

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

BURUNDI

Africa East

Dialogue | Trust | Partnership

office@lordwaverley.com

www.lordwaverley.com

WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Bujumbura	Economic capital and main commercial hub; also the urban centre most visibly affected by the country's nearly five-year fuel, power and water disruptions	Finance, trade, services, urban infrastructure and utilities
Gitega	Political capital, seat of government administration	Administration-linked services, infrastructure
Nickel and artisanal mining regions	Site of a 10-year, USD 15 billion nickel contract signed with Russian company East African Region Project Group in 2022; artisanal and small-scale mining already a leading source of foreign earnings; in March 2026 the US and Burundi concluded two critical-minerals cooperation agreements, with American firms Lifezone Metals and KoBold Metals named as nickel development partners, and the government has separately moved to open the mining sector further and is seeking Australian technical expertise	Nickel, gold and other mineral mining, formalisation of artisanal operations
Tanzania-Burundi railway corridor	New rail link financed through funds raised by the African Development Bank from institutional investors, DFIs and commercial banks, intended to facilitate food supply and mineral exports for landlocked Burundi	Rail and logistics infrastructure, cross-border trade facilitation
Coffee and agricultural growing regions	Coffee, alongside tea and gold, remains a main export; agriculture accounts for around 31.6% of output	Coffee and agro-processing, agricultural modernisation
Hydropower dam sites	Commissioning of new dams has directly supported recent growth through improved electricity supply	Hydropower generation, electricity infrastructure

INVESTOR ENTRY ROUTES

- **FOREIGN DIRECT INVESTMENT:** Currently very low by regional standards; the IMF and World Bank both identify mining, agriculture and electricity as the sectors with the clearest near-term potential.
- **JOINT VENTURE:** The government's 10-year, USD 15 billion nickel contract with Russia's East African Region Project Group provides a specific, large-scale precedent for resource-sector joint ventures.
- **STRATEGIC PARTNERSHIP:** Relevant to formalising artisanal and small-scale mining into larger, more structured operations as new legal and regulatory reforms are implemented.
- **PPP / INFRASTRUCTURE:** The Tanzania-Burundi railway, financed through a multi-investor AfDB-arranged structure, is the clearest current model for infrastructure co-investment.

- **ACQUISITION / PRIVATISATION:** Limited current evidence of an active privatisation pipeline; approach through direct government and central bank engagement.
- **EXPORT → DISTRIBUTION → LOCALISATION:** Most relevant for coffee, tea and gold buyers, and for fuel, fertiliser and industrial-goods suppliers given Burundi's near-total import dependence in these categories.

MARKET-ENTRY OBSERVATION

A Burundi entry strategy must treat the foreign-exchange constraint as the central, defining variable shaping every other sector. The IMF states plainly that Burundi's recurring fuel crisis 'is not simply a supply-chain problem,' directly linking it to the chronic dollar shortage and to specific, documented governance concerns over how foreign exchange is allocated among fuel importers. Investors in mining, electricity and infrastructure should track the IMF's own recommended exchange-rate reform directly, since the Fund states this reform specifically would ease fuel shortages, boost exports and foreign direct investment, and raise the value of external assistance.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Critical foreign currency shortage	International reserves stood critically low at USD 214 million in mid-2026, covering only about 1.6 months of imports; the IMF projects reserves to rise above USD 500 million by 2031, but even then coverage would remain below the level the Fund considers adequate for Burundi's vulnerabilities	Structure financing and repatriation with explicit, specialist foreign-exchange risk provisions; do not assume standard convertibility timelines
Chronic fuel crisis directly tied to the dollar shortage	Burundi has faced a severe fuel shortage for nearly five years, with widespread power outages and water scarcity disrupting households, schools, hospitals and businesses across Bujumbura, Gitega and other urban centres	Budget for independent power and fuel contingency in any operating model; do not rely on consistent grid or fuel-supply availability
Documented foreign-exchange allocation governance concerns	Independent reporting documents a specific prior episode in which the central bank was instructed to redirect foreign-currency allocation away from an established fuel importer toward a different group of beneficiaries	Conduct direct due diligence on any FX-dependent supply chain or import-linked partner; do not assume allocation processes are fully transparent
Lapsed IMF lending programme	Burundi's prior Extended Credit Facility, approved July 2023, expired in January 2025 without a completed review, though the government adopted a new macroeconomic stabilisation plan in January 2026 and the IMF completed a fresh Article IV consultation in June 2026	Track progress toward a potential new IMF-supported programme directly as a leading indicator of reform credibility
Very low foreign direct investment base	FDI into Burundi remains very low by regional standards, reflecting the combined effect of the macroeconomic and governance constraints described throughout this guide	Treat early-mover engagement as carrying limited precedent; build extra time into feasibility and partner-vetting stages
Mining-sector governance gaps	The IMF has directly recommended formalisation of artisanal mining, increased transparency through EITI membership, and a stable fiscal regime with effective regulatory oversight to ensure mineral resources contribute fully to fiscal revenue and foreign exchange	Engage proactively with any EITI-related reporting requirements; favour projects aligned with the government's own stated formalisation agenda

