



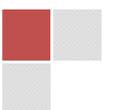
Office Burundais des Recettes

**BR**

*« Soyons fiers d'être des contribuables et construisons notre pays »*

# 2011 ANNUAL REPORT

March 2012



**CONTENTS**

**CONTENTS ..... 2**

**LIST OF ABBREVIATIONS ..... 3**

**FOREWORD BY THE OBR COMMISSIONER GENERAL ..... 4**

**1. INTRODUCTION ..... 6**

**2. 2011 PRIORITIES ..... 6**

**3. THE MAIN ACHIEVEMENTS ..... 7**

**4. ACTIVITES UNDERTAKEN TO PROVIDE BETTER SERVICES TO TAXPAYERS AND IMPROVE THE BUSINESS CLIMATE IN BURUNDI ..... 19**

**5. TAXPAYER SENSITIZATION AND EDUCATION ..... 21**

**6. OBR FINANCIAL STATEMENTS AS AT DECEMBER 31, 2011 ..... 23**

**7. COLLABORATION WITH DEVELOPMENT PARTNERS ..... 28**

**8. CHALLENGES FACED BY OBR IN 2011 ..... 30**

**9. CONCLUSION ..... 30**

## LIST OF ABBREVIATIONS

<b>ASYCUDA</b>	Automated System for Customs Data
<b>BIF</b>	Burundi Francs
<b>CMA</b>	Customs Management Act
<b>CSD</b>	Customs Services Department
<b>DTD</b>	Domestic Taxes Department
<b>EAC</b>	East African Community
<b>EARATC</b>	East African Revenue Authorities Technical Committee
<b>EMT</b>	Executive Management Team
<b>ERP</b>	Enterprise Resource Planning
<b>HR</b>	Human Resources
<b>IPA</b>	Investment Promotion Agency
<b>IT</b>	Information Technology
<b>LAN</b>	Local Area Network
<b>LTO</b>	Large Taxpayer's Office
<b>OBR</b>	Office Burundais des Recettes
<b>RCMS</b>	Revenue Collection Management System
<b>SIGTAS</b>	Standard Integrated Government Tax Administration System
<b>SMT</b>	Senior Management Team
<b>SMTO</b>	Small and Medium Taxpayer's Office
<b>TMEA</b>	TradeMark East Africa
<b>TPS</b>	Taxpayer Services
<b>VAT</b>	Value Added Tax
<b>WAN</b>	Wide Area Network
<b>WB</b>	World Bank



## FOREWORD BY THE OBR COMMISSIONER GENERAL

It is with great pleasure and honor that I present the 2011 OBR Annual Report, reflecting the main achievements of the *Authority* for the year.

Indeed, 2011 was made of tremendous progress with the complete operationalization of the OBR, hence the enormous progress both in terms of

revenue collection but also in terms of various reforms put in place in order to provide better service to taxpayers while improving the business climate in Burundi.

Most importantly, OBR achieved the annual revenue collection target by the end of November. We collected at least BIF 471 billion during the year. This was 30% above the previous year's figure and 8% above the target. I would like to express our full appreciation to the compliant taxpayers for their contributions to this outstanding achievement.

With regard to the reforms undertaken, 2011 was the year of inspiration and innovation. We commenced the rollout of 3 major computer systems – ASYCUDA in Customs, SIGTAS in Domestic Taxes and an ERP solution for our back office activities. These new systems will either be fully or substantially operational during 2012.

We conducted extensive training of staff, renovated our offices, revised petroleum controls and procedures and updated our 5-year corporate plan. We purchased computer hardware, made plans for regional offices so that taxpayers in the regions get the same services from where they are located.

These achievements would have been significant enough by themselves but making them while concurrently achieving substantial revenue growth is truly remarkable, especially during a time of difficult world economic conditions.

The above success was made possible by the support we obtained from the Government, development partners (**especially TMEA**), **guidance and strong support provided by our Board of Directors** and close co-operation with the Private Sector and EAC Sister Revenue Agencies.

However, it should be noted that despite the good performance achieved by the OBR in the year 2011, challenges were encountered. We have done our utmost,

with the support of the Government and all our major partners, to overcome these in order to improve the performance of our organization. This support will remain essential to allow the OBR consolidate its achievements in order to allow Burundi reduce its dependence on external funding and achieve all its development programs.

Again, on behalf of the OBR, I want to thank every person who, directly or indirectly contributes to the achievement of our mission and I want to emphasize that without their effort and commitment, we would have not been able to achieve our goals.

**Kieran HOLMES**

**COMMISSIONER GENERAL**

## 1. INTRODUCTION

As the year 2011 has come to its end, OBR is pleased to present to all its partners, the 2011 Annual Report highlighting the main activities during this year. All activities have remained in harmony with the OBR five-year Corporate Plan, while placing special emphasis to the priorities set out therein for the year being reported.

To enable readers of this annual report to better understand the operating context of the OBR, the achievements made and challenges encountered, this report has the following structure: -

- Review of priorities set for 2011;
- Achievement in terms of revenues collected;
- Achievement in terms of reforms;
- Activities undertaken to provide better service to taxpayers and improve the business climate in Burundi;
- Taxpayer sensitization;
- Collaboration with development partners;
- The challenges encountered during the year 2011.

