Burkina Faso

Burkina Faso is the continental country situated in the middle of West Africa between the latitudes 90°20’ and 15°05’ North. Burkina Faso (formerly Upper Volta; French: Haute Volta) is a landlocked country located in the middle of West Africa's "hump." It is geographically in the Sahel zone, the transition zone between the Sahara Desert in north and the tropical savanna in south. The country is bordered by Mali in north and North West, by Niger in east, by Benin in south east and by Cote d’ivoire, Ghana and Togo in south.

Because of this geographical position, its climate is dry and tropical, characterized by two alternating seasons: the rainy season (May to October) and the longer dry season (November to April). The economy of the country is based essentially on agriculture, especially on fruit products and market gardening.

<table>
<thead>
<tr>
<th>Official Name</th>
<th>Burkina Faso</th>
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<tbody>
<tr>
<td>ISO Country Code</td>
<td>bf</td>
</tr>
<tr>
<td>Time</td>
<td>UTC (+-0; no UTC/GMT offset)</td>
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<tr>
<td>Country Calling Code</td>
<td>+226</td>
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<tr>
<td>Area</td>
<td>274,200 km² (106,000 sq. mi.)</td>
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<tr>
<td>Population</td>
<td>17.4 million</td>
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<tr>
<td>Official languages</td>
<td>French</td>
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<tr>
<td>Capital City</td>
<td>Ouagadougou</td>
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<tr>
<td>Other Cities</td>
<td>Bobo-Dioulasso (450,000), Koudougou (90,000), Banfora, Dori, Fada N’Gourma, Ouahigouy.</td>
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<tr>
<td>Climate</td>
<td>Sahelian; pronounced wet and dry seasons.</td>
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<td>Natural resources</td>
<td>Manganese, limestone, marble; small deposits of gold, phosphates, pumice, salt.</td>
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<tr>
<td>Agriculture products</td>
<td>Cotton, peanuts, shea nuts, sesame, sorghum, millet, corn, rice; livestock</td>
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<tr>
<td>Currency</td>
<td>Communauté Financière Africaine franc (XOF)</td>
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Mainly 3 local processing companies processed approximately 10,000 MT, namely Anatrans, Sita and Gebana Africa.

Cashew processors’ and producers’ associations are already established and these organizations are in discussions with the Ministry of Agriculture to establish a national stakeholders’ organization.

The main producing areas are the regions of Cascades, the Hauts Bassins, the southwest and the central west. Burkina Faso has 10 processing plants, with 4 having more than 1000 MT capacity and the remainder processing less than 500 MT per year each.

**Governmental and non-governmental agencies**

It has become easier to create a business in Burkina Faso since the establishment of the Centre for Business Formalities (CEFORE) in 2005; CEFORE offers a single registration form for the establishment, extension or resumption of corporations, sole proprietorships or secondary enterprises. Their goal is to support entrepreneurship, and facilitate and simplify interactions between the entrepreneur and officialdom. CEFORE officialdom centers are present in all major towns: Ouagadougou, Bobo-Dioulasso, Ouahigouya, Tenkodogo, Koudougou, Fada-N'gourma, Gaoua and Kaya.

In addition to the public sector, other private sector organizations and NGOs are active, including African Cashew Alliance, African Cashew initiative and Self Help Africa.

**Farmer Based Organizations and Cooperatives**

Several types of farmers’ organizations/groups exist in Burkina Faso. Whether induced by local or external initiatives, most of these groups are important actors in the development process of their local communities and the country as a whole. Producer organizations are cited as making a crucial contribution to the provision and enhancement of extension services. Four major organization groups are found in Burkina Faso: the traditional associations/groups with origin in the local traditions and value systems are found everywhere in the country under different names; the multipurpose associations/groups found in almost all villages and internally or externally initiated are geared toward improving the well-being of farmers; the agricultural cooperatives, the most advanced form of farmers’ organizations provide credit, production and marketing services to their members; and the farmers’
unions. The prominent farmers union with a national coverage is the Federation des Unions des Groupements (FUGN) also known as “Naam” that comprises over 300,000 farmers in more than 1,200 villages. The Federation is the largest farmers’ organization in Burkina Faso, totally independent of the government (Eponou, 1996). The Ministry of Agriculture through its extension services units have helped to form these farmers associations and provide assistance to these associations on both managerial and technical matters. Below is a list of some of the associations, unions and federations of farmers and farmers groups in Burkina Faso:

