



**PARLIAMENTARY NETWORK ON THE WORLD BANK**

## **Towards Sustainable Development in Burkina Faso: Investing in People, Diversifying Agriculture**



# **Mission Report**

**Parliamentarians in the field program**

Ouagadougou, Burkina Faso  
29 November – 4 December, 2009



## **Forward**

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By delegation leaders Ms. Ndeye Fatou Touré, Member of Parliament, Senegal, PNoWB Board Member and Mr. François Loncle, Member of Parliament, France

*The Parliamentary Network on the World Bank in partnership with the World Bank chose Burkina Faso as the final Parliamentarians in the Field visit country of 2009. It was both a fitting choice (in 2000, the country was one of the first to complete a full Poverty Reduction Strategy Paper) and an illustrative one.*

*One of the delegation's most memorable experiences – which also exemplifies the value and importance of involving parliamentarians in the development process – was time spent in Korsimoro, 100 kilometers outside of Burkina Faso's capitol, Ouagadougou. Here, we visited a health center and maternity ward that had been constructed by the World Bank. While touring the buildings, a number of parliamentarians pointed out that there were no toilets/washrooms, nor were there any facilities to house family members who may have traveled long distances to accompany patients and women in labor, as is the practice in the region. In addition, the health center and maternity ward were 15 kilometers away from the furthest village they were meant to serve. Delegates inquired as to how a woman in labor might reach the maternity ward with such a distance to travel and no form of transport; where her relatives would be housed; and how she could clean herself after the birth. Issues such as these highlight why the development cooperation process must involve those closest to the needs and realities of the community. A better understanding of the situation on the ground and the local context leads to better results and ultimately more effective development.*

*Where multilateral development programs often falter is in the lack of agility and the time delay in the monitor-evaluate-adapt project cycle. By the time a formal evaluation report emerges, it may be two or three years after program inception. If a program or project is not effectively reaching the intended recipients, months and years is too much time to waste. Involving local parliamentarians in every stage of development cooperation – budgeting, planning, monitoring and reform – introduces the possibility of a more efficient, well-informed project cycle. When parliamentarians are regularly consulted and are proactive in discussing and monitoring development initiatives in their communities, the project cycle becomes more agile and better able to respond to the needs of people.*

*International Financial Institutions including the World Bank cannot afford to miss out on the added layer of accountability that comes with working with parliamentarians – both locally and internationally. Parliamentarians are elected officials, chosen to represent the people who send them to capitol cities and beyond. They have the unique ability to reach out to multinational and global institutions as well as to the citizens who put them in power, acting as true conduits for civil society participation in development processes and decisions, and ultimately making development aid more effective.*

Dakar/Paris, 8 January, 2010



## Executive summary

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Burkina Faso is a low-income, landlocked, sub-Saharan country of 14 million inhabitants (2006 survey) and ranks 177th out of 182 countries in the 2009 Human Development Index (HDI). The country's economy is highly dependent on cotton exports, though the government is working hard to support agricultural diversification. In 2007, real per capita income stood at US\$430, well below the US\$592 average for sub-Saharan African countries as a whole. Gross primary school enrollment rate in the country has risen from 57% in 2005 to 72.5% in 2007. However, the youth literacy rate is 33% and two-thirds of the adult population is illiterate.

Population growth is one of the largest demographic challenges facing the country and the region as a whole. Burkina Faso's annual population growth rate rose from 2.3% in 1996 to 3.1% in 2006, which represents a population doubling time of 23 years. The country's major human development needs include strengthening education to improve the literacy rate and to create a more globally competitive workforce and increasing the efficient delivery of social services, including health.

To reach the objectives laid out in the country's Poverty Reduction Strategy Paper (PRSP), the Government of Burkina Faso has identified four priority program action areas: accelerating equity-based growth; improving access to basic social services for the poor; expanding pro-poor employment opportunities and income-generating activities; and promoting good governance. The World Bank country office in Burkina Faso supports the government's PRSP through its Country Assistance Strategy (CAS).<sup>1</sup>

During a six-day field visit program from 29 November to 4 December, 2009, a 15-member delegation comprised of parliamentarians from 14 countries observed and discussed Burkina Faso's development program. The delegation also interacted with Burkinabé parliamentarians, members of the local chapter of the Parliamentary Network on the World Bank (PNoWB), the World Bank country office in Burkina Faso, civil society representatives, private sector representatives, donors and aid agencies, local officials and community members. Throughout the program, the delegation identified key development issues and made corresponding recommendations. The emerging issues focused on four themes:

- I. Handling the impact of the global financial crisis on Burkina Faso's development/economy
- II. Diversifying agro-pastoral activities in the country
- III. Mining and extractive Industries
- IV. Aid coordination and effectiveness in Burkina Faso

A summary of the delegation's recommendations in each of these four areas is as follows:

### **I. Handling the impact of the global financial crisis on Burkina Faso's development/economy**

Burkina Faso should write a national plan on increasing women's formal participation in the economy. The government should also sponsor a national competition encouraging agricultural innovation and general entrepreneurship in the country. To attract more foreign investment and take full advantage of its strategic position in the middle of six West African countries, Burkina Faso should build a well-

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<sup>1</sup> Source : World Bank country profile for Burkina Faso; CIA World Fact Book, Burkina Faso entry.

situated, accessible industrial center that is both an innovative technical center and focused on the regional African market.

The World Bank country office in Burkina Faso should continue to open doors to help the country advocate for fair prices and conditions for its cotton exports while working to help reduce the country's dependence on cotton exports and its vulnerability to market fluctuations. The Bank should also work with the government to reach out to the country's Diaspora and better understand their role in the economy. The Bank should prioritize supporting cross-border infrastructure projects to reduce the cost of energy while building economic capacity and resiliency in the region as a whole. In addition, the World Bank country office should engage in the technical exchange of new solar-based energy technologies between Burkina Faso and countries currently developing these technologies.

For a complete list of main issues and recommendations identified by the delegation, see **page 13**.

## **II. Diversifying agro-pastoral activities in the country**

The government of Burkina Faso should commission a study to identify exports with a high economic value later in the production chain-- for example, tomatoes into ketchup. The country could also benefit from the recent organic movement by marketing its self as a producer of organic products and selling them on the global market. However, the country should not lose sight of the potential in its own domestic market; strengthening the production of milk-based products and local, traditional food will create jobs and reduce the country's demands for imports. Currently, programs such as PAFASP -- a partnership between the government of Burkina Faso and the World Bank, among others -- offers support to the agricultural, forestry and livestock sectors in the country, including product diversification.

The government of Burkina Faso should consider agricultural policy change in two areas: the exportation of cotton bi-products that could instead be retained to help foster domestic animal production; and the re-use of animal waste for crop fertilizer instead of chemical products. It should also consider writing a climate change strategy to address the impact on agricultural production. In its education strategy, the country should have a two-pronged approach: increasing in-country capacity in high-tech areas related to agricultural production and management, including water resources management and environmental engineering; and creating schools that teach traditional agricultural skills and water management techniques in the local language(s).

The World Bank country office should foster the exchange of good practices in agricultural diversification between West African countries. The World Bank is already supporting increased capacity in water and environmental engineering in the country via the 2iE foundation. In addition, it should continue to bring new, agro-ecological knowledge and sustainable practices to Burkina Faso.

For a complete list of main issues and recommendations identified by the delegation, see **page 15**.

## **III. Mining and extractive industries**

Burkina Faso should serve as a model of good governance in mining for other neighboring countries by enacting stronger parliamentary review and scrutiny over mining practices and revenue, increasing the capacity of civil society to act as a watchdog, and strengthening labor laws beyond the EITI initiative to

protect the country's workers in the sector. The government should ensure that mining companies' Corporate Social Responsibility programs align with the country's Poverty Reduction Strategy Paper.

