



# **BURUNDI NATIONAL AGOA STRATEGY DRAFT**

**SUPPORTING THE ABILITY OF BURUNDI'S FIRMS TO SUCCESSFULLY  
SELL INTO THE U.S. MARKET LEVERAGING AGOA OPPORTUNITIES**



**February 2014**

This publication was produced for review by the United States Agency for International Development. It was prepared by Chemonics International Inc.



## Contents

<b>Acronyms</b>	<b>iii</b>
<b>Executive summary</b>	<b>1</b>
<b>Part I: Situation analysis</b>	<b>2</b>
<b>1.1. Background</b>	<b>2</b>
1.1.1. The AGOA deal	2
1.1.3. Burundi Economic background	6
1.1.4. Rising concerns	8
1.1.5. Sustainability	8
1.1.6. Precarious Trade Politics	8
1.1.7. Lack of supply	9
1.1.8. Apparel's competitive weakness	9
1.1.9. Diversification	9
<b>1.2. Sector Profiles</b>	<b>9</b>
1.2.1. Textiles and apparel	9
1.2.2. Other sectors – Overview	13
1.2.2.4. Light Manufacturing, Plastic and Metal-based Products	14
	15
<b>1.3. Institutional support</b>	<b>16</b>
<b>2. Part II: Defining Strategic Priorities</b>	<b>18</b>
<b>2.1. Challenges</b>	<b>18</b>
2.1.1. Trade policy	18
2.1.2. US trade-specific challenges	19
2.1.3. Competing in a non-AGOA Distorted International Textile and Apparel Market	20
2.1.3.1 Apparel	20
2.1.3.2 Textiles	20
2.1.4. Transportation	21
2.1.5. New market entry	21
2.1.6. Economy-wide challenges	21
<b>2.2. AGOA Strategy Framework</b>	<b>24</b>
2.2.1 Strategic priority 1: Trade policy	26
2.2.2. Strategic priority 2: Business Support– US Market Focused	27
2.2.3 Strategic priority 3: Business Support –General	29
2.2.4. Aligning for action	29
<b>Annexes</b>	<b>31</b>
Annex I	31
Annex II Ease of Doing Business January 2014	36
Annex III References and consultations	37
References	37
Annex IV: Meeting List	38
Annex V Project background and scope	39
Annex VI: Workshop invitees	40-42

## Acronyms

ACTIF	African Cotton & Textile Industries Federation
AGOA	Africa Growth and Opportunity Act
API	Agence de Promotion des Investissements
ARFIC	Autorité de Régulation de la Filière Café
CIR	Cadre Intégré Renforcé
CFCIB	Chambre Fédérale du Commerce et de l'Industrie du Burundi
CGC	Coffee Growers Confederation
EAC	East African Community
EATH	East Africa Trade Hub
ECA	East and Central Africa
EU	European Union
FDA	Food and Drug Administration
GDP	Gross Domestic Product
GSP	Generalized System of Preferences
ICT	Information and Communications Technology
ITC	International Trade Center
ITD	International Trade Division
LDC	Lesser-Developed Country
MFA	Multi Fiber Arrangement
MdCIPT	Ministère du Commerce, de l'Industrie, des Postes et du Tourisme
MFN	Most Favored Nation
MPACEA	Ministère à la Présidence chargé des Affaires de la Communauté Est Africaine
OTB	Office du The du Burundi
QIZ	Qualified Industrial Zone
SME	Small and Medium Enterprises
SSA	Sub-Saharan Africa
TCFP	Third Country Fabric Provision
TPO	Trade Promotion Organization
UNCTAD	United Nations Conference on Trade and Development
US	United States
USAID	U.S. Agency for International Development
USITC	U.S. International Trade Commission
WTO	World Trade Organization

## Executive summary

The preferential market access granted to Burundi and other African countries through the African Growth and Opportunity Act (AGOA) has yet to benefit to Burundi. In Sub Saharan African AGOA eligible countries, the textiles and apparel sector grew annually at an average rate of five percent since AGOA's adoption and leading non-textile/apparel exports grew annually at as much as 23 percent between 2001-2006 and an overall rate of 12 percent since 2001. However, preferential access to the US market has not yet contributed to the creation of any significant manufacturing activities in Burundi.

Burundi formally became an AGOA-beneficiary country at the start of 2006 but has not exported any significant volume to the US under the program. Burundi's economy is predominantly agriculture-based, with coffee and tea being important commodities.

Compared to other East African countries, Burundi's manufacturing sector is mostly serving the domestic market. Burundi needs to take advantage of AGOA and increase trade links with the US in textile and apparel and other new sectors.

AGOA offers Burundi opportunities that it cannot afford to pass up. The US is a huge market that offers Burundian firms considerable opportunities for business growth. Therefore, the government and the private sector need to actively promote their interest for AGOA's extension beyond 2015, when it is set to expire. Preferential market access is particularly critical for the Textile and Apparel sector.

Supporting the growth of other sectors' exports to the US will require specific sector support to address barriers to US market entry such as market knowledge, buyer linkage, and addressing regulations required for entry into the US market such as US sanitary and phytosanitary requirements. Support of this kind will require considerable resources - both public and private.

Finally, all businesses in Burundi face market barriers that make doing business difficult and costly. These are not unique to firms that are doing business with the US, but they are too fundamental to leave unaddressed. Therefore, the AGOA strategy will actively focus on the general business barriers faced by Burundi's entrepreneurs and specifically those that disadvantage firms that export to the US.

The objective of the AGOA strategy is to support the ability of Burundi's firms to successfully sell into the US market, leveraging every opportunity that AGOA provides.

The AGOA Strategy will focus on:

**Focus area 1: Trade policy**

**Focus area 2: Business support in view of US trade specifics**

**Focus area 3: General business support**

## **Part I: Situation analysis**

### **I.1. Background**

#### **I.1.1. The AGOA deal**

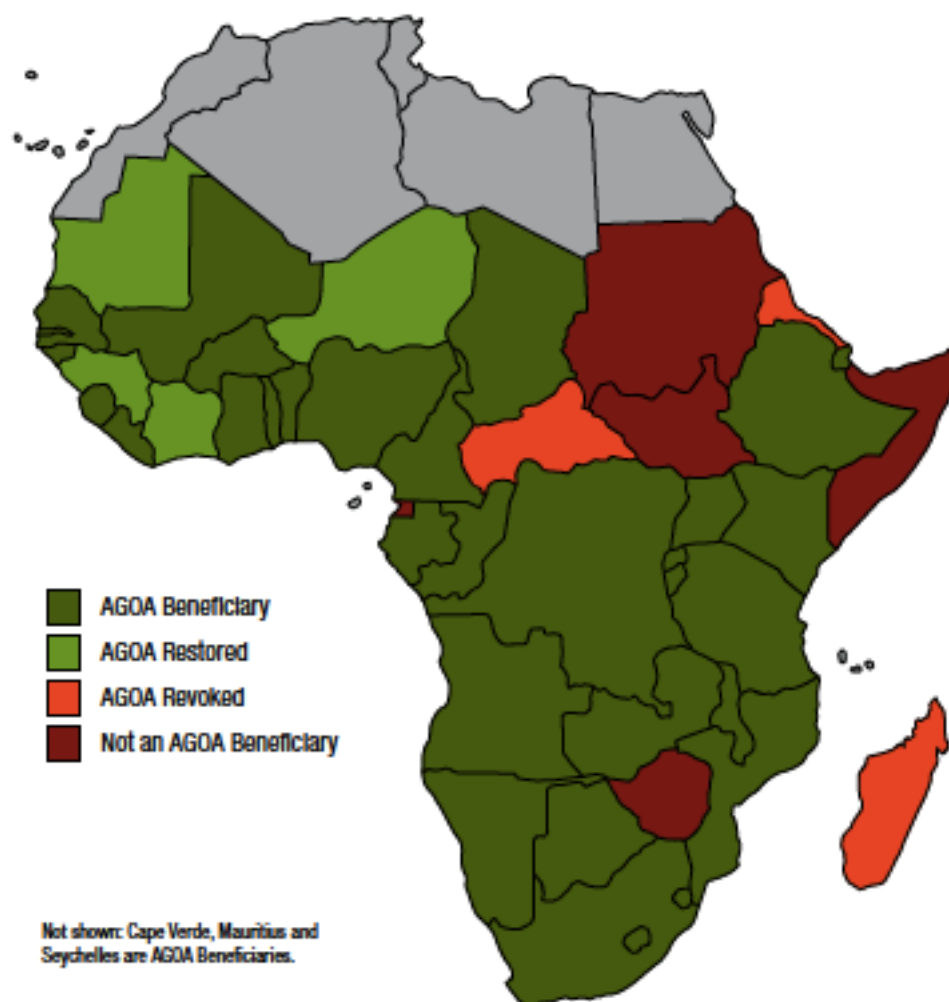
A summary of the AGOA's evolution is provided in Table I below. Key provisions of AGOA since its inception include:

- The Africa Growth and Opportunity Act (AGOA) passed as part of the Trade and Development Act of 2000, which provides beneficiary countries in Sub-Saharan Africa (SSA) with the most liberal access to the United States (US) market available to any country or region with which the US does not have a free trade agreement.
- The thinking behind AGOA was based on the existing Generalized System of Preferences (GSP), used in the international trade regime since 1971. This is a non-reciprocal concession covering 4600 products under which the US allows duty-free or low-duty entry of imports from selected developing countries up to a certain limit or quota. However, the US excludes critical developing world exports such as textiles, clothing and footwear.
- AGOA built on the same idea but expanded product coverage by an additional 1800 product lines (which has since increased further) and has included many critical SSA exports, especially textiles and apparel. Local content restrictions were also subsequently eased for particular products.
- A major thrust of AGOA has been to support the ability of African economies to use the textile and apparel sectors as potential engines of economic growth, in much the same way as historically happened in South and South East Asia.
- A "special rule" named Third Country Fabric Provision (TCFP) permits lesser developed AGOA beneficiary countries to utilize fabric manufactured anywhere in the world, unless the fabric is designated as being in 'abundant supply' from within SSA. Burundi has recently applied for TCFP eligibility. This will significantly improve the capacity to export for local apparel firms.