## 2. 2011 PRIORITIES

Before the year 2011 begins, the OBR had planned priority activities outlined in the OBR 2011-2015 Corporate Plan. Those priorities were developed in collaboration with all the EMT and SMT members, OBR advisors and all our development partners were consulted and their inputs incorporated. These priorities are stated as follows: -

- Revenue Maximization by achieving the targets (Bif 437 billion) set by the Parent Ministry, the Ministry of Finance;
- Trade facilitation and better regional integration ;
- Put in place strategies to attract more investors;
- Improve the service delivery;
- Provide better services based on the use of new technologies during the year 2011 with ASYCUDA++ and later move to ASYCUDA World in Customs and SIGTAS in domestic taxes. Also, computerize the back office activities;
- Redesign all buildings on an open-plan basis with strict rules for the movement of taxpayers at OBR offices. Taxpayers will be served on the ground floor only at each site;
- Construct or upgrade One-stop border posts;
- Modernize revenue collection procedures;
- Introduce better monitoring and stricter control over petroleum products;

- Provide high quality services to taxpayers with a special focus on compliant taxpayers;
- Provide trainings to our staff in order to build their capacity;
- Conduct campaigns to sensitize taxpayers with special emphasis on the fight against corruption, fraud and tax evasion;
- Reduce the informal sector by registering all liable taxpayers;
- Build on our already close relationship with other tax authorities, in particular with those of the EAC, to help design training programs and develop OBR trainers;
- Continue to work closely with our business and development partners to promote our vision and our mission, taking into account the needs of the country;
- Work extended hours to provide better services;
- Contribute to the improvement of the business climate in Burundi.

To ensure that planned activities are actually achieved, a performance evaluation system was implemented. Thus, it is imperative in OBR to report all the activities done through monthly and quarterly activity reports. As you will see, all the priorities identified above have been successfully completed; although continued efforts are deemed necessary.

### 3. THE MAIN ACHIEVEMENTS

#### - *In terms of revenues*

This section of the report focus on the first strategic direction, which is the “*revenue maximization*”, as stated in the OBR Corporate Plan.

#### - **Revenue collected in 2011**

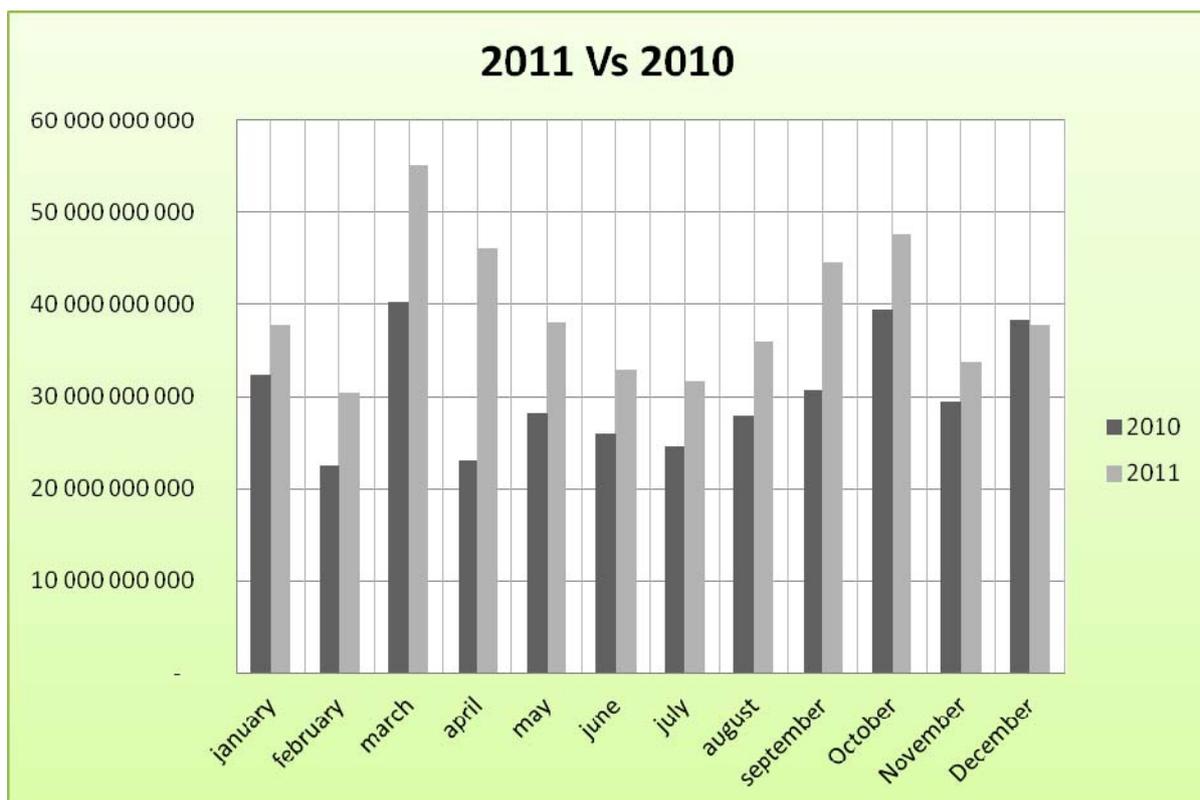
In 2011, OBR collected ***Bif 471.71 billion*** against Bif ***362.76 billion*** collected in the previous year, which shows a surplus of ***Bif 109 billion*** or an increase of ***30%***. When compared to the set targets of Bif ***437.8 billion***, there is a surplus of ***Bif 33.9 billion*** or an increase of ***8%*** above the target.

The table and graph below highlight the variations vis-à-vis the revenues collected in 2010.

