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THE EFFECT OF INVESTMENT PROJECTS ON THE SELF-FINANCING OF AFRICAN CHURCHES: THE CASE OF THE DIOCESES OF BURKINA FASO

Učinci investicijskih projekata na samofinanciranje mjesnih Crkava u Africi: primjer u biskupijama Burkine Faso

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Summary

Dioceses need financial, material and human resources to organize worship, provide an honest livelihood for mission workers and fulfil their duty of charity and solidarity. This can't be achieved with our hands always outstretched to the outside world. With a view to self-financing, several dioceses in Burkina Faso have launched investment projects. This article looks at the impact of investment projects on diocesan self-financing. To this end, we conducted surveys of 60 investment projects. Analysis of the results shows a positive effect. However, a number of shortcomings were noted, making this effect rather weak. To make it more significant, it is important for dioceses to invest in strategic areas, to improve the quality of their investments, to go further in their budgeting practices and to practice forward-looking management of the personnel assigned to investment project management. They also need to set up appropriate instruments such as a Strategic Investment Fund, a Catholic Investment Network and a Diocesan Office for Analysis, Monitoring and Evaluation of Investment Projects.

Key words: *investment project, diocese, self-financing*

1. Introduction and background

The diocese was a subdivision of the Roman Empire initiated by Emperor Diocletian as part of his administrative reforms in 284. The term was subsequently used in the organization of the Roman Catholic Church, but some theologians later preferred the expression "local Church", which designates "the Assembly, the People of God". The notion of diocese used in this paper refers to those of local Church or particular Church and translates a territorial space of the universal Church headed by a Bishop and having its own structures and organization.

As such, the diocese needs resources for its evangelizing mission. It has recourse to several types of income, including the proceeds of collections, tithes, membership fees and the proceeds of investment projects. In Burkinabe ecclesiastical parlance, this type of financing is known as "self-financing", which encompasses both the financial resources and the human and material resources needed by the structures of a diocese to operate[1]. At the Synod of Bishops in 2000, John Paul II called on the Churches of Africa to take charge of their own affairs as a matter of urgency, inviting them to set themselves the goal of providing for their own needs as soon as possible. He invited the episcopal conferences, dioceses and all the Christian communities of the Churches of Africa to work diligently to make self-financing increasingly effective through investment projects capable of generating resources for progressive self-financing[2].

Achieving this purpose is vital, given the worrying dependence of African churches on external aid. In fact, the 2008 report on the financing of the Pontifical Mission Societies shows that, of the 155,000,000 euros raised in the 170 member countries of the organization, the African Churches contributed only 1,550,000 euros, or 1%. On the other hand, they receive a substantial 85,250,000 euros from redistribution, i.e. 55% of worldwide generosity. This dependence seems to be irremediable, as almost 30% of the needs of the poorest dioceses are not met each year

[1] Joanny Koama, *L'auto prise en charge du prêtre diocésain : vie, ministère, santé, vieillesse*, Conférence épiscopale Burkina-Niger- Fraternité sacerdotale, Assemblée Générale-16 au 19 avril, Ouagadougou, 2012, 4.

[2] JEAN-PAUL II, Ecclesia in Africa, Exhortation apostolique Post-synodale, Libreria Editrice Vaticana, Rome, 1995, n°104.

due to lack of funding, while over 60% of the universal solidarity fund is still donated[3].

In their 2002 message, the bishops of Burkina Faso reminded the Catholic faithful of the need for Christian communities to find the human, material and financial resources required for their mission. This message raises the issue of self-financing for the dioceses of Burkina Faso. Today, each diocese is trying in its own way to pave the way for growth by working towards financial autonomy through investment projects. An investment project is the immobilization of capital in the form of various means of production (land, buildings, equipment, etc.), with the aim of obtaining financial or non-financial benefits in the short, medium or long term, through the production of goods and/or services. So, the question we ask ourselves is: do investment projects have a beneficial effect on diocesan self-financing? In other words, are dioceses that invest in projects better able to mobilize the financial resources needed to finance themselves? The aim of this article is to analyse the relationship between diocesan investment projects and self-financing. We start from the hypothesis that dioceses that invest in projects achieve financial autonomy; a hypothesis that accepts the existence of a link between investment projects and diocesan self-financing. The article highlights the effect of investment project spin-offs on the achievement of diocesan objectives. Following this introductory section, the article includes a second section dealing with the literature review, a third section covering the methodology and a fourth section presenting the results and their discussion. The fifth section concludes.

