

AFRICA RISK CONSULTING

Botswana Monthly Briefing February 2021

Botswana Summary 10 February 2021

Finance minister Thapelo Matsheka announces new taxes and an increase in Value Added Tax (VAT) in his 2021/2022 budget speech as part of measures to restore fiscal stability in the face of mounting budget deficits. Statistics Botswana figures show that exports of locally produced diamonds dropped to P23.7 billion (\$2.17 billion) in 2020 from P32.7 billion (\$3 billion) in 2019, while, Debswana, the 50:50 joint venture between De Beers and the Botswana government, saw production drop to 16.5 million carats from 23.2 million carats in 2019. The World Health Organization (WHO) Covax facility predicts that Covid-19 vaccines could arrive in Botswana by the end of March. Botswana has dropped one position in Transparency International's 2020 Corruption Perceptions Index (CPI) rankings, down to 35th out of 180 countries with a score of 60, one point lower than its score on the 2019 CPI.

New taxes, higher VAT to bolster fiscal stability ...

Finance and economic development minister **Thapelo Matsheka** presented the 2021/22 financial year budget to a virtually held parliament on 1 February. Matsheka announced a rise in Value Added Tax (VAT) and new taxes as part of measures to restore fiscal stability in the face of mounting budget deficits.¹ The changes in tax come against a backdrop of constrained mineral resources as well as a drop in the **Southern African Customs Union (SACU)** and domestic tax collections as a result of the **Covid-19** pandemic.²

Total revenues and grants are budgeted at P64.58 billion (\$5.9 billion) against expenditure of P70.61 billion (\$6.4 billion) for the 2021/22 financial year.³ Matsheka proposed P50.66 billion (\$4.6 billion) for the recurrent budget and P14.75 billion (\$1.3 billion) as development budget.⁴ Recurrent expenditure, which covers operational costs including public officers' salaries, has declined by P714.71m (\$65m) over the current year's approved budget. However, the 2020/21 financial year, which ends on 31 March 2021, is expected to reflect a deficit of P21 billion (\$1.9 billion), the highest in history, according to available statistics.⁵ Matsheka noted:

*"This is an extremely serious deterioration of our fiscal position and it has resulted in a rapid depletion of our reserves in the **Government Investment Account**...It has also resulted in an increase in borrowings through the government bond programme...This is not sustainable and it has to be reversed in the 2021/22 financial year."*⁶

The deficit position for the 2020/21 financial year is coupled with Covid-19 worsening the situation by restricting key exports, while expanding healthcare spending, community support and other business initiatives occasioned by lockdown and other restrictive measures.⁷ Matsheka expects the deficit to decline by P6 billion (\$550m) in the 2021/22 financial year, helped by recovery in diamond sales. The deficit will be entirely financed from domestic and external debt, as the reserves in the Government Investment Account are depleted.⁸

¹ Mmegi, 1 Feb 2021

² Mmegi, 5 Feb 2021

³ Daily News, 2 Feb 2021

⁴ Daily News, 2 Feb 2021

⁵ Mmegi, 1 Feb 2021

⁶ Mmegi, 1 Feb 2021

⁷ Mmegi, 1 Feb 2021

⁸ Mmegi, 1 Feb 2021

“The smaller deficit proposed for 2021/22 is consistent with fiscal recovery, but it’s dependent on strong recovery in diamonds... if this does not happen and another deficit appears likely, it may be necessary to introduce adjustments such as cutting spending during the financial year and withdrawing warrants.”⁹

The ministry of basic education will receive the lion’s share of the recurrent budget at P9.52 billion (\$873m), with the budget increasing to pay 1,751 extra teachers needed to cater for additional classrooms due to Covid-19 protocols.¹⁰ The ministry of defence, justice and security is expected to receive 16.6% of the total recurrent budget, amounting to P8.39 billion (\$770m), a decline of P172.81m (\$15.8m) over the 2020/21 budget.¹¹ The health ministry receives P7.90 billion (\$725m), an increase of P162.32m (\$15.1m) over the 2020/21 approved budget.¹² Matsheka said the additional funding will support government’s response and interventions to contain Covid-19 and mitigate the risks of new infections, spread and resurgence of the virus.