The World Bank country office in Burkina Faso should support the country to develop capacity within the government to calculate mining resources and revenues as well as the royalties and taxes owed by mining companies, as per EITI standards. The Bank should also work with the government to help the country find a balance between making mining in Burkina Faso attractive to interested companies and ensuring that the population benefits from the industry.

For a complete list of main issues and recommendations identified by the delegation, see **page 18**.

#### **IV. Aid Coordination and Effectiveness in Burkina Faso**

The government of Burkina Faso should put policies in place to curb brain drain and encourage its citizens educated abroad to return home after their studies. The country should consider a gradual phasing in of legislation requiring all International NGOs with a presence in the country to follow the same aid coordination procedures and principles as those followed by donor agencies per the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action.

The World Bank country office in Burkina Faso should continue strengthening program and project sustainability by addressing when and how a project will become self financing and community run as well as addressing community ownership in every project plan. The Bank should prioritize engaging in full consultation *and follow-up* with parliamentarians to increase its holistic understanding of development issues at the community level and so that parliamentarians understand how their input is used by the Bank.

For a complete list of main issues and recommendations identified by the delegation, see **page 20**.



# Towards Sustainable Development in Burkina Faso: Investing in People, Diversifying Agriculture

*A Parliamentarians in the Field mission report*



Note to readers: This report does not use a chronological structure, instead, it provides a one-page visit orientation (section I) in preparation for the main content of the report (section II), which is divided into four thematic focuses: handling impacts of the global financial crisis; diversifying agro-pastoral activities; mining and extractive industries; and aid coordination and effectiveness. Each thematic focus is discussed in four pieces: 1) background; 2) main issues; 3) delegation recommendations; and 4) follow-up. We hope you will find this structure both intuitive and helpful.

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## I. ORIENTATION



### **Introduction to Burkina Faso and the World Bank country office**

Burkina Faso is a low-income, landlocked, Sub-Saharan country of 14 million inhabitants (2006 survey). With limited natural resources and rainfall, the country's economy is highly dependent on cotton exports and is vulnerable to exogenous shocks. Life expectancy at birth is 52 years, compared with 50 years for Sub-Saharan Africa as a whole. Burkina Faso – which has been a World Bank member country since 1963 – ranks 177th out of 182 countries in the 2009 Human Development

Index (HDI).

In 2007, real per capita income stood at US\$430, an increase of 50 percent since 1994, but still below the US\$592 average for Sub-Saharan African countries as a whole. Gross primary school enrollment rate in Burkina Faso has risen rapidly, climbing from 57% in 2005 to 72.5% in 2007. However, the youth literacy rate is 33% and two-thirds of the adult population is illiterate.

Population growth is one of the largest demographic challenges facing the country and the region as a whole. Burkina Faso's annual population growth rate rose from 2.3% in 1996 to 3.1% in 2006, which represents a population doubling time of 23 years. The increase in the population growth high rate has been accompanied by an increase in the poverty rate, which is once again above 45%.

Diversifying agriculture beyond the country's largest export, cotton, is one of the country's economic focuses. In addition, Burkina Faso's major human development needs include strengthening education to improve the literacy rate and to create a more globally competitive workforce; increasing the efficient delivery of social services, including health; and reinforcing accountability at the commune level (local administration). The World Bank country office in Burkina Faso supports this decentralization of government to the commune level.

To reach objectives laid out in the country's Poverty Reduction Strategy Paper (PRSP), the Government of Burkina Faso has identified four priority program action areas: accelerating equity-based growth; improving access to basic social services for the poor; expanding pro-poor employment opportunities and income-generating activities; and promoting good governance. The World Bank country office in Burkina Faso supports the government's PRSP through its Country Assistance Strategy (CAS), which provides the largest slice of funding to transport (27%), followed by agriculture and rural development (22%), energy (16%), education (12%), health (10%), financial and private sector development (5%), public sector governance (3%), environment (3%) and urban development (2%).<sup>2</sup>

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<sup>2</sup> Source : World Bank country profile for Burkina Faso; CIA World Fact Book, Burkina Faso entry.



### **Introduction to the Parliamentarians in the Field Program**

The *Parliamentarians in the Field* program gives MPs unique access to a World Bank country office and its development programs and key partners (including the host country's parliament). During visits, delegates are briefed by World Bank country representatives on the Bank's in-country activities. Visiting MPs also meet with host-country parliamentarians to discuss the country's development priorities. Participants then visit programs and projects and engage with local staff. Delegates also have the opportunity to meet with other key development stakeholders including NGOs, civil society

organizations and small business owners. At the conclusion of a visit, the delegation shares its observations and recommendations on the host country's development program in a comprehensive report.

More than 175 MPs from 50 countries have participated in over 20 visits to countries in Africa, Asia, the Balkans, Latin America and the Middle East since the program began in 2001. For donor-country parliamentarians, the program represents an opportunity to see development cooperation in practice. Borrowing-country MPs can use field visits as benchmarking exercises and opportunities to exchange views and experiences.

*Parliamentarians in the Field* is jointly organized by PNoWB and the World Bank and is supported by a grant from the government of Finland. Previous field visits have taken place in Albania, Burkina Faso, Burundi, Cambodia, Democratic Republic of the Congo, Ethiopia, Ghana, Haiti, Kenya, Laos, Madagascar, Mongolia, Nicaragua, Nigeria, Rwanda, Serbia and Montenegro, Uganda, Vietnam and Yemen.



## II. THEMATIC FOCUSES and RESULTING RECOMMENDATIONS

### **A. Handling the impact of the global financial crisis on Burkina Faso's development and economy**

[Relevant agenda items: Statement of Burkina Faso economy; Briefing session on World Bank portfolio in Burkina Faso; Working lunch on the Poverty Reduction Strategy; Field visit: Discussion with local authorities in Ziniairé]



### **BACKGROUND**

According to the World Bank country office in Burkina Faso, the country's financial systems are resilient, but not immune to the global financial crisis. The country's economy continues to be based on low productivity agriculture with a single major export crop, cotton. While there are signs that mining is emerging as the country's second biggest source of export revenue, the impact of this sector on poverty reduction appears to be more muted.

The total annual public budget for Burkina Faso is 1,152 billion FCFA (US \$2 billion), with around 20% coming from foreign aid. Sixty-two percent of the country's revenue is internally generated. Although Burkina Faso has limited integration with global financial markets, the financial crisis has spilled over into the country's real economy, transmitting stress to its financial system, according to the Bank. The most direct effect has been seen as a result of fluctuations in the price of cotton: a 15% reduction in the price paid to cotton producers could result in a 3% increase in poverty level.

The World Bank Group's *Doing Business 2010* report, which compares regulation in 183 economies, places Burkina Faso near the bottom of the list due to one of the lowest cross-border trade ratings in the world, poor ability to protect investors and a challenging climate for starting new businesses. The Bank since 2006, via its International Finance Corporation (IFC) arm, has implemented the *Doing Business Better in Burkina Faso* program, which aims to improve the business environment in the country.

### **MAIN ISSUES**

- Low literacy is a significant challenge when it comes to increasing a country's economic capacity to diversify and develop. The education system must be strengthened, especially in rural areas (which accounts for 80% of the population in Burkina Faso) to provide the kind of educated workforce that the country needs.
- Forty-five days are needed to move a container from Burkina Faso's capitol, Ouagadougou, to the nearest shipping port. This flags issues not only in the need for improved transport

infrastructure, but also makes clear the country's current limitations in diversifying agricultural exports (potential for fruit and vegetables to over-ripen before reaching the shipping stage).

- Cotton subsidies, such as those imposed by the US, pose a growing problem for Burkina Faso, making its cotton less competitive in the global market. To reduce the country's dependence on cotton exports and its vulnerability to market fluctuations, the World Bank is working with Burkina Faso to diversify agricultural exports away from cotton.
- Adapting to the specifics of the crisis in the country: in Burkina Faso, there was a food crisis and a flood crisis during the financial crisis. When addressing the financial crisis in the country, institutions and the government must also take the food crisis into account.
- The high level of population growth poses a number of challenges to the country's economic development, including a high number of dependants and a scarcity of available schooling.

