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# The Finance Ministry of Burkina Faso traces development funds by using blockchain technology

## KfW

Burkina Faso's Ministry of Finance and KfW joined forces to improve the donor funds' management. With BearingPoint's help, the two organizations implemented SIGFE, a blockchain-based solution allowing better planning and full transparency of projects.

KfW Development Bank is part of the German state-owned KfW Group, one of the largest development banks in the world. On behalf of the German Government KfW administers Germany's official Financial Cooperation Program in more than 100 developing countries.

## Effective development collaboration calls for innovative IT solutions

International donor funds represent a large part of Burkina Faso's public budget. Many development projects are financially and technically supported by foreign donor organizations, requiring heavy administrative procedures to assure visibility and traceability of the funds' usage. Consequentially, the monitoring processes are often cumbersome and costly, delaying project implementation and leading to an administrative burden both in Burkina Faso and within the donor organizations.

In this context, the Finance Ministry of Burkina Faso, in collaboration with KfW, sought to improve the efficiency, transparency, and traceability of financial management processes by using cutting-edge technologies.

## Using blockchain technology for funds management

Following [several successful pilot studies](#) conducted in Burkina Faso, Ethiopia, and Georgia, BearingPoint helped KfW and the Finance Ministry of Burkina Faso implement a blockchain-based platform shared between donors and the recipient country. The initial solution developed by KfW – called TruBudget – was adapted and further developed to meet Burkina Faso's specific needs and was rebranded as "SIGFE" (Système Intégré de la Gestion des Financements Extérieurs).

Together with the Finance Ministry's IT department, BearingPoint installed [blockchain node](#) and connected it with a node at KfW. This allowed for integrating SIGFE with local IT systems to automate data exchange while avoiding redundancy in data entry.

BearingPoint provided user guides and training sessions, as well as support in communication with other Ministries and donors. The solution was customized with an intuitive interface, allowing users to easily create and validate approval procedures and documents, for example related to procurement procedures, disbursement of funds, payments, or reporting, and receive updates regarding the financial execution of donor-financed projects.

## Enhancing the effectiveness of financial development projects

Implementing SIGFE enabled the Burkina Faso Administration and donors to benefit from access to real-time data on project execution, full transparency of payments, and an accelerated online validation of processes.

By using SIGFE, the involved parties count on a reduction of the administrative workload, as all tasks related to reporting, procurement or disbursement procedures are handled digitally on one single platform.

The Burkinabe administration has already enrolled 25+ development projects on the SIGFE platform. These development cooperation programs are managed by more than 10 different line Ministries and multiple donor countries, including France, Germany, Italy, Switzerland, Luxemburg, Sweden, Belgium, Denmark, and Canada.

## Contact

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