**Table 1: Summary of different AGOA Acts**

<b>Date</b>	<b>AGOA act</b>	<b>Summary</b>
2000	AGOA	Provided beneficiary countries in Sub-Saharan Africa with the most liberal access to the US market available to any country or region with which the US does not have a free trade agreement
2002	AGOA II	Botswana/Namibia included as Lesser Developed Countries (LDCs); additional textile provisions
2004	AGOA III	Extended AGOA until Sept. 2015 and the third country fabric provision until Sept. 2007; increased emphasis on US technical assistance in agriculture; Burundi becomes AGOA eligible on December 22, 2005
2006	AGOA IV	Extended third country fabric provision until 2012 and adds abundant supply provisions
2012	AGOA IV (con't)	Extended third country fabric provision until September 2015, Burundi recently applied

**Map 1: AGOA Beneficiary Countries**

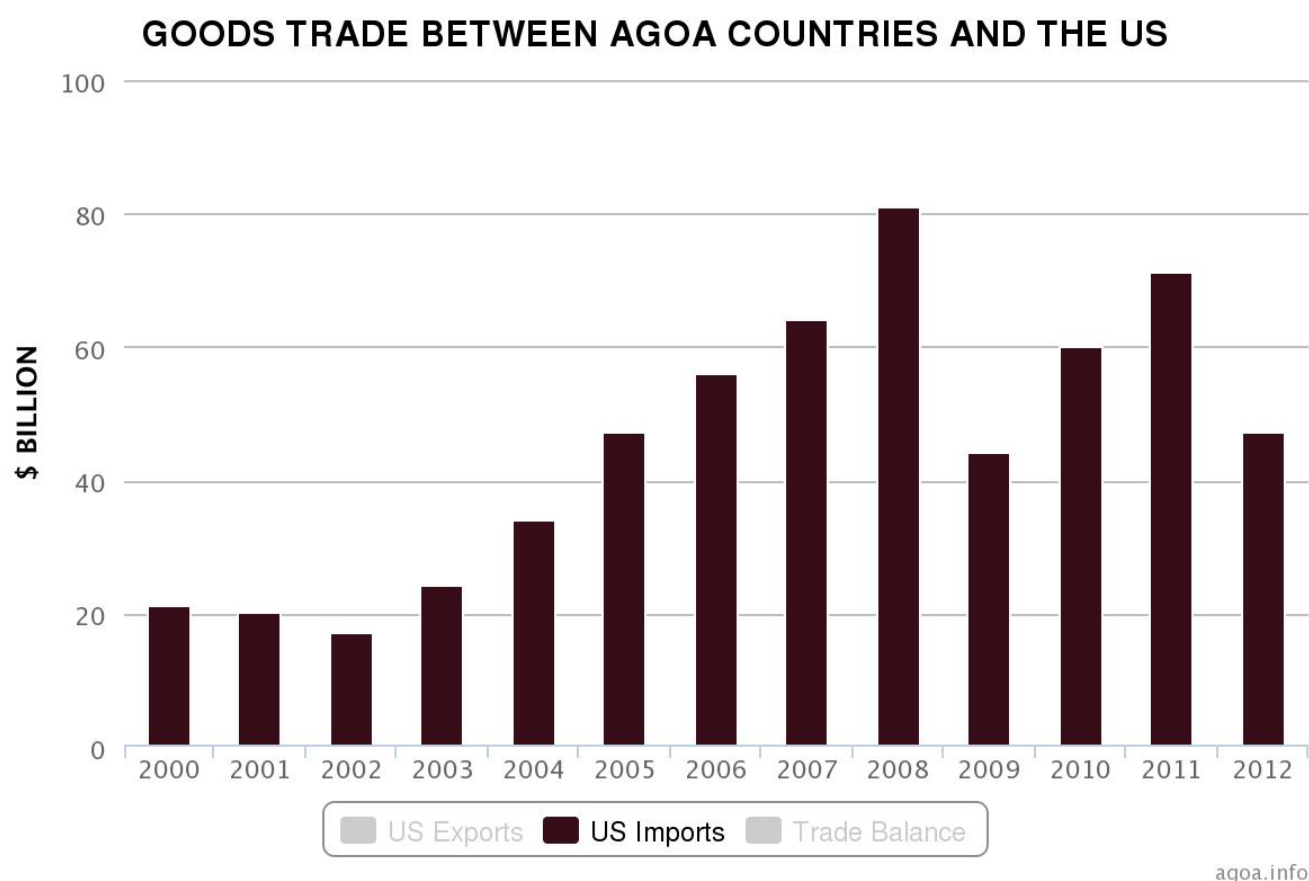


## 1.1.2. Results to Date

AGOA has had a clear impact in stimulating Africa-US trade: all exports, including energy related products, from AGOA-eligible countries have grown over 300 percent, from \$21.5 billion in 2000 to \$47 billion in 2012. It has created over 300,000 jobs, many of which are in the apparel sector and industry that provides employment opportunities for women.

However, the end of the Multi Fiber Arrangement (MFA), which imposed quotas on the amount of textile and apparel developing countries, could export to developed countries in 2005, led to a collapse in growth in 2007-2009. As export restrictions did not apply to many LDCs, the MFA enabled industry growth in these countries. With the end of the MFA came increased competition, mainly from China, whose textile and apparel exports expanded in the US market. Coupled with the onset of the American recession in 2009, textile and apparel exports experienced a drastic decline. Fortunately, we are currently seeing a steady growth in AGOA exports in East African Countries, especially Kenya and Ethiopia

**Table 2: Goods Trade between AGOA eligible countries and the US**



### 1.1.3. Burundi Economic background

Burundi is a landlocked, resource-poor country with an underdeveloped manufacturing sector. Burundi's economy is predominantly agriculturally based and agriculture outputs account for just over 30% of the Gross Domestic Product (GDP) and employs more than 90% of the population. Burundi's primary exports are coffee and tea, which make up 90% of its foreign exchange earnings - though exports are a relatively small share of GDP.

Burundi's export earnings depend primarily on weather conditions and international coffee and tea prices. Other economic indicators such as food security, health access and infrastructure development remain very low. Burundi's GDP grew around 4% annually between 2006 and 2012. Political stability and the end of the civil war plus an increase of foreign aid and economic activity have improved Burundi's economy, but high poverty rates, poor education indicators, a weak legal system, a poor transportation network, overburdened utilities, and low administrative capacity risk undermining planned economic reforms. The purchasing power of most Burundians has decreased as wage increases have not kept up with inflation.

Burundi remains heavily dependent on aid from bilateral and multilateral donors - foreign aid represents 42% of Burundi's national income, the second highest rate in SSA. In 2009, Burundi joined the East African Community (EAC) and received \$700 million in debt relief. These policy improvements should boost Burundi's regional trade ties and increase exports (Source: World Factbook, 2013)

