

BURKINA FASO

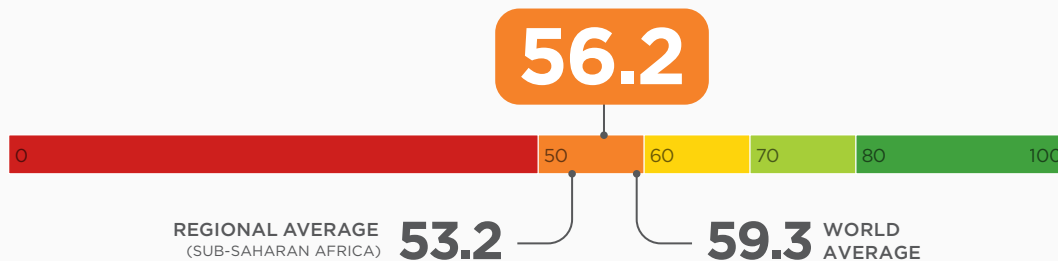
WORLD RANK: **111** | REGIONAL RANK: **14**

ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

Burkina Faso's economic freedom score is 56.2, making its economy the 111th freest in the 2023 *Index*. Its score is 2.1 points lower than last year. Burkina Faso is ranked 14th out of 47 countries in the Sub-Saharan Africa region, and its overall score is below the world average.

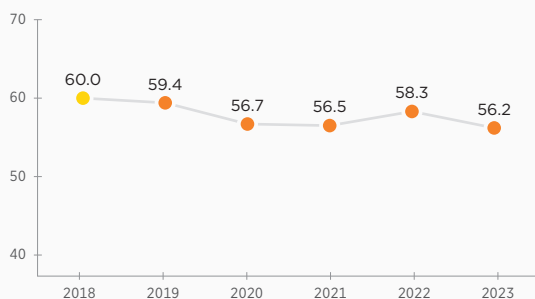
Sustained effort and pro-growth investments have led to reduced poverty and some positive human development trends, but Burkina Faso still faces systemic economic challenges. The foundations of economic freedom remain fragile. Coupled with a lack of transparency, the regulatory burden continues to prevent the emergence of a more dynamic private sector.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1996): +6.8

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
21.5 million

GDP (PPP):
\$53.0 billion
6.9% growth in 2021
5-year compound
annual growth 5.5%
\$2,463 per capita

