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# THE EFFECTS OF INTEGRATION IN THE EAST AFRICAN COMMUNITY ON THE ECONOMIC DEVELOPMENT OF BURUNDI.

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#### **ABSTRACT**

The study examines the effects of the integration in the East African Community on the economic development of Burundi. It set out to examine how integration in the EAC influences trade flows, transport services and agricultural productivity in Burundi. The study holds that, the integration of Burundi in to EAC transformed a once self-sufficient vibrant agricultural based economy into producers for the international market. Further, there was a strong relationship between integration of Burundi into regional blocks/capital and its economic development. The study used both primary and secondary sources. Primary sources entailed archival records, oral interviews and questionnaires. Secondary sources on the other hand entailed the use of books, journals, Theses and Newspapers. Data from these sources was presented in both quantitative and qualitative forms. This study followed descriptive research design, and a sample to represent Burundi population was selected using purposive sampling procedure. The population for this study was the ministry of East Africa Community, traders in the region and managers of institutions involved in promoting integration in East Africa. The outcomes of the study will serve the interests of different actors including: the government when initiating development strategies; investors, traders, researchers, academicians, Burundian citizens and East African Community.

**KEYWORDS:** Effects, Integration, East African Community, Economic Development

# 1. INTRODUCTION AND BACKGROUND TO THE STUDY

Economic development is every nation's goal. All nations strive to provide to their citizens a satisfactory standard of living and social well-being (Mattli, 1999). All countries in the world ranging from the least developed to the most developed are fighting poverty. In this race for development, some states have preferred not to go it alone. They have formed regional blocs or groupings in order to have solid foundations for economic development (Mattli, 1999). The formation of regional blocks is a favorable factor, at a global level, for their development on a certain number of aspects: education, health, demography, culture, progress and more. However, its influence on the economic development differs from one state to another (El-Agraa, 1999). Economic development can be defined as effective initiatives in the basic changes of a geographic area or a population (Todaro and Smith S, 2008).

These changes can be demographic, technical, industrial, health, cultural, or social. Such evolution generate income and improve living standards. The refore, economic development is associated with progress. However, it should be noted that it is not easy to accomplish this task as nations face a lot of constraints leading to underdevelopment or poor development. They can be internal or external: Among the internal constraints constituting brakes on development: the state of decay of the State, the skills and behavior of the country's elites and its leaders jeopardizing economic activity, investment, human capital (Robinson & Acemoghi, 2013). Other elements are external, namely: wars, geopolitical or commercial interests, lack of interest and understanding of companies to set up in certain countries, unfavorable development of the terms of trade and loss of income linked to the decline in export prices (most often of raw materials).

To address these challenges, some countries opt for unity of purpose to revive their economic machine and start on a solid basis of economic development thus forming regional groupings. This was one of the characteristics of the 20th century, especially with the birth and evolution of the European Union and its success, which we know, but also of other regional groupings (Kosler and Zimmek, 2008). This regional integration movement has

extended to Africa, notably with the formation of the Arab Maghreb Union (AMU), Economic Community of West African States (ECOWAS), Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA) and in East Africa, the community of East Africa (EAC) (Kosler and Zimmek, 2008).

The East African Community (EAC), is a regional bloc of seven countries including namely, Burundi, Kenya, Rwanda, South Sudan, Tanzania, Uganda and most recently the Democratic Republic of Congo joined the bloc. The EAC was originally created in 1967, and was later dissolved in 1977, then revived in 2000. In 2008, in partnership with other regional blocks such as SADC and COMESA, the EAC agreed to a more comprehensive free trade area that in clude member states of all the three organizations (Ugirasebuja Et al. 2017).

EAC is regulated by a Treaty signed on 30 November 1999 and entered into force on 7 July 2000 and originally ratified by three Partner States-Kenya, Tanzania and Uganda. Rwanda and Burundi joined the EAC Treaty on 18 June 2007 and became full Members of the Community with effect from 1 July 2007 (Ugirasebuja Et al. 2017).

