



**Republic of Botswana
-
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EXECUTIVE SUMMARY

Botswana's political stability, good use of mineral resources and prudent financial management continued throughout 2008, but came under pressure in late 2008 as the financial crisis unfolded.

The year 2008 was marked by the peaceful transition from President Festus Mogae to Botswana's fourth President, Lt. General Seretse Khama Ian Khama, on the 1st of April. The new President's road map is based on 4 pillars: Democracy, Discipline, Dignity and Development. In his first year the President made few foreign visits, preferring to travel locally and to meet the people.

Growth in 2007/08 was lower than expected (3.3%) attributed to poor performance in the mining sector (-3.5%), while there are encouraging signs of economic diversification with growth in the non-mining sector (+8%). Botswana started to be adversely affected by the international crisis at the end of 2008 with no sales of diamonds in November 2008 and hundreds of job losses, principally in the mining industry. GoB forecasts a 50% decrease in mining revenues (the mining sector traditionally accounts for roughly 40% of GoB revenues, 75% of exports and 1/3 of GDP) which will challenge its expanding expenditures and the achievement of vision 2016 goals. In the face of rising food prices, GoB has intensified its campaign to support the agriculture sector. The first public expenditure and financial accountability (PEFA) assessment took place in Botswana in 2008, and concluded with broadly positive results while also revealing weaknesses, especially in public procurement. GoB and other stakeholders have reacted very positively to the PEFA findings. With regards to trade developments, the SADC Free Trade Area was launched in August 2008 and GoB continued its strong support for the Economic Partnership Agreement (EPA) with the EU.

Botswana shows good governance, although some concerns in relation to human rights continue, notably the use of the death penalty.

Out of the 22 commitments of the governance areas monitored in the framework of the 10th EDF, progress by GoB was noted in 16 commitments (refer to annexe C).

The European Commission continued enjoying a good cooperation relationship with Botswana. The annual assessment of the main cooperation programme (education and training sector budget support) concluded in a relatively low achievement (55% or €6.4m) but noted progress in important reforms such as the national human resource development strategy, the decentralisation process and the improvement of statistics. There are concerns that the quality of education is not higher given the investment made and that enrolment at primary level, transition to senior secondary and participation in state run vocational education are all falling. The skills mismatch remains a key challenge for the sector and the economy as a whole, and is proving difficult to address. The Francistown College of Vocational Education and Training co-funded by the EU was officially opened by the President in October 2008. The Commission's support to the nickel and copper sector and to the economic diversification of Selebi Phikwe mining town intensified in 2008. Short-term technical assistance provided under the Technical Cooperation Facility to GoB departments in the area of public financial management, good governance and education, continued to prove very effective and to be very appreciated by beneficiaries. The programmes supporting non-state actors and the Ministry of Local Government however experienced difficulties, the former due to weaknesses in the programme management unit and the latter due to insufficient commitment from the Ministry.

EU co-operation programmes with Botswana received unprecedented visibility in 2008, reflecting increased understanding and appreciation of the partnership. There is good cooperation with Member States, other donors, non-state actors, local authorities and Parliament. Examples of this are the participation of some or all these stakeholders in the PEFA assessment, in reporting, in the annual assessment of the education programme, and in the Development Partners' Forum, as well as the Commission's collaboration in the World Bank's HIV/AIDS project and contribution to the new UN programming framework.

1. COUNTRY PERFORMANCE

1.1 Update on the political situation and political governance

The year 2008 was marked by the peaceful transition from President Festus Mogae to the new President, Lt. General Seretse Khama Ian Khama, who was sworn in as Botswana's fourth President on the 1st of April. In his inaugural address, the President presented 4 themes forming the basis of his policies: democracy, discipline, dignity and development.

The main criticism of the opposition towards the ruling party was based on the enduring economic inequalities and poverty; youth unemployment; high food prices; the energy crisis; the 2008 Media Practitioners Bill; unequal coverage for political parties in GoB-owned news media (in particular BTV); call for electoral reforms e.g. the direct election of the president and abolition of the automatic succession by the vice president to the presidency on reasons such as death or resignation¹; The funding of political parties; The absence of assets declaration by those holding high office² and the absence of a policy to promote minority languages.

French President Nicolas Sarkozy decorated President Festus Mogae with the insignia of Grand Cross of Commander of the Legion of Honour for making his country a "model" of democracy and good governance in March. This view is widely shared and former President Mogae won the Mo Ibrahim award for former presidents. Nevertheless some concerns are expressed including those in the US State Department country report on treatment of detainees by the security forces, poor prison conditions and delays in the judicial process. The United Nations Human Rights Commission, in its review of Botswana, recommended the repeal of the death penalty, corporal punishment and the legal ban on same-sex activities. In total there were 25 areas in which recommendations were made in relation to human rights in Botswana. GoB defended its position in Geneva, but in May, the Attorney General's office acknowledged a need for a constitutional review to enhance the protection of fundamental human rights at a workshop for the Botswana Consensus on the Rule of Law and Good Governance.

Concerning major governance issues, the Media Practitioners Bill passed into law establishing a statutory press council. The obligation for all journalists to register and the power given to the Minister of Communications, Science and Technology, for appointing and dismissal of personnel led to some criticism.

President Khama indicated in November that Government does not intend to change its stance on the death penalty arguing that it was the only way to discourage people from taking the lives of other individuals. A death row inmate, Kedisaletse Tsobane, who was convicted of killing his 10 year-old daughter in 2004, was executed in September following the dismissal of his appeal by the Court of Appeal. He is the 42nd to be executed since Botswana attained independence in 1966. No death row inmate has been granted clemency. Botswana is the only country in the SADC region (among the seven countries in Africa and among the 24 countries the world) that practices the death penalty and it has wide public support. The Minister of Defence and Security, who presented Botswana's National Report to the UN Human Rights Council's Working Committee of the Universal Periodic Review in Geneva in December 2008 said Botswana does not want to take initiatives that run contrary to the wishes of its people. The UN General Assembly and the African Commission on Human and People's

¹ A motion calling for the amendment of sections 32 and 35 of the constitution was tabled but defeated mid March when the majority MPs from BDP voted against it.

² The Directorate on Corruption and Economic Crime (DCEC) also raised concern over the absence of a law or policy on this issue in January.

Rights, the same month, adopted a resolution calling on all states to observe a moratorium on the death penalty.

Since the High Court ruling in December 2006 confirming the rights of the San (Bushmen) to live in the Central Kalahari Game Reserve (CKGR) after they challenged their forced relocation, the first concrete steps towards engaging in constructive dialogue have emerged. President Ian Khama met the leader of the First People of the Kalahari, Roy Sesana in June, where they agreed on the need to engage in dialogue to resolve the long-standing issues relating to the relocation.

Botswana has a very good record in political governance and further improvements are being made even if some, promised to the EU in the framework of the 10th EDF, have not yet materialised: Reservations on the Convention on rights of the Child were not yet lifted and no progress could be noted on the National Language Policy. Concerning political governance and the rule of law, the 2008/09 budget for the Courts System was increased; the High Court case management system and rules in order to process cases more quickly received EU support and decreased the backlog of cases by more than 50% in 2008. The control of corruption was also strengthened with support from the Commission.

Out of the 9 commitments of the 1-3 governance areas progress was noted in 5 (see annexe C)

Further progress in Governance, not included in the commitments with the Commission, was noted in 2008:

- Rank 36 in the Transparency International Corruption Perceptions Index compared to 38 the previous year, which is the best score in Africa;
- Positive debate on a new Children's Bill although the Dikgosi (Chiefs) opposed the clause which calls for the inclusion of the father's name on the child's birth certificate;
- Presentation end of July by MLG of the Local Authorities Procurement and Asset Disposal Bill to Parliament to fight against corruption in local authorities;
- Parliament adopted the Statute Law Amendment Bill in September removing remaining legal discrimination against women.
- The National Action Programme towards the Elimination of Child Labour in Botswana was endorsed in February 2008 by an extended meeting of the Programme Advisory Committee on Child Labour (PACC)³.

The following matters show where GoB has made less progress: Primary education is free but still not compulsory; weak parliamentary investigatory committees⁴; application of corporal punishment by customary courts before the case is reviewed by the district commissioner. Despite acknowledgment of the importance of indigenous languages, little progress is noted in the drafting of a national language policy. The country's practice to deny refugees free access to ARV treatment continues to be viewed by the international community as a violation of Botswana's international human rights obligations. The Minister of Labour and Home Affairs⁵, indicated that there are 25 000 children working as farm workers and another 1 563 employed as domestic workers in Botswana condemning the practice as illegal and denying

³ The PACC represents government, civil society and social partners.

⁴ The Speaker of the National Assembly called for an empowerment of parliamentary committees if they are to effectively perform their oversight roles;

⁵ As reported in the Daily News, September 2, 2008

such children the right to enjoy their childhood especially the right to education. The 2008 report by *Reporters Sans Frontières*, published in January, noted problems that make journalists work difficult in Botswana and classified the country from last year's 'Satisfactory Situation' to 'Noticeable Problems.' The Ombudsman, in October, called for legislation that will make access to public information a right rather than a privilege and the media requested GoB to come up with a Freedom of Information Act.

President Khama was in a minority among regional leaders criticising openly human rights abuses in Zimbabwe. Consistent with the findings of the SADC observation mission, he highlighted the failure of the presidential elections to reflect the popular will and questioned the legitimacy of the outcome.

Botswana experienced an influx of refugees from Zimbabwe in 2008 following the elections, but it is the very substantial number of illegal immigrants that are considered to have increased security threats from petty crime to armed robberies.

1.2 Update on the economic situation and economic governance⁶

- Although economic developments in Botswana seemed promising, with a booming mining sector and increasing growth in the non-mining sector, GDP growth for 2006/07 was revised downward from 6.2% to 5.3% and only increased by 3.3% in 2007/08 (constant 1993/94 prices). Real GDP growth has averaged 4.4% for the first five years of the National Development Plan 9 (NDP 9 – 2004/09), a relatively good performance, but below the expectations of 5.5% growth for the Plan period. An annual growth rate of 7.5% is now required to achieve Vision 2016 targets. The slow growth in 2007/08 is largely attributed to poor performance by the mining sector, which registered a decline of 3.5% in real value added, compared to a growth rate of 4.7% recorded in 2006/07. On the other hand, real growth in the non-mining sectors accelerated from an annual increase of 5.7% in 2006/07 to 8.0% in 2007/08 (3.7% in 2005/06), which could indicate some success in economic diversification, although it is too early to conclude. The transport and communications sector, the construction sector, the banks, insurance and business services sector, and the trade, hotels and restaurants subsector all registered higher growth than in 2006/07, when they had already registered encouraging signs of growth. The agricultural sector, however, contracted by 4.4% in 2007/08, compared to a growth rate of 11.8% registered in the previous year.

From October 2007, inflation traced an upward trend, mainly due to higher prices for food and fuel in world markets, which passed through to the local economy and in turn, for several other categories of goods and services. It peaked at 15.1% in August 2008 and fell due to much lower fuel prices, only interrupted by the one-off increase in the liquor levy in November 2008⁷. The average year-on-year annual inflation was 12.6% in 2008 compared to 7.1% in 2007. As inflation declined towards the end of the year, there was scope for monetary policy easing, hence the reduction of the bank rate from 15.5% to 15% in December 2008. The Bank of Botswana's monetary policy framework was updated in 2008 by abandoning the annual inflation objective (3-6% inflation target), replacing it with a medium-term (3-year) objective, considered as a reasonable period for monetary policy to take effect. Monetary policy remained tight in 2008, mainly on account of high inflation.

During 2008, the Pula exchange rate appreciated against the South African Rand by 10% while it depreciated against major international currencies. Overall, the Pula remained

⁶ 1 € = 10.36 BWP (December 2008 InfoEuro rate)

⁷ Government has imposed a 30% tax levy, down from the original proposal of 70% following industry pressure, in an effort to address alcohol abuse

relatively stable in real terms, a 2.3% depreciation of the nominal effective exchange rate thanks to the crawling peg exchange rate mechanism. As Botswana's traditional exports are facing difficult market conditions, there may be pressure for a more competitive exchange rate. The 2008 preliminary estimates of the balance of payments showed a surplus of P9.3 billion in 2008, compared to P10.7 billion in 2007; the marked deterioration of the trade surplus and of the deficit of the financial account have been somewhat compensated by growth in service exports and SACU receipts. At the end of November 2008, the foreign exchange reserves amounted to P72.4 billion, up by 23.7% from P58.5 billion in December 2007 (the reserves however fell in US\$ terms from US\$9.8 billion to US\$9.2 billion), and equivalent to 28 months of goods and services.

Employment in the formal sector is reported to have increased by 2.2% from 301,978 in March 2007 to 308,617 in March 2008. However hundreds of jobs have been lost at the end of 2008, mainly in the mining sector (Debswana intends to retrench over 1000 employees), and new mining companies are very vulnerable to the crisis. As mega-projects take time to materialise and may be affected by the crisis, the employment situation may not improve in the near future. Government has indicated its commitment to promote the informal sector, which has increased significantly (72% increase of the number of informal business since 1999, up to an estimated 40,421 in 2007). It has also launched in 2008 a training programme aimed at offering internships to recently graduated students in Government departments.

Botswana started to be significantly affected by the international financial crisis at the end of 2008. The main risk to the Botswana economy is on mineral exports, in particular diamonds, with sales starting to fall significantly in November 2008 (total sale volume for 2008 was 17% lower than for 2007), and sale revenues expected to decline by at least 50% in the near future (15% decrease in price and 35% decrease of production). In addition, there has been a sharp decline in commodity prices for other minerals like copper, nickel and to a lesser extent gold. The tourism and property sector has also been affected. These developments will result in a slow down in economic growth and decline in government revenues. Growth prospects may also be undermined by electricity shortages in the region, although these have eased with the downturn in economic activity, especially mining.. The IMF article IV consultations which usually take place at the end of the year were postponed as was the parliamentary debate on National Development Plan 10.

To achieve the Vision 2016 targets, Government is committed to continue undertaking reforms aimed at diversifying the economy, increasing productivity, accelerating economic growth and creating more employment opportunities. To this end, Government established six Hubs (diamond, innovation, education, health, tourism and transport) which are still in an infancy stage.

GoB adopted measures to address implementation bottlenecks, which led to significant under-spending of GoB's development budget in the past: Decentralisation of virements to ministries; increasing the financial limits of the Ministerial Tender Committees to P5 million; establishment of the Government Implementation Coordination Office and setting up of a monitoring and evaluation system for major projects; adoption of a Public-Private Partnerships (PPPs) approach; development of a decentralisation policy; implementation of the new Local Authority Procurement and Asset Disposal Act.

A Statistics Bill, which seeks to transform the CSO into an autonomous organisation with a view to improving statistics for decision-making, monitoring and evaluation of policies and programmes, was approved in 2008 and should be brought to Parliament in 2009. CSO also embarked on the development of a National Strategy for the Development of Statistics in 2008, but the initiative was put on hold pending the approval of the Bill. While Air Botswana privatisation has failed and GoB decided to recapitalise the airline, Parliament approved in

November 2008 the Transition Bill to prepare the privatisation of Botswana Telecommunication Company expected in 2009/10. The Non-Bank Financial Institutions Regulatory Authority started operations in April 2008 and is preparing to revamp some of the subsidiary legislation such as the Insurance Industry Act, the Pensions and Provident Fund Act and the Botswana Stock Exchange Act which are to be undertaken during the 2009/2010 financial year.

GoB continued to improve the business environment, notably through reforms in the justice system (study on law simplification under execution, new case management system); computerisation of the issuance of residence permits, visas, and citizenship; computerisation of border control systems and e-passports to commence in 2009. The implementation of the 2006 Industrial Development Act and its regulations began in April 2008, with the decentralisation to 29 District Councils of the processing of licensing activities for small and medium scale manufacturing enterprises. The Copyright and Neighbouring Rights Act was launched in June 2008 and a Copyright Office established.

