

Burundi

intra-Africa trade & tariff profile 2019



1. Introduction

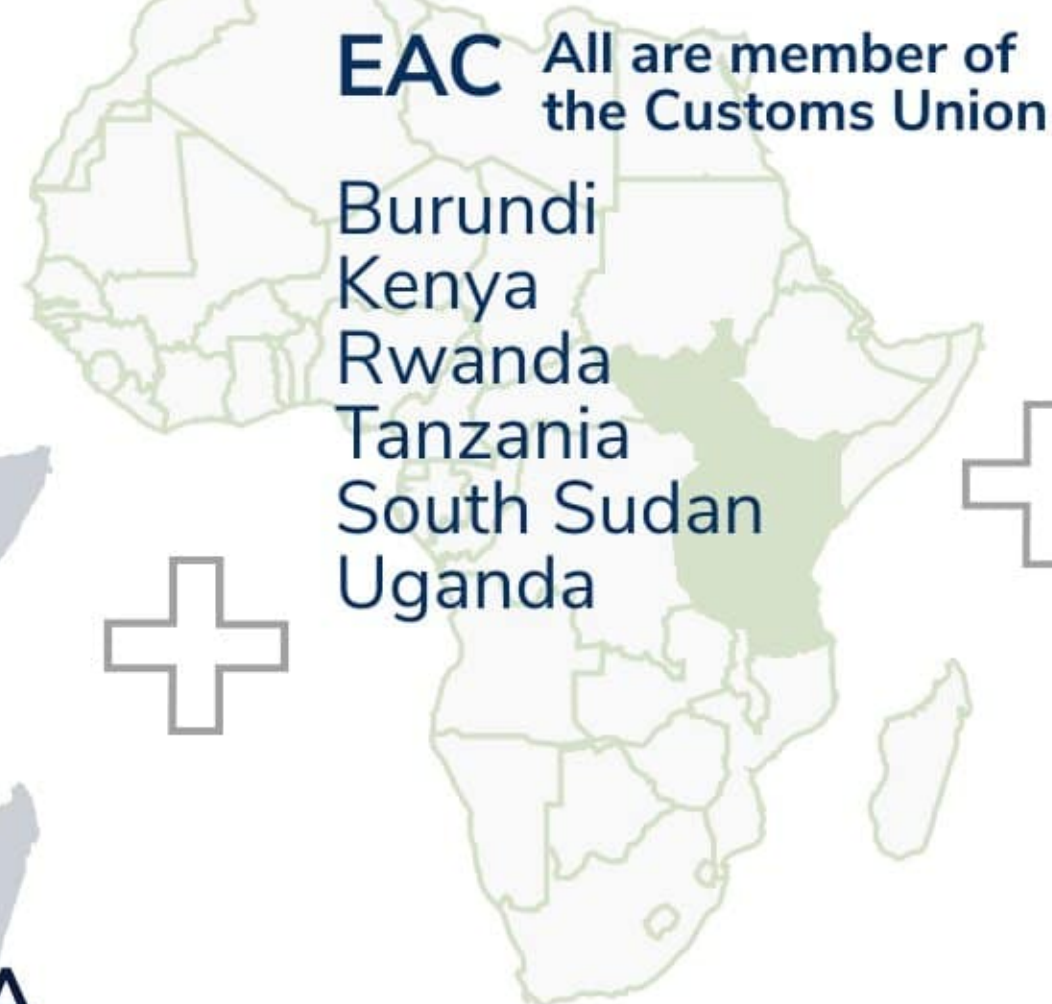
Burundi is a member of the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA) and the Economic Community of Central African States (ECCAS).

- EAC is a customs union with duty-free trade among the six member states and a common external tariff (CET)
- COMESA has 21 member states, 17 of which are part of the COMESA Free Trade Area – the DRC, Eritrea, Ethiopia and Somalia are all in the process of accession
- ECCAS has 11 member states. Although the legal instruments of the ECCAS FTA were signed in 2004, the FTA is not yet in force; only three of the member states (Cameroon, Congo and Gabon) have adopted the ECCAS Preferential Tariff for intra-ECCAS trade

