





























The information reflected in this paper has been gathered by <u>Jaume Portell</u>, a reporter specialised in economics and international relationships, in an activity cofounded at a 85% by FEDER funds in the framework of the <u>AfricanTech</u> (1/MAC/1.3/0088) project, within the INTERREG VI D MAC 2021-2027 initiative.

BURUNDI

Macroeconomic framework:

In 2023 Burundi accelerated its growth (2.8%) compared to the numbers made the previous year (1.8%), according to the African Economic Outlook. The main cause of this growth were the industry and services, even if agriculture still represents the bulk of the economy and generates an 86% of the national workforce. The mobilisation of resources carried by multilateral agencies, according to the report, would enable to underpin growth, add products value and to ameliorate agricultural productivity. In 2024 and 2025 Burundi will grow a 4.6% and a 5.9% respectively, boosted by investments in the mining sector. The country's GDP in 2023 was 3200 million dollars.

Debt:

Burundi has an external debt of 953 million dollars. The interest of this debt has grown considerably during the last decade: from 20 million dollars in 2012 to 69 million dollars in 2025. With the increasing prices of gold in 2024, Burundi will bring in enough currency to keep up this pace. However, any downfall in production or prices would aggravate the situation. Without an access to private market, Burundi seeks funding in multilateral agencies like the World Bank or the OPEC Fund. Multilateral creditors represent the 74% of Burundi's debt. Bilateral lenders represent a 26%, with the spotlight on Arabia Saudi, India and China.

Burundi's currency, with a notable commercial deficit, has been losing value progressively during the last decade. The devaluation of Burundian franc between 2022 and 2023 was a 38.5%, a fact that fostered inflation - for instance, because of the increasing prices of food bought abroad.

Imports and exports:

Burundi, like the majority of its neighbouring countries in eastern Africa, produces tea and coffee intended mainly to its exportation. Burundi's exports raised 199 million dollars in 2023, and gold represents more than a 65% of it. Coffee (22%) and tea (6%) complete the rest of the export basket. The first trading market of exports in Burundi is United Arab Emirates —where the gold goes-, followed by Uganda and China.

Importations surpass exportations by a large amount (675 million dollars in 2023), and the main line item is cement- bought from Tanzania and Zambia-, followed by fertiliser, drugs and staple food- wheat and rice. The first country of origin for these importations is Tanzania, followed by China, Uganda and Kenya.

Electric power:

In 2023 Burundi generated 0.39 TWh of electricity. This number quadruples what was generated in year 2000. More than two thirds of this power have a renewable source, with the notable prominence of the hydroelectricity. According to the Internacional Agency of Energy, only a 10% of the population in Burundi has access to electric power.

Defence:

The annual expenses in defence material in 2023 ascended to 152.4million dollars, according to SIPRI, a Sweden institute specialised in trading with this kind of products. This sum represents more than a 10% of the government's total expenses. South africa is Burundi's main provider since year 2000.

Demography:

The internal displacements from rural areas into the cities in Burundi is below the rest of movements in the country. In 1990, within 95% of the population in Burundi lived in rural areas, a number that has decreased to an 85% in 2023. Between 1990 and 2023 Burundi has gone from 5.48 millions of inhabitants to 13.2. Life expectancy has increased from 45 years old in 1990 to 62 years old in 2022, in a country where half of the population has less than 18 years old.

Technological innovations:

In 2014, a 16 million endorsement from the Chinese Bank of Exportations and Importations, a state-owned company, was used in order to install fibre optic cable in the metropolitan area of Bujumbura, capital of Burundi. The internet connection of the Burundian people was only testimonial in 2010, with less than a 1% of people connected. In 2022, this percentage still one of the lowest in the continent. However, it has increased to 11% of the population. One out of every four burundians has a cellphone, according to the 2023 ICT Development Index.