

AFRICA RISK CONSULTING

Botswana Monthly Briefing April 2026

Botswana Summary 9 April 2026

President Duma Boko (2024-present) pushes through the Constitution (Amendment) Bill, 2025, which seeks to establish a constitutional court despite strong public discontent. Parliament approves finance minister Ndaba Gaolathe's proposal to raise the statutory debt ceiling to 60% of GDP from 40% as the government looks to make room for increased borrowings to cover for a prolonged fall in diamond revenues. Botswana appears to be rethinking its ambitious plans to acquire a majority stake in United Kingdom (UK)-headquartered De Beers, in what appears to be a pragmatic response to economic realities, with reports emerging that the country may settle for a 25% stake.

Boko wins on constitutional court amendment despite public's hesitation

President **Duma Boko** (2024-present) has pushed through one of the most significant legal reforms in Botswana's recent history, with parliament approving the **Constitution (Amendment) Bill, 2025** on 30 March despite strong public discontent. Backed by the ruling **Umbrella for Democratic Change (UDC)** legislators, the bill [sailed](#) through parliament with a two-thirds majority, bolstering Boko's determination to establish a constitutional court. Boko was present in parliament, with voting and the decision marking a turning point in Botswana's legal and political landscape.

However, nationwide consultations held in the past few months [revealed](#) a consistent message from Botswana, which was not outright rejection of the constitutional court, but deep concern over its timing. Citizens spoke candidly about medicine shortages, collapsing roads, and under-resourced schools, raising how a government that repeatedly cites empty financial reserves could justify the cost of a new court system. Botswana is [facing](#) mounting economic pressures following a diamond market downturn that has strained public finances and household incomes alike. The health system, in particular, has become a [flashpoint](#) as hospitals are grappling with shortages of medicines, overstretched staff and aging infrastructure, with some observers warning of systemic collapse if urgent interventions are not made.

Establishing the constitutional court does not only require a two-thirds majority in parliament, but also a national referendum, an exercise that critics say is not only ill-timed but also too costly. The government says about P275m (\$20.4m) is [required](#) for the constitutional court referendum. Opposition leaders have argued that the millions required to conduct the vote could be better deployed to stabilise essential services, especially healthcare. They [contend](#) that the government's priorities appear misaligned with the everyday struggles of citizens confronting unemployment, rising living costs, and declining public services.

Boko framed the establishment of a constitutional court to enhance judicial independence and provide clearer constitutional oversight, strengthening Botswana's democratic institutions. The process is now shaping up as a high-risk referendum battle, one that could either entrench Boko's reformist credentials or deliver a setback to a presidency already navigating economic turbulence and rising public discontent.

The referendum requirement has also brought out an unpredictable electoral dynamic into the debate. Unlike a parliamentary vote, a referendum transforms the issue into a direct verdict on the president's agenda, and such exercises can quickly develop into proxy judgments on an incumbent's overall performance rather than the specific question on the ballot.

That risk is particularly high for Boko, who, ahead of the October 2024 general election, made sweeping promises to rejuvenate the economy, tackle joblessness, and restore public confidence in governance. The post-election period has proven more challenging as the economic slowdown has made efforts to deliver rapid results challenging, and some sections of the electorate are growing impatient.

Parliament approves new debt ceiling as diamond revenues remain subdued

Parliament on 25 March approved finance minister **Ndaba Gaolathe**'s proposal to raise the statutory debt ceiling to 60% of GDP, up from 40%, as the government looks to make room for increased borrowings to cover for a prolonged fall in diamond revenues. Botswana's economy is [projected](#) to grow this year after two successive years of contraction, but debt is expected to rise beyond the government's current statutory ceiling of 40% because of another large budget deficit projected at P26.35 billion (\$1.91 billion), or 8.9% of GDP. The downturn in the diamond market has seen the country deplete its savings leading to increased borrowings to cover its budget deficits in recent years.

The debt-to-GDP ratio was estimated to reach 38.77% of GDP by March, and with savings at critically low levels, debt levels are expected to increase significantly this year in order to finance the projected deficit, leading to public debt rising to an estimated 44.66% of GDP by March 2027. Critics say these rising debt levels are now unsustainable, but the government insists the proposed increase of the statutory ceiling is not a departure from prudent financial management but a strengthening of the country's creditworthiness.