## **DELEGATION RECOMMENDATIONS**

### **To the Government and Parliament of Burkina Faso**

- The economic crisis is an opportunity to focus on increasing women's formal participation in the economy and improve their access to markets. This in turn could help to curb the high population growth rate as women are given increasing options and opportunities to define their value to society. Burkina Faso should work with NGOs specializing in microfinance and supporting women entrepreneurs to write a national plan on increasing women's formal participation in the economy.
- The global economic crisis has served as a reminder of the need to diversify the economy and be less cotton dependent. The government should sponsor a national competition encouraging innovation and entrepreneurship to this aim while offering some measures of protection to small-scale cotton farmers.
- The country should reinforce its national financial institutions to mitigate the effects of future crises and downturns. In addition, continuing to ensure internal security is vital to promote a strong investment climate.
- To attract more foreign investment and take full advantage of its strategic position in the middle of six West African countries, Burkina Faso should build a well-situated, accessible industrial center that is both an innovative technical center and focused on the regional African market.
- Although decentralization is a recent process in Burkina Faso, the government should support local mayors and communities to address the impacts of the financial crisis at the local level, this is not only the job of the national government. Local governors must be more innovative in developing revenue-generating activities in their areas and should encourage entrepreneurs.

**“Today, the development challenges we face are global, and the key to solving them is knowledge. To invest in knowledge is to create an environment that is favorable for development.”**

His Excellency Tertius Zongo,  
Prime Minister of Burkina Faso

### **To the World Bank country office in Burkina Faso**

- Although the country is diversifying its agricultural output -- with support from the Bank -- to reduce vulnerability to cotton subsidies and market fluctuations, raw cotton export continues to represent a major source of revenue for Burkina Faso. As such, the World Bank country office in Burkina Faso should continue to help the country advocate for fair prices and conditions for its

cotton exports. The country could then mobilize other regional cotton producers to form an advocacy coalition demanding an end to unfair cotton subsidies. If the World Bank is not the most appropriate development partner to do this, perhaps an organization like Fair Trade could be involved.

- The Bank should work with the government to help the country reach out to its Diaspora and ensure that data on their contributions and remittances is accurate and up to date to allow for further understanding of their role in the economy.
- The Bank should work with the national government and local governments to support programs that encourage entrepreneurship and innovation in industries in which Burkina Faso has a competitive advantage.
- In order to support economic growth and improve energy infrastructure in the region, the Bank should prioritize supporting cross-border infrastructure projects, such as the power generation project with Burkina Faso, Cote d'Ivoire and Ghana. These cross-border projects help to reduce the cost of energy while building economic capacity and resiliency in the region as a whole. In addition, the World Bank country office should engage in the technical exchange of new solar-based energy technologies between Burkina Faso and countries currently developing these technologies.

#### **FOLLOW-UP**

- PNoWB secretariat to follow-up with the World Bank country office in Burkina Faso concerning innovation/entrepreneur supporting activities in the country. PNoWB secretariat will then report back to the delegates.

#### **B. Diversifying agro-pastoral activities**

[Relevant agenda items: Statement of Burkina Faso economy; Briefing session on World Bank portfolio in Burkina Faso; Working lunch on the Poverty Reduction Strategy; Field visit: Discussion with local authorities in Ziniairé; Field visit to private cattle-fattening unit; Field visit to onion storage unit; Working session with the commission of finance; visit to 2iE institute.]



#### **BACKGROUND**

Burkina Faso's main industry is agriculture, which accounts for 40% of the country's total revenue and employs 80% of the population. Cotton alone accounts for 50 to 65% of the country's export material and employs 20% of the population- a full three million people. Because of the country's high dependence on the export of this single product, cotton price fluctuations have a high poverty impact: a 25% reduction in the price of cotton fiber exports can lead to a 1.8% decrease in GDP. Given such

statistics, diversifying agricultural output and expanding pastoral (animal raising) activities is a priority for both the government and a large number of development actors, including the World Bank.

The World Bank's project to diversify agro-pastoral production in the country has four main focuses: livestock-raising activities, local chicken production, mango exportation and onion production. Large domestic fruit markets provide a venue for growers to sell their crops, including mangoes. In addition, the Bank supports increased capacity in water and environmental engineering in the country via the 2iE foundation, a research and teaching center that seeks to become a regional center of excellence in water, energy and environmental management.

The country is also beginning to look beyond the local market towards exporting to the US and Europe. However, this will necessitate modern packaging and storage facilities for better export.

In terms of pastoral activities, the government of Burkina Faso supports diversification beyond meat products to milk and leather production as well as cattle breeding programs. Currently, programs such as PAFASP -- a partnership between the government of Burkina Faso and the World Bank, among others -- offers support to the agricultural, forestry and livestock sectors in the country, including product diversification.

#### **MAIN ISSUES**

- Diversification into agro-pastoral sectors in which Burkina Faso has a comparative advantage.
- How to provide the country with solutions to increase its agricultural productivity without using chemical fertilizers. Reservoir catchment areas are principally agricultural zones that often contain high levels of nitrates and phosphates. Even if this is not the current situation, it is something that must be monitored and prevented as Burkina Faso continues to increase its agricultural production (cotton, for example, requires significant amounts of pesticides).
- Supporting small cotton producers by insulating them from market fluctuations and aiding farmers exiting from cotton production.
- Local youth are not interested in agriculture and animal husbandry -- the country's two most important economic activities -- they want to go to the city, even if it means earning less money than a good job in animal husbandry.
- Lack of health and welfare standards for animals limits export possibilities for animal products originating in Burkina Faso.
- Cattle production is largely a man's activity. Without further innovation regarding the role women can play in this activity, the government's strong support for this activity could partially negate efforts to increase women's participation in income generating activities and their access to markets.
- Continuing to build in-country capacity in high-tech areas related to agricultural production and management, including water resources management and environmental engineering.

#### **DELEGATION RECOMMENDATIONS**

##### **To the Government and Parliament of Burkina Faso**

- The government of Burkina Faso should commission a study to help identify exports that could have a higher economic value later in the production chain-- for example, tomatoes into ketchup. Refined exports have a higher rate of return than raw materials, but it will be

important to capitalize on specific areas in which Burkina Faso has a strategic advantage, as opposed to those in which there is already high competition. In addition, it will also be necessary to take into account the cost of constructing and maintaining storage and processing facilities.

- The country should not lose sight of the potential in its own domestic market; strengthening the production of milk-based products and local, traditional food will create jobs and reduce the country's demands for imports.
- Burkina Faso could benefit from the recent organic movement, marketing its self as a producer of organic products (not limited to foodstuffs, but including locally made soaps and beauty products) and selling them on the global market. The NGO Fair Trade may be able to help the government reflect on its options and possible supply chains.
- The government of Burkina Faso should consider agricultural policy change in two areas:
  - Re-examine the current policy on the exportation of bi-products emerging from the cotton production process that could instead be retained to help foster domestic animal production.
  - Look into creating a new policy on the re-use of animal waste for crop fertilizer instead of chemical products. Currently, individual farmers may choose to do this, but there is no national-level policy encouraging or requiring it. This could help to prevent the build-up of toxins in the soil that many industrialized societies suffer from after relying on chemical fertilizers.
- The government of Burkina Faso should consider writing a climate change strategy as a change in rainfall patterns and temperatures will have a large effect on farming in the country. Preparing a strategy now will help to mitigate effects later.
- As part of its education strategy, Burkina Faso should create schools that teach agricultural skills in the local language(s). These schools should also teach water management techniques (such as multiple use systems) as agriculture is the single largest consumer of water resources. This would complement the high-tech research conducted at 2iE.