2. Literature review

The search for an optimal financing model is a long-standing problem that all organizations face today. A number of theories have been devoted to the financial structure of the firm, and more specifically to its mode of financing. The traditional approach to this question was to minimize the firm's costs. In concrete terms, this meant using equity and debt wisely, so as not to expose the

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[3] Œuvres Pontificales Missionnaires, 11 au 18 octobre 2009 : Semaine missionnaire mondiale, récupéré sur Peresblancs.org: http://pereblancs.org/Dossier_presse_SMM_2009.

firm to major financial risks. Modigliani and Miller[4] are credited with having pioneered theoretical work on the impact of capital structure on firm value. In their famous article "The Cost of Capital, Corporation Finance and the Theory of Investment", the two American authors challenged the traditional approach by demonstrating the independence between firm value and capital structure, on the one hand, and the existence of an optimal financial structure, on the other, on the basis of a set of assumptions including the perfection of capital markets, the absence of taxes, agency costs or transaction costs; which seems impossible in practice.

The impasse faced by Modigliani and Miller gave rise to Trade-Off Theory (TOT), which developed around the conditions under which minimal debt is preferable. Trade-Off Theory contributed to the abandonment of Modigliani and Miller's earlier assumptions of neutrality of financial structure, by incorporating the effects of taxation on firm value. Modigliani and Miller[5] come to the conclusion that borrowing conditions are more advantageous for the firm than for investors, due to the tax deductibility of financial charges. This maximizes the market value of indebted companies, as their value increases with their indebtedness. From this point of view, the firm is obliged to choose the highest possible debt ratio in order to reap the greatest possible profit. The risk of such a practice is that, at some point, the firm may find itself unable to meet its commitments to its creditors. In addition to taking taxation into account, Stiglitz[6] stresses the presence of bankruptcy costs, which undermine the "relationship of proportionality" between the value of the company and the tax advantage. Thus, the link between tax benefits and bankruptcy costs should lead to the choice of an optimal level of debt, and consequently an optimal debt ratio, as the target for debt management. Following in Stiglitz's footsteps, Jensen and Meckling[7], in turn, attest to the existence of agency costs and hence

4 Franco Modigliani-Merton Miller, The cost of Capital, Corporation Finance and the theory of investment, *The American Economic Review*, 48 (1958) 3, 278.

5 Franco Modigliani – Merton Miller, Corporate income Taxes and the cost of capital: A correction, *American Economic Review*, 53 (1963) 3, 433.

6 Joseph Stiglitz, A Re-Examination of the Modigliani-Miller Theorem, *American Economic Review*, 59 (1969) 5, 784.

7 Michael Cole Jensen-William Meckling, Theory of the firm: managerial behavior, agency costs and ownership structure, *Journal of Financial Economics*, 3 (1976) 4, 308.

the existence of an optimal capital structure, thus overturning Modigliani and Miller's hypothesis of the absence of agency costs.

The theory of optimal financial structure had its heyday until the advent of Pecking Order Theory (POT), which rejects the existence of an optimal level of indebtedness; indeed, this theory of hierarchical financing considers that the firm mobilizes the financial resources it needs in a certain order established on the assumption of information asymmetry existing between the firm's internal actors (owners, managers) and external actors (lenders)[8]. According to this theory, to finance an investment in a context of asymmetric information, it is not appropriate for the firm to set itself an optimal target ratio; it must minimize the costs linked to this asymmetry in a preference for internal financing over external financing. With this in mind, the firm prioritizes its preferences in the following order: self-financing, non-risky debt, risky debt, capital increase[9].

