

Burundi

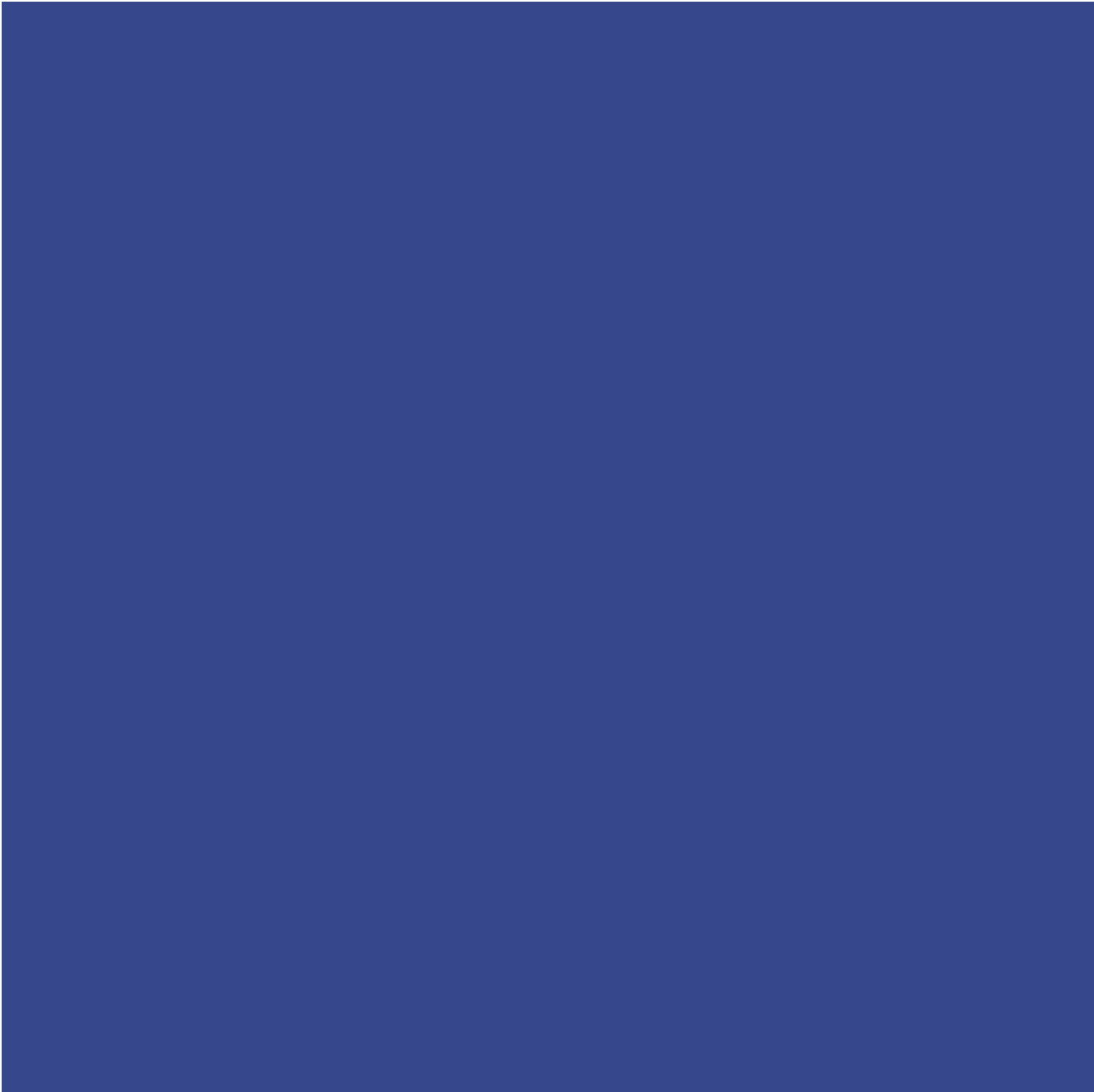


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1. Introduction

Burundi has about 7 million people. About 91 per cent live in rural areas. Population density is 247 inh/km², the highest in Africa after Rwanda. The population comprises mainly of three ethnic groups, about 85% are Hutu, 14% Tutsi and 1% Twa.

1.1 The setting

Since Burundi's independence from Belgium in 1962, the country has experienced five civil wars, out of which the latest and also the longest started in 1993. The conflicts have resulted from a combination of poverty, governance policies of exclusion and the fight for control over the country's limited resources. Ethnicity has been used by the elite as a means to gain control of the country's institutions rather than being the cause of the conflicts per se. The consequences of the conflicts are enormous. About 250 000–300 000 people have lost their lives, vast numbers have been injured and traumatised and one in five persons is displaced. The humanitarian indicators are horrendous, poverty is widespread, the natural resource base is degrading and the human rights situation is alarming. During the last years, however, the peace process has moved forward with the assistance of the international community. Cease-fire agreements have been signed with the major rebel groups, except one, FNL. In November 2003 the Burundian government and the major rebel group CNDD-FDD, signed an agreement endorsing political, defence and security power sharing in the country.

1.2 Prospects for peace and development

Severe challenges

Challenges are many and complex. FNL is still not part of the cease-fire agreement and continues fighting. Despite progress in the peace process in DRC, fighting in the surroundings of the capital and central parts of the country continues and threatens stability in Burundi. The flow of arms from eastern DRC and the infiltration by rebel groups are extensive.

There are around 800,000 refugees and more than 300,000 internally displaced persons that need to be resettled. About 55,000 soldiers and combatants from the rebel groups need to be demobilised over the next four years. Competition over scarce natural resources is already a source of conflict and with the reintegration of former combatants as well as the

return of large groups of refugees and internally displaced persons, the situation is likely to further deteriorate. Although the conflict in Burundi is politically based, it is not limited to the level of political parties. Ethnic and regional divisions, the shortage of arable land and land management play out at the local level.

The handling of power sharing between the ethnic groups and a move towards democracy as well as reform of the army are critical. Other challenges relate to the need for security for sustainable development and poverty reduction. This includes proper executive control and reform of the security and justice sectors. The outdrawn conflict has brought about a general militarization of the country. The proliferation of armed groups and the abundance and widespread possession of small arms are major challenges for peace building. The history of violence has created generations of traumatised people being subject to immense suffering in the past but also a destabilising factor if not properly managed.

The root causes of the crisis – poverty, injustice, discrimination, inequality and human rights abuses – need to be tackled. The majority of the population has paid a very heavy price; others have grown rich out of a war economy or remain at liberty despite accusations of their involvement in serious human rights abuses.

Burundi remains seriously in debt. Economic activity and investment is depressed. The few export products, such as coffee, tea and cotton have not been subject to commercial activities for years. The Government and public sector's capacity to plan and deliver services to poor people is very weak. The HIV/AIDS epidemic is alarming.