#### **To the World Bank country office in Burkina Faso**

- The World Bank could further support and strengthen the government's agro-pastoral strategy by conducting a study examining the role of women in animal husbandry in the country and how that role can be expanded and diversified.
- The Bank could also foster the exchange of good practices in agricultural diversification between countries in the region via neighboring World Bank country offices. Given its strategic position at the intersection of six West African countries, the World Bank country office in Burkina Faso could take the lead on this initiative, pulling together a case studies document to be shared both within the region and beyond.
- In addition, the Bank should prioritize bringing new, agro-ecological knowledge and sustainable practices to the country.

**"2iE is a symbol of how Africa gains through reinforced cooperation between African States."**

Hon. Christophe-André Frassa,  
Senator, France

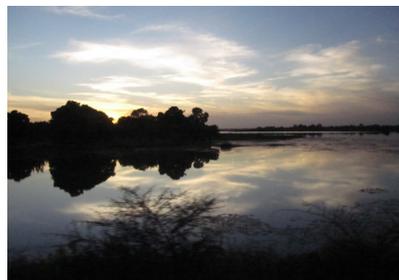
#### **FOLLOW-UP**

- PNoWB secretariat to follow up on forthcoming agro-pastoral legislation as well as environmental legislation in Burkina Faso and inform delegates.

- The World Bank country office in Burkina Faso will provide more information to the PNoWB secretariat about the PAFASP initiative, which the secretariat will then share with delegation members.
- PNoWB secretariat to follow up with the World Bank country office in Burkina Faso on the possibility of producing a 'good practices in agricultural diversification in West Africa' compendium.

### **C. Mining and extractive industries**

[Relevant agenda items: Statement of Burkina Faso economy; Briefing session on World Bank portfolio in Burkina Faso; Meeting with representatives of civil society organizations; Meeting with EITI permanent secretary and actors involved in the mining sector]



#### **BACKGROUND**

Significant-scale mining in Burkina Faso began in 2007 with the opening of the Taparko-Boroum mine, operated by a Canadian subsidiary. A further three major gold mines are currently under development, mainly by Canadian and Australian companies. Copper, manganese and zinc deposits are also being explored. Small-scale artisanal mines operate in the country, but these are dangerous, often suffering cave-ins, and the government is trying to shut them down. Despite this, artisanal gold is the country's third largest export. In total, mining brings roughly eight billion FCFA (\$US 18 million) annually into the economy.

Burkina Faso is currently a candidate country for the Extractive Industries Transparency Initiative (EITI); it has until May 2011 to complete the EITI validation process. According to the World Bank country office in Burkina Faso, there is a strong desire in the country for good governance in the mining sector, which is evidenced by the fact that the country joined the EITI in the early stages of its mining industry development.

In 2001, the World Bank country office in Burkina Faso supported the first multi-party dialogues on the mining sector, including how to mine available resources safely. The Bank also supports the government of Burkina Faso as it prepares mining sector policies and has worked to increase the country's general capacity in the sector. Currently, there are two main laws governing extractive industries in the country: a mining law and an environmental law. In addition, each mining area has created a local committee to discuss challenges that the sector poses to the local people and environment.

## **MAIN ISSUES**

- Fostering the role of Civil Society Organizations (CSOs) and local NGOs to monitor not only the mining sector in the country but also large foreign companies. CSOs and local NGOs have a key role to play in protecting citizens from these multinationals, who may not always have local interests in mind. Historically, civil society has not had enough weight to play this watchdog role effectively. The country's media also has an important role to play in informing society, but this can only be realized with complete freedom of the press and fair and impartial coverage.
- Insufficient infrastructure, workforce and public investment capacity in Burkina Faso may necessitate bringing in skilled foreign labor, which could mean missed opportunities for local capacity building.
- Ensuring that as revenue earned from mining increases, it benefits the entire population of Burkina Faso via investment in education, health and improved infrastructure.

## **DELEGATION RECOMMENDATIONS**

### **To the Government and Parliament of Burkina Faso**

- Burkina Faso could serve as a model of good governance in mining for other neighboring countries. To do so, the country should:
  - Enact stronger parliamentary review and scrutiny over mining practices and revenue to ensure transparency in this very socially and environmentally sensitive sector.
  - Increase the capacity of civil society to act as a mining watchdog. This will mean adding weight to their voice via increased consultation and input into draft legislation.
  - Go further than the EITI initiative in terms of labor laws to protect the country's workers in the sector.
  - Ensure that local populations are familiar with the country's mining laws and understand what impacts they have on the community and on their livelihood.
- The government of Burkina Faso should familiarize its self with the Corporate Social Responsibility (CSR) strategies of mining companies already present and those looking to enter so that the country can reap the greatest benefit from social programs provided by the mining companies and ensure that they fit in with larger development aims.

**“We have to move past this idea of ‘the fight against poverty’ and work towards a genuine framework for sustainable development.”**

Hon. Ndeye Fatou Toure, MP, Senegal

### **To the World Bank country office in Burkina Faso**

- Mining revenue loss helps to perpetuate the cycle of low development in Africa. The World Bank should continue to support Burkina Faso to develop capacity within the government to calculate mining resources and revenues, as per EITI standards, as well as the royalties and taxes owed by mining companies. This will help to ensure that the country does not lose extractive industries revenue. The World Bank should also work with the government to help the country find a balance between making mining in Burkina Faso attractive to interested companies and ensuring that the population benefits from the industry.

- Help to build the monitoring capacity of civil society in the country by providing training days and budgetary support for capacity building opportunities such as participation in international conferences and seminars on civil society's role in transparent mining practices.

### **FOLLOW-UP**

- Civil society in non-EITI countries can use EITI principles to advocate for transparent mining policy and practice in their country. The delegation representative from Cameroon expressed interest in learning more; the World Bank country office in Burkina Faso will put him in touch with colleagues working on mining in Cameroon.
- To support parliamentarians from all countries with extractive industries to collectively advocate with their governments to “publish what they pay” for resource contracts, PNoWB secretariat will conduct a brief follow-up case study report on the implementation of EITI standards in several countries.

### **D. Aid coordination and effectiveness**

[Relevant agenda items: Briefing at the World Bank office; Day 2 working lunch with funding agencies; Meeting with the President of the National Assembly; Meeting with representatives of civil society organizations; Working lunch on the Poverty Reduction Strategy; Field visit to Health and Social Promotion Center and discussion with local authorities.]



### **BACKGROUND**

The Government of Burkina Faso has taken an active lead in donor harmonization. An aid management platform to help the government monitor aid flows systematically in support of the country's National Action Plan for Aid Effectiveness (PANEA) facilitates aid alignment with the country's priorities, improves the predictability of aid flows, and strengthens aid coordination. In 2007, supported by PANEA, donors agreed to prepare a joint strategy to be finalized by 2010. In addition, a number of donor organizations in 2005 established a secretariat known as STELA to support the country's donors in implementing the Paris Declaration principles.

The World Bank country office in Burkina Faso works to address aid effectiveness by streamlining a number of their projects directly into the country's budget. Insofar as program evaluation is concerned, World Bank programs are regularly evaluated by the Independent Evaluation Group (IEG), which has found the Bank's programs in Burkina Faso to be “highly satisfactory.”

In terms of specific development priorities, the country faces significant challenges in achieving the Millennium Development Goals (MDGs) for infant and maternal mortality as well as for nutrition.

