Burundi: Intra-Africa trade and tariff profile 2020

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Regional Economic Communities

Burundi is a member of the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA) and the Intergovernmental Authority on Development (IGAD). The African Continental Free Trade Agreement (AfCFTA) entered into force on 30 May 2019. Burundi has ratified the AfCFTA as part of EAC and currently negotiating the schedule of tariff concessions under EAC.

COMESA

Members of the COMESA FTA:

✔
Burundi
Comoros
Djibouti
Egypt
Eswatini
Kenya
Libya
Madagascar
Malawi
Mauritius
Rwanda
Seychelles
Sudan
Tunisia
Uganda
Zambia
Zimbabwe

✖
DRC
Eritrea
Ethiopia
Somalia

COMESA has 21 member states, 17 of which are part of the COMESA Free Trade Area. DRC, Eritrea, Ethiopia and Somalia are all in the process of accession
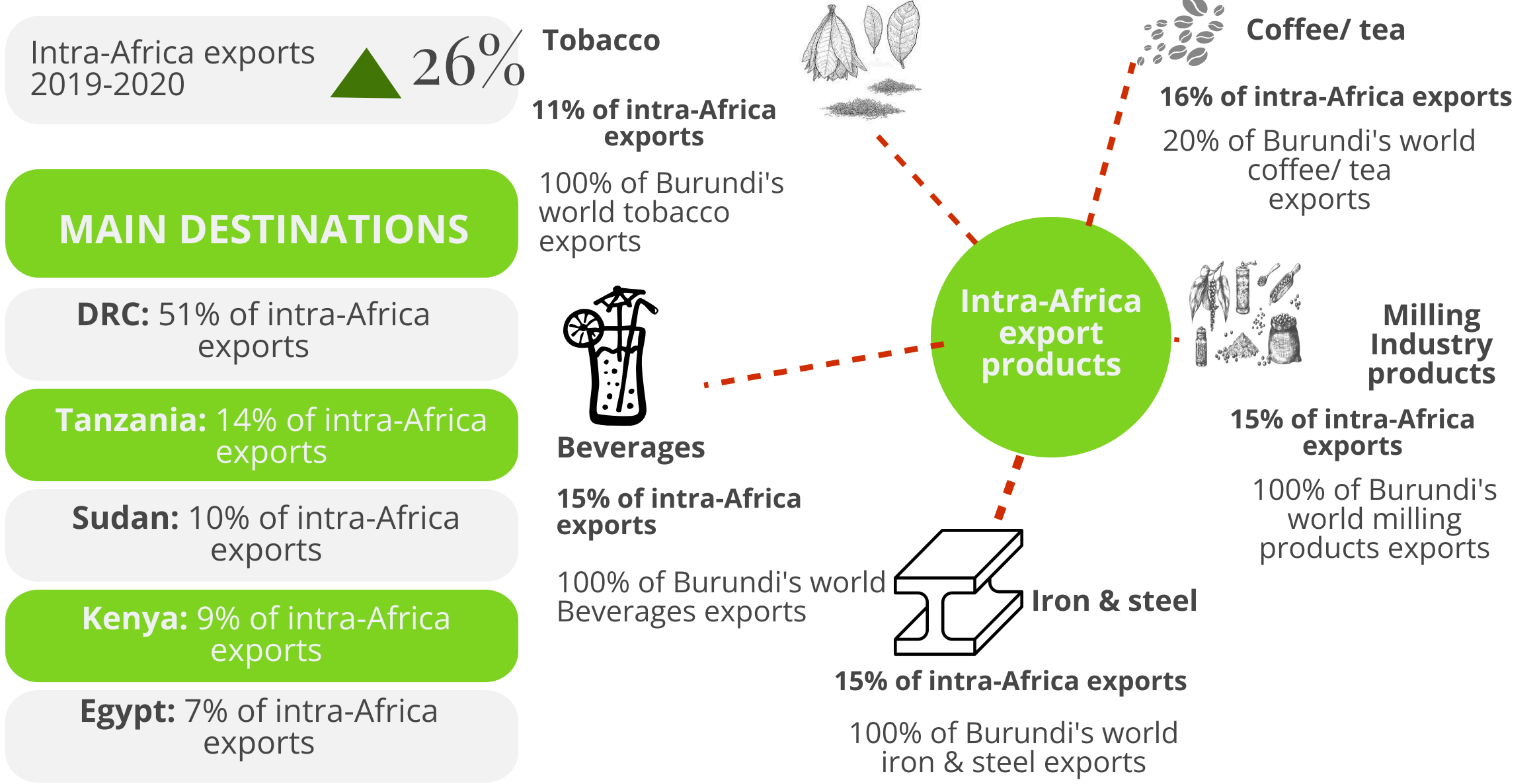
EAC

