

## AFRICA RISK CONSULTING

### Botswana Monthly Briefing December 2025

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#### Botswana Summary 8 December 2025

*President Duma Boko (2024-present) announces that Botswana now intends to acquire Anglo American's entire 85% stake in United Kingdom-based De Beers Group and subsequently sell some of that stake to other partners that are bidding alongside Botswana, including Angola, bringing a new twist to a bidding war for the diamond company. Botswana and the Sultanate of Oman sign a suite of strategic agreements covering renewable energy, petroleum infrastructure and minerals cooperation as Africa emerges as the Gulf's newest frontier for capital. The Bank of Botswana (central bank) holds its monetary policy rate steady at 3.5% after a 160-basis-point increase at the last Monetary Policy Committee (MPC), with new governor Lesego Caster Moseki taking over two months earlier than scheduled.*

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#### Botswana moves to acquire Anglo's entire 85% stake in De Beers

President **Duma Boko** (2024-present) on 25 November announced that **Botswana** intends to acquire **United Kingdom (UK)**-headquartered **Anglo American's** entire 85% stake in UK-headquartered **De Beers Group** and afterwards, sell some of that stake to other partners that are bidding alongside Botswana, including **Angola**, bringing a new twist to a bidding war for the diamond company. Botswana currently holds the remaining 15% of De Beers and, in [Boko's words](#), views the company as a "strategic national asset".

Angola, through its state-owned diamond miner, **Endiama E.P.**, originally signalled interest only in a minority stake, possibly in partnership with Botswana, but has since [shifted](#) to submitting a bid for the full 85% held by Anglo. Angola argues that by gaining access to De Beers' technology and marketing platform, it can leap forward its own diamond industry, which in 2024 overtook Botswana in value terms. The two countries' mining ministers [met](#) in **Gaborone** on 7 November, where they appeared to shift from adversaries to partners in discussing the bid. Observers interpreted the meeting as a move to coordinate rather than clash. However, on 10 November, Boko, who has taken full charge of the De Beers transaction with his mines minister playing little to no role, publicly [declared](#) the ambition for majority control – signalling that any partnership may still be subordinate to his country's drive for controlling interest (see [ARC Briefing Botswana Nov 2025](#)).

However, Boko shifted goals again on 25 November, announcing that Botswana would now seek to buy the entire 85% stake and afterwards seek to sell some of the shareholding to other partners. Boko [sees](#) the move as positioning Botswana to become a global leader in the diamond industry, as it has developed a compelling business case for taking full ownership of De Beers:

*"We will acquire all the shares of De Beers held by Anglo American. After holding the entire stake, we will then allocate some of it to our partners, including Angola and others with whom we are currently engaged. We have a firm model, and this model does not disadvantage the country."*

Both Botswana and Angola will need significant capital to make a credible bid. Analysts place De Beers' value at around \$4.9 billion, although market conditions and impairments mean the real transaction could land between \$3-4 billion. Botswana has publicly referenced discussions with the **Oman Investment Authority** (Oman's sovereign wealth fund) as a potential backer. Angola, too, is likely to tap external co-founders, since its national budget has already [ruled](#) out direct state spending on the bid.

#### Botswana and Oman ink strategic energy and minerals pacts

Botswana and the **Sultanate of Oman** on 24 November signed a suite of strategic agreements covering renewable energy, petroleum infrastructure and minerals cooperation, as **Africa** emerges as the **Gulf's** newest frontier for capital. The agreements between the two countries come amidst increasing reports of Oman being the main sponsor of Botswana's bid for Anglo American's 85% stake in De Beers (see above). The accords were formalised during a [visit](#) by senior **Omani Investment Authority (OIA)** officials to Gaborone and include memoranda and commercial agreements across public and state-owned entities.

At the centre of the package is a renewable-energy partnership between Omani state platforms and Botswana's Ministry of Minerals and Energy to [develop](#) solar, wind and battery storage projects with an aggregate capacity of up to 3 gigawatts (GW) in Botswana. The pact, signed by **O-Green** (Oman's clean-energy platform) and Botswana ministry of minerals and energy officials, outlines phased development of large-scale generation plus integrated storage, a major step for Botswana's power mix.