Gaolathe told parliamentarians that the proposal to increase the statutory limit is a proactive measure intended to provide flexibility during periods of economic stress, and it does not imply immediate borrowing up to that level but rather establishes prudent headroom. In November 2025, the **International Monetary Fund (IMF)** [said](#) Botswana's debt is assessed at moderate risk of distress and acknowledged that the debt ceiling may need to be raised temporarily to 50% of GDP, which would still be below peer countries.

United States (US)-headquartered ratings agency **S&P** lowered Botswana's long-term foreign and local currency sovereign credit ratings to "BBB-" from "BBB" in March, citing structural weakness in the global diamond market and [estimated](#) that the country will post sizable fiscal deficits through 2029.

Botswana may settle for smaller De Beers stake as economic realities sink in

Botswana appears to be quietly rethinking its ambitious plans to acquire a majority stake in **United Kingdom (UK)**-headquartered diamond giant **De Beers**, in what appears to be a pragmatic response to economic realities. When Boko first [announced](#) Botswana's intention to acquire controlling ownership of De Beers following UK-headquartered **Anglo American**'s decision to sell its 85% stake, the proposal was framed in bold political and economic terms. Boko repeatedly described the move as a matter of national economic sovereignty, arguing that Botswana should exercise greater control over a company that has long been central to its economic success.

Diamonds account for a significant share of Botswana's export earnings and government revenues, making De Beers not just a commercial partner but a strategic national asset. For decades, the country has [maintained](#) a close relationship with the company through its existing 15% shareholding and the **Debswana** joint venture, which operates some of the world's richest diamond mines.

However, from the outset, questions were raised about whether Botswana could realistically finance such a large acquisition. The global diamond market has been under pressure from weaker demand and growing competition from synthetic diamonds, developments that have negatively affected Botswana's economy and fiscal position.

Against this backdrop, raising the billions of dollars required to secure a majority stake always appeared challenging for a country already facing economic headwinds. In December 2025, the IMF

[cautioned](#) against Botswana's plans to increase its stake, given the country's struggling economy. Boko rejected this in no uncertain terms, saying it was for the people of Botswana to decide, not the IMF.

Industry [reports](#) now suggest Botswana may be willing to settle for a significantly smaller stake of around 25%. Such a move would represent a notable softening of the government's earlier position, which had emphasised majority control. While no official policy reversal has been announced, the shift suggests a growing recognition within government that a more modest stake may be both financially realistic and sufficient to protect Botswana's interests with other countries, such as **Angola**, which is viewed as the next world's biggest diamond producer, also [looking](#) to buy a stake in De Beers.

A minority but influential shareholding could still allow Botswana to maintain significant influence while avoiding the financial risks associated with a highly leveraged acquisition and also align with [expectations](#) by Anglo American that De Beers may ultimately be sold to a consortium of investors rather than a single dominant owner.

Anglo American is understood to favour a consortium structure that would spread risk and bring together industry experience and financial muscle. Several private-sector players have expressed interest, including groups linked to former De Beers CEOs **Gareth Penny** and **Bruce Cleaver**, with their involvement expected to offer operational continuity and deep knowledge of De Beers' global mining and marketing footprint.

As negotiations advance, the shape of the final deal will likely hinge on political alignment as much as financial structuring. With Angola pressing its case, private investors mobilising, and Botswana determined to protect its national interest, the sale of De Beers is evolving into a complex geopolitical and commercial balancing act.

Diamonds typically account for about one-third of Botswana's national revenue and three-quarters of its foreign exchange earnings, but a downturn in the global diamond market since 2023 has weighed on the economy for longer than expected. Lab-grown diamonds have captured 20% of the global market by value and up to 50% by volume in the US engagement ring segment, while natural diamond sales face headwinds from weak **Chinese** demand, US tariffs, shifting consumer preferences toward gold jewellery, and weaker luxury spending.