Other allocations include:

- P7.14 billion (\$655m) to the ministry of local government and rural development, P12.34m (\$1.13m) lower than the budget for the current financial year;
- P4.6 billion (\$422m) to the ministry of tertiary education, research, science and technology to cover among others, student sponsorship programmes and operational costs of tertiary institutions and parastatals;
- P1.82 billion (\$167m) to transport and communications ministry;
- P1.58 billion (\$145m) to the ministry of presidential affairs, governance and public administration;
- P1.39 billion (\$127m) to the ministry of agricultural development and food security;
- P975.03m (\$89.4m) to the ministry of investment, trade and industry;
- P963.95m (\$88m) to the ministry of land management, water and sanitation services;
- P5.61 billion (\$514m) will be shared among the rest of the ministries and extra-ministerial departments.¹³

Matsheka noted that restoring fiscal stability remains the greatest challenge and requires greater domestic resource mobilisation. This entails raising VAT, the withholding tax, the fuel levy and introducing a sugar levy.¹⁴ VAT will increase from the current rate of 12% to 14%, effective 1 April.¹⁵ Matsheka said Botswana currently has one of the lowest VAT rates in the world and even with this increase, its VAT rate will remain amongst the lowest in the **Southern Africa Development Community (SADC)** region. Government hopes that the VAT rate increase will increase the **Botswana Unified Revenue Service (BURS)** tax collection by around P1.27 billion (\$156m) per annum.¹⁶ However, if Covid-19 continues to disrupt economic activity, this will negatively affect the amount of tax collected. The VAT rate increase will push up prices of taxable goods and services and call for adjustment in spending patterns, particularly for the unemployed and low income earners.¹⁷

Government expects a new tax on sugar saturated beverages (SSBs) to add to its coffers.¹⁸ A levy on sweetened beverages related to their sugar content, at a rate of 2 thebe (\$0,018) per gram of sugar above a content of 4g of sugar per 100 millilitres aims to address health challenges such as obesity and other sugar related diseases, and concurrently raise revenues.¹⁹ The government hopes the tax

⁹ Mmegi, 1 Feb 2021

¹⁰ Daily News, 2 Feb 2021

¹¹ Daily News, 2 Feb 2021

¹² Daily News, 2 Feb 2021

¹³ Daily News, 2 Feb 2021

¹⁴ Mmegi, 1 Feb 2021

¹⁵ Mmegi, 1 Feb 2021

¹⁶ Mmegi, 5 Feb 2021

¹⁷ Mmegi, 5 Feb 2021

¹⁸ Mmegi, 1 Feb 2021

¹⁹ Mmegi, 5 Feb 2021

will encourage beverage manufacturers to reduce the amount of sugar in their products or introduce low sugar versions.

Matsheka plans to extend slight tax relief to all individuals by increasing the threshold of income exempted from tax from the current P36,000 (\$3,304) per annum to P48,000 (\$4,405).²⁰ Currently, individuals who earn under P3,000 (\$275) per month or P36,000 (\$3,304) per year do not pay “**Pay As You Earn (PAYE)**” if employed, or personal income tax if self-employed.²¹ This threshold was last increased in July 2011 and has been overtaken by inflation. Individuals earning less than P4,000 (\$367) per month will not pay any tax. Matsheka also announced for the first time in 10 years a tax amnesty to taxpayers where tax interest and penalties will be waived upon payment of the principal tax.