INVESTOR RISK NOTE

Burundi presents a genuinely striking macroeconomic turnaround on inflation alongside a foreign-exchange crisis that remains substantially unresolved. Inflation fell from a peak of 45.5% in April 2025 to between 8.4% and 8.6% by mid-2026, a remarkably rapid disinflation; however, the IMF itself cautions that prices are expected to rise to average 14.5% in 2026, well above the most recent monthly readings, suggesting the very low figures should not be read as the new steady state. Growth forecasts diverge meaningfully across sources: the IMF, AfDB and World Bank converge around 3.9-4.3% for 2026 and an average near 4.3-4.7% through the medium term, while other compiled estimates show considerably more conservative figures in the 2.6-3.5% range for the same period. GDP per capita remains extremely low, at around USD 618 in nominal terms, consistent with Burundi's least-developed-country classification.

MARKET ACCESS

The government adopted a macroeconomic stabilisation plan in January 2026, and the IMF's Executive Board concluded its 2026 Article IV consultation in June 2026, finding economic conditions had improved on the back of stronger coffee and gold exports, while directly underscoring that governance reforms, drawing on a 2024 Governance Diagnostic Assessment, remain central to unlocking the country's growth potential. The IMF specifically recommends exchange-rate reform as a measure that would ease fuel shortages, boost exports and FDI, and raise the value of external assistance. The Tanzania-Burundi railway, financed through an AfDB-arranged structure drawing on institutional investors, DFIs and commercial banks, represents the clearest current major infrastructure commitment. Burundi continues to benefit from World Bank Group grant financing through the International Development Association (IDA). Mineral exports, led by gold and nickel, have now overtaken tea and coffee as Burundi's largest source of hard-currency export earnings, underscoring both the sector's rising importance and the country's continued dependence on a narrow commodity base.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Central Bank of Burundi	Controls foreign-exchange allocation, a central determinant of business viability across nearly every import-dependent sector	FX-policy dialogue, allocation-process due diligence
IMF	Concluded a fresh 2026 Article IV consultation in June 2026; a new lending programme, if agreed, would be a major market-access signal	Reform-linked monitoring, macro-stability tracking
African Development Bank	Arranged financing for the Tanzania-Burundi railway and publishes the country's economic outlook reporting	Infrastructure co-financing, project pipeline access
World Bank / IDA	Provides grant financing and identifies key growth areas including mining, light manufacturing and services	Development co-financing, sector-reform engagement
East African Region Project Group	Russian company holding a 10-year, USD 15 billion nickel contract, the largest named resource-sector commitment in the country	Nickel-sector commercial context and potential co-investment introductions
Ministries overseeing mining, energy and trade	Lead sector-specific formalisation, electricity-expansion and fuel-import policy	Sector licensing and regulatory-reform introductions