- The international food crisis and the negative growth in the agriculture sector is a cause of concern as Botswana is a net food importing country. The agriculture sector represents less than 2% of GDP (compared to 40% at independence) and is not able to meet the total national food requirements. GoB has therefore intensified its campaign to encourage agriculture, in particular through the Integrated Support Programme for Arable Agriculture Development (ISPAAD). GoB also increased the national strategic grain reserves from 10,000 to 70,000 metric tonnes and the stabilisation funds to assist Botswana Agricultural Marketing Board to buy agricultural produce from local farmers at reasonable prices. The food prices increase lead to a rise of income poverty, as poor people spend a higher share of their income on food (31.3%); a rise of Government expenditures (increase of food-baskets of the social safety nets programmes) and an increase of the import bill.

- The PEFA exercise in 2008 confirmed Botswana's sound PFM; however it also revealed weaknesses. The Government participated actively during the exercise and welcomed positive criticism. When viewed from the perspective of the three main objectives of a sound PFM system, namely aggregate fiscal discipline, strategic allocation of resources and the efficient delivery of services; Botswana scored well with respect to aggregate fiscal discipline. While such fiscal discipline ensures that expenditures do not exceed revenues, the PFM systems are not fully capable of allocating resources in accordance with approved votes. The definite budget calendar that facilitates the meaningful bottom-up participation by line ministries and the achievement of predictable budget releases and effective payroll management all point to efficient delivery of services. However these positives are negatively impacted by procurement management challenges. Weak public procurement has a multiple effect on PFM: e.g. disbursement, expenditure arrears, under-spending, slow programme implementation, budget execution and internal control. In July, the Public Accounts Committee also identified some weaknesses in the GoB accounting systems and procedures. The weaknesses identified do however not put into jeopardy the eligibility of GoB to budget support. On a positive note, the 2006/7 Auditor General's annual report showed a marked improvement in the areas of compliance on financial, supplies, tender rules and regulations attributed in part to the performance management system and other related public sector reforms. The Government has requested the Commission to assist in strengthening different areas of the PFM system.

As expected by the IMF, the 2007/08 budget outturn showed a much large surplus than anticipated (P3.8bn compared to an estimated P787). Development expenditures (P6.5bn) however increased significantly over the past years but still 15% below the forecasts. Revised estimates for 2008/09 show a substantial budget deficit of P6.2bn (compared to an initially estimated deficit of P331mn), due to a P1.6bn increase in the recurrent budget and a P4bn

increase in development expenditures. Government awarded civil servants a 15% across the board salary and allowance increase⁸. Although the increase in development expenditures is welcome and may reflect an improved implementation capacity, the cushion provided by GoB's reserves may not be sufficient to sustain current rates of expenditure in the face of uncertainty as to the duration of the global economic slow down. GoB will have to borrow domestically and internationally. This also goes against IMF recommendations for establishing a sustainable "permanent" revenue taking into account declining mining revenues.

Botswana, as a middle income country, is less dependent on external financial assistance than other developing countries. However, the dependence on technical assistance and specific expertise remains high. The revised revenue figure for 2007/8 was BWP 28 billion, of which BWP 577 m. are grants (2.1%). However, the recent PEFA exercise has shown that donor grants are not accounted for in a coherent manner. Therefore these figures have to be interpreted with caution.

- Progress was noted in 7 out of 9 commitments in the areas of governance 4, 5 & 8 (economic governance, regional integration & government effectiveness; ref. to annexe C).

- The trade balance narrowed from P9.6 billion in 2007 to P3.4 billion in 2008. Merchandise exports were broadly unchanged (P31 billion, with the strong performance in the first ten months offsetting the downturn in diamond exports at the end of the year) while the value of imports increased by 37% (at P29 billion), due to the increased cost of food and fuel, growing imports of machinery and equipment as well as diamonds (reflecting the activity of polishing and cutting businesses that have recently established themselves in Botswana).

A draft Trade Policy aimed at facilitating smooth integration into the multilateral trading system was completed and will be presented to the National Assembly in July 2009, while the National Export Strategy is expected to be completed in March 2009. Although Botswana ranked high in the 2009 WB Doing Business Report, it was ranked only 149th in the sub-indicator for trading across borders. The WB also reported that Botswana businesses are oriented towards the domestic market with less than a quarter exporting.

Under the SADC Free Trade Area (FTA) launched in August 2008, participating Member States removed tariffs on 85% of their imports from SADC partners. Further work is to be undertaken to consolidate the FTA to address outstanding tariff phase down obligations, rules of origin, tariff lines, and non-tariff barriers. The next milestone is the SADC Customs Union, planned for 2010. Together with other Southern African Customs Union (SACU) members, Botswana has now concluded trade arrangements with EFTA and Mercosur.

The Interim Economic Partnership Agreement (EPA) regarding trade in goods with the EU was concluded and initialled in November 2007 by Botswana, Lesotho, Swaziland, Namibia and Mozambique. Formal signatures are planned for second quarter 2009. Negotiations towards a Full Economic Partnership Agreement (EPA) covering the liberalisation of trade in services and a chapter on investment continue in 2009. The fact that the SADC community is not negotiating as a whole and that some Member States are also members of other economic communities have stirred some problems and tension. South Africa, who has not yet concluded a trade in goods EPA with EU, claims that the implementation of the Interim EPA might split the SACU Members and create a threat to the future existence of SACU. Botswana is a strong supporter of the EPA (even voicing criticism over South Africa's

⁸ Labour unions found the increase far too low saying they had expected a 30 percent increase. GoB based its decision on the fiscal policy, which states that government expenditure should not exceed 40 percent of the GDP.

attitude in the EPA EU-SADC negotiations), with a view to secure ongoing tariff free beef exports to the EU and to expand and diversify its exports to the EU.

Since the initialling of the interim EPA with SADC, including Botswana, on the 23/11/2007, Botswana has unlimited access to the EU market (quota free). In 2008, the total amount of beef exported to the EU amounted to 7 776 t (November 2008), a decrease compared to 2007 (10 449 t), but is still higher than in 2006 and 2005. Increased sales are expected with good rains and higher prices paid by the Botswana Meat Commission. However a better commercial model is required to take full advantage of the EU market.

1.3 Update on the poverty and social situation

- The monitoring of progress towards some of the MDGs is hampered by data inadequacies or insufficient data provision. There were further indications that GoB has made progress in reaching MDG 6 on halting and reversing the spread of HIV/AIDS⁹. Other MDGs such as education (MDG 2) have already made great progress¹⁰. With regard to MDG 1 (eradicate poverty and hunger), poverty has declined but data availability is not reliable enough to enable an accurate assessment of the rate of poverty reduction. GoB is however developing a poverty data base and information systems, which will provide information for monitoring. Poverty and inequality still remain a challenge and a priority for the Government. Considerable achievement towards attaining MDG 3 (gender equality) has been noted but more remains to be done in terms of female empowerment in the economy and decision making procedures. Although 52% of the population are women, the representation in Parliament is only 11.5%. Representation of women in the public and private sector on the contrary is remarkable. It is believed that women and minority groups simply do not have the economic means to lobby for a seat in Parliament. The proportion of women in Botswana leadership positions has also dropped to 11%. Botswana's priorities to reach the MDGs remain the fight against HIV/AIDS and the diversification of the economy. It appeared that almost half of the costs of achieving the MDGs in total between 2007 and 2015 will be incurred in tackling HIV/AIDS, malaria and other AIDS related diseases. The budget for fighting HIV/AIDS will have to be scaled up.

- Public policy has aimed at achieving sustained poverty reduction through broad-based economic growth, particularly through employment creation. To this end, the NSPR will be reviewed in 2009 to further develop its policy content. In an effort to create employment and provide income to low-income groups, GoB introduced in 2008 a "Labour intensive public works programme", a form of supplementary income support to the poor and unemployed. Other Government programmes such as "Young farmers' fund" and "Integrated support for arable agriculture development" have the potential to create more job opportunities, improve input in the agricultural sector and enhance national food security. Social safety nets (SSNs) still play an important role and are used to directly assist poor and vulnerable groups. In June GoB called into question the sustainability of the current situation where it spends about P300 million (€30 million) for the destitute every month

The challenge GoB faces is to offer services comprehensively and in a timely way, and concerns have been expressed regarding the delivery, administration and effectiveness of SSNs. Recommendations have also been made that Government should make an organisational assessment to bring all SSNs under one roof to improve coordination and

⁹ During the year, the outgoing president, Mr Festus Mogae, was elected chairperson for the new initiative "Champions for an AIDS-free Generation" to influence African leaders about the disease. President Khama requested former President Festus Mogae to continue as chairperson of the National AIDS Council.

¹⁰ However, there has been a decrease from 96.8% in 2006 to 92.9% in 2008 in MDG2.

efficiency in service delivery, and to develop exit mechanisms for existing SSN programmes to prevent beneficiary dependency of the SSNs, something that today is an issue in the country.

- Concerning education and training, in 2008 the education sector showed a marked deterioration of indicators (performance and access) and experienced various negative developments, which calls into question the efficiency of the massive investment in the sector (about 30% of GoB annual expenditures). Key developments in the sector in 2008 included the implementation of some recommendations of the 2007 Education Public Expenditure Review (EPER), the finalisation of the national HRD strategy, the approval of the Tertiary Education Policy, the launch of a massive decentralisation process, the launch of the Education Hub, the publication of up-to-date key education statistics for the first time ever, as well as difficulties faced in the implementation of school fees and double shift system at secondary level, and in the management of the tertiary student sponsorship scheme and in teacher transfers.

Enrolment statistics at primary level show a declining trend (NER decreased from 97.8% in 2005 to 92.9% in 2008) and there was a significant decrease of students enrolled in Government technical colleges in favour of private institutions (from 7177 in 2007 to 3092 in 2008), following Government's decision to sponsor all students enrolled in tertiary private institutions and changes the grant/loan scheme including the temporary suspension of some BTEP courses. In terms of performance, PSLE results showed a decline of A-C grades with 69.9% in 2008 compared to 72.9% in 2007 (79.6% in 2006). BGCSE results pass rate was 40.69% in 2007 compared to 43.01% in 2006, reflecting the impact of double shift (+22% candidates over 2006). BGCSE A-C grades on the core syllabus (Setswana, English, Maths and Science) were 11.74% in 2007.

While the double shift system allowed an increase of the enrolment in senior secondary schools of 3.7% in 2008 (25,060 students), double shift schools were languishing at the bottom in terms of performance due to a lack of necessary resources and support to implement the system, and to a lower quality intake. MoESD is currently undertaking a study of the impact of double shift. Only one out of the 5 senior secondary schools to be constructed during NDP9 has been completed, while delays are accumulating in the building of the 4 others planned (to be completed in July 2010). Hundreds of students who failed to pay school fees were sent home in 2008. Responding to questions over the cost-benefit/effectiveness of this measure, GoB argued for the cost-sharing aspect of the measure as a matter of principle and that parents were asked to contribute only 5% of the unit cost. It also introduced an income threshold through which some parents will be exempted from paying school fees.

Access to tertiary education is expanding, with enrolment at tertiary level totalling 31,129 in 2007/08, but figures remain low. Construction of the founding structures of Botswana International University of Science and Technology, and the University of Botswana expansion are also underway. The Oodi College of Applied Arts and Technology is expected to start operating in 2009. While the EPER recommended capping the tertiary student sponsorship scheme, MoESD has plans to increase it from P1.2bn to P2.8bn following the decision to sponsor students in private institutions, and had to ask for a controversial P915bn supplementary budget in 2008. Concerns have been raised with regards to the sub-standard teaching quality of private universities enrolling Botswana students.

While the quality of education and the efficient management of the sector are an increasing cause of concern, the skills mismatch remains the key challenge, as acknowledged by the President in his 2008 State of the Nation Address: "there is a mismatch between our graduates' skills set and workplace demands, which further contributes to the challenge of unemployment". Several initiatives have been put in place in this regard. With the expected

approval of the NHRDS in January 2009, a national HRD development plan which will guide training and match skills development with labour market needs as well as strategic national development directions will be developed in 2009. The Tertiary Education Policy approved by Parliament in April 2008 outlines strategies that will be adopted for the next 20 years to address challenges relating to access, quality, and relevance. The Policy aims to ensure that Botswana tertiary institutions produce valuable and relevant research results to support industry and overall development. Implementation of the Policy has already started with the setting up of a High Level Multi-Stakeholder Team. A Vocational Training Fund aimed at encouraging training at the workplace, was established in 2008; it should improve cost sharing in the provision of vocational training and help close the demand-supply gap for skills in the economy. In addition, the examination system is being redesigned to emphasise higher order thinking skills to ensure that learning is outcome based and that learners acquire the right competencies at all levels of education. Progress has however been very slow in the commissioning of labour market studies, the establishment of the Labour Market Observatory and the approval of the National HRD Strategy.

- As regards to health, HIV/AIDS continues to be the biggest challenge: While the Minister of Health, Lesego Motsumi, mentioned in April that the PMTCT programme has yielded a 90 percent uptake and reduced the mother-to-child transmission to less than five percent and that the introduction of anti-retroviral drugs has also brought hope to people, the 2007 Sentinel Surveillance report showed prevalence rates in pregnant women aged 15 to 49 of more than 30%. Maxima were registered in the North-East (e.g. 50% in Selebi Phikwe) and minima in the South (e.g. 21% in Jwaneng). Rates were significantly higher in non-educated women, in women who had a high number of pregnancies and those who were not married.

While the provision of antiretroviral drugs saved 50 000 lives in 2007 and projections show that more than 130 000 lives would have been cumulatively saved by 2016, President Khama said on World AIDS Day "he urged people to adhere to treatment and stop alcohol consumption in order to reap the benefits from the treatment".

The Ministry of Health has revealed in January that 100 people were diagnosed with multi-drug resistant TB. Two others were diagnosed with an Extensive Drug Resistant Tuberculosis (XDR TB). In December 2008 Botswana recorded also cases of cholera

In June the Minister of Health, Lesego Motsumi, reported drug shortages throughout the country including drugs for high blood pressure and diabetes. She attributed the problem to delays in local and international supplies.

- The impact of the rise in food prices and the financial crisis are presented in chapter 1.2.

- Progress was noted in 1 out of 1 commitment in the area of governance 7 (social governance ref. to annexe C) as the Domestic Violence Act was enacted on the 8/02/2008

1.4 Update on the environmental situation

Resources continued to be under pressure and the sustainability of their exploitation is challenged. The Ministry of Environment, Wildlife and Tourism decided to embark on the enactment of an Environmental Management Act, to harmonize existing legislation, ensuring a global and coherent framework and strengthen implementation of environmental laws, including environmental impact assessments.

In July the Minister of Agriculture announced plans to increase the national herd from 2.5 m to 3.5 m from 2008 to 2013. While proposing to subdivide big farms into smaller economic farming units and to fence some farms, pressure on land will increase from the already crowded communal grazing areas and commercial exploitation of a fragile ecosystem. GoB

will have to take careful measures for avoiding more desertification due to overstocking, large-scale vegetation depletion and changes, especially around water points, and accelerated soil erosion.

To respond to these challenges, Botswana is re-aligning its National Action Plan of 2006 with the recently developed United Nations Convention to Combat Desertification 10-year strategic plan. This will entail the development of impact indicators, which can be used to measure and monitor the progress of implementation.

More livestock means also more conflicts with wild animals e.g. wild buffalos, which increase the risk of FMD and the erection of more fences to protect livestock. In 2008 there were a lot of debates when the Ministry of Agriculture announced the reconstruction of the Setata fence. Changes to the alignment and an open section eased such fears. Agriculture does not seem to have a negative impact on the environment as only 73 000 ha were planted in February.