Types of revenues	Collected revenues in 2011	Collected revenues in 2010	Variation in %
Domestic Revenues	205,950,363,367	176,569,257,591	16.6
Customs Revenues	234,562,614,325	169,150,662,666	38.7
Non Fiscal Revenues	31,196,057,649	17,035,498,394	83.1
<b>Total</b>	<b>471,709,035,341</b>	<b>362,755,418,651</b>	<b>30.0</b>

In Bif

Graph 1: Comparison of 2011 and 2010

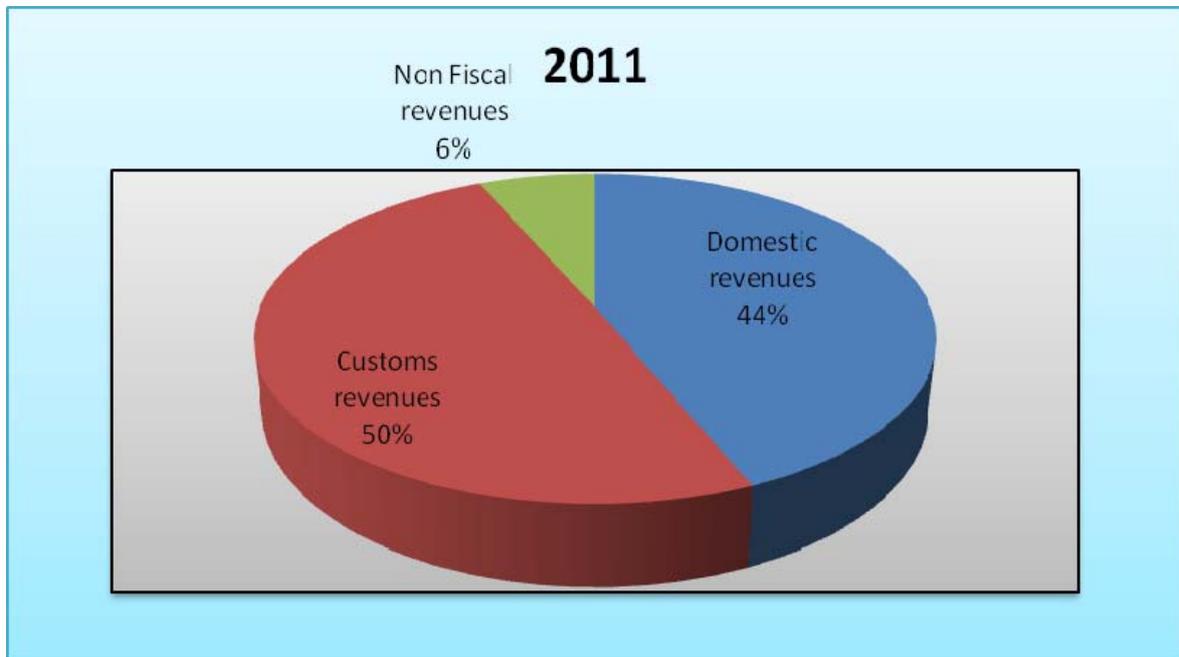


Interpretation

- In 2011, total revenues amounted to Bif 471.7 billion against a target of Bif 437.8 billion, representing an achievement of 108%;
- With the complete operationalization of the OBR, OBR has exceeded each month the revenue collected during the same period of the previous year,

with the exception of December, given the fact that the stock of arrears was largely exhausted.

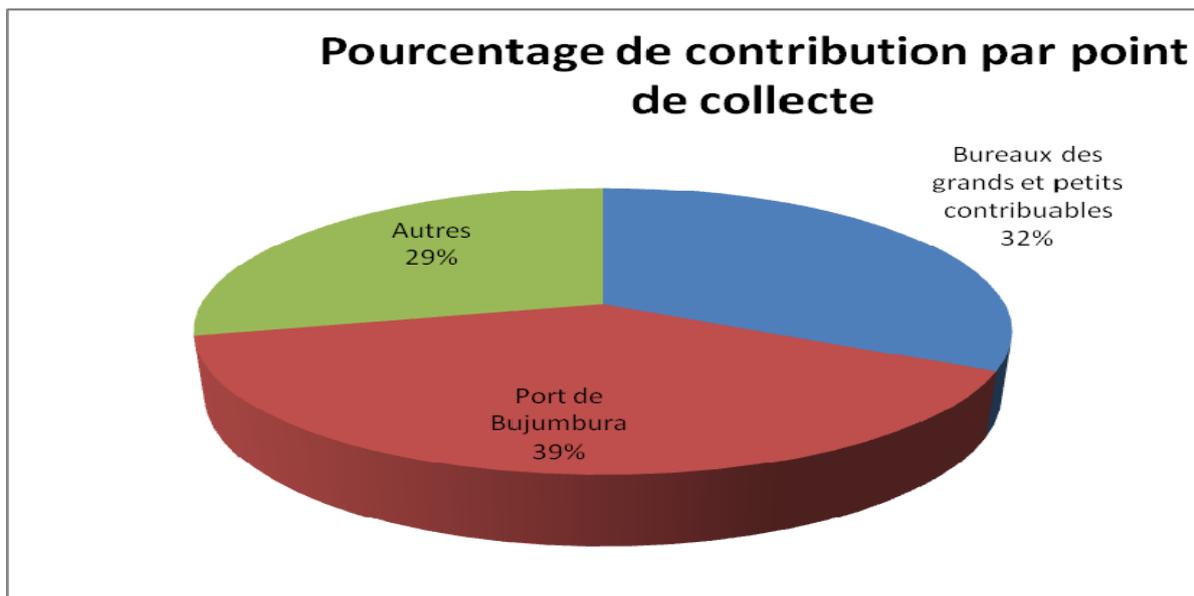
**Graph 2 : Contribution by types of taxes in 2011**



**Interpretation**

- ✚ The customs revenues contributed up to 50 % of the revenues collected ;
- ✚ The domestic and non fiscal revenues have contributed respectively 44% and 6%

**Graph3: Contribution by tax office**



### Interpretation

- ✚ Being the main point of entry for goods from outside Burundi, the Port of Bujumbura, contributed up to 39% in total revenue collection, followed by LT and SMT Offices which contributed to up to 32 %.