All are member of the Customs Union

Burundi
Kenya
Rwanda
Tanzania
South Sudan
Uganda

EAC is a customs union with duty-free trade among the six member states and a common external tariff (CET)
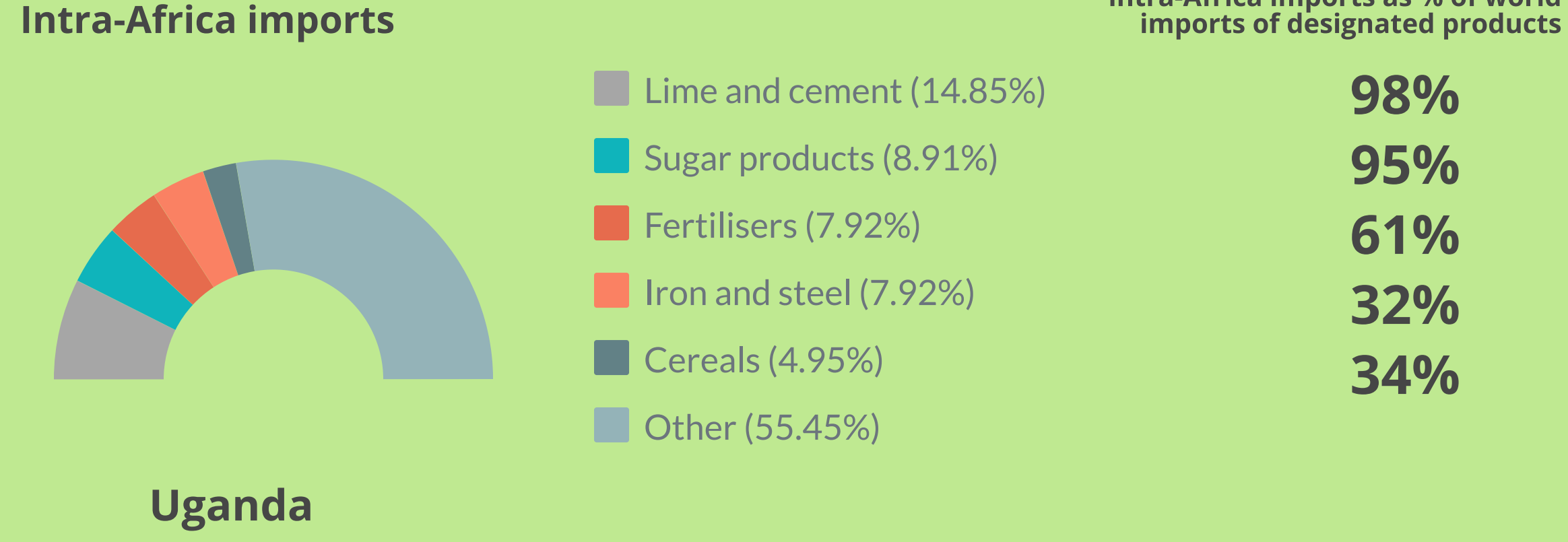
Intra-Africa exports

For 2020, 38% of Burundi's world exports were to the rest of Africa. Burundi's main African export markets are DRC, Tanzania and Sudan, which accounted for about 75% of total exports. The value of 2020 intra-Africa exports is US$62 million. The main export products were coffee/ tea, products of milling industry, iron & steel, beverages and tobacco.

Intra-Africa exports 2019-2020 ▲ 26%

MAIN DESTINATIONS

DRC: 51% of intra-Africa exports

Tanzania: 14% of intra-Africa exports

Sudan: 10% of intra-Africa exports

Kenya: 9% of intra-Africa exports

Egypt: 7% of intra-Africa exports

Intra-Africa export products

Tobacco
11% of intra-Africa exports
100% of Burundi's world tobacco exports

Coffee/ tea
16% of intra-Africa exports
20% of Burundi's world coffee/ tea exports

Milling Industry products
15% of intra-Africa exports
100% of Burundi's world milling products exports

Beverages
15% of intra-Africa exports
100% of Burundi's world Beverages exports

Iron & steel
15% of intra-Africa exports
100% of Burundi's world iron & steel exports

Intra-Africa imports

For 2020, 29% of Burundi's world imports were intra-Africa imports. Uganda's intra-Africa imports are mainly sourced from Tanzania, Kenya, Uganda and Zambia. Between 2019 and 2020, intra-Africa imports increased by 13%. cement, sugar, fertilisers, iron & steels and cereals were the top imported product, accounting for 45% of intra-Africa imports.