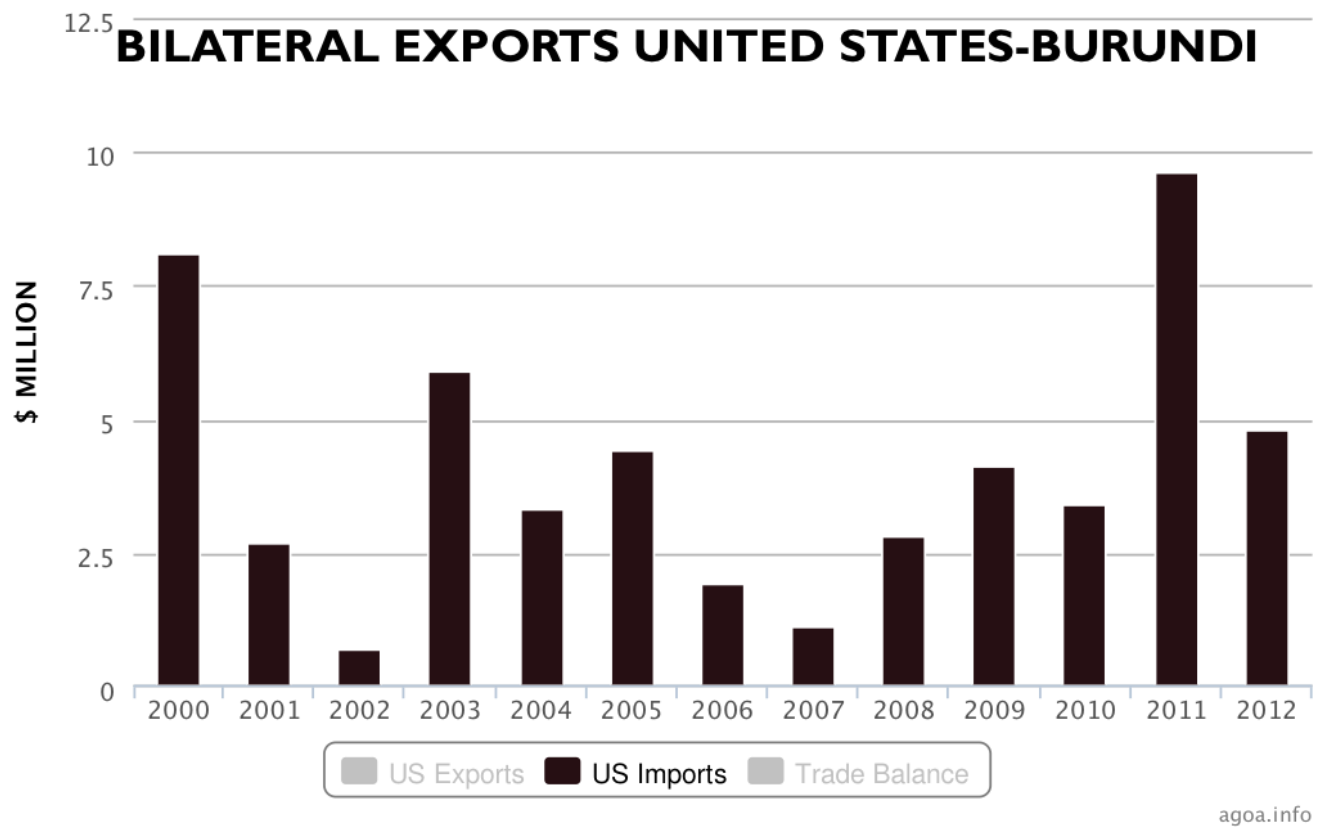
**Table 3: Bilateral Goods Trade US-Burundi**



agoa.info

Source: USITC agoa.info

**Table 4: Burundi's Exports to the US**



Source: US International Trade Commission (USITC) data

#### **1.1.4. Rising concerns**

Despite these achievements, there have been concerns about the future of AGOA. In general terms, the advantages of AGOA – as with all preference systems – are eroding over time, as they are relative to a most-favored nation (MFN) tariff that will likely decline with further multilateral liberalization.

More specific concerns relate to:

- 1. How competitive will Burundi be in the future?**
- 2. How sustainable is the development of an apparel sector?**
- 3. Why some non-apparel sectors are facing difficulties?**

#### **1.1.5. Sustainability**

In 2005, the end of the MFA agreement, which allowed countries to impose varying restrictions such as duties and quotas on textile-related imports from specific countries, meant that the US market became open to increased apparel imports from China, India and Southeast Asia.

Although US restrictions on Chinese exports have somewhat reduced the effects of the opening of the US apparel market, it remains to be seen how long they will last. Producers from other countries such as Vietnam and Bangladesh are more competitive than Burundi's producers. However, these new competitors will have lesser impact on Burundi if the private sector starts developing products of higher value in terms of creativity and fashion.

#### **1.1.6. Precarious Trade Politics**

Burundi's textile industry struggles to remain competitive against its global rivals.

Burundi faces competition from China, India, Bangladesh and Vietnam, all with strong textile and apparel sectors. Currently, US policy-makers are considering granting trade advantages to a wider range of countries that share similar economic indicators.

Time may be running out on AGOA, but not necessarily because of the 2015 expiration date that will most likely be renewed. Instead, it's unclear whether the economic advantages of AGOA will still exist for African countries. Burundi's textile and apparel exporters will thus need to develop a business advantage over their competition based on firm-level advantages, rather than advantages offered by US trade policy.

### 1.1.7. Lack of supply

Although Burundi has developed a textile supply sector, a feasibility assessment of whether the country can develop an industry that meets quality and quantity end market requirements at globally competitive prices should precede major textile investments.

### 1.1.8. Apparel's competitive weakness

Similar concerns regarding the capacity of Burundi to support a cotton and textile supply sector exist in the apparel sector. It is questionable whether Burundi's apparel exporters can compete on the global market. If exporters do indeed have potential, the question of how long it will take and the necessary steps needed to become competitive must be considered.

Currently, Burundi apparel firms will compete internationally thanks to a mix of trade policy advantages, and firm and country-level advantages. Changing this requires careful analysis of where and how Burundi can increase business-based advantages in the context of a level international playing field. Only then can the industry take the necessary action steps towards increased competitiveness.

### 1.1.9. Diversification

Given the strong global competition and the internal competition within AGOA eligible countries, Burundi cannot rely on one sector alone. A multi-sectorial approach has to take advantage of the market opportunities that AGOA offers.

## 1.2. Sector Profiles

### 1.2.1. Textiles and apparel

AGOA will have a positive impact on Burundi's textile and apparel sector if appropriate policies are implemented and some investments are decided.

Burundi is privileged to have a large vertical textile mill in Bujumbura. However, more investments are needed in the weaving sector. Even if efficiency and productivity still need to improve, this textile mill should be the base of the AGOA Textile and Apparel export strategy.

Such a textile vertical mill will allow new apparel companies to find fabrics in country, alleviating part of the cost of bringing materials from a distant port at high cost.



In the making of basic products like uniforms, very often made of a blend of cotton and synthetic fiber, Burundi will find the highest tariff advantage. When a garment is made of more than 50% synthetic fibers like polyester, rayonne viscose, or polyamide (Nylon), the applicable US tariff for non AGOA exports to the US can go up to more than 30%, providing a significant competitive advantage.

There are numerous examples of Chief Value Synthetics (CVS) products currently in high demand in the US. For example, polyester/cotton products in the uniform industry and Triblend (Polyester/rayon/cotton) in the women's fashion sector are currently manufactured in other AGOA countries like Kenya or Mauritius.

Burundi is currently applying for Third Country Fabric Approval. Once approved, the sector will experience the launch of new products in which Burundi is not currently active.

The emergence of new products will enable diversification of Burundi's textile and apparel resulting in business opportunities. Given that Burundi is a landlocked country, air shipping is attractive to the buyers. A good example of this could be the sewing of children's clothing. These lightweight garments are cheaper to ship by air. Traditional cottage-industry craftsmanship is a competitive advantage in the creative making of these products

Given that AGOA specifically sought to encourage Africa's movement into the textile and apparel export market, this sector should be the first to be actively promoted in the US market

**Table 5. Comparative production and delivery costs of men's pants (US\$) IMPORTED FABRIC**  
**Cost of Basic Men's pants: 13-Ounce 100 Percent Cotton 5-Pocket**

Factory in:	Burundi	Kenya	Lesotho	Jordan Qualified Industrial Zone (QIZ)	China	Mauritius
Fabric from:	China	China	Lesotho	China	China	Mauritius
Fabric cost per linear meter (factory gate)	\$2.40	\$2.10	\$2.10	\$2.10	\$2.00	\$2.10
Fabric yield per garment—linear yards	1.5	1.5	1.5	1.5	1.5	1.5
<b>Total fabric cost per garment</b>	<b>\$3.60</b>	<b>\$3.15</b>	<b>\$3.15</b>	<b>\$3.15</b>	<b>\$3.00</b>	<b>\$3.15</b>
Trims from:	China	China	South Africa	Israel/China	China	China
Trim cost per garment (thread, rivets, pocketing)	\$1.20	\$1.20	\$1.30	\$1.30	\$1.00	\$1.20
Cut/make/finish per garment (including wash)	\$1.25	\$1.25	\$1.40	\$1.80	\$1.25	\$1.80
Average profit per garment	5 percent	5 percent	5 percent	5 percent	5 percent	5 percent
<b>Ex-factory cost per garment</b>	<b>\$6.35</b>	<b>\$5.88</b>	<b>\$6.14</b>	<b>\$6.56</b>	<b>\$5.51</b>	<b>\$6.46</b>
Average shipping cost per garment	\$0.34	\$0.15	\$0.25	\$0.15	\$0.07	\$0.15
Tariff where applicable	0 percent	0 percent	0 percent	0 percent	16 percent	0 percent
<b>Landed cost, including duties</b>	<b>\$6.69</b>	<b>\$6.03</b>	<b>\$6.39</b>	<b>\$6.71</b>	<b>\$6.48</b>	<b>\$6.61</b>

Source: USAID-East Africa Trade Hub (EATH), "US Apparel End Market Analysis," July 2011.