### 3.2. Other compliance measures

#### a) Number of taxpayers ( LT versus SMT) in 2011

	2010	2011	Variation	% of the Variation
	Number	Number	Number	
LTO	485	511	26	5,36
SMTTO	1092	1569	477	44
<b>Total</b>	<b>1577</b>	<b>2080</b>	<b>503</b>	<b>31,9</b>

#### b) Number of taxpayers by type of taxes

- -LT

	2010	2011	Variation	% of the Variation
CIT	(2009) 331	(2010) 356	25	7,55
PAYE	485	511	26	5,36
VAT	370	345	-25	-6,76

**SMT**

	2010	2011	Variation	% of the Variation
CIT	(2009) 657	2010) 1427	770	117,2
PAYE	N/A	1120	-	-
VAT	476	634	158	33,2

**c) Vehicles et Motorcycles**

	2010	2011	Variation	% of the Variation
New registered veicles	13 895	6 295	-7 600	- 54,6%
New Motorcycles	5 604	3 210	-2 394	-42,7%

**d) Audits conducted in 2011**

	Planned audits	Concluded audits	%
LTO	278	402	44,6%
SMTO	216	54	-75%
TOTAL	494	456	-30,4%

### ***e) Returns filing***

	Type of declaration	Planned	Received on time	Nil	Compliance ration
<b>SMTO</b>	CIT	657	748	45	113,9
	VAT	622	537	115	86,3
	PAYE	1120	987	147	88,1

	Type of declaration	Planned	Received on time	Nil	Compliance ration
<b>LTO</b>	CIT	356	324	14	91%
	VAT	345	342	56	99%
	PAYE	460	440	43	95%

### ***f) Appeals***

Appeals	Analysed cases in 2011	Cases heard by the jurisdictions	In favour of OBR	In favour of the taxpayer
209	95	28	0	0

## ***3.2. In terms of reforms.***

### ***3.2.1. Review of the legal framework***

OBR has focused on anything that might help the taxpayer when, in good faith the latter wishes to comply. With the support of development partners, mainly the IMF, and key private sector partners, the OBR has suggested revising the basic legal instruments in tax matters including: -

- ✚ The development of a draft bill amending the Tax Code;

- ✚ Draft of a new VAT law;
- ✚ Proposal of new tax procedures law;

### ***3.2.2. Computerisation in OBR***

In order to offer a prompt and courteous service to taxpayers, the OBR has made computerization of its services, one of its priorities. The following achievements have been accomplished:-

- ✓ The ERP business requirement implementation was completed for back office activities
- ✓ The SIGTAS LTO for TVA is in production;
- ✓ The RCMS testing phase is done and will be deployed in production in the first quarter of 2012.
- ✓ Creation and updating the exemption codes in A++ ;
- ✓ Many Configuration/changes have been made in A++ have been made in order to optimize the system usage;
- ✓ Configuration and update taxation tariffs for customs;
- ✓ Configuration of a second gateway VPN exclusive to declarants. The remote declaration is now mandated to all declarants.
- ✓ Development of RADDEX 2 per regional specifications;
- ✓ OBR Internal email is now mandatory to conduct official business for all employees.
- ✓ A new anti-virus Forefront (replacing Kaspersky) from Microsoft is now deployed on corporate machines;
- ✓ Many Clients' Machines have been upgraded to Windows 7 professional and MS Office 2010;
- ✓ Basic configuration for the data center at Emmaus has been completed. SIGTAS is hosted on this new infrastructure;
- ✓ OBR WAN (with P2P) was extended to include Province, SEP and Vehicle building in Q. Asiatique. As result of the extension, the Motor Vehicle server was moved to Emmaus and the SEP clearing is now operational.

#### **❖ Technical design**

- ✓ The design of the Exemption Management System is in progress;
- ✓ Redesign Internet deployment in OBR to use a two point of access/entries (one at Emmaus and the other at the Port) is finalized. Each entry point will be supplied service by two ISPs. The multi-gateway necessary to enable this design has been ordered.
- ✓ The design of the OBR site to include the informant service is in final phase.
- ✓ A new concept of Systems Integration design draft is in works. A demo is expected in the second quarter of 2012.
- ✓ The OBR nomenclature for clients' equipment has been finalized.
- ✓ The main LAN domain name for OBR was finalized.

- ✓ The design for merging the two solar energy systems at Kobero was finalized.
- ✓ The design to convert the elevator shaft at Emmaus into server/electrical rooms was finalized.
- ✓ The electrical/IT cabling design for Emmaus and Le Savonnier was also finalized.

### 3.2.3. Establishment of OSBPs

As One Stop Border Post in force in the East African Community is in line with the Customs Union treaty which Burundi has signed for, OBR has made the first steps to establish OSBPs with Tanzania and Rwanda.

These OSBPs will be operational due to the considerable progress made in 2011 and this will enable their operationalization in 2012:

- ✚ Preparation and signing of the Bilateral Agreement between the Government of the Republic of Burundi and the Government of the United Republic of Tanzania for the Establishment and implementation of a One Stop Border Post at Kobero / Kabanga; ( see photo below)
- ✚ Preparation and signing of the Bilateral Agreement between the Government of the Republic of Burundi and the Government of the Republic of Rwanda for the Establishment of a One Stop Border Post at Gasenyi I/Nemba;

*August 2011*



### ***3.2.4. Human Resources Management in OBR***

#### ***a ) Capacity building***

With the recruitment of 414 new staff in 2010, a focus was given to the training of the newly appointees in OBR. In that spirit, just right after their recruitment in January 2011, the new personnel went through some basic courses on training which were conducted by different teams in OBR constituted by SMT members and Chefs de service.

As capacity building is one of the top priorities of OBR this year, a substantial review of all HR policies and procedures has been done and various programs have been planned as a training needs assessment was done. In total, 227 OBR employees or 40% have been trained on various themes.



*August 4, 2011, Training on techniques of intelligence provided by JICA.*

#### ***b ) Improvement of working conditions***

In 2011, the following was carried out by OBR to ensure a healthy environment for the staff:-

- ✓ Construction of offices and residential accommodation for staff at the Ruhwa station;

- ✓ The staff located at GASENYI, MAKAMBA, NYANZA-LAC, KANYARU HAUT, RUMONGE, GAHUMO, KOBERO, GISURU received new offices and housing accommodation.