Climate change had a negative effect on the natural environment as the country experiences increased variability of key climate elements such as temperatures and rainfall. The crop sector has been badly affected and for a fifth year in a row, production has declined and was estimated at 30% of the 2000 level: About 25 000 ha could not be ploughed due to the inadequate draught power in the communal sector while in the commercial sector ploughing was disturbed by continuous rainfall. Many bush fires were recorded in 2008.

It is evident that water resource strategies to meet the country's demand for the next 30 years will be dominated by water resource stewardship and water demand management rather than being supply oriented. The strategies will have to be streamlined in allocation, licensing and protection to meet economic efficiency, sustainability and poverty alleviation objectives. Botswana has commissioned the Maitengwe Wellfield and Ntimbale Dam water scheme in October, the construction of other major dams is still on-going and plans for the 2nd North – South carrier are underway to meet the increased demand for water, attributed to the economic boom which has resulted in the demand for water for domestic and industrial development spurred by the unprecedented mining activity.

Given the prevalent use of biomass in the domestic sector and the important role it plays in Botswana's socio-economy, the formulation of a draft Biomass Energy Strategy was completed to exploit opportunities to modernize biomass as a cleaner energy alternative. It has been established that carbon monoxide and particulate matter are the most emitted pollutants in Botswana. The large sources are power generation and mining sector which release sulphur dioxide, mainly attributed to metal production, as the major pollutant. Selebi-Phikwe (BCL Nickel/Copper Mine Smelter) is considered to represent the biggest source of pollution. EU-funded studies looking at the impact of and the possibility to reduce emissions from the BCL smelter started in 2008 and will be completed in 2009. Commitment towards environmental mainstreaming has been demonstrated through education and awareness campaigns, as well as legislation reforms including the Environmental Impact Assessment Act.

2. OVERVIEW OF PAST AND ONGOING CO-OPERATION

2.1 Reporting on the financial performance of EDF resources

- For the financial situation of the 8th and 9th EDF in accordance with annexe G2&L, **€83,722,873.47 were committed the last 3 years and €68,598,564.72 paid.** Out of a global commitment of €121 030 768 a RAL¹¹ of €8 417 889 (6.9%) is foreseen after 2009-13

¹¹ Balance remaining to be contracted and paid

forecasts, which means that this amount would be de-committed and returned to the EDF reserve. These de-committed funds will consist mainly of undisbursed budget support funds and funds to be de-committed from the wildlife conservation and management project which ended in 2007.

- Financial situation for EDF10: the first commitments and disbursements under EDF10 projects are planned to start in 2010, thus there was no financial movements under Botswana EDF10 allocation in 2008. Out of a global commitment of €73 000 000 a RAL of €6 000 000 (8%) is foreseen after 2009-13 forecasts consisting mainly in undisbursed budget support funds.

- In an aggregate perspective it is foreseen that at the end of the 10th EDF (2013), all 8th, 9th and 10th EDF projects will be terminated.

2.2 Reporting on General and Sector Budget Support

Botswana benefits from a sector budget support in the area of human resource development. The Education and Training Sector Policy Support Programme (ETSPSP, 9 ACP BT 4/5, €51.4m.) started in 2006 and will end in 2009. The disbursement for tranche 3 (€7.9m. or 72% of tranche 3, based on the 2007 Joint Annual Appraisal) was finally disbursed in October 2008.

The 2008 Joint Annual Appraisal undertaken in October 2008 proposed a disbursement of €6.4m. or 55% of tranche 4, which was agreed by the High-Level Committee on 01/12/08. Although this reflects a lower achievement than in previous tranches, it is important to note that tranche 4 targets had been set at a much more ambitious level than originally foreseen in the FA, following the Mid-Term Review of the programme and the signing of Rider 2 of the FA, also taking into account the possibility to re-assess the targets in 2009 and disburse corresponding funds if targets are then assessed as met.

Despite the low rate of achievement, important educational reforms covered under the ET/SPSP have progressed in 2008. MoESD produced a 2008 Stat Brief and posted it on its website in September 2008, this is the first time ever that key education data on the current year are publicly available (usually 3-year gap between collection and publication). MoESD started the implementation of the Organisation & Method Report recommendations which lead to a massive decentralisation exercise in 3 phases (Headquarters staff to go down from 10,329 to 1,183). The HRD Strategy should be approved by Cabinet in January and is included as a project in the draft NDP10. In addition, some key recommendations of the Education Public Expenditure Review (2007) are being implemented.

The 2008 JAA however expressed concern with regards to the slow progress of key projects such as the National Credit Qualification Framework, the creation of the new Department Inspectorate, the support to Special Need Education. In addition, the quality of education does not seem to show any sign of improvement (performance results are decreasing, but the introduction of the double shift system with a lower intake of students has to be taken into account) in spite of the programmes put in place by MoESD. In general terms, there is a genuine concern with regards to the efficiency of the resources (cost/benefits) in view of the massive investment by GoB in the education sector (up to 30% of the budget), as highlighted in the EPER.

With regards to the eligibility criteria for budget support, as indicated earlier the PEFA-PFM assessment showed broadly positive results but questioned the efficiency of service delivery and highlighted issues of public procurement. With regards to macroeconomic stability, although Botswana is expected to be hit by the global financial crisis, its prudent financial

management in the past and its continued good cooperation with IMF and WB should allow Botswana to safeguard a stable economy. It is thus believed that it will continue to meet the budget support eligibility criteria.

2.3 Project and programmes in the focal and non-focal areas

2.3.1 Focal Sector: Human Resource Development

- The EDF10 Human Resource Development Sector Policy Support Programme (HRD SPSP, €62m.) is under preparation. The Project Identification Fiche was finalised in November and the Action Fiche will be finalised before June 2009 following wide stakeholder consultation. The HRD SPSP is expected to start in early 2010.

- The results under the EDF9 ET/SPSP are described in Section 2.2.

- Under EDF8, Botswana benefits from two projects in the area of vocational education and training, the Francistown College of Vocational Education (FCTVE, 8 ACP BT 3, €15m.) and the Augmentation of the Gaborone Technical College and Automotive Trades Technical College (GTC/ATTC, 8 ACP BT 14, €3.8m.).

The FCTVE project ended on 31/12/08. The College was officially opened by H.E. the President of Botswana on 10/10/08 with the Head of Delegation, and in the presence of EU Member States in Botswana (France, Germany, UK). The opening of the college will greatly contribute to the achievement of result 3 of the FA (“increased opportunities and equal access to vocational training established”); 250 students attended courses in 2008, including 40 students in distance learning (human body). With regards to the work of the TA supporting effective and efficient operationalisation of CTVE Francistown and outreach centres (result 1 of FA), all outputs have been completed including several operational and policy documents for the college and the delivery of distance and flexible learning courses, capacity building of FCTVE staff on flexible learning, setup of IT infrastructure and network, as well as recommendations to improve the TVET programme. The TA was able to work more effectively and to optimise outputs with 7 additional short-term TAs provided under a rider signed in June 2008. In order to maximise the use of funds under the project 5 additional TAs were procured through the same rider to work on the revision of vocational standard units, which was not originally foreseen. This work contributed to result 2 of the FA (“relevant competencies matching the current needs of the industry and informal sector required by TVET graduates”). It is recognised that a lot still needs to be done to achieve result 2 and two tracer studies of VET students showed that TVET programmes need to be more responsive (technically and timely) to industry needs. It is expected that the creation of the HRD Advisory Council and the Labour Market Observatory will address this issue. The programme experienced significant delays in the building of the College which hampered the work of the TA; other challenges experienced by the TA were a shortage of counterpart staff in the College and a perceived lack of commitment in flexible learning.

The GTC/ATTC project is ending on 31/08/2009. Works are estimated to be around 6 weeks behind schedule. Once all works have been concluded, all results 1-5 of the FA related to the augmentation of facilities and improvement of standards, particularly for students with disabilities or special needs, will be achieved. With regards to result 6 (“effective curriculum development and BTEP implementation across the six technical colleges of the country”), there has been significant delays in the procurement of the TA to be funded by GoB to achieve the result, although the EU provided additional assistance under the FCTVE project to assist with curriculum development. The TA is not yet in place but DVET pursues the implementation of BTEP and the development of curriculum. The final evaluation of the project will assess the effectiveness of this work and the achievement of result 6.

A mid-term review was fielded in July 2008 for both projects and concluded with broadly positive results, save for the fielding of the TA under the GTC project and the challenges faced by the TA in FCTVE as mentioned above.

2.3.2 Non-focal Sectors

- Capacity building to Ministry of Local Government (EDF9)

The two person TA team started up in April and met with key personnel in the MLG (centrally and locally). The poor involvement of the MLG caused some delays in the start up period but a start-up PE was signed in July and the first operational PE (PE2) was signed in December. A study on community level structures and decision making processes and community perspectives on community development was finalised during the year as a basis for the implementation of PE2. In the fourth quarter, the MLG management made a commitment to the programme through a launch seminar at the beginning of 2009, and through setting aside office space and dedicated personnel as agreed in the FA.

- Non-State Actors Capacity Building Programme (EDF9)

The four person TA team started up in January. The start-up PE was signed in March, and extended in August. During the first half of the year, the team consulted and did a mapping exercise with NSAs, and drafted guidelines for grant applicants, to feed into the drafting of PE2. At an early stage, the team proved not as effective as hoped, which led to a delay in the implementation of the programme and in approving PE2 and the grant guidelines. It also led to the replacement of experts. The contractor, Particip GmbH, will field two new experts in January 2009. The TA team has nonetheless generated interest and visibility for the programme amongst NSA.

- Support to Fiscal Reforms in Botswana (EDF9): the project Support to Tax Administration Reform (STAR, 9 ACP BT 2, €0.75m.) which consisted of a 3-year TA to the Botswana Unified Revenue Service ended in June 2008. The expected results were to assist with the development of appropriate HRD structures, the transfer of facilities/assets from the former department, and the management and operation systems. The advisory input of the TA was significant in terms of development of policies and strategies (HRD, IT, financial procedures, management plans, communication strategy, Large Taxpayer Unit, etc.) and capacity building/mentoring of BURS Staff. In 2008 the TA initiated three complementary studies funded under the TCFII (training need analysis, taxpayer survey and review of financing arrangements) to assist BURS' decision in the areas of financing, HRD and communication. It is believed that all results have been met although the effectiveness has somewhat been hampered by the late appointment and slow staffing of the BURS Transformation Office. BURS results in terms of tax collection are improving gradually every year and always exceed annual forecasts.

- Technical Cooperation Facility (EDF10 and EDF9). The TCF I (9 ACP BT 3, €1.3m.) implementation phase ended on 31/12/08. The last two contracts running in 2008 was a TA to the NAO Office and a TA to the Public Procurement and Asset Disposal Board. Good use has already been made of the TCF II which started in September 2007 (already €1m. committed). In 2008 three studies to assist BURS (see above), an identification mission for the EDF10 HRD programme and an audit of three MFDP PEs (funded under the TCF I) were completed. The support to the modernisation of the High Court information system which started in 2007 was also successfully completed. A Programme Estimate for the MFDP was signed and will finance (as previous PEs) short-term TA, training, events (the PE has funded the attendance of GoB officials to several international events organised by the EU), strengthening of the NAO Office and visibility of EU-Botswana cooperation, which has increased very positively in

2008. The evaluation of the EDF8 wildlife programme and a survey of financial services started in late 2008.

The TCF continues to fully achieve its primary objectives to support the identification, formulation, implementation, evaluation and audit of EDF programmes, and to finance conferences and seminars linked to development and trade issues. In addition, the use of the framework contract has proved very effective in quickly procuring high quality international expertise in the key areas of HRD (focal sector), good governance and public sector reform.

- Support to the mining industry (EDF8). The Economic Diversification of the Mining Sector Programme (EDMS, 8 ACP BT 13, €30m. funded under the SYSMIN facility) is explained in detail below in 2.4.1.

2.3.3 The development results achieved by support to Non-State Actors

Problems were encountered in the start up of the NSA capacity building programme and the strengthening of the Ministry of Local Government programme. It was therefore decided to postpone the formulation of the 10th EDF civil society empowerment project. The major obstacle encountered was the slow implementation of the on-going NSA programme and the absence of a clear strategy by the GoB to empower civil society. NSAs remain weak in Botswana.

The interaction with NSA related to the Commission's public communications on regional integration, democratic local governance, decentralisation and territorial development (public consultations), governance and the Joint Annual Report 2007. Through the TCF civil society received also regular support.

2.4 Other cooperation

2.4.1 SYSMIN

The Economic Diversification of the Mining Sector Programme (EDMS, 8 ACP BT 13, €30m. funded under the SYSMIN facility) started in 2005 and will end in December 2009. 2008 was a turning point in the programme with active steps taken to implement all the recommendations of the MTR undertaken in July 2007. The MTR recommended shifting the project focus towards economic diversification of Selebi Phikwe and environmental considerations, given the return to profit of BCL Nickel Mine and the fact that capital repayments by BCL of funds lent under the EDMS which were to be used for diversification projects in Selebi Phikwe had not yet taken place. Technical Assistance to the Selebi Phikwe Economic Diversification Unit (SPEDU) started in April 2008, two environmental studies assessing the extent of the BCL smelter pollution were procured through a framework contract, feasibility studies in the area of tourism and a socio-economic audit started under the SPEDU TA contract. A Work Programme for the SPEDU was prepared and signed, and a €8m. exploration drilling contract was awarded in October 2008.

The project continued achieving its objectives to ensure that the operations of BCL mine continue long enough to permit the economic diversification of Selebi Phikwe. The final equipment for BCL mine (including a real time energy monitoring system) was delivered in 2008; the results of the large exploration drilling programme could increase the mine life by another few years (closure year is now 2013) and the project is now supporting directly the economic diversification in Selebi Phikwe. The SPEDU TA is however experiencing challenges given that, despite the commitment of GoB at the highest level towards the economic diversification in Selebi Phikwe, there was very slow progress in the staffing and

operationalisation of SPEDU (SPEDU official opening was postponed on several occasions and has still not yet taken place). It is important to note that the Activox hydrometallurgical process developed by Tati (P3bn), an indirect objective of EDMS, was stopped due to escalating construction costs. Also world metal prices experienced a downturn and BCL smelter broke down at the end of 2008 auguring difficult times ahead for BCL in 2009.

2.4.2 FLEX

Botswana submitted the FLEX statistics in June 2008 but they were assessed as ineligible to the FLEX mechanism. Given the drop of mineral exports at the end of 2008 which is expected to continue in 2009, there is a possibility that Botswana becomes eligible for FLEX support in 2009/10.

2.4.3 Regional Indicative Programme

The main focus in 2008 was on the programming of the 10th EDF RSP/RIP for SADC (signed in Strasbourg at the Development Days in November 2008), which consists of two focal sectors: (i) regional economic integration and (ii) regional political cooperation. The SADC allocation is €116 million based on 6 of the 7 SADC-EPA States. The 10th EDF SADC RSP/RIP is expected to be implemented through contribution agreements between the SADC Secretariat and the European Commission (EDF assistance would be managed according to SADC's internal managerial and financial procedures), subject to a positive institutional/capacity assessment to take place in the second half of 2009.

For the Regional Economic Integration focal sector, the RIP will support: i) trade facilitation, rules and standards, capacity development and food security; ii) structural reforms in SADC Member States through the SADC Development Fund; and iii) the preparation of infrastructure projects (through the Project Preparation and Development Facility, currently under discussion). Support to peace and security, which is currently being given through the AU and an all-ACP project, will be channelled through another contribution agreement with SADC under the 10th EDF.

Following the initialling of the SADC-EU interim Economic Partnership Agreement with 5 of the SADC EPA grouping (Botswana, Swaziland, Lesotho, Namibia, Mozambique) in November 2007, negotiations continued throughout 2008 with the 7 SADC EPA states (the 5 plus South Africa and Angola) with a view to concluding a comprehensive or full EPA addressing rules on trade in services and investment.

