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LETTER DATED 19 JANUARY 1999 FROM THE PERMANENT REPRESENTATIVE OF BURUNDI TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

On instructions from my Government, I have the honour to transmit to you herewith the text of the statement delivered by the delegation of Burundi at the talks on Burundi held in New York by the United Nations Department of Political Affairs, the United Nations Development Programme and the Canadian Government on 11 and 12 January 1999 (see annex).

I should be grateful if you would have this letter and its annex circulated as a document of the Security Council.

(<u>Signed</u>) Gamaliel NDARUZANIYE Ambassador Permanent Representative

Annex

Statement delivered by the delegation of Burundi at the donor conference for Burundi held in New York on 11 and 12 January 1999

On behalf of the Government of Burundi, my delegation and on my own behalf, I should like first of all to extend best wishes for happiness and prosperity to you and to the countries and organizations you represent.

I should also like to thank the United Nations and the Canadian Government for hosting the current meetings following those held in Ottawa last August. The Government of Burundi welcomes its partners' continued concern to find ways and means of helping it to emerge from crisis and resolutely pursue socio-economic development.

Since the meeting in August 1998, Burundi has made significant progress along the path to peace. The third session of the Arusha negotiations was held in October to widespread approval, and in December 1998 three of the five committees to be established embarked on an in-depth debate. Work will continue at the fourth session, which is to be held shortly. The consensus reached between the Government of Burundi and the other parties to the negotiations on the essential option of resolving the crisis through negotiation is to be welcomed. The political will of the various sides to reach a conclusion, namely to achieve a comprehensive peace settlement, is no longer in doubt.

In any event, the Government of Burundi solemnly reiterates, should there be a need to do so, its irrevocable commitment to that end.

However, three constraints on the negotiating environment must be raised to ensure that the negotiations harbour hope for the people of Burundi.

The first concerns the economic sanctions imposed by the subregion. The Government welcomes the realization on the part of the international community that these sanctions are counter-productive. They must be lifted without delay to relieve the sufferings of our people, who have been plunged into despair as a result of the terrible deterioration of their living conditions; otherwise the population will have great difficulty supporting the peace process under way in Arusha and within the country.

Similarly, there must be an immediate cessation of violence. To that end, the Government believes that the participation in the negotiations of the armed groups of the rebellion is indispensable. It would seem to be the only means of ensuring an effective ceasefire on the ground and a lasting peace for all. How could an armed conflict be settled otherwise? The process must be wholly inclusive. Our friends and partners would do much to enhance the substance of the process and give it real momentum if they could convince the Facilitator and other parties of this imperative.

The last and not least important constraint concerns the freeze on bilateral and multilateral cooperation. The Government of Burundi has noted

much procrastination in this regard. Some partners suspect that the Government would not be prepared to pursue the negotiations once external pressure ceased to be applied.

One cannot imagine, even for one moment, that the Government of Burundi would enter into the process on false pretences. The peace being negotiated is not for the region, the Facilitator or the international community, but for the people of Burundi themselves. It is they who are the most directly concerned, and it is they who will be the prime architects of that peace.

In fact, no external injunction was made for the holding of secret negotiations in Rome or for the negotiation and conclusion of a political partnership between the National Assembly and the Government! In fact, the time has come to leave the past behind. The people of Burundi are spontaneous in their desire to forge a better future: one of peaceful cohabitation, national reconciliation and integrated development.

I call upon you to consider the situation with discernment and realism. The people of Burundi are in economic distress and need international support and cooperation to enable them to get back on their feet, not tomorrow but today, with all, and not just some, of their needs met.

The Government of Burundi commends those partners who have already decided to resume cooperation. It hopes that this meeting will lead to further resumption by giving a firm nudge to those partners still undecided, in anticipation of an international go-ahead.

Burundi's needs for reconstruction and the resumption of social and economic development are immense. Owing to the war, the embargo and the freezing of international cooperation, the current situation is extremely precarious, and there are major threats both to the survival of the population and to the Government's continuation of its efforts to achieve lasting peace.

As we recently noted in Ottawa, between 1993 and 1996, Burundi's gross domestic product (GDP) declined by about 20 per cent in real terms while its inflation rate, which prior to 1993 (the year before the crisis) had never reached double digits, rose to its highest levels, from 15 per cent in 1994, 19 per cent in 1995 and 29 per cent in 1996 to 31 per cent in 1997. As a result of the decline in exports and the freeze on external financing, the Burundi franc (FBu) has continued to depreciate, falling from FBu 240 to the dollar in 1993 to FBu 500 to the dollar in 1998, a depreciation of more than 100 per cent in five years.