Potentials

There are aspects of the situation that offer hope. The Transitional Government seems to be inclusive and committed to achieve peace and reconciliation with the support of international mediators. At the community level ethnicity seems to be less important. People increasingly seem to believe that ethnicity mainly is a political tool for the elite. The civil society is becoming slightly more active in policy debate and plays an increasing role in peace building and poverty reduction. Moreover, the Government has re-engaged with international partners to develop a strategy for poverty reduction and longer-term economic development. The Government seems engaged in efforts to resettle and reintegrate those displaced by the conflict, and those who wish to reintegrate into communities in the context of demobilisation. The African Union, in particular South Africa, has demonstrated a serious commitment to the peace process including mediation and forces to assist in the demobilisation process. An African Union peacekeeping force (AMIB) has been established to implement the cease-fire agreed in December 2002. South Africa, Mozambique and Ethiopia are contributing forces.

2. The conflict

2.1 Background

For centuries, Burundi has faced a socio-economic competition for land and power between pastoralists and peasants and between Tutsis and Hutus. The conflict has been exacerbated by land shortage. It intensified during the colonial period when Tutsi kingdoms were used as the instrument of control for the colonial powers. In the 1950s both the colonial power and the Catholic Church reversed their policies and invested political control in the majority Hutu peasantry and actively supported them in opposing the Tutsi kingdoms. The power struggle that commenced was no longer about the control of certain chiefdoms but about capturing the state apparatus that was becoming the nexus of power, wealth, and security.

A self-reinforcing cycle of violence erupted. The cycle was nurtured by a complex of structural and political factors around the nexus of ethnic and geographic stratification and control, with different social groups trying to obtain some degree of livelihood under increasing constraints. Tension escalated and led to a coup attempt in 1965. The coup eroded whatever power was left for the monarchs but contrary to the expectations of the coup leaders, it did not lead to Hutu rule but become an accelerator for Tutsi domination. In the eyes of many Burundian Tutsis, the 1965 coup attempt was an early warning that the bloody events in Rwanda 1959 and the subsequent coming to power of the Hutus was now about to be repeated in Burundi. This assumption formed a significant part of the legitimisation of the subsequent bid for power by Tutsi/Hema fractions in the army. The coup in 1965 was followed by violent uprisings in 1969, 1972, 1988 and 1993.

The conflict in Burundi is highly interwoven into the regional conflict configuration of the Great Lake region. The sources of the conflicts have a multi-country character and the consequences of the conflicts affect several countries. Consequently, the problems cannot be managed if development in the different states does not pull in the same direction. Events in a neighbouring country could easily undermine reform processes or aid interventions, even if the intervention as such is correct given the internal situation in Burundi.

The conflict should not be seen as a struggle between Hutu and Tutsi. There is nothing like a joint Tutsi and Hutu front. Instead there are

power struggles and tension both between different Hutu groups and between Tutsi groups. Violence is fuelled by inter and intra elite struggle for resources. Through the high degree of regional interconnection, elite groups in DRC may have an interest in keeping the struggles running in Burundi in order to easier bring out resources from DRC.

2.2 Main actors in the conflict

FNL, the oldest of the Hutu oriented rebel groups, currently under the leadership of Agathon Rwasa, is linked to and gets support from Hutu oriented groups based in DRC, i.e. Interahamwe, Ex-Far, and Mayi-Mayi. The low level of institutionalisation of FNL and the DRC based groups calls into question any co-ordination between the groups. FNL are said to consist of 3–4000 men under arms with support from DRC consisting mainly of supplies of foods and arms, and temporary shelter between armed activities in Burundi. There also seems to be a political/ideological link between FNL and Hutu based groups in DRC that spurs the idea of increased Hutu power in the region.

FDD under Peter Nkurunziza is the largest Hutu based group in Burundi with 10–20 000 men under arms. The main support base is in Tanzania. Most evidently, the support comes from refugee camps in Tanzania and consists of supplies of military equipment, funds, food, and personnel. FDD is said to have at least a core of well organised fighters. In this context it should be recalled that there is a long history of close political interaction between Burundi and Tanzania. Through much of the post-colonial period Tanzania has been known to side with the Hutu majority in Burundi. FDD troops use DRC for remobilization. Although the reports are more scant than in the case of FNL, it seems likely that FDD gets support from other "Hutu" movements in DRC including Mayi-Mayi, Interahamwe, and Ex-Far.

The connection between Hutu based groups in Burundi and DRC creates a direct link between DRC's peace process and the relative power position of the alliances tied to the Burundi conflict configuration. Nevertheless, the implication of this is not clear. Peace in eastern DRC could imply the cut off of support and hence the weakening of FNL and FDD. However, if a peace settlement in DRC is not inclusive, excluded groups, most likely various Hutu groups, could try to join up with FNL and/or FDD and find a lebensraum in Burundi. Burundi and the Rwandan Armed Forces, directly or via proxies, have on several occasions joined forces in the fight against the common enemy of Hutu- based groups in the border areas between Burundi, DRC and Rwanda.

2.3 Themes in the conflict

The conflict is multidimensional and includes a number of different factors that fuels the conflict. The major factors are i) direct violence; ii) structural violence/human rights abuses, iii) production of knowledge and identities and iv) deficient rule of law and democratic governance. Each of these factors should be understood as process oriented and not as either cause or effect of the conflict. Each factor contributes to the conflict complex, and is at the same time part of the same complex.

2.3.1 Direct violence

Geographic variability. Burundi is characterised by variations in the level of direct violence between the different parts of the country.

Actor flexibility. The conflict has a high degree of variation in the set up of actors engaged. Low level of institutionalisation of actors, high costs of communication with geographically dispersed troops, and the accessibility of arms, has led to the repeated break up of actors into sub-units taking on new names and new leadership. In addition, the fractions show a surprisingly high level of flexibility in the pattern of alliances. The absence of clearly manifested goals facilitates a pragmatic approach in the constellation and change of actor alliances and networks. Some groups seem to lack a coherent, long-term goal or military strategy. Instead, fighting has become a self-generating objective for groups typically consisting of a high proportion of child soldiers and young fighters brought up and traumatised by war.

Militarization of societies through out the region. The lengthy conflict has brought about a general militarization of the country. The proliferation of armed groups of different character is a major challenge for peace building. There are reports on a significant rise in crime by armed gangs during the last years. The term “rebel” group or “militia” refers to a wide variety of groups, ranging from loose gangs of bandits, to relatively well organised groups. The armed groups are linked in a cobweb of networks, with local, national, regional and international dimensions. In this context one could also point at elite rivalry on a regional level regarding hegemonic power. This has contributed to a situation with multiplication of local warlords, often with a weak social base, but with support from governments in other countries.

Proliferation of arms. The almost unlimited access to weapons in the area is an important source and amplifier of the conflict. Small arms are abundantly available to the civilian population, not least because of a long-established government practise of distributing arms to members of the civilian population in a so-called self-defence policy. Government soldiers are known to be leasing their weapons to armed criminal gangs in certain provinces; others desert with their weapons and form armed gangs. The scale of this phenomenon has dramatically increased over the last year. The difficulties in addressing the situation stems from strong economic and political interests involved, and the fact that trade is typically conducted in the nexus of (in)formal/(il)legal economy. Add to that the global increase in availability of arms and regionally operating distribution systems. Small arms are easy and inexpensive to manufacture and transport, and several factories in the region produce arms. As a consequence, their production is highly decentralised adding to the problem of control. In addition, recycling of weapons from different conflicts in the region has increased.

