



Farmer Ali Bado harvests paddy in his field in Bagré, Burkina Faso (2012). Photo: Pablo Tosco/Oxfam

FOR WHOSE BENEFIT?

The G8 New Alliance for Food Security and Nutrition in Burkina Faso

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The New Alliance for Food Security and Nutrition aims to improve food security in Burkina Faso through attracting private investors into agriculture. However, easing the investment climate should not lead to reforms in investment policies and land regulations at the expense of smallholders. The set-up of the New Alliance in Burkina Faso needs to be reviewed, based on food security and nutrition objectives; civil society and those affected by the initiative should be consulted throughout the process; and risks to smallholder agriculture need to be urgently mitigated.

1 INTRODUCTION

The 2012 G8 New Alliance for Food Security and Nutrition (New Alliance) in Burkina Faso seeks to improve food and nutritional security by helping 1.6 million people emerge from poverty by 2022, in part through a partnership with six international companies and ten Burkina Faso companies, in cooperation with the government and international donors. Within the cooperation framework of the New Alliance, G8 members and the government of Burkina Faso commit to ‘working together to generate greater private investment in agricultural development, scale innovation, achieve sustainable food security outcomes, reduce poverty and end hunger.’¹

The New Alliance builds on existing initiatives that seek private sector investment in agriculture. For example, the Bagré Growth Pole Project (see Box 1) – supported by the World Bank – is a core element of the New Alliance plans in Burkina Faso. The New Alliance is also considered as the means to support the Rural Sector National Programme (PNSR)² of Burkina Faso, and its action points conform to three out of the five PNSR priorities. The New Alliance also mentions the G8 Land Transparency Initiative and the UN Food and Agriculture Organization’s Voluntary Guidelines on the Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT),³ though these are not necessarily prerequisite to New Alliance land-related actions.

In 2013 Oxfam warned that the New Alliance risks harming rather than helping family farming and food security in the 10 African countries concerned, including Burkina Faso, and recommended strengthening the role of small-scale producer organizations (POs) and civil society organizations (CSOs), particularly those representing women, the rural poor, and consumers.⁴ Oxfam has commissioned research on the implementation of the New Alliance in Burkina Faso⁵ and conducted interviews with staff from the Bagré Growth Pole Project and those affected by the project in Bagré, the Ministry of Agriculture and Food Security, national and international private sector companies, farmer organizations, and donor representatives. Oxfam found that with the direction taken, both the New Alliance and related policy reforms actually risk marginalizing small-scale agriculture, undermining land tenure security, and endangering the right to food of the most vulnerable people.

2 NOT A WIN–WIN INITIATIVE

The setting up of the New Alliance cooperation framework in Burkina Faso was rushed through in July and August 2012, with scant attention given to the participation of POs and CSOs, particularly women's groups.⁶ Almost two years after the initiation of the process, accountability and monitoring mechanisms which include POs and CSOs are still being set up, making it challenging to assess the New Alliance's real impact. Oxfam finds however that risks and benefits are unlikely to be evenly distributed among the stakeholders involved.

UNEVEN COMMITMENTS, UNFULFILLED EXPECTATIONS

The government of Burkina Faso has been urged by the G8 to conduct policy reforms aimed at easing the business climate as a condition for joining the New Alliance.⁷ The measures that are to be implemented by the end of 2015 include reforms of seed and tariff regulations, as well as the adoption of a new code for agricultural investment. Policy reforms are now under way, at least concerning access to land and tax incentives to investment. Burkina Faso expected in return that donors would increase their support to the food security and agricultural development measures planned in the PNSR,⁸ in which the New Alliance is embedded; however, a number of pre-planned or operational donor commitments have simply been rebranded as New Alliance measures.

Neither POs nor CSOs have been involved in the design process of the cooperation framework – only the private sector appears to have been consulted.⁹ To date, POs and CSOs have also been neglected from participation in the implementation of the cooperation framework. While non-government organizations and POs are formally represented in the Bagré Growth Pole Project steering committee and the monitoring committee of the PNSR, it remains unclear what their role will be in the monitoring of the New Alliance. Indeed, the cooperation framework of the New Alliance states that its implementation should be conducted within the Joint Sector Review of PNSR, but POs and CSOs in Burkina have not yet been informed of this taking place.