From then on, the ability to finance the growth of their firms themselves, so as not to depend on external sources of finance, has been a central concern for entrepreneurs. A number of economists and managers have examined this issue. Malissen[10], in his book "L'autofinancement des sociétés en France et aux Etats-Unis", after establishing a measure of real profits and corporate self-financing, studied the phenomenon of self-financing in France from 1921 to 1949 and in the United States from 1909 to 1950, showing that, in terms of firm financing methods, self-financing played a more important role in large companies than in small ones. In the same vein, in 1957, in another work entitled "Investissement et financement" (Investment and financing), he describes how 53 major French firms oriented their investments between 1949 and 1955. In it, he points out that, while the cash position of the 53 firms in the study increased significantly more than the overall money supply, this was due to the fact that they retained a large proportion of their profits for self-financing.

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8 Philippe Adair, *Théorie du compromis versus Théorie du financement hiérarchique : une analyse sur un panel de PME non cotées*, 12ème Congrès International Francophone en Entrepreneuriat et PME, Agadir, 2014, 4.

9 Stewart Clay Myers, The Capital Structure Puzzle, *Journal of Finance*, 39 (1984) 3, 589.

10 Marcel Malissen, *L'autofinancement des sociétés en France et aux Etats-Unis*, Dalloz, Paris, 1953., 246.

The notion of self-financing refers to all the resources generated by an organization in the course of its business to finance new operations. Cohen defined it as the monetary surplus generated by the firm's own activity, which it retains to finance its future development[11]. In other words, it represents the internal resource available after remuneration of associates, the portion of cash flow devoted to financing the firm. Berle and Means[12] highlighted the danger of self-financing for shareholders and lenders, from the point of view of management control. In fact, since they are not dependent on lenders to finance their business, managers are able to undertake projects that are more profitable for themselves than for their creditors. As a result, self-financing increases the company's assets and reduces the risk of bankruptcy[13]. All of which goes to show that self-financing has definite advantages for organizations.

Since the 20th century, self-financing has been one of the most popular concepts in church circles. Faced with the urgency of the problem of self-help in the Church in Africa, and in Burkina Faso in particular, some Burkinabe Christian authors have taken a particular interest in self-financing. From theology dissertations in the major seminaries to the self-help diagnosis carried out by the Catholic Businessmen's Association in 2009, the backdrop to their reflections has been a more or less formulated call for self-financing[14]. Abraham Zerbo, Michel Belemgouabga and Jean-Paulin found in the creation of production units a path leading to self-financing for the Churches in Africa, inviting them to invest in the various branches of the economy[15]. These various studies, although well researched, remain empirical and are limited to general conclusions that merit further study using

11 Elie Cohen, *Gestion financière de l'entreprise et développement financier*, ED/CEF, Paris, 1991., 144.

12 Adolf Augustus Berle, For Whom Corporate Managers are Trustees: a Note, *Harvard Law Review*, 45 (1932) 8, 1367.

13 Pierre-Cyrille Hautcœur, L'autofinancement : théorie, questions de méthode et tentative de cadrage macro-économique pour la France (1914-1990), *Entreprises et histoire*, 22 (1999) 2, 55-77.

14 ACATHAB, *Diagnostic d'auto prise en charge de l'Eglise*, Projet provisoire, Conférence Episcopale Burkina-Niger, Ouagadougou, 2009, 21.

15 Jean-Paulin Ki-Michel Belemgouabga-Abraham Zerbo, *Lutter contre la pauvreté en Afrique par l'Evangile ; la production des biens économiques*, l' Harmattan, Paris, 2009, 148.

appropriate analytical methods. The logic of hierarchical financing theory, which emphasizes self-financing, forms the roadmap for this study.

3. Data and research methodology

At the outset, it is worth noting the lack of a database for diocesan investment projects. With this in mind, we conducted a survey of 60 investment projects selected not only by diocese, but also by ecclesiastical province, which is a grouping of several more or less neighbouring dioceses sharing collegiate orientations and projects.