Matsheka also proposed increasing the rate of withholding tax on dividends, currently pegged at 7.5% to 10%, effective 1 July 2021.²² The move is expected to boost BURS tax collections. However, the 10% proposed tax may be reduced to 5% by applicable tax treaties Botswana has with other countries.²³ The fuel levy will also see a large increase from the current rate of 12 thebe (\$0.011) to P1.12 (\$0.10).²⁴ Matsheka said the fuel tax increase reflected the fact that the fuel levy had not changed since the inception of VAT in 2002. The government is also proposing a levy on second-hand vehicles imported into Botswana as a way of raising revenue and curtailing pollution.²⁵ Legislation will also be put in place to enhance collection of plastic tax levies by BURS, effective 1 April.²⁶

In a measure to reduce expenditure, the government will make redundant 50% of the vacant positions in the civil service. The **Directorate of Public Service Management** will review the public service with a view to “*downsizing and right sizing it*” before 31 March.²⁷ A comprehensive review of parastatals has been completed with the objective of weeding out duplication of mandates, overlapping roles and “*bad apples*” that have made losses over the years.

Diamond revenues drop ...

Latest **Statistics Botswana** figures show that exports of locally produced diamonds dropped to P23.7 billion (\$2.17 billion) in 2020 from P32.7 billion (\$3 billion) in 2019, while the main producer, **Debswana**, a 50:50 joint venture between the government and **United Kingdom**-based **De Beers**, saw production drop to 16.5 million carats from 23.2 million carats in 2019.²⁸ The figures reveal the scale of the diamond crash in 2020 in one of the worst years in history for diamonds. State-owned **Okavango Diamond Company**, which is allocated and sells a portion of Debswana’s diamonds, saw sales dip to P2.3 billion (\$206m) in 2020, from P4.8 billion (\$440m) in 2019, further worsening the impact on government mineral revenues. Communications director **Dennis Tlaang** told **BusinessWeek**:

“The year 2020 was a tumultuous year for the global industry and Okavango Diamond Company, like the rest of the diamond industry was adversely affected. Okavango Diamond Company faced challenges of making sales during this period while managing a delicate balance between responsible selling and access to the market. The restrictions on travel resulted in Okavango Diamond Company not being able to host sales in April and June.”²⁹

Debswana, the world's leading diamond producer by value and Botswana’s most important corporate entity, faced similar problems. The company restrained production under a group policy to leave

²⁰ Mmegi, 5 Feb 2021

²¹ Mmegi, 5 Feb 2021

²² Mmegi, 5 Feb 2021

²³ Mmegi, 5 Feb 2021

²⁴ Mmegi, 5 Feb 2021

²⁵ Mmegi, 5 Feb 2021

²⁶ Mmegi, 5 Feb 2021

²⁷ Mmegi, 1 Feb 2021

²⁸ Mmegi, 5 Feb 2021

²⁹ Mmegi, 5 Feb 2021

stones in the ground when demand is tested.³⁰ The Covid-19 pandemic led to lower demand for rough diamonds, while operational challenges at **Orapa** mine resulted in lower than expected production.³¹ Rough diamond production decreased in response to continued planned reductions.

The impact on Botswana's economy was evident in figures released on 1 February by finance minister Matsheka in his budget speech. Mineral revenues, which are largely made up of diamond revenues, fell by P13.5 billion (\$1.2 billion) from P20 billion (\$1.8 billion) in the original budget to P6.6 billion (\$605m).³² The collapse in stone sales, set against higher Covid-19 related spending, meant that government dipped more aggressively into its reserves housed in the Government Investment Account (GIA), leading to its near depletion.

Matsheka expects stone revenues to reach P23.2 billion (\$2.12 billion) in 2021-2022, accounting for 36.3% of revenues.³³ The forecasts are based on the recovery seen in diamond markets from the third quarter of 2020. However, Matsheka acknowledged that there is a significant risk of yet another blow to projections. On a positive note, De Beers released figures on 3 February showing that its first auction of the year surpassed earnings from that of 2020. The first auction of rough diamonds earned P7.1 billion (\$650m), up from P6 billion (\$550m) from the corresponding auction in 2020. De Beers CEO **Bruce Cleaver** said that sales of rough diamonds were being supported by expected demand ahead of **Chinese** New Year and Valentine's Day.³⁴

COVID-19 vaccines set to arrive in March...