Security sector reform. Perhaps the single most important issue for containing violence is to integrate former rebels into the national army and at the same time downsize the army to make it reasonably large and diversified. However, control of the army has implied not only control of the state, its resources and positions, but more importantly security against the perceived threat of extinction through genocide. Whereas many Tutsis today literally think that they will not survive if they give up

control of the army, many Hutus believe that they need to control the army or be killed by it. For the Hutus no sustainable solution can be reached without a substantial reform of the army, in order to be successful, however, attempts to reform the army must necessarily include a solution to the Tutsi security situation.¹ Moreover, the network of formal and informal military alliances between governments and rebels in the region calls for a regional approach to “domestic” security problems. For example, the willingness of the incumbent Tutsi elite to reform the army hinges on a comprehensive solution including the FNL and FDD whose strategic agendas, and mobilisation patterns, are highly regional.

Child soldiers. The situation for future generations is threatened by the culture of recruiting children to armed groups. These children become highly traumatised, often lack proper education and thus are a highly destabilising element in a post conflict transformation process.

2.3.2 Structural violence/human rights abuses

Increasing and extreme poverty, exclusion or marginalisation of the majority from economic, social, human and cultural rights, inequality in all respects, not least of women, youths and children are at the centre of the conflict. It has created widening frustration gaps which in combination with incomplete nation building processes, lack of inclusive legitimate political processes, power sharing and institutions for maintenance of a certain rule of law, has led to direct violence.

Scarce resources and demographic stress. The rapid population growth and high population density create increased demand on land, water, firewood, economic resources and social services. FNL and FDD are known to recruit from social groups under stress, and if not managed properly, increased stress can become a breeding ground for deepened social frustration and mobilisation.

Regional demographic fluidity. With the porosity of its national borders in the Great Lakes region, conflicts create a high level of regional demographic fluidity. Burundi is the largest net contributor to the refugee population in the Great Lakes Region. The displaced population typically constitutes a security risk both for the receiving communities and the country of origin. The influx of large groups of people increases the strain on the local communities and their ability to provide for their own food security. Increased demands for food, land, water and sanitation as well as land ownership disputes provide conditions conducive for political mobilisation against the displaced population. Systematic and collective stigmatisation of displaced groups, for example as genocidaires hiding for justice, further hampers the integration in receiving communities. The presence of large groups of uprooted populations outside the country of origin provide opportunities for armed groups to use refugee camps as shields against military attacks, to profit from humanitarian aid, and to recruit new members, if necessary by force. FDD have been using refugee camps in Tanzania, and to some extent in DRC, as safe havens to launch attacks into Burundi and as recruitment centres. Burundi refugees in the DRC are known to have mingled with Ex-FAR and Interhamwe and

¹ In a deal aimed to provide the Tutsis with the necessary security guarantee, certain reform – including the reform of the army – requires the counter signature of vice President Alphonse Kadege to validate the signature of President Ndayizeye. This leaves UPRONA with the power to block decisions by the government, which was not given to Frodebu during the presidency of Buyoya.

their conflict with Rwanda. Tanzania is by far the largest recipient of Burundian refugees, which has generated both incomes and conflicts over scarce resources, and insecurity for the population in the areas where camps are located. In addition, the future of the refugee camps constitutes a concrete reason for Tanzania's involvement in the Burundi conflict. Demobilisation, repatriation and most importantly reintegration of refugees and internally displaced people are key questions, both for reducing human suffering and for stabilising the security situation. At the same time this is of course a politically sensitive process.

Infrastructure. Insufficient, deficient or destroyed infrastructure undermines development of formal economies and integration in national and international economy, as well as societies. Denying remote areas access to markets, social service, information etc., provide a hot bed for rebel groups to mobilise frustrated marginalized populations. Economic and social development in urban/central areas but not in the periphery create uneven development and increased frustration in the periphery, as clearly illustrated by current tensions between Bujumbura and the rest of Burundi. In addition, it is costly and difficult to control areas with poor infrastructure.

HIV/AIDS. The conflict in Burundi and the region increases the speed by which the virus spreads. Among the processes by which the HIV/AIDS pandemic is accentuated by the regional conflict dynamic are (i) social and demographic disruption increasing the general level of vulnerability and risk, and placing highly marginalized people, in particular women and children, in a position where security can only be obtained in exchange of sexual services; (ii) the use of rape as a weapon to inflict long term psychological traumas; (iii) men under arms trade their social military prestigious positions into high levels of sexual interactions and partners.

2.3.3 The construction of knowledge and identities

One significant source of conflict is the cognitive process where histories, identities and interpretations of today's situation are invented. A key process is the systematic manipulation by the elite of uneducated and marginalized masses, setting off self-sustaining processes of construction of identities built on fear and stereotypes of the other. Perhaps the most complex knowledge construction is "ethnicity" which also is a major source of mobilisation and violence. Manipulating history so that blame can be attributed to a certain group provides "legitimate" cause for retribution.

Regional conflict psychology. The historical and cultural links between Burundi and the regional conflict configuration create what could be called a "regional conflict psychology" fed by, and still feeds, conflicts in the region. Events anywhere in the region are interpreted in light of this psychology and add to the narration in which different groups are stigmatised or portrayed as martyrs. The region's cycle of violence has also served to legitimate violence through the establishment of a culture of impunity for politically sanctioned violence.

Reconciliation, rehabilitation and trauma. The history of violence has created vast numbers of severely traumatised people, not least women and children. Unfortunately, the competence and capacity to handle this is low in the region.

2.4 The peace process

The peace process begun by the regional powers in the mid-1990s (initially led by the former Tanzanian President Nyerere) culminated in the Arusha Peace Accord signed in August 2000. The Arusha agreement provided a framework for the two ethnic communities to share power and live together in peace. However a number of parties, in particular two Hutu parties (CNDD and Palipehutu) rejected the Arusha accord. Their militias, FDD and FNL continued to fight. Following Arusha, a Transitional National Government (TNG) was inaugurated in November 2001, to serve for three years. For the first 18 months it was headed by President Buyoya (Tutsi) and a representative of the largest of the Hutu parties that had signed the Arusha Accord (Ndayizeye of FRODEBU) as Vice-President. The mid-term hand over to President Ndayizeye (Hutu) took place on 30 April 2003.

The recent period has seen increasingly intensified efforts, led by South African, to achieve a full cease-fire. In December 2002 a cease-fire agreement was signed by the major Hutu rebel group, CNDD-FDD, and some smaller rebel fractions. In November 2003 the government and the CNDD-FDD signed an agreement endorsing political, defence and security power sharing in the country. However, still, the main FNL (Agathon Rwaso) faction remains in armed opposition. Separate efforts are being made to get the FNL to agree to a cease-fire agreement.

3. Poverty Analysis

3.1 Overall poverty situation and trends

Even before the conflict erupted in 1993, Burundi was one of the poorest countries in the world (ranked 166 out of 174 countries in UNDP's Human Development Index, HDI). Since then poverty has increased considerably due to the conflict and economic sanctions. Today Burundi is ranked 171 out of 175 countries in UNDP's HDI reflecting deteriorating indicators: e.g. in vaccination coverage (83% in 1993 to 54% in 2001); primary school attendance (70% in 1993 to 48% in 2002) and an under-five mortality rate of 190/1000 deaths per live births. Over this period poverty in rural areas has increased by 80 per cent and more than doubled in urban areas.² Some areas are worse affected than others. However, in all 17 provinces the looming risk for violence negatively influences investment, economic activities and development. The provinces that suffer most from the conflict, such as Bubanza, Cibitoke and Karuzi, have seen the highest increase in poverty. In some provinces (Rutana and Karuzi) the proportion of population living below the poverty line has reached alarming levels exceeding 70 per cent. Poverty in urban areas is growing. In Bujumbura City, poverty rose from 34 per cent 1992 to more than 68 per cent in 2001.