The questionnaire used to collect the information gathered three sets of data. The first set concerns data relating to the location of the investment project (ecclesiastical province, diocese, etc.). The second set concerns the characteristics of the investment project (field of activity, status, focus, financing method, difficulties, management challenges, etc.). The third set relates to data specific to the investment project (revenue, operating and capital expenditure, cash balance). The table below shows the configuration of the study sample.

Table 1: Study sample configuration

	Agricultural	Industry	Service	Total
Ecclesiastical Province of Ouagadougou	10	5	10	25
Ecclesiastical province of Koupéla	5	5	5	15
Ecclesiastical Province of Bobo Dioulasso	5	10	5	20
	20	20	20	60

Sources: constructed by the author on the basis of study data

In this study, the unit surveyed is an investment project carried out in a diocese. The choice of diocese was based on a quota of three dioceses per ecclesiastical province, i.e. a total of 9 dioceses out of the 15 in Burkina Faso. The study covers investment projects in all sectors of activity. Given the complexity of the landscape covered by the study, we focused on productive investment projects that were at least five years old.

For the purposes of financial evaluation, we used the cash flow analysis method. The advantage of the cash flow analysis method is that it enables us to understand how a company generates cash and what its investment and financing policy is. It also helps to anticipate financing difficulties. The analytical basis of the method is the cash account, which records only cash flows: revenues and expenses. It is presented in the following table:

Table 2: Cash flow analysis

GROSS BENEFITS	=	Revenue (incoming cash flows)
COSTS	=	Operating and capital expenditure (Cash outflows)
NET BENEFIT	=	Cash balance (monetary profit)

Source: Constructed by the author on the basis of the European Community's "Financial and Economic Analysis of Development Projects" manual[16].

Cash flow analysis enables us to assess whether the investment project has the financial resources required to meet its obligations and monetary needs, such as covering operating expenses, running costs and investor requirements. It therefore aims to assess the solvency of the investment project, and hence the viability of the business. If the cash balance is negative, the investment project is at financial risk. If the cash balance is positive, the investment project is doing well, and the surplus would benefit from being invested to generate a surplus return. Management science research offers a choice of several analytical tools, depending on the subject under study. This led us to choose statistical analysis. Sphinx and Rcommander software were used for statistical calculations and testing.

4. Results and discussion

The results can be presented in terms of the characteristics of the investments (focus of interest and method of financing), their contribution to diocesan self-financing and the obstacles to investment activity.

[16] Commission européenne, *Manuel d'analyse financière et économique des projets de développement*, Office des publications officielles des Communautés européennes, Luxembourg, 1997, 263.

4.1. *Results according to investment project characteristics*

The calculations below (Table 3) show the results according to the characteristics of the investment project.

Table 3: Results by investment characteristics

	Focus of interest	Financing method	**Total**
Financial profitability	41,7%		
Risk level	0,0%		
Economic and social profitability	58,3%		100%
Social	0,0%		
Strengthening capacity	0,0%		
Self-financing		22, 2%	
Bank loan		0,0%	
Leasing		0,0%	
Lessors		0,0%	100%
Self-financing and lessors		72,2%	
Self-financing and bank loan		5,6%	

Sources: constructed by the author on the basis of study data.

The table shows that 58.3% of investment projects are carried out for their economic profitability, and 41.7% for a dual reason: economic and social. It also shows that managers use three types of financing. 72.2% of investment projects are financed by a combination of self-financing and financial backers (the majority of which are European sister churches); 5.6% are financed by self-financing and bank loans, and 22.2% are self-financed without any other form of financing.

4.2. *Results by diocesan self-financing level*

The results obtained according to the quality of diocesan self-financing for investment projects are shown in table 4 and figure 1 below.

The contribution of investment projects to diocesan self-financing is assessed on the basis of cash balances assessed on the basis of average annual budgets and average annual revenues for each investment project. The figure above shows that only 19.4% of investment projects have a good contribution to diocesan self-financing, compared with 44.4% which have a fair contribution and 36.1% which have a poor contribution. No investment project achieved a very good level of participation. This makes it impossible to objectively assess their effect, and hence the need for a statistical test.