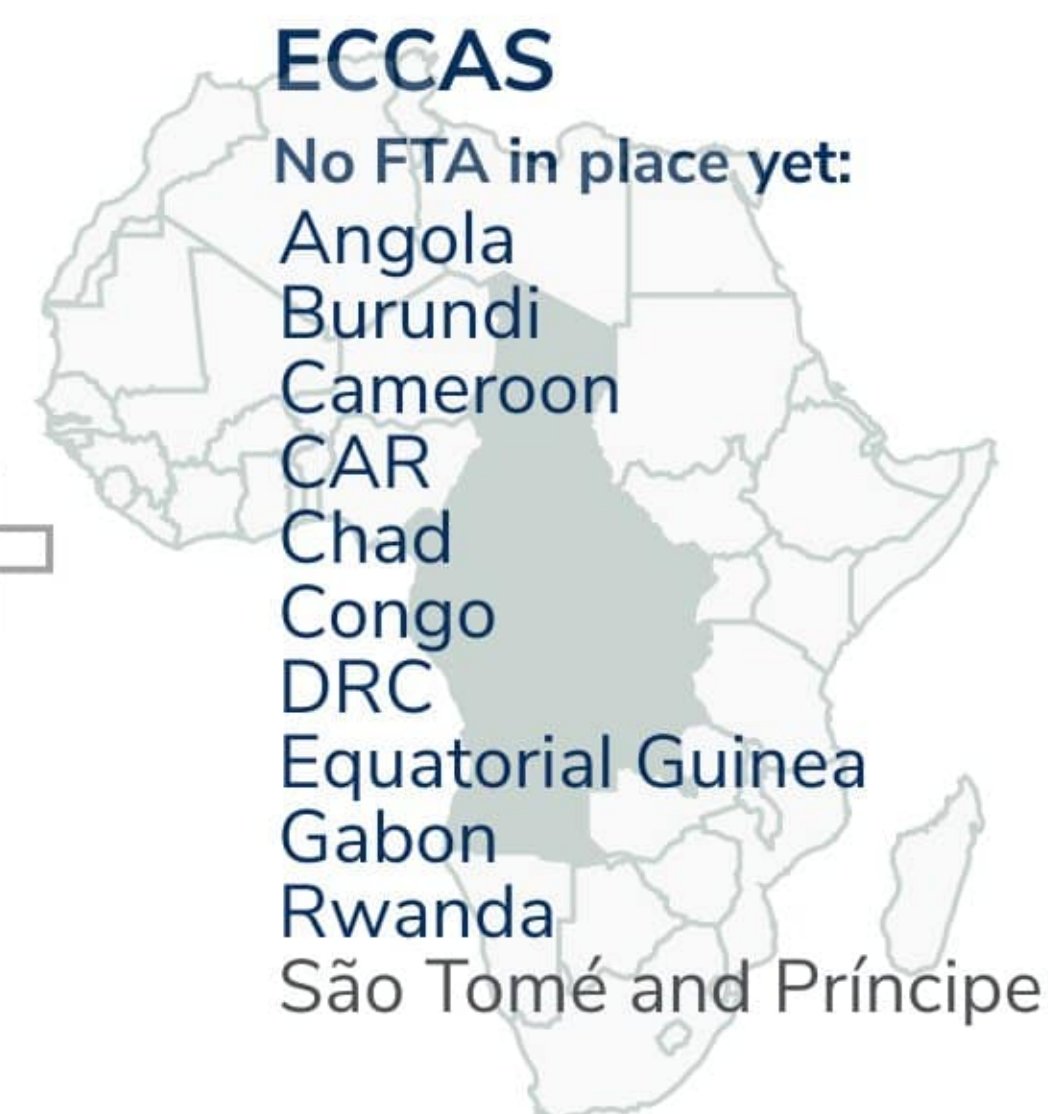
Members of the COMESA FTA:



EAC



ECCAS



2. Intra-Africa trade

For 2019, 27% of Burundi's respective world exports & world imports were to and from the rest of Africa. Intra-Africa exports amounted to US\$49.53 million (0.5% more than in 2018) & intra-Africa imports to US\$237 million (21%

increase compared to 2018 imports). 54% of Burundi's total intra-Africa trade are with fellow EAC & COMESA member states Tanzania, Kenya, Uganda & Rwanda. 40% of exports are to the DRC. Burundi mainly exports

agricultural goods (wheat flour, coffee & tea) to the rest of Africa and imports manufactured goods including cement, flat-rolled steel products, medicines & steel bars & rods sourced from Tanzania, Kenya, Zambia & Uganda.