Sixteen international, regional, and national-level investors¹⁰ have sent letters of intent to be included in the New Alliance, but only top-line summaries are available. There is no precise information made public on which of the investments summarized in the cooperation framework of the New Alliance are now being realized. While some information is available on the activities of national companies, no international private sector companies provided information at the time of the implementation of the New Alliance progress report in April 2013.¹¹ In the May 2013 Grow Africa report,¹² 16 of the 18 companies mentioned correspond with the

ones mentioned as partners in the New Alliance initiative. Brief information is available about the activities of the international companies in the Grow Africa report, but not always specifically on Burkina Faso, and the link with the New Alliance plans is not necessarily explicit. It is therefore challenging to get a comprehensive understanding of the activities of the companies participating in the New Alliance.

WHO BENEFITS FROM THE NEW ALLIANCE?

Aside from pre-existing development support activities by donors that have been included in the cooperation framework, what is actually new in the New Alliance in Burkina Faso is the focus on securing the investment climate for private investors, while insufficient attention is given to smallholders. Measures such as tax and tariff incentives are tailored for companies, not for small-scale food producers. Only 20 per cent of the land to be irrigated in the Bagré area as part of the New Alliance framework policy actions will be allocated to family farming (see Box 1).¹³

Potential investors are expected to be attracted by efforts of the Burkina Faso government to relax investment conditions in the agriculture and food sectors and the plans to irrigate and lease vast plots of land in the existing Bagré Growth Pole Project, which is included in the New Alliance cooperation framework and promoted as a national model for agricultural development (see Box 1).

Benefits in terms of food security and poverty reduction from private investments made through the New Alliance are unclear, as it appears that no commitment has been asked from private companies on these issues; nor in terms of human rights and working conditions with local communities. To date, no boost to private investment in agriculture has been witnessed on the ground. The April 2013 New Alliance report on Burkina Faso stated that only six out of the ten national investors mentioned in the 2012 cooperation framework had already initiated investments. Indeed, national companies appear to be struggling to live up to their investment; they appear to be facing challenges in accessing investment credit, either because of high minimum amount requirements or prohibitive interest rates,¹⁴ despite access to credit being a target of the New Alliance cooperation framework plan.¹⁵

Box 1: The Bagré Growth Pole Project – a model of large-scale agricultural development supported by the New Alliance

What is Bagré?

In 1998 an area of 500,000ha was declared for public use in Bagré, 200km southeast of Ouagadougou. In 2012 the Bagré Growth Pole Project was launched with the support of the World Bank, with the objective of creating an area of integrated development, mixing agricultural production, fish farming, processing industries, tourism and trade and financial services in a 50,000 hectare-wide area. As of 2010, 40,649 people lived in the focus area.¹⁶

Links with the New Alliance

The New Alliance cooperation framework includes a commitment to develop or rehabilitate 18,500ha of irrigated land; 12,712ha of this land is located in Bagré; 78 per cent (9,922ha) is reserved for investors and the remainder (2,790ha) for small-scale food producers. An invitation to tender was launched in April 2012 on the 9,922ha of land to be granted to agribusiness enterprises.

Private investors and family farmers

The specifications¹⁷ used in the Bagré project define private investors or agricultural entrepreneurs as individuals or institutions who use capital and a salaried workforce to realize production, storage, processing, or trading of agricultural material, with an objective of economic profit. Meanwhile, 'family farms' are defined as farms characterized by low intensification, using non-modern means, and relying on a family workforce. An investigation by Oxfam in the field shows that family farmers are granted between 1 and 4ha of land and it remains difficult for them to scale up and access additional land. Investors are the ones applying for more than 5ha of irrigated land.

Land allocation to investors in Bagré

Foreign investors account for 20 per cent of the 737 applicants who have responded to the original tender on the 9,922ha, but are seeking more than 50 per cent of the 98,000ha of land applied for.¹⁸ Selection criteria are mainly based on the administrative, legal, and financial characteristics of the companies; 'contribution to food security' is included, but is only granted four out of 100 points attributed to each applying company. The results of the tender have not yet been made public. The selected companies will be offered long-term leases for land, for a period of 18 to 99 years, with the duration correlated to the planned amount of investment. Rental costs will be negotiated by each company directly with Bagrépôle management.