## **MAIN ISSUES**

- The delegation identified several **project sustainability** issues:
  - **Community ownership**- Without a sense of community ownership, projects are not sustainable as people will not feel responsible for their continuation and upkeep. This turns citizens into passive recipients of development, not actors and partners in their own right. An example of poor community ownership of a World Bank program was seen at the health centre in Korsimoro. There were no toilet facilities in the health center or the maternity ward, there was also no temporary housing for patients' families. Instead of addressing these needs themselves by providing solutions using local materials and technologies (simple sheltered pit latrines and small huts made of local materials), the locals were waiting for the World Bank to correct the oversight. This reflects a lack of community ownership of the project, a warning sign of unsustainable development.
  - **Project planning and implementation**- The lack of bathroom facilities at the Korsimoro health center and maternity ward represent a serious oversight, as does the lack of temporary housing for family members accompanying patients. This kind of oversight leads to unsustainable development as facilities that fail to fully meet the community's needs are often eventually abandoned.
  - **Self-sustainability and exit strategies**- The goal of any development project is self-sustainability. When the funders exit and the money stops flowing, the projects and programs – including infrastructure – must be self-financing and able to be maintained by the country/community. Many of the World Bank-funded projects that the delegation visited, including the large ONEA water supply project that provides water to all of Ouagadougou, are completely donor dependant and without a sustainability/ donor exit strategy. This finding was confirmed by the World Bank's regional representative.
- The delegation also identified a number of **capacity issues**:
  - **Critical thinking**- Increased development coordination spearheaded by countries receiving development cooperation funds requires critical thinking, a skill that cannot be taught in the same way as "following procedure." To foster critical thinking, a well-developed, advanced educational system linking primary, secondary and tertiary schooling is needed. This takes generations to build in any country, including Burkina Faso.
  - **Knowledge informing policy**-The Swedish international Development Cooperation Agency (SIDA) has an initiative to share information and knowledge emerging from development programs with the government of Burkina Faso. This is an important initiative, one that also requires the capacity on the part of the government to translate this increased information sharing into improved development policy and implementation.
- For aid coordination and effectiveness to truly have meaning, NGOs working in the country must also operate according to the Paris Declaration principles of aid effectiveness, including alignment behind the country's PRSP. Bringing NGOs into the aid coordination fold would require even more coordination capacity on behalf of the government.
- Increased channeling of aid directly to the government gives donors the right to have input on a country's management of these funds, but not on their allocation. Does it also give donors the right to have a say in a country's development policies?

- Measurability: How can the government measure whether development programs are reaching the intended recipients, i.e. the poorest of the poor and those most in need?

## **DELEGATION RECOMMENDATIONS**

### **To the Government and Parliament of Burkina Faso**

- In order to build the country’s capacity to increase donor coordination and aid effectiveness, the government of Burkina Faso should put policies in place to curb brain drain and encourage its citizens educated abroad to return home after their studies. To do so, the government must reinforce the capacity of the public sector in the country by offering competitive salaries to attract and retain the best candidates. The government should also put in place incentives to encourage students educated abroad to return home. The World Bank country office in Burkina Faso may be able to provide the government with information regarding similar practices in other developing countries as well as the funding support to implement such a program.
- The government of Burkina Faso should consider a gradual phasing in of legislation requiring all International NGOs with a presence in the country to follow the same aid coordination procedures and principles as those followed by donor agencies per the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action. This would include a common set of reporting indicators for program effectiveness. Before considering a policy of this kind, the government should undertake a full consultation with all development actors in the country. Additionally, before such a policy is phased in, the government must ensure that it has the capacity to handle the high level of development-actor coordination necessary to harmonize program planning and implementation in the country, otherwise development programs could come to a standstill due to bureaucratic delays.

**“It is important that the government coordinates actions and provides direction. Power with a thousand heads is not good power. Harmonization is the key to success.”**

His Excellency Tertius Zongo,  
Prime Minister of Burkina Faso

### **To the World Bank country office in Burkina Faso**

- The World Bank country office in Burkina Faso should continue strengthening program and project sustainability by addressing when and how a project will become self financing and community run as well as addressing community ownership in every project plan.
- With specific reference to the health center and maternity ward in Korsimoro, the Bank should look into why no sanitation facilities were constructed, and, if appropriate, work with local health and sanitation authorities and the community to decide on the most sensible and sustainable design and construction for toilet facilities in the health center. In addition, the Bank should also work with the community to come up with local solutions to the problem of where to house family members accompanying health center patients and women delivering in the maternity ward. There is also the issue of increasing access to the health center and maternity ward, which are 15 kms away from the furthest village in the community. The World Bank, in partnership with the Ministry of Health, should work with the community to find solutions to

increase women's access to trained birth attendants if they are unable to travel the distance to the center. One possibility is to have a trained birth attendant or village health worker in every village. There are many pre-existing programmatic models for implementing a village health worker scheme, the delegation representative from Nepal suggested that Burkina Faso may want to look into the model used in Nepal. The World Bank should work with the government of Burkina Faso, the World Health Organization and NGOs working in the country with experience in reproductive health service delivery to identify feasible models for the local context.

- The Bank should prioritize engaging in full consultation *and follow-up* with parliamentarians to increase its holistic understanding of development issues at the community level and so that parliamentarians understand how their input is used by the Bank.

#### **FOLLOW-UP**

- PNoWB secretariat to follow up with World Bank country office in Burkina Faso regarding improvements to the Korsimoro health center and share this information with delegates.
- PNoWB secretariat to work with Burkina Faso parliament and the World Bank country to strengthen and support the local PNoWB chapter.
- PNoWB secretariat to work with Burkina Faso chapter to help redynamise the regional West Africa PNoWB chapter.

### III. REPORTING REQUIREMENTS and ACTIONS FOR FUTURE VISITS

- PNoWB secretariat to share delegation visit report and individual delegate reports with the World Bank country office in Burkina Faso in December 2009.
- World Bank Burkina Faso country office to provide a brief follow-up report to PNoWB delegates in 18 months time.
- On future visits, PNoWB will consider splitting the delegation into smaller groups for certain meetings according to participants' experience, background and interest. Smaller groups also provide more time for focused, meaningful discussion.



## IV. ANNEXES

### Annex 1: Burkina Faso and the Millennium Development Goals

<b>Goal 1: Eradicate extreme poverty and hunger</b> 	<b>Insufficient information</b> 
<b>Goal 2: Achieve universal primary education</b> 	<b>Possible to achieve if some changes are made</b> 
<b>Goal 3: Promote gender equality and empower women</b> 	<b>Possible to achieve if some changes are made</b> 
<b>Goal 4: Reduce child mortality</b> 	<b>Off track</b> 
<b>Goal 5: Improve maternal health</b> 	<b>Possible to achieve if some changes are made</b> 
<b>Goal 6: Combat HIV/AIDS, malaria and other diseases</b> 	<b>Possible to achieve if some changes are made</b> 
<b>Goal 7: Ensure environmental sustainability</b> 	<b>Possible to achieve if some changes are made</b> 
<b>Goal 8: Develop a global partnership for development</b> 	<b>Insufficient information</b> 

Source: MDG Monitor, UNDP, updated August, 2008

## Annex 2: Agenda

### Parliamentary Field Visit to Ouagadougou, Burkina Faso (November 29 to December 4, 2009)

Day 1 – Sunday 29, November, 2009	
Jour 1- Dimanche 29 novembre 2009	
Afternoon Après-midi	Arrival at International Airport of Ouagadougou Arrivée à l'aéroport international d'Ouagadougou
7:30 pm	<ul style="list-style-type: none"><li>- <b>Dîner</b> offered by PNoWB local Chapter</li><li>- <b>Dîner</b> offert par le réseau national PNoWB Burkina Faso<ul style="list-style-type: none"><li>o Allocution de bienvenue/Welcome address</li><li>o Présentation des objectifs de la visite/ Goals of the visit</li><li>o Présentation du Réseau parlementaire sur la Banque mondiale/ Presentation on the PNoWB</li><li>o Présentation des délégués/Delegates' introduction</li></ul></li></ul> <p><b>Place/lieu : à confirmer/ to be confirmed</b></p>