The RIP and the Botswana NIP complement each other very well in the sense that the focus on human resource development in Botswana and thus on the supply side response to increased liberalisation of trade is complementary to regional integration in Southern Africa and to the EPA process.

The implementation of the 9th EDF SADC projects continued throughout 2008 with an increased pace of implementation. The protracted restructuring and centralization of the SADC secretariat and capacity building has become a key theme of EU/SADC cooperation. A list of regional projects is presented in annexe H.

2.4.4 Community budget lines¹²

¹² See details in Annex I.

The two contracts with Skillshare International, running since 2006 (capacity building for marginalised people) and 2007 (support survivors of gender based violence and raising awareness) respectively, have been implemented according to plan, although a slight delay was experienced in the second project as the organisation had difficulty finding contractors.

The organisation WoMen Against Rape, with which the Delegation signed a contract in 2007 for a project on promoting gender equality in development cooperation was very active in 2008 in its efforts to sensitize and capacitate the population, in particular the youth, to address gender-based violence issues. Several community workshops were held; youth clubs have been created and capacitated with a view to develop an adolescent advisory group. About 1,300 white ribbons were produced and distributed; networks with relevant organisations were established and a media campaign was launched (radio call, banners, 5 educational movies).

The project with the Kalahari Conservation Society was closed in November on the basis of a final report and audit. The grant has contributed to the development of the Harry Oppenheimer Okavango Research Centre (HOORC) in terms of equipment to the Resource Centre, the library, the herbarium, databases and laboratories as well as field, transport and communication equipment. HOORC enjoys international recognition and a growing number of collaborative arrangements with external stakeholders. The equipment will continue to benefit HOORC and contribute to further development of the centre.

A contract was signed with DITSHWANELO, the Botswana Centre for Human Rights, to support various awareness raising activities to celebrate the 60th Anniversary of the Universal Declaration of Human Rights in December. The intervention focused on human rights in general and on the situation in Zimbabwe in particular.

2.4.5 European Investment Bank (EIB)

At the end of 2008, EIB's signed portfolio of 11 loans, dating back to 1987, to Botswana stood at € 84.5 million of which € 75.2 million have been disbursed to date, with the remaining balance having being cancelled. EIB supported projects in the areas of public sector infrastructure (in particular water supply and energy), support to small and medium private enterprises through BDC, and agro-processing (see Annex K). The latest project signed in 2007 (Martin's Drift Kiberlite Project) was commissioned in 2008 with €5million disbursed. No new projects were appraised in 2008, though several smaller private sector projects have been closely monitored in order to keep them on track. As part of a larger evaluation of EIB supported water projects, the North South Carrier project was evaluated, and the evaluation report will be accessible on the EIB website early 2009.

Although the country's relative wealth, investment grade credit rating and the strong liquidity of its financial sector, limit the areas where the Bank can add value, large infrastructure projects continue to attract donor funding. For instance the Bank is likely to become one of the major lenders to the second North South Carrier (water pipeline). Possible areas for further EIB cooperation are in particular power generation as well as water supply, telecommunications, tourism, mining and SME support through financial intermediaries. Furthermore due to its geographical location in Southern Africa it is likely that regional power (Westcor) and transport (rail) projects are likely to cross Botswana. There may thus be scope to identify regional projects, which could qualify for support from the EU-Africa Infrastructure Trust Fund. Finally, the EIB showed great interest to participate in environmental friendly projects in Selebi Phikwe (with BCL mine) and participated in the last EDMS project implementation committee of the year.

2.4.6 Centre for Development of Enterprises (CDE)

Since the departure of the Head in April 2007, CDE Regional Office for Southern Africa (RFO) was undergoing a transitional period with the Head of Regional Office for Eastern Africa acting as Interim Head. The Office was finally staffed with an EU seconded expert in September 2008 and a Head is expected to take up duty in mid 2009. In 2008, the CDE supported 4 projects in Botswana for a total of €22,662: a marketing assistance to the company “Fabulous Flowers”, a feasibility study for a spa and resort, a feasibility study for an aquaculture project and a more general feasibility study on the opportunity of supporting projects in aquaculture.

2.4.7 Facilities (water, energy, business climate, tradecom)

Under the second component of Trade.Com initiative, “the hubs & spokes”, Botswana is benefiting from a trade policy analyst, deployed in the Ministry of Trade until May 2009. Botswana is also benefiting from the water facility through the regional *Trans-Boundary River Basin Support Programme to the Orange Senqu River Basin* (ORASECOM Secretariat), as well as the two SADC Water Grant projects entitled “*Economic Accounting of Water use*” and “*Hydro-geological Mapping*”.

2.4.8 Global Fund for HIV/AIDS

Following the failure for the proposal “Contributing To Scaling Up the National Response To HIV and AIDS Towards Universal Access” to qualify under Round 7, the Country Coordination Mechanism decided to postpone the proposal from Round 8 to Round 9 to allow time to refocus the proposal on fewer thematic areas and districts, avoiding duplication with ACHAP and the WB BNAPS.

2.4.9 Research

For FP7, two projects are on-going; one in Food, Agriculture, and Biotechnology and another in Information and Communication Technologies (ICT): The total costs amount to €2 051 084 with the Commission’s contribution €1 868 310.

On FP6, eight projects are on-going in various sectors: nutrition, water resources, IST, agro-forestry, desertification, meteorology and governance. The total costs amount to €1 004 470 with the Commission’s contribution €951 040.

(See annexe J for more details)

2.4.10 ECHO

Preventive activities have been financed on ECHO’s humanitarian assistance budget to finance supplies and equipment in order to mitigate the impact of the Zimbabwe crisis in particular to help refugees.

2.5 Policy Coherence for Development

Out of the 12 EU policy areas "trade, environment, climate change, security, agriculture, fisheries, the social dimension of globalisation, employment and decent work, migration, research, information society, transport and energy", the following synergies can be highlighted in a policy coherence context for development in Botswana:

Trade – agriculture - environment: The interim EPA increases the potential for increasing beef production and exports to the EU in an environmentally friendly manner. It promotes as well regional integration and trade.

Trade - employment and decent work - social dimension of globalisation: the present SPSP in education and training and the planned SPSP in human resource development should contribute to equipping persons with relevant knowledge and skills to foster entrepreneurship and attract investment which could lead to more exports to the EU and hence more economic growth.

Research – environment/climate change: support to research in Botswana in the environment sector and better management and conservation of wildlife and environmental aspects in education (school curricula) could contribute to more awareness on these issues and address environmental threats such as climate change in the medium and long term.

Research - employment and decent work - information society: Research on HIV AIDS supported by the Commission and adequate information to the people in particular in their working place and at school, could contribute to curbing the HIV AIDS pandemic.

Research partnerships between Botswana and the EU are on the increase and more efforts will be done in the future to promote them further.

2.6 Dialogue in country with the national Parliaments, local authorities and NSAs

- With national authorities the main themes of interaction were trade, as part of the EPA negotiation and on-going cooperation programmes in particular human resource development and governance issues. Relations are excellent, but some human rights issues remain very sensitive.

Regional authorities are weak, but have contributed to policy dialogue. The JAA field mission provides an opportunity to interact with them, especially on the theme of decentralisation. With NSA, interaction concerned the Commission's public communications on regional integration, democratic local governance, decentralisation and territorial development (public consultations), governance and the Joint Annual Report 2007. In addition, NSA participated actively in the 2008 Joint Annual Appraisal in the framework of the E/T SPSP and made their voice heard in the policy dialogue with GoB.

Given the very small share of EU resources in GoB revenues, the interaction with the Parliament is limited, however it participated actively in the PEFA consultations, and copies of the 2007 JAR and EDF10 CSP along with promotional material were distributed officially to the Speaker of the House and each MP.

With other cooperation partners the main theme of interaction was on HIV and AIDS and PFM in particular with the World Bank and the preparation of the UN Development Assistance Framework 2010-16 in Botswana¹³. With Botswana having graduated to middle income status, the only MS to have a cooperation programme of any significance is Sweden, which is not represented locally. EU MS participated at the official opening of the FCTVE and in an EDMS project tour organised by the Delegation. The Delegation also presented the 10th EDF at the annual meeting of the German Development Service, met several times with representatives from Sweden who were preparing a new private sector driven programme with Botswana and participated in the UK exhibition on climate change. Development Partner Forum meetings were organised by the MFDP end of June and early December.

¹³ The UN finalised UNDAF following a wide consultation process. The intervention will focus on 5 areas with 16 outcomes and 56 outputs: governance and human rights promotion; economic diversification and poverty reduction; health and HIV/AIDS; children, youth and women empowerment; and environment and climate change. The total allocation is around US\$90m. to be implemented by 14 UN agencies (one UN programme).

2.7 Aid Effectiveness

- There is little need for coordination amongst EU member States, given that there are only 3 EU Member States left in Botswana (France, Germany and UK; Sweden closed its embassy in 2008) and the resources provided are limited. Co-ordination with Sweden, which still has a significant programme, experienced some problems as their aid is managed partially from Stockholm, Pretoria (SADC) and Lusaka (HIV/AIDS). Three ad hoc coordination meetings were held with Sweden in 2008. There are regular meetings between the Heads of Mission to discuss policy and cooperation issues. Annexe E presents the main interventions planned by the four member states from 2008 to 2011.
- The commitment of the MFDP to coordinate donor support effectively remains weak but it is growing. In 2008, there were 2 meetings (June and December) of the Development Partner Forum re-launched in 2007. The forum agreed on its ToRs and the development of a donor database, and discussed issues such as NDP10 preparation, UNDAF preparation, aid effectiveness, support to NSA and PFM reforms. The US (public and private partners) continues to provide substantial assistance mainly in the HIV/AIDS sector. China's assistance is increasing but still limited: It focuses mainly on scholarships and training, technical expertise (medical staff), small donations to schools and soft loans.
- Many donors and NGOs are involved in supporting the fight against HIV/AIDS. At present there are 3 different forums including reference groups for the new National Strategic Framework (NSF). NACA has the overall coordination role. The multitude of partners makes coordination difficult.
- Concerning programme design, there were extensive interactions with the World Bank during the 1st semester, as the 10th EDF HRD SPSP will have a strong HIV and AIDS component and the Bank, after years of absence in Botswana, is returning and will finance, among others, a project of over \$50 m. to combat HIV and AIDS. In the spirit of the Paris Declaration project preparation was aligned and the Delegation recruited an expert who was integrated in the Bank's appraisal team. The purpose was to align the Commission's possible intervention with the GoB (NDP 10), the Bank and other cooperation partners active in this sector. The World Bank project, BNAPS, was approved by Parliament on the 2/12/08.
- During project implementation, the Delegation has been able to respond very quickly to specific needs expressed by the GoB in key areas such as public sector reform, governance and human resource development. The TCFs have continued to prove very flexible tools to provide such assistance and enhance aid effectiveness. The fact that through the TCF (framework contract), studies/TA were provided to address key issues or draft key policies/strategies in relation to GoB National Development Plan has greatly increased our credibility, cooperation relationship and visibility with GoB. The use of the FWC has thus far proved very efficient and effective in Botswana. As support could be delivered very quickly, it contributed to increase aid effectiveness.
- During the PEFA exercise all the donors were informed, but the World Bank showed the highest interest and participated actively.

Progress was noted in 3 out of 3 commitments in the area of governance 9 (Quality of partnership ref. to annexe C)

ANNEXES

a) General annexes

- A. Key macro-economic performance indicators
- B. Monitoring country performance, including Key MDG indicators
- C. Governance
 - C.1 Commitments by GoB to improve governance (EDF10 CSP/NIP)
 - C.2 Update of the Governance Profile
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b) Aid effectiveness

- E. Donor Financial Support and Roles
 - E.1 Current Donor Financial Support
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c) Financial Annexes

- G. Financial Situation of EDF projects
 - G.1 Financial situation of still on-going EDF projects as of 31/12/2008
 - G.2 Financial Report of EDF Projects over 2006-2008
 - G.3 Financial Absorption Capacity Ratios
- H. List of Regional and Intra / All-ACP projects benefiting Botswana
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M. Abbreviations

a) General annexes

A. KEY MACRO-ECONOMIC PERFORMANCE INDICATORS

	Figures in BWP million unless otherwise stated (1P≈0.1€)	2004/05	2005/06	2006/07	2007/08	2008/09 (e)	source
Basic data							
1	Population (est.)	1.71	1.73	1.74	1.75		CSO
	- Annual change (%)	1.0	1.0	1.0	1.0		
2a	GDP <u>current prices</u>	49,816.5	57,859.8	71,198.9	80,107.9	85,000	CSO
2b	- GDP per capita	29,019.4	33,417.5	40,796.2	45,589.5		CSO
2c	- GDP per cap annual change (%)	15.8	15.2	22.1	11.7		CSO
3a	GDP 93/94 <u>constant prices</u>	22,867.8	22,995.6	24,203.2	25,008.1		CSO
	- GDP per capita	13,321.1	13,281.3	13,868.1	14,232.1		CSO
	- GDP per cap annual change (%)	8.2	-0.3	4.4	2.6		CSO
4	Gross fixed capital formation (current prices)	12,186.8	13,373.1	15,885.1	20,007.0		CSO
International transactions							
5	Exports of good and services % GDP	47.2	49.7	49.17	47.8		CSO
	- Of which diamonds	28.4	29.9	28.3	25		CSO
6	Trade balance % GDP	5.6	11.9	14.9	5		CSO
7	Current account balance % GDP						
8	Net inflow of foreign direct investment % GDP						
9	External debt % GDP						
10	Service of external debt (% exports of goods and non factor services)						
11	Foreign exchange reserves	27,440	36,536	52,884	67,392		BoB
Government							
12	Revenues in % GDP	36	38.4	38.4	35.7	34.9	MFDP
	- Of which grants	0.7	0.2	0.6	0.7	0.4	MFDP
13	Expenditures in % GDP	34.3	30.4	27.7	30.9	42.2	MFDP
	- Of which capital expenditures	7.8	6.5	5.6	8.1	14.7	MFDP
14a	Deficit/Surplus in % GDP including grant	1.1	8.0	10.7	4.7	-7.2	MFDP
14b	Deficit in % GDP excluding grant	0.4	7.8	10.1	4.0	-7.7	MFDP
15	Debt in % GDP	9.4	6.7	5.1			BoB
	- Of which external (% of total public debt)	46.6	55.0	52.1			BoB
Other							
16	Consumer price inflation (annual average change in %, calendar year)	6.5	13.7	4.2	10.7	12.6	CSO
17	Interest rate (for money annual rate in %)	14.25	14.5	15.0	14.5	15.0	BoB
18	Exchange rate (annual average rate of national currency per 1€, calend. yr)	5.80	6.34	7.31	8.37	9.94	InforEuro
19	Unemployment (in % of labour force)		17.5				CSO
20	Employment in agriculture (in % of total employment)				1.8		CSO

B. MONITORING COUNTRY PERFORMANCE, INCLUDING KEY MDG INDICATORS

Key indicators	1990	2005	2006	2007	2008	Intermediate targets	2015 goals
1. Proportion of population below USD 1 per day in PPP	n/a	30,1	30,1	30,1	n/a	n/a	50% 1990 value
2. Prevalence of underweight children (%)	15,5	12,5	4,7	4,7	n/a	n/a	50% 1990 value
3. Under-five child mortality/1000	57	114	76	74	n/a	n/a	1/3 1990 value
4. HIV prevalence rate of women aged 15-24 (%)	n/a	15,3	n/a	15,3	n/a	n/a	Halt/reverse rate
5. Proportion of births attended by skilled health personnel (%)	77	94	n/a	n/a	97	n/a	100%
6. Proportion of one-year-old children immunised against measles (%)	87	90	n/a	90	95	n/a	100%
7. Net enrolment ratio in primary education (%)	n/a	97,8	96,8	n/a	92,9	n/a	100%
8. Ratio of girls to boys in: - primary education - secondary education	107 114	97,2 107,5	96,5 108,2	n/a n/a	95,8 109,4	n/a	1:1
9. Primary school completion rate (%)	n/a	98,7	98,2	n/a	98,6	n/a	
10. Proportion of population with sustainable access to an improved water source (%)	93	95 ¹⁴	96	96	96,2	n/a	50% 1990 value
11. Fixed lines and mobile telephone per 1000 inhabitants	16,73 15	533,24	711,82	898,49	1118,95	n/a	
12. Formal cost required for business start up (% GNI per capita)	n/a	10,9	10,6	2,3	n/a	n/a	
13. Time required for business start up (days)	n/a	108	108	78	n/a	n/a	
14. Real GDP per capita and annual change (ppp)	n/a	8,2	7,4	9,4	8,6	n/a	
15. Access of rural population to an all season road	n/a	n/a	n/a	n/a	n/a	n/a	
16. Household electrification rate (% connected to national grid)	n/a	n/a	n/a	n/a	52,4	n/a	

Data source(s); UN, WB indicator, IMF, www.doingbusiness.org, BTA, GoB
n/a – statistics not available

¹⁴ WB 2004

¹⁵ Only fixed lines

C. GOVERNANCE

The commitments by the Government of Botswana to improve Governance (CSP/NIP 10th EDF) are updated end of 2008 and presented below. The Governance Profile was updated mid-2008 and is also presented hereunder. The next update of the Governance Profile will be undertaken end of 2009 and reported on in the 2009 JAR. Please note also that levels and trends have not been changed in the updated profile.