Notes: Product: **Basic Men's pants: 13-Ounce 100 Percent Cotton 5-Pocket**

**Table 6. Comparative production and delivery costs of men's pants (US\$) DOMESTIC FABRIC**  
**Cost of Basic Men's pants: 13-Ounce 100 Percent Cotton 5-Pocket**

Factory in:	Burundi	Kenya	Lesotho	Jordan Qualified Industrial Zone (QIZ)	China	Mauritius
Fabric from:	Domestic	China	Lesotho	China	China	Mauritius
Fabric cost per linear meter (factory gate)	\$2.00	\$2.10	\$2.10	\$2.10	\$2.00	\$2.10
Fabric yield per garment—linear yards	1.5	1.5	1.5	1.5	1.5	1.5
<b>Total fabric cost per garment</b>	<b>\$3.00</b>	<b>\$3.15</b>	<b>\$3.15</b>	<b>\$3.15</b>	<b>\$3.00</b>	<b>\$3.15</b>
Trims from:	China	China	South Africa	Israel/China	China	China
Trim cost per garment (thread, rivets, pocketing)	\$1.20	\$1.20	\$1.30	\$1.30	\$1.00	\$1.20
Cut/make/finish per garment (including wash)	\$1.25	\$1.25	\$1.40	\$1.80	\$1.25	\$1.80
Average profit per garment	5 percent	5 percent	5 percent	5 percent	5 percent	5 percent
<b>Ex-factory cost per garment</b>	<b>\$5.72</b>	<b>\$5.88</b>	<b>\$6.14</b>	<b>\$6.56</b>	<b>\$5.51</b>	<b>\$6.46</b>
Average shipping cost per garment	\$0.34	\$0.15	\$0.25	\$0.15	\$0.07	\$0.15
Tariff where applicable	0 percent	0 percent	0 percent	0 percent	16 percent	0 percent
<b>Landed cost, including duties</b>	<b>\$6.06</b>	<b>\$6.03</b>	<b>\$6.39</b>	<b>\$6.71</b>	<b>\$6.48</b>	<b>\$6.61</b>

Source: USAID-EATH, "US Apparel End Market Analysis," July 2011.

## 1.2.2. Other sectors – Overview

The primary focus and advantage of AGOA to exporting countries is – and was intended to be – in textiles and apparel. This is the plan for the future in Burundi. However, Burundi has not seen growth in exports to the US in non-textile and apparel sectors either although the results are less dramatic. The degree of growth which is attributable to AGOA or is simply part of the general trend of Burundi's lack of growth in exports remains unclear.

### 1.2.2.1. Home Décor/Craft products home

Burundi is home to some of the most prolific craft artisans in Africa. However, without a National strategy, these sectors will not be successful in exporting to the US market.

Burundi has many skilled human resources in the craft sector. Local artisans make embroideries, silk paintings, metal work, sculptures, beading, basket weaving, and wood pyrography. These handicrafts are primarily designed for the tourist market. Artisans find it difficult to become export-ready without the help of the government. Burundi has a few larger companies who appear to be better equipped to export than others. Overall, this industry can create employment through numbered Small and Medium Enterprises (SMEs).

The challenge remains to define a specific export strategy. Exporting crafts will be good both for Burundi's economy in general and especially for women in rural areas who traditionally make the crafts.

The work in Africa of the very successful US retail group Anthropologie is a very interesting example of a success story. Building on existing traditional skills, existing materials, Anthropologie works with local artisans to create new products, which they will be able to market in large numbers in the US.

However, traditional craft products are not usually ready or created to be ready for export to the US or other foreign markets. Traditional craft products are usually made for local sale to fellow Burundis or to tourists. To become export ready, Burundi craft makers need to work with potential US buyers to make products that can be marketable in the US. This creative process is an interactive one that requires all stakeholders to work together in order to make a successful product.

### 1.2.2.2. Jewelry

The same marketing policy applies to Jewelry. The jewelry market, which includes metal, beads, pearls, semi precious stones, imitation jewelry and accessories, could be an interesting growth sector for a landlocked country like Burundi because of their relative ease to export by air.

### **1.2.2.3. Accessories, trims, packing and packaging**

These sectors are key to the development of any export industry. Without buttons, zippers, cartons, innovative packaging, buyers will not find interest in sourcing in Burundi. These components are still too often imported, adding to lead times and transport costs.

### **1.2.2.4. Light Manufacturing, Plastic and Metal-based Products**

Ranging from cutlery, hardware, fabricated metal, forgings, plastic items, this sector comprises of a diverse range of metal and plastics-based products.

For most of the items in these categories, the main competitive advantage should be at the firm level. An innovative approach to the US market in terms of creativity and branding is more important than a very limited competitive advantage based on duties.

### **1.2.2.5. Live animal exports**

Burundi's exports include exotic fishes. This activity, started before AGOA was implemented, is typical of exports based on a competitive advantage at firm level. These exporters need a business proactive environment to develop their activities. There is a significant expertise required for this activity that includes technical expertise in breeding exotic fishes, as well as competence to export live exotic fishes by air.

### **1.2.2.6. Cut Flowers**

Although to volume is smaller by comparison with neighboring countries Kenya and Ethiopia, cut flowers are currently exported from Burundi to Europe. To find a market in the US, this sector should create more visibility for their products. As direct air flights might not be available in short term, this sector may need to approach regional consolidators to be able to export to the US

## **1.2.3. Non AGOA exports, Coffee, Tea and others**

The biggest export sector in Burundi is coffee with tea coming in second. Coffee and tea are exported duty free to the US under a specific category but are not a part of AGOA.

Coffee and tea farmers are engaging with international coffee and tea buyers to work together to improve coffee quality which results in higher prices to farmers. In an effort to create and maintain sustainable coffee and tea relationships, the direct trade business of coffee and tea has been developed on the basis of transparent contracts between producers and buyers.

Direct trade of Burundi coffee is limited to those coffees that the Burundi's regulatory authority, Autorité de Régulation de la Filière Café (ARFIC), qualifies as specialty coffee. For those coffees, buyers are free to develop trade with producer groups and to negotiate coffee purchases with complete transparency. Sales of specialty coffee are conducted by individual cooperatives, or *sogestals* as Burundis call them, representing producers at coffee washing stations or through the individual or cooperative owners of private washing stations.

In either case, direct sales of Burundi coffee require a licensed *exporter*. After selecting an exporter, buyers can communicate their requests for coffee samples they wish to cup for evaluation. Once the buyer decides on a coffee and reaches agreement with the seller on a price, the exporter prepares the contract and is responsible for all necessary steps in its fulfillment, including the milling, transmittal of pre-shipment samples, preparation of export documents, obtaining coffee clearances from ARFIC, arrangements for overland shipping to ports and securing payment for the coffee from the buyer.

Coffee auctions in Burundi are now conducted on an irregular basis. A sales committee called "Comité de Commercialisation" is represented by *sogestals*, dry mills, ARFIC and the Coffee Growers Confederation (CGC). Together they determine what coffees will be sold at auction. The CGC follows stocks of parchment coffee and when it reaches a certain level, the CGC schedules an auction at ARFIC headquarters in Bujumbura. Bidders are notified so that they can cup samples prior to the auction. The Sales Committee accepts bids via e-mail as well as the traditional paper bids at the time of the auction.

Burundi green coffee is exported by means of two major ports on the Indian Ocean - the Kenyan port of Mombasa and the Tanzanian port of Dar es Salaam. Green coffee exported by means of Dar es Salaam is shipped from Bujumbura to Kigoma in Tanzania at which point it is transferred via rail or truck for its final leg to Dar es Salaam. Green coffee exported by means of Mombasa is transported directly from the warehouses in Burundi to Mombasa by truck.

Imports of tea, coffee, and spices to the US are subject to review by the Food and Drug Administration (FDA) who determines their admissibility. To be eligible to do business in the US, exporters need to contact the FDA to obtain instructions on how to label the products (i.e., ingredients, nutrition, content etc.)

All commercial imports of food products require the filing of Prior Notice with FDA. To export to the US, Burundi's manufacturers and/or distributors of food products must register with the FDA before their goods may be admitted.

There are no restrictions or quotas on coffee, tea, and spices on whether they are bottled, brewed or packaged. This means that there are no limits to the amount of these products that Burundi can export into the US.

### 1.3. Institutional support

There are a number of organizations that need to take advantage of trade opportunities offered by AGOA. In many countries, AGOA has, in fact, played a catalytic role in directing increased technical assistance toward export readiness for the US market. This has arguably been just as important in boosting trade to the US as the reduced tariffs that AGOA offers. Below are summaries of some key institutions in Burundi that need to play a role in promoting exports.

#### **National Organizations:**



MINISTRY OF TRADE, INDUSTRY, POST AND  
TOURISM **GOVERNMENT OF BURUNDI**



The Agency's overall mission to promote investment and exports and to inform investors about anything related to promoting investment and exports. They also assist and support investors in general and exporters in particular in obtaining such documents and other formalities required by law. Finally, the Burundi Investment and Promotion Authority helps design the reforms required to improve the business climate and challenge the government on cases of non-application or misapplication of any law if necessary.

#### ***Federal Chamber Of Commerce and Industry of Burundi (CFCIB)***

The Burundi Federal Chamber of Commerce and Industry is the head body for private sector organizations in Burundi. It adopted its present form in 2008 and brings together ten sectorial chambers and two cross-sectorial chambers. Each chamber represents the interests of the private sector in dialogue with government on matters of interest to business.