Day 2 – Monday 30, November, 2009	
Jour 2- Lundi 30 Novembre 2009	
8:30–11:00 am	<p>* <b>Briefing Session</b> on World Bank Portfolio in Burkina Faso by Galina Y. Sotirova, Country Manager, World Bank.</p> <p>* <b>Statement of Burkina Faso economy</b> (cotton issue &amp; international crisis effects), by Djibrilla Issa, Senior Financial Sector Specialist, World Bank</p> <p>* * <b>Séance de Briefing</b> sur le portefeuille de la Banque mondiale au Burkina Faso par Galina Y. Sotirova, Représentante résidente.</p> <p><b>Présentation</b> de la situation économique du Burkina Faso (coton &amp; les effets de la crise financière) par Djibrilla Issa, Spécialiste principal du Secteur Financier (Banque Mondiale).</p>

	<b>Place/lieu : Azalai Hôtel Indépendance</b>
11:15 am	<p><b>Tu Courtesy Visit</b> to the President of the National Assembly, H.E. Rock Marc Christian Kaboré.</p> <p><b>Visite de courtoisie</b> au Président de l'Assemblée nationale, S.E. Rock Marc Christian Kaboré.</p> <p><b>Place/ lieu : National Assembly/Assemblée nationale</b></p>
11:45 am-1:00 pm/	<p><b>Working session</b> with the PNoWB local Chapter.</p> <p><b>Session de travail</b> avec les parlementaires du Réseau Parlementaire sur la Banque mondiale local.</p> <p><b>Place/ lieu : National Assembly/Assemblée nationale</b></p>
1:15–3:30 pm	<p><b>Working Lunch</b> on the Poverty reduction strategy in Burkina Faso</p> <p>by Mr. Tiendrebéogo Yamsékré, DGCEP (Poverty Reduction Strategy Paper) Coordinator.</p> <p><b>Déjeuner de travail</b> sur la stratégie de réduction de la pauvreté au Burkina Faso</p> <p>par M. Tiendrebéogo Yamsékré, DGEP Coordinateur du CSLP (Document Stratégique de Réduction de la pauvreté).</p> <p><b>Place/lieu : Azalai Hôtel Indépendance</b></p>
4:00–6:00 pm	<p><b>Meeting</b> with representatives of Civil Society organizations</p> <p><b>Session de travail</b> avec des représentants des organisations de la société civile</p> <p><b>Place/lieu : Azalai Hôtel Indépendance</b></p>

7:30 pm	<p><b>Diner</b> offered By H.E. Rock Marc Christian Kaboré – President of the National Assembly; with traditional artists</p> <p><b>Dîner</b> à l’invitation du Président de l’Assemblée nationale du Burkina Faso, S.E. Rock Marc Christian Kaboré ; accompagné d’une animation de troupes traditionnelles</p> <p>Place/lieu : TBD</p>
<p><b>Day 3 – Tuesday 1, December, 2009</b></p> <p><b>Jour 3- Mardi 1er décembre 2009</b></p>	
	<p><b>Field visits</b> on-site :</p> <p>Themes: Decentralization, governance, transparency and accountability</p> <p><b>Visites projets</b> sur sites:</p> <p>Thématique: Décentralisation, gouvernance, transparence et redevabilité</p> <p>7:30 am Departure from the hotel to Ziniaré/ Départ de l’hôtel pour Ziniaré</p> <p>8:30-10:00 am Discussion with local authorities/ Echanges avec les autorités communales</p> <p>10:15-11:00 am Private cattle fattening unit / Visite d’une unité privée d’embouche bovine</p> <p>11:15 am Departure for Korsimoro/ Départ pour Korsimoro</p> <p>11:45 am -12:15 pm Health and Social Promotion Center / Visite d’un centre de santé et de promotion sociale (CSPS)</p>

<p>12:30-1:15 pm</p> <p>1:30 pm</p> <p>2:00–3:00 pm</p> <p>3:15-4:15 pm</p> <p>4:30–5:30 pm</p>	<p>Discussion with Rural Communes authorities / Echanges avec les autorités de la commune rurale de Korsimoro</p> <p>Departure for Kaya / Départ pour Kaya</p> <p>Lunch in Kaya / Déjeuner à Kaya (place/lieu : Hotel Kaziendé de Kaya)</p> <p>Onion storage unit / Visite d'une unité de conservation d'oignons à Kaya</p> <p>Return to Ouagadougou / Retour à Ouagadougou</p> <p>NB : Ouaga-Kaya=100km.</p>
	<p>Free evening</p> <p>Soirée libre</p>

## **Annex 3: Delegation list**

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### **Members of Parliament (17)**

#### **Austria**

**Hon. Mr. Wolfgang Pirkhuber**  
Member of Parliament, Austria

#### **Belgium**

**Hon. Mr. Bertin Mampaka**  
Member of Parliament, Belgium

#### **Canada**

**Hon. Mr. Dave Wilson**  
Member of Parliament, Canada

#### **Cameroon**

**Hon. Mr. Serge Noumba**  
Member of Parliament, Cameroon

#### **Côte d'Ivoire**

**Hon. Ms. Akissi Colette Kouakou**  
Member of Parliament, Côte d'Ivoire

#### **Denmark**

**Hon. Mr. Joergen Pøulsen**  
Member of Parliament, Denmark

#### **France**

**Hon. Mr. Christophe-André Frassa**  
Senator, Senate, France

**Hon. Mr. François Loncle**

Member of Parliament, France

#### **Other Participants**

**Galina Sotirova**, Country Manager, World Bank, Burkina Faso

**Begnadehi Claude Bationo**, Operations Officer, World Bank, Burkina Faso

**Nayé Bathily**, Parliamentary Liaison, World Bank, External Affairs, Europe

**Odilia Hebga**, Africa External Affairs, World Bank, Europe

**Amy Dieterich**, PNoWB Policy Officer and delegation rapporteur

**Jerome Evrard**, Head of PNoWB Secretariat

#### **India**

**Hon. Mr. Mohamed Hamdullah Sayeed**  
Member of Parliament, India

#### **Iran**

**Hon. Dr. Ali Eslami Panah**  
Member of Parliament, Iran

#### **Laos**

**Hon. Mr. Akhamountry Koukeo**  
Member of Parliament, Laos

#### **Nepal**

**Hon. Ms. Shanti Basnet Adhikari**  
Member of Parliament, Nepal

#### **Senegal**

**Hon. Ms. Ndeye Fatou Touré**  
Member of Parliament, Senegal  
PNoWB Board Member  
Head of Delegation

#### **Sweden**

**Hon. Ms. Carina Hägg**  
Member of Parliament, Sweden

#### **Vietnam**

**Hon. Ms. Thi My Huong Nguyen**  
Member of Parliament, Vietnam

## **Annex 4: Contacts**

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### **Members of Burkinabé Parliament**

Pending receipt of list from World Bank

### **World Bank Burkina Faso country office**

Claude BATIONO

Catherine COMPAORÉ

Lionel YARO

Fatoumata DIENDERE/DIALLO

Saran Sere SEREME

Fancani NIQUIEBO

Josephine DRABOH nee KANYOULOU

Fidele DIABOUGA

Salifou TIEMTORE

Nestor BASSIERE

Makoura Ema TOU

Alexis BOURGOU

Bassirou K. LY

Alexis KABORE

Tiemoko KONATE

Tone Boukary Jerome ZAMPOU

Sidibou Desire ZAGRE

### **Private sector representatives**

From Syndicat des Commerçants Importateurs et Exportateurs (SCIMPEX)

Sidiki SANOGO

Zaid AZAR

Jean-Louis SERRES COMBES

From Cercle des Jeunes Chefs d'Entreprises (CERCLE)

Mohamed SOGLI

Boureima OUEDRAOGO

From Conseil National du Patronat Burkinabé (CNPB)

Mamady NAPON

Pierre B. KABORE

From Groupem Professionnel des Industriel (GPI)

Ousmane TIEMTORE

Ibrahim TRAORE

Mamady SANON

From Maison de l'Entreprise du Burkina (MEBF)

