouchers and that the recipients are able to procure the same "food basket" as they would if using cash. ▪ The programme is WFP-led, relying heavily on both pre-existing government and NGO social programme infrastructure. Consensus building is a key factor. ▪ EMOP will introduce an urban initiative to the existing multipart national-scale programme. <ul style="list-style-type: none"> ○ Handover schedule depends on the food security situation and the government's ownership of the programme. ○ The country office is considering the possibility of obtaining the full time secondment of the World Bank staff during the implementation of the EMOP to facilitate a gradual handover of the urban voucher scheme to the Ministry of Social Affairs and its transition into a wider safety net programme, fully integrated into the country's Poverty Reduction Strategy.
	Monitoring and	<ul style="list-style-type: none"> ▪ The World Food Programme conducts its own M&E.

¹⁷ World Bank (2010). *Burkina Faso: Country Brief*.

	evaluation	<ul style="list-style-type: none"> The 2010-2012 CAS will also focus on effectiveness of service delivery, and will put increased emphasis on social safety nets.¹⁸
	Programme barriers	<ul style="list-style-type: none"> Although food is available, it is beyond the reach of many in who live in urban centres, where the prices of basic staples, such as millet and sorghum, have risen more than 25 percent in the past year. The recession and the decrease in exports will further reduce the purchasing power of 80 percent of the working population (which is involved in the agricultural sector). As several rural programmes are already underway, this programme targets the urban population and it is in direct response to the urban food riots which occurred last summer.¹⁹ Large financing gap.

Programme# 2: social insurance	Programme name	Old Age, Disability and Survivors ²⁰
	Programme components	<ul style="list-style-type: none"> Old-age pension: The pension is equal to 2% of the insured's average monthly covered earnings for each year of coverage, up to 80%. <ul style="list-style-type: none"> The minimum pension is equal to 60% of the legal monthly minimum wage. Child's supplement: 2,000 CFA francs (\$4.08 USD) a month is paid for each of the first six dependent children. Pension paid quarterly. Old-age settlement: A lump sum is paid equal to 20% of the insured's average monthly covered earnings in the 5 best years of coverage for each 6-month period of coverage. <ul style="list-style-type: none"> Benefits are adjusted by decree according to changes in wages and the legal minimum wage, depending on the financial resources of the system. Disability pension: pension is equal to 2% of the insured's average monthly covered earnings in the 5 best years of coverage for each year of coverage, up to 80%. For each year that a claim is made before the insured reaches age 55, the insured is credited with a 6-month coverage period. <ul style="list-style-type: none"> The minimum pension is equal to 60% of the legal monthly minimum wage. Pension ceases at the normal retirement age and is replaced by an old-age pension of the same value, including the value of any constant-attendance allowance and child supplements. Paid quarterly benefits adjusted according to changes in minimum wage.

¹⁸ Ibid.

¹⁹ WFP (2009).

²⁰ Table text from ISSA. (2009, August). *Social Security Programs Throughout the World: Africa 2009*. Retrieved from International Social Security Administration: <http://www.socialsecurity.gov/policy/docs/progdesc/ssptw/2008-2009/africa/ssptw09africa.pdf>