Intra-Africa imports

- Lime and cement (14.85%)
- Sugar products (8.91%)
- Fertilisers (7.92%)
- Iron and steel (7.92%)
- Cereals (4.95%)
- Other (55.45%)

Uganda

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

Lime and cement	**98%**
Sugar products	**95%**
Fertilisers	**61%**
Iron and steel	**32%**
Cereals	**34%**

% change in exports and imports (2019 to 2020)

DRC
Exports: 60% increase
Imports: 205% increase

Tanzania
Exports: 171% increase
Imports: 60% increase

Sudan
Exports: 106% increase
Imports: 6% increase

Kenya
Exports: 107% increase
Imports: 0% No change

Egypt
Exports: 20% decline
Imports: 79% increase

Uganda
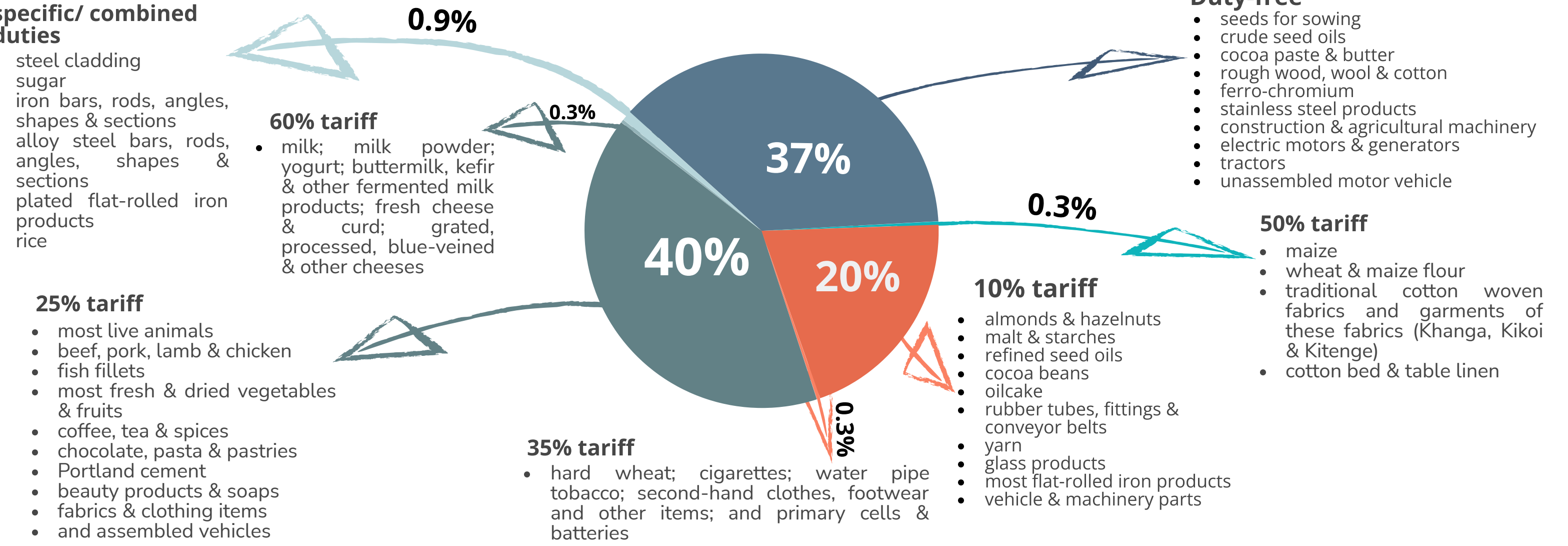Exports: 62% decline
Imports:23% increase

Trade balance with designated countries (US$m)