CFCIB is federating the following sectors:

Tourism, Transport, Information, Communication and Technology (ICT) and Telecom in Burundi, Health, Education, Real Estate Sector Burundi, Financial, Agriculture, Animals and Fisheries, Energy, Burundi's Liberalized Economy, and the Public Sector.

## **Regional Organizations:**

### ***African Cotton & Textile Industries Federation (ACTIF)***



ACTIF is a regional association with 38 members in 20 countries whose main function is in advocacy, particularly around extension of third party fabric rule. ACTIF also connects trade partners through its 'Cotton Africa' website, supports apparel investment through participation at trade fairs, and provides technical training in partnership with its member associations.

### ***East Africa Trade Hub (EATH)***



EATH provides support to utilize market opportunities of AGOA at both the national and firm levels by helping firms prepare and participate in trade shows and arranging and leading delegations to attend.

EATH conducts US-specific export readiness training with pre-vetted firms, with consultants based in the US for its focus sectors and also leads inward US buyer delegations, developing buyer-mentor groups. EATH launched 'Origin Africa', a brand that promotes purchase of African products and builds a global African product identity.

Focus sectors of EATH include: apparel, floriculture, specialty foods, footwear, home décor and fashion accessories.

## **Part II: Defining Strategic Priorities**

### **2.1. Challenges**

The overwhelming challenge facing Burundi's private sector is to meet the requirements of the US market - a new and large market for Burundi. To be competitive, Burundian transportation and logistics systems must be established and comply with entry regulations. Also, the needs of US buyers should be understood and Burundian products must be adapted to their buyer's requirements. Supporting private firms in this process can be effective in increasing Burundi's exports to the US. Increasing the volume of non-textile and apparel exports to provide wider opportunities for Burundi's private sector.

A one-dimensional focus on entering into the US market is not an adequate approach to expanding Burundi's economy. The current business environment in Burundi puts local firms at a disadvantage to their international competitors who are also pursuing US opportunities. Addressing high transportation costs, erratic and costly energy supply is a necessary step to bolstering trade with the US as well as improving Burundi's overall economy.

A United Nations (UN) Conference on Trade and Development (UNCTAD) report stated that: "The overall thesis of this analysis can be summarized as follows: tariff preferences in general offer a relatively small and declining margin of preference to developing countries, and the additional benefits of the AGOA preferences represent a modest expansion over the preferential treatment that sub-Saharan countries already enjoyed under the GSP." It continued to state that: "the non-tariff aspects of the program may ultimately be much more important to the beneficiary countries than are the tariff preferences per se."

UNCTAD's statements are a harsh assessment of the advantages of AGOA to Africa that may be that way because it reflects an early assessment of AGOA. In regard to the textile and apparel sector, AGOA has created an apparel industry in several African countries on a scale that the country would unlikely have achieved without preferential access to the US market.

However, the strong trade regime-based advantages that AGOA offers means that Burundi, if it wants to take advantage of AGOA, needs to develop an industry whose competitive edge is based on both policy and firm-level advantages. That said, AGOA itself should not be overlooked. It provides important advantages to Burundi's firms and is pivotal to the current competitiveness of Burundi textile and apparel sector which needs to mature under the protection of AGOA preferences. In anticipation of a renewal of AGOA, Burundi, as a member of the EAC community, should do what it can to extend the advantages AGOA offers for as long as possible.

#### **2.1.1. Trade policy**

Burundi must do what it can to develop a US market-focused export sector that competes globally and is based on firm and country-level competitive advantages and

not trade regime-based advantages only.

Although Burundi's firms will be affected differently depending on the route which AGOA negotiations take, what Burundi does from this point on will not be substantially different.

Regardless of what happens with AGOA negotiations, Burundi must work to put its US-focused firms on strong competitive foundations. If AGOA is extended beyond 2015, firms will have more time to prepare a successful transition to a post-AGOA global trade economy.

The action steps that Burundi's Government and private firms must take will remain similar regardless of AGOA's expiration timetable but will be impacted if the Third Country Fabric Provision (TCFP) is not granted.

Below is a summary of different AGOA scenarios and potential actions and outcome.

**Table 7. AGOA Scenarios and Possible Outcomes**

Scenario	Action	Outcome
<b>AGOA Extended without the Third Country Fabric Provision (TCFP)</b>	• Develop local textile sector and ties with regional suppliers	• Apparel will not be able to grow and diversify
	• Build the firm-level competitiveness of US-focused exporters	• It will have to focus on domestic market
<b>Both the TCFP and AGOA extended</b>	• Ensure a supportive business environment	• Textile and Apparel industry will grow and diversify
		• Most other product exporters continue with similar advantages under GSP as AGOA

**The Government of Burundi should actively promote the advantages that can be gained by the extension of AGOA.**

### **2.1.2. US trade-specific challenges**

All export businesses face challenges. In the context of AGOA, some of these challenges are general and relevant to many Burundi's businesses while others are more specific to trading with the US. The below box shows the US-specific trade challenges:

### US Specific Challenges:

1. Building the competitiveness of the textile and apparel industry so that Burundi's firms can compete in a fair trading environment
2. Managing transportation to distant US markets
3. Facilitating entry into a comparatively new market

## 2.1.3. Competing in a non-AGOA Distorted International Textile and Apparel Market

### 2.1.3.1 Apparel

AGOA provided incentives to develop a competitive advantage for African firms, thus opening up space in the international market for Burundi firms.

However, Burundi must compare its cost structures to those of its closest competitors and assess whether it can remain competitive in the absence of the duty advantages that it currently enjoys. Where it is not competitive, Burundi must decide how it can reduce costs so that it is competitive in that market. Otherwise, it can shift resources to different products to create a competitive advantage in the sector. Failing both, it will need to develop a plan for exiting that product market altogether.

US Tariffs on non-AGOA Exports to the US		
Cotton Products	→	16%
Cotton/ Polyester Mix	→	29-31%

### 2.1.3.2 Textiles

In much the same way that the apparel sector needs to assess the likelihood of developing into a globally competitive sector without duty advantages, Burundi needs to determine whether it can increase capacity in a viable local textile sector to supply apparel makers with the necessary range of inputs at prices that are close to current import prices. This assessment will play an important role in determining the competitiveness of the apparel sector.

However, evaluating competitiveness and then taking action in the textile sector will be comparatively more complex than with the apparel sector. While apparel firms need to make crucial changes if they are to compete in the future, the textile sector requires many changes including capacity building for the long-term. The textile sector will take bigger investments and more time to work up through the value chain. It will also require considerable coordination among different actors.

If Burundi struggles to increase a viable local textile sector, the country will have to build ties to textile producers in the region to cultivate a reliable supply base.

#### **2.1.4. Transportation**

Due to the distance between Burundi, coastal ports, and the comparatively high transportation costs to the US, Burundi suppliers are at a disadvantage to their Asian or South American competitors. Improved transportation connections to the US would reduce lead times, increase competition and therefore reduce costs.

#### **2.1.5 New market entry**

As a new large market for Burundi's products, there are key challenges that Burundi's firms face in penetrating the US. Included are as follows:

1. Understanding the market's needs and finding buyers
2. Complying with market entry regulations, particularly for plant, specialty food and animal products
3. Setting up the infrastructure and relationships with other service providers to access the market, from banks to transporters.

Connecting exporters to buyers and building knowledge and trust between them is crucial to expanding US exports. Tradeshows are a good avenue for this and considerable support has already gone towards establishing relationships between exporters and buyers in the tradeshow forum. In addition, actionable market data is also essential and must move beyond generalities to product-specific details. Finding actionable market data is currently a barrier to improving trade.

US regulatory environment continue to be a barrier for Burundi's exporters, and will continue to be so particularly for new products.

Finally, Burundi's exporters need to develop their industry and support systems to be able to efficiently get their products to the US buyers. Access to European Union (EU) markets is a bit more developed; making it is easier for new businesses to begin selling to buyers in the EU than it is to sell to buyers in the US. This is because compared to the EU market, the US market is newer and has less developed trade support infrastructure in place. To encourage more firms to embark on US-focused trade, there needs to be a more streamlined coordination between firms and service providers in both the US and Burundi to reduce the risks, costs, and time firms incur in trading with the US.