Burundi has some of the most alarming humanitarian indicators in the world. About 250 000–300 000 have lost their lives in the conflict, vast numbers have been injured and traumatised and one in five persons is displaced. More than 350 000 people live in camps for internally displaced people inside the country. There are more than 800,000 Burundian refugees in neighbouring countries, including 170,000 living in settlements in Tanzania since 1972 and 2–300,000 scattered in border areas. Every month about 385,000 people receive food aid. One in seven is dependent on external assistance to survive. An expected return of many refugees from Tanzania is likely to increase the humanitarian needs in the coming years. Meeting basic needs in terms of security, food, health, education and housing is a serious problem for a large portion of the population. The sanitary situation is alarming and the water systems, standpipes and wells are managed, in principle, by the beneficiaries. The local authorities are no longer able to maintain the infrastructure. In rural areas the access rate for drinking water has dropped from 55 to 43 per cent in eight years.

² World Bank 2003. Burundi Country Brief.

Average income per head halved between 1990 and 2001, falling from USD 210 to USD 110 per year. Small-scale farming constitutes the main economic activity; it employs more than 90 per cent of the workforce and accounts for about 35 per cent of GDP. Farmland is scarce. The average farm is less than 1/2 hectare and the farm size is steadily shrinking in face of demographic pressure. Cash crops, particularly coffee, tea, rice and sugar, are virtually the only income-generating crops for the country and its rural population.

Social indicators have also retreated significantly. Access to basic social and health services has severely diminished and there are significant regional imbalances.

Health

Life expectancy has dropped from an already low level in 1993 (51 years) to 42 years in 2001. Hunger and malnutrition have risen and affect as many as 68 per cent of the total population. The infant and under-five mortality rate is estimated at 114 and 190/1000 live births respectively in 2000. The number of people affected by malaria, the main cause of mortality, is increasing because of a drop in levels of immunity. Access to healthcare is not guaranteed since part of the infrastructure has been destroyed and the state allocation to the health sector was cut from 5 to 3.2 per cent of the national budget from 1992 to 1999. There is only one physician per 100 000 persons and the health expenditure per capita is 16 USD. Only 20 per cent of the population have access to essential drugs and vaccinations. Food, medicine and electricity remain short in supply. Vaccination coverage for tuberculosis and measles has fallen. The percentage of pregnant women receiving care during their pregnancy has also fallen with a consequent increase in maternal mortality.

HIV/AIDS

The HIV/AIDS situation is alarming. According to official figures around 13 per cent (2001) of the adult population is living with HIV/AIDS but in reality the situation could be considerably worse. Urban areas are most affected with an estimated 18.6 per cent infected. The situation is worse among internally displaced. The risk factors and behavioural patterns which facilitate rapid spread of the infection including low use of condom, high mobility of the population and sexual violence are widespread. In addition, the conflict in Burundi and the region increase the speed by which the virus spreads.

A special ministry is formed within the TNG to fight HIV/AIDS and the minister for HIV/AIDS is located within the President's Office. A National Council for AIDS Control has been established and a countrywide plan to fight HIV/AIDS has been prepared. The plan is called ISE (Information – Sensibilisation – Education) and mainly aimed for preventive activities but also deals with treatment of sick HIV/AIDS affected people.

The government resources available are very limited and main activities are financed and carried out by and through UN-organisations, INGOs and national NGOs. The objective for 2004–2005 is to treat 30 000 persons with anti-retroviral drugs (ARVs). The government announced in December 2003 that it would cover 80 per cent of the costs for ARVs for civil servants.

Education

The education system has deteriorated. More than half of the adults are illiterate. The gross school enrolment ratio at the primary level was 62 per cent of the school age population in 2001; for girls, the ratio was 56 per cent and for boys 69 per cent. The rate declines for each subsequent level of education. The graduation rate from primary to secondary school was 8 per cent in 2000, a small increase from 6 per cent in 1992. The gross enrolment to higher education is around 1 per cent. Because of budget constraints salaries are often not paid to teachers who therefore have to seek other employment. Since 1992 community colleges (secondary education) financed by the communes, parents and local communities have spread. Education at all levels suffers from lack of qualified teachers, but is particularly acute in the community colleges. Other constraints are shortcomings in terms of infrastructure and teaching materials.³

Employment

The majority of the population is engaged in small-scale farming and informal sector production. Population pressure and degradation of the quality of agricultural land due to soil erosion have resulted in diminishing productivity and reduced opportunities for employment creation in the agricultural sector. The economic decline has negatively affected employment generation outside agriculture. As a result unemployment and underemployment are widespread. Urban unemployment has exacerbated by the influx of people fleeing insecurity in the countryside. The arrival on the labour market of ever greater numbers of young graduates seeking employment and the sharp payroll cutbacks that many public and private enterprises made in the face of disruptions during the crisis adds to the problem. Wages of civil servants are not indexed to the cost of living and their standard of living consequently has fallen sharply along with their dependants. Civil servants are the largest category of workers in urban areas. To the extent it is available, social security is primarily provided through informal structures.

The role of civil society

Civil society is perceived to be weak and disorganised except for the churches that play an important role in the communities, in particular when it comes to delivering social services. Regarding organisations, an UNESCO report highlights lack of resources, planning and difficulties in transcending ethnic-political cleavages. Since 1993 activist organisations and individuals that initiate ideas that are considered to be a threat to one or the other internal ethnic-political groups are seen with suspicion by the authorities. Very few structures in the society demand government accountability. The civil society and communities are often unable to unite or express their demands to the government by peaceful means. During the last years, however, the civil society has been increasingly active in policy debate and played an increasing role in peace building and in the fight against poverty.

³ IPRS p. 26–27.

3.2 Who are the poor?

The prevalence of poverty varies among different socio-economic groups. The employment status and level of education of the head of household and the size of household determine family standards. The majority of the poor are rural inhabitants with no livestock, no paid employment and insufficient land to cultivate.

The most vulnerable population in Burundi is the internally displaced people. Widespread looting by all parties to the conflict and armed banditry has dispossessed whole villages of their few assets and forced people to flee, leaving them with no means to cater for their survival. Repeated displacements are common; approximately 100.000 people are forced to leave their homes monthly. Armed attacks increased in 2003, deliberately targeting civilians. Many of the internally displaced people live in camps under difficult conditions including lack of personal security, fragile food security and an absence of basic health and education services. The majority of the internally displaced people are women and children. Communities that receive displaced persons are equally under stress as the influx of newcomers means that the limited resources have to be shared with more people.

The war has taken a heavy toll on women. They are not only subject to widespread discrimination but also victimised by the deliberate strategy to use sexual violence as a weapon in the war. Many women have been raped, suffer from severe injuries and, apart from being traumatised and sometimes infected by the HIV, they are also stigmatised by hostility from their family and the community. Due to the conflict, over 40 per cent of the rural households are female-headed. Together with low education levels that prevail among rural women, this situation limits the opportunities of these families. Women have few job opportunities and rely on the informal market where incomes are low. Prostitution has also increased lately.