Africa, DRC, Tanzania, Sudan, Kenya, Egypt, Uganda, Zambia, Mauritius, Ethiopia, South Africa
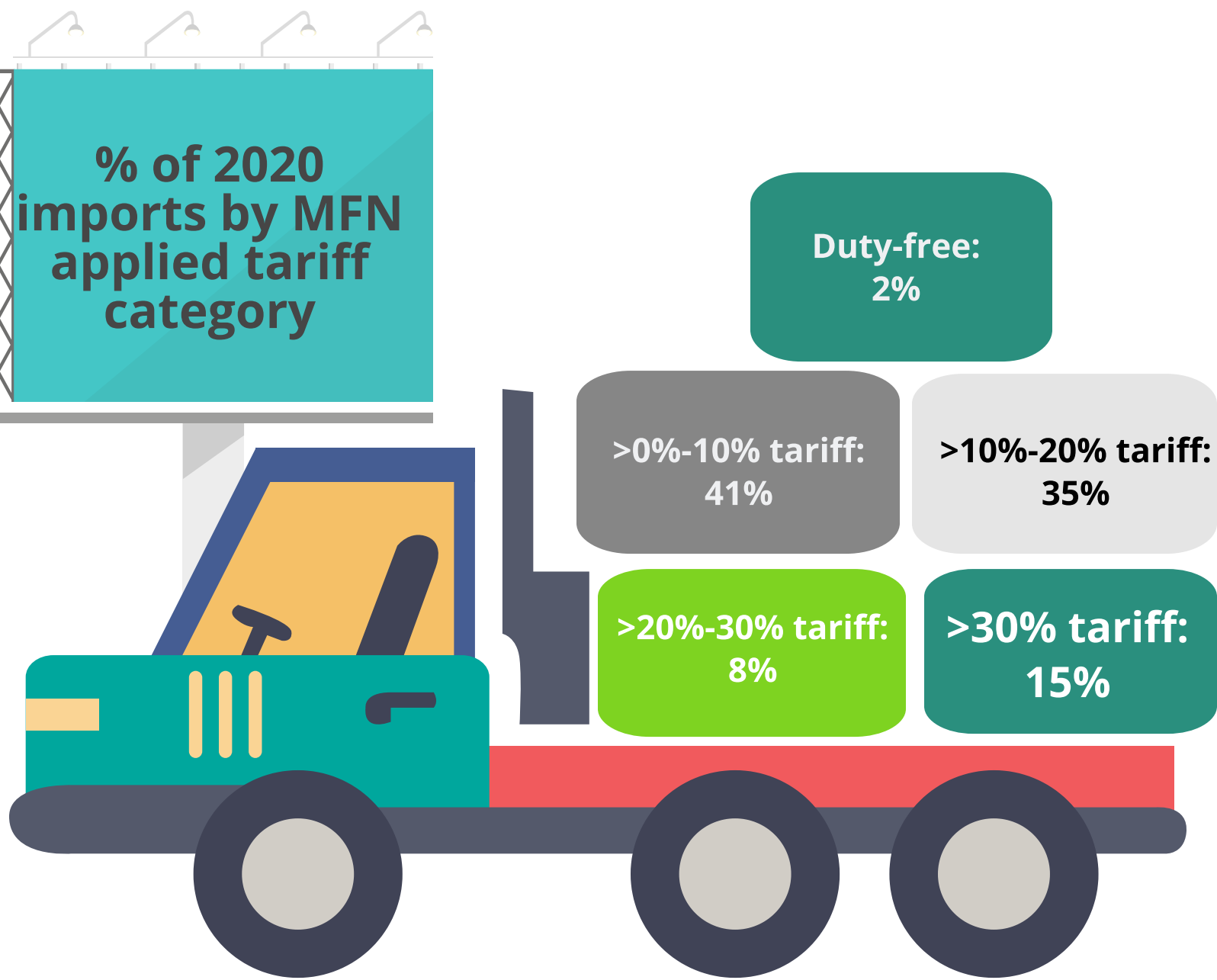
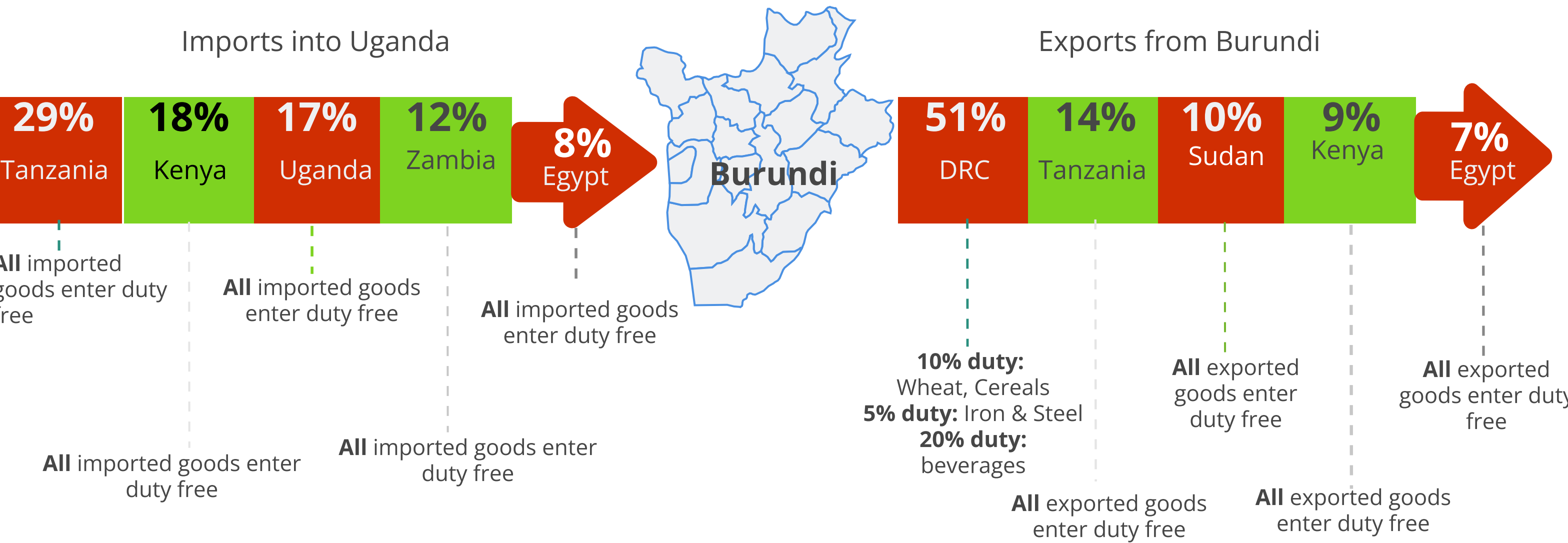■ 2019 ■ 2020