### c) *Staff Discipline*

With regard to the discipline of staff, 27 disciplinary cases were identified in relation with corruption, unjustified increase of wealth, and theft. Of these, 24 cases were closed and 3 cases were ongoing in December. Details are given below:

- ✓ Number of employees punished by dismissal: 11
- ✓ Number of employees sanctioned by last written warning: 6
- ✓ Number of employees sanctioned by written warning: 2
- ✓ Number of employees sanctioned oral warning expressed as written: 2
- ✓ Number of employees with closed cases after investigation: 3

Each employee at the OBR, by signing his contract, must adhere to the OBR Code of Conduct and the Terms and Conditions of Service. The OBR is determined to enforce the Zero Tolerance to Corruption, as advocated by His Excellency the President of the Republic of Burundi. In addition, hotline numbers were created to allow anyone who witnessed fraud, corruption to immediately call for free these numbers (**71 440 440, 71 550 550, 71 660 660**).

Special recognition is addressed to the Board of Directors of the OBR as it spared no effort to make the Board respects the laws and regulations in force, in order to uphold the fundamental values of the OBR

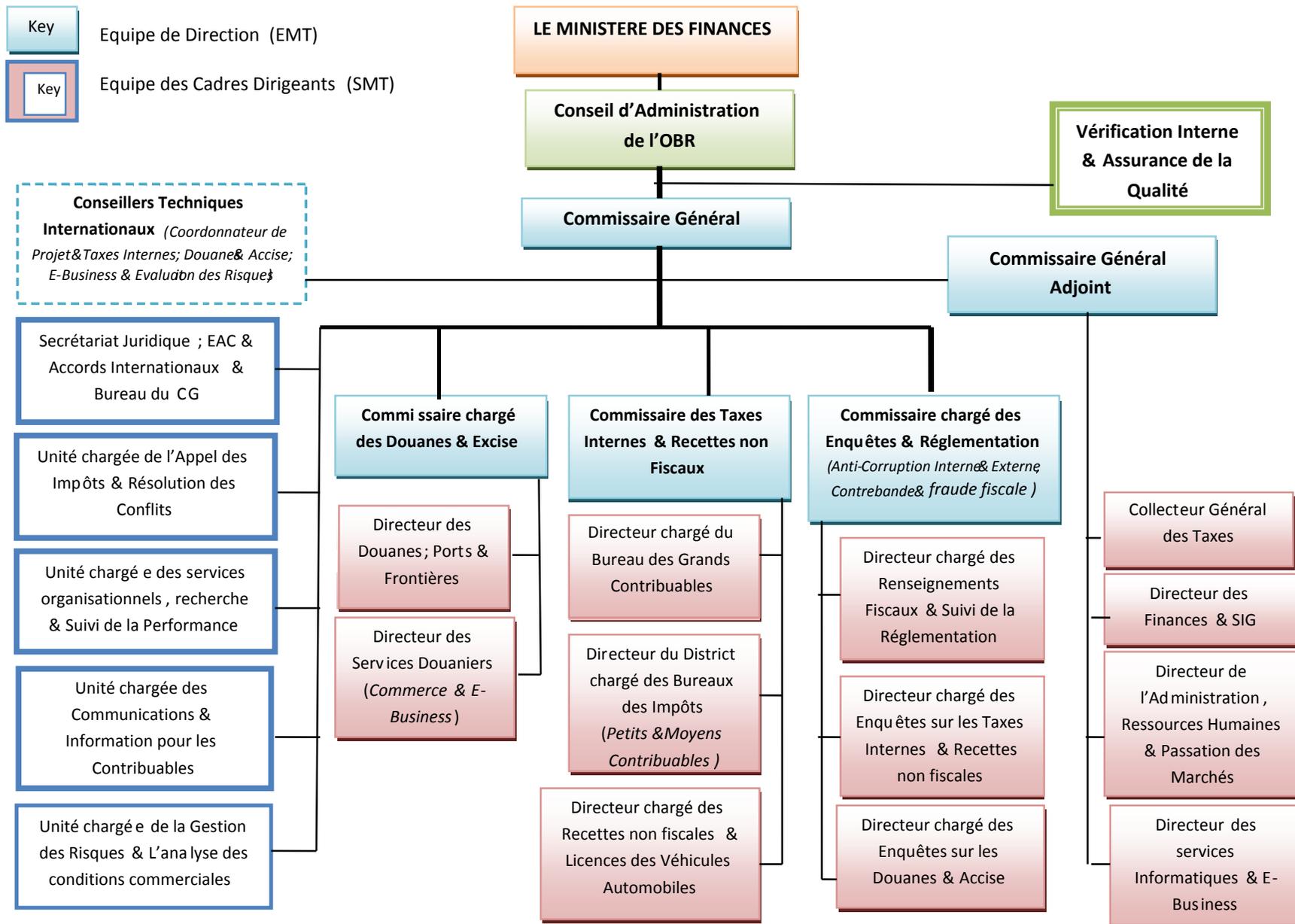
### **3.2.5 New OBR Structure**

After one year of existence, an IMF mission took place in April 2011 to determine whether the initial management structure was serving the expectations of the Government and of the Board and will allow OBR to efficiently and effectively meet service delivery requirements and revenue collection targets. Recommendations were made in order to avoid the duplication of effort, overlap of responsibilities, and therefore enhancing the reduction of costs, emerging pressures or priorities.