C.1 Commitments by the Government of Botswana to improve Governance (CSP/NIP 10th EDF)

<u>Governance Area</u>	<u>Prospective commitment</u>	<u>Assessment of progress on 31.03.2008</u> <u>Updated 05.02.2009</u>
<u>1. Political democratic governance</u>	To lift reservation on Convention on rights of the Child once Cabinet approves the Reviewed Act	- The reservation has not yet been lifted, and there is no indication when it will be lifted. - The Children's Bill 2009 (Bill No.1 of 2009) revises the Children's Act of 2008, and is aimed at giving "effect to Botswana's obligations in terms of the United Nations Convention on the Rights of the Child, and the African Charter on the Rights and Welfare of the Child". The bill seeks to promote and protect the rights and wellbeing of the child and communities.
	To establish a High level Committee to oversee the development of National Language Policy. To endorse officially the Language Policy and Implementation Plan, including timeframe, human and financial resources and to start the execution of this Plan	- Slow progress as it is not clear which Ministry has the lead, the Ministry of Youth, Sports and Culture (Sub-Committee for Language) or the Ministry of Education and Skills Development. - The University of Botswana is engaged in independent initiatives and organising a conference to discuss the basics for a national language policy. - There is no evidence of further progress
<u>2. Political governance – rule of law</u>	To increase the funding for Courts system	- 2008/09 GoB budget allocations provided for construction of additional courts at both magisterial and High Court levels and physical works were started.
	To support the High Court case management system and amend rules in order to process cases more quickly	- Introducing process reforms (case and court records management, mediation system). Improvement and rolling out of Court Record Management System supported by EU-funded consultancy. - The computerisation of case management was launched in 2005 and in January 2008, a new judicial case management method was introduced, which decreased outstanding cases from 11 337 in January 2008 to 5 169 in February 2009.
	To amend legislation and introduce a Small Claims Court (pilot sites: Gaborone and Francistown)	- A bill was drafted; the finalisation of the Act is awaited. - Plans are to start with a pilot phase at Francistown and Gaborone.
	To conduct a consultancy to study an Alternative Dispute Resolution Mechanism (Arbitration)	- GoB/UNDP funding for consultancy to be put to tender "soon". - No definite information could be obtained about actual status.
	To conduct a consultancy on establishing a commercial branch at the High Court.	It was decided to postpone this consultancy to take into account the results of the new judicial case management system (see above)

	To conduct a Legal Aid Study with the assistance of UNDP	- GoB/UNDP funding was utilised for a consultancy whose report is under consideration. The Attorney General is seeking financial resources for funding of a pilot phase of the preferred model, which they would like to implement in various locations around the country.
<u>3. Control of corruption</u>	To carry out an anti corruption study in close cooperation with UNODC and the EC	Study was done; findings and recommendations were made to GoB, and a Cabinet Memorandum was prepared for discussion during 2008. There is currently no definite report on the subsequent developments.
<u>4. Government effectiveness</u>	To implement a Public Expenditure and Financial Accountability (PEFA) exercise including a specific review in the education sector	- Public expenditure and financial accountability assessment conducted during 2008; report released in October. Focus was on the overall assessment of PFM systems, processes, institutions, and reforms.
	To strengthen the Public Procurement & Asset Disposal Board	- Introduction of Independent Complaints Review Committee, Arbitration and Regulations in 2006. - Amendment to PPADB Act was done in FY 2008/09, which included guidelines for dealing with non-performing contractors and service providers - Further decentralisation was implemented in the public procurement system by the establishment of Ministerial and District Administration Tender Committees (the process is continuing). - The new Local Authority Procurement and Asset Disposal Act commenced implementation in January 2008. - Institutional strengthening and decentralisation pilot projects supported by the EC are on-going
	To strengthen GOB implementation capacity aiming at implementing NDP 9	- Changes to pre-contracting, procurement, land acquisition and utilisation requirements, which introduced more flexibility in order to expedite the implementation of projects. - Devolution of authority from Ministry of Finance and Development Planning to ministries to approve project memoranda for up to P10 million. - Decentralisation of virements to ministries and an increase in the financial limits of Ministerial Tender Committees up to P5 million, which is planned to increase to P10 million during FY 2009/2010. - MFDP reorganisation: creation of the Department of Development and Budget - Ministerial Project Implementation Units introduced to improve technical coordination of project implementation - Privatisation/Public-Private partnerships encouraged further - Rationalisation of parastatals is being pursued to streamline their functions and remove overlapping mandates/activities
<u>5. Economic governance</u>	To elaborate a plan facilitating the implementation of the proposals made by the Business Economic Advisory Council (BEAC).	- Government Implementation Coordination Office (GICO) set up in May 2007 - GICO started off with coordinating quarterly ministerial reports on implementation of the Cabinet-approved action items (from the list of 500 prepared by BEAC). - GICO activities now include (i) developing standard format for project reporting; (ii) conducting workshops with all Ministries and Departments on project planning and project management skills; (iii) providing technical advice to Cabinet Committee on Economy and Employment; (iv) serving as the Secretariat to the High Level Consultative Council (HLCC). - BEAC report titled "Botswana Excellence – Strategy for Economic Diversification and

		Sustainable Growth” approved by Cabinet. - In December 2008 GICO signed a contract with Accenture to start a project monitoring and evaluation system that will inform about the status of major projects.
	To reduce the industrial licenses registration time from 1 month to 1 week following the Industrial Development Bill, which was approved by Parliament (11/2000)	- Company registration now takes 10 days (as at end of February 2008) - Implementation of the Trade Act of 2003 commenced from April 2008, with licensing committees to meet weekly rather than monthly. Both the Trade Act 2003 and Liquor Act 2003 are being reviewed during 2009, in order to improve business licensing processes. - Decentralisation of all trade and SMME manufacturing licences from National Industrial Licensing Authority to 29 Local Authorities under the revised Industrial Development Act of 2006 commenced in April 2008; Regional Licensing Committees and Appeals Boards have already been set up
<u>6. Internal and external security</u>	n. a.	
<u>7. Social governance</u>	To enact the Domestic Violence Act	Enacted 08.02.2008
<u>8. International and regional context</u>	To lead on urging SADC to review overlapping memberships	- Efforts are continuing. Botswana has continuously called for reviewing SADC overlapping memberships at all SADC high-level meetings. - Botswana, as part of SADC, was party to a Tripartite Summit of the SADC, COMESA, and the EAC that agreed in Uganda in late 2008 to set up a single African FTA with the ultimate objective of establishing a single Customs Union, which would ultimately lead to the African Economic Community, thereby resolving the problem of overlapping memberships.
	To continue taking an active role in negotiation the EPA and it’s implementation	- The Government played a very active and supportive role in the negotiations leading to the signing of an Interim EPA with the European Commission in November 2007. Negotiations towards a full EPA, covering the liberalisation of trade in services are continuing in 2009. Interim EPA with SADC (including Botswana) initialled in Nov./Dec. 2007. - The active role of Botswana was acknowledged by the European Commission. - Botswana, together with other SACU members has concluded trade arrangements with the European Free Trade Association states and the Common Market of the Southern Cone (Argentina, Brazil, Uruguay and Paraguay); negotiations have started with India on a Preferential Trade Area.
	To review participation in APRM	The GoB does not participate in the APRM, but may reconsider its position in the future
	To carry out a MDG needs assessment study and sensitize the national Parliament on these important issues	Done
<u>9. Quality of Partnership</u>	To lead on improving the structure of the dialogue and re-establish the donor forum	The donor forum was re-launched through an introduction meeting in September 07, 2007. Two fora were held in 2008.
	To elaborate a donor data base and improve donor coordination	A decision was taken in the December 08 development partner forum to go ahead with the 2 donor data basis, one for development coordination to be financed by the European Commission and one

		on treaties and international agreements to be financed by UNDP.
	To strengthen support to NSA	<p>Progress made; envelope increased to € 8m for NSA in EDF 10 (At present one project is on-going on the 9th EDF: €6 million and one is in the pipeline on the 10th EDF for €8 million).</p> <p>-Government through NACA and UNDP commissioned a study to map technical and financial resources for civil society, aimed at developing a coordinated and systematic approach to CSO capacity building to enhance their service delivery in HIV/AIDs related work. Report submitted February 2009.</p>

C.2 UPDATE OF THE GOVERNANCE PROFILE FOR BOTSWANA (Mid 2008)

1 POLITICAL/ DEMOCRATIC GOVERNANCE (VOICE AND ACCOUNTABILITY FOR WBI)

Human Rights

<p>Does the government have any particular problem to sign, ratify or transpose to domestic law human rights related global/regional conventions? If so, why? Please provide comments on implementation of human rights ratified conventions.</p>	<p>On 13 September 2007, Botswana voted to support the United Nations (UN) Declaration on the Rights of Indigenous Peoples, which had been recently adopted. This support may imply that the Government of Botswana could have revised its stand on indigenous people; policy changes are therefore anticipated.</p> <p>UN Convention on the Rights of the Child (CRC): The reservation to the UN CRC has yet to be lifted. There is little progress on the law review process regarding the rights of the child. Although Botswana acceded to the CRC in 1995, the government has not yet comprehensively amended child protection laws and policies to ensure that children enjoy all rights set out in the Convention. Public consultations have been held over the Children’s Act and the Adoption Act.ⁱ The delays in the consultation process imply that Botswana’s child protection laws are not yet aligned to the Convention. There is also a problem with the commercial sex exploitation of children.</p> <p>The of Child Welfare Division in the Ministry of Local Government (MLG) is drafting (i) a protocol on reporting incidents of violence against children (ii) a plan that will address commercial sex exploitation of children</p> <p>Positive developments: At the time that Botswana acceded to the UN CRC, it tabled a reservation with regard to the definition of “a child”, on the grounds that the country had various statutes that contained several and sometimes conflicting definitions of “child”. Therefore, it was necessary to review all the relevant statutes that had a bearing on the definition of a child and ascertain if no conflict would arise as a result of adopting the United Nations definition. For example, The Children’s Act defines a child as any person below the age of 14 years and the Interpretation Act states that 21 years is the legal age of majority. The MLG is in the process of conducting a thorough review of the various statutes and there are currently plans to harmonise the Children’s Act with the provisions of the UN CRC. The effect of this will be to subsequently amend all other laws that pertain to the definition of a child.ⁱⁱ However, it is not certain when this will be completed.</p> <p>Since 2006, the department of Registration of Births and Deaths in conjunction with UNICEF has run a project to raise awareness on the necessity to register children at birth. The GoB also has in place a programme of assistance to vulnerable groups of children such as orphans and children of destitute parents with basic necessities like food and school uniform.</p>
<p>Has the government signed and ratified the statute of the International Criminal Court? Has it signed bilateral immunity agreements with third countries (USA)?</p>	<p>No new developments</p>
<p>If death penalty has not been abolished, under which circumstances and grounds it is applied (military, sharia courts...)?</p>	<p>The death penalty has not yet been abolished. The last execution was on 02 November 2007. Human rights campaigners have expressed concerns about the secrecy surrounding the executions of death row prisoners.ⁱⁱⁱ</p>

	<p>The UN OHCHR Human Rights Committee in March 2008 “noted with concern” the practice of secrecy, and that the body of the executed person is not returned to the family for burial.^{iv} However, there appears to be strong public support for the retention of the death penalty, and it seems GoB will maintain it until Batswana are given an opportunity to vote against it.</p>
<p>Do the watchdog public institutions (Ombudsman, Human Rights Commission), in case they exist, have problems in exercising effective power?</p>	<p>Botswana still does not have a Human Rights Commission. Although the NGO Ditshwanelo operates unhindered, and there is a functioning office of the Ombudsman, these are neither sufficient nor adequate to fill the gap that exists in the absence of an official human rights commission.^v This is a cause of concern because it implies that Botswana is not keeping up with internationally expected obligations to fulfil the UN General Assembly Resolution on National Institutions for the Promotion and Protection of Human Rights of December 1993 and the Principles Relating to the Status and Functioning of National Institutions for the Protection and Promotion of Human Rights (Paris Principles).^{vi}</p> <p>The Ombudsman: The Office of the Ombudsman’s effective functioning is still limited by poor public knowledge of its existence and of its functions and responsibilities, and the human resource capacity constraints that hampers service delivery.</p>
<p>Is the principle of non discrimination based on sex, race, colour, language, religion, political or other opinion, national or social origin foreseen by the law and effectively guaranteed? If not what are the main problems?</p>	<p>Discrimination: The State of Botswana has taken some steps towards the elimination of ethnic-linguistic discrimination, which is in line with the recommendations of the UN Human Rights Committee on Elimination of Racial Discrimination.^{vii} The 2005 amendments to the provisions of the Constitution that dealt with the composition of the <i>Ntlo ya Dikgosi</i> (House of Chiefs)^{viii} meant that the previously discriminatory practice whereby the chiefs of some tribes could not be members of the House of Chiefs was removed, and the amendments made it possible for a chief of any tribe to be a member of <i>Ntlo ya Dikgosi</i> through election.^{ix} The new 35 member House of Chiefs opened in February 2008. The eight “principal” tribes remain, but 22 members are elected by chiefs, sub-chiefs and headmen and five are appointed by the President. The House may still reflect the importance of the leaders of the Tswana, but that importance has been somewhat diluted and the membership broadened. However, the new provisions do not go far enough in eliminating discrimination as the chiefs of the eight Tswana ethnic-linguistic groups (the Bamangwato, Bakgatla, Bakwena, Bangwaketse, Bamalete, Barolong, Batawana and Batlokwa) are <i>ex officio</i> members of <i>Ntlo ya Dikgosi</i>, which is a privilege that is not accorded to the chiefs of other ethnic-linguistic groups. The UN OHCHR Human Rights Committee has also expressed concerns that there is absence of “fair representation of all tribes”.^x Further to the constitutional amendments, the Bogosi Bill of 2007 intends to repeal the Chieftainship Act and amend the Tribal Land Act, which were found by the High Court, in the case of <i>Kamanakao I and Others v The Attorney General and Another</i>, to be discriminatory on the basis of tribe.^{xi} The Chieftainship Act defines a tribe as referring only to the eight mentioned above, and the Tribal Land Act delineates tribal territories only according to the same eight. The proposed law is aimed at extending the definition of tribe to all ethnic-linguistic groups, and tribal area to mean an area inhabited by a tribe in line with the new definition in the proposed law.</p> <p>Homosexuality: Homosexual acts are criminalised by the law. On 10 September 2007, the Registrar of Societies rejected the application for registration of the Lesbians, Gays and Bisexuals of Botswana Organization (LEGABIBO) because homosexual acts are criminal. The refusal is being challenged in the courts of law. In addition, the GoB refuses to provide condoms to prisoners. The prisoners are same sex, and</p>