Intra-Africa tariffs

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. African imports from outside the EAC and COMESA, DRC & Somalia attract MFN applied duty which is the EAC common external tariff (CET). The EAC CET has 7 tariff bands - duty-free, 10%, 25%, 35%, 50%, 60% and specific or combined duties.

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

0.9%

0.3%

0.3%

0.3%

37%

40%

20%

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

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

25% tariff
- 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% tariff
- hard wheat; cigarettes; water pipe tobacco; second-hand clothes, footwear and other items; and primary cells & batteries

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

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

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

Trade with African countries outside COMESA and EAC

Only 0.2% of the world and 1% of intra-Africa exports are destined to African countries not members of COMESA & EAC. 95% of these exports are mineral fuels, raw hides, and coffee/ tea . In terms of imports, 2% of the world and 7% of intra-Africa imports are sourced from African countries outside COMESA & EAC. Other chemical products, sugar products, iron and steel were the top imported products, accounting for 52% of imports from African countries not members of COMESA & EAC.

Imports into Uganda

29% Tanzania

18% Kenya

17% Uganda

12% Zambia

8% Egypt

→ Burundi

All imported goods enter duty free

All imported goods enter duty free

All imported goods enter duty free

All imported goods enter duty free

All imported goods enter duty free

Exports from Burundi

51% DRC

14% Tanzania

10% Sudan

9% Kenya

7% Egypt →

10% duty: Wheat, Cereals
5% duty: Iron & Steel
20% duty: beverages

All exported goods enter duty free

All exported goods enter duty free

All exported goods enter duty free

All exported goods enter duty free

% of 2020 imports by MFN applied tariff category

Duty-free: 2%

>0%-10% tariff: 41%

>10%-20% tariff: 35%

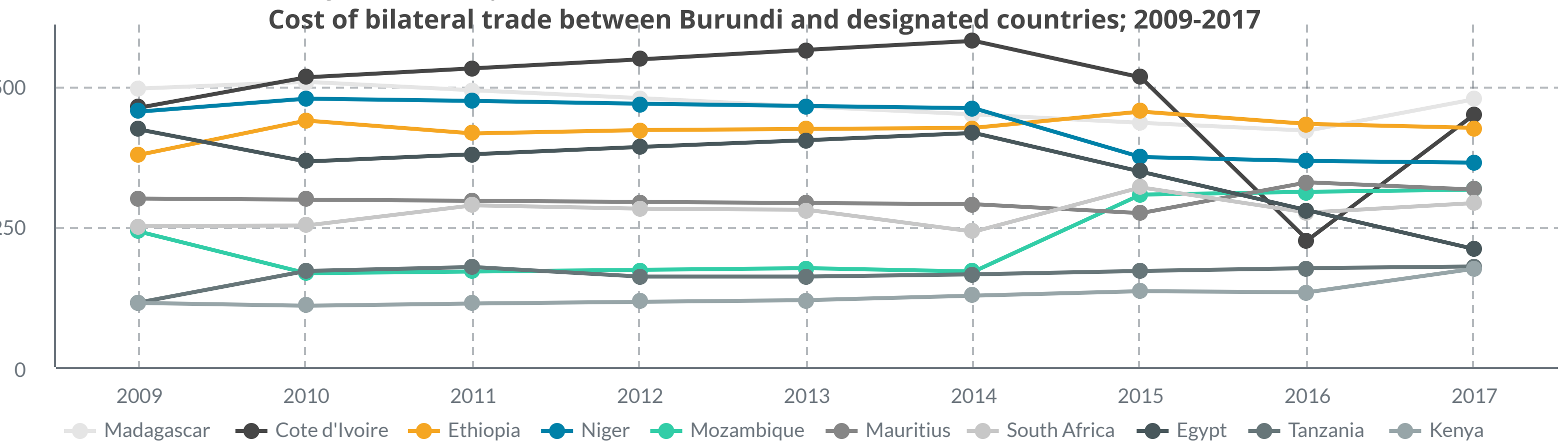**>20%-30% tariff:** 8%

>30% tariff: 15%

Burundi's top trading partners belong to either the EAC, COMESA or both RECs and therefore in principle should enter duty free with exception of DRC, Ethiopia, Eritria and Somalia.

Specific or combined tariff of 100% or US$560/MT whichever is higher is applied on imports of cane/beet sugar. A 25% duty is applicable to imports of gold, wine, fresh apples, uncoated paper and paperboard, prepared or preserved sardines, and make-up products. A 10% duty is applied on imports of parts and accessories of tractors and passenger vehicles. The following products are imported duty-free:
- iron/non-alloy bars & rods
- unassembled goods & passenger vehicles
- flat-rolled iron/non-alloy products
- coal
- semi-finished iron/non-alloy steel products
- medicaments
- aluminium chloride
- pigments
- prepared additives for cement
- filament tow

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The ESCAP-World Bank trade cost database includes the cost of transportation and the time to complete import procedures and obtain necessary information as non-tariff costs affecting bilateral trade between trade partners. Burundi's trade with many African countries (including Madagascar, Ivory Coast, Ethiopia, Niger and Mozambique) is more expensive than trade with non-African countries such as Russia, France, the United Kingdom, Germany, China, India and the United Arab Emirates.

Cost of bilateral trade between Burundi and designated countries; 2009-2017

Madagascar • Cote d'Ivoire • Ethiopia • Niger • Mozambique • Mauritius • South Africa • Egypt • Tanzania • Kenya

Per unit cost of coffee
- Algeria (US$2.77)
- Morocco (US$0.94)

Per unit cost of fertilised birds' eggs for incubation:
- Tanzania (US$0.28)
- Nigeria (US$1.07)

Footwear with outer soles of rubber, plastics leather, with uppers of leather:
- Ghana (US$3.88 per unit)
- South Africa (US$1.26 per unit)

Medicaments exports:
- Tanzania (US$0.21 per unit)
- Namibia (US$0.05 per unit)

Per unit cost of iron reservoir tanks
- Tanzania (US$0.45)
- Central African Republic (US$0.04)

Unmanufactured tobacco exports:
Tanzania (US$0.14 per unit)
South Africa (US$0.13 per unit)

Road transport costs of beer made from malt:
- Nigeria (US$5.90 per unit)
- South Africa (US$6.66 per unit)