The situation for the children is disastrous. The under-five mortality is the highest in the world and malnutrition amongst children is widespread. Less than 50 per cent of the children attend school. Girls are more often kept out of the school system than boys and both girls and boys are assigned to work as child labour. With the alarming prevalence of HIV/AIDS, the number of orphans has increased and the number of HIV/AIDS orphans is now about 237.000. Many of those are joining the rebel armies or armed gangs in order to survive.

Due to the conflict and traditional social disrespect for disabled, many disabled are excluded from education and employment.

Discrimination against Hutus and the minority group, Twa, is present with regard to social and economic development. Access to employment opportunities and politics is limited for these groups. The majority of Twas lack formal education and has in reality no access to authorities.

3.3 Causes of poverty

Poverty in Burundi relates to a number of often interlinked and mutually reinforcing factors – some of the most significant being the armed conflict, poor governance, scarce natural resources, lack of access to land and HIV/AIDS.

The armed conflict

The armed conflict negatively affects all dimensions of poverty. The most pervasive deprivation arises from the loss of lives, physical and psychological trauma, displacement, the break down of community and institutional networks, disruption of children's education and deteriorating health conditions. The possibilities to earn an income, to consume and to have assets are severely curtailed.

Poor governance

Weak structures, institutions, regulatory frameworks and lack of a culture of democracy and good governance negatively affect poverty. Government and public sector's capacity to deliver services to poor people is very weak. Since independence a few Tutsi families control the social and political life and other groups have limited possibilities to political participation and the labour market. The state has features of patron-client relations with patrons seeking to further personal interests through exclusive relations with selective clients, rather than seeking the good of the nation. There is a lack of arenas for voicing political discontent and a lack of culture of national and local power sharing.

Scarce natural resources/lack of land

Population growth and degradation of natural resources affect the poor negatively. The population consists almost entirely of poor rural households that are completely dependent on the land for their subsistence. Soil erosion and rapid deforestation gradually reduces the productive capacity of their land. Agricultural potential is further decreased since land in certain areas is destroyed by fighting forces, too insecure to cultivate or because farmers are displaced. With a growing population, the remaining land suffers from fragmentation and degradation with a resulting decrease in productivity and increased poverty. There is a vicious circle where poverty leads to over-utilisation of limited natural resources and the limited resources leads to poverty, the process fuelled by the conflicts.

HIV/AIDS

The number of HIV/AIDS infected people is high and increasing. AIDS kills young economically productive people, brings hardship to families, increases expenditures for health care and adversely affects the country's possibilities for development. Moreover, it increases the number of orphans – a group that constitutes a base for recruitment by rebel groups.

4. The Political Situation

4.1 Institutional Framework

Burundi's institutions are governed by a transitional Constitution adopted in October 2001 for a period of 36 months, leading to a post-transition Constitution to be adopted by a referendum in compliance with the principles set out in the Arusha Agreement. Executive power is entrusted to the president, a vice-president and the transitional government. The president is both head of state and head of government. He exercises his authority through decrees countersigned by the vice-president. The president and the vice president appoint members of the government. Legislative power has been given to the parliament composed of a National Assembly and a Senate. The parliament's role is to adopt legislation and monitor action by the government.

The Arusha Agreement stipulates that democratic elections be held in November 2004. However, a frequent opinion in Bujumbura is that this will be difficult to achieve. The ongoing armed conflict, lack of an election law, lack of an updated electoral register, weak infrastructure arrangements to conduct elections are serious practical constraints for undertaking elections. Main objections are, however, the eminent risk that an election campaign is turned into a rally on ethnic grounds which may offset a new wave of violence throughout the country. Nevertheless, considering the weight given to the elections in the Arusha Agreement, any attempt to postpone the election date risks to destroy the momentum for the Arusha process and undermine the legitimacy of the peace accord. Such attempts would most certainly be used by FNL (and possibly FDD) to boost its *raison d'être*. In the eyes of the international donor community, postponing the elections could be seen as a severe break with the Arusha process. Hence the democratisation process in Burundi faces a difficult dilemma.

4.2 Deficient democratic governance and rule of law

Burundi faces a situation of lack of democracy, good governance and a legitimate political order based on a "social contract" between the ruler and the ruled providing a foundation for citizenship. The lack of a legitimate social contract and efficient political institutions makes the current process of democratisation a veritable powder keg. The Parliament is a forum for political discussions between different political parties

but the power of the Parliament is limited. It can for example not dismiss the government or individual ministers.

Weak institutions.

Years of conflict have severely weakened the institutional capacity of the Government. The conflict has distorted the incentives to carry out the core functions of government and has led to a severe loss of human and financial resources. Basic systems of governance and administration have been undermined, and the erosion of real wages in the public sector has compounded the situation. Also, the population's trust in the government is low. This is a serious challenge given the need for large-scale reconstruction, rehabilitation and development.

Patron-client relations

The state functions in line with the familiar pattern of patrons seeking to gain personal interests through relations with selective clients rather than seeking the good of the nation. The state based patron-client relations comprise all spheres of life leaving little room for an independent private sector or civil society. As this pattern of exchange is related to a complex and historically entrenched system of political, economic and social life, any expectations for quick changes may not be realistic.

Legal justice and the culture of impunity

The capacity and will of the justice system to enforce law and order is highly questionable and for decades, impunity has become part of the lifestyle endorsed by the elite. Lack of confidence in the ability and willingness of law enforcement agencies and the judiciary to arrest, investigate and bring to justice is low. Allegations of corruption are frequent. As a result, the population is increasingly resorting to mob justice and lynching as well as relying on armed political groups to administer "justice" often resulting in extra-judicial executions. Ordinary citizens have killed suspected criminals without being deterred or brought to justice.

It is commonly assessed that the 10 000 imprisoned to a large extent are the "small" criminals and not the "big fishes" who enjoy freedom and affluence as part of Burundi's elite. One dilemma for the peace process is how to deal with atrocities. While many argue that no peace can be built without addressing atrocities committed in the past, actors who stand the risk of being brought to justice have the capacity to perpetuate the fighting.

Corruption

No figures exist on the level of corruption but it is believed to be widespread. The administrative structure is characterised by a high level of centralisation. All administrators are appointed by the central government. Taxes collected from the local level are centralised in Bujumbura, and there is no institutionalised mechanism for public accountability.

4.3 Systematic violations of human rights

In the wake of the conflict, widespread and systematic violations of international humanitarian law and war crimes have been committed with virtual total impunity.

Civil and political rights violations take place including killing, torture, violence against civilians, rape, looting, extra-judicial executions committed by all parties to the conflict. FNL as well as FDD – despite having signed the Arusha Agreement – use child soldiers, and more or less explicit kidnapping to recruit troops. Neither of the rebel forces has announced any form of accountability of discipline for combatants guilty of violating international humanitarian law. Even though the government “forces de jure” are under national laws, impunity is prevailing. Some progress can be seen in the recent passing by the Assembly and the Senate of a law against genocide, war crimes and crimes against humanity. Human Rights Watch argues that the law “marks a major step”, but points to the tremendous problems with implementation. The new law includes a call for an international judicial Commission of Inquiry under the UN to investigate crimes during the whole post-colonial period, a period of over forty years. It also asks for an International Criminal Tribunal to be created. Without further details on the division of labour, the Assembly further proposed the establishment of a Truth and Reconciliation Commission to cover the same period.