	<p>a major consequence of this is that preventive measures are denied to some groups of the population that particularly vulnerable to HIV/AIDS infections.</p> <p>Refugees: Presently the practice is to deny refugees free access to ARV treatment, which continues to be viewed by the international community as a violation of Botswana international human rights obligations. The UN OHCHR has recommended that the state party should “ensure the harmonisation of its domestic law with the provisions of the Covenant [on Civil and Political Rights]”.^{xii}</p> <p>Language: The Ministry of Youth, Sport and Culture (Sub-Committee for Language) and Ministry of Education are responsible for language-related issues. The proposed High Level Committee to oversee the development of a National Language Policy has not yet started operating. The University of Botswana’s department of African Languages and Literature, with funding from the Open Society Initiative of South Africa (OSISA) and the private Botswana foundation <i>Tumela ya Puo</i> (Catalyst of Language), are organising a conference during the first half of 2008, to set the framework for developing a national language policy.^{xiii}</p>
<p>Are minorities’ and indigenous peoples’ political and cultural rights effectively protected? What are the main controversial issues (land rights, political rights...)?</p>	<p>Indigenous peoples’ rights: In a 2002 decision, the High Court of Botswana recognised that <i>Basarwa</i> belong to a class of peoples that have now come to be recognised as indigenous peoples.^{xiv} This judicial determination appears to be a departure from the official policy that is based on the assumption that all the people of Botswana are indigenous. It is not clear yet whether this will affect GoB policies with regard to the <i>Basarwa</i>.</p> <p>The Basarwa and CKGR: The High Court case challenging the constitutionality of the relocation of the Basarwa from the CKGR went in favour of the complainants in December 2006. The government accepted and vowed to respect the decision of the court.^{xv} This showed government commitment to the rule of law and that it was intent on upholding the rights of the Basarwa. However, GoB stated that the judgement did not mean that government was compelled to restore any social services that it had stopped to the reserve. The First People of the Kalahari went on a campaign during 2007, to publicise the fact that even though they had access to the CKGR, they were being denied access to the water borehole that had been closed in 2002 at Mathomelo.</p>
<p><i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i></p>	<p>Ditshwanelo commented that the significance of the support for the (UN) Declaration on the Rights of Indigenous Peoples was that “It provides a commonly agreed upon set of principles which can be used as the basis for improving the lives of indigenous peoples around the world, including in Botswana... [It] is a clear expression of its recognition of the right of the Basarwa/San to maintain their cultural traditions and identity. It also presents an ideal opportunity for the resumption of negotiations concerning the issues relating to the effective forced relocation of the Basarwa/San from the Central Kalahari Game Reserve (CKGR) and various options for development”.^{xvi}</p> <p>The heterogeneousness of Botswana society: Contrary to popular belief, Botswana is heterogeneous. The 2001 national population census provided the following ethnic-linguistic breakdown, based on the question: “Which Botswana language is your home language?” The official results from that census were that 79% of the respondents identified Setswana, 7% other Sotho-Tswana languages, 9% Ikalanga, 3% Seherero or Sembukushu, 2% Sesarwa (Khoisan), 1% Sesobebe (Chikuhane) and 1% Seyei.</p>

Fundamental Freedoms

Are the following fundamental freedoms recognised and effectively exercised by citizens (what are main restrictions and problems if not respected) - freedom of movement, including entering and leaving the country	No changes
- the freedom of thought, conscience and religion	No changes
- freedom of expression	No changes
- Freedom of information (are there restrictions to international media and to access to internet?)	The absence of an Act that would guarantee freedom of access to information is still a cause for concern in media circles. Private media people complain that public officers do not necessarily divulge information, and that such depends on the personal disposition of the officer since there is no official Act that would compel the public officers to provide the information requested by the media. In 2007 the Botswana Government Communications and Information Service (BGCIS) was set up and is expected to be fully operational in the 2008/09 financial year. It is a coordinating directorate in the Office of the President, mandated to manage and coordinate government communication and public relations. Its establishment is expected to enhance the dissemination of information to both the domestic and international audiences, and thus make more accessible and transparent government policies, priorities, and national interests. ^{xvii}
- Freedom of assembly and association (including meetings held by political opposition, demonstrations). Is the regulatory environment conducive for civil society organisations, professional associations, trade unions, political parties to operate	No changes
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	<i>No changes</i>

Electoral Process

Were the last Presidential, parliamentary and/or local electoral processes considered free and fair by EU and/or other international bodies? If not, what are the main obstacles? Please refer to the following elements to assess the electoral process.	Next elections are scheduled for the fourth quarter of 2009
- specific problems that undermine the independence, impartiality and credibility of the authority in charge of supervising the electoral processes	Recent allegations in the private press that the former Chairperson of the Independent Electoral Commission (IEC) had resigned due to interference from the Permanent Secretary to the President (PSP) were refuted by the PSP, who stated that his involvement did not go beyond normal administrative action and therefore had no bearing on the running of elections. ^{xviii}
- electoral census and the voters' registration system	The continuous voter registration, which is aimed at updating the voters' rolls, was resumed by the Independent Electoral Commission in 2007, in readiness for the general election of 2009. Notices of publication of Supplementary (Continuous) Voters' Rolls have been published, to allow for inspection (and objections) by the registered voters. ^{xix}

- specific problems that undermine the principle of equal campaigning opportunities (equal access for all contesting parties to the state-controlled media, availability of published and broadcast media in all constituencies, transparency of financing of political groups / candidates)	No changes
- existence of mechanisms for checking and validating election results - possibility to use recourse procedures	No changes
- possibility of requesting an authorised international election observation - possibility for local observers (from independent NGOs or political parties) to operate	No changes
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	The forthcoming (2009) general elections are not likely to change the nature of political representation. The ruling Botswana Democratic party is expected to win, and the first past the post electoral system will result in the party winning the majority of seats in the National Assembly. The opposition parties still remain weak, as evidenced by the factionalism and division in the main opposition party, the Botswana National Front (BNF). Opposition political party unity is far from being attained; the combined opposition is, therefore, unlikely to pose a challenge to the historical predominance of the ruling Botswana Democratic Party (BDP). Meanwhile, the BDP appears to have overcome its factional problems that had threatened party unity. It is thus likely that the BDP will contest the elections as a more united entity. The elections will be held about 18 months after the ascendancy to the presidency of the republic, of Vice President Khama, who as the paramount chief of the BaNgwato, which is the biggest of the Tswana-speaking ethnic-linguistic group, is likely to attract more support from that group. (The BaNgwato account for about 31 per cent of the population). There is, therefore, likely to be consolidation of popular support for the ruling party. The trends in women representation in political offices (Parliament and local government councils) are likely to be similar to 2004, with women remaining a minority, unless deliberate attempts are made to enhance their representation.

Principles of constitutional democracy

Does the Constitution contain the principle of the separation of powers?	No changes
How does Parliament exercise its main powers? (legislative functions, power to decide the national Budget, oversight of the executive/government's action and capacity to dismiss the executive)	No changes
Are there any political parties or similar structures? If not, what are the main obstacles for their formation and functioning?	No changes
How the political parties ensure political pluralism? (their capability of being representative, their budget, ...)	The All-Party Conference has been dormant for the last four years. It is not clear whether it will be resuscitated soon, but general elections are due in the fourth quarter of 2009.
Is the security system, including law enforcement institutions such as police, armed forces, paramilitary forces, etc, under democratic control and oversight by Parliament and civilian authorities? If not, what are the	No changes

main obstacles?	
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	The numerical predominance of the members of the executive in the Parliament has increased since the last general election in 2004. The elected Members of Parliament now number 57 and the specially elected ones are 4; making a total of 61. The announcement of an expanded Cabinet in January 2007 meant that the Cabinet, excluding the President and Vice President, had 24 Ministers and Assistant Ministers. That means that about 40 per cent of the 61 MPs were also in Cabinet (compared to one-third prior to the expansion). This exacerbates the problem of over-representation of the executive in the legislative, which potentially entrenches executive dominance in the conduct of government business.

OVERALL ASSESSMENT OF COUNTRY SITUATION 2005-2006 FOR POLITICAL/DEMOCRATIC GOVERNANCE	Level (1 to 4) TREND (-1, 0,1)
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2 POLITICAL GOVERNANCE/RULE OF LAW: JUDICIAL AND LAW ENFORCEMENT SYSTEM

What type of judicial systems (modern, religious, and traditional....) coexist in the country? What is their respective jurisdiction?	No changes
Do procedures of nomination, removal, sanctions and promotion ensure the independence of judges?	No changes
Is the current system conducive to a performing judicial system (appropriate salary, training, transparent disciplinary regulations, trained judges, equipped courts)?	Performance enhancements in the administration of justice are planned for 2008/09. These include addition to the number of courts: (i) establishment of a High Court Division in Gaborone, (ii) construction of a new magistrate's court and extension of the one at Broadhurst in Gaborone. Process reforms include: (i) computerisation of the court records management system, (ii) a new Judicial Case Management System that will make judges take control of the pace of litigation that currently is determined by lawyers, (iii) introduction of a Court Annexed Mediation system in which judges may refer a case to a mediator, (iv) introduction of Small Claims Courts (involving up to Pula 7,000), (v) establishment of traffic courts and (vi) family courts in Gaborone and Francistown. The Industrial Court has started to deal with the case backlog of 1,522 cases, and its circuit sittings are continuing in Francistown, Maun and Selebi-Phikwe. ^{xx}
Does the judicial system guarantee the right of every citizen to a fair trial? The following elements could be taken into consideration: - Is the access to justice reasonably ensured (including its geographical coverage) and judicial decision taken in a reasonable time? - Is the system for appeal deemed effective?	There is general consensus that the legal aid system requires regular review to ensure that everyone has access to the justice system . The current structure appears to favour few people that are financially able to pay for private legal representation, or are in a position to access the state legal aid system. This would seem to be discriminatory to the marginalised groups within the society. It is expected that access to justice will be improved through the implementation of initiatives such as the establishment of small claims courts. As the proceedings of such courts are usually less formal, they are also less intimidating. Their other advantage is that they are less costly than the formal court system. Attorneys are not usually allowed in the small claims courts; therefore the issue of non-access to justice (on the basis of one's economic means) would be minimised. In addition, specialised domestic violence and family courts may assist in better resolution of cases where the aggrieved (mostly women) may be uncomfortable to expose their humiliations in the more formal courts, which may also not necessarily understand their plight.

In the exercise of its functions, does the law enforcement system (police, judges, and penitentiary system) guarantee security of citizens and respect of law, while respecting human rights? Are penalties proportional to crimes? Do prison conditions respect human dignity?	No changes
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	The reservation on the UN CRC has not been lifted. Legislation is being drafted to introduce Small Claims Courts. Consultancy to look into the feasibility of the Alternative Disputes Resolution Mechanisms and Legal Aid Scheme (funded by <i>GoB and UNDP</i>) will be awarded in the near future.

OVERALL ASSESSMENT OF COUNTRY SITUATION 2005-2006 FOR POLITICAL GOVERNANCE /RULE OF LAW	LEVEL (1 to 4) TREND (-1, 0,1)
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3 CONTROL OF CORRUPTION

What are the sectors in which cases of corruption are reported? What kind of corruption is it? <i>(i.e.: customs, public procurement, revenue collection...?)</i>	The reports of corruption are mostly in general administration, but also include public procurement, service delivery contracting, land allocations, etc. For example, the DCEC Annual report for 2005 indicated that the Office of the State President accounted for 8.9% of all cases, Works and Transport for 8%, Local Government 13%, Labour and Home Affairs 4.1%. ^{xxi}
Does the country have an appropriate legal framework enabling the fight against corruption? <i>(I.e. Do national law criminalise active and passive corruption to/by a public official, Is an anti-corruption commission or other similar institution in place,...?)</i>	Yes there is an appropriate and functional legal framework. The DCEC commissioned a study (with EDF funding) on the “Causes and Consequences of Corruption in Botswana” and the consultants drafted an “ Anti-Corruption Action Plan for Botswana ”. While the Report acknowledged that the Botswana Anti-Corruption Strategy was still fully relevant and did not need any revision, it highlighted that DCEC should be given more independence and financial resources, and that it should report to Parliament. The study commended Botswana for the national anticorruption strategy, which it found to be an “effective way of dealing with the problem...[with its strategy]...comprising the elements of enforcement, prevention and public education...that applies to the whole country, to every sector and to everyone without exception”. The review report has several key recommendations, relating to the mandate of the DCEC, accountability, independence, resources, etc. ^{xxii} The recommendations include improvement of community involvement with anti-corruption efforts. This would involve establishment of community advisory committees of citizens to work with each of the three main operational divisions of the DCEC; the committees would be utilised to “provide advice on operational matters and to monitor the activities of the DCEC on behalf of the community” and the Director would also be advised by a similar committee that would “advise on policy and staffing matters”. Other recommendations are that the mandate of the DCEC should be limited to fighting corruption and associated crimes rather than “economic crimes” and money laundering, which must be the responsibility of the police and the revenue departments. ^{xxiii} The report of the consultancy was presented and debated at a widely attended workshop in November 2007 and is pending presentation to Cabinet. A Cabinet Memorandum has been prepared, which means it will soon be discussed by Cabinet. The DCEC will review its strategies as a consequence of the findings and recommendations of the study. Another study is planned to determine the trends of money laundering and financial crimes in the country.

<p>Is the national legal framework implemented? Are the institutions adequately financed to fulfil their mandate?</p>	<p>No, there have not been any changes to the national legal framework and financing, which the above-mentioned report analyses.</p>
<p>What is the position of the country towards international law regarding the fight against corruption (UN conventions, Financial Action Task Force)?</p>	<p>Botswana ratified the UN Convention on the Suppression and Financing of Terrorism</p>
<p>Is the country contributing to FATF-GAFI (Financial Action Task Force / Groupe d'action financière)? Is the country implementing FATF/GAFI recommendations on money laundering and terrorism financing? Through which regional mechanisms?</p>	<p>International fight against money laundering and terrorist financing: Botswana observes the standards and codes of the FATF on anti-money laundering and recommendations on terrorist financing. Botswana was the president of the Eastern and Southern Africa Anti Money Laundering Group (ESAAMLG) in 2007/08. In August 2007, the ESAAMLG Council of Ministers approved and adopted the mutual evaluation report for the Republic of Botswana. The report was prepared by staff of the World Bank, using the 2004 AML/CTF Methodology. The report's key findings were:</p> <ul style="list-style-type: none"> - Botswana has set up the key fundamentals of an AML regime through various legislative and regulatory instruments. - The legal and regulatory instruments provide for the criminalisation of money laundering, confiscation of proceeds of crime, preventive measures and suspicious transaction reporting. - The key components of the institutional framework for AML are in place and the Central Bank has been enforcing compliance with the AML requirements. <p>The report further states that Botswana's fundamental legislative and regulatory instruments are somewhat deficient due to inconsistencies between them, but even though these do not fully meet international standards, the country should aim at effectively implementing the current regime.^{xxiv} Specifically, the report commends Botswana for ratifying the UN Convention on the Suppression and Financing of Terrorism. However, the country has not yet criminalised the financing of terrorism; such a legal gap means the fight against terrorism may not be as effective as expected, and the country thus falls short of complying with its international obligations. Although the key components of anti-money laundering framework (law enforcement, prosecution and supervisory bodies) are established, only the Bank of Botswana has so far been enforcing the anti-money laundering requirements. The report recommends that Botswana should criminalise terrorism and institute training and coordination to enable other institutions (rather than the central bank alone) to play their role in anti-money laundering efforts. There is also a call for the GoB to enhance efforts aimed at enacting the appropriate legal instruments.^{xxv}</p>
<p>Does the country have a strategy or reforms addressing the main weaknesses identified here above? Are these strategies / reforms integrated in the poverty reduction strategy?</p>	<p>The IMF-World Bank Financial Sector Assessment Programme Report of 2007 acknowledged Botswana's efforts to combat money laundering and the financing of terrorism. GoB is increasing its efforts through the drafting of the Financial Intelligence Bill that will be presented in FY 2009/10. The purpose of the bill will be to establish policy and institutional frameworks for combating money laundering and financing terrorism.</p>
<p><i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i></p>	<p>The World Bank Institute's World Wide Governance Indicators rankings for Botswana have all shown declining trends, except for Political Stability and Absence of Violence, in the period 1996 to 2006. The rest of the indicators are: Voice and Accountability, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption. Transparency International's Corruption Perceptions Index for Botswana has also declined from a score of 5.9 to 5.4 out of 10, and world ranking from 32 to 38, in the period from 2005 to</p>

2007.^{xxvi}

OVERALL ASSESSMENT OF COUNTRY SITUATION 2005-2006 FOR
CONTROL OF CORRUPTION

LEVEL (1 to 4)
TREND (-1, 0,1)

4 GOVERNMENT EFFECTIVENESS

Institutional capacity

What are the main obstacles for public institutions (ministries, central bank, tender authority, and audit) to exercise their power in an effective manner? The following elements could be taken into consideration:

- is their mandate clearly defined?
- do they dispose of qualified staff and adequate budgetary resources?
- is there an effective coordination between the central and local level government?
- is the national and local administration able to formulate and implement policy initiatives?
- are they able to manage external aid?
- do they have the capacity to respond effectively to natural disasters?