The **World Health Organization (WHO) Covax** facility predicts that Covid-19 vaccines could arrive in Botswana by the end of March.³⁵ The Covax scheme involves 180 countries working collectively to secure doses from manufacturers.³⁶ Botswana paid to participate in the facility in November, expecting to receive 940,800 vaccines under a two-dose regimen. Unlike many **African** countries, Botswana does not qualify for subsidised vaccines under the Covax scheme because it is classified as an upper-middle-income country.³⁷

A Covax update on 3 February states that Botswana will receive 117,600 doses of the **AstraZeneca/SK Bio** vaccine manufactured in **South Korea** during the first quarter of 2021, with other doses expected in the second quarter of the year.³⁸ President Masisi has pledged that these doses will go primarily to frontline workers. The vaccine selected for Botswana is still undergoing emergency use authorisation by the WHO, although it is at an advanced stage.³⁹

The Covax scheme is one of three options available to the government of Botswana. A second option involves the **African Union**, which will organise the distribution of 270 million doses to countries according to population size.⁴⁰ The third option is a direct bilateral agreement between Botswana and a vaccine manufacturer. The government is finalising discussions with the **World Bank** for a loan to kickstart the third option.⁴¹ Masisi said he has tasked health authorities with pushing ahead with bilateral deals, as the Covax allocations will be insufficient for Botswana:

"Covax, as much as we subscribe to it, is only 20% of the population and 20% does not hit a number needed to treat to provide protection. Nor do you get herd immunity out of it. So we really want this urgently...Our real long-term solution is to vaccinate. These other intervening

³⁰ Mmegi, 5 Feb 2021

³¹ Mmegi, 5 Feb 2021

³² Mmegi, 5 Feb 2021

³³ Mmegi, 5 Feb 2021

³⁴ Mmegi, 5 Feb 2021

³⁵ Mmegi, 5 Feb 2021

³⁶ Business Day, 10 Nov 2020

³⁷ Business Day, 10 Nov 2020

³⁸ Mmegi, 5 Feb 2021

³⁹ Mmegi, 5 Feb 2021

⁴⁰ Mmegi, 5 Feb 2021

⁴¹ Mmegi, 5 Feb 2021

*measures are coping mechanisms and they are very costly as they draw out 'blood' for long. We want the quickest possible time and I have said to the Minister to make provision for it."*⁴²

Botswana falls slightly in corruption rankings

Botswana has dropped one position in **Transparency International's 2020 Corruption Perceptions Index (CPI)** rankings. The index scores 180 countries and territories by their "perceived levels of public sector corruption", with zero being "highly corrupt" and 100 being "very clean".⁴³ Botswana ranked 35th out of 180 countries with a score of 60, dropping one point from its 2019 score on the CPI.

TI 2020 CPI Rankings for Botswana ⁴⁴					
	2020	2019	2018	2017	2016
Ranking	35/180	34/180	34/180	34/176	35/168
Score	60	61	61	61	60

Botswana continues to score above the **sub-Saharan African** average of 32/100 and compares well with regional counterparts, outperforming **Namibia** (57th with 51 points), **South Africa** (69th with 44 points), **Zambia** (117th with 33 points) and **Zimbabwe** (157th with 24 points).⁴⁵ Botswana is ranked second amongst the top scores in sub-Saharan Africa with **Seychelles** ranking 1st (27th overall with 66 points), and **Cabo Verde** ranking third (41st overall with 58 points).