In the social sphere, all indicators have also declined. Thus, in five years the infant mortality rate rose from 113.8 deaths per 1,000 live births to 127.1 deaths. School enrolment declined by 26 per cent over the same period and poverty increased dramatically, currently affecting over 80 per cent of Burundi's population. The nutritional situation has deteriorated significantly. Certain diseases, such as typhus and cholera, that had presumably been eradicated, are resurfacing, while others, such as malaria, are taking a terrible toll owing to a lack of medicine. S/1999/54 English Page 4

Today around a million people have been affected by the crisis: there are currently 500,000 displaced persons in Burundi, and another 500,000 living in neighbouring countries. All these people suffer from illness, hunger, malnutrition and unemployment and lack shelter and drinking water: they are living in unbearable conditions. The destruction of public infrastructures has aggravated the crisis, making access to basic services, such as health care and education, very difficult.

Any discussion of the constraints on Burundi's economy must include the external debt burden. In 1997, Burundi's outstanding external debt was equivalent to over 130 per cent of its GDP. On average, one third of Burundi's export income is allocated to debt-servicing, which represents 17 per cent of its budget, or 3 per cent of its GDP. The weight of external debt has been felt even more acutely since a large number of Burundi's partners have halted their financial assistance. In spite of increasing difficulties over the years, aggravated by the persistence of the crisis and the embargo, Burundi has continued to honour its external debt commitments, particularly to partners that have maintained their financing programmes.

This policy has been extremely costly insofar as net transfers have steadily and considerably declined. In 1997, net transfers amounted to less than \$2 million, while in 1992 they totalled more than \$72 million.

The complexity and the extent of the problems to be addressed, especially efforts to combat poverty, the seriousness of which has recently been pointed out both in the <u>World Bank Annual Report</u> and in the report of the United Nations Development Programme, call for the mobilization of significant financial resources well beyond Burundi's means. For this reason, increased and sustained assistance from the international community is essential in order to ensure the success of the ongoing peace process and the improvement of the living conditions of Burundi's impoverished population.

In this regard, the Burundian Government's four priorities in the area of economic recovery are: rehabilitation of the affected population; restoration of basic infrastructures; support for agriculture; and support for the economic recovery programme.

A. Rehabilitation of the affected population

At a time when there are still half a million displaced persons in Burundi and another half a million living abroad who are expected to return, the increasing demands for housing, health care and basic necessities often call for prompt action.

The new approaches recommended for assisting distressed populations focus essentially on their reintegration into productive life. In this regard, the first step in the rehabilitation of the affected population is to resettle them; the second is to reintegrate them into social and economic life so that they can take charge of their lives as quickly as possible.

B. <u>Restoration of basic infrastructures</u>

A successful reconstruction programme will entail restoration of basic socio-economic infrastructures such as the health, education, water-supply and production infrastructures, the promotion of income-generating micro-projects and other economic supports.

C. <u>Support for agriculture</u>

The agricultural sector, on which virtually the entire population of the country is dependent, has been jolted by the crisis as a result of the destruction of livestock and the lack of agricultural inputs, particularly fertilizers and seeds. Households that have already been impoverished by a generally depressed economic climate have become increasingly vulnerable and can only improve their food and nutritional situation only through urgent measures to increase agricultural productivity.

To this end, the following priorities are recommended:

- Distribution of agricultural inputs;
- Rehabilitation and reinforcement of seed production centres;
- Promotion and extension of adapted integrated systems for agriculture, forestry and herding;
- Support for groups, particularly those involved in the production and processing of agricultural products and input suppliers;
- Assistance in the rational exploitation of drainage basins and marshes and with efforts to enhance their profitability;
- Support for cattle restocking.

D. <u>Support for the economic recovery programme</u>

While the aforementioned emergency measures are intended chiefly to combat poverty through community approaches at the grass-roots level involving incomegenerating micro-projects, it is imperative that a real transition from the emergency and reconstruction phase to development in a broader macroeconomic perspective be undertaken immediately.

The contributions sought from the international community should take the form of active support for the implementation of priority programmes to be identified in the National Economic Reconstruction and Recovery Plan now in preparation. Apart from the emergency programmes just described, the Plan calls for supplementary action with particular emphasis on the following:

(a) Restoration of production facilities, with priority given to the development of rural areas, where 90 per cent of the population lives;

(b) Establishment of appropriate mechanisms for development financing;

(c) Restoration of major macroeconomic equilibria, including the balance of payments and the budget.

Conclusion

The Government of Burundi calls upon its partners to:

1. Convince the countries of the subregion to lift the embargo immediately;

2. Convince the Facilitator of the peace process that the effective participation of the armed groups of the rebellion in the negotiations is absolutely necessary;

3. Accommodate the irrevocable political will of the Burundian Government to seek a full resolution of the crisis through political negotiations;

4. Resume bilateral and multilateral cooperation without delay. The Government of Burundi considers that the linkage some partners would like to impose between a resumption of cooperation and the final peace agreement is totally unjustified.

A resumption of cooperation would make it possible to:

- Strengthen the ongoing peace process by rehabilitating the economy;
- Alleviate poverty and give the people hope;
- Reintegrate displaced persons and rebuild destroyed infrastructures;
- Launch socio-economic recovery projects immediately.

Thus once this important meeting is over, the Burundian people looks forward to receiving from you, its friends and partners, concrete support and commitments to consolidate the peace process and revitalize development with a view to improving its social and economic well-being.