Planner

30 Apr 2026 **Gaborone (Botswana) Bank of Botswana (BoB) Monetary Policy Committee (MPC)** decision

Sep 2026 **Gaborone (Botswana)** Mid-term Budget review

Chronology

6 Apr 2026 **Gaborone (Botswana) Daily News**. President **Duma Boko** departs for **Europe** where he will attend the **One Health Summit** in **France** and proceed to **Spain** on 9 April to hold talks with Spain's prime minister **Pedro Sanchez Perez-Castejon**;

3 Apr 2026 **Gaborone (Botswana) Mmegi**. **Botswana Democratic Party (BDP)** intensifies efforts to revive itself following its loss in the 2024 general election, embarking on a nationwide campaign to strengthen the party from within;

3 Apr 2026 **Gaborone (Botswana) Mmegi**. The process to acquire **Standard Chartered Bank Botswana** continues, with more bidders expressing interest amidst expectations that a winner could become clear in as little as two months' time;

3 Apr 2026 **Gaborone (Botswana) Mmegi**. **Statistics Botswana** reports that real GDP contracted by 0.7% in 2025 down from steeper recession on 2.8% in 2024, helped by varying measures of recovery in key sectors such as mining, diamond trading, and agriculture;

31 Mar 2026 **Gaborone (Botswana)** *Mmegi*. The **Competition and Consumer Authority (CCA)** begins an initial-stage assessment into pricing trends in the country's retail and wholesale sectors, following a wave of consumer complaints ahead of anticipated fuel and electricity price increases next month;

31 Mar 2026 **Gaborone (Botswana)** *Mmegi*. The country's merchandise trade balance eased to a deficit of P12.4 billion (\$918.5m) in 2025, compared to a shortfall of P34.5 billion (\$2.55 billion) in 2024, helped by higher exports of diamonds and copper;

31 Mar 2026 **Gaborone (Botswana)** *Daily News*. President **Duma Boko**, on behalf of Botswana, signs the agreement on the operationalisation of the **Southern African Development Community (SADC) Regional Development Fund (RDF)** and the agreement amending the SADC protocol on finance and investment;

30 Mar 2026 **Gaborone (Botswana)** *Sunday Standard*. Minerals and energy minister **Bogolo Kenewendo** says Botswana is stepping up efforts to secure duty-free access for its rough diamonds into the **United States (US)** from the current 15% tariff;

28 Mar 2026 **Gaborone (Botswana)** *Mmegi*. Consumers in Botswana are bracing for significant price hikes starting 1 April as the **Botswana Energy Regulatory Authority** prepares to increase costs for fuel, electricity, and commuter fares;

27 Mar 2026 **Gaborone (Botswana)** *Mmegi*. **Egypt-based Afreximbank**, one of Africa's leading multilateral financiers, signs an agreement towards a \$1.5 billion programme for Botswana, as the country has access to a suite of funding and other tools to help in times of need;

27 Mar 2026 **Gaborone (Botswana)** *Mmegi*. The **Botswana Energy Regulatory Authority (BERA)** raises the retail price of unleaded petrol 95 by P5.05 (\$0.37) per litre, diesel by P8.77 (\$0.65), and illuminating paraffin by P10.5 (\$0.78), with the adjustments expected to push up transport costs, food prices and overall inflation;

27 Mar 2026 **Gaborone (Botswana)** *Mmegi*. The **Bank of Botswana (BoB)** (central bank) is due back in the capital market seeking debt of P3.6 billion (\$266.6m) for the government, as technocrats face payment obligations associated with the start of the new financial year on 1 April;

27 Mar 2026 **Gaborone (Botswana)** *Mmegi*. Following President **Duma Boko's** visit to **Angola** in February, minerals and energy minister, **Bogolo Kenewendo**, reveals that Botswana has been offered 30% in the Angola oil refinery project;

27 Mar 2026 **Gaborone (Botswana)** *Mmegi*. **Botswana Unified Revenue Service (BURS)** acting commissioner general, **Phodiso Valashia** reveals that the Value-Added Tax (VAT) gap is estimated at approximately 40%, meaning a significant portion of businesses that should be remitting the vital tax are not doing so;