TI 2020 CPI Rankings: Regional comparison					
	Botswana	Namibia	South Africa	Zambia	Zimbabwe
Ranking	35/180	57/180	69/180	117/180	157/180
Score	60	51	44	33	24

From the time Transparency International established its CPI ranking system in 1995, Botswana starred in the coveted position of sub-Saharan Africa's least corrupt country, until Seychelles eclipsed it in 2018.⁴⁶ Botswana has now scored second-highest in sub-Saharan Africa for a third straight year. While Transparency International gave no reason for Botswana's decline, it suggests that the Covid-19 pandemic has exposed structural gaps globally in national healthcare systems.⁴⁷ Corruption risks associated with public procurement and the misappropriation of emergency funds have led to controversy and protests in many African countries, such as neighbouring South Africa.⁴⁸ Transparency International chair **Delia Ferreira Rubio** noted that in 2020, Covid-19, proved not just a health and economic crisis, but also a corruption crisis:

*"More than a year into the crisis, with vaccines available in many parts of the world, there's a looming question of whether corruption will continue to undermine vaccine distribution too."*⁴⁹

⁴² Mmegi, 5 Feb 2021

⁴³ Transparency International's 2020 CPI Report

⁴⁴ www.transparency.org

⁴⁵ Transparency International's 2020 CPI Report

⁴⁶ Asianet Pakistan, 8 Feb 2021

⁴⁷ IOL News, 8 Feb 2021

⁴⁸ IOL News, 8 Feb 2021

⁴⁹ IOL News, 8 Feb 2021

Planner

31 March 2021 **(Botswana)** Date by which the **Directorate of Public Service Management** had been directed to review the public services with a view to downsize and right size it;

March 2021 **(Botswana)** Expected deadline for Botswana to receive first doses of the **AstraZeneca/SK Bio vaccines**;

1 April 2021 **(Botswana)** Date for increase in rates of Vat from 12% to 14%; fuel levy by P1 (\$0,092) per litre; and enactment of legislation to enhance collection of plastic tax levies by the **Botswana Unified Revenue Service (BURS)**;

1 July 2020 **(Botswana)** Date for increase in rate of withholding tax from 7.5% to 10%;

2021 **Morupule (Botswana)** Expected commissioning of **Morupule Coal Mine** expanded mine;

March 2023 **(Botswana)** End date of the **National Development Plan 11 (NDP11)**;

2024 **(Botswana)** Presidential elections

Chronology

8 Feb 2021 **Rundu (Namibia)** *Mmegi*. Flood levels of the **Okavango River** at **Rundu**, before the river enters **Botswana**, are at their lowest in recent history, meaning much less water could reach the **Okavango Delta** this year;

8 Feb 2021 **Gaborone (Botswana)** *Mmegi*. **Statistics Botswana** reports that exports of locally produced stones dropped to P23.7 billion (\$2.1 billion) in 2020 from P32.7 billion (\$3 billion) in 2019, while main producer **Debswana** saw its production fall to 16.5 million carats from 23.3 million carats in 2019;

8 Feb 2021 **Gaborone (Botswana)** *Mmegi*. The **Law Society of Botswana (LSB)** says the current method for appointing magistrates has proven to be ineffective, and calls for a review of process;

8 Feb 2021 **Gaborone (Botswana)** *Mmegi*. **Selebi-Phikwe West MP Dithapelo Keorapetse** says the virtual parliament will diminish interparliamentary democracy;

6 Feb 2021 **Gaborone (Botswana)** *Daily News*. President **Mokgweetsi Masisi** participates in the virtual 34th ordinary session of the **African Union (AU)**, held under the theme “*Arts, Culture and Heritage: Levers for Building the Africa We Want*”;

5 Feb 2021 **Gaborone (Botswana)** *Daily News*. **Water Utilities Corporation** reports torrential rains have led to flooding in some regions and increased dam levels, with **Bokaa** 103.9% full, **Dikgathong** 109.9%, **Letsibogo** 109.1%, **Thune** 109%, **Shashe** 108%, **Ntimbale** 100.5% and **Nnywane** 101.5%;

4 Feb 2021 **Gaborone (Botswana)** *Mmegi*. The **World Health Organisation (WHO) COVAX** facility estimates that Botswana could receive **Covid-19** vaccines by the end of March;

4 Feb 2021 **Gaborone (Botswana)** *Sunday Standard*. Health and wellness minister **Edwin Dikoloti** says the government has paid \$10m to procure **Covid-19** vaccines;