According to EAC Statistics of 2019, EAC population is estimated at 177 million citizens; with over 22% in urban areas. In addition, the EAC has arable land estimated at more than 2 million square kilometers and an overall Gross Domestic Product of around US\$ 193 billion. EAC is considered one of the most active and fast growing regional economic blocs in the world especially due to a wide and deep cooperation among the member states in different sectors for their mutual benefit. These spheres include political, economic and social. Some of the EAC key objectives include to; gradually establish trade instruments including custom union, common market, common market and probably a political federation of the member states.

Burundi a small country, located in the great lakes region neighbours Tanzania to the east and southeast, Rwanda to the north and the Democratic Republic of Congo to the west and Lake Tanganyika lies along its southwestern border. According to the World Bank (2002), Burundi's economy heavily depends on agriculture. Although arable land is scarce, agriculture employs more than 80% of the population. Poverty mostly affects rural areas and impacts mainly on small farmers. Burundi is qualified as a weak link within the East African community due to its weak economy. This is basically due to its history. Plunged into a civil war, the country saw its economy shrinking and being wiped out. The period from 1993 to 2002 was very bleak for the Burundian economy. While it was mainly based on agriculture, the crisis caused a disorganization of agricultural activities. The downward trend in production and the fall in world prices for coffee, the main export product, have further aggravated the country's economic difficulties (World Bank, 2002).

Apart from the impact of war, the Burundian economy faces significant structural rigidities such as dominant subsistence agriculture but very low productivity, limited export capacity and a sharp decline in terms of its main currency generating product (coffee), or a secondary sector with a very limited fabric and heavily handicapped in particular by the country's isolation. The entry of Burundi in the EAC was to improve, diversify and widen the economic activity as stipulates vision 2025.

# The Need to Understand the Effects of Integration in the East African Community on the Economic Development of Burundi.

There exist a number of generalized works done on the link between the effects of regional integration on economic growth in developing and developed countries. However, there have been limited studies specifically on the impact of regional integration on economic growth of Burundi. Apart from a few older general studies on Burundi's regional integration, none has specifically dealt with the role of regional integration in the economic growth of Burundi. Therefore, this study aims at filling this gap by investigating the impact of integration in East African Community on the Economic Development of Burundi. The outcomes of the work will serve the interest of actors namely: Burundi government especially the Ministry in Charge of East African Affairs to identify the successes and challenges of integration in the EAC. To Investors, it will provide information that will encourage potential investors to in Burundi. To Traders in the region, this research will make them aware of different laws and regulations that bind the EAC.

It will also serve as source of secondary data when conducting future researches on related fields of interest and inform the citizenry about integration of the East African Community so that they understand and seize opportunities offered to them to realize development. The study demonstrated the link between integration in the EAC and the economic growth of Burundi.

#### 2. METHODS AND MATERIALS

This study on the impact of integration in EAC on Economic development of Burundi was carried out in Burundi. Burundi is a landlocked country, located in Central Africa, with one of the highest population density in Africa with 470 inhabitants per square kilometer as per the 2016 census. Burundi's economy mainly relies on agriculture but faces increasing scarcity of arable land. The research covers the period of 2012 to 2017. This study collected information through both primary and secondary sources. Primary sources included interviews or use of well-structured series of questions that was responded to by population's representative to be able to describe a phenomenon. A non-experimental descriptive survey design was a key to this study as it enabled the researcher to fully describe and report the impact of the integration in EAC on the economic development of Burundi. The researcher gathered data through. In addition, secondary data was used through reports published by some institutions including East African Community, Ministry of East African Community, Trade marks East Africa and others.

#### 3. RESULTS AND DISCUSSION

This paper discusses the effects of the integration in East African Community on the economic development of Burundi. The first section is the background and literature review recap which gives a clear and deeper understanding of the integration in East African Community on the economic development of Burundi. The subsequent sections review the level of Regional Integration and Trade Flow and Regional Integration and Infrastructures.

A lot of literature has pinpointed to various ways through with economic integration impact on growth. This literature identifies direct or indirect effects of economic blocs on various sectors including trade, public and private institutions, population standards of living among others on the countries members of the blocs (Kamau, 2010). A number of scholars have acknowledged potential advantages of regional economic integrations and best strategies that lead to economic growth and productivity in member states (McIntyre, 2005). He observes that economic integration aspects including those related to trade, have positive effects on economic growth. Anyanwu (2004), Bun and Klaassen (2007) echoes the same and found a noteworthy positive impact of economic union on different sectors in a country's life including trade and productivity in general.