Complementing the renewables deal are [agreements](#) to cooperate on petroleum infrastructure, storage and trading. Oman's integrated energy group, **OQ Trading**, signed memoranda with state-owned **Botswana Oil** to explore collaboration on fuel storage facilities, supply chain services and potential trading arrangements, an effort that could strengthen regional fuel security and commercial links between Gulf energy players and **Southern Africa**.

Botswana's government has also [signed](#) memoranda of agreement with Omani partners targeting minerals cooperation and exploration. Reports indicate the instruments aim to facilitate investment into Botswana's mining sector, joint exploration, value-chain development and technical cooperation; areas Botswana is prioritising as it seeks to diversify beyond diamonds and capture more value from its mineral wealth.

The deals give Botswana immediate and medium-term benefits on several fronts. For a country that is a net importer of power, spending about P3 billion (\$223m) annually on electricity imports, the planned 3 GW of renewables will materially increase domestic electricity supply, reduce reliance on costly imports, and provide a platform for industrial expansion and electrification. Increased storage capacity also supports grid stability and higher penetration of intermittent renewables.

Second, collaboration on fuel storage and trading can improve Botswana's energy security by diversifying suppliers, creating local storage capacity and lowering logistics risks and costs associated with fuel imports. The mineral-sector cooperation can attract foreign capital, technology and geological expertise, helping Botswana to accelerate exploration of critical and downstream minerals, and foster beneficiation and jobs.

For Oman, the deals are consistent with its outward investment and economic diversification strategy, and Gulf States increasingly look to expand economic relations with African countries. In August, **Al Mansour Holdings**, one of Qatar's leading conglomerates, [announced](#) plans to invest \$103 billion across six African nations. By backing overseas renewable projects and energy infrastructure, Omani state and commercial groups secure long-term, income-generating assets outside volatile hydrocarbon markets while building technical and commercial experience in utility-scale renewables. Oman also gains strategic footholds in Southern Africa's energy and minerals space, opening new trade corridors and potential access to minerals and commodity flows that complement its sovereign investment objectives.

### Central bank holds rates as governor exits early

The **Bank of Botswana** (central bank) [held](#) its monetary policy rate steady at 3.5% on 4 December after a 160-basis points increase at the last **Monetary Policy Committee (MPC)** meeting in October to try to narrow the gap with market lending rates, which had been driven higher by a liquidity squeeze. The decision to hold interest rates steady was the first under new governor **Lesego Caster Moseki**, who [replaced Cornelius Dekop](#), who had been due to leave the bank in February 2026.

Moseki says the rate was maintained, citing continued weakness in the diamond sector and its expectation that inflation will be within its objective range in the medium term.

In recent months, interest rates in the banking system and in the capital markets have become detached from the Monetary Policy Rate (MoPR) as commercial banks increased interest rates despite the central bank maintaining its key policy rate. While the central bank criticised banks for raising interest rates independently of changes in monetary policy, analysts pointed out that this criticism was misplaced as it was the government and its [heavy](#) borrowing demands that were pushing up interest rates, and the banks are merely responding. It was in recognition of this disconnect that the central bank finally raised the MoPR by 1.6% to reach 3.5% in October, but it again [warned](#) commercial banks not to respond to this increase by adjusting their lending rates, saying the increase in the key rate was not a signal of monetary policy tightening. The central bank had deliberately tried to keep interest rates at historically low levels, aiming to stimulate borrowing, investment and consumption in an economy reeling from a prolonged downturn in the global diamond market.

The combination of increased government borrowing and [reduced](#) diamond sales revenues has drained liquidity from the banking system, with the result that banks have been competing intensely for deposits and paying extremely high interest rates for short-term (1-3 month) funds, which has had an impact on lending rates. Moseki said the MPC assessed that the policy adjustments made thus far and communicated have helped ease liquidity conditions and are positive for the foreign exchange market, hence their decision to maintain interest rates.

In the short to medium term, Botswana's economy is expected to continue to operate below full capacity and thereby not generate demand-driven inflationary pressures. Although inflation is expected to temporarily breach the upper bound of the objective range and risks to the inflation outlook, the MPC [says](#), remain tilted to the upside, it is expected to be within the objective range in the medium term, and this outlook supports maintaining a broadly accommodative monetary policy stance that would support economic activity.