Fisher test result

The study is based on qualitative data. In such cases, the Chi 2 or Fisher test can be used. The data provided in Table 4 show a theoretical number of participants of less than five (5). The Fisher test is well suited to assessing the link between investment projects and their contribution to diocesan self-financing. The Fisher test gives the following result:

Figure 1: Result of the Fisher test

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> fisher.test(.Table)

        Fisher's Exact Test for Count Data

data:  .Table
p-value = 0.04934
alternative hypothesis: two.sided
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Source: constructed by the author on the basis of study data.

The Fisher test result gives a p-value of 0.04934.

Table 4: Investment projects by quality of self-financing participation.

Self-financing contribution	Very good (%/T. H)[17]	Good (%/T. H)	Fair (%/T. H)	Bad (%/T. H)	**Total**
Agricultural	0,0% (**0**)	7,7% (**1**)	46,2% (6)	46,2% (6)	100% (13)
Industry	0,0% (**0**)	44,4% (**4**)	55,6% (5)	0,0% (**0**)	100% (9)
Service	0,0% (**0**)	14,3 (**2**)	35,7% (5)	50,0% (7)	100% (14)
Total	0,0% (**0**)	19,4% (7)	44,4% (16)	36,1% (13)	100% (36)

Source: constructed by the author on the basis of study data.

[17] T H: Theoretical headcount

4.3. *Obstacles to investment projects*

Dioceses face several types of obstacles in their investment project activities. These include interlocking obstacles, investment management difficulties and budget allocation difficulties. Nesting occurs when there is confusion or dependence between social works and investment activities. Table 5 highlights the extent of these obstacles.

Table 5: Investment projects and obstacles.

Obstacles	Nesting	Management	Allocation	**Total**
	18,2%	**54,5%**	**27,3%**	**100%**
Nesting - personnel	19,0%			100%
Nesting - Decision	19,0%			
Nesting - Finance	16,8%			
No response	45,2%			
Unqualified personnel		34,0%		100%
Insufficient personnel		44,7%		
Unmotivated personnel		10,6%		
No response		10,7%		
Very satisfactory allocation			5,6%	100%
Satisfactory allocation			13,9%	
Average allocation			38,8%	
Insufficient allocation			41,7%	
No response			0%	

Sources: constructed by the author on the basis of survey data.

These results show that 45.2% of investment projects with interlocking obstacles did not specify their precise nature. On the other hand, 19% experience interlocking obstacles in the form of subordination of investment project managers' decisions to those of social works managers; 16.8% experience interlocking obstacles in the form of dependence of social works finances on those of investment projects. The remaining 19% experience this interlocking at staff level: the same people manage the assets earmarked for social works and those for investment projects.

Also, among the investment projects presenting management difficulties, 10.7% did not specify the precise nature of the difficulty. However, 10.6% were due to a lack of staff motivation, 34% to staff incompetence and 44.7% to insufficient staff.

Finally, with regard to budget allocations, 5.6% of respondents found them very satisfactory, 13.9% found them satisfactory, 38.8% considered them moderately satisfactory and 41.7% were dissatisfied.

4.4. *Analysis and recommendations*

The results can be analysed in terms of the choice of investment projects, their financing methods and their contribution to diocesan self-financing.

Following the logic of the choice of investment project according to focus, the results show that social and economic reasons are predominant in the dioceses' decision to invest. Indeed, one of the Church's missions is to promote the development of "man and the whole man". This specificity of the Church to cultivate and nurture life would be bankrupt if it set aside the social dimension in favour of the pursuit of economic profitability. In this sense, financial and economic aspects are a means to an end. In view of this, and driven by the urgent need to take charge of their own affairs, dioceses today tend to opt for investment geared towards economic profitability, capable of financing the social dimension of their mission. This explains why 58.3% of investment projects are carried out on the basis of their socio-economic interest. Today, this strategic choice is undermined not only by unfair competition, but also by a tax system that is increasingly intransigent towards charities with profitable activities. This new situation has led some dioceses to choose to invest in activities of purely economic interest, even if it means using the results to finance missionary activities. As a result, economic investment projects now account for 41.7% of the total. Such a choice is not contrary to evangelical principles, especially as the results of investment projects help to finance missionary work.