#### **2.1.6. Economy-wide challenges**

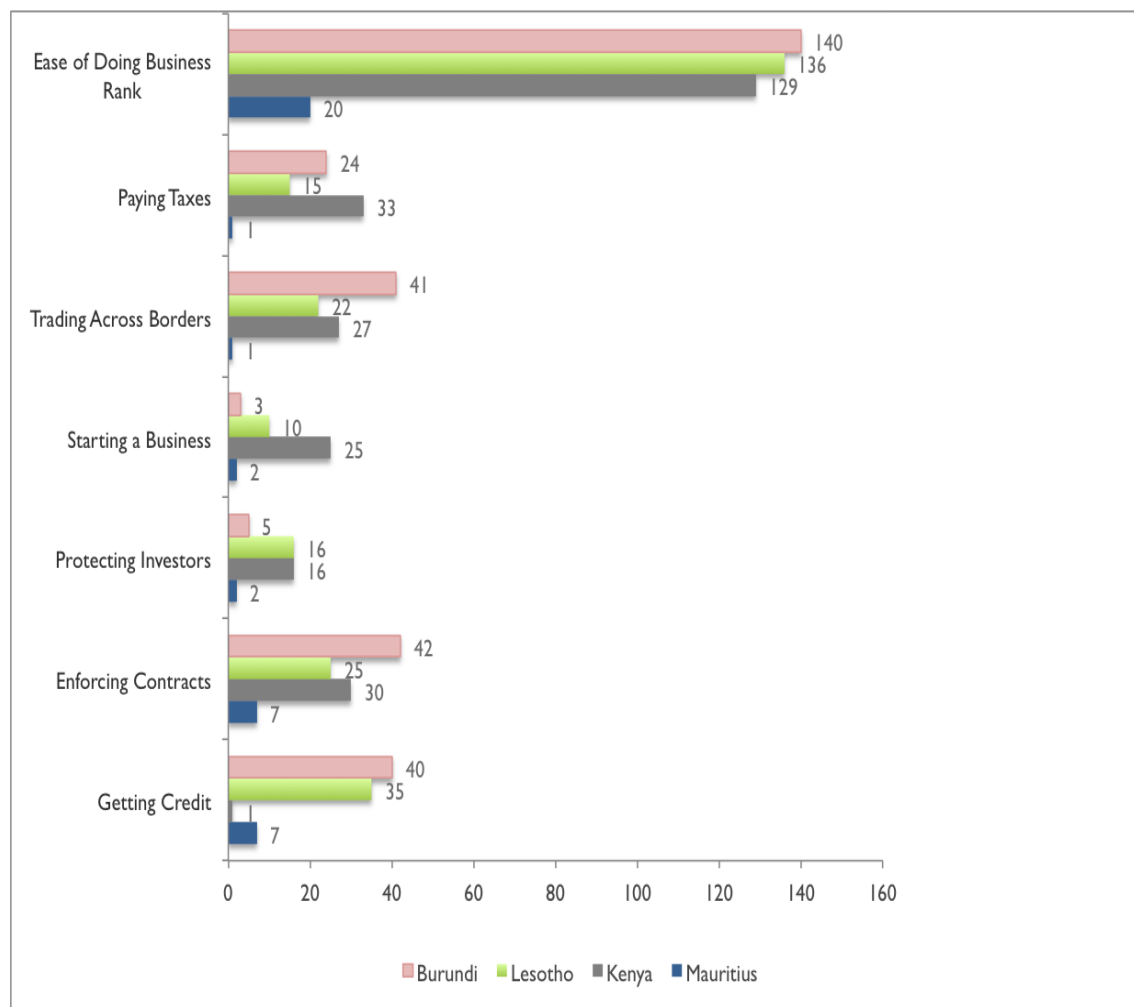
All private firms in Burundi face challenges in doing business, whether or not they export to the US. Addressing these issues is primarily the responsibility of various public institutions, with deeper economic implications than Burundi's trade with the US alone.

Unless some of these fundamental business environment challenges are confronted, Burundi's exporters to the US will always be doing business with one hand tied behind their back. Therefore, some larger business challenges have to be highlighted and pressure brought to bear to bring them to the fore.

To understand the scale of these challenges, it is useful to put them in context of other countries and the degree to which they face similar obstacles. This gives perspective and shows what improvements should be pursued by public and private action.

Kenya, Lesotho and Mauritius can serve as useful comparison countries because they are AGOA beneficiaries and have demonstrated success in private sector-led economic growth and are very active in the textile and apparel sector. The below chart created by the World Bank's "Doing Business" survey is an interesting benchmark because it shows the three countries that are the largest exporters of textile and apparel to the US under AGOA.

**Table 8. World Bank Doing Business Ranking 2014: Burundi, Kenya, Lesotho, and Mauritius Comparison**



Source: World Bank Doing Business January 2014: [www.doingbusiness.org](http://www.doingbusiness.org).  
(see Annex II for full statistics)

## **2.2. AGOA Strategy Framework**

A range of actions is necessary for Burundi to respond to the opportunities that AGOA offers. A simple framework will help guide, focus and communicate these actions.

The overall objective of the AGOA strategy is to support the capacity of Burundi's firms to successfully sell into the US market by leveraging every opportunity that AGOA provides. Achieving this objective will entail action across three main focus areas which between them address all of the important AGOA-related actions that Burundi must undertake. The three main strategic priorities of the AGOA strategy relate to trade policy, business support that specifically focuses on exporting to the US, and general business support for all Burundian businesses. .

Actions under each strategic priority have different geographic focus areas: some are predominantly focused on the US and others on the crossover point between the US and Burundi, and others mainly on Burundi. The bulk of the work will occur under the second strategic priority which targets US-specific business support issues but also focuses efforts across all three strategic priorities as an essential path to addressing all the major challenges to increasing Burundi's exports to the US under AGOA.

**Table 9. Main Actions for Each Strategic Priority**

<b>Burundi National AGOA Strategy Objective:</b>  “To support the ability of Burundi’s firms to successfully sell into the US market , leveraging every opportunity that AGOA provides”		
<b>Strategic Priority 1</b> <i>Trade policy</i>	<b>Strategic Priority 2</b> <i>Business support: US market focused</i>	<b>Strategic Priority 3</b> <i>Business support: General</i>
<ul style="list-style-type: none"> <li>• Promote advantages of AGOA for extension beyond 2015</li> <li>• Ensure commitment to sunset dates of AGOA preferences among industry and general public</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritize key initial focus sectors</li> <li>• Compile actionable market analyses/opportunity guides for priority sectors</li> <li>• Participate in trade shows for priority sectors</li> <li>• Ensure inward buyer visits for priority sectors and develop contact hubs</li> <li>• Analyze feasibility of local textile sector</li> <li>• Analyze transportation lead-times</li> <li>• Develop training programs to address non-tariff barriers for priority exports</li> <li>• Develop horizontal cluster coordination strategies for priority exports</li> </ul>	<ul style="list-style-type: none"> <li>• Lower transportation costs</li> <li>• Address energy supply and pricing</li> <li>• Streamline customs and trade regulations</li> </ul>

## 2.2.1 Strategic priority 1: Trade policy

Actions under the trade policy strategic focus are predominantly US-focused and are mainly concerned with ensuring AGOA's extension. Ensuring AGOA's extension is a pressing need, but once done will not have to be returned to in the near future. Therefore, there are few medium-term actions relating to it.

There are also Burundi-focused components to this strategic priority; namely, developing local commitment to building competitiveness profiles among its key US exports that are not trade regime dependent.

**Table 10. Trade Policy Actions**

<b>Output</b>	<b>Near-term Actions</b>	<b>Medium-term Actions</b>	<b>Implementation Lead</b>
<ul style="list-style-type: none"> <li>Promote advantages for extension of AGOA beyond 2015</li> </ul>	<ul style="list-style-type: none"> <li>Ensure coordination across actors</li> <li>Develop common position within EAC</li> <li>Keep Contract with professional lobbyist</li> <li>Join ACTIF</li> <li>Develop position papers</li> <li>Track progress</li> </ul>	<ul style="list-style-type: none"> <li>Track results</li> <li>Close gaps as necessary</li> </ul>	<ul style="list-style-type: none"> <li>Policy and Advocacy sub-committee</li> <li>Ministère du Commerce, de L'Industrie, des Postes et du Tourisme (MdCIPT)</li> </ul>
<ul style="list-style-type: none"> <li>Ensure commitment to sunset dates of AGOA preferences among industry and general public</li> </ul>	<ul style="list-style-type: none"> <li>Clarify outreach objectives</li> </ul>	<ul style="list-style-type: none"> <li>Develop AGOA outreach program:               <ul style="list-style-type: none"> <li>Industry focused</li> <li>Public focused</li> </ul> </li> <li>Roll-out and track progress</li> </ul>	<ul style="list-style-type: none"> <li>Policy and Advocacy sub-committee</li> <li>MdCIPT</li> <li>Others</li> </ul>

### **2.2.2. Strategic priority 2: Business Support– US Market Focused**

The first step in supporting Burundi firms to increase exports to the US is to develop a short-list of priority sectors. There should be at least five priority sectors to start with that can then be expanded as progress is proven and resources are made available.

As many sectors can grow working in the US, they will need considerable support in identifying market opportunities as well as coordinating across a range of service providers to capitalize on these opportunities. This work is best guided by a strategy that locates key areas of sector weakness and develops means by which to address them thus facilitating coordination across a range of different actors.

Market research elements of the work program will be mainly undertaken in the US, while buyer-seller linkage activities require a mixed focus on both the US and Burundi. Most of the industry analysis and coordination activities will occur mainly in Burundi.

All subcommittees with the exception of Policy and Advocacy will be involved in implementing this strategic priority. Because a number of activities revolve around market linkage, EATH should be asked to play an active guidance role as EATH has experience in buyer-seller linkage.

#### **Team BURUNDI USA**

Burundi should create an organization entrusted with the responsibilities to develop, promote and facilitate exports of products and services from Burundi to the US.

Team BURUNDI USA should offer a range of personalized services to Burundi based enterprises, with a particular emphasis on market development. Team BURUNDI USA objectives would be to coordinate the participation of businesses in various local and international events such as trade fairs, buyers-sellers meetings, business to business meeting, contact promotion programs, conferences, market surveys, market testing and inward buying missions.