Main destination markets

DRC, Uganda, Egypt, Tanzania & Sudan



Exports

Wheat flour



all wheat flour exports

Coffee



19% of Burundi's world coffee exports

Tea



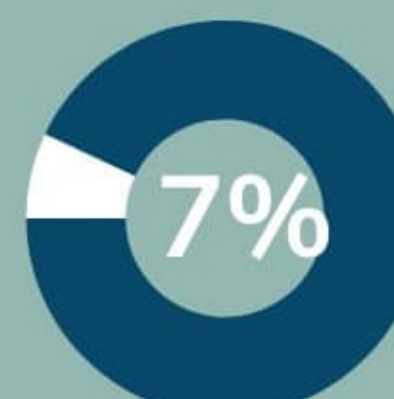
24% of Burundi's world tea exports

Cigarettes



all cigarette exports

Petroleum oils



74% of Burundi's world petroleum exports

Main source markets



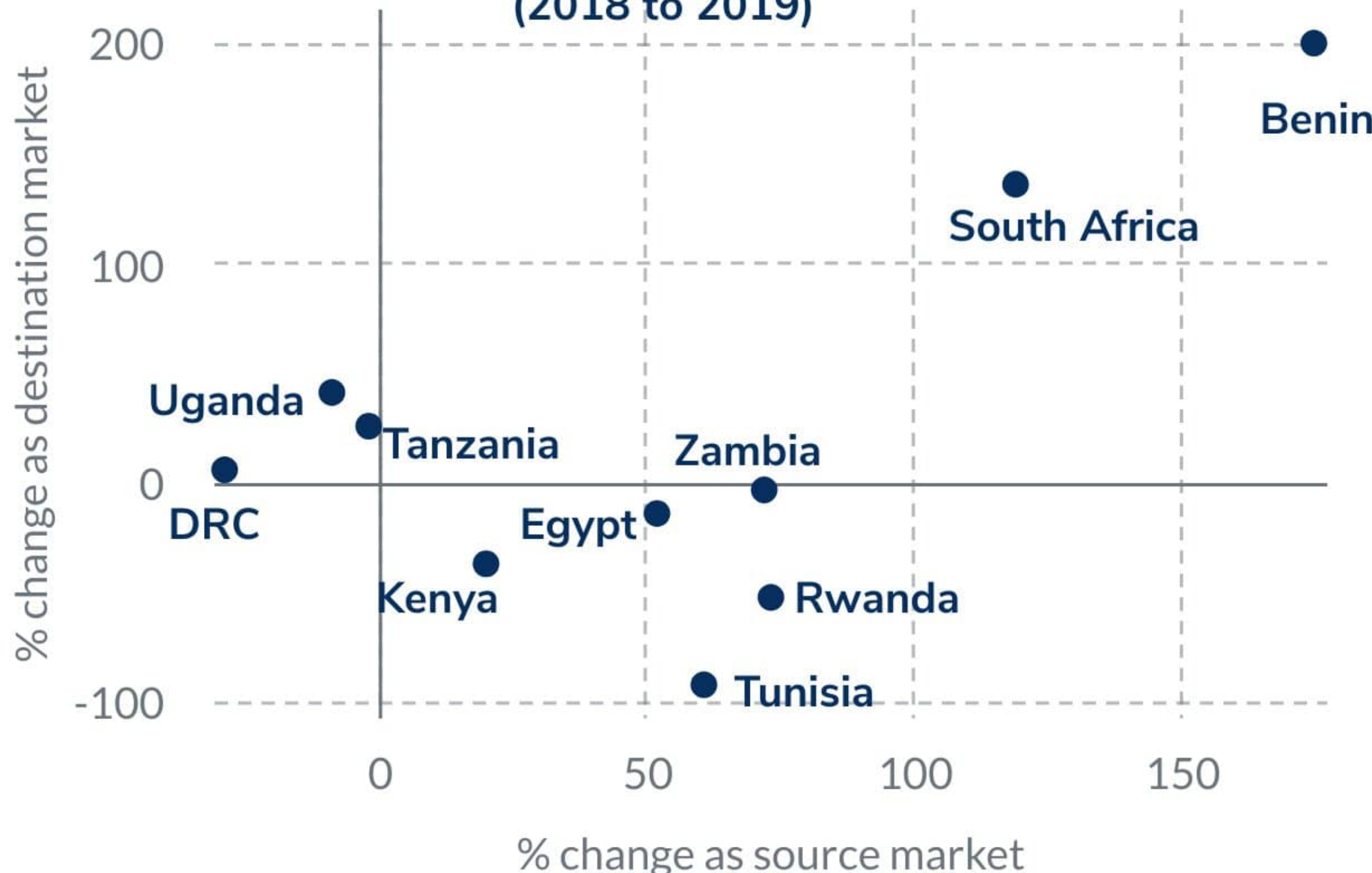
Imports

Burundi's intra-Africa trade 2019

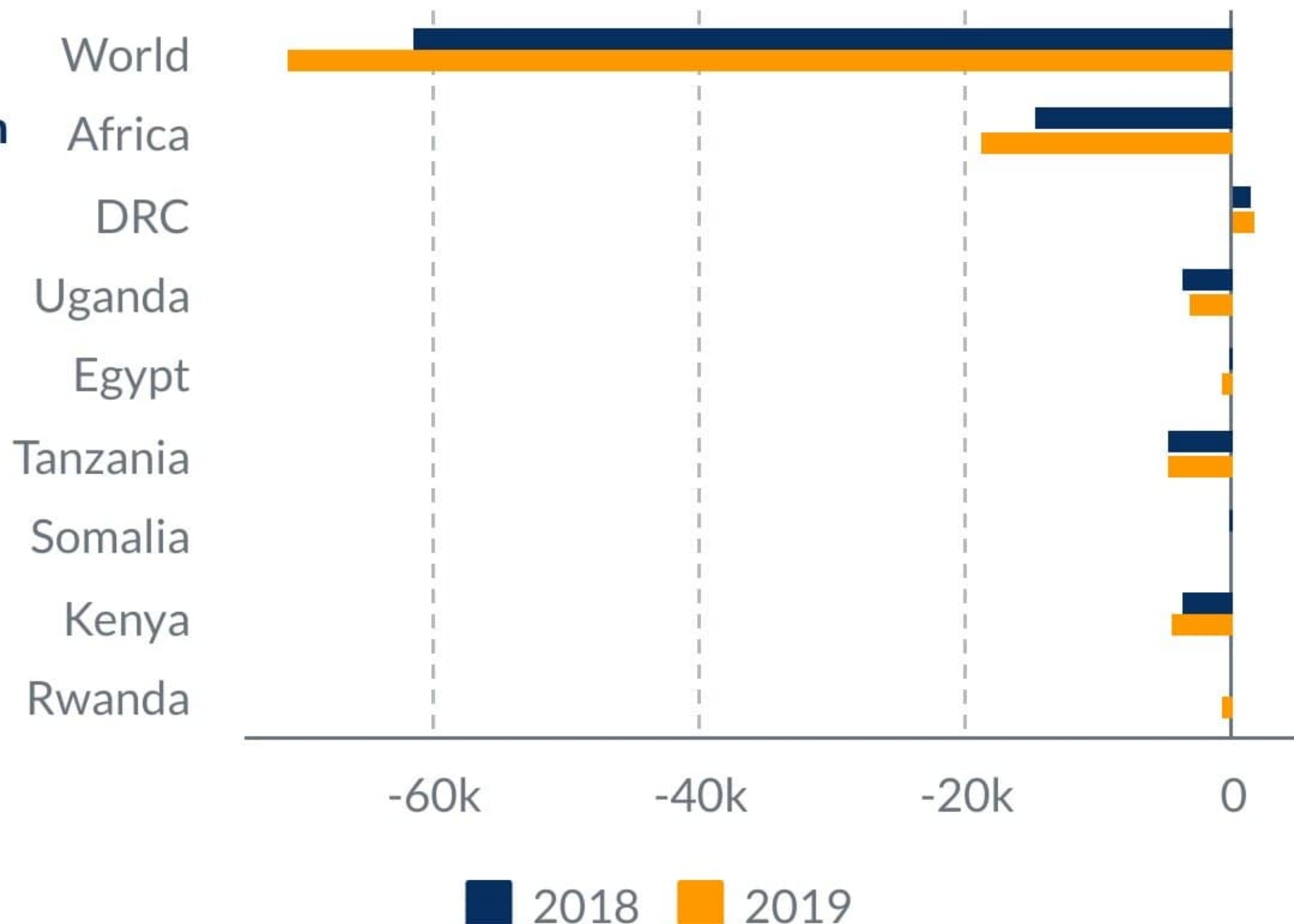
intra-Africa imports as % of world imports of designated products