The **problems of efficiency and effectiveness of public sector institutions** are due to human resource capacity constraints, organisational centralisation and non-flexibility. There is no comprehensive, integrated national policy and strategy of public sector reforms; a systematic and coordinated approach to public sector reform initiatives is lacking.

Implementation of the National Development Plan 9 (NDP9): The “lack of implementation capacity” has been a recurrent problem. In 2006/07, less than three quarters of the development budget was utilised; expenditure was 28 per cent below allocation.^{xxvii} There are a number of initiatives that have been undertaken by the MFDP in the last two years to improve the implementation of the National Development Plans:

- Pre-contracting: In 2006, MFDP introduced more flexible processes for the line Ministries and other implementing agencies in carrying out pre-contract activities. Pre-contracting is allowed after the draft Estimates have been approved by Cabinet, and before the commencement of the financial year.^{xxviii}
- Procurement for effective implementation: MFDP in 2007 streamlined procurement processes and procedures. The Ministries were given responsibility to approve Project Memoranda up to a threshold of P10 million, thereby enabling them to award tenders more quickly before final approval from MFDP.^{xxix} From 2007 there is also direct appointment for consultancy services through a roster system, to a maximum project value of P25 million
- Land acquisition and utilisation: Ministries are from 2007 requested to seek land immediately where projects were included in the National Development Plan to avoid delays when funds were released. In addition, the MFDP waived from a general requirement that Environmental Impact Assessments of projects must be done; instead, EIAs should be on a case by case basis.^{xxx}
- Public-Private Partnerships (PPPs): MFDP is now encouraging PPPs for development projects and outsourcing of some government activities so as to improve efficiency in project execution and service delivery. MFDP facilitated the fast tracking of important development projects e.g. Goodhope Secondary School in 2007-8.

Organisational improvements in the Ministries, Departments and Parastatal institutions for more effective implementation of the NDP 9 and subsequently NDP 10:

- MFDP: the programming and budget functions have been merged into a new integrated Department of Development and Budget.
- Line Ministries: Ministerial technical units are being set up in all ministries, after the initial establishment in

the Ministry of Works and Transport and Ministry of Local Government. The units will be responsible for project implementation, including construction, maintenance and help to improve the linkage between plans and budgets in the ministries. Progress has been made in strengthening implementing agencies through the allocation of P70 million for the establishment of a Project Implementation Unit at the Ministry of Local Government. In addition, the Boipelego Implementation Unit in the Ministry of Education is now a fully fledged department. Further, the Ministry of Works and Transport has established technical units in six line Ministries, which are: Works and Transport, Environment, Wildlife and Tourism, Agriculture, Labour and Home Affairs, Health and State President. Each unit will comprise six professional staff that is in the process of being recruited. These Technical Units together with the Boipelego Implementation Unit are expected to assist Ministries in the implementation and coordination of their development projects.

Privatisation: Privatisation, which is guided by the Privatisation Master Plan and steered through the Public Enterprises Evaluation and Privatisation Agency (PEEPA) is slowly taking off. The following are notable achievements:^{xxx}

- A study is on-going in relation to the need for the rationalization of parastatals, in order to streamline their operations and reduce overlapping mandates.
- Privatisation Assets Holdings (Pty) Limited, which is wholly owned by the public, was set up by GoB to warehouse proceeds, shares and other assets from the privatisation process. This investment trust fund is dedicated to citizen economic empowerment.
- National Development Bank (NDB): The NDB and PEEPA are currently engaged in consultations to determine a privatisation strategy for the bank.
- Botswana Telecommunications Corporation (BTC): The International Finance Corporation (IFC) is the transactions advisor for the privatisation of BTC. Government intends to table A BTC Transition Bill before December 2008, to facilitate the privatisation.
- Botswana Building Society (BSB): the GoB (public) shares have been transferred to the Privatisation Assets Holdings.

Public Private Partnerships (PPPs): PEEPA during 2007 was involved in advisory support for several PPP transactions: provision of office accommodation for the Office of the Ombudsman and the Lands Tribunal; the Zambezi Integrated Agro Commercial Development Project; Central Transport Organisation Fleet Management; Social Grants Payments system for old age pensions and destitute' allowances; and the Botswana International University of Science and Technology.^{xxxii}

Coordination of implementation of policies and programmes: The Business and Economic Advisory Council (BEAC), which was set up in 2005 completed its work and submitted its report to GoB in September 2006. The establishment of the BEAC was yet another attempt by GoB to make the executive agencies of government more effective in responding to the development challenges that the country faces. The report, which has not been made public, recommended 500 "action items" that the government had to address. As a response to a principal recommendation of the BEAC report, GoB established the **Government Implementation Coordination Office (GICO)** in May 2007, as a division within the Office of the President (OP). Its stated mandate is "to ensure that approved Government plans and projects are implemented within the parameters of time, cost and quality".^{xxxiii} GICO is coordinating the implementation of policies, projects

	<p>and programmes by the ministries and departments of government. Its monitoring activities include the calling for and coordination of quarterly ministerial/departmental reports and their submission to the Economic Committee of Cabinet. Currently, GICO's priorities revolve around monitoring the all the ministerial/departmental implementation of the action items that Cabinet has accepted from the list of 500 that was provided by the BEAC. GICO is supposed to complement the work of the Ministry of Finance and Development Planning (MFDP). Whereas the MFDP specialises in planning and budgeting, GICO is supposed to monitor implementation of the projects and programmes that have been approved for implementation.</p>
<p>If a decentralisation process is ongoing, Are the relevant competencies devolved to local authorities? Are appropriate resources (staff and budget) secured through allocations in the State's budget or through their own revenues?</p>	<p>There are still capacity constraints in decentralised local government councils, which suffer from the lack of qualified human capacity and problems of retention of qualified, competent and experienced staff. There are also perpetual problems with planning, monitoring of implementation, project management, and management of tenders and sub-contracts. Consequently central government has justified re-centralisation of certain functions, e.g. the supply of primary school books has resorted to the Ministry of Education from the local government councils (under MLG). There are additional obstacles to decentralisation, mainly the shortage of qualified, skilled, and experienced staff, which the local authorities cannot attract and retain due to uncompetitive remuneration and conditions of service.</p>
<p><i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i></p>	<p>Privatisation difficulties: Although the Privatisation Policy was adopted in 2000, the Privatisation Master Plan, which was supposed to be the blueprint, was only approved by Cabinet five years later (2005). By that time, a lot of economic and political developments had occurred nationally, regionally, and internationally. The master plan is no longer current and it requires review. Privatisation has been slow due to absence of the legal and regulatory frameworks for its implementation. The difficulty experienced in the now suspended privatisation of Air Botswana bears testimony to the requirement to develop clear legal and regulatory frameworks to guide the privatisation process.</p> <p>Human capacity development: The expansion of the University of Botswana, full establishment of the medical school, and of the Botswana International University of Science and Technology (BIUST) are some of the notable public sector efforts to improve human capacity development. Continuous capacity development is ensured by the NDPs, which specify policies and measures to be implemented throughout the economy. The MFDP has resumed the formulation of National Manpower Plans to guide education and training. The Tertiary Education Council (TEC) has also drafted a Human Resources Development Strategy that is aimed at addressing human capital development requirements.</p> <p>Retention of human resource capacity: The retention of qualified and experienced professionals is still a problem. In 2007, the government established two salary review commissions; one for the public service and another for political leaders and members of the Ntlo ya Dikgosi (House of Chiefs). The Public Service Salaries Review Commission had the objectives of reviewing the conditions of service, including salaries, allowances and fringe benefits, in order to “facilitate attraction, motivation and retention of manpower with critical skills needed for an effective and efficient Public Service, including Judicial Service, the Botswana Police Service, the Botswana Defence Force, the Local Government Service, the Teaching Service, the Land Board Service, Botswana Prison Service, Botswana Local Police, the Industrial Employees, Tribal Administration, Dikgosi and Dokgosana”. On 26 February 2008 the minister for Presidential Affairs and</p>

	Public Administration announced that there would be, across the board, 15 per cent increases in both salaries and allowances. The commission had recommended 30 per cent, after taking into account all important factors, including competitiveness and the cost of living. It is doubtful whether the approved increases will adequately address the less than attractive service conditions and remuneration packages and preserve skills and experience in the public service.
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Public Finance Management (PFM)

Is there an up-to-date assessment of PFM in the country?	- Public expenditure and financial accountability assessment conducted during 2008; report released in October. Focus was on the overall assessment of PFM systems, processes, institutions, and reforms.
Describe if there are problems with: - The realism of the budget document? - The execution of the budget? - The comprehensiveness and the transparency of the budget? - Internal controls? - External scrutiny and audit?	The budget execution process is still characterised by significant under-spending (28 per cent in 2006/07), because of implementation failures (lack of implementation capacity). The Financial Reporting Bill will be tabled in Parliament in mid-2008. The aims of the bill will be to establish an authority that will be responsible for overseeing, regulation, and enforcement of standards in the accounting profession.
Is there a reform programme to improve the quality of PFM? - If not , is one being drafted? - If yes , Is there evidence of the authorities' commitment to its implementation	Based on the outcome of the PEFA exercise the Government will look into possibilities on how to improve its PFM. It will be a Government led process. Public procurement reforms: Proposed amendment of the Public Procurement and Asset Disposal Act will be tabled in Parliament during FY 2008/09. The bill will aim at enhancing project implementation by relaxing restrictions on retroactive approvals in cases of emergency, and guidelines for dealing with contractors and service providers that do not perform satisfactorily. Reforms to Public Procurement and Asset Disposal Board (PPADB) processes: PPADB is now implementing standard bidding packages. The Public Procurement and Asset Disposal (Independent Complaints Review Committee Regulations, 2006) introduced mediation and arbitration procedures, and Public Procurement and Asset Disposal Regulations, 2006 were adopted to improve the operations of the public sector procurement agency. There are also on-going efforts to decentralise the PPADB, for example through establishment of Ministerial Tender Committees (MTCs) and District Administration Tender Committees (DATs) The ultimate aim is to establish the PPADB as full time regulator and auditor of government procurement. Tax administration reforms: The drafting of the Tax Administration Bill is expected to be completed by June 2008. A comprehensive review of the entire tax regime, which will be announced in 2009, was announced in the 2008 Budget Speech.
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	The Auditor General comments ^{xxxiv} that although the PPADB Act gives it sufficient powers to effectively discharge functions, it currently does not have guidelines for dealing with non-conforming entities; thus there is too much recourse to the courts of law. Such recourse should ideally be the last resort. Therefore the proposed reforms should be welcome. Other reforms that the Auditor General would like to see are the separation of the offices of the Chief Executive Officer from that of the Chairperson of the Board (to enhance good governance practices) and establishment of an oversight entity that would enforce transparency and that appeals are handled expeditiously (rather than through the courts of law).

OVERALL ASSESSMENT OF COUNTRY SITUATION 2005-2006 FOR GOVERNMENT EFFECTIVENESS	LEVEL (1 to 4) TREND (-1, 0,1)
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5 ECONOMIC GOVERNANCE (REGULATORY CAPACITY FOR WBI)

Private sector/market friendly policies

Is the business climate attractive for private sector investment in particular taking into account - The time and cost to start/end a company	<p>Company registration: In February 2008 the length of time to register and set up a company through the Ministry of Trade and Industry (MTI) had improved to 10 days (compared with 90 in 2003).</p> <p>Licensing: The Trade Act of 2003 will be implemented with effect from April 2008. Licensing committees will be required to meet weekly, rather than monthly. The revised Industrial development Act of 2006 decentralised the issuing of trade and SMME manufacturing licences from the National Industrial Licensing Authority (NILA) to Local Authorities. Regional Licensing Committees and Appeals Boards, which will operate under the Local Authorities have already been established.</p> <p>The Botswana Export Development and Investment Authority (BEDIA) now offers a one-stop facility for investors, including applications for company registration and business licences, residence and work permits.</p>
-The level of access to capital market; Inadequate bank supervision	The Botswana Non-Bank Financial Institutions Regulatory Authority will start operating in April 2008, and will take over the MFDP's functions as regulator for insurance companies, building societies, pension funds, capital markets, etc. There was a joint IMF-World Bank Financial Sector Assessment conducted during 2007, which confirmed the adequacy of the financial services sector in facilitating economic diversification and efficient utilisation of national savings. However, the assessment also identified areas that require attention, as a matter of priority: (i) establishment of a formal financial stability framework for monitoring and responding to system-wide macro financial risks and (ii) strengthening the regulation and supervision of non-bank financial institutions, including the pension sector and capital markets. ^{xxxv}
-The customs regulations and the application of the rule	No changes
-The property regime	No changes
-The labour regulations	No changes
-The unofficial payment for firms to get things done	No changes
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	<p>Indices relating to economic governance: The Bank of Botswana's Business Expectations Survey of September 2007 reported high levels of confidence in the economy.^{xxxvi} The Botswana Business Forecast Report of the first quarter of 2008 ranks Botswana at number 4 in SADC and number 75 overall (up from 84). Although Botswana still ranks high above sub-Saharan countries, the Global Competitiveness Index slipped from 72 in 2006 to 76 in 2007/08; the World Bank Doing Business Report of 2007 showed it had dropped three places <i>from</i> 48 in 2006 to 51 in 2007.^{xxxvii} The declining trends point to the need for continued efforts to maintain the high performance that Botswana is renowned for.</p> <p>Competition Act and Regulatory Authority: The delays in enacting the Competition Act and establishing a Competition Regulatory Authority require immediate attention by the Ministry of Trade and Industry. The GoB in 2004 commissioned a study to examine existing policy and regulatory frameworks in the utilities</p>

	<p>sector (transport, energy, water, communications).^{xxxviii} Although the report was approved, the status of implementation of its findings and recommendations is unclear. The absence of a competition act and authority, and the prevalence of ministerial policy and regulatory frameworks are not conducive to the development of the private sector.</p> <p>The Directors' Institute of Botswana (DIB) has developed guidelines based on the South African (King I and King II) codes, the OECD principles, and the combined UK code, which will form the basis of Botswana's own Corporate Governance Code, which the DIB will be enforcing. The Institute, in conjunction with PEEPA is assisting in recruitment of directors and board members of public corporations.</p> <p>The GoB is encouraging further state-private sector (foreign) investments, including the Zambezi Integrated Agro-Commercial Development Project, location of the Diamond Trading Company to Botswana, and Mmamabula Energy Project. However, these will require the development of clear policy and regulatory frameworks, if transparency and accountability have to be assured in the long term. Gob is drafting the National Trade Policy, National Export Strategy, Foreign Direct Investment Law, and Foreign Direct Investment Strategy, to improve attractiveness to investment.</p>
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Management of natural resources