In terms of financing methods, the majority of investment projects are self-financed and supported by donors (benefactors). More than 72% of projects are self-financed with support from benefactors. This reflects the willingness of dioceses to move away from the traditional financial assistance system that has been in place since the beginning of evangelization, but the weight of the expectation of external aid still weighs heavily on self-financing initiatives. Nevertheless, self-financing is already a reality: 22.2% of investment projects are self-financed. These are projects which, irrespective of their membership of the non-profit organization that is a diocese, have a Unique Fiscal Identifier number and operate according to tax norms like any other private-sector enterprise in Burkina Faso. Bank loans, on the other hand, do not seem to be popular in the dioceses. Only 5.6% of the investment projects surveyed are financed by a combination of self-financing and bank borrowing. This can be explained by the Church's approach to debt. Indeed, since its very origins, the Church has always warned against enslavement to debt. While it is not forbidden to contract debts, repayment (of capital and interest) is more than a duty. This view has led dioceses to mistrust bank loans, as they remain forever the responsibility of borrowers of last resort.

In terms of participation in self-financing, the results show that 19.4% of investment projects participate well in self-financing, compared with 44.4% that participate fairly well and 36.1% that participate poorly. These figures, which seem to speak for themselves, are confirmed by the Fisher Test. The Fisher Test gives a p-value of 0.04934 or 4.934%. This p-value attests to the verification of our main hypothesis: there is a link between investment projects and diocesan self-financing. This result supports Hautcoeur's (1999) finding that investment is profitable for investing companies, because today's profits reflect their ability to invest tomorrow. The link between investment projects and diocesan self-financing attested by our results is, however, very fragile, because the p-value found (4.934%) is slightly below the accepted risk rate of 5%. This fragile link between investment projects and diocesan self-financing can be explained by the management difficulties observed in the operation of the majority of projects: insufficient staff, lack of staff qualifications, absence or insufficiency of allocated budgets, poor quality of services, overlap between social works and investment projects, poor choice of strategic sectors, etc. These numerous obstacles to the smooth running of investment projects widen the gap between their actual and potential profitability, preventing dioceses from reaping the full benefits of their investments.

To make the contribution of investment projects to the self-financing of dioceses even more beneficial, it is necessary not only for dioceses to invest in growth areas, but also to work on improving the quality of their staff and products. Indeed, investing in strategic economic sectors is a gamble for the future. The results of the study showed that the industrial sector remains one of the most successful areas: it offers a 44.4% chance of doing well, and a 55.6% chance of doing fairly well. In other words, any investment project in this sector has an effect on the self-financing of dioceses. This performance is weaker in Agriculture and Services, which offer less chance of success. Alongside these favourable results for the industry, the reality is that this branch of activity remains the least explored in the dioceses today. In fact, for a long time now, the Church in Burkina Faso has found the services sector to be more in line with its mission. It is only represented in Industry by a few dioceses that already have their own processing units (printing, bakery, mineral water production, etc.). It's time to transform this traditional model and open up more to industry. This openness is all the more necessary as the latter are fairly well represented in agriculture, which could eventually become the supplier of the raw materials (agricultural products) needed to supply their investments in industry.

In the same vein, the challenge of quality must be considered. More than ever, we are in the age of quality. After years of unbridled consumerism, quality has become a criterion of efficiency, credibility and profitability. Improving the quality of investment projects remains a challenge for the dioceses of Burkina Faso. 34% of those surveyed acknowledged that a lack of quality is a blow to project results. As proof of this, the Church is often a forerunner in certain fields, but ends up being pushed aside in its leadership simply because of a lack of quality and openness to innovation. Even if things generally seem to work out for the Church, we have to admit that it's the " Catholic Mission " brand that gets the most attention. The advantage of the "Catholic Mission" brand is under threat today, and dioceses are paying the price directly or indirectly. Today, more than ever, brands need to reassure customers and prove that they deserve their trust. Yet the profusion of products on offer continues to make this task both daily and difficult. In such a context, dioceses have no choice but to make quality the watchword when it comes to conquering markets. For them, this means being open to innovation - organizational, managerial, technological, logistical, etc. - in order to constantly improve the quality of their investment projects. The quality of investment projects depends on the quality of the resources deployed.