Cement (18.81%)	100%
Sugar (6.93%)	98%
Flat-rolled steel products (8.91%)	75%
Medicines (3.96%)	86%
Fertiliser (2.97%)	20%
Maize (2.97%)	47%
Steel bars & rods (1.98%)	100%
Food preparations (1.98%)	46%
Not crude petroleum oils (1.98%)	68%
Other (49.5%)	3%

% change in exports to & imports from main African trade partners (2018 to 2019)



Trade balance with designated trade partners 2018 & 2019



3. Intra-Africa tariffs & non-tariff cost of trade
Goods imported into Burundi from other EAC countries and the majority of COMESA member states enter duty-free. In COMESA the exceptions are goods imported from DRC, Eritrea, Ethiopia, Eswatini and Somalia. The preferential tariff for goods from Eritrea is 20% of the MFN tariff and for Ethiopia 90% of the MFN tariff. African imports from outside the EAC and COMESA, DRC & Somalia are levied the MFN applied duty which is the EAC CET.

1% of world and 2% of intra-Africa exports are to African countries outside EAC and COMESA - mainly to South Africa. 42% of these exports & 59% of imports are to and from South Africa. Other destination markets include Mauritania and Guinea while 63% of these exports are coffee and medium petroleum oils.

4% of world and 15% of intra-Africa imports are sourced from African countries outside

EAC and COMESA. Apart from South Africa, 20% are sourced from Mozambique and 12% from Morocco. Of the main import products flat-rolled iron, fertiliser, medicines and machines for milling are some of the duty-free imports. Second-hand clothes imported mainly from Mozambique are levied 35% duties while refined sugar and iron/steel bar and rod imports are levied high combination tariffs.

MFN duty categories & % of national tariff lines in each category

Duty-free 37%
seeds for sowing; crude seed oils; cocoa paste & butter; ores & concentrates; rough wood, wool & cotton; ferro-chromium; stainless steel products; construction & agricultural machinery; electric motors & generators; tractors & unassembled motor vehicles

10% duties 20%
almonds & hazelnuts; malt & starches; refined seed oils; cocoa beans; oilcake; rubber tubes, fittings & conveyor belts; yarn; glass products; most flat-rolled iron products and vehicle & machinery parts