CURRENT INTERNATIONAL BUSINESS CHANNELS

Russia holds the single largest named resource-sector commitment in the country through the East African Region Project Group's nickel contract. The African Development Bank has mobilised the most significant recent multi-investor infrastructure financing through the Tanzania-Burundi railway, drawing on institutional investors, development finance institutions and commercial banks. The IMF and World Bank remain the most consequential multilateral policy relationships, directly shaping the reform agenda investors should track. These channels, Russian resource-sector investment, AfDB-arranged infrastructure financing, and ongoing IMF/World Bank engagement, represent the most established current entry points for Waverley to build further cross-border investor and institutional introductions.

INVESTOR PROFILE BEST SUITED

This is a narrow, patient-capital profile: mining investors prepared to engage with formalisation reforms and EITI-aligned transparency requirements, electricity and hydropower generation investors, coffee and agro-processing operators, and infrastructure investors willing to work through AfDB-arranged, multi-party financing structures. Generalist FDI should proceed only with direct, specialist foreign-exchange and governance due diligence given the constraints described throughout this guide.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Market Intelligence

Map the sector, project location, foreign-exchange exposure and counterparties.

STEP 2: Investor Fit

Match capital, risk tolerance and operating model to a defined Burundian project or investment theme, with explicit regard to FX and fuel-supply contingency planning.

STEP 3: Partner Identification

Identify government counterparts, the Central Bank, multilateral institutions and relevant international companies.

STEP 4: Strategic Introductions

Use Waverley's business-diplomacy and institutional-relations capability to facilitate selected, purposeful introductions.

STEP 5: Market Entry

Support the investor through feasibility, partner negotiations, financing discussions and implementation planning.

WAVERLEY'S ROLE

- Market Entry & Investment
- Business Diplomacy & Strategic Introductions
- Trade Missions & Market Access
- Trade & Geopolitical Risk Advisory
- Government & Institutional Relations
- Research & Investment Intelligence

INVESTOR CALL TO ACTION

International investors, companies, institutions and strategic partners seeking further market intelligence or selected introductions may contact Waverley to discuss their objectives.

Market Intelligence → Investor Assessment → Strategic Introduction → Market Engagement → Potential Investment

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Internal intelligence should track: project sponsor; location/region; sector; project stage; CAPEX; financing need; investor type; government counterpart; local partner; foreign-exchange exposure and allocation status; relevant international company; conference/mission opportunity; introduction status; and next action. Public Gateway pages should reveal enough to generate investor interest without exposing commercially sensitive intelligence.

POSITIONING

Waverley Investment Gateway - From Market Intelligence to Trusted Market Connections.

Waverley helps international investors understand selected emerging and frontier markets, identify relevant opportunities and navigate the relationships required to explore market entry.

SELECTED SOURCES

- Financial Afrik - US-Burundi critical minerals cooperation agreements, March 2026.
- Mining.com - Burundi mineral exports overtake tea, coffee, 2026.
- KT Press / IMF - Burundi international reserves assessment, June 2026.
- IMF - "Burundi: Staff Completes 2026 Article IV Mission," May 2026, and "IMF Executive Board Concludes 2026 Article IV Consultation with Burundi," June 2026.
- KT Press - "Burundi International Cash Reserves Critically Low at \$214m – IMF," June 2026.
- Ecofin Agency - "IMF Forecasts Burundi's Economy Will Grow 4.3% Annually Through 2031," June 2026.
- African Development Bank - Burundi Economic Outlook, 2026.
- World Bank - Burundi country overview, 2026.
- Rio Times Online - "Burundi Explained 2026: Power, a Dollar Shortage and War Next Door."
- Coface - Burundi Country Risk File, Economic Risk Analysis, 2026.
- Wikipedia - Economy of Burundi and Interpetrol Burundi, for historical fuel-sector and foreign-exchange allocation context.