Beyond these practical recommendations, dioceses need to go further in their budgeting practices. The budget, as an essential management tool, seems to be lacking in the management of the investment projects that were the subject of our study. Yet the budget is a means not only of forecasting and managing financial needs and expectations, but also of programming and steering activities and managing risks. The use of this instrument is not yet common practice in the dioceses. In view of its importance, it is desirable that investment project managers accept to make it a traditional practice, with a view to improving the performance of their projects. The same applies to personnel. In fact, to achieve its objectives, every company needs to have a sufficient number of staff (quantity balance) and sufficient quality (quality balance) in a favourable climate (motivational balance). These three fundamental balances must be constantly maintained. The results of our research have shown that in a large proportion of investment projects, these three balances are not respected. In fact, quantity and quality are not in perfect balance. Despite the management training efforts made by bishops in favour of priests, management training remains a choice to be prioritized in order to acquire a human resource capable of managing investment projects. With this in mind, it would be a good idea for each diocese to adopt the practice of Personnel planning and management, which involves projecting, in the medium and long term, the human resources required to manage investments. PPM makes it possible to analyse the various possible gaps between objectives and the human resources needed to achieve these objectives for investment projects, in order to provide for present needs and anticipate those of the future.

From a structural point of view, it would be desirable to set up a Strategic Investment Fund. The aim of this fund is to support the development of investment projects that often have difficulty finding financing. To fulfil its mission, the fund should only support the financing of profitable investment projects, which not only repay the capital received, but also contribute to diocesan commissaries according to agreed quotas. The idea is for this fund to be a fund of funds, endowed with substantial resources to be mobilized from existing projects, parishes and diocesan commissaries. This Fund could also be fed by additional resources such as donor subsidies, loans of all kinds and any other resources available from financial partners. To achieve this, a legal and financial framework needs to be put in place. These include by-laws defining and locating the various attributions of the Fund, as well as the conditions for its financing and operation. This legal framework could also include the creation of a Deposit Office to handle the financial aspects of the Fund. This fund, if operational, could play the role of a bank for all diocesan investors to finance long-term investment projects. The creation of this fund is feasible, given the confidence the Church has with its financial partners and with the Burkina Faso government. In the short term, the fund will provide an answer to the question of equity capital that dioceses face in managing their investment projects. In the long term, it could even achieve the stature of a financial company capable of holding its own against existing financial firms.

If it's useful to pool financial resources, it's also useful to pool investment projects by setting up a Catholic Investment Projects Network. Dioceses often intervene in the same areas of activity, in mutual ignorance. The result is a lack of cooperation. The advantage of cooperation is that it enables us to pool our strengths to better manage weaknesses and seize opportunities. The challenge of this cooperation could be met through the Network. Structures from the same diocese or from different dioceses working in the same line of business join forces to form a network. The aim of this network is primarily operational. It aims to enable those investing in the same field to get to know each other and to think together with a view to facing up to the competition. This involves sharing experience and discussing the strategic directions of the industry, all of which can lead to the definition of possible specializations. This network could be supported by the creation of a Diocesan Office for Analysis, Monitoring and Evaluation of Investment Projects. The Code of Canon Law provides for the establishment of a body to govern the administration of the patrimonial goods of dioceses, known as the Council for Economic Affairs. The duties of this body include preparing annual budgets for diocesan income and expenditure[18], annually

[18] JEAN-PAUL II, Code de droit canonique, éd Centurion, Cerf, Tardy, Paris, 1984, c. 493.

examining the bursar's annual accounts[19] and approving them[20], assisting the bishop in auditing the accounts of juridical persons subject to his jurisdiction[21], giving its consent for extraordinary administration of ecclesiastical goods[22], etc.