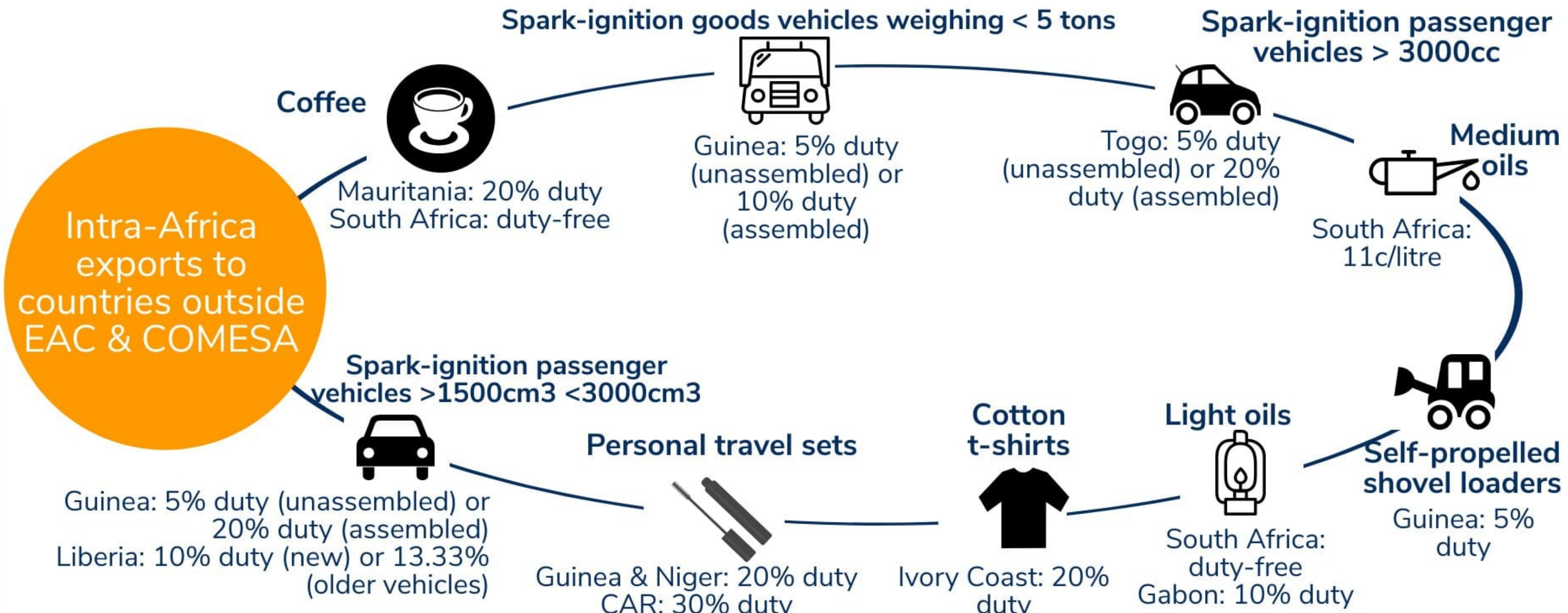
25% duties 40%
most live animals; beef, pork, lamb & chicken; fish fillets; most fresh & dried vegetables & fruits; coffee, tea & spices; chocolate, pasta & pastries; Portland cement; beauty products & soaps; fabrics & clothing items and assembled vehicles

35% duties 0.3%
hard wheat; cigarettes; water pipe tobacco; second-hand clothes, footwear and other items and primary cells & batteries

50% duties 0.3%
maize; wheat & maize flour; traditional cotton woven fabrics and garments of these fabrics (Khanga, Kikoi & Kitenge) and cotton bed & table linen

60% duties 0.3%
milk; milk powder; yogurt; buttermilk, kefir & other fermented milk products; fresh cheese & curd; grated, processed, blue-veined & other cheeses