		<ul style="list-style-type: none"> ▪ Survivor pension: The widow(er) receives 50% of the pension the deceased received or would have been entitled to receive. If there is more than one widow, the pension is split equally. ▪ Orphan's pension: 50% of the deceased's pension is split equally among eligible orphans. The pension amount paid to each orphan is not recalculated if the number of eligible orphans changes. ▪ Dependent parent's pension: Each eligible parent receives 25% of the deceased's pension. ▪ Survivor settlement: A lump sum is paid equal to 20% of the deceased's average monthly covered earnings in the 5 best years of coverage for each 6-month period of coverage.
	Programme coverage	<ul style="list-style-type: none"> ▪ Employed persons, self-employed persons, and apprentices. ▪ Temporary workers are excluded.
	Beneficiary determination process	<ul style="list-style-type: none"> ▪ Old-age pension: age 56 for blue collar workers; age 58 for white collar workers, age 60 for managers; age 63 for doctors and teachers in higher education with at least 180 months of coverage. <ul style="list-style-type: none"> ○ Child's supplement is paid for each of the first 6 dependent children. ○ Payable abroad. ▪ Old-age settlement: age 56 for blue collar workers; age 58 for white collar workers; age 60 for managers; age 63 for doctors and teachers in higher education with at least 180 months of coverage. <ul style="list-style-type: none"> ○ Retired. ▪ Disability pension: insured must be assessed with a permanent loss of earning capacity for any work of least 66.7% and have at least 5 years of coverage, including at least 6 months in the last year. <ul style="list-style-type: none"> ○ There is no minimum qualifying period for a disability that is the result of a non-occupational accident. ○ The insured must be younger than the normal retirement age. ○ Payable abroad. ○ Child supplement for 6 dependent children. ▪ Survivor pension: The deceased met the qualifying conditions for the old-age pension or disability pension, was a pensioner, or had at least 180 months of coverage at the time of death. <ul style="list-style-type: none"> ○ Eligible survivors are the widow(er) and orphans younger than age 16 (age 19 if an apprentice, age 22 if a student or disabled) or parents (if the deceased was unmarried and without children). ○ Ceases on remarriage. ○ An orphan receiving the pension may not receive family allowances. ○ Payable abroad.
	Finance	<ul style="list-style-type: none"> ▪ Insured persons: 5.5% of earnings. ▪ Voluntary contributors: 11% of earnings. ▪ Self-employed people: 11% of earnings. ▪ Employer: 5.5% of covered payroll. ▪ Government: contributes as an employer.
	Legal framework	<ul style="list-style-type: none"> ▪ First law passed in 1960, current law passed in 2006.

	Administrative framework	<ul style="list-style-type: none"> Ministry of Labour and Youth provides technical supervision. Ministry of Finance and Budget provides financial supervision. Managed by a tripartite board and a director, the National Social Security Fund administrators.
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Programme# 3: social insurance	Programme name	Sickness and Maternity²¹
	Programme components	<ul style="list-style-type: none"> Maternity benefit: The benefit is equal to 100% of the insured's last gross earnings (of which the National Social Security Fund pays a sum equal to 100% of covered earnings and the employer pays the remainder). The benefit is paid for 14 weeks, including at least 4 weeks before the expected date of childbirth; may be extended for up to 3 additional weeks in the event of complications arising from pregnancy or childbirth. The full benefit for the period after childbirth is paid for a stillborn child. Workers' medical benefits: working women receive free medical care during pregnancy and childbirth. Dependent's medical benefits: The spouse of an insured man receives free medical care during pregnancy and childbirth.
	Programme coverage	<ul style="list-style-type: none"> Employed women. Self-employed women are excluded.
	Finance	<ul style="list-style-type: none"> Employer: 7% of covered payroll.
	Legal framework	<ul style="list-style-type: none"> 1981 maternity benefits law. 2006 social security law.
	Administrative framework	<ul style="list-style-type: none"> Ministry of Labour and Youth provides technical supervision. Ministry of Finance and Budget provides financial supervision. Managed by a tripartite board and a director, the National Social Security Fund administrators.

²¹ Table text from ISSA. (2009, August). *Social Security Programs Throughout the World: Africa 2009*. Retrieved from International Social Security Administration: <http://www.socialsecurity.gov/policy/docs/progdesc/ssptw/2008-2009/africa/ssptw09africa.pdf>

Programme# 4: social insurance	Programme name	Work Injury ²²
	Programme components	<ul style="list-style-type: none"> ▪ Temporary disability benefit: The benefit is equal to 66.7% of the insured's average daily earnings in the 90 days before the month in which the disability began. The benefit is paid from the day after the disability began until full recovery or certification of permanent disability. ▪ Permanent disability benefit: If the insured is assessed with a total disability, the monthly pension is equal to 85% of the insured's monthly average earnings in the 3 months before the disability began. ▪ Partial disability: If the insured is assessed with a disability of at least 15%, a percentage of the full pension is paid according to the assessed degree of disability. ▪ Worker's medical benefits: Benefits include medical, surgical, and dental care; hospitalisation; medicines; X-rays; laboratory services; rehabilitation; retraining; appliances; and transportation. ▪ Survivor pension: 50% of the deceased's average monthly earnings in the last 3 months. ▪ Orphan's pension: 40% of the deceased's average monthly earning in the last 3 months is split equally among eligible orphans. The pension amount paid to each orphan is not recalculated if the number of eligible orphans changes. ▪ Dependent parent's and grandparent's pension: 10% of the deceased's average monthly earning in the 3 months before the disability began is split equally among eligible dependent parents and grandparents. ▪ Funeral grant: A lump sum is paid equal to the value of 15 days of maximum earnings.
	Programme duration	<ul style="list-style-type: none"> ▪ Benefits are adjusted by decree according to changes in wages and the legal minimum wage.
	Programme coverage	<ul style="list-style-type: none"> ▪ Employed persons, including temporary workers, members of cooperatives, students in training centers, and apprentices. ▪ Civil servant, self-employed workers, members of cooperatives, and apprentices are excluded.
	Beneficiary determination process	<ul style="list-style-type: none"> ▪ No minimum qualifying period. ▪ Accidents that occur while commuting to and from work are covered. ▪ Orphans must be less than 16 years old.
	Finance	<ul style="list-style-type: none"> ▪ Employer: 7% of covered payroll.
	Legal framework	<ul style="list-style-type: none"> ▪ Current law passed in 2006.