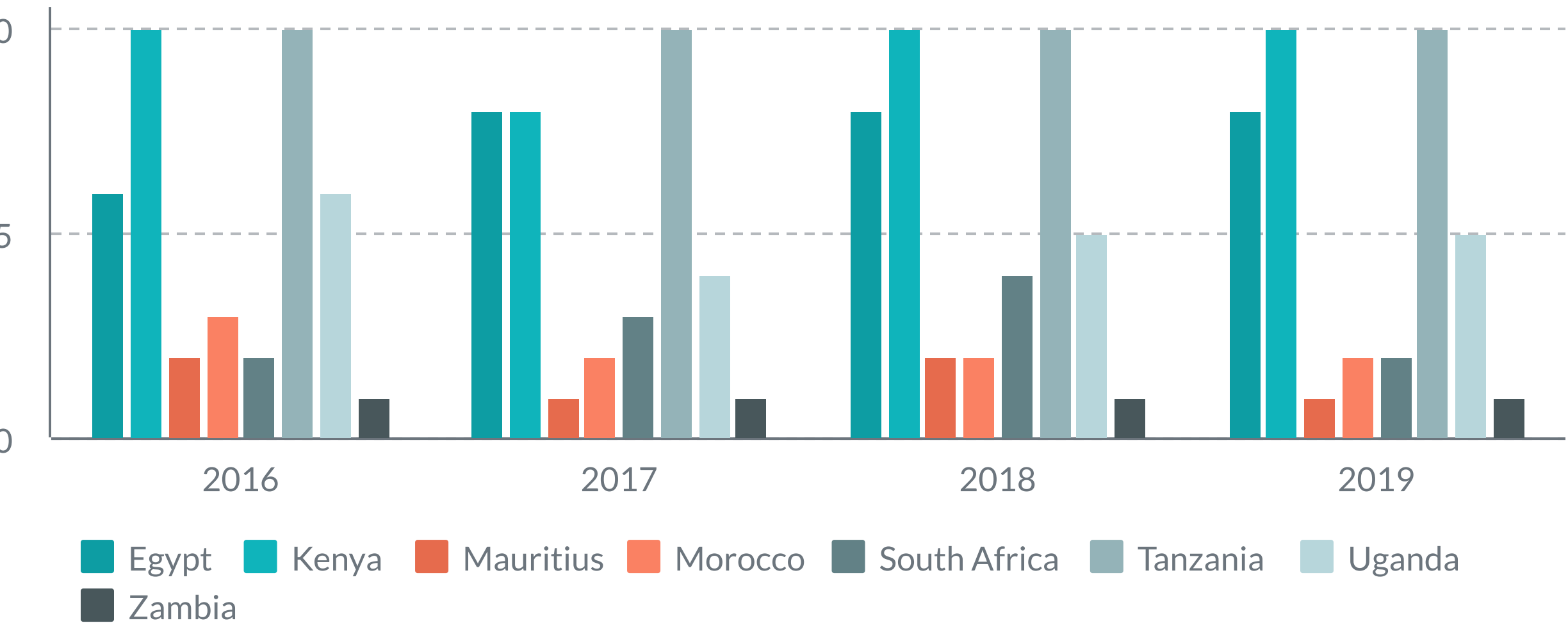### Transportation costs

The UNCTAD transport cost database measures the cost of bilateral transport by product. Transport cost is defined as the difference between the Cost, Insurance and Freight value and Free on Board value of goods. Transport cost across all modes of transport (road, rail, air, and sea) is included. The initial data is for 2016 but is in the process of being updated.

DUE TO UNAVAILABILITY OF TRANSPORT DATA REPORTED FOR BURUNDI, DATA PRESENTED AS REPORTED BY KENYA IS USED AND SHOULD ONLY BE CONSIDERED AS INDICATIVE OF REGIONAL COSTS DUE TO THE PROXIMITY OF BURUNDI TO KENYA

Trade in services

The WTO-OECD Balanced Trade in Services Dataset (BaTiS) is an experimental dataset which contains a complete, consistent and balanced matrix of international trade in services. Statistics cover the period 2005-2019, for over 200 reporters and partners, and 12 EBOPS 2010 categories in addition to total services.

Burundi's trade in services total imports (US$ millions)

Trade in services data for exports was unavailable

Egypt • Kenya • Mauritius • Morocco • South Africa • Tanzania • Uganda • Zambia

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