The *economic and social rights* situation has deteriorated due to the conflict, mismanagement of public resources and lack of firm commitment to poverty reduction. This has been exacerbated by the HIV/AIDS pandemic and lack of arable land. The deteriorating security situation – both through conflict and crime – has a disastrous impact on the lives of the population, destroying health and livelihoods. The population in some regions sleeps outdoors in the fields or forests to minimise the risk of being killed or raped; malaria and respiratory diseases have risen dramatically as a result. Repeated looting is affecting cultivation and food stocks. Burundi has ratified the UN convention of the Right of the Child (CRC). However, due to the conflict and lack of resources, the CRC has not been respected. Child labour is common, in particular in rural areas. The number of child soldiers is high within the army as well as within rebel groups. The pandemic of aids has at the same time increased child mortality and the number of orphans.

The situation for *women* is difficult due to absence of progressive laws and policies, weak commitment from the political leadership to promote women’s rights and social norms that discriminate against girls and women. Access to education, employment opportunities and income is more limited for women than for men. Women are not entitled to inheritance according to law. As a result, women control fewer resources than men do. Violence against women is a huge problem. According to reports as much as 60 per cent of the women have been raped at least once.

4.4 Media

Government policy in relation to media includes repeated violations of national and international proclamations on the freedom of expression. As an example of harassment, the web-based information service, Net Press, was shut down for two months in 2002 accused of undermining national unity. Harassment has also followed reports from military attacks on civilians. In March 2003 President Buyoya summoned journalist to inform them that they must not allow rebels to speak on the radio. Adding to the bleak picture are reports of recent setbacks in the efforts to

establish a stronger guarantee for the freedom of expression. A proposed press law was tabled by the Assembly and sent back to the Council of Ministers.

Nevertheless, journalists in Burundi underline that the restrictions they face still leave quite some room for critical and nuanced reporting. It is also a commonly held view that for some years, Burundi has experienced a positive trend for freedom of expression. Today there are a number of private newspapers published, and even though the government monopolises national TV, there are between 6–9 private radio stations with a wide audience. Association Burundi de Journalist (ABJ) has 300 registered members, and the Maison de la Press also gathers a fair number of journalists in Bujumbura.

5. Economic Situation

5.1 Economic environment

It is estimated that the GDP fell by almost 30 per cent between 1993 and 2000, mainly as a result of the conflict and economic sanctions imposed by neighbouring states. The abandonment of land when people die or are displaced, the damage caused to the infrastructure, and the financial burden of military expenditure (around 25–30% of the government's total expenditure on average) has had a major impact on the economy. Public investment has stagnated at around six per cent of the GDP. The increase in military spending, subsidies to State enterprises in difficulty and the loss of revenue caused by exemptions from duties and taxes have resulted in relatively high budget deficits. Together with successive devaluation of the Burundi franc, the increase in production costs as a result of the crisis and a monetary policy that has accommodated fiscal policy, deficits have kept inflation at a high level (an average annual rate of 18% between 1995 and 2001). Burundi also faces a number of exogenous constraints, including its geographical situation, its agriculture's vulnerability to climate conditions and to price fluctuations on commodity markets.

Recent economic development

The economic situation in 2001 was characterised by stagnation in production, high inflation and deteriorating balance of payments. However, a noticeable recovery started in 2001, when GDP rose by 2.1 per cent. GDP growth in 2003 is estimated to 4.5 per cent. Inflation was reduced to 9.3 per cent in 2001 following Government's decision to take deflationary measures. Tax deficit was also reduced to 6.8 per cent in 2001 as a result of increase in State revenue (16,3% in 1999 and 20% in 2001) and stabilisation of expenditure. The tax deficit has been financed by donor funding, representing 4.4 per cent of GDP and by accumulation of payment arrears for national and foreign debt and an expansion in the volume of credit to the Government.

Privatisation

The state is extensively involved in economic activity through state owned enterprises. The state has shares in about 50 enterprises covering 10 areas of activity. In general these enterprises are inefficient and heavily indebted. A privatisation programme was initiated in 1991 but the progress so far has been limited.

Balance of payment

The balance of payment shows a chronic deficit. During 1999–2001 there was a drop in exports and rise in imports. In 2001 exports and import of goods accounted for 6.6 and 18.2 per cent respectively. Export performance essentially depends on the price of coffee and tea, which are the major export commodities. The decrease in coffee's share of total export from around 90 per cent in 1997 to 51 per cent in 2001 is a reflection of the fall of the coffee prices rather than a real diversification of the structure of exports. The lowest coffee prices in a decade have created major difficulties including serious shortage of foreign exchange reserves, which reduces the ability to import goods.

Europe and North America are the major markets for exports. The share of African countries has increased since the lifting of economic sanctions in 1999. African countries are presently the main importers of manufactured goods. Main imports are manufactured and semi-manufactured goods, capital goods, foodstuff, petroleum and chemical products. European countries, notably France and Belgium are the major sources of imported goods. The share of African countries, especially those belonging to the Common Market for Eastern and Southern Africa (COMESA), in Burundi's imports, gradually rose from 1994 onwards and these countries are now the second major source of imports. Burundi is a net importer of services, especially trade related services.

Burundi is one of the original members of the WTO. It is also a member of COMESA and Community of the Great Lakes Countries (CEPGL) but does not apply organisations trade provisions adopted by these organisations. Burundi has applied to join the East African Community and enjoys preferential access to the European Market (Everything But Arms) as well as to the markets of other industrialised countries under the Generalised System of Preference. It does not yet benefit from the provisions of the United States African Growth and Opportunity Act (AGOA). During 2003 a tariff reform was initiated, the majority of quantitative import restrictions for all goods were abolished but the level of protection remains high. The major trade policy instrument is customs duties.

Foreign direct investment

The investment climate is unfavourable mainly due to the conflict, the economic situation, distortions created by the trade and exchange policies, poor quality of the infrastructure and the high cost of public services and utilities. During the period 1993–2000 some USD 17 million were invested mainly in the telecommunication sector and in the manufacturing of beverages.

Foreign debt

Burundi is faced with a significant external debt (USD 1046.1 million in 2001, 118% of GDP in 1998). The country has problems servicing the foreign debt (104.7% of export of goods and services) amounting to over 38 per cent of current fiscal revenues. The accumulated foreign debt arrears stood at USD 128 million in mid 2002. Total external arrears increased to over \$116 million in 2001, and were estimated to exceed \$130 million in 2002. Burundi will not be eligible for debt relief under

the Enhanced HIPC Initiative until it has demonstrated a record of good performance on World Bank and IMF supported economic reforms.

Macroeconomic plan

The Ministry of Planning, drawn its macro-economic plan by in October 2002, in which the objectives for the period 2002–2005 are based on recovery of economic growth (6% on average), net reduction of the inflation rate (5% in 2005); the release of an excess of the primary budgetary balance (3.5% of GDP in 2005); an increase in currency reserves (more than 3 months). However, the creation of this macro-economic framework requires increasing the rate of investment from 8.2 per cent in 2001 to more than 16.8 per cent in 2005, as well as limiting further deterioration of the current deficit in the balance of payments. Conditions which will be difficult to meet.