**TABLE II. US Market Focused Business Support Actions**

<b>Summary</b>	<b>Near term actions</b>	<b>Medium term actions</b>	<b>Implementation lead</b>
<ul style="list-style-type: none"> <li>Prioritize key initial focus sectors</li> </ul>	<ul style="list-style-type: none"> <li>Develop prioritization criteria</li> <li>Develop short-list of priority sectors</li> <li>Conduct review and finalize</li> </ul>	<ul style="list-style-type: none"> <li>Review and revalidate priority sector list</li> <li>Adjust as necessary</li> </ul>	MdCIPT
<ul style="list-style-type: none"> <li>Compile action able market analyses /opportunity guides for priority exports</li> </ul>	<ul style="list-style-type: none"> <li>Develop short-list of priority sectors</li> <li>Assess exporters 'market intelligence needs</li> <li>Commission market reports</li> </ul>	<ul style="list-style-type: none"> <li>Update reports as required</li> <li>Track usage</li> </ul>	MdCIPT
<ul style="list-style-type: none"> <li>Participate in trade shows for priority exports</li> </ul>	<ul style="list-style-type: none"> <li>Assess trade show circuit for each sector</li> <li>Assign coordination role to particular institutions</li> <li>Develop proposals for financial support for above</li> <li>Launch implementation</li> </ul>	<ul style="list-style-type: none"> <li>Repeat annually</li> <li>Track implementation</li> </ul>	Private Sector
<ul style="list-style-type: none"> <li>Ensure inward buyer visits for priority sectors and develop buyer contact hubs</li> </ul>	<ul style="list-style-type: none"> <li>Short-list relevant buyers for each sector</li> <li>Assign contact coordination role</li> <li>Develop proposals for financial support for above</li> <li>Launch implementation</li> </ul>	<ul style="list-style-type: none"> <li>Repeat US-market focused business support actions annually</li> <li>Track implementation</li> </ul>	Private Sector
<ul style="list-style-type: none"> <li>Analyze feasibility of increased capacity of local textile sector</li> </ul>	<ul style="list-style-type: none"> <li>Commission textile sector feasibility and benchmarking study</li> </ul>	<ul style="list-style-type: none"> <li>Implement findings of textile sector study</li> </ul>	CFCIB
<ul style="list-style-type: none"> <li>Develop training programs to address non-tariff barriers for priority exports</li> </ul>	<ul style="list-style-type: none"> <li>Assess non-tariff barriers for priority exports</li> </ul>	<ul style="list-style-type: none"> <li>Source funding to implement systems to address</li> </ul>	MdCIPT
<ul style="list-style-type: none"> <li>Develop horizontal cluster coordination strategies for priority exports</li> </ul>	<ul style="list-style-type: none"> <li>Draft proposals for cluster coordination strategies</li> <li>Develop proposals for financial support for strategy formulation</li> </ul>	<ul style="list-style-type: none"> <li>Develop cluster coordination councils</li> <li>Commission cluster strategies</li> <li>Implement cluster strategies</li> </ul>	CFCIB Private Sector

### 2.2.3 Strategic priority 3: Business Support –General

Many actions relating to larger business environment issues will revolve around understanding, quantifying and publicizing the challenges faced by exporters to the US as a result of environmental challenges, and advocating for change. Much of this advocacy will be focused on particular institutions that play a critical role in alleviating each particular business constraint. This work will almost exclusively be undertaken in Burundi.

**Table 12. General Business Support Actions**

<i>Summary</i>	<i>Near-term Actions</i>	<i>Medium-term Actions</i>	<i>Implementation Lead</i>
<ul style="list-style-type: none"><li>• Lower sea and air transportation costs</li><li>• Address energy cost and pricing</li><li>• Streamline customs and trade regulations</li></ul>	<ul style="list-style-type: none"><li>• Map key efforts to address constraints in transport, power, and customs trade regulations</li><li>• Develop short-list of key initiatives that would aid exporters to the US for above 3 areas</li><li>• Develop briefs on constraints and solutions</li></ul>	<ul style="list-style-type: none"><li>• Publicize briefs amongst counter parts and in media</li><li>• Monitor progress in addressing solutions and publicize results</li></ul>	All Stakeholders

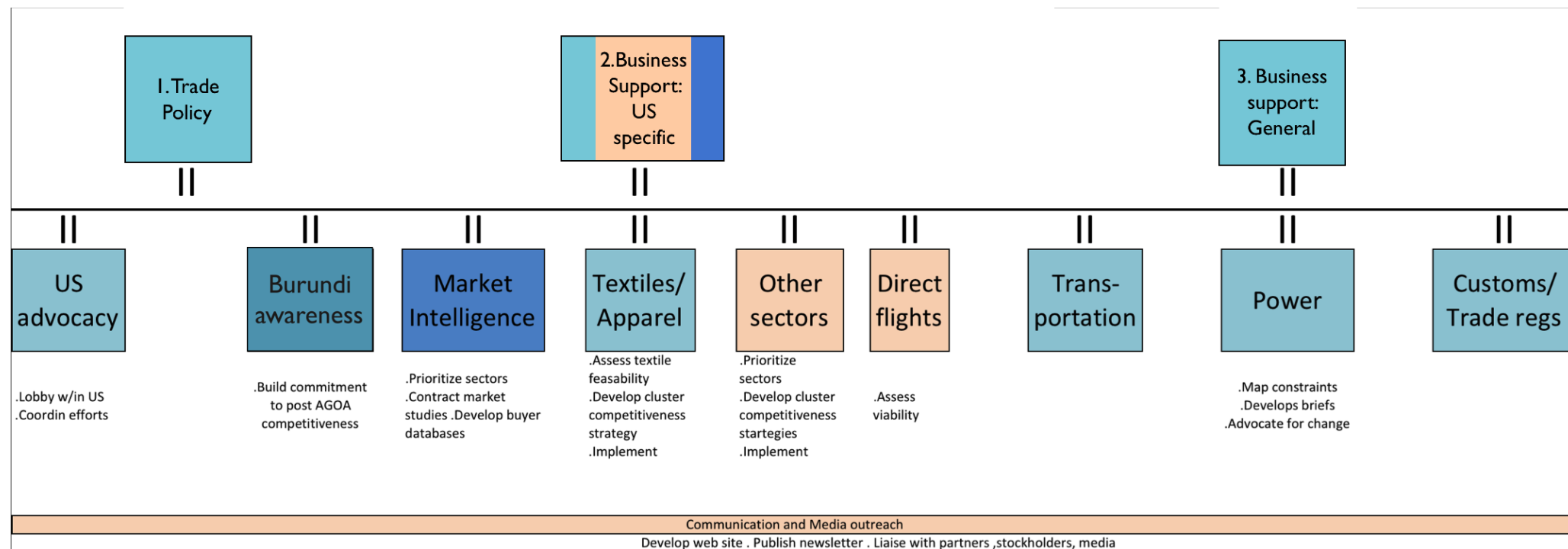
### 2.2.4. Aligning for action

Implementing the AGOA strategy will require establishing explicit leadership and implementation teams.

The institutional structure will be anchored around the main priorities of the strategy. The progress of the strategy will be overseen by the MdCIPT, with small coordination committees established for each strategic thrust to coordinate and share information across ad hoc implementing teams. This will be particularly important for US-specific business support because actions undertaken in this area involve a number of different stakeholders.

Finally, all teams will require support to communicate their work to the private sector, other government agencies and the general public. Therefore, a team should be established with the skills required to help to get the word out on the work being done to support Burundi's firms take advantage of AGOA, which will include establishing and updating a website, publishing newsletters targeted to certain groups of stakeholders, and linking sub-committees with representatives of the media.

**Table 13. Implementation Structure for the AGOA Strategy**



## Annexes

### Annex I

# BILATERAL TRADE BY SECTOR: UNITED STATES - BURUNDI

Value ('1000 dollars) / Year-to-date is January-SEPTEMBER

Sector	Category	2010	2011	2012	2012 YTD	2013 YTD
Agricultural products:						
	Exports	4,238	10,362	6,313	6,313	3,334
	Imports	3,329	9,526	4,738	1,909	2,134
	AGOA (including GSP provisions) imports					
	GSP imports					
	AGOA imports					
Forest products:						
	Exports	14		89	89	90
	Imports			2		

	AGOA (including GSP provisions) imports					
	GSP imports					
	AGOA imports					
Chemicals and related products:						
	Exports	396	4,309	7,539	701	3,911
	Imports					
	AGOA (including GSP provisions) imports					
	GSP imports					
	AGOA imports					
Energy-related products:						
	Exports					
	Imports					
	AGOA (including GSP provisions) imports					
	GSP imports					
	AGOA imports					
Textiles and apparel:						
	Exports	135	487	2,127	1,878	1,381
	Imports			1	1	
	AGOA (including GSP provisions) imports					

	GSP imports					
	AGOA imports					
Footwear:						
	Exports			7	7	71
	Imports					
	AGOA (including GSP provisions) imports					
	GSP imports					
	AGOA imports					
Minerals and metals:						
	Exports	4,892	7,396	1,458	1,372	684
	Imports					10
	AGOA (including GSP provisions) imports					
	GSP imports					
	AGOA imports					
Machinery:						
	Exports	474	1,787	408	390	319
	Imports			29	29	31
	AGOA (including GSP provisions) imports			16	16	
	GSP imports			16	16	
	AGOA imports					
Transportation equipment:						