Accordingly customs union increase trade flow of countries' members. Customs union enables countries to overcome challenges that are related to flow of goods, services, capital, people and ideas (Mattli, 1999). In fact, customs union facilitates the flow of trade through addressing costly divisions, and also integrating markets (Schiff, 2003). However, all mentioned studies, none of them was conducted in Burundi and hence a knowledge gap. This study aims at filling this gap by linking how customs unions affect the trade flow.

Todaro& Smith (2008), states that the main benefits of regional integration is the sharing of costs of public goods or large infrastructure studies. According to Calteron. Et Al (2018) infrastructure is the engine of a successful regional integration, considering its importance in facilitating activities such as trade. Infrastructure can be considered as a critical element that boosts growth and productivity. McIntyre (2005) investigated on the impact of EAC harmonized policies on upgrading infrastructure with focus on Kenya. This research objective in part examines the impact of harmonized policies on upgrade of transport services and infrastructure in Burundi. According to Ezeogidi (2019), peace and security are linked to economic development; without them, integration would fail. Ugirasebuja Et al (2017) identified the EAC political integration agenda based on three pillars: common foreign and security policies, good governance and effective implementation of the prior stages of integration. This study seeks therefore, to establish how common framework affects agricultural productivity.

#### **Regional Integration and Trade Flow**

Mattli (1999) defines regional integration as a process that enables two or more countries to find agreements for cooperation on number of issues of common interests. Additionally, integration involves, written agreement, that detail the main areas of cooperation and coordinating bodies involved in the process. In most of times, regional integration starts with economic integration to later include political component. Regional integration encouraged countries to emphasize on issues that are important and needed according to their development stage, as well as promote trade between them. Integration implies the use of incentives including free trade area, customs union, common market and economic union that promote trade in the bloc.

According to Ngalawa (2014), a custom union is an accord between two or more countries that involves removing trade barriers especially related to reduce or abolish customs duty, and eliminate quotas. The main customs union purpose is to ease free trade between countries and increase the balance of trade.

In addition, the union reduces the administrative and financial complex processes and promotes economic cooperation between countries. A customs union generates creation of trade activities and diversion that supports economic growth. (Ngalawa, 2014).

Schiff (2003) argued that common market leads to the creation of markets which are economically integrated especially given that trade barriers like any other restrictions on labor restrictions on movement and capital no longer apply. The main advantage in a common market is the abolition of visa or work permit requirement for the bloc members' countries workers. (Schiff, 2003).

According to McIntyre (2005), in those few years, trading blocs increased and estimated at more than one hundred agreements with others on the way. Even if a trade bloc as a free-trade zone result in creating economic cooperation, there are cases that are less substantive than others. Mattli (1999) holds that economic integration presents advantages to economies in the long run. Regional integration supports weak economies to access other industries that are not available in the domestic market. In fact, those economies can benefit from different advantages and have enormous external economies of scale within the union. Those advantages include transport and infrastructure. In addition, economies within the bloc will be inclined to boost their efficiency due to the competition from other countries. Consequently, liberal trade policies and customs union fosters growth, customs unions promoter growth and bring together economies through liberal trade policies (McIntyre, 2005)

According to Schiff (2003), a free-trade pact increases volume of exchange of goods and services between member countries and improves the allocation of resources that addresses consumers' needs and increases foreign direct investment (FDI). The same researcher also supports the idea of the impact of trade creation and trade diversion on economic integration. In fact, trade creation is referred to when more efficient export to less efficient members the union and implies a better resources allocation. On the other hand, trade diversion is referred to when countries outside the bloc trade fewer with members of the bloc due to external tariffs. Therefore, less efficient countries in the union benefit in order to maximize on their position and sell more within the union. Economic gain therefore, occurs when profits from trade creation are higher than what is lost from trade diversion.

On the other side economic integration presents disadvantages. In highlighting this point, Ugirasebuja Et.al (2017) captures the mandatory negotiations of members of the union with non-member countries and international organizations like the World Trade Organization (WTO). In addition, countries members of a union are limited when it comes to negotiate their own deals that do not involve the union.