Tax and tariff incentives for investors in Bagré

Investors in Bagré will benefit from important customs exemptions and tax incentives that will be partly negotiable on a case-by-case basis.¹⁹ Among other benefits, during the investment phase investors will be exempt from paying some of the costs associated with the project implementation, including certain custom and tax duties²⁰ on imported goods and services; domestic taxes on the acquisition of goods, services, and labour; and other important direct taxes such as corporate income tax.

During the operational phase, investors will benefit from lower custom and tax duties (7.5 per cent) on imported products, total exemption of custom duties and taxes on the export of goods and services produced or manufactured in Bagré, as well as total exemption of the corporate tax during the first seven years. From years eight to twelve, corporate income

tax will be applied at a reduced rate of 15 per cent (compared with the usual 27.5 per cent). According to information provided by the Bagrépôle management, smallholders who are not considered to be investors can in theory apply for exemption on import taxes for goods related to agricultural investment, though it is unclear how.

Impact of current irrigation works on smallholders in Bagré

Between 3,000 and 9,000 households²¹ could be affected by irrigation works for investors on land they are currently using. Those displaced will be granted the same acreage of land elsewhere during the irrigation works and will be financially compensated if they cannot benefit from harvesting due to their displacement, for up to two years. At the end of the works, they should obtain newly irrigated plots, but with lower acreage than before their displacement. Bagrépôle management considers that less land will be needed to achieve similar production levels given gains in yields due to irrigation and the inputs and technical assistance that should be provided in the future. It has been very difficult so far to obtain clear information on the conditions and amount of compensation; the calculation methodology of land to be granted; the amount that will be charged for land rental; and the terms for negotiations with small-scale producers. Bagrépôle therefore needs to demonstrate transparency and accountability on their displacement and compensation policy; provide a cost-benefit analysis for their proposal to displace people from the land they use; and open a consultation with affected people and the organizations representing their interests.

3 IS SMALLHOLDER AGRICULTURE AND THE RIGHT TO FOOD AT STAKE?

Small-scale producers are the primary investors in agriculture in Burkina Faso and their investments can often foster gains in food security, especially at local and national levels.²² They account for most husbandry and agricultural outputs in the country, including the production of staple food such as rice, which has greatly increased since the 2008 food crisis and the government's actions to support rice producers.

Despite their crucial contributions, the implementation of the New Alliance in Burkina Faso is not prioritizing small-scale producers but is rather focused on a model of large-scale entrepreneurial agriculture, which the government considers more able to scale up to meet market demands and contribute to national economic growth. Smallholders risk being sidelined while private investors garner public support and access to resources through the New Alliance. However, the case of the cooperative of women rice steamers (see Box 2) offers an interesting example of how producer organizations could gain from investment promotion policies if conditions are established for smallholders to collectively benefit from them.

Box 2: Cooperative of women rice steamers still waiting for land

UCERB hopes to get land as a result of the tender launched in Bagré

The Conannet Union of Rice Steamers of Bagré (UCERB) is a cooperative of 18 groups consisting of 460 women who buy and steam rice in the area of the Bagré Growth Pole Project. Oxfam supported UCERB to develop storage facilities. Only a handful of the women members control their own plots of land and so they decided to take up the opportunity of the Bagré tender to scale-up their activities and access to land. They designed a proposal to build a new storage facility and gain access to 100ha of land in Bagré to grow their own rice to use for steaming. Given the number of applications and the total amount of land required in response to the Bagré tender, UCERB have already been told that they would be granted less acreage than they applied for.

WHO GAINS FROM TAX AND TARIFF EXEMPTIONS?