	Exports	32	44	430	380	941
	Imports					
	AGOA (including GSP provisions) imports					
	GSP imports					
	AGOA imports					
Electronic products:						
	Exports	176	1,997	808	629	2,696
	Imports			2	2	135
	AGOA (including GSP provisions) imports			2	2	
	GSP imports			2	2	
	AGOA imports					
Miscellaneous manufactures:						
	Exports	75	3,988	87	81	265
	Imports			14	14	
	AGOA (including GSP provisions) imports					
	GSP imports					
	AGOA imports					
Special provisions:						
	Exports	786	2,055	586	436	1,118
	Imports	23	32	22	20	5

	AGOA (including GSP provisions) imports					
	GSP imports					
	AGOA imports					
All sectors:						
	Exports	14,016	32,425	19,852	18,584	14,811
	Imports	3,352	9,558	4,809	1,976	2,316
	AGOA (including GSP provisions) imports			18	18	
	GSP imports			18	18	
	AGOA imports					

*US Department of Commerce*

## Annex II Ease of Doing Business January 2014

Source: World Bank Doing Business January 2014: [www.doingbusiness.org](http://www.doingbusiness.org)

Economy	Ease of Doing Business Rank	Filtered Rank	Starting a Business	Dealing with Construction Permits	Getting Electricity	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts
Mauritius	20	1	2	22	1	7	7	2	1	1	7
Rwanda	32	2	1	14	2	1	1	3	3	31	2
South Africa	41	3	7	1	27	15	5	1	4	7	12
Botswana	56	4	12	11	13	2	11	7	6	23	14
Ghana	67	5	20	37	6	4	5	5	9	8	4
Seychelles	80	6	16	10	25	9	40	9	2	2	13
Zambia	83	7	6	7	29	17	1	12	9	32	20
Namibia	98	8	23	2	4	43	9	12	18	20	10
Cape Verde	121	9	8	28	28	6	14	24	11	4	1
Swaziland	123	10	39	5	34	24	9	21	7	13	41
Ethiopia	125	11	37	6	7	19	14	35	17	35	5
Kenya	129	12	25	4	35	36	1	16	33	27	30
Uganda	132	13	32	31	40	22	7	19	14	33	18
Lesotho	136	14	10	32	20	13	35	16	15	22	25
Mozambique	139	15	11	13	37	32	22	7	21	14	26
Burundi	140	16	3	25	33	5	40	5	24	41	42
Sierra Leone	142	17	9	45	41	40	12	3	20	19	29
Liberia	144	18	5	27	23	44	12	28	5	21	37
Tanzania	145	19	17	46	12	30	22	16	22	18	3
Nigeria	147	20	18	33	45	47	1	9	34	28	22

### Annex III References and consultations

The major sources of information for the situation analysis are trade data from the International Trade Center and the US International Trade Commission, and interviews with industry experts from the private sector, business associations and government agencies.

#### **<sup>1</sup>References**

1. Brookings Institution, “A Tipping Point for U.S.-Africa Commercial Relations, May 4, 2012
2. Business Daily, African Firms see rise in exports to US despite hurdles, ”Jan2012
3. International Trade Commission (ITC) website, [www.intracen.org](http://www.intracen.org)
4. OECD, “Trading Competitively: Trade Capacity Building in SSA,”2002
5. The Economist, “Looming difficulties: Can Africa's clothing industry survive Asian competition? ”Jul2007
6. The Economist, “No silver bullet,”Jan2003
7. UNCTAD, “The African Growth and Opportunity Act: A Preliminary Assessment,”2003
8. US Trade Commission (USITC) website, [www.usitc.gov](http://www.usitc.gov)
9. US Trade Commission (USITC), “Sub-Saharan Africa: Factors Affecting Trade Patterns of Selected Industries,”2008
10. USAID-COMPETE, “US Apparel End Market Analysis,” July2011
11. World Bank (2013). Doing Business 2013. The World Bank and the International Finance Corporation.
12. World Bank data, [www.wbginvestmentclimate.org](http://www.wbginvestmentclimate.org)USAID-COMPETE, “Domestic border post integration and management at key East African borders, (presentation) 2012
13. [www.agoa.gov](http://www.agoa.gov)
14. [www.agoa.info](http://www.agoa.info)

## Annex IV: Meeting List

Institution	Contact	Title	Met	Solicited
Ministere du Commerce, de l'Industrie, des Postes et du Tourisme	H.E. Victoire Ndikumana	Ministre	X	
MdCIPT	Amb. Patricia Rwimo	Secetaire permanente	X	
MdCIPT	Mrs. Gloriose Ntibarutaye	AGOA advisor	X	
Afri-Textile	Mr. Mohamed Firoz	Managing Director	X	
CFCIB Chamber of Commerce	Mr. Econie Nijimbere	Chairman	X	
COGERCO	Hon. Pierre Claver Nahimana	Director	X	
Foreign Trade promotion Agency (APIE)	Mr. Antoine Kabura	Director General		X
Foreign Trade promotion Agency (APIE)	Mr. Jean-Marie Bukware	Chef de service	X	
ARFIC Coffee	Mr. Alois Ntakirutimana	Managing Director	X	
La Maison Fleurie	Mrs.Fidelie Bivugire	Owner		X
Le Mukasi	Mrs.Liliane Kamatari	General Manager	X	
Trade Exhibition Center, Le Musee Vivant	Mrs. Marie Goreth Nzitunga	Directrice	X	
OTB Office du The du Burundi	Mr.Anicet Tuyaga	Managing Director		X
USAID BURUNDI	Mrs.Maura Mc Cormick	USAID Country Representative	X	

## **Annex V Project background and scope**

- This strategy document was prepared as part of a strategy formulation process that ran from March 2013 to January 2014
- The strategy will be reviewed, discussed, and validated at a workshop held in Bujumbura, Burundi, on February 11<sup>th</sup>, 2014. A list of invited stakeholders is included below.
- The Ministry of Trade, Industry, Post and Tourism leads this project, with support from USAID/East Africa Trade Hub. The East Africa Trade Hub developed the strategy.

## Annex VI: Workshop invitees

### **ATELIER DE PRESENTATION DU DOCUMENT PROVISoire DE LA STRATEGIE NATIONALE AGOA SPECIFIQUE POUR LE BURUNDI. EN DATE DU 11 FEVRIER 2014 A L'HOTEL LA DETENTE.**

#### LISTES DES PARTICIPANTS

No Ordre	Désignation
1	Le Secrétaire Permanent du Ministère du Commerce , de l'Industrie
2	Le Directeur Général du Commerce
3	Le Directeur Général de l'Industriel
4	Le Directeur du Commerce Intérieur
5	Le Directeur du Commerce Extérieur
6	Un Cadre du Cabinet du Ministre du Commerce
7	Deux Cadres du Secrétariat Permanent du Ministère du Commerce
8	Un Cadre de la Direction du Développement Industriel
9	Deux Cadres de la Direction Générale du Commerce
10	Trois Cadres de la Direction du Commerce Extérieur
11	Un Cadre de la 2ème Vice Présidence de la République
12	Un Cadre de la Présidence de la République
13	Un Cadre des Relations Extérieures et de la Coopération Internat.
14	Le Président de la CFCIB
15	La Présidente de l'AFAB

16	Un Cadre de l'Agence de Promotion des Investissements(API)
17	Le Directeur Général COGERCO
18	La Présidente de l'AWEP-Burundi
19	Un Cadre du MPACEA
20	Le Directeur Général de l'AFRITEXTILE
21	Le Directeur Général de l'AFRITAN
22	Un Cadre du Ministère de l'Agriculture et de l'Elevage
23	Un Cadre du Ministère de l'Energie et des Mines
24	Le Directeur Général de l'Artisanat
25	Un Cadre du Ministère des Finances
26	Un Cadre des Services des Douanes/OBR
27	Un cadre du Ministère des Transports
28	Un Cadre du Cabinet du Ministre du Commerce
29	Le Représentant de Fishes of BURUNDI
30	Le Représentant de RUGOFARM
31	Un Cadre de la Direction du Commerce Intérieur
32	Un Cadre de la Direction de la Propriété Intellectuelle
33	Un Cadre de la Coopération Technique Belge
34	Le Représentant de "Les Fleurs Tropicales"
35	Deux Journalistes de la RTNB
36	Deux Cadres de la Direction de l'Artisanat.
37	Un Cadre de la Direction du Tourisme
38	Le Directeur Général du Confetex
39	Un Représentant de USAID-Burundi
40	Un Cadre de l' IDEC

41	Un Cadre de SP/REFES
42	Un Cadre de la FAO
43	Un Cadre de TRADE MARK EAST AFRICA
44	Un Cadre de l'ONUDI
45	Un Cadre du Cadre Intégré Renforcé (CIR)
46	Le Directeur du Bureau Burundais de Normalisation
47	Le Directeur Général de l'ARFIC
48	Le Directeur Général de l'Office du Thé du Burundi