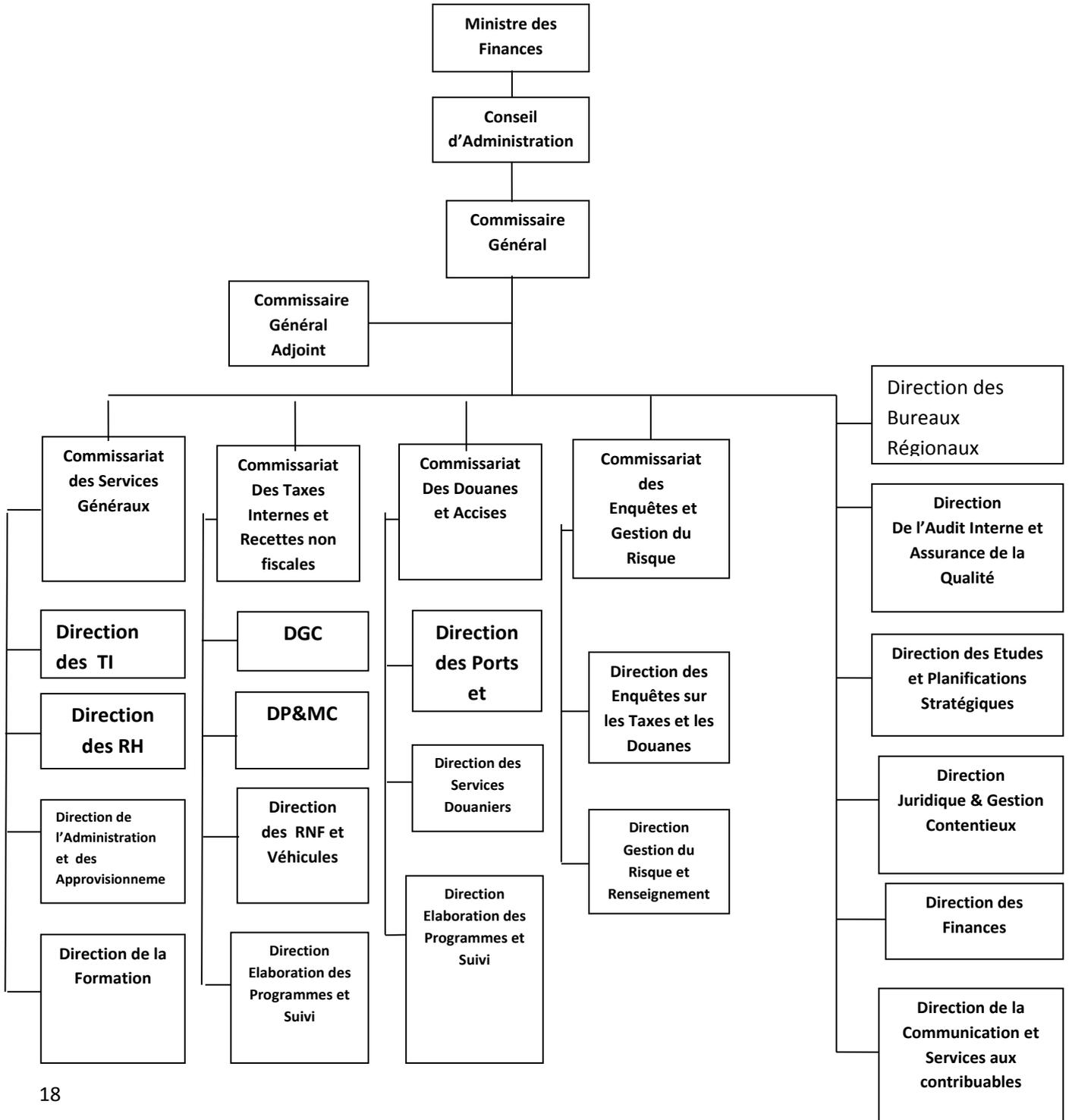
After a detailed analysis and various consultations, the Board of Directors has approved a new structure as of May 20, 2011 and implemented the decision on December 13, 2011.

Below is the initial structure followed by the new OBR structure

## SCHEMA I: Structure Initiale



# NEW OBR STRUCTURE



The major changes made are as follows:

- The merging of the Collector General department and the Finance department, under the Finance department;
- The merging of the Legal Affairs unit and Tax Appeals unit to make only one directorate, the Legal Affairs and Litigation;
- The merging of the Directorate in charge of Investigations on domestic taxes and customs;
- The merging of the Unit in charge of Risk Management and the Directorate in charge of intelligence.
- The Creation of new directorates i.e program management and monitoring in DTD and CSD, the Directorate in charge of regional offices, and 3 different departments in charge of HR, Administration and Procurement and Training. These last three Directorates were created following the suppression of the Directorate in charge of Administration, Human Resources and Procurement, for better management as these are key areas.

#### **4. ACTIVITES UNDERTAKEN TO PROVIDE BETTER SERVICES TO TAXPAYERS AND IMPROVE THE BUSINESS CLIMATE IN BURUNDI**

In addition to revenue maximization, OBR has spared no effort to improve the business climate in Burundi. Thus, during the year 2011, several consultations with the private sector took place in an attempt to meet their expectations and concerns. With the support of His Excellency the Second Vice President of the Republic, the project to improve the rank of Burundi in the WB Doing Business indicators published has been a success The contribution of the OBR has been as follows: -

- ✓ Recommended that the service in charge of delivering the register de commerce moves to OBR at the LE SAVONNIER office. The investor and other new taxpayers will therefore be able to get a Tax Identification Number and a Registre de Commerce from the same place (Single location for business and tax registration in Burundi) in a very short time;
- ✓ Introduced close collaboration with the Investment Promotion Agency receiving priority service at OBR;
- ✓ Proposed to abolish the payment of BIF 10,000 for a Tax Identification Number;

