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# Investing in rural people in **Burkina Faso**

Burkina Faso is a landlocked country with limited natural resources lying between Ghana and Mali. Income per capita was just US\$786.9 in 2019. The population, estimated at almost 20.32 million in 2019, is growing at 3 per cent a year. The economy relies heavily on agriculture, which employs about 80 per cent of the workforce, according to the World Bank. Cotton is the main cash crop, while gold exports have gained importance in recent years.

The country is ranked 144th among 157 countries in the 2018 Human Capital Index and 40.1 per cent of its population lives below the national poverty line. The security and humanitarian crisis has affected about 5.2 million people, and 2.2 million of these need humanitarian assistance, while 1 million are internally displaced.

The economic impacts of the COVID-19 pandemic have been stronger than expected: for example, real GDP contracted by 8.6 per cent in the second quarter of 2020 and inflation had increased by 4.1 per cent by the end of 2020.

While poverty has been declining over time, it remains widespread in rural areas. It is more common and severe among women, who often have limited access to land and to the decision-making process.





The main causes of rural poverty in Burkina Faso include:

- shortage and poor quality of arable land
- · poor communication and transport networks
- wide fluctuations in climatic conditions
- · subsistence-level farming with low productivity
- limited employment opportunities.

# IFAD's strategy in Burkina Faso

In Burkina Faso, IFAD loans help better manage natural resources, in addition to building inclusive and sustainable institutions through pro-poor investments and policies and supporting innovation and education.

Key activities include:

- strengthening the resilience of vulnerable rural populations to food and nutrition insecurity and climate change
- improving the performance of key agricultural value chains that create employment and wealth for rural populations and respect the principles of sustainable natural resource management.

IFAD works with the government to tackle challenges and develop operational strategies and policies based on best practices, feeding knowledge and ideas into policy development. By working at various levels, IFAD helps the government create an environment that is conducive for local people to reduce rural poverty.

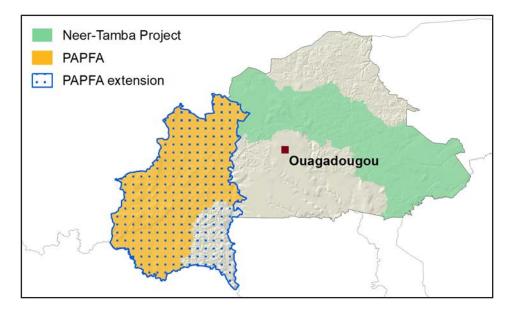
# IFAD's response to the effects of COVID-19 on small-scale farmers: the Rural Poor Stimulus Facility

To respond to the immediate and medium- to long-term effects of COVID-19 on small-scale farmers, IFAD established the Rural Poor Stimulus Facility (RPSF) with the support of the Executive Board and contributions from Member States. With this facility, IFAD has provided grant support to the Government of Burkina Faso for activities that will enable small-scale farmers to overcome the effects of COVID-19 and continue to produce food for their families and for the markets.

The first tranche of the grant, US\$657,817, has already been made available for disbursement through the Agricultural Value Chains Promotion Project (PAPFA). The second tranche of US\$803,506 is to be specifically geared towards supporting internally displaced persons in the targeted geographical areas.

# Ongoing operations

Since 1981, IFAD has supported 16 programmes and projects in Burkina Faso for a total cost of US\$673.9 million, including US\$329.0 million from IFAD resources, directly benefiting 623,200 rural households.



### Agricultural Value Chains Support Project in the Southwest, Hauts-Bassins, Cascades and Boucle du Mouhoun Regions

The goal of the Agricultural Value Chains Support Project in the Southwest, Hauts-Bassins, Cascades and Boucle du Mouhoun Regions (PAFA-4R) is to contribute to reducing poverty and stimulating economic growth in these four regions. Like the Agricultural Value Chains Promotion Project (PAPFA), PAFA-4R aims to achieve this by sustainably improving the food security and incomes of farmers engaged in production and value addition in the value chains the project supports.

The project is implemented in the three regions covered by PAPFA (Boucle du Mouhoun, Cascades and Hauts-Bassins), where it will support two value chains (non-timber forest products and fish farming), and in the Southwest region.

The total cost of the project is US\$123.9 million, including a US\$66.9 million loan from IFAD. It is cofinanced by the African Development Bank (US\$35.2 million), the Government of Burkina Faso (US\$13.2 million) and the beneficiaries themselves (US\$8.5 million), benefiting directly 40,000 rural households.

### Agricultural Value Chains Promotion Project

One of the main challenges facing the Government of Burkina Faso over the coming decade is the need for structural transformation of the national economy through strong, sustainable and inclusive growth, underpinned largely by a modernized agriculture sector. By developing four agricultural value chains – rice, vegetables, sesame and cowpea – the Agricultural Value Chains Promotion Project (PAPFA) will contribute to meeting this challenge. In particular, the project is improving small-scale farmers' productivity, adding value to agricultural products and promoting entrepreneurship as a means to overcome slow growth in rural areas.

The project focuses on the regions of Boucle du Mouhoun, Cascades and Hauts-Bassins, where it is building on and scaling up the gains made by previous programmes. PAPFA targets 57,000 households, of which 27,500 receive production support, 27,000 are assisted in setting up or consolidating rural microenterprises and 2,500 are supported in value chain development. Of the target groups, PAPFA endeavours to reach a minimum participation rate of 50 per cent women and 30 per cent young people in all interventions.

The total cost of the project is US\$75.8 million, including US\$38 million from IFAD. It is cofinanced by the OPEC Fund for International Development (US\$20 million), the Government of Burkina Faso (US\$6.3 million) and the beneficiaries themselves (US\$7.3 million).

Participatory Natural Resource Management and Rural Development Project in the North, Centre-North and East Regions (*Neer-tamba* Project)

The goal of this project is to improve the living conditions and incomes of almost 200,000 rural households that are among the poorest in Burkina Faso, enabling them to increase their autonomy and expand their role in building economic and social sustainability.

The project focuses on:

- strengthening resilience to climate change at the household, farm and village levels through sustainable land development
- intensifying small-scale farmers' production capacity through the dissemination of best practices and the promotion of financing and innovation
- ensuring that poor rural women and men are full partners in development activities in order to achieve long-term economic independence.

The target population consists of poor and food-insecure rural households in the country's East, Centre-North and North regions. Almost half of the households in the Centre-North and North regions and two thirds of the households in the East region are affected by poverty. A smaller but significant part of the population is affected by chronic food insecurity.

The total cost of the project is US\$110.18 million, including a US\$51.2 million grant from IFAD. It is cofinanced by the Global Environment Facility (US\$7.3 million), the Government of Burkina Faso (US\$24.1 million) and the beneficiaries themselves (US\$5.9 million).



IFAD invests in rural people, empowering them to reduce poverty, increase food security, improve nutrition and strengthen resilience. Since 1978, we have provided US\$23.2 billion in grants and low-interest loans to projects that have reached an estimated 518 million people. IFAD is an international financial institution and a United Nations specialized agency based in Rome – the United Nations food and agriculture hub.

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March 2021