Another concern pointed out is that, counties in a union have difficulties to protect an emerging industry in its local market through protective barriers due to the liberal trading policies set in a custom union. Similarly, if a country would not be able to open its trade with other countries other than those in the union due to the common external tariff (Zimek & Kosler, 2008). Some countries in the union, especially those with superior trading activities outside the union, do not get a largely fair share tariff revenue. This is because the revenue is kept by the member collecting it (Ngalawa, 2014). McIntyre (2005), finds also that another common problem faced is that, it is complex to determine a tariff rate for the union. Additionally, the procedure is expensive and cumbersome. Another important point to note is that in some instances, it is hard for members of union to give up on trade of some goods because another country is producing it efficiently.

According to EAC report, since its creation in 2005, the Customs Union represents the most critical base of the EAC and one of the first regional integration. The customs union regulations are defined in Article 75 of the treaty regulating the EAC. The treaty highlights that EAC partners agreed to establish free trade zone on goods and services amongst themselves and agreed on common external tariff. In addition, the same tariff is imposed on goods from countries not members of the EAC zone when sold to any members of the EAC.

#### **Regional Integration and Infrastructures**

According to Schiff (2003) infrastructure is the basic physical facilities of a business, region, or nation; including transportation facilities, communication networks, sewage, water, and electric systems.

According to Calteron. Et Al (2018), infrastructure is an essential element of a successful regional integration, especially in facilitating activities such as trade. Infrastructure is key to growth and productivity.

Regional integration past efforts have emphasized on economic terms like reducing restrictions to free trade, promoting free labour movement and increase the movement of cross border capital, but the place of infrastructure in the regional integration perspective remains paramount as much as the economic factors noted.

In Africa, especially in East Africa, poor or inadequate infrastructure represents a noteworthy constraint to a better regional integration and development. For instance, in East Africa, the cost of transport is valued at more than 50% of the total cost of goods sold (Ugirasebuja Et al, 2017). In order to develop and manage infrastructure, members of the EAC, agreed to design common policies to promote the sector. The policies involve the coordination of policies involving transport and communication; expanding existing infrastructures and creating new facilities in order to enable an easy and efficient movement within the community. Harmonized policies provide a common understanding and ground where all countries in the community understand their involvement. In addition, common policies and expanded cooperation are the ideal tools that leads the economies to sustainable economic development (McIntyre, 2005).

The EAC protocols does not refer to specific policies related to different sectors in its protocols and treaties. Nevertheless, protocols regulating common markets and customs union include aspects of policies in various sectors and include harmonization and cooperation in different sectors including education, science, technology, environment, infrastructure and agriculture among others. McIntyre (2005) gives credit to infrastructure as an important element to investment in the region as it encourages competition and boosts trade. The five main axes within the region constitutes the baseline and require restructuring to finish the road infrastructure network in the Community. The Community has a committee that manages the infrastructure sector reforms including creating and overseeing road boards and agencies, adjustment of policies in the region and vehicle loads control in the road subsector and involvement of the private sector. It should be noted that all countries members of the community have their own road fund organizations and agencies. Likewise, countries within the community expressed the commitment to develop a standardized rail networks will facilitate transport and will replace the existing and inadequate networks of gauge. Fortunately, the EAC can build on the line already established by other regional organizations like COMESA. (Ngalawa, 2014).

Another important sector related to infrastructure within the EAC is civil aviation. The EAC Member states focus on civil aviation regulations in terms of civil aviation like aerodromes certification, standards of flight safety and security. For instance, the EAC agency in charge of civil aviation oversees the development and provision of standardized air. Therefore, as per the 2008 international civil aviation audits, the EAC region was positively rated in terms of air safety and the rate was mostly due to joint efforts of all countries in the community (EAC official website).

EAC countries have signed tripartite agreements in the sector of infrastructure to provide a framework that regulates the sector. In fact, the sector includes, railways, aviation, maritime transport, roads in addition to more subsectors. Therefore, in order to achieve common objective of development in that sector, several agreements either tripartite or management have been agreed upon. For instance, there are a number of instruments designed to regulate inland waterways with specific focus on Lake Victoria (McIntyre, 2005).