- ✓ Prepared transparent and automatic investment incentives and included these in new draft legislation that is shortly to be enacted;
- ✓ Property registration procedures response times reduced from 6 days to 2-3 days upon presentation of a complete file. Further time reductions planned;
- ✓ Extended working hours. Customs offices are open up to 8 PM and there are plans for 24-hour service. All OBR offices are now open from 7.30 a.m. to 17.30 with service available during lunch time and throughout the day;
- ✓ Introduced taxpayer segmentation giving special attention to large and medium taxpayers;
- ✓ Use of commercial banks at OBR offices to receive tax payments and help the taxpayer save time as well as reducing costs of payment compliance.
- ✓ Risk based audit planning prioritizing non compliant taxpayers.
- ✓ Proposed the review of the ministerial order requiring the Cheque Special du Tresor
- ✓ Abolished the payment of BIF 5,000 at the border points for vehicles exiting Burundi;
- ✓ Abolished the 'Attestation de decharge' with its \$5, fee at the Port of Bujumbura. This was replaced simply by the stamping of the T-1 copy that is returned to the driver;
- ✓ Agreed a Simplified Trade Regime with Rwanda for local produce traded by small producers
- ✓ Procedures for the Management of T-1, put into operation since July 2011
- ✓ Price reference database implemented since July 2011;
- ✓ New customs declaration procedures introduced;
- ✓ New petroleum regulations and procedures;
- ✓ Computerization and modernization of oil depots offices since December 2011; better controls introduced at fuel depots;
- ✓ Simplified declaration procedures since July 2011;
- ✓ Opening of the Kobero clearance office since December 2011
- ✓ A more controlled access inside customs offices since December 2011; thus improving services in reviewing and accepting compliant clients' declarations and reducing interferences from others.

- ✓ Increased communication with the Association of Clearing Agents and the business community
- ✓ Signing of OSBP bilateral Agreements with Tanzania and Rwanda (Kobero/Kobanga) AND Gasenyi I/Nemba and the creation and installation of temporary buildings in process;
- ✓ Introduction of the principles of risk management in Customs controls by initiating the 'Selectivity channels' into the procedures of clearance of imported commercial goods. This will improve 'facilitation of commerce' and direct the focus efforts of customs resources in risk shipments;
- ✓ Extending the application of the Tele-Declaration: all licensed Agents now have on-line access and send their data submission electronically to the Customs Automated Systems directly from their own offices
- ✓ Decentralization of cargo clearance procedures: In addition to the existing clearance points, Port and Airport of Bujumbura, the inland offices of Gitega and Kayanza; have been added as well as the offices of Makamba and Rumonge for declaration of all cargo. The border posts of Kobero, and Gaseinyil now use simplified declaration processes and commercial branches are now located in both EMMAUS and LE SAVONNIER

## 5. TAXPAYER SENSITIZATION AND EDUCATION

A national campaign was conducted for taxpayer education on tax compliance and all its aspects. That campaign reached around 250,000 people. The following points were discussed:

- ✓ The purpose of the OBR;
- ✓ The relationship that must be established between OBR and taxpayers;
- ✓ The social and economic benefits that OBR will bring to the citizens of Burundi;
- ✓ The role of taxes in the development of Burundi;
- ✓ The obligation and duty to pay taxes and risks that may be incurred by those who do not comply with their tax obligations;
- ✓ The obligation to register;
- ✓ Information on what types of taxes to pay, the rates, and where the payments are made;
- ✓ Segmentation criteria
- ✓ Initiatives introduced by OBR for a better EAC integration,
- ✓ Information to the public on the evils of tax evasion and customs;
- ✓ Encourage the public to denounce fraud and tax evasion using hotline numbers;

- ✓ Inform the public opinion on the difference between taxes and the fees charged by local administration



Ijenda, September 2011



Gitega, Septembre 2011

In addition to this campaign, OBR had an ongoing dialogue with taxpayers. Various meetings between OBR and the private sector (CFCIB, SYGECO, AIB etc) were held. Also, several interventions were made through various media. A special word of thanks goes to TradeMark East Africa for their financial support.

## 6. OBR FINANCIAL STATEMENTS AS AT DECEMBER 31, 2011

### 1. ETAT DES RECETTES COLLECTEES POUR L'EXERCICE 2011 EN BIF

RECETTES DES DEPARTEMENTS	NOTES	31/12/2011	31/12/2010
Département des Recettes Internes	3	230 745 273 189	193 604 755 985
Département des Douanes	4	240 963 762 152	169 150 662 666
<b>TOTAL</b>		<b>471 709 035 341</b>	<b>362 755 418 651</b>

### 2. ETAT DES RESSOURCES SUR LES DEPENSES

#### 2.1. Excédent des Ressources sur les Dépenses, Budget Etat

LIBELLE	NOTES	31/12/2011	31/12/2010
<b>RESSOURCES</b>	5	<b>11, 659, 190,483</b>	<b>5 150 439 306</b>
DEPENSES COURANTES	6	(8, 881, 992,342)	(3 193 264 459)
Excédent des Ressources sur les dépenses courantes		2, 777, 198,141	1 957 174 847
Dépenses en Capital	7	(2, 471, 433,775)	(141 914 816)
<b>Excédent des Ressources sur les dépenses de l'année</b>		<b>305,764,366</b>	<b>1 815 260 031</b>

## 2.2. Excédent des Ressources sur les Dépenses, Budget TMEA

<b>LIBELLE</b>	<b>NOTES</b>	<b>31/12/2011</b>	<b>31/12/2010</b>
<b>RESSOURCES</b>	8	<b>2, 548, 541,217</b>	<b>864 985 410</b>
DEPENSES COURANTES	9	(631, 841,159)	(183 209 800)
Excédent des Ressources sur les dépenses courantes		1, 916, 700,058	681 775 610
Dépenses en Capital	10	(1, 822, 817,284)	(586 654 610)
<b>Excédent des Ressources sur les dépenses de l'année</b>		<b>93, 882,774</b>	<b>95 121 000</b>