²² Ibid.

	Administrative framework	<ul style="list-style-type: none"> Ministry of Labour and Youth provides technical supervision. Ministry of Finance and Budget provides financial supervision. Managed by a tripartite board and a director, the National Social Security Fund administers.
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Programme# 5: social insurance	Programme name	Family Allowances²³
	Programme components	<ul style="list-style-type: none"> Family allowance: 2,000 CFA francs (\$4.08 USD) per month is paid for each of the first 6 children. Prenatal allowance: 1,000 CFA francs (\$2.04 USD) a month is paid for up to 9 months. It is paid in 3 equal parts.
	Programme coverage	<ul style="list-style-type: none"> Employed persons and social insurance beneficiaries. Self-employed persons are excluded. Special system for civil servants.
	Beneficiary determination process	<ul style="list-style-type: none"> Family allowances: The child must be younger than age 16 (age 19 if an apprentice, age 22 if a student or disabled). The parent (or guardian) must have at least 3 months of covered employment based on 18 days or 120 hours a month of work. The allowance is also paid to a pensioner or to an unemployed person for the first 6 months of unemployment. <ul style="list-style-type: none"> The child must not receive an orphan's pension. If a parent is also entitled to family allowances from the special system for civil servants, only the higher benefit award is paid. Prenatal allowance: A parent must have at least 3 months of covered employment based on at least 18 days or 120 hours a month of work. The mother must undergo prescribed medical examinations. The full benefit is paid if the claim is made in the first 3 months of pregnancy.
	Finance	<ul style="list-style-type: none"> Employer: 7% of covered payroll. Contributions paid monthly by employers with 20 or more employees or quarterly by employers with 1 to 19 employees. Government: any deficit and as an employer for public sector employees who are not civil servants.
	Legal framework	<ul style="list-style-type: none"> Current law passed in 2006.
	Administrative framework	<ul style="list-style-type: none"> Ministry of Labour and Youth provides technical supervision. Ministry of Finance and Budget provides financial supervision. Managed by a tripartite board and a director, the National Social Security Fund administers.

²³ Ibid.

Programme# 6: conditional and unconditional cash transfer	Programme name	Orphans and Vulnerable Children²⁴
	Programme components	<ul style="list-style-type: none"> Children ages 0-6: CFAD 1,000 (\$2.04 USD) per quarter (4,000 per year, \$8.17 USD). Children ages 7-10: CFAD 2,000 (\$4.08 USD) per quarter (8,000 per year, \$16.33 USD). Children ages 11-15: CFAD 4,000 (\$8.17 USD) per quarter (16,000 per year, \$32.66 USD).
	Programme duration	<ul style="list-style-type: none"> Began in 2008.
	Programme coverage	<ul style="list-style-type: none"> Poor households affected by HIV/AIDS in Nahouri region. Children 0-6 years old must attend health clinics and 90% school attendance in a 3-month cycle. In 2009 the programme covered 3,250 households.
	Beneficiary determination process	<ul style="list-style-type: none"> Geographic targeting and proxy means testing.
	Finance	<ul style="list-style-type: none"> \$1.4 million per year.
	Monitoring and evaluation	<ul style="list-style-type: none"> Information and condition compliance confirmed by service providers.

²⁴ Table drawn from Barrientos, A., M. Niño-Zarazúa and M. Maitrot. (2010, July). *Social Assistance in Developing Countries Database Version 5.0*. Retrieved from Chronic Poverty Research Centre: <http://www.chronicpoverty.org/publications/details/social-assistance-in-developing-countries-database>