# Regional Integration and Agricultural Productivity.

Agriculture is one of the essential elements in any society due to its primary role together with other variables associated with it. According to Nabahungu &Visser, (2013), regional integration and agricultural markets are inter connected more deeply when markets and institutions are not sufficient to create all the needed agricultural transformation. In some cases, countries alone are not able to address some issues and take advantage of important opportunities. Overcoming some limitations like inadequate infrastructures and a limited business environment require cooperation with other countries in addition to national policies (Njeru et. Al, 2016). For instance, in a country good roads, cheaper clearance of the goods at customs with less tariffs and all those can be dealt with through regional integration (Nabahungu, &Visser, 2013). Kijima, & Otsuka (2012) also hold that, regional integration in general, influence agriculture growth and food security. Additionally, in order to support agricultural productivity, different public and private stakeholders should synchronize with regional cooperation and integration. In addition, regional trade support farmers to lean on economic advantage that it provides. Therefore, farmers have the potential of becoming part of the contributors to economic growth through income generation.

A report by USAID (2020) indicates that, agriculture is a key player in the Burundi's economy and an important percentage of the population relies on agriculture for their livelihoods. Agriculture is also among critical East Africa's sectors where almost 80 % of the population live in the rural areas and rely heavily on agriculture. The EAC's objective on agriculture is based on promoting food security and increasing agricultural productivity including livestock. Therefore, the community developed common policies in the sector, as well joint programs to achieve that objective. (https://www.eac.int/agriculture). On the other side, the EAC agricultural landscape is mostly composed of farming of food and cash crops, livestock, and aquaculture.

The main food crops include rice, cassava and beans while cash crops include cotton, tea and coffee. Thus, regional integration and agriculture development represent a great opportunity to improve food security and great potential for food security and overall growth in Africa, if countries can achieve synergy at the regional level (Kijima &Otsuka, 2012) although challenges persist especially on the coordination of trade and agricultural policies and programs.

Against this background, this study presents the results and findings based on the data collected from respondents. The first section provides the background information with regards to the respondents; subsequently, the following section reports on the impact of EAC integration on trade flow in Burundi. The third section provides coverage on the impact of EAC on upgrade of infrastructures. The last section assesses the impact of EAC integration on agriculture and food security.

# 1.1 General Respondent Information

#### 1.1.1 Response Rate

Table 1.1 presents the response rate with regards to the number of questionnaires issued and those that were returned.

Table 1.1: Response Rate

Response Rate	DISTRIBUTION	DISTRIBUTION		
	Frequency	Percentage		
Questionnaires Returned	63	71.5 %		
Questionnaires Not Returned	25	28.5 %		

Source: Field Research, 2021.

As shown in Table 1.1, out of the 88 questionnaires issued, only 63 questionnaires were returned, this represents a 71.5 % percent response rate. 25 questionnaires were not returned.

#### 1.1.2 Respondents by Institutions

**Table 1.2 Respondents by Institutions** 

Institutions	DISTRIBUTION	DISTRIBUTION		
	Frequency	Percentage		
EAC Ministry	13	20.6		
Traders	36	57.1		
Others	14	22.2		
TOTAL	63	100		

Source: Field Data, 2021.

From the statistics in Table 1.2 above, the results show that 57.1% of our respondents were traders, 20.6% are officials form the ministry of EAC and 22.2% were from other institutions involved in the EAC integration.

# 1.1.3 Gender Distribution

#### 1.1.4 Age of the Respondents

Table 1.3 provides the study findings with regards to the age of the respondents.

**Table 1.3: Age of the Respondents** 

Ago	Distribution		
Age	Frequency	Percent	
Less than or 20years	4	6.3	
21–30 years	11	17.5%	
31-40 years	22	34.9%	
41-50	19	30.2%	
51 & above	7	11.1%	
TOTAL	63	1	

Source: Field Research, 2021.

Table 1.3 above reveals that majority of the respondents were between 31-40 years. Specifically, 34.9% of our respondents were between 31-40 years, 30.2% between 41-50 years, 17.5 % were 21-30, 11.1% were 51 and above and 6.3% less than 20 years.

#### 1.1.5 Number of Years Working in the Sector

Table 1.4 provides the study findings with regard to the number of years the respondents worked in the sector.