## 2026 outlook

Anglo American's disposal of its 85% stake in De Beers will continue to attract attention in the first half of the year, with Botswana leading the race to acquire a majority stake. However, its financing of the deal amid Botswana's economic downturn will be scrutinised. A joint Botswana-Angola consortium backed by external sovereign wealth or institutional investors would be a plausible route, perhaps neutralising a bidding war over the stake.

The acquisition's financing will increase on Boko's administration's delivery as the economy continues to face several challenges, including a liquidity crunch, budget and balance of payments deficits. The **International Monetary Fund (IMF)** expects the economy to contract by 1% in 2025 before recovering to a moderate 2.3% in 2026, driven by other mineral exports. Botswana still faces high unemployment and poverty rates, key issues Boko campaigned to address, but addressing these issues requires greater economic flexibility than the country currently has, which will place pressure on the government.

## Planner

Feb 2026 **Gaborone (Botswana)** National Budget

## Chronology

2 Dec 2025 **Gaborone (Botswana)** *Mmegi*. A legal fight over the future of under-liquidation **Mupane Gold Mine** reaches the **Court of Appeal (CoA)** with one of the bidders, **Ulsan Botswana**, insisting that the mine liquidator's application for an expedited appeal was not properly before the court;

11 Nov 2025 **Gaborone (Botswana)** *Projects Magazine*. **Canada-based Lucara Diamond Corp.** announces the execution of the lateral development contract for the **Karowe** underground project with **Group R Mining** and **Exploration Botswana Pty Ltd**;

1 Dec 2025 **Gaborone (Botswana)** *Sunday Standard*. The **Directorate on Corruption and Economic Crime (DCEC)** places former minister of land management, water and sanitation services **Kefentse Mzwinila** and members of his family on the immigration watch-list, as part of an ongoing corruption probe;

1 Dec 2025 **Gaborone (Botswana)** *Daily News*. The **National Assembly** votes in favour of a motion by **Mogoditshane East** member of parliament **Letlhogonolo Barongwang** for a forensic land audit to cover land allocations across the country over the past 15 years;

30 Nov 2025 **Gaborone (Botswana)** *Daily News*. President **Duma Boko** officially launches the **Indian Farmers Fertiliser Cooperative (IFFCO)** nano-fertiliser project in partnership with local manufacturing company **Lone Trends**;

28 Nov 2025 **Gaborone (Botswana)** *Mmegi*. **Bank of Botswana (BoB)** (central bank) latest figures show Botswana's commercial banks raked in P3.3 billion (\$244m) in non-interest income from January to August, up nearly P750m (\$55.5m) from the same period last year, a boost analysts attribute to the July changes to the foreign exchange rate framework;

27 Nov 2025 **Gaborone (Botswana)** *Mmegi*. The **Bank of Botswana** (central bank) plans to raise P3.6 billion (\$266.6m) in debt for the government at the next auction of treasury bills and bonds, in the latest round of monthly fundraising in the capital market;

27 Nov 2025 **Gaborone (Botswana)** *Mmegi*. **Statistics Botswana** figures show that annual food inflation rose marginally in October to 5.5% from 5.4% in September, driven mainly by an increase in average meat prices;

25 Nov 2025 **Gaborone (Botswana)** *Mmegi*. **Selebi Phikwe Citrus (SPC)** farm figures show production has quadrupled in its second season, with production rising from approximately 5,000 tonnes in the first season to 22,000 metric tonnes in the second season;

23 Nov 2025 **Gaborone (Botswana)** *Mmegi*. **Canada-based NexMetals Mining Corp** has strengthened its Botswana nickel strategy after closing an C\$80m (\$57.6m) equity raise, bringing a new **United States** fund onto its register and moving to secure ownership of the mothballed **Selebi** and **Selkirk** mines;

23 Nov 2025 **Gaborone (Botswana)** *Sunday Standard*. **South African** cabinet minutes signal **Pretoria's** intent to escalate legal and diplomatic pressure on Botswana and **Malawi** regarding extradition requests;