25 Mar 2026 **Gaborone (Botswana)** *Mmegi*. Food and non-alcoholic beverage inflation slows to 5.4% in February from 6.1% in January, though consumers remain under pressure from a broader economic contraction;

24 Mar 2026 **Gaborone (Botswana)** *Mmegi*. Government urges the country's P166 billion (\$12.3 billion) pension fund industry to shift its investment focus toward domestic assets to drive economic diversification;

24 Mar 2026 **Gaborone (Botswana)** *Mmegi*. Retail giant, **Choppies Enterprises**, warns of a decline in profits for the six months to December 2025, as weakening consumer spending and mounting regional economic pressures weigh on the supermarket group's earnings;

23 Mar 2026 **Gaborone (Botswana)** *Daily News*. The **Botswana Public Officers Pension Fund (BPOPF)** warns that a fragile global economy and mounting pressure in the diamond sector is creating a more complex and volatile environment for managing pension assets;

23 Mar 2026 **Gaborone (Botswana)** *Daily News*. The **Botswana Energy Regulatory Authority (BERA)** says Botswana has enough fuel to last through the end of March, with 65 million litres currently in stock or in transit, despite the volatile global energy market triggered by the ongoing conflict in the **Middle East**;

23 Mar 2026 **Gaborone (Botswana)** *Daily News*. Minerals and energy ministry says the **Sese Coal** project is seeking new development partners and investors, as its previous investors were pressured to divest due to shareholder pressure to phase out coal investments;

20 Mar 2026 **Gaborone (Botswana)** *Mmegi*. **Bank of Botswana** (central bank) data shows that commercial banks' collective profits broke a four-year streak of growth, declining by about 9% to P3.79 billion (\$280.7m) in 2025, impacted by broader economic pressures that saw their provisions for bad debts rise fourfold;

20 Mar 2026 **Gaborone (Botswana)** *Projects Magazine*. **United States (US)**-based **Global Critical Resources (GCR)**, the parent company of **Tataki Mine**, plans to build a 100MW solar plant to power its nickel mining operation with clean energy;

19 Mar **Gaborone (Botswana)** *Projects Magazine*. **Botswana Unified Revenue Service (BURS)** has been tasked with raising P 65.1 billion (\$4.82 billion) in the 2026/27 financial year, a figure expected to fund approximately 70% of government expenditure in the period;

19 Mar 2026 **Gaborone (Botswana)** *Projects Magazine*. The **Kazungula Bridge Authority** has announced significant progress in implementing a presidential directive to transition the **Kazungula One Stop Border Post (OSBP)** into a 24-hour, seven-day-a-week operation;

18 Mar 2026 **Gaborone (Botswana)** *Mmegi*. **Botswana Communications Regulatory Authority (BOCRA)** says, together with five other **Southern African Development Community (SADC)** member states, they have reached an agreement to “*substantially reduce and harmonise*” mobile roaming tariffs, taking their cue from an arrangement reached between Botswana and **Namibia** in 2024;

17 Mar 2026 **Gaborone (Botswana)** *Daily News*. International relations ministry says it is prioritising expanding Botswana's diplomatic footprint into the **Gulf Region**, with new diplomatic missions earmarked for **Turkey, Oman, and Abu Dhabi (United Arab Emirates (UAE))**, along with a consulate in **Dubai (UAE)**;

16 Mar 2026 **Gaborone (Botswana)** *Sunday Standard*. Transport and infrastructure minister, **Noah Salakae**, says the government is considering introducing smaller aircraft and restructuring routes as part of a broader effort to revive the struggling national airline, **Air Botswana**;

16 Mar 2026 **Gaborone (Botswana)** *Sunday Standard*. **Canada-based Lucara Diamond Corp** raises \$350m through a private placement of senior secured bonds, securing the final financing needed for the **Karowe Underground Project** in Botswana;

9 Mar 2026 **Gaborone (Botswana)** *Sunday standard* Preliminary results from the **2024/25 Botswana Multi-Topic Household Survey** released by **Statistics Botswana** show that the unemployment rate among people aged 15 years and above has risen to 21% from 17.6% recorded in the 2015/16 survey;

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