3 Feb 2021 **Gaborone (Botswana)** *Daily News*. The **Botswana Meat Commission (BMC)** urges local businesses to tap into the beef market value chain for economic diversification as Botswana’s diamond and tourism sectors face a plunge in financial performance due to **Covid-19**;

4 Feb 2021 **Gaborone (Botswana)** *Mmegi*. The **Botswana Development Corporation (BDC)** has parted ways with **United States** investors who had acquired a 26% equity stake in the **Milk Africa** project;

2 Feb 2021 **Gaborone (Botswana)** *The Telegraph*. Botswana is experiencing a shortage of

Covid-19 testing kits;

2 Feb 2021 **Gaborone (Botswana)** *The Monitor.*, **South Africa**-based franchise store **Musica** closes down, with its parent company, retail group **Clicks Group**, saying Musica was unable to keep up with the rise of digital streaming and online entertainment;

1 Feb 2021 **Gaborone (Botswana)** *Mmegi*. Mineral resources, green technology and energy security ministry is studying recommendations on whether to take up shares in **Canada**-based **Lucara Diamond Corporation**, which recently unearthed another large diamond at its **Boteti** sub-district mine;

1 Feb 2021 **Gaborone (Botswana)** *Sunday Standard*. Finance and economic development minister **Thapelo Matsheka** says Value Added Tax (VAT) will rise from 12% to 14% with effect from 1 April, noting that Botswana currently has one of the lowest VAT rates in the world and even with this increase, its VAT rate will be amongst the lowest in the **Southern Africa Development Community (SADC)** region;

1 Feb 2021 **Gaborone (Botswana)** *Sunday Standard*. Finance and economic development minister **Thapelo Matsheka** says in his budget speech that government will introduce a levy on sweetened beverages to combat health problems caused by overconsumption of sugar;

1 Feb 2021 **Gaborone (Botswana)** *Sunday Standard*. Finance and economic development minister **Thapelo Matsheka** says in his budget speech that government is working to impose a levy on second-hand vehicles imported into Botswana, in order to raise revenue and address environmental concerns regarding pollution;

1 Feb 2021 **Gaborone (Botswana)** *Sunday Standard*. Finance and economic development minister **Thapelo Matsheka** notes in his budget speech that the fuel levy will increase by P1 (\$0,092) per litre on 1 April;

1 Feb 2021 **Gaborone (Botswana)** *Sunday Standard*. Finance and economic development minister **Thapelo Matsheka** says in his budget speech that the national population and housing census planned for August 2021 has been postponed to 2022 due to the movement restrictions in place to control **Covid-19**;

1 Feb 2021 **Gaborone (Botswana)** *Daily News*. Finance and economic development minister **Thapelo Matsheka** says Botswana has developed a comprehensive rationalisation strategy review of parastatals and state-owned enterprises (SOEs) with a view to address some of the shortcomings in their governance and performance;

1 Feb 2021 **Gaborone (Botswana)** *Daily News*. Botswana kicks off a **Measles Rubella** campaign from 1-12 February targeting children aged 9 months to 59 months;

1 Feb 2021 **Gaborone (Botswana)** *Daily News*. During a joint media briefing with Namibia's President, **Hage Geingob** following his one-day official visit to **Namibia** President **Mokgweetsi Masisi** says **Botswana** and Namibia will collaborate in the procurement of **COVID-19** vaccines, conducting tests and research, and storage facilities for the vaccines as well as other activities that could help curb the spread of Covid-19;

1 Feb 2021 **Maun (Botswana)** *Mmegi*. The **Competition and Consumer Authority (CCA)** blocks **New African Properties (NAP)** from finalising a P20 million (\$1.8m) deal to purchase a retail centre in Maun;

1 Feb 2021 **Gaborone (Botswana)** *Mmegi*. National **Parent Teacher Association (PTA)** chairperson **Edward Moganana** says schools should remain open despite the **Covid-19** pandemic;