5.2 Major features of the economy

Agriculture constituted the largest share of the GDP until 2000, when provision of services became the biggest share, now accounting for 37,5 per cent versus 35 per cent for agriculture and 16 per cent for manufacturing. Burundi has a certain amount of mineral resources, including nickel, vanadium and gold. Its climate and the fertile soil could give Burundi a comparative advantage in certain agricultural sectors. Reforms to ensure small farmers secure user-rights to agricultural land as well as to improve the management of natural resources could play an important role for economic development. In the past, the geographical location was used to make the country a trade hub in the sub-region. This potential is under-exploited, mainly because of the chronic instability in the country as well as in the region, which makes it difficult to implement policies to encourage development. Investment in Burundi is consequently not very attractive to nationals or foreigners. The government sees trade as a catalyst for economic growth. The main objective of its trade policy is to diversify exports, particularly by exploiting non-traditional agricultural sub sectors. Reaching this objective, will, however, require large-scale reform of trade policy, sectoral reforms, and measures to alleviate supply constraints and upgrade infrastructure.

Agriculture plays a key role in the economy, employing 90 per cent of the labour force and accounting for 36 per cent of the GDP. Agriculture production has been affected by the conflict and subject to adverse climatic conditions. Coffee is the major export and provides over 50 per cent of Burundi's total exports, followed by tea. The third most important export used to be cotton but production has been heavily affected by the political instability. These products are usually grown by small farmers, but the state has a strong control of processing and marketing through State enterprises or semi-public entities. Often, the State enterprises involved have a buyer's monopoly; planters are obliged to sell their production at fixed prices, which means a relatively substantial loss of income in comparison with sales under competitive conditions. The real prices paid to planters have also gradually decreased. Agriculture is still the most protected sector of the economy with an average customs duty of 32,8 per cent. This is not conducive to investment in non-traditional

production and jeopardises other initiatives taken by the government to promote these sub sectors.

The *manufacturing sector* is underdeveloped and in 2001 it accounted for around 16 per cent of the GDP. Exports of manufactures have been very low, even though there has been some growth since 2000 as a result of export of beverages to neighbouring countries. The tariff structure does not encourage investment in certain manufacturing industries.

Services accounted for almost 40 per cent of the GDP in 2000. Most activities in this sector concern transport, communications or trade. The government has liberalised mobile telephony, which has led to an improvement in access to telephone services and it is considering opening up the capital of the fixed operator to private entities. The banking sector is underdeveloped and the State is closely involved. Loans are mainly for the short term and the 8–10 percentage point difference between borrowing and lending rates suggests high transaction costs.

6. Combating Poverty

6.1 Poverty Reduction Strategy

The process to develop a Poverty Reduction Strategy Paper (PRSP) is still at an early stage but an interim PRSP (I-PRSP) was presented at the Donor Conference in November 2002. It describes the characteristics and factors driving poverty and highlights regional disparities. The I-PRSP suggests a long-term vision of development, as well as the main strategic themes for promoting sound economic growth and poverty reduction. It acknowledges the importance of achieving the Millennium Development Goals (MDGs) but does not discuss the prospects in this regard. Despite continued fighting, consultations with grass root communities, civil society, the private sector, and the sector ministries, were held in Bujumbura and four regional centres covering the whole country.

The I-PRSP presents six principal strategic themes identified during the participatory consultations:

- Promoting peace and good governance.
- Promoting sound economic growth that will reduce poverty.
- Expanding access to basic social service.
- Reintegrating victims of conflict and other disadvantaged groups into the economy.
- Combating HIV/AIDS.
- Advancing the role of women in development.

For each of the themes a set of priority actions for 2002–2003 were presented in the I-PRSP. However implementation plans rarely go beyond the identification of key actions. Burundi faces significant challenges in moving to an effective development of the full PRSP as the Government's main poverty mechanism framework. Substantial effort will also be needed to ensure that donors' interventions are harmonised and in line with the PRSP. A full PRSP is planned to be ready in 2004.

Brief assessment of the interim PRSP

The quality of the I-PRSP is poor and the prospects for implementation are limited. The combination of household survey data and consultations enabled the collection of information on key social indicators and poverty

but there is a need of a more detailed analysis of the poverty data in order to understand the determinants of poverty. Moreover the I-PRSP lack a precise monitoring and evaluation plan. The document also has gaps in terms of prioritisation, timing, costing and financing.

The ongoing conflict is the most serious threat to poverty reduction. Continued attacks on civilians and fighting between Government forces and rebel forces can effectively delay and prevent implementation of the proposed activities in the I-PRSP. The transition period has been marked by the slowness of reform and governmental and legislative stagnation. Internal rivalries within the various political parties and between the coalitions are preventing effective political action. The implementation capacity of the government is weak both at provincial and central level and there is a lack of experience in implementing development programmes. Implementing the I-PRSP will require the mobilisation of domestic funds and external assistance. The domestic funds are planned to come from increased revenues and limited public spending. Donors and banks have provided some international assistance but a major part of the funding announced during the donor roundtable discussions is still missing. Support from the international community in terms of macro-economic support, support to develop sector policies and to implement programmes and projects will be necessary in the near future in order to implement the I-PRSP.

6.2 Co-operation with the international donor community

The international community has during the last four donor roundtable meetings pledged financial support to Burundi. During the last meeting in Brussels in January 2004, the donors pledged more than USD 1 billion. According to figures from the Government only a fraction of the pledges has been released from the donors during the period 2001–2003 due to uncertainty of the Government's capacity to implement activities. Humanitarian assistance to Burundi is channelled mainly through the UN and other international organisations and amounted to about USD 28 million in 2003.

During the latest donor meeting in Brussels the international community was asked to support Burundi's reconstruction and development, such as support to the security sector reform, return of refugees and IDPs, and capacity building activities, which would enable the authorities to focus on implementing their economic program. The TNG asked for budgetary assistance and balance of payments support which would help cover onerous debt-servicing obligations and fund priority outlays.

The World Bank, EU and IMF are the main contributors to Burundi. Other big donors are Belgium, USA, Germany, UK and France.

The World Bank (WB) has since its resumption of activities in 1999 contributed approximately USD 350 million, principally in the form of loan. WB's current portfolio of about USD 200 million focuses on support to economic recovery, HIV/AIDS, social protection, infrastructure rehabilitation and private sector promotion. The World Bank intends to design and extend assistance of a minimum of USD 140 million over the next two years comprising grants and credits. Areas to be covered include; budget support, economic management, demobilisation and reintegration, infrastructure rehabilitation and expansion, agriculture and

education. The WB has established a Multilateral Donor Trust Fund for Debt Relief (MDTF) to ease the burden of debt service while Burundi progresses towards HIPC Decision Point. The WB is looking to raise US\$ 80 million for the MDTF over a period of two years. International commitment to the MDTF however, has so far been limited, with only US\$ 20 million having been secured.

