

## Bringing in the Bucks in Burundi

### TradeMark East Africa helps build an effective revenue collection agency

TradeMark East Africa (TMEA) is assisting the new revenue administration in Burundi – Office Burundais des Recettes (OBR) - to generate impressive results. In the quarter ended 30 September 2010, the OBR collected an

OBR achieves an impressive Bif **103 billion** for the December quarter.

additional 10 billion Burundian Francs in fiscal revenues over the total collected in the previous quarter. Year on year, revenues are up a total of 25%. And it doesn't stop there; OBR broke through the Bif 100 billion barrier in December achieving Bif **103 billion** for the December quarter. Additional revenue generated is already set to overtake the total budget

(£11.5 million) for TMEA's five year programme of support to the OBR.

TMEA assisted OBR with the recruitment of its senior management team and heads of divisions. The first Commissioner General for the OBR has been in post since the middle of June 2010. OBR is busy recruiting its remaining staff and doing so in an open and transparent manner. OBR received 9,000 applications for 354 jobs and from these it pre-selected the top 2,600 applicants who were given a skills examination. The top one third of those taking the exam was interviewed and contracts will be signed over the coming weeks. Burundi has not seen a transparent recruitment of this size before and clearly a benchmark has been established.



### New tax laws will enable ease of harmonisation with the East Africa Community (EAC)

TMEA is also assisting OBR with its computerisation programmes. OBR purchased ASYCUDA World for its customs operations and SIGTAS for its domestic tax operations. Computerising its border posts and putting in place effective controls on high-value imports such as petrol and other excisable goods will bring significant improvements to Burundi's revenue performance over the immediate term.

A close partnership has been formed between TMEA, OBR and the IMF. Burundi is reforming its primary tax laws and creating a tax procedures law that will provide uniform procedures for all taxes administered by OBR. This will benefit both taxpayers and tax collectors. The new laws will be similar to legislation currently existing in other East African states and will facilitate tax harmonisation across East Africa. OBR has also been playing its part in the East African Revenue Authorities forum and other East African countries have agreed to assist OBR with the rapid training of its new recruits and sharing information on best practices in tax and customs administration.

### Improving the business climate in Burundi

With support from TMEA, OBR has a strategy to speed up trading across borders. A feasibility study for a One-Stop Border Post at Kobero (main border post with Tanzania) has taken place and steps are being taken to operationalise One-Stop Border Posts at the main crossing points with Rwanda. Computer systems aimed at providing a 'single window' at border crossings are under review. Under the leadership of the Second Vice President, Burundi aims to improve its position in the World Bank's *Doing Business* index, which OBR is actively supporting by adopting modern tax administration procedures that will enhance tax compliance while reducing the costs of doing business.



The professionally recruited staff, adviser assistance, new computer systems, new laws and procedures will enable OBR to collect the revenues Burundi so badly needs. The additional revenues will allow the government to provide much-needed infrastructure, thus improving the business climate, reducing poverty and improving prosperity in Burundi.

TradeMark East Africa is an initiative funded by a range of Development agencies including DFID to promote trade and regional economic integration in East Africa. By working closely with East Africa Community (EAC) institutions, national governments, business and civil society organisations, TMEA seeks to support East African integration by unlocking the economic potential of the region.