Association national d’Action Rurale (ANAR)

Cooperative Agricole du Passore

Federation Nationale des Femmes Rurale du Burkina (FENAFErB) Rural Women Federation

Infrastructure

In 2015, the economy should remain dynamic with the continuation of investment in infrastructure as part of the government’s SCADD strategy.

Investment expenditure remained almost unchanged at 11.2% in 2013, compared to 11.1% in 2012. Investment was maintained because of the start of Ouagadougou-Donsin airport work, the Bagré growth pole project, and road and electricity infrastructure projects.

The country also has potential for the production of higher value goods and the development of segments for sale and distribution, namely the processing of shea nuts, cashews and dried mangoes. The country also has significant value chain potential for sesame and cowpeas. With respect to services, Burkina Faso has opportunities in banking and finance.

Segments that could be developed include venture capital, guarantee funds, leasing and other services that facilitate structural investment. The tourism and hotel industry also offers opportunities.

Access to trans-national infrastructure, reliable energy, and qualified workers for technical and professional fields is the main obstacles blocking Burkina Faso’s path to Global Value Chains (GVCs) moreover, as Burkina Faso is landlocked; the poor state of roads and railways is a major challenge. This drives up the cost of bringing in equipment and weighs heavily on export competitiveness.

Burkina Faso’s energy costs are the highest in the UEMOA zone at CFA 118 per kilowatt/hour, compared to CFA 56 for Benin and CFA 53 for Niger.

Regulations

The 2004 Investment Code demonstrates the government's interest in attracting FDI to create industries that produce export goods and provide training and jobs for its domestic workforce.
The Code provides standardized guaranties to all legally established firms, whether foreign or domestic, operating in Burkina Faso. It contains six investment and operations preference options, which are equally applicable to all Greenfield investments, mergers, and acquisitions. All investment-specific incentives are outlined in the 2004 Investment Code.

Additionally, companies that use at least 50% locally-supplied raw materials are exempted from trading taxes, and also receive a 50% reduction in customs taxes. Such companies are also exempt from excise duties on production equipment and spare parts.

The government of Burkina Faso, which hopes to take advantage of its central location in West Africa, has recently announced the development of a foreign trade zone or “free port” in Samandén in the western region of Burkina Faso.

French, Indian, Canadian, Belgian, and American investors have established Greenfield firms and obtained enterprises through acquisition.

French investment in Burkina Faso currently accounts for about 70% of total foreign direct investment.

French-owned firms include CFAO, DAGRIS, CASTEL, TOTAL, BOLORE, SOUCOM, and SOUSICOM, which is the largest foreign investor in Burkina Faso.

More information can be found on the website of the government’s Overseas Private Investment Corporation: http://www.opic.gov

Factories

Cashew processing in this country contributes greatly to economic development. Processing factories create many direct jobs, tax revenues for the government and opportunities for small farmers. Hence the added value activities in cashew processing can have a big and direct impact on poverty reduction.

Anatrans S.A.R.L. was established in 2008 and started processing the first batches of kernels at the end of 2010. The kernels are sold to international clients. Part of the kernel production is fair trade cashew, allowing farmers to get a premium price for their cashew nuts.

Performing Factories

SOTRIA-B
ANATRANS
Gebana Afrique
VELEGDA
COOPAKE
YANTA
UTASCO (WOURL)
UTAB (WOURL)
Non-performing
ECLA
Shipping Agents

Burkina, Societe Nationale de Cofama S.A.
Geodis Overseas
Groupe Navitranis
Moller-Maersk Group, A.P.
SAGA France
SCAC c/o SDV
SCAC c/o SDV
SDV Burkina Faso

Cashew Statistics at a Glance

Note: In some years production and export figures may not tally as other countries produce will be mixed due to illegal cross border trade

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