In line with the New Alliance commitment 'to build domestic and international private sector confidence to increase agricultural investment significantly',²³ the Burkina Faso government passed a series of important economic reforms to increase agricultural investment. In 2013

an investment promotion agency was established, an investment orientation and programming act was adopted, and an act on incentives for investors in Bagrépôle was undertaken. The investment exemption offered in Bagré and the future code of agricultural investment currently being adopted are expected to be more attractive to private investors than the already generous 2010 general code of investment.²⁴

New exemptions beyond the investment phase could also be created, thus reducing the tax base of the country. For example, internal Ministry of Agriculture and Food Security recommendations²⁵ call for tax and custom exemptions for private investors in agriculture, similar to the 2012 law on special tax and tariff regime that applies to large-scale private investors²⁶ (see Box 3). The measures defined under the 2012 special regime were also included (to a large extent) in the Bagrépôle incentives for private investment.²⁷

To date it has been impossible to find detailed information on the progress and content of the drafting of the code, or who might benefit from the recommended incentives, even in the New Alliance progress report. Furthermore, there is no mention of smallholders in the memorandum of the Ministry of Agriculture and Food Security.

'All countries are nowadays competing to attract foreign direct investments by adopting far more liberal and attractive investment codes. Burkina Faso cannot remain on the side lines of this competition.'

Ministry of Agriculture and Food Security, note on the general regime of investment in Burkina Faso, 22 July 2013

Box 3: Benefits for investors under the special regime

A note on investment in 2013 by the Ministry of Agriculture and Food Security recommends that the conditions set in the 2012 law on special tax and tariff regime be used as a reference for the future code of agricultural investment.

During the investment phase

- Exemption from value-added tax, customs duties, and most other levies imposed on the importation of goods and services intended for the implementation of the project.
- Exemption from the domestic tax system on the acquisition of goods, services, and work of any nature destined solely for the implementation of the project.

During the production phase

- Payment of customs duties and taxes at a cumulative rate of 7.5 per cent on all goods and services imported under the framework of the project.
- Total exemption from customs duties and taxes on the export of goods and services produced or processed in the framework of the project.
- Total exemption during the first seven years from corporate income tax, the standard minimum charge, patent tax, tax on endowments, apprenticeship tax, and tax on property revenues.
- Application of a 15 per cent corporate income tax from year eight to twelve.

Progressive and fair tax policies can have a huge impact on inequality and poverty reduction and can contribute to financing essential policies such as access to health, education, and food. Investment policies that create incentives – including through tax exemptions – need to be carefully thought out and serve the purpose of fulfilling the right to food. Investment incentives for smallholders can foster agricultural production, employment, and income, for example by sourcing produce from small-

scale producers or involving them as shareholders in the business venture, thus reversing biases in current tax incentive regimes that favour the importation of machinery and capital equipment.²⁸

Preferential treatment for agricultural investors without commitments to contribute to poverty reduction or inequality reduction in return, risks lowering the mobilization of domestic resources and maintaining the dependency on foreign aid in a country that is characterized by dependency on export and import duties, high inequality, and low levels of income redistribution.²⁹ Moreover, the impact of tax incentives on private investment remains contested in the development community.³⁰

THREAT TO LAND RIGHTS OF LOCAL COMMUNITIES

A number of potentially contradictory measures with regards to access to land are mentioned in the New Alliance cooperation framework. The Rural Land Tenure Law adopted in 2009 allows the granting of a certificate of individual or collective rural land ownership, giving local land users permanent land tenure rights.³¹ The implementation of this law is supported by France and the United States in the New Alliance, together with the granting of land certificates to local communities. The law could be undermined, however, by measures recommended in a preparatory document to the future code of agricultural investment issued by the Ministry of Agriculture and Food Security in July 2013.³² The memorandum on land and the land tenure system recommends granting land titles to investors on non-irrigated land owned by the state and local authorities, which could include land used by local communities, for which they should be able to claim land tenure rights under the 2009 law.

Furthermore, the note also recommends linking access to land to the competitiveness of 'for profit enterprises', as opposed to small-scale agriculture. The introduction of the criteria of productivity in the granting of access to land, in a country where agribusiness is publicly seen as modern and small-scale agriculture as unprofitable, runs the risk of undermining smallholders' legitimacy in claiming their rights to land.