Issaka KARGOUGOU

Charles BELEMVIRE

From Chambre de Commerce et l'Industrie du Burkina (CCI-BF)

Boureima NANA

Diango Charly HEBIE

**Donor country/organization representatives**

Serge KULYK, West Africa regional representative, World Bank

Theo HOORNTJE, European Commission

Gerard DUIJEJES, Ambassador of the Netherlands

Antoinette DINGA6DZONDO, African Development Bank

Laurent BARBOT, Ambassador of France

R. Christopher BARAT, Chargé de mission, AfD

Moutari KALLA, FFP, USAID

Cecila GUERDRUM, Ambassador of Sweden

Hervé PERIES, representative, UNICEF

Ms. CABRAL, representative, WHO

SEM Tsutomu SUGIURA, Ambassador of Japan

Jules SAVARIA, Ambassador of Canada

Annalisa CONTE, Nutrition program, WFP

Harouna OUEDRAOGO, UNPD

Mogens PEDERSEN, Denmark

**Annex 5: The World Bank in Burkina Faso**

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**International Development Association (IDA)**

Since early 1994, total IDA commitments for Burkina Faso have amounted to US\$1.2 billion, funding 72 operations. This includes 12 budget support operations, including eight Poverty Reduction Support Credits. This sustained support for Burkina Faso's transition to a market economy has been critical and has made a measurable difference in many areas. The current IDA portfolio consists of 17 active projects, with a total volume of US\$817 million, in addition to four regional programs amounting to US\$289 million. Overall portfolio quality and performance are satisfactory.

The Country Assistance Strategy (CAS) for FY06-09, approved by the World Bank's 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. It is built around a results framework that explicitly defines the links between IDA-supported activities, direct outcomes of these activities, and the country's higher-level development outcomes. The CAS seeks to contribute to the following four outcomes:

- Accelerated and shared growth
- Improved access to basic social services
- Increased employment and income opportunities for the poor
- Better governance with greater decentralization

The CAS was reviewed at mid-term (May 2007) in consultation with Burkina Faso's Government, civil society, and development partners. It found that overall, CAS implementation has been satisfactory and made the following recommendations: (i) strengthening Government and donor response to the 2007 cotton crisis; (ii) restructuring World Bank support for private sector development with the objective of supporting mining sector investments and SME development among others; (iii) making further efforts toward harmonization; (iv) integrating a gender parity focus more systematically into World Bank-supported operations; (v) improving the monitoring of fiduciary processes; and (vi) conducting an assessment of governance. In 2007, cotton sector restructuring was the focus of intense and in-depth World Bank/Government dialogue, and price and competitive measures were adopted to stem cotton sector losses.

These measures began to produce results at the end of the 2007/2008 season, although considerable challenges remain. A sharper focus on private sector development is being developed, with considerable progress being made with doing business indicators (Burkina Faso moved up from the 163rd rank in 2007 to the 148th rank in the overall ratings of the 2009 Doing Business Report) and specific efforts to improve understanding of the necessary financial and private sector reforms. Also, governance assessment work involving civil society has started and the World Bank is assisting the Government with improving the functioning of government control and audit institutions.

A new 2010–2013 CAS has been drafted and was approved by the World Bank's Executive Board during its September 9, 2009 session. This new transitional strategy will support the Government's vision through the PRSP, pending adoption of the Government's new Accelerated Growth and Sustainable Development Strategy [Stratégie de la Croissance Accélérée et du Développement Durable SCADD].

### **IFC Role in Country Strategy**

IFC's strategy for Burkina Faso is focused on:

- Improving the investment climate;
- Capacity building for micro-, small, and medium enterprises and support to financial institutions to allow them to serve the SME segment;
- Providing direct technical support to medium-sized enterprises operating in sectors that can have positive externalities on other related sectors (e.g. agriculture, construction, transport); and,
- Offering proactive assistance with project development in the financial, hospitality, infrastructure, and mining sectors.

IFC has also approved a loan equivalent to EUR 7.5 million for ONATEL S.A. in order to permit the telecommunications operator to expand its activities in Burkina Faso. An agreement to transfer 3 percent of ONATEL'S capital to IFC was concluded with the Government in April 2009. IFC has provided a financing guarantee for foreign trade activities in the amount of US\$5 million to Ecobank Burkina (EBF), under an agreement with EBF's parent company, EcoBank Transnational Inc. (ETI). In the infrastructure sector, IFC is working with the World Bank to advise and assist the Government in its bid to craft a sound approach to the new airport planned. IFC has funded a study analyzing the model

proposed by the Government for building the new airport and assessing alternative options for the structure of a public-private partnership.

In the mining area, in June 2009 IFC bought a stake in Gryphon Minerals amounting to US\$2 million. This purchase will allow Gryphon to fund its exploration program underway in the southeastern part of the country.

It should be noted that IFC is in the process of launching a housing sector assistance program called the Burkina Faso Primary Mortgage Initiative (BFPMMI), aimed at (i) improving the legal and regulatory framework; (ii) introducing a modern approach to managing mortgages and strengthening the capacity of lending agencies; and lastly (iii) increasing the number of mortgage loans available.

In conjunction with the World Bank's Investment Climate Department, IFC has created the "Doing Business Better" program, aimed at strengthening specific aspects of the investment climate. This program has already produced significant results through work with the Government, which has adopted measures aimed at creating enterprises, issuing construction permits and land titles, cross-border trade, and the settlement of trade disputes. A new labor code aimed at promoting job creation was also adopted in May 2008.

IFC is reviewing its field presence and plans to recruit an investment officer who will be based at the Ouagadougou office. As of June 30, 2009, IFC's portfolio stood at US\$25.75 million.

### **MIGA Role in Country Strategy**

Exposure - MIGA's portfolio in Burkina Faso consists of one project to support the country's tourism sector, with a gross exposure of US\$3.3 million. The Agency issued guarantees (against the risks of transfer restriction, expropriation, and war and civil unrest) to a Malian investor for its equity investment and loan guarantee toward a hotel renovation and expansion. This project aims to support the country's efforts to establish itself as a regional center for business tourism. It is expected to (i) create local jobs; (ii) facilitate knowledge transfer; (iii) support the growth of small and medium enterprises; and (iv) generate an increase in taxes and foreign exchange for the Government. It covers three of MIGA's priority areas, as it represents a South-South investment in one of the poorest IDA-eligible countries in Africa. This investment is also a collaborative effort between IFC and MIGA and supports the World Bank Group's country assistance strategy for Burkina Faso, which identifies private sector development as one of its pillars.

Pipeline - During FY09, MIGA has worked with Canadian investors to provide guarantees for their investment in a gold mining project in Burkina Faso.

WBI - Burkina Faso continues to be an active participant in WBI programs, particularly in the area of sustainable land management and natural capital, as well as education. Several participants from Burkina Faso also attended WBI regional events, thus learning from and sharing development experiences with others in the region. While no specific country-level programs are currently planned for FY09, it is expected that a number of regional events will attract participation from Burkina Faso.

## **Annex 6: About The Parliamentary Network on the World Bank**

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### **About the Parliamentary Network on the World Bank**

The Parliamentary Network on the World Bank (PNoWB) provides a platform for parliamentarians from over 110 countries to advocate for increased accountability and transparency in International Financial Institutions and multilateral development financing. Founded in 2000, PNoWB seeks to engage law makers from around the globe in the common mission of addressing good governance and poverty challenges in both their home countries and abroad.

Directed by a twelve-member Board elected by their peers, PNoWB is an independent non-governmental organization with a secretariat in Paris. The organization is open to all elected parliamentarians from World Bank member states who hold a current mandate. PNoWB members represent themselves and their constituents, and not their countries, parliaments or governments.