23 Nov 2025 **Gaborone (Botswana)** *Sunday Standard*. **World Bank** in its **Country Climate and Development Report** calls on Botswana to take decisive steps to eliminate "ghost employees"

from the public sector and freeze allowances and overtime payments as part of measures to strengthen the country's fiscal health and promote sustainable growth;

21 Nov 2025 **Gaborone (Botswana)** *Sunday Standard*. Ministry of trade and entrepreneurship senior trade officer **Kelebogile Nyathi** says Botswana is experiencing a surge in complaints regarding Non-Tariff Barriers (NTBs) at its three major borders of **Kazungula, Martin's Drift** and **Tlokweng**;

21 Nov 2025 **Gaborone (Botswana)** *Mmegi*. The country's sole indigenous commercial bank, **BBS Bank**, is reportedly leading the race to take over **Standard Chartered Bank Botswana's (SCBB)** wealth and retail banking unit, a move that would catapult it into the banking sector's largest players;

21 Nov 2025 **Gaborone (Botswana)** *Mmegi*. The latest **Business Expectations Survey** by the **Bank of Botswana (BoB)** shows a growing number of businesses relying on assets and retained earnings to fund operations, rather than taking on new external debt, amidst rising concerns over the direction of local interest rates;

21 Nov 2025 **Gaborone (Botswana)** *Mmegi*. **Mmetla Masire** steps down as managing director of state-owned **Okavango Diamond Company (ODC)**, with chief financial officer **Lipalesa Makepe** succeeding him in an acting capacity;

21 Nov 2025 **Gaborone (Botswana)** *Mmegi*. Just weeks after concluding salaries and conditions of service negotiations for 2025/26, the 5+1 **Cooperating Trade Unions (5+1 CTU)** coalition and government are set to face each other in court over the implementation of the 2% intra-grade differential issue;

17 Nov 2025 **Gaborone (Botswana)** *Daily News*. President **Duma Boko** says Botswana can learn from **Lesotho's** experience as it ventures into cannabis production;

16 Nov 2025 **Gaborone (Botswana)** *Sunday Standard*. The pula has retained its position as **Africa's** fifth strongest currency, reaffirming its status as one of the continent's most stable economies despite recent adjustments to its exchange rate framework;

16 Nov 2025 **Gaborone (Botswana)** *Sunday Standard*. Leader of Opposition (LOO) **Dumelang Saleshando** has accused the government of courting corruption and "state capture" through its controversial proposal to sell Botswana citizenship to wealthy investors;

16 Nov 2025 **Gaborone (Botswana)** *Sunday Standard*. Botswana's grain reserves are tightening as weather volatility continues to undercut domestic harvests, forcing the country to rely ever more heavily on imports, according to the latest data from the **United Nations Food and Agriculture Organisation (FAO)**;

16 Nov 2025 **Gaborone (Botswana)** *Sunday Standard*. The state-owned **Botswana Meat Commission** acquires **Halal** certification at its **Lobatse** and **Maun** plants, forming a key part of its renewed push into regional markets;

16 Nov 2025 **Gaborone (Botswana)** *Sunday Standard*. **Canada-based Lucara Diamond Corp's** latest financial results reflect a company still generating cash from operations but under growing strain from its **Karowe Underground Project (UGP)**, whose escalating costs and missed project milestones have raised uncertainty about its ability to continue as a going concern;

16 Nov 2025 **Gaborone (Botswana)** *Sunday Standard*. **Canada-based explorer North Arrow Minerals** says it has struck what it calls a "breakthrough" gold intercept at its **Kraaipan Gold Project** in southern Botswana, marking one of the strongest exploration results yet reported from the little-tested greenstone belt north of the **South African** border;

16 Nov 2025 **Gaborone (Botswana)** *Sunday Standard*. The **Botswana Energy Regulatory Authority (BERA)** announces the implementation of a single national pump price for fuel, ending the long-standing system where motorists in different parts of the country paid varying prices at the pump;

13 Nov 2025 **Harare (Zimbabwe)** *Daily News*. **India's** President **Droupadi Murmu** concludes a state visit to **Botswana** at the invitation of President Duma Boko as India seeks to strengthen existing bilateral relations with Botswana and explore areas for enhanced cooperation in health, education, agriculture, mining, trade and investment;

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