**Table 1.4 Number of Years Working in the Sector** 

Age	Distribution		
	Frequency	Percent	
Less than 5 years	4	6.3	
5– 10 years	16	25.5	
10-15 years	23	36.5	
More than 15 years	20	31.7	
TOTAL	63	100	

Source: Field Research, 2021.

Table 1.4 shows that majority of the respondents were working with the sector in the period between 10-15 years. Specifically, 36.5 percent have an experience with of 10-15 years, 31.7 percent had been working within the sector for more than 15 years, 25 percent had an experience of 5-10 ears and 6.3 % had experience of less than 5 years.

# 1.2 Effects of EAC integration on trade flow

# 1.2.1 Trade Benefits From the EAC integration

Table 1.5 presents the results of the study findings with regards to trade benefits.

Figure 1.5 Trade benefits

	Distribution		
Trade benefits	Frequency	Total number of respondents	Percent
Industrialization and enterprises development	48	63	85
Access to a wider market	46	63	73
Strengthening of public institutions and private sector	35	63	55
Investment promotion	45	63	71

Source: Field Research, 2021.

Table 1.5 above, reveals trade benefits including industrialization and enterprises development, access to a wider market, strengthening of public institutions and private sector and investment promotion. Specifically, 85 percent of respondents affirmed that, the country benefits through industrialization and enterprises development, 73percent affirm benefiting from access to a wider market, 55 percent affirm that the country benefit from strengthening of public institutions and private sector, and 71percent responded that the country's take advantage of investment promotion.

#### 1.2.1 EAC Customs Unions Increase flow of Goods and Services in Burundi

Results from the study findings with regards to the respondents' view on the effects of customs union on trade flow indicated, 40 percent of the respondents agreed that EAC customs union increase flow of goods and service in Burundi. 27 percent strongly agreed, 13 percent neither agreed nor disagreed, 14 percent disagreed and 6 percent strongly disagreed that EAC customs union increase flow of goods and services.

#### 1.2.2 EAC Trade and Investments Framework Increase Flow of Goods and Services in Burundi

The study also sought to investigate on the EAC trade investments framework increase flow of goods and services in Burundi. 35 percent of the respondents strongly agreed that EAC trade and investment framework increase flow of goods and service in Burundi. 35 percent agree, 14percent neither agree nor disagree, 13 percent disagree and five percent strongly disagree that EAC trade and investment framework increase flow of goods and services.

#### 1.2.3 EAC Common Markets and Increase Flow of Goods and Services in Burundi

The study also sought to examine the impact of EAC common markets on the increase of flow of goods and services in Burundi. The results are; 40 percent of the respondents strongly agreed that EAC common market increase flow of goods and service in Burundi. 30 percent agree, 13 percent neither agreed nor disagreed, 14 percent disagree and three percent strongly disagree that EAC trade and investment framework increase flow of goods and services.

# 1.3 EAC Integration and Upgrade of Transport Infrastructures

#### 1.3.1 Types of infrastructures

Table 1.6 presents the findings on the types of EAC infrastructure used.

*Table 1.6 Types of infrastructure* 

	Distribution		
Types of infrastructures	Frequency	Total number of respondents	Percent
Roads	60	63	95.2
Aviation	55	63	87.3
Communications	56	63	88.9
Inland waterways	45	63	71.4

#### SOURCE: Field Research, 2021.

Table 1.8 shows EAC infrastructures used in Burundi. The infrastructures can be used in combination of more than two. 95 percent of respondents indicated they used roads, 87.3 affirmed using aviation, 88.9 percent affirmed using communications, 71.4 percent affirmed using inland waterways.

# 1.3.2 Coordinating, Harmonizing, and Complementing Transport and Communications Policies and Upgrade of Infrastructures

The study sought to investigate whether coordinating, harmonizing, and complementing transport and communications policies led to the upgrade of infrastructures. Respondents' views in regard to the effect of coordinating, harmonizing, and complementing transport and communications policies support the upgrade of infrastructures indicate that; 52 Percent of the respondents agreed that the coordinating, harmonizing, and complementing transport and communications policies led to the upgrade of transport infrastructures, on the other hand30strongly agreewhile8 percent neither agree nor disagreed, 3 percent disagreed and 6 percent strongly disagree.

#### 1.3.3 Formation of Regulatory Authorities and Operational Agencies and Upgrade of Infrastructures

The study sought to investigate whether formation of regulatory authorities and operational agencies led to the upgrade of infrastructures.