1 Feb 2021 **Gaborone (Botswana)** *Mmegi*. **Botswana People's Party (BPP)** secretary general **Venter Galetshabiwe** vows to fight the extension of his suspension from the party;

1 Feb 2021 **Gaborone (Botswana)** *Mmegi*. **Umbrella for Democratic Change (UDC), Botswana Patriotic Front (BPF)** and **Alliance for Progressives (AP)** begin cooperation talks ahead of the 2024 national general elections;

1 Feb 2021 **Gaborone (Botswana)** *Mmegi*. The **World Bank** says it expects discussions with the government of Botswana to conclude soon on a loan that will assist the country urgently purchase **Covid-19** vaccines;

31 Jan 2021 **Gaborone (Botswana)** *Mmegi*. Parliament will, for the first time since the first parliament in 1966, be held virtually due to the **Covid-19** pandemic, with members of parliament participating virtually from their offices;

31 Jan 2021 **Gaborone (Botswana)** *Daily News*. Ministry of agricultural development and food security extends the ploughing period in the southern part of Botswana from 1 February to 14 February due to the late start of rains in the southern parts of the country;

30 Jan 2021 **Gaborone (Botswana)** *Mmegi*. **Debswana**, the world's leading producer of diamonds by value, warns the public of fraudsters claiming to recruit on its behalf for the **Cut 9** project;

30 Jan 2021 **Gaborone (Botswana)** *Sunday Standard*. The **Botswana Alcohol Industry Association (BAIA)** raises objections to the extension of the prohibition of the sale of alcohol to 28 February 2021, as announced in the **Government Gazette** of 28 January 2021 saying there is no evidence that the suspension has contributed to a reduction in infections, and that the alcohol industry is being disproportionately targeted in terms of government to reduce transmission;

28 Jan 2021 **Gaborone (Botswana)** *Mmegi*. Government extends curfew and ban on alcohol sales to 28 February;

27 Jan 2021 **Karowe (Botswana)** *Lucara Press Release*. **Canada**-based diamond exploration and mining company **Lucara** recovers 378 carat white gem diamond from the **Karowe Mine**;

26 Jan 2021 **Gaborone (Botswana)** *Mmegi*. President **Mokgweetsi Masisi** says Botswana aims to vaccinate its whole population against Covid-19;

26 Jan 2021 **Gaborone (Botswana)** *Mmegi*. Opposition **Botswana Patriotic Front (BPF)** has suspended its activities, including mini-rallies to welcome new members, due to **Covid-19**;

25 Jan 2021 **Gaborone (Botswana)** *Sunday Standard*. **Bank of Botswana (BoB)** (central bank) head of research and financial stability **Tshokologo Kganetsano** replaces **Andrew Motsomi**, whose contract has ended, as deputy governor;

25 Jan 2021 **Broadhurst (Botswana)** *Mmegi*. **Broadhurst Magistrate's Court** drops a crucial charge against former spy chief **Isaac Kgosi** in an ongoing legal battle in which he is accused of contravening the **Directorate of Intelligence and Security (DIS)** Act and exposing security agents to the public;

25 Jan 2021 **Gaborone (Botswana)** *Mmegi*. Ministry of mineral resources, green technology and energy security has notified Botswana's two most advanced **Coal Bed Methane (CBM)** producers that discussions towards awarding the long-awaited tender to produce 100MW for grid supply, will begin in March;

25 Jan 2021 **Gaborone (Botswana)** *Mmegi*. The government is fast-tracking its 11-year-old **Public-Private Partnership (PPP)** policy to deliver more projects over and above its standard budgeting cycle, which is currently being squeezed by a **Covid-19**-related knock-on revenues;

25 Jan 2021 **Gaborone (Botswana)** *Mmegi*. **Botswana Police** suspects there may be a thriving black market for liquor in Botswana being smuggled from neighbouring countries amidst a ban on the sale of alcohol in Botswana as part of measures to curb the spread of **Covid-19**;