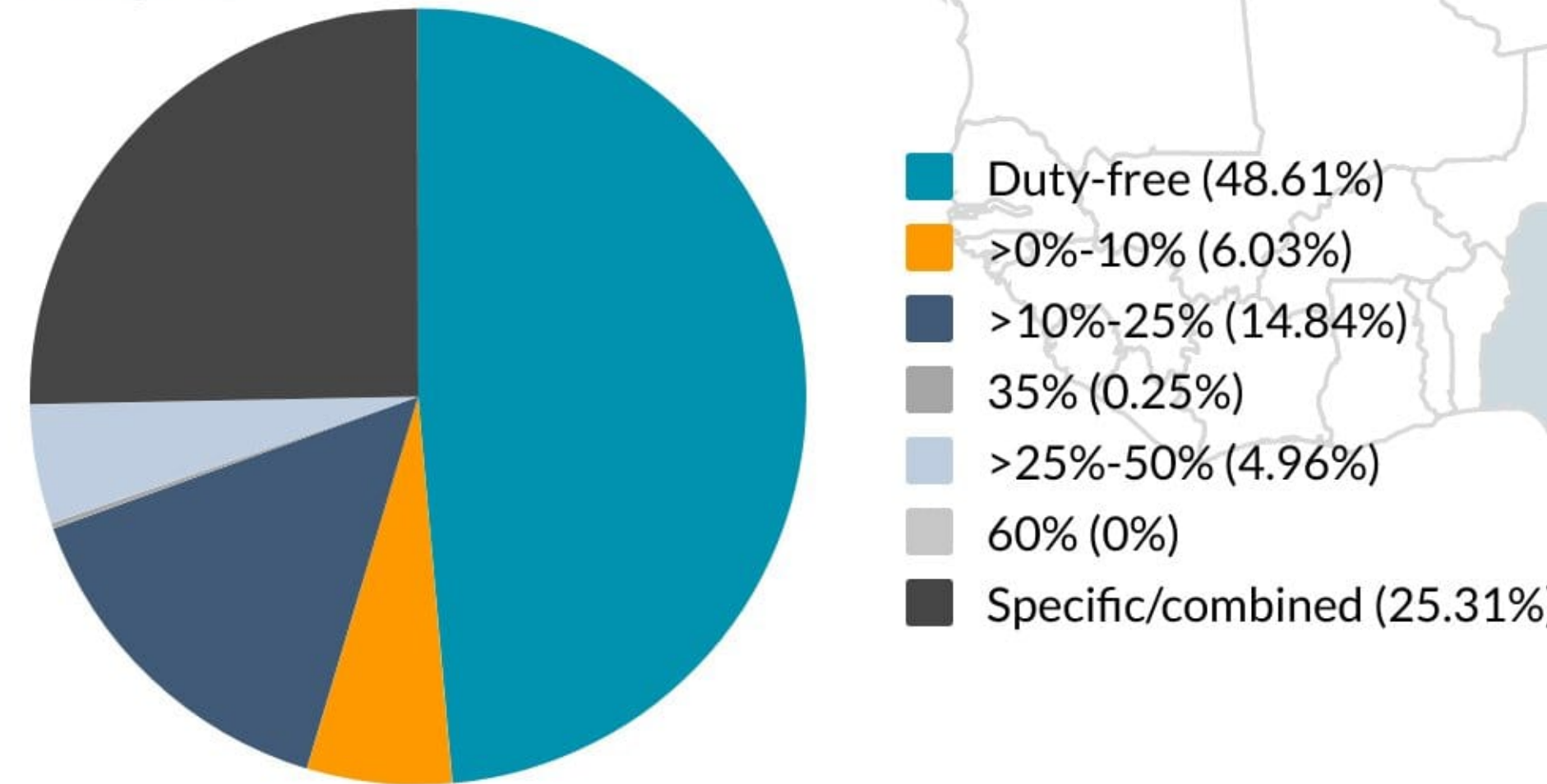
specific/combined 0.9%
steel cladding; sugar; iron bars, rods, angles, shapes & sections; alloy steel bars, rods, angles, shapes & sections; plated flat-rolled iron products and rice



Burundi's imports from outside EAC & COMESA

All tractors imported are sourced from outside the EAC & COMESA; also, 88%, 84%, 80% & 90% of Burundi's respective world imports of flat-rolled steel products, steel bars & rods, seeds for sowing and plain woven cotton fabrics.

Categories of MFN duties & % of 2019 imports in each category



- South Africa (59%)**
 - Flat-rolled iron > 3mm thick (duty-free)
 - Insecticides (10% duty)
 - Refined sugar (100% or US\$460/MT whichever is higher)
- Mozambique (20%)**
 - Refined sugar (100% or US\$460/MT whichever is higher)
 - Second-hand clothes (35% duty)
- Morocco (12%)**
 - Fertiliser (duty-free)
 - Medicines (duty-free)
- Gabon (2%)**
 - Steel/iron articles (duty-free)
 - Concrete-mixer lorries (duty-free)
 - Iron bars/rods (25% or US\$200/MT whichever is higher)
- Nigeria (1%)**
 - Milling machines (duty-free)
 - Spices (25% duty)
 - Machinery parts (10% duty)

Of the top 20 import products the main import product is refined sugar levied a combined duty of 100% or US\$460/MT whichever is higher. Nine of the products are imported duty-free, including fertiliser, flat-rolled iron, iron bars & rods, tractors, medicines and seeds for sowing. A 50% import duty is applicable to imports of maize, while garments with a plastic coating face an import duty of 25%.

The tariff cost of bilateral trade between Burundi & designated trade partners

The ESCAP-World Bank trade cost database has two components - the tariff costs and non-tariff costs of trade in all goods, agricultural goods & manufactured products. Unfortunately there is no non-tariff trade cost data for Burundi. The bilateral tariff costs indicator is bi-directional and is a measure (geometric average) of the tariffs imposed by the two partner countries on each others imports. Interestingly, for most trade partners the bilateral tariffs applicable to manufactured goods trade is higher than for agricultural goods.