Such risks related to land tenure are also in conflict with the Land Transparency Partnership that was established between the US and Burkina Faso under the 2013 G8 Land Transparency Initiative (LTI). The LTI aims to support the implementation of the UN Food and Agriculture Organization's Voluntary Guidelines on the Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT) in sub-Saharan Africa. The VGGT aim to secure existing land rights and protect against land grabs, securing the livelihoods of local communities. In Burkina Faso their implementation is supported by the United States as the leader of the Land Transparency Partnership. There is no information however about progress made in the implementation of the VGGT, nor of the LTI. None of the related activities seem to cover the area of Bagrépôle that is subject to tender for large amounts of land, nor does it seem that the VGGT and LTI are to be included in the agricultural investment code currently being drafted.

4 CONCLUSION AND RECOMMENDATIONS

The implementation of the New Alliance and the accompanying policy reforms undertaken in Burkina Faso present a number of threats to smallholder agriculture and the food security of the most vulnerable communities. All involved stakeholders must be accountable to their commitments to promote food security and nutrition. Oxfam recommends the following actions:

Governance and transparency

- France, as the leader of the G8 New Alliance in Burkina Faso, must work with the Burkina Faso government to strengthen existing accountability mechanisms, inclusive of producer organizations and civil society organizations, and create tools to evaluate the impact of New Alliance measures regarding food and nutrition security objectives.
- Companies that take part in the New Alliance must publish their letters of intent, disclose any contracts or leases they sign to the public, and detail the impact of their investment on food security and nutrition. They should seek the free, prior, and informed consent (FPIC) of affected communities in any activities relating to the land and resources on which they depend, and disclose human rights, environmental, and social impact assessments for their investments to local communities.

Impact on food security and nutrition

- The New Alliance leadership (host and donor governments) must re-examine ongoing and planned policy reforms to determine what impact they will have on food security and nutrition and on small-scale producers.
- The New Alliance leadership should consider smallholders, particularly women, as the priority investors in agriculture, and should shape incentives and policy changes for their benefit, based on consultation with producer organizations.
- The Bagrèpôle management and the New Alliance leadership should ensure that all private investments respect the right to food and contribute to food security and nutrition; they should make investors commit to fair agreements with small-scale producers that guarantee minimum prices, establish fair dispute resolution mechanisms, and favour investment models that avoid transfer of land tenure rights away from smallholder farmers.

Secure access to land

- As the leader of the New Alliance, France must work with the United States (initiator of the Land Transparency Partnership in Burkina Faso) and the government of Burkina Faso to ensure that all land

deals and investments are subject to the prior implementation of the VGGT; respect and uphold the principle of FPIC for affected communities; and do not undermine local people's rights as defined in the Rural Land Tenure Law. Bagrépôle management must guarantee secure access to land and natural resources for all small-scale producers in Bagré. Based on FPIC, all displaced communities should have the right to give or withhold their consent to any development that affects them, and benefit from the land and technical assistance needed to cultivate.

- Bagrépôle management must inform on the progress of the tender launched for investors in April 2012 and disclose the terms of the land agreements made, or to be made.
- The companies involved in the New Alliance must apply the highest existing safeguards and standards to their investments, including adherence to the UN Guiding Principles on Business and Human Rights and respect the provisions of the VGGT.

Tax policy and enabling environment

- Burkina Faso should conduct a cost-benefit analysis of any exemption granted to agricultural large-scale investors before implementing them, including the Bagré Growth Pole Project. Such an analysis should comprise food security and poverty reduction criteria and an evaluation of the loss in domestic resources from tax exemptions. The Government of Burkina Faso should ensure that the code of agricultural investment is discussed with producer organizations and civil society organizations, including women's groups. All incentives granted to investors should be made public to ensure greater transparency and accountability.

