



Impressions of a Country: *Burundi*

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Valuechainsolutions (VCS) had the opportunity to conduct an in-country visit to Burundi in order to review various end-to-end value chains in detail. Although Burundi is a small and poor country, it is endowed with high potential soils, high rainfall, and a wide range of microclimates. The potential Burundi offers may become available in future which will allow the production of a wide range of food and beverage products, especially high value products for export purposes to high-income markets. Following the visit, VCS wish to highlight some impressions of Burundi for Agbiz members to take note of and potentially incorporate into their long-term strategies for the region.

Geography, topography and climate

Burundi contains a vast mix of microclimates that offers the opportunity to produce a wide range of agricultural products within a relatively small radius.



The main access points into Burundi is Bujumbura via the airport or per boat via Lake Tanganyika, from Rwanda its either via Gisuma along the main road towards Cibitoke or via Butare along the RN1. From Tanzania, it's mostly on the main road via Cankuzo (in the East of Burundi). Paved roads are mostly in a good condition as most have recently been rebuilt through international funders and contractors. Speed limits along with slow moving traffic on the roads however limits the ability to travel through Burundi quickly.

Bujumbura is situated along the shores of Lake Tanganyika, with an average elevation of 850 metres above sea level. The climate is sub-tropical with excellent deep sandy loam soils. Towards the north west of Bujumbura in the direction of a town called Cibitoke, the altitude is on average 950 meters above sea level

and rainfall is well in excess of 1800mm per annum. Climate is typically tropical, and soils are mostly sandy loam but with intermittent deep clay pockets. The area is ideal for rice and sugar cane production, as well as tropical and sub-tropical type fruits (refer to Picture 1). Towards the East of Bujumbura, within 30 kilometers out of town, a high mountain range exists with an average height of 2 200 meters above sea level. With an average rainfall of between 1200mm and 1500mm per annum and a more temperate climate with minimum temperature going as low as zero and maximum temperatures ranging between 25°C and 30°C, it is possible to produce a wide range of crops including wheat, barley, potatoes, maize, soybeans, as well as some longer terms crops including apples, cherries and a range of berries (refer to Pictures 2 & 3). Tea production already takes place in this area. As one moves further East towards Tanzania, the elevation gradually drops until it reaches an average level of around 1200 meters above sea level again. The Eastern side of Burundi's climate is dryer, with an average estimated rainfall of 700mm to 800mm per annum. Maximum temperatures are higher compared to the west, and the climate appears to be very similar to that found in Pretoria, South Africa (refer to Picture 4).

Therefore, to summarize, within a very short distance of traveling, a wide range of microclimates can be found. Along with this, soil types vary quite significantly but the impression is that its generally sandy loam soils, which are very deep and hence drain well. This allows for the production of a wide range of cash crops as well as longer terms crops – ranging from tropical and sub-tropical type fruits and vegetables to more temperate and even cold weather crops such as apples. ***Burundi therefore offers a range of significant production possibilities.***

The **Burundi consumer** is mostly based in small rural towns, with Bujumbura the only significant concentration of people found in the country. Per capita income is generally low, forcing consumers to typically produce their own food for consumption on small plots of land. Discretionary type products such as beer is consumed, but brands that do well are brands that would typically be perceived as economy type brands in more developed economies. In terms of value chain development, value chains are generally poorly developed, with poor connectivity between the value chain participants. However, where products are produced which get exported to neighboring countries, the value chains are much better developed and more efficient. Given the scattered nature of consumers, and given the low levels of income, it implies that route to market strategies and tactics need to be well thought through and tailored towards serving the consumer in a sustainable and profitable manner.

Given the size of the Burundi economy, and given the composition of the population, the **political economy** is highly dependent on a few key private sector players engaging with a government which prefers to be in total control of most economic activities. This creates a situation whereby Burundi unfortunately doesn't attract much needed foreign direct investment, and whereby incumbent private sector players tend to take up a significant percentage of market share and maintain it. Hence, new entrants find it extremely difficult to set up shop and gain traction quickly. There are however signs of large East African food companies attempting to set up business in Burundi, but it remains to be seen how successful they will be even though they are significant players elsewhere in the region.

To close; Burundi remains a small and closed economy where new entrants find it very difficult to set up business and gain traction in the market. Route to market strategy and tactics need to be well thought through and tailored towards the unique environment found in the country. However, from a production and international export perspective, especially in terms of higher value products such as fruit, vegetables, flowers etc., Burundi offers some of the highest potential production areas and, climatically, some of the most suitable areas found on the African continent. It is therefore important for companies to keep their

eye on developments in Burundi, and, once the country stabilizes politically and becomes much more investor friendly, a first mover advantage stands to be gained with significant returns if done correctly. Valuechainsolutions is privileged to be involved and has gained good insights into such opportunities once they materialize.

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Picture 1: Near Cibitoke, North Western part of Burundi (mountains in background is in the DRC)



Picture 2: In the mountains, East of Bujumbura (at height of 2 200 metres above sea level)



Picture 3: In the mountains, East of Bujumbura (at height of 2 200 metres above sea level)



Picture 4: Western parts of Burundi, looking towards Tanzania and Lake Victoria