The transitional government reached an agreement on an IMF Staff Monitored Programme (SMP) to help address macroeconomic issues in the second half of 2001, but implementation of the SMP was hampered by continued political instability and a consequent holding back of donor support. A Post Conflict Assistance programme was agreed with the IMF in October 2002 and May 2003, for approximately USD 13 million per year. The objective is to establish good track record under this programme and move as quickly as possible to a PRGF. This credit was conditional upon the passing of a corrective Finance Bill that would reduce the amount of military spending. A request for the PRGF arrangement is scheduled to be discussed by IMF Executive Board during 2004.

EU's co-operation with Burundi aims at contributing, in a crisis or post-crisis context, to fair and stable economic growth for the development of all population groups in a context of poverty reduction and sustainable economic and social development. The total volume of EU Commission aid to Burundi amounts to € 400 million from the 6th EDF to the 9th EDF. Main activities currently in progress are financed by the 7th EDF. The total commitment of the 8th EDF is € 65 million and is expected for 2003 and 2004. The volume from the 9th EDF is programmed to € 115 million. Humanitarian support is provided through ECHO with an amount of € 17.5 million in 2002 and € 15 million in 2003.

Belgium has increased its support from € 23 million 2003–2004 to € 35 million 2004–2005. Approximately one third of the assistance is aimed at humanitarian support. Belgium is contributing to the MDTF and gives budget support. Assistance is also given to the areas of health, education, legal and security sector, food aid and rehabilitation.

USA is a major supporter to INGO and UN-organisations within areas of HIV/AIDS, humanitarian aid, agriculture, refugees, education, strengthening of civil society and women/children.

Germany has a programme (€ 45 million) targeting water, health and resettlement/reintegration of the population.

UK has recently developed a country engagement plan for Burundi for the period 2004–2006 with focus on humanitarian assistance including the UNHCR work in refugee camps in Tanzania, peace-building and conflict management including Demobilisation, Disarmament and Reintegration (DDR) and security sector reform. Further, UK has started to support the PRSP process and capacity building of the Transitional National Government (TNG). The total support amounts to USD 55–60 million during 2003–2005.

France (€11 million in progress, €5 million per year) is contributing to enhancing the rule of law, the basic needs of the population (secure food supplies, technical assistance, health/aids and basic infrastructure). France will also give budget support amounting to € 20 million during 2004–2006 and contribute to the MDTF.

Swedish support to Burundi consists mainly of humanitarian support (SEK 30 million per year) to areas like peace and reconciliation, health, education, reintegration of refugees and internally displaced people. UN-organisations, international NGOs and Swedish churches and NGOs implement the Swedish support. Support is also given within the area of democratic governance including human rights. Swedish missionaries have been working in Burundi for more than fifty years and have concentrated their support to the education and the health sector. The Swedish Pentecostal Church has also lately given support to fight against HIV/AIDS, support to returning refugees and to small-scale agricultural production. The Swedish support has in general been successful. Despite the difficult security situation, the organisations that have received Swedish support have to a large extent been able to implement their programmes thanks to good local knowledge and extensive local networks. The Swedish support has contributed to protect and normalise the lives for many people living under difficult conditions in a conflict-affected country.

7. Summary And Conclusions

7.1 Summary

Burundi is one of the poorest countries in the world with horrendous humanitarian indicators. The major cause of poverty is the conflict. Other determinant factors are bad governance, HIV/AIDS and scarce resources/lack of access to land. These factors are closely interlinked and strongly affect each other. Poverty reduction in particular demand consolidation of peace, national reconciliation, good governance, institutional and economic reforms, improved management of natural resources, improved social services and combating HIV/AIDS. This requires financial, as well as human resources. Lack of capacity within the administration and lack of financial resources are serious constraints for poverty reduction.

The peace process has made progress with the assistance of the international community. In November 2003 the government and the major rebel group, CNDD-FDD signed an agreement endorsing political, defence and security power sharing in the country. However, one group, FNL, remains in armed opposition. The development is positive but the process is very fragile and the challenges are many and complex including reconstruction of the army, demobilisation and reintegration of 55 000 soldiers and former combatants, resettlement of 800 000 refugees and 300 000 internally displaced people. A question of great concern is the land ownership issue and how to distribute land to returning IDPs and refugees. The risk for new conflicts is large with the major roots of the conflict – poverty, injustice, discrimination, inequality, impunity, human rights abuses and bad governance still present. Political initiatives need to be complemented with peace dividends for the population. In addition to peace-building- and reconciliation efforts, living conditions for the people need to be improved. The development of the situation in the neighbouring countries, in particular DRC and Rwanda is also of great importance for stabilisation in Burundi. Despite these challenges, there are aspects that offer hope that challenges can be met. The Transitional Government seems to be committed to achieve peace and reconciliation, ethnicity seems to be less important at community level, the civil society is increasingly active in policy debate and plays an increasing role in peace building and the fight against poverty. The African Union plays an important role in the peace process.

Burundi faces a situation of lack of democracy and of good governance. Years of conflict have weakened the institutional capacity. The state functions in line with patron-client relations between the rulers and the ruled. Serious human rights abuses and impunity are widespread. The situation for children, women and displaced is particularly difficult.

The economy has been severely hampered by the conflict. The short term prospects for growth seem limited with degraded natural resources, poor infrastructure, an unfavourable investment climate and rigid trade and exchange policy. With peace and economic reforms the potential for medium term growth is better but still limited.

The transitional government has developed an interim poverty reduction strategy focusing on peace and good governance, pro poor economic growth, improved access to social services, reintegration of victims of conflict and disadvantaged groups, combating HIV/AIDS and advancing the role of women in development. The quality, however, is poor and the capacity to implement the strategy is low. A poverty reduction strategy is to be developed during 2004. A major constraint is lack of financial resources. Few donors are present in Burundi and the financial commitments are limited.

7.2 Conclusions for future Swedish development assistance

- The conflict situation in the country and in the region motivates a strong national and regional conflict perspective of the future Swedish assistance.
- The role of the international community is important for the peace process. Sweden should promote UN and EU engagement in Burundi and the Great Lakes region. Sweden could also in its dialogue with relevant countries in the region, for example Tanzania, bring up issues of relevance for the peace-process in Burundi. One such issue is the possibility of reintegrating Burundian refugees in Tanzania.
- The conflict situation and the human rights situation motivate a strong focus on a human rights based approach of the future Swedish assistance.
- The difficult humanitarian situation and continued instability motivate continued focus on humanitarian assistance with long-term character whenever possible.
- Progress in the peace process might open up for increased long-term assistance including institution building.
- Conflict prevention and peace building initiatives including promotion of security (for example demobilisation) and dialogue continue to be of great relevance. A successful reintegration and resettlement of former soldiers is an issue of utmost importance.
- Democratic governance with particular focus on human rights is of great relevance.
- Special attention should be given to vulnerable groups such as children and women, refugees and IDPs.
- Strong attention should be given to HIV/AIDS. HIV/AIDS should be addressed as a national development issue and focus on preventing the disease to be spread further to the general population. Special focus should be on dialogue and preventive activities for target groups at risk, such as military, refugees and IDPs.

Halving poverty by 2015 is one of the greatest challenges of our time, requiring cooperation and sustainability. The partner countries are responsible for their own development. Sida provides resources and develops knowledge and expertise, making the world a richer place.



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