NOTES

- 1 Cooperation Framework to Support the New Alliance for Food Security & Nutrition in Burkina Faso.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/208030/new-alliance-progress-report-coop-framework-burkina-faso.pdf
- 2 The Rural Sector National Programme (PNSR) is the Burkina Faso agricultural action plan in the context of the Comprehensive Africa Agricultural Development Programme (CAADP).
<http://www.spcpsa.gov.bf/agriculture-burkina-le-pnsr>
- 3 Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security. <http://www.fao.org/docrep/016/i2801e/i2801e.pdf>
- 4 E. Munoz (2013) 'The New Alliance: A new direction needed. Reforming the G8's public-private partnership on agriculture and food security. Oxfam International
<http://www.oxfam.org/fr/grow/node/33428>
- 5 B. W. Sanou (2014) Monitoring the New Alliance for Food Security and Nutrition in Burkina: Burkina Faso's policy commitments put to the test of the realities and practices on the ground, May 2014.
- 6 The Chamber of Agriculture of Burkina Faso, a public body, participated in the process of designing the New Alliance cooperation framework and was considered to be representing POs and CSOs. POs and CSOs themselves were not called to join the process.
- 7 Donors and staff from the Ministry of Agriculture and Food Security, including the advisor of the Minister in charge of the negotiations on behalf of the Burkina Faso government, confirmed that commitment to ease the business climate was a condition for Burkina Faso to join the New Alliance. See also Sanou, 2014, op. cit. p10.
- 8 The expectations of the Burkina Faso government were confirmed by the adviser of the Minister of Agriculture and Food Security who handled the negotiations of the New Alliance cooperation framework, as well as by the Permanent Secretariat of Coordination of Agricultural Sector Policies (SP/CPSA) that coordinates the implementation of the Rural Sector National Programme (PNSR), and donors.
- 9 The President of the Burkina Food and Processing Federation (FIAB) was in charge of representing the national private sector during the phase of negotiations and setting up of the New Alliance cooperation framework in Burkina Faso. See Sanou, 2014, op. cit. p7–8.
- 10 Four foreign companies, two international corporate partnerships – African Cashew Initiative and Competitive African Cotton Initiative – and ten national companies or joint ventures are mentioned in the New Alliance cooperation framework.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/208030/new-alliance-progress-report-coop-framework-burkina-faso.pdf
- 11 G8 cooperation framework to support the New Alliance for Food Security and Nutrition in Burkina Faso, first progress report, April 2013.
- 12 Grow Africa, Investing in the future of African agriculture. 1st Annual Report on private-sector investment in support of country-led transformations in African agriculture, May 2013.
http://growafrica.com/Grow_Africa_Annual_Report_May_2013.pdf
- 13 G8 cooperation framework, 2013, op. cit. p15.
- 14 B. W. Sanou, 2014, op. cit p12.
- 15 Measure 8 of the G8 New Alliance cooperation framework in Burkina Faso plans to 'Facilitate access to funding for actors from the different sub-sectors of agricultural value chains'. G8 Cooperation Framework, op. cit. p8.
- 16 El Hadj Birahim Fall and Ben Ouedraogo Mamadou, (2011) Social Impact Evaluation, Temporary report, Bagré Growth Pole Project, Ministry of Economy and Finance, May 2011, Burkina Faso. p6.
- 17 The specifications from Bagré were shared with Oxfam by the Bagrépôle management: Specifications for family farming access to and use of the irrigated area in the hydro-agricultural plain of the Bagré Growth Pole, and specifications on charges for the irrigation and use of land for agricultural enterprises in the hydro-agricultural plain of the Bagré Growth Pole, December 2012.
- 18 Information shared by Bagrépôle representatives. See Sanou, 2014, op. cit. p16.
- 19 The 23 May 2013 law n°021-2013/AN on finance law amending the finance law for the implementation of the state budget management, 2013, 'Incentives for private investment to be performed on the site of Bagré Growth Pole', defines minimum criteria for these incentives. See Sanou, 2014, op. cit. p22.
- 20 The ordinary custom and tax duties on imports that investors are exempted from in Bagré include the West Africa Economic and Monetary Union Common External Tariff, the 18 per cent value added tax, and several West Africa regional levies.
- 21 The Bagrépôle website mentions that 9,000 households could be affected by the irrigation works launched on the land they are currently using. At a meeting with Oxfam in 2014, the Bagrépôle management gave the figure of 3,000 people to be displaced.
- 22 The centrality of smallholder agriculture in fostering food security was recognized in the works of