#### PNoWB uses five principles to guide its work:

- *Dialogue*: To facilitate and encourage direct dialogue between parliamentarians and multilateral development institutions to promote greater transparency in development cooperation, particularly with regards to World Bank programs.
- *Advocacy*: To provide PNoWB members with a platform for coordinated parliamentary advocacy on development cooperation issues such as the effective use of funds and full implementation of best practice standards.
- *Networking*: To encourage early debate and information exchange among parliamentarians on issues including good governance, budgetary oversight of development funds and civil society participation in the legislative process.
- *Partnership*: To reinforce cooperation between parliamentarians (i.e. policy makers), the academic community, civil society and non-governmental organizations on issues of good governance and development cooperation.
- *Increased accountability*: To promote the importance of parliamentary oversight in effective democratic control of development assistance in all its phases.

#### **Activities**

PNoWB hosts a variety of activities and special events; participates in and contributes to high-level international discussions; and produces a number of publications to inform development cooperation debates and support parliamentarians in their advocacy for good governance at the local, national and international level.

The Annual Conference is PNoWB's flagship event, bringing together over 200 network members, leaders from civil society and partner organizations, and top officials from a number of International Financial Institutions including the World Bank, IMF and regional development banks. PNoWB annual conferences are hosted by the Parliament and Government of countries where the event takes place.

In addition to the Annual Conferences, one of the network's most well-received activities has been the Parliamentarians in the Field program, which gives MPs unique access to a World Bank country office, its development programs and key partners (including the host country's parliament and civil society). More than 175 MPs from 50 countries have participated in over 20 visits to countries in Africa, Asia, the Balkans, Latin America and the Middle East since the program began in 2001. Parliamentarians in the Field is jointly organized by PNoWB and the World Bank and is supported by a grant from the government of Finland.

PNoWB also regularly participates in a number of special events including global summits, parliamentary assembly caucuses and economic briefing sessions.

### **Publications and Papers**

Written resources include field mission reports, best practice studies, policy briefing documents and a quarterly network newsletter – Network News – with a circulation of more than 2000 readers. Network News features articles from economic and parliamentary experts and leaders including Dominique Strauss-Kahn, managing director of the IMF and Louis Michel, European commissioner for development and humanitarian aid.

PNoWB recently launched its Parliamentarians & Development series, a quarterly, topical briefing paper presenting key issues in development cooperation, aid effectiveness and international financial institutions in a succinct, accessible format and including a short analysis specifically for parliamentarians.

In addition to these regular publications, PNoWB features several special resources such as the Parliamentarian's Guide to the World Bank, a handbook developed jointly by the World Bank and PNoWB to provide an overview of the Bank's governance structure, policies, evaluation and review mechanisms.

### **Policy resources**

PNoWB produces a number of policy resources to support parliamentarians in their advocacy for good governance and increased aid accountability. The Network is compiling a series of ten best practices case studies that clearly illustrate effective parliamentary/World Bank relations leading to improved development outcomes. In addition, PNoWB in an upcoming campaign will seek to empower parliamentarians from donor and partner countries to hold International Financial Institutions -- most notably the World Bank -- accountable to aid effectiveness principles outlined in the Paris Declaration and Accra Agenda for Action in their allocation, administration and transparent evaluation of multilateral development funds. Materials supporting this campaign are available on PNoWB's website as of February 2010.

### **Funding**

PNoWB receives funding from the governments of the Netherlands and the United Kingdom. The *Parliamentarians in the Field* program is financed by the government of Finland. In addition, PNoWB Annual Conferences have been funded by the governments of the Finland, France, Greece, the Netherlands, South Africa, Switzerland and the United Kingdom. The Network also co-supports activities with the World Bank.

## **Annex 7: Parliamentarians and the World Bank Group**

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Parliamentarians can be powerful advocates for development. They set laws, debate and approve foreign aid budgets, review development policies, and hold governments accountable for World Bank financed programs. The World Bank Group, in turn, is an important focus of parliamentary interest as it channels around one-fifth of all aid to the poorest countries. It is also an important source of knowledge and information on poverty reduction.

In its work with parliamentarians, the World Bank Group always keeps in mind that its official counterparts are the Governments of its 185 member countries. Their Ministers of Finance, Economy, Development or Foreign Affairs sit on the World Bank's Board of Governors. According to the mandate given by the Board of Governors, the World Bank Group cannot get directly involved in the domestic political affairs of a country. This means that except in very exceptional cases, World Bank staff cannot testify before a legislative body. However, there are a lot of things that the World Bank does and will continue to do with parliamentarians, a vital constituency with a major role to play in contributing to sustainable development.

### **How does the World Bank engage with parliamentarians?**

#### *The World Bank Group provides information on development cooperation*

The World Bank is a knowledge bank and publishes development related research on for example poverty reduction, the financial crisis, climate change, health and education. It also looks into the functioning of parliaments in a broader governance context and into ways to improve governance by strengthening parliaments. Parliamentarians can benefit from this research through the World Bank website (with a special webpage for parliamentarians) and publications.

#### *The World Bank Group helps strengthen the capacity of parliaments*

Over the past ten years, through capacity building courses of the World Bank Institute (WBI), the Bank has trained over 10,000 Members of Parliament in partnership with parliamentary organizations. Acting both as a knowledge broker and a centre for action research, the Bank works with development partners around the globe to strengthen the capacity of institutions and individual parliamentarians, and delivers training for parliamentary staff. The aim is to enhance parliaments' capacity to effectively fulfill their responsibilities, particularly with regard to oversight of the budget as well as implementation and performance of government policies and programs. Consistent with the Bank's mandate, the Parliamentary Strengthening Program focuses on issues related to the budget cycle and parliamentary administration, as well as the role of parliament in curbing corruption, in poverty reduction and in conflict-affected countries.

#### *The World Bank discusses its research, policies and work with parliamentarians*

The World Bank interacts with parliamentarians through conversations, informal briefing sessions, seminars and video conferences. The Bank may ask Members of Parliament to contribute to open consultations on World Bank policies and Country Assistance Strategies. The Head Quarters office in Washington D.C. regularly receives parliamentary delegations. The World Bank also organizes events together with parliamentary organizations, linking up parliamentarians with experts from not only within the World Bank Group but also from its extensive network. Examples are the Annual Conference of the Parliamentary Network on the World Bank (PNoWB) and the field visit program, through which

the World Bank and PNoWB bring together MPs from different countries, members of government, Bank staff and donors to discuss poverty reduction strategy processes of individual countries, visit project sites and interact face-to-face with stakeholders. Another example is the global issues platform created by GLOBE and the Alliance of Communicators for Sustainable Development (COM+, of which the World Bank is a partner). Through this platform legislators and others discuss environmental and sustainable development issues.

### **Who works with parliamentarians at the World Bank?**

The Parliamentary Relations Team (PRT) is the starting point for parliamentarians to contact the World Bank. The team acts a facilitator, connecting parliamentarians and parliamentary organizations with relevant Bank units and its Country Offices. Through joint activities with for example PNoWB, the PRT creates a platform for mutually-beneficial dialogue between the Bank and parliamentarians.

Country offices and country teams are another entry point to the World Bank Group. World Bank country office staff can help connect parliamentarians to relevant parties at Bank headquarters in Washington DC. Many country offices have Public Information Centers (PICs) where documentation on Bank-financed projects and other key publications can be found. The World Bank Institute (WBI), the Bank's knowledge-sharing arm, strengthens the capacity of parliaments in developing countries through structured learning, knowledge exchanges and support of parliamentary networks so that parliaments can contribute to better development results.

The Poverty Reduction and Economic Management Network (PREM) aims to integrate the Bank's poverty reduction efforts at the country level. Regarding parliamentarians, it strengthens the Bank's operational and analytical knowledge to support country teams that wish to engage with parliamentarians in the context of broader governance activities.

### **More Information**

Please visit the World Bank's website for parliamentarians ([www.worldbank.org/parliamentarians](http://www.worldbank.org/parliamentarians)) or contact the people below for more information.

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