The results of the study indicate 40 Percent of the respondents agreed that the formation of regulatory authorities and operational agencies led to the upgrade of infrastructures, 38 strongly agreed, 13 percent neither agreed nor disagree, 8 percent disagreed, and 2 percent strongly disagreed.

#### 1.3.4 Tripartite Agreements and Upgrade of Infrastructures

The study sought to tripartite agreements agencies led to the upgrade of transport infrastructures and the respondents' views in regard to tripartite agreements and their contribution to the upgrade of infrastructures. The results of the study indicated 46 Percent of the respondents agreed that tripartite agreement led to the upgrade of infrastructures, 30 strongly agreed, 11 percent neither agreed nor disagreed, 10 percent disagreed, and 3 percent strongly disagreed.

#### 1.4 EAC Integration and increase of Agricultural Productivity

#### 1.4.1 Main Agricultural Sectors in Burundi

Table 1.7 Main agricultural sectors

	Distribution		
Main agricultural sectors	Frequency	Total number of respondents	Percent
Mixed farming of livestock	56	63	88.9
Food crops	55	63	87.3
Cash crops	51	63	81.3

Source: Field Research, 2021.

Table 1.7 above reveals main agricultural sectors in Burundi. They include mixed farming of keeping livestock, as well as raising food and cash crops. According to the findings, 88.9 percent of respondents indicated that the country focuses on mixed farming livestock, 87.3 affirmed that emphasis was put on food crops and 81.3 responded that the country is involved in cash crops.

# 1.4.2 EAC Integration and Improving Food Security

The study sought to evaluate how the EAC integration improve food security. Figure 4.8 presents the respondents' views in regard to the effect of EAC integration in improving food security.

The results of the study indicate 25 Percent of the respondents disagreed that the EAC integration led to improved food security. 24 percent of the respondent affirmed, 22 percent neither agreed nor disagreed, 16 percent strongly disagree and 13 percent strongly agreed.

#### 1.4.3 Agricultural Policies and Agricultural Productivity

The study sought to evaluate how agricultural policies increase agricultural productivity and the respondents' views in regard to the effect of agricultural policies increase agricultural productivity indicated 36 Percent of the respondents agreed that agricultural policies led to increase of agricultural productivity. 25 percent of respondents strongly agreed, 24 percent neither agreed or disagreed, 13 percent disagreed and 2 percent strongly disagreed.

# 1.4.4 Strengthening of Research Development and Agricultural Productivity.

The study sought to assess the effect of strengthen of research development on agricultural productivity. The results of the study show that 43 Percent of the respondents agree that strengthening research and development led to increase of agricultural productivity. 33 percent of respondents strongly agreed, 13 percent neither agree nor disagree, 3 percent disagree and 8 percent strongly disagree.

#### 1.4.5 Challenges in the Agricultural Sector

Table 1.8 Challenges in the Agricultural Sector

	Distribution		
Challenges	Frequency	Total number of respondents	Percent
Policy related	57	63	90.5
Technology	53	63	84.1
Natural factors	60	63	95.2

Source: Field Research, 2021.

Table 1.8 shows the challenges that affects regional integration as a far as the agricultural sector is concerned. 90.5 percent of respondents affirmed that policy related challenges affect the agricultural sector. 84.1 percent of the respondents stressed that technology factors were among the factors that affect agricultural productivity. On the other hand 95.2 percent responded that natural factors are challenges affecting agricultural productivity.

## 4. SUMMARY AND CONCLUSIONS

This section gives a summary and conclusions respectively on investigation of the effects of integration in East African Community on the economic development of Burundi. The study findings revealed that there are various trade benefits from the EAC integration. According to the study findings, Burundi's trade flow benefits from EAC integration include industrialization and enterprises development, access to a wider market, strengthening of public institutions and private sector and investment promotion.

