

# Burkina Faso



The 2013 RGI did not include Burkina Faso. This assessment of the mining sector was conducted in 2014 by the Réseau Africain des Journalistes pour l'Intégrité et la Transparence (RAJIT) using the same 2013 RGI methodology. The rankings represent estimates of how Burkina Faso might have fared vis-à-vis the countries that were assessed in 2013.

## Background

Burkina Faso is the fourth largest gold producer in sub-Saharan Africa, behind South Africa, Ghana and Mali. Gold reserves are estimated at more than 800 tons, and gold accounts for the largest source of government revenue. Between 2009 and 2012, gold represented 26 percent of gross domestic product and 45 percent of exports.

Burkina Faso	2000	2005	2013
Population (million)	11,61	13,42	16,93
GDP (constant 2011 international \$ billion)	12,3	16,9	26,8
GDP per capita, PPP (constant 2005 international \$)	1064	1262	1582
Extractive exports (% total exports)	3	2	46

SOURCES: World Bank and UNCTAD.

## Burkina Faso's Performance on the RGI

Burkina Faso received a "partial" score of 54 out of 100, ranking 23rd out of 59 countries. A high score on the Institutional and Legal Setting component contrasted with poor Reporting Practices.

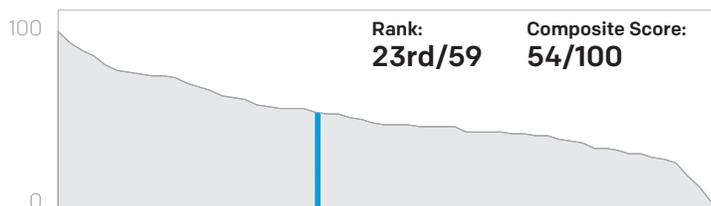
### Institutional and Legal Setting

(Rank: 9th/59 Score: 81/100)

Burkina Faso's comprehensive mining legislation, independent licensing process and compliance with the Extractive Industries Transparency Initiative (EITI) since February 2013 earned it a "satisfactory" score of 81.

The 2003 Mining Code clearly defines the licensing process and revenue collection. The Ministry of Mines grants licenses on a first-come, first-served basis and the Ministry of Economy and Finance collects all mining payments.

The Constitution guarantees access to information, but this right is limited in the mining sector. Social impact assessments of mining projects are not governed by a specific text.



## Reporting Practices

(Rank: 35th/59 Score: 44/100)

Burkina Faso provides limited information on the mining sector, resulting in a "weak" score of 44.

Mining contracts are not published. Model conventions are available on the Ministry of Mines' website, but their content is not published once signed. Environmental impact assessments are mandatory, and mining companies organize public consultations before any license allocation. Outside aggregated information in the finance law, the Ministries of Finance and of Mines do not publish any information on the mining sector. Only the Central Bank publishes gold production volumes between 2009 and 2012.

The 2013 EITI report, which covers the 2011 fiscal year, includes the most comprehensive information on the sector (although outdated). The report includes information on reserves, production volumes, prices, value of exports, names of operating companies, and on different revenue streams such as royalties, acreage fees and dividends.

## Safeguards and Quality Controls

(Rank: 21st/59 Score: 65/100)

The "partial" score of 65 reflects some legislation against conflicts of interest. However, in practice, very few government officials with a role in the oversight of the mining sector disclose information about their participation in extractive projects. Burkinabe authorities have nonetheless expressed their commitment during the 2013 G8 to publishing beneficial ownership of mining industries.

The Audit Court publishes annual reports on public finances but does not conduct specific audits of the mining sector. Parliament does not receive regular reports on the award of contracts and licenses in the mining sector.

## Enabling Environment

(Rank: 32nd/59 Score: 35/100)

Burkina Faso performed particularly poorly on rankings of budget transparency, government accountability and effectiveness, earning a "failing" grade of 35.

## Subnational Transfers

(Rank: 10th/31 Score: 35/100)

In 2005 Burkina Faso created the Petroleum Fund to help preserve resource revenues for future generations. The Finance Ministry is responsible for the overall management of the fund, while the Banking and Payments Authority oversees operational management. The Petroleum Fund law includes rules governing deposits and withdrawals, and additional transfers from the fund must be approved by the legislature. Comprehensive monthly, quarterly, and annual reports on the fund's operations are available to the public, as are annual audit reports.

### Burkina Faso's Composite, Component and Indicator Scores

Rank (out of 59)		Score (out of 100)
<b>23</b>	<b>COMPOSITE SCORE</b>	<b>54</b>
<b>9</b>	<b>Institutional and Legal Setting</b>	<b>81</b>
	Freedom of information law	0
	Comprehensive sector legislation	100
	EITI participation	100
	Independent licensing process	100
	Environmental and social impact assessments required	50
	Clarity in revenue collection	100
	Comprehensive public sector balance	100
	SOC financial reports required	..
	Fund rules defined in law	..
	Subnational transfer rules defined in law	100
<b>35</b>	<b>Reporting Practices</b>	<b>44</b>
	Licensing process	50
	Contracts	0
	Environmental and social impact assessments	50
	Exploration data	33
	Production volumes	33
	Production value	22
	Primary sources of revenue	33
	Secondary sources of revenue	20
	Subsidies	33
	Operating company names	33
	Comprehensive SOC reports	..
	SOC production data	..
	SOC revenue data	..
	SOC quasi fiscal activities	..
	SOC board of directors	..
	Fund rules	..

Rank (out of 59)		Score (out of 100)
	Comprehensive fund reports	..
	Subnational transfer rules	100
	Comprehensive subnational transfer reports	67
	Subnational reporting of transfers	100
<b>21</b>	<b>Safeguards and Quality Controls</b>	<b>65</b>
	Checks on licensing process	78
	Checks on budgetary process	78
	Quality of government reports	33
	Government disclosure of conflicts of interest	100
	Quality of SOC reports	..
	SOC reports audited	..
	SOC use of international accounting standards	..
	SOC disclosure of conflicts of interest	..
	Quality of fund reports	..
	Fund reports audited	..
	Government follows fund rules	..
	Checks on fund spending	..
	Fund disclosure of conflicts of interest	..
	Quality of subnational transfer reports	0
	Government follows subnational transfer rules	100
<b>32</b>	<b>Enabling Environment</b>	<b>35</b>
	Corruption (TI Corruption Perceptions Index & WGI control of corruption)	46
	Open Budget (IBP Index)	27
	Accountability & democracy (EIU Democracy Index & WGI voice and accountability)	31
	Government effectiveness (WGI)	30
	Rule of law (WGI)	42

<span style="color: green;">■</span>	Satisfactory	<span style="color: orange;">■</span>	Weak
<span style="color: yellow;">■</span>	Partial	<span style="color: red;">■</span>	Failing