UNEMPLOYMENT:
4.7%

INFLATION (CPI):
3.9%

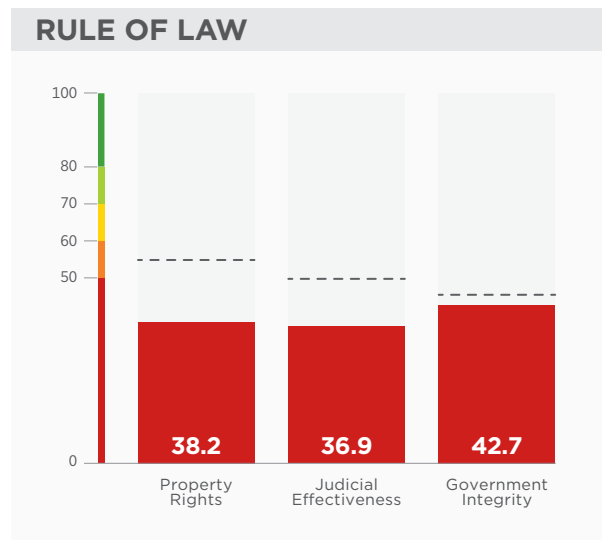
FDI INFLOW:
\$137.4 million

PUBLIC DEBT:
52.4% of GDP

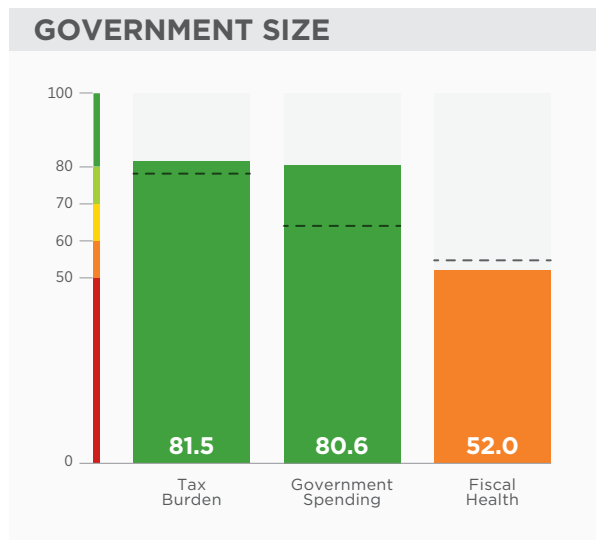
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: The former French colony of Burkina Faso is one of the world's poorest countries. Amid popular anger against the government because of Islamist terrorist violence that has wrested as much as 40 percent of the country from government control, military officers launched coups in January and September 2022 that eventually installed army Captain Ibrahim Traore as president. About 90 percent of the population is engaged in subsistence farming, and cotton is the principal cash crop. Literacy rates are well below the regional average. Other challenges include political insecurity in neighboring Mali, unreliable energy supplies, and poor transportation links.

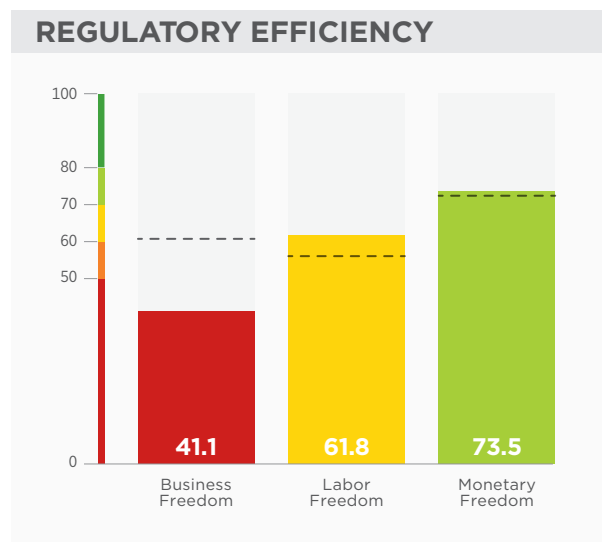
12 ECONOMIC FREEDOMS | BURKINA FASO



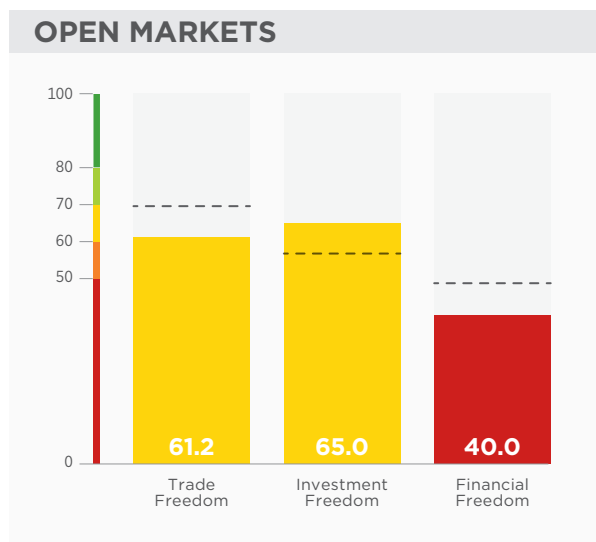
The overall rule of law is weak in Burkina Faso. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual and corporate tax rates are, respectively, 27.5 percent and 28 percent. The tax burden equals 17.6 percent of GDP. Three-year government spending and budget balance averages are, respectively, 25.4 percent and -5.2 percent of GDP. Public debt equals 52.4 percent of GDP.



Reforms to reduce red tape and streamline the regulatory process have been implemented and, despite mixed progress, have helped to enhance the regulatory environment. A formal labor market has not been fully developed. The most recent available inflation rate is 3.9 percent.



The trade-weighted average tariff rate is 9.4 percent. Nontariff barriers are considerable, and bureaucracy continues to hinder foreign investment. Despite the effort to modernize the financial system, the sector still lacks the capacity to provide a full range of modern services.