The findings are in line with Mattli (1999) statement about the impact of regional integration especially the improvement of trade between neighbours and also encourage countries in the same bloc to focus on common issues. Secondly, the study holds that the use of EAC incentives including customs union, common market and trade and investments framework increase flow of goods and services in Burundi. In that case, the study findings are in agreement with Ngalawa (2014) that customs union, is a convention between countries to remove trade measures, reduces the administrative and financial burden of barrier trading and promotes cooperation among nations. In addition, the study supported Schiff (2003) in his findings that common markets as formal agreement allows free trade and free movement of labor and capital among members of the bloc led to increase flow of goods and services. The study holds that EAC trade and investment framework increases trade. The study also highlighted disadvantages of EAC integration for Burundi. The findings support Zimek&Kosler, (2008) who hold that even if there are incentives to increase trade within the region, they can have adverse

effect of decreasing trade with nations that are not in the bloc because the latter have to incur extra cost from tariffs and taxes that members of the bloc are not paying. Member states of the bloc therefore trade more within themselves than non-members. Another concern raised during the research is the issue of employment shifts and reductions. Burundian workers leave their country in search of a better job opportunities as a response to regional integration.

According to the study findings, Burundi benefits from the EAC physical and regulatory infrastructure including roads, aviation, communication, and inland waterways that integrate Burundi to a vast market both in the region and in other parts of the world. These findings echoe Ugirasebuja Et al, (2017) views about Burundi as a landlocked country depends on other countries for most of its external trade and its memberships to EAC gives an opportunity to Burundi to plea for adequate infrastructure. In addition, these findings support Calteron. et al, (2018) views about the role of infrastructure including facilitating trade through transports, link people to their employment, generate opportunities and in some instances provide protection from natural environment disasters. The study also concludes that coordination and harmonization of policies in the transport and communication sector support the upgrade of transport. In fact, as highlighted by McIntyre (2005) effective mechanisms of coordination within member states of a bloc lead to dialogue that enables to design common infrastructure projects. Through harmonization of policies, member countries agree on infrastructures needed to achieve bloc objectives. In fact, it is in the interest of all states to align their policies, regulations and technical standards. Shared policies and cooperation allow countries in the same bloc to take advantage offered by regional integration and achieve economic development.

According to the study, formation of regulatory authorities and operational agencies within the EAC supports upgrade of infrastructures for Burundi. It should be noted that Burundi has limited resources in terms of technical skills, human capital and funding that affects the development of its infrastructure. In addition, regulatory authorities provide an effective framework to design and implement needed infrastructure that benefits all bloc members including Burundi. The study also concluded that tripartite agreements on transport have contributed to the development of transport infrastructure. Kessides & Benjamin (2012) note that, improving infrastructure indeed support integration within the region and the whole world. Development of different types of infrastructure including transportation and include innovation of information and communication technologies promote connection between countries, provide solutions to deal with geographical related challenges and production process and also give opportunities to countries to participate in the international processes. In fact, transport and communication networks can be considered as the link that keep countries of the bloc together. In addition, among advantages of regional integration include agreed upon agreements on the legal, regulatory and institutional aspects of the bloc's operations which results to a less transactions costs and an effective use of resources as a result of coordination of infrastructures.

The research findings revealed that the main agricultural sectors in Burundi include mixed farming of livestock, food crops and cash crops. Those sectors contribute to the economic development of the country reiterating the findings of the Food and Agriculture Organization (FAO) (http://www.fao.org). EAC integration also contributes to food improvement which in line with Nabahungu, &Visser, (2013), holding that regional integration encourage trade between countries and boosts economic growth in many aspects including offering employment, hence enhancing food security. On the other side, respondents disagreed about the effect of regional integration to food security; which also in line with Kijima, &Otsuka (2012) explaining that some beneficiaries from countries in the regional bloc especially those of low income may be blocked from taking advantage of the market access opportunities due to supply constraints.

The study also observed that agricultural sector faces challenges namely: policy constraints, technology factors and natural factors. In fact, as per the same findings of Vollrath (1998), regional integration is beneficial to agricultural activities, but its effectiveness can be hampered by factors including lack of good governance, a legal and regulatory framework not adequate, regional insecurity, lack of involvement of local communities, inadequate physical infrastructure and weak institutions, low public expenditure, insufficient research, and trainings, existence of diseases affecting crops, natural disasters and climate change. The study concludes that there are many trade benefits from EAC integration for Burundi, increased flow of goods and services, that EAC integration supports the upgrade of Burundi's infrastructures and has had an impa in Burundi.

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