### 3. SITUATION PATRIMONIALE AU 31.12.2011

<b>ACTIF</b>	<b>Note</b>	<u>31/12/2011</u>
		<u>BIF</u>
<b>IMMOBILISATIONS</b>		<b>5,022,820,485</b>
Logicie&Licence		494,796,804
Matériel Roulant		2,531,189,347
Mobilier		264,048,061
Groupe Eléctrogène		117,690,109
Equipement de Bureau		10,558,168
Matériel Informatique		894,615,598
Matériel de Communication		300,161,572
Aménagement & Installations		66,722,675
Autres Immobilisations		343,038,151
<b>STOCKS</b>	<b>11</b>	<b>244,088,479</b>
<b>VALEURS REALISABLES</b>		<b>6,136,192</b>
<b>VALEURS DISPONIBLES</b>		<b>5,760,886,997</b>
Banques	1 2	2,585,872,485
Caisses	13	3,175,014,512
<b>TOTAL ACTIF</b>		<b>11,033,932,153</b>
<b>PASSIF</b>		

<b>SUBVENTION</b>		<b>5,022,820,485</b>
Subvention d'Equipement Etat	14	2,613,348,591
Subvention d'Equipement TMEA	15	2,409,471,894
<b>RESSOURCES NON CONSOMMÉES</b>		<b>399,647,140</b>
Etat,Budget débloqué	16	305,764,366
TMEA,Budget debloqué	17	93,882,774
<b>DETTES A COURT TERME</b>		<b>5,611,464,528</b>
Fournisseurs	18	607,517,140
Employés & CA	19	49,133,032
Dettes envers Etat	20	4,851,252,395
Institutions Publiques	21	103,581,961
<b>TOTAL PASSIF</b>		<b>11,033,932,153</b>

#### 4. JUSTIFICATION DE LA TRESORERIE AU 31.12.2011.

INTITULE	NOTES	MONTANTS
<b>Excédent des Ressources sur les Dépenses Courantes</b>		<b>4 693 898 199</b>
Créditeurs		5 611 464 528
Stock	11	(244 088 479)
Débiteur		(6,136 192)
<b>CASH FLOW D'EXPLOITATION</b>		<b>10 305 362 727</b>
Acquisition des immobilisations	<b>7&amp;10</b>	4 294 251 059
<b>CASH FLOW DISPONIBLE A LA FIN DE L'EXERCICE</b>		<b>5 760 886 997</b>
<b>VERIFICATION</b>		
BANQUE		2 585 872 485
CAISSE		3 175 014 512
<b>TOTAL</b>		<b>5 760 886 997</b>

## 7. COLLABORATION WITH DEVELOPMENT PARTNERS

The OBR has worked closely with all partners to achieve its objectives. Therefore, meetings and exchanges of information between local and regional partners took place; agreements were signed between OBR and those of neighboring administrations, including the DRC, Rwanda and Tanzania.

In OBR, We also recognize the other main partners of the OBR as: -

- The Ministry of Finance
- The Ministry in Charge of the East African Community Affairs
- The Ministry of Commerce
- CFCIB (Federal Chamber of Commerce and Industry of Burundi)
- API (Investment Promotion Agency)
- Development Partners (TMEA/DFID, JICA, IMF, WORLD BANK, PAGE)
- EARA ( East African Revenue Authorities)
- USAID
- SEP
- The National Police and Army
- Anti-Corruption Brigade
- Ports Authority
- Local administrations
- Clearing agencies, banks, transport agencies, etc
- Media
- Embassies

### **OBR participation in the EARATC forum**

At the EAC level, OBR has forged good relations with tax administrations of the East African Community through regular participation and contribution to the forum. OBR is represented in five subcommittees namely DTD, customs, IT,

Human Resources and Planning and Research. An MOU on the exchange of information has been signed.

It is worth mentioning that the EAC sister revenue authorities have continued to support the OBR through various trainings offered to the OBR staff in order to build their capacity.



*December 16, 2011, Kigali, CGs meeting*

Moreover, from the 19th to 21st July 2011, OBR had the great honor to host the 56th EARATC meeting; this was the first meeting being held in Burundi, since OBR joined the TC forum.

#### **b) Great Support from TradeMark East Africa**

TradeMark East Africa has been the OBR's main partner throughout the year 2011. Indeed, TMEA has spent approximately USD 10 million on several projects including: -

- ✓ Financing campaigns throughout the country;
- ✓ Financing of workshops related to the establishment of OSBPs;
- ✓ Purchase of office equipment;
- ✓ Purchase of computer equipment;
- ✓ Funding for capacity building;

- ✓ Recruitment of international consultants whose aim is to support the OBR to put in place systems and procedures in line with best international practices,
- ✓ Renovation of the OBR offices.

## **8. CHALLENGES FACED BY OBR IN 2011**

- ✚ There are still some negligent behavior and corrupt tendencies amongst some officers;
- ✚ Resistance to change;
- ✚ Inadequate systems and procedures;
- ✚ Lack of tax offices in some regions ;
- ✚ Management and operational manuals that are incomplete or nonexistent;
- ✚ Large informal sector difficult to reach;
- ✚ Lack of reliable statistical figures;
- ✚ Excessive bureaucracy;
- ✚ Code of Conduct and the terms and conditions of service need to be improved;
- ✚ Complex and long public tendering procedures;
- ✚ Staff turnover: In 2011, 19 members of the staff resigned representing 3.35% of the total staff. These resignations have a negative impact on the functioning of the organization as these were competent and knowledgeable persons. As OBR has to replace them, there are costs that have to be incurred to select, recruit and train the new appointees.

## **9. CONCLUSION**

The year 2011 has been made of tremendous progress and innovations. All the objectives that were planned were accomplished; with the satisfaction of OBR, the Government, and all the stakeholders. The achievements made had the main objective of maximizing revenues while providing quality services. Efforts shall continue to be made to find solutions to the challenges encountered, and there is no doubt that we shall be successful if we all contribute.

OBR will continue in its mission to secure revenues for strengthening the Burundi economy and is determined to play its role to improve the business climate in Burundi.