This invaluable tool, skilfully provided for by Church law, needs a support body capable of informing its investment decisions. Indeed, our survey revealed that decisions on certain investment projects have been poorly taken, either because the decision-makers were not sufficiently informed, or because a certain technicality was lacking in the implementation and evaluation of the said projects. In most cases, this results in projects that are stillborn or are subsidized by the diocesan commissaries. The creation of this Diocesan Office fills the structural void that often reigns in the economic organization of dioceses. This implies an overhaul of the diocese's economic and financial management and control system, to enable this Office to find its place and play its role. The Office's role consists of prospecting, carrying out studies and making recommendations, planning and providing tools for analysing and evaluating investment projects. In practice, the Board's role is to be in the field, not only to monitor the implementation and operation of investment projects, but also to assess their profitability. In practice, the Office's role is to be on the ground not only to monitor the implementation and operation of investment projects, but also to assess their profitability.

Conclusion

The mission of dioceses is to proclaim the Gospel by working to bring together men and women imbued with the Gospel message of reconciliation, justice and peace. From this perspective, it's not just a question of proclaiming the Gospel, but also of paying attention to the results of that proclamation. To this end, the implementation of effective means contributes to the achievement of missionary objectives. The question of investment projects and self-financing, which was the subject of our study, showed that the dioceses of Burkina Faso have made invest-

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19 Idem, c. 494 § 4.

20 Idem, c. 493.

21 Idem, c. 1287 § 1.

22 Idem, cc. 1292 and 1293.

ment one of the privileged means likely to accompany the works of evangelization through their participation in the mobilization of the financial resources that mission requires. The overall aim of the study was to analyse the relationship between investment projects and diocesan self-financing. We concluded that investment projects have a positive effect on diocesan self-financing. Dioceses that invest acquire financial autonomy and become more effective in proclaiming the Gospel.

However, it has to be admitted that without knowledge of management objectives and strategy, investment efforts cannot be productive. The results of the study showed that there are barriers to the effective productivity of investment projects. In fact, the successful selection and management of investment projects, good budgeting practices, improving project quality and acquiring sufficient management personnel pose challenges for dioceses. As a result, the introduction of instruments such as the Strategic Investment Projects Fund, the Catholic Network of Investment Projects and the Diocesan Office for Analysis, Monitoring and Evaluation of Investment Projects, which we have proposed, correspond to a shortfall in existing practice. The choice to invest in productive activities is a self-financing path for dioceses. It's a long road that requires a conversion of mentalities within dioceses about the relationship between the Gospel and money, so that financially autonomous communities are born incessantly.

UČINCI INVESTICIJSKIH PROJEKATA NA SAMOFINANCIRANJE MJESNIH CRKAVA U AFRICI: PRIMJER U BISKUPIJAMA BURKINE FASO

Sažetak

Biskupijama su potrebna različita sredstva (financijska, materijalna, ljudski resusrsi): za organizaciju bogoslužja, za egzistenciju misijskih djelatnika, kao i da ispune kršćansku dužnost milosrđa i solidarnosti. To se ne može postići samo moleći milostinu i pomoć. S ciljem samofinanciranja nekoliko je biskupija u Burkini Faso pokrenulo investicijske projekte. U radu pokušavamo kratko prikazati kako investicijski projekti utječu na samofinanciranje biskupijâ. U tu smo svrhu proveli istraživanje šezdeset investicijskih projekata. Analiza rezultata pokazuje pozitivan učinak. Međutim, primijećen je niz nedostataka, zbog kojih je učinak prilično slab. Da bio značajniji, važno je da biskupije ulažu u strateška područja, da poboljšaju kvalitetu ulaganja i da pokušaju na duže staze organizirati i samo osoblje koje je zaduženo za upravljanje investicijskim projektima. Također trebaju uspostaviti odgovarajuće instrumente poput Fonda za strateška ulaganja, Katoličke investicijske mreže i Biskupijskog ureda za analizu, praćenje i ocjenu investicijskih projekata.

Ključne riječi: investicijski projekt, biskupija, samofinanciranje