



Analysis of the Effects of COVID-19 on the Trade, Transport and Health Sectors of Burundi

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Context

The outbreak of coronavirus (COVID-19) continues to impact the lives of the people in Burundi. The country has witnessed significant increase in its confirmed cases on 31st March 2020. The disruptive effects of the COVID-19 crisis on global, regional and national trade have received enormous attention recently. The reason is that the pandemic has strongly affected the least-developed countries, especially those in Africa due to their reliance on export of commodities and tourism, and imports of pharmaceutical products, medical and food products. The measures taken to curb the spread of the virus at national and international

levels has impacted negatively on the economy of Burundi. This policy brief presents the recommendations of the study done on the impact of COVID-19 mainly on trade, health and transport sectors.

Problem

Given the rising number of deaths and confirmed cases of COVID-19, the entire world has set stringent measures such as lockdowns, limited or cessation of movement of people and goods. Such restrictions have had equal effects on the economy of countries, with the most affected being the under-developed countries. In Burundi, the first case of COVID-19 was officially reported on 31st March 2020. Since that time, the country has registered more than 1,000 cases and three deaths. Burundi has echoed the declaration of World Health Organization on the pandemic as a public health emergency of international concern. Though the measures taken and resources diverted to control the spread of COVID-19, the pandemic has led to market failure and reduced economic growth of Burundi.

The impact was mostly felt on trade and health in Burundi because it has impacted on exports and imports of goods and services, and pharmaceutical and medical goods and services. The country has diverted its resources to the health sector, and this has created a disruption on both health human resources and budget allocated to the health sector. In addition, the pandemic has disrupted the chain of logistic network due to breakdown of the transport system following the lockdowns and restriction of movement on goods and people.

The impact of the pandemic on sensitive export and import products should lead the country strike cooperation and coordination of negotiation on donor's foreign assistance and at the same time to have an impetus of developing a contingency plan based on providing incentives to health and transport stakeholders.

Background

The COVID-19 pandemic has the potential to devastate the social, economic and political effects not only in Burundi but also in the entire world. In Burundi, the pandemic emerged in early March 2020, but it was only in July 2020 that the government took stringent measures in response to the spread of the pandemic.

African trade with its partners has generally been increasing over the years, and restrictions on movement of goods and services between Africa, and Burundi in particular, with its trading partners has greatly affected the economies of the African countries. Moreover, disruption in exports led to stockpiles of products such as

coffee, while restrictions on imports affected even the supply of essential products, including COVID-19-related supplies such as oxygen and other health supplies. The interventions to control the spread of the pandemic, including social distancing and lockdowns, had implications on mobility and connectivity of people and goods. The policy restrictions exposed Burundi to severe health management risks.

This policy brief is based on a study to assess the impact of COVID-19 on Burundi's trade, transport and health sectors. The methodology was based on survey and interview. A systematic sampling was carried out to select 180 people on six entry borders of Burundi. Data on trade, transport and health were collected and augmented secondary data collected from Central Bank and Statistical Bureau of Burundi.

Results

Comparison of values of exports and imports during the second quarter of 2020 with those of the same period in 2019 shows a decline during the period of the onset of the pandemic. Exports decreased from 99.1 billion BIF in the second quarter in 2019 to 30.8 billion BIF in the second quarter of 2020 due to COVID-19, translating to a decline of 68.92% for exports. Imports increased from 368.5 billion BIF in the second quarter of 2019 to 416.7 billion BIF in the second quarter of 2020, translating to a growth of 13.08%. However, imports are estimated at 433.00 billion BIF in the first quarter of 2020, meaning a decrease of 3.8% from the first quarter to the second quarter of 2020.

There is a very considerable drop in the value of goods that pass through these different modes of transport. For example, there was a 73.41% drop in the value of goods passing through Melchior Ndadaye International Airport. The drop in the value passing through the other channels are: Bolloré Logistics 46.75%, Maritime Rail and Port Authority 54.89%, Volcano Transport 83.97% and Memento Transport 84.84%. The results of the survey indicate that there was a very considerable drop in number of passengers using the different modes of transport. The drop in passengers travelling through Melchior Ndadaye International Airport, Volcano Transport and Memento Transport were 99.99%, 78.74% and 77.55%, respectively.

The weekly positive case rate has been consistently below 1% since August 2020 due to decline of the voluntary COVID-19 test in the designated places by the Government of Burundi. On average, the weekly testing rate since the beginning of the pandemic in Burundi is 2 per 10,000 inhabitants (per week); this is very low compared to the average threshold of at least 10 tests per week in the WHO African region. In addition, there has been a gradual decline in the screening rate. The overall screening rate estimated at 70 tests per 10,000 inhabitants remains low, with an average number of tests of about 290 per day since the beginning of the pandemic in Burundi (31st March 2020).

Policy implications

Burundi has put in place measures to limit the spread of the pandemic and set a mechanism of awareness of the mode of COVID-19 spread. However, the actions were short-lived and were ignored thereafter. The government should do more to keep people safe from the pandemic. In addition, the following recommendations need to be implemented:

- Provide financial incentives and subsidies for transport, storage and cold chain costs for essential products.
- Provide non-contact food delivery mechanisms for high-risk or infected populations.
- Prioritize essential transport needs in supply chains and periodically update priorities based on current risk assessments. For example, at the height of an outbreak, transport of medical supplies and food is prioritized and given the "green light" (fewer stops, controls, tolls) when crossing administrative borders.
- Plan for emergency transport for essential needs, fuel, food, medical supplies and equipment, and ration essential foods and fuel.
- Organize and manage long distance and high-volume travel, such as transportation of medical supplies, doctors and nurses, construction of emergency hospitals or quarantine facilities at strategic locations and return of essential workers to their workplaces.

These initiatives can be fulfilled by the government in conjunction with the stakeholders in economic, social and political sectors and donor partners.



Mission

To strengthen local capacity for conducting independent, rigorous inquiry into the problems facing the management of economies in sub-Saharan Africa.

The mission rests on two basic premises: that development is more likely to occur where there is sustained sound management of the economy, and that such management is more likely to happen where there is an active, well-informed group of locally based professional economists to conduct policy-relevant research.

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