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- the Committee on World Food Security during the 'Policy roundtable on How to increase food security and smallholder-sensitive investment in agriculture' in 2011. See <http://www.fao.org/docrep/meeting/023/mc066E.pdf>, p.5.
- 23 G8 Cooperation Framework, 2013, p3.
- 24 The 1995 general code of investment was revised in 2010. See the investment code of Burkina Faso (Act n°62-95 ADP from 1995), revised under Act n°007-2010/AN in 2010). http://www.gouvernement.gov.bf/IMG/pdf_bfcodeinvest2010.pdf. The code grants specific advantages for investors during the investment phase, including the payment of a 5 per cent custom tax only (instead of the West Africa Economic and Monetary Union-WAEMU's Common External Tariff ranging from 0 per cent on 'essential goods' to 20 per cent on end-consumer goods, in addition to a 1 per cent statistical charge and a 1 per cent WAEMU community solidarity levy), exemption from the 18 per cent value-added tax on production equipment, and temporary reductions on the 27.5 per cent corporate tax, depending on the amount of investment.
- 25 Ministry of Agriculture and Food Security, with the support of German cooperation agency GIZ (2013) The general regime of investments in Burkina Faso, 22 July 2013. Available in French at <http://www.spcpsa.gov.bf/agriculture-burkina-ressources-documentaires/code-d-investissement-agricole-cia-au-burkina>
- 26 Investors engaged to respect a minimum 10-year convention with Burkina Faso and investing at least 25 billion CFA francs (more than \$52m) can benefit from the special tax and tariff regime. See Law n°025-2012/AN on the set up of a special tax and custom regime for investment conventions signed with the State in the framework of the implementation of the Accelerated Growth and Sustainable Development Strategy, 4 June 2012. Available in French at http://www.cp-investburkina.bf/IMG/pdf/Loi_investissement_SCADD.pdf
- 27 Bagrépôle, Incentives for private investment to be performed on the site of Bagré Growth Pole, Extract law n°021-2013/AN of 23 May 2013.
- 28 B. Vorley, L. Cotula and M-K Chan (2012) Tipping the Balance, Policies to shape agricultural investments and markets in favour of small-scale farmers, Oxfam, December 2012. <http://www.oxfam.org/sites/www.oxfam.org/files/rr-tipping-balance-agricultural-investments-markets-061212-en.pdf>
- 29 In Burkina Faso, the richest 20 per cent of the population earn almost half of the national income while the poorest 20 per cent hold only 7 per cent of national wealth (The World Bank, World Development Indicators 2014, Distribution of income or consumption. <http://wdi.worldbank.org/table/2.9>). Income redistribution through taxes and transfers is very weak as it is, with a redistribution rate of income of only 6 per cent (UNDP, Annex 3.B. rates of redistribution from primary to secondary income distribution by country (early 1990s to late 2000s), Humanity divided: Confronting inequality in developing countries, p104, November 2013. http://www.undp.org/content/dam/undp/library/Poverty%20Reduction/Inclusive%20development/Humanity%20Divided/HumanityDivided_Full-Report.pdf
- 30 See, among others, the OECD (2013) Draft principles to enhance the transparency and governance of tax incentives for investment in developing countries. <http://www.oecd.org/ctp/tax-global/transparency-and-governance-principles.pdf>; The IMF: Mark Plant, Raising Government Revenue in Africa: A Road out of Poverty, 21 march 2011, <http://blog-imfdirect.imf.org/2011/03/21/raising-government-revenue-in-africa> and Revenue Mobilization in Developing Countries, 8 March 2011, <https://www.imf.org/external/np/pp/eng/2011/030811.pdf>
- 31 See Law n°034-2009 on rural land tenure. Available in French at http://www.hubrural.org/IMG/pdf/Loi_034_portant_regime_foncier_en_milieu_rural.pdf
- 32 Ministry of Agriculture and Food Security, with the support of German cooperation agency (GIZ): Access to land and land tenure, 22 July 2013. Available in French at <http://www.spcpsa.gov.bf/agriculture-burkina-ressources-documentaires/code-d-investissement-agricole-cia-au-burkina>

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