25 Jan 2021 **Gaborone (Botswana) Mmegi**. Cabinet is reportedly debating whether to impose a fresh nationwide lockdown amidst rapidly increasing **Covid-19** cases and deaths, as the government does not have funds readily available to support households and businesses if it freezes the economy;

21 Jan 2021 **Gaborone (Botswana) Mmegi**. **Botswana Telecommunications Corporation Limited (BTCL)** share price drops to 75 thebe (\$0,069), an 8.5% loss since the beginning of 2021;

20 Jan 2021 **Gaborone (Botswana) Sunday Standard**. **Office of the President** says the government will recommend permanent secretary to the president and **Botswana Public Service** head **Elias Mpedi Magosi** as Botswana's candidate for executive secretary of the **Southern African Development Community (SADC)**, which becomes vacant in August, when the term of **Stergomena Lawrence Tax** comes to an end;

20 Jan 2021 **Gaborone (Botswana) Sunday Standard**. **Kgalagadi Breweries Limited** announces it will suspend operations from 25 January for as long as the alcohol ban persists;

19 Jan 2021 **Gaborone (Botswana) Mmegi**. Diversified retail and manufacturing group, **Sefalana Holding** expects pre-tax profits for the six months ending 31 October 2020 to be as much as P28 million (\$2.5m) higher than the previous corresponding period;

19 Jan 2021 **Jwaneng (Botswana) Mmegi**. **Debswana**, the world's leading producer of diamonds by value, has terminated a P15.7 billion (\$1.4 billion) contract to deepen **Jwaneng**, the world's richest diamond mine, opting to do the work in-house;

18 Jan 2021 **Gaborone (Botswana) Mmegi**. The revised **Economic Diversification Drive (EDD)**, due to be completed in February, could see penalties introduced for civil servants who overlook local companies in favour of imported goods and services;

15 Jan 2021 **Karowe (Botswana) Lucara Press Release**. **Canada**-based diamond exploration and mining company **Lucara** recovers a 341 carat high quality white gem diamond in its **Karowe Mine**;

14 Jan 2021 **Gaborone (Botswana) Mmegi**. The **Botswana Mine Workers Union (BMWU)** is set to meet **Debswana** mine executives early February, as miners report they have uncovered a 'grand strategy' by the diamond group to replace a sizeable proportion of workers with machines by 2024;

14 Jan 2021 **Karowe (Botswana) Mmegi**. **Canada**-based diamond exploration and mining company **Lucara** expects to have financing in place by the second half of the year for its P6 billion (\$514m) underground project at **Karowe Mine** in the **Boteti** sub-district;

4 Jan 2021 **Karowe (Botswana) Mmegi**. Government reserves were P5.6 billion (\$514m) in November, a significant drop compared to P16.3 billion (\$1.4 billion) in November 2019, adding pressure on the sources of budget support;

13 Jan 2021 **Gaborone (Botswana) Sunday Standard**. Mineral resources, green technology and energy security minister **Mmetla Masire** says fuel imports from South Africa are reduced due to the closure of three refineries;

About Africa Risk Consulting:

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ARC's core consulting services include integrity due diligence and corporate investigations, political advisory and country assessments, opportunity monitoring and reputation risk management. Most relevant to private equity firms is ARC's integrity due diligence and corporate investigations capability. Specifically, ARC offers pre-deal integrity checks to highlight red flags before negotiations start; full detailed multi-jurisdictional reputation due diligence; and supplier and senior hire vetting and repeat due diligence for compliance programmes. ARC is unique in that it offers a 10-day delivery for a routine integrity due diligence. ARC also offers a suite of corporate investigations services from immediate investigation, evidence gathering, e-discovery, forensic accounting and whistleblower support on one end to crisis media management and regular monitoring on the other.

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ARC Briefing is ARC's essential business information service.

Companies at any stage in their Africa expansion, whether building or communicating an Africa strategy, investing directly, expanding current operations, financing other investors, doing the legal leg-work or researching the Africa growth trend, need ARC Briefing.

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Getting in touch

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