<p>Has the country adhered to the EITI (Extractive Industries Transparency Initiative)? If not, what are the problems regarding the adhesion? Has the country encountered any problems in the implementation of the EITI (programme, activities, creation of an EITI specific department)?</p>	<p>Botswana joined the Extractive Industries Transparency International (EITI) in May 2007. This has potential to make government more transparent and accountable in the reporting of revenues from the extractive industries (diamond, copper/nickel, gold and coal mining and exports), and the cost of doing business with the mining companies (in the form of management contracts and associated fees, royalty payments, etc).</p>
<p>In case the country is concerned by the illicit production and trade of "conflict diamonds", is the Government involved in and cooperative with the Kimberly Process Certification System (KPCS)? Has it put in place the appropriate controls to eliminate the presence of conflict diamonds in the chain of producing and exporting rough diamonds?</p>	<p>Botswana was chair of the Kimberley Process (KP) in 2006 and in November of that year hosted a meeting at which a report reviewing the KP's three years' of existence was discussed. At that meeting, agreement was made to improve the Kimberley Process Certification Scheme's (KPCS) effectiveness through increased transparency, publication of statistics, and better coordination of technical assistance. Botswana passed on the chair to the European Commission.</p>
<p>FLEGT (Forest Law Enforcement, Governance and Trade) Is the country affected by illegal logging and the trade in illegally-harvested timber? If yes, what steps has the government taken to strengthen forest sector governance, and address underlying causes of illegal logging? Has there been dialogue between the government and the Commission concerning the EU FLEGT Action Plan, and is the country a potential candidate for a partnership under the FLEGT Action Plan?</p>	<p>No changes</p>
<p>Does the country implement the FAO Code of Conduct for Responsible Fisheries (CCRF)?</p>	<p>No changes</p>
<p><i>Other relevant information, overall appreciation and summary of the</i></p>	<p>The Diamond Trading Company (DTC) Botswana, a 50-50 venture between GoB and DeBeers, was officially launched in March 2008. This, together with the granting of 16 licences to diamond cutting</p>

<i>main problems identified in this area</i>	companies, highlights Botswana's efforts to take more control over the diamond industry by aggregating diamonds locally (previously done in London, UK) and beneficiating them to add value. Apart from elevating the importance of Botswana in the international diamond aggregating, sales and value-adding businesses, these activities are likely to increase local employment and training.
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OVERALL ASSESSMENT OF COUNTRY SITUATION 2005-2006 FOR ECONOMIC GOVERNANCE	LEVEL (1 to 4) TREND (-1, 0,1)
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6 INTERNAL AND EXTERNAL SECURITY (POLITICAL STABILITY AND ABSENCE OF VIOLENCE FOR WBI)

Internal stability/conflict

What kind of internal ethnic/regional conflict can be identified? Please specify its causes and the ongoing conflict resolution process, if any.	No changes
Can signs of civil unrest be detected? If yes, which sectors of society are affected?	No changes
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	The WBI World Wide Governance Indicators show that Botswana's indicator for Political Stability and Absence of Violence is the only one amongst the six that shows a positive trend from 1996 to 2006. ^{xxxix}

External threats and global security

Is the country respecting international/regional agreements related to Antipersonnel Landmines, Explosive Remnants of War and illicit trafficking and spread of Small Arms and Light Weapons	No changes
Does the country respect international law and its regional obligations in managing external conflicts? Is the country involved/affected by any external conflict?	No changes
Is the country contributing positively (troop contributions to PK by UN) to the maintenance of peace in the world, continent, region?	No changes
Is the country involved actively in peace mediations?	No changes
Is the country committed to implement UN Security Council Resolution 1373 (2001) and UN Convention on Terrorism? Does the country have the institutional capacity/legislation to contribute to the fight against terrorism?	No changes
Does the country comply with and implement international norms and convention against the proliferation of weapons of mass destruction and their means of delivery?	No changes
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	Whereas Botswana has been critical of Zimbabwe's deteriorating political and economic situation, its diplomatic stance has been cautious and rather quiet, in line with the overall SADC approach. The official

	stance is that Zimbabweans are capable of resolving their own problems; Botswana may only advise if required. Botswana is host to a number of Zimbabwean migrants, a number of whom are illegal and are deported back to Zimbabwe every month.
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OVERALL ASSESSMENT OF COUNTRY SITUATION 2005-2006 FOR INTERNAL/EXTERNAL SECURITY	LEVEL (1 to 4) TREND (-1, 0,1)
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7 SOCIAL GOVERNANCE

Does the government have any particular problem to sign, ratify or transpose to domestic law the eight fundamental ILO Conventions? If so, why? Please provide comments on implementation of ILO ratified conventions, in particular on children	No changes
Does the country have a National Strategic Plan to enable it to respond to the challenges of HIV/AIDS e.g.; a national Coordination Committee etc.?	The Botswana National Strategic Framework for HIV/AIDS 2003-2009 underwent a mid-term review that is still in draft form and not accessible to the public. The implementation of the framework accounted for 6% of total government expenditure in 2002/03 and 13% in 2006/07. ^{xi} The HIV/AIDS budget is 43 per cent of the OP's total in 2008/09. ^{xii} There are ongoing efforts to explore and implement further initiatives to enhance the national HIV/AIDS response, such as a capacity building initiative introduced for national HIV and AIDS response where a number of implementing partners are trained in monitoring and evaluation, data analysis and basic computing skills. The National Population Policy is under review, to respond to the HIV/AIDS challenges and to align it with the Millennium Development Goals (MDGs) and <i>Vision 2016</i> ideals.
Where national strategies and structures exist to respond to the challenges of HIV/AIDS, how far are there the political will and the commitment of domestic resources to ensure that they are effective?	GoB has called on the WB for technical assistance support to develop a more effective prevention strategy.
Does the government have any particular problem to sign, ratify or transpose to domestic law the most important international conventions and declarations on gender equality? If so, why? Please provide comments on implementation	No changes
Has the country put in place strategies and structures to respond to the challenges of gender equality, e.g. a national strategic plan, a coordination committee or the like?	Gender equality: Following the enactment of the Abolition of Marital Power Act , the GoB in February 2008 has tabled the Statute Law (Miscellaneous Amendments) Bill 2008 (Bill No. 3 of 2008), which is intended to make the provision of certain Acts gender-neutral and thus remove discriminatory provisions relating to women and children. The proposed amendments: - Pensions Act: Proposal to allow the courts to pay pension, gratuity, or other allowance for the maintenance of a surviving spouse or spouses (recognition of polygamous marriage) or minor child. - Married Persons Property Act: Proposed amendment would make spouses equal in terms of community of property and community of profit and loss.

	<ul style="list-style-type: none"> - Matrimonial Causes Act: Proposed amendments relate to divorce proceedings, judicial separation, and decrees that will be gender-neutral and applicable to both spouses. - Administration of Estates Act: Most significant change will be that letters of administration or confirmation or curatorship will require written consent of the other spouse. - Deeds Registry Act: Various proposals relating to powers over property, disclosure of marital status, property transfers and other issues that would make registration and changes to the property deeds gender neutral. - Companies Act: to eliminate the need for husband’s consent and assistance, and generally neutralise all gender-related provisions.
<p><i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i></p>	<p>Towards gender equality: In 2007, a Grant Thornton International Business Report (IBR) placed Botswana, at 31 per cent, above several countries including the Netherlands, Sweden, United States of America, Canada, Australia, France, Italy and Germany, in terms of women occupation of senior corporate management positions.</p> <p>Addressing gender-based violence: The Domestic Violence Act was passed by parliament in <i>February 2008</i>. However, Ditshwanelo-The Botswana Centre for Human Rights raises various issues in relation to the Act:</p> <ul style="list-style-type: none"> - The definition of domestic violence excludes relationships outside of marriage. Ideally, the definition should encompass these relationships in an attempt to curb femicides or so called “passion killings”. - The Act does not make it compulsory for the government to provide structured shelters for survivors of domestic violence. There is however, a provision for the removal of survivors of domestic violence from their residence but it is not clear where they would be moved to. Protection against marital rape is still not expressly provided for in the new Act and this has been identified as one of the serious gaps of the statute. - The Act does not address the issue of the setting up of specialised courts to deal with domestic violence issues. Such courts would help build the survivors’ self esteem as well as save the survivor the embarrassment of relating his/her story in an open court which may not be necessarily sensitive to the special needs of the survivor.^{xiii} <p>The Department of Women’s Affairs in the Ministry of Labour and Home Affairs and its partners (UNDP, NGOs and other GoB departments) have been financed by the United Nations Population Fund for Women (UNIFEM) to combat the “intersection” of gender-based violence and the spread of HIV/AIDS. The project’s goal is to contribute to the elimination of all forms of gender-based violence and the reduction of the spread of HIV/AIDS among women and girls in Botswana. As part of its strategy, the department and its partners have organised radio talk shows with local stations, to increase awareness and understanding of the issues.</p>

<p>OVERALL ASSESSMENT OF COUNTRY SITUATION 2005-2006 FOR SOCIAL GOVERNANCE</p>	<p>LEVEL (1 to 4) TREND (-1, 0,1)</p>
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8 INTERNATIONAL AND REGIONAL CONTEXT

Regional integration

<p>Level of implementation of national obligations towards the agenda of economic integration concerning, in particular, the creation of a free trade area or customs union</p>	<p>Botswana chairs the Southern African Customs Union (SACU) as from July 2007, and is thus fully participating in the customs union's reforms, as SACU Member Countries move towards the full implementation of the 2002 SACU Agreement. The reforms include democratisation of SACU decision-making institutions, including the Tariff Board, Secretariat, management of the Common Revenue Pool, and the adoption of common policies and strategies.</p> <p>As member of the Southern African Development Community (SADC), Botswana will fully participate in launching the SADC Free Trade Area (SADC-FTA) at the August 2008 Summit. The SADC-FTA seeks to deepen regional integration and will dismantle tariff walls within the region while allowing the free flow of goods and services, but will let each country determine own external tariffs with non-member countries.</p>
<p>Level of implementation of programmes or regional action plans of other regional policies (e.g. transport policy, trade facilitation, etc.) which are part of the regional system</p>	<p>Trade facilitation: Botswana, together with Lesotho, Namibia and Swaziland in late 2007 signed an interim Economic Partnership Agreement (EPA) that would govern their trade with the European Union (EU). Botswana played a major role in the EPA negotiations, probably because of the fact that export access (for beef) to the EU would have been jeopardised, had the country not signed. The likely outcome of not signing would have been uncompetitive exports, since the access would have been subject to the higher tariffs of the Generalised System of Preferences. The four countries that signed the interim EPA are all members of the Southern African Customs Union (SACU), and by breaking ranks with South Africa, which has not initialled the agreement, and is the dominant partner in the union, they might have set an uncertain course for SACU. Note that the SACU agreement requires that any country's agreements must be referred to and agreed by the other partners. RSA also has an existing Trade, Development and Cooperation Agreement with the EU. It is unclear what South Africa intends to do next, but the survival of SACU is not necessarily threatened.</p> <p>Regional transport and communications infrastructure: In the context of the New Partnership for Africa's Development (NEPAD) and Southern African Development (SADC) regional integration initiatives, Botswana is involved with Zambia in the Kazungula bridge project, which will contribute to easing road transportation within SADC. It is also a partner in the East Africa Submarine Cable System that will facilitate improved and affordable international communications for the region.</p> <p>Agriculture: Botswana's Ministry of Agriculture has developed proposals for Botswana's involvement in NEPAD's Common Africa Agriculture Development Programme.</p>
<p>Level of engagement in the regional institutions, notably as regarding the financial obligations of the country, in respect of decisions of regional jurisdictional bodies</p>	<p>No changes</p>
<p>Coherence and compatibility, both technical and juridical, of the country</p>	<p>No changes</p>

position concerning the various regional agencies to which it is party, and level of engagement in the process of rationalisation of the RECs	
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	Botswana's former President, Sir Ketumile Masire, continues to be engaged in African peacekeeping and democracy initiatives. He was one of the first to be involved in trying to resolve the Kenya post electoral dispute in January 2008, under the auspices of the African Forum, which is a grouping of former heads of state and secretaries general of regional and international organisations. As a SADC Eminent Person, he is involved in mediating dialogue between the ruling and opposition parties to resolve the electoral dispute in Lesotho, with regards the allocation of seats following the February 2006 elections. Under the Global Leadership Foundation (headed by former South African President Frederick de Klerk), Masire is engaged in initiatives to foster democracy, peace and development in Swaziland, Sudan, and was involved in the Sierra Leone and Nigerian pre-election missions to encourage democratisation.

Involvement in regional initiatives on governance and peer review mechanisms (such as APRM)

Is the country actively participating in regional initiatives on governance?	
Has the country acceded to the Africa Peer Review (APR) process? Is the country being reviewed or has it been reviewed? Is APR programme of action integrated in the PRS, in the MTEF, etc	Botswana has not yet acceded to the African Peer Review Mechanism (APRM) , and there is no indication that it will change its stance anytime soon.
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	

Migration

Has the country been invited to deepen the dialogue with the EU on the broad agenda of migration related issues contained in Article13 Cotonou? If yes, has it responded positively? Have interlocutors been identified? Has an agenda for dialogue been proposed / agreed? Is there an open debate and good cooperation on the implementation of the readmission obligation?	No changes
In case where development aspects of migration have been identified as an important issue (e.g. brain drain / return of qualified nationals, remittances, relation with Diaspora), does the country show willingness to address them in the programming dialogue? Does the country pursue a pro-active approach in this policy field? What steps have been taken in this context?	No changes
In case where refugee aspects of migration have been identified as an important issue (either as a host country or as a country of origin), does the country show willingness to address the position of refugees in the	No changes

programming dialogue? Does the country, when appropriate, cooperate on initiatives to enhance domestic or regional protection capacity? Does the country pursue a pro-active approach in this policy field? What steps have been taken in this context?	
In case where illegal migration, smuggling and/or trafficking of human beings have been identified as an important issue, does the country show willingness to address these issues in the programming dialogue? Does the country pursue a pro-active approach in this policy field? What steps have been taken in this context?	No changes
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	The 2006 Demographic Survey found that the non-Botswana population is 3 per cent of the total of 1,756,700, of which there are a number of Zimbabwean migrants. There has been a large influx of Zimbabweans during the last two years, as the economic and political situations have been deteriorating there. Frequent reports are made in the local press about the Botswana Police Services rounding up illegal immigrants and the immigration authorities deporting them back to Zimbabwe. Anecdotal evidence shows that no sooner are they deported than they return to Botswana. The exact number of Zimbabwean immigrants is difficult to ascertain.

OVERALL ASSESSMENT OF COUNTRY SITUATION 2005-2006 FOR INTERNATIONAL AND REGIONAL CONTEXT	LEVEL (1 to 4) TREND (-1, 0,1)
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9 QUALITY OF PARTNERSHIP

Political dialogue

Are there agreed terms of reference, joint agendas and established calendar for article 8?	No changes
Would you qualify it as open and constructive? If not, what are the main difficulties? Did the political dialogue lead to any concrete achievement?	No changes
Within art. 8 is dialogue on essential elements systematic and formalised? Have specific benchmarks or targets been agreed?	No changes

Programming dialogue

Does the government involve Parliament, non-state actors and local authorities in the programming dialogue?	In view of the 10 th EDF CSP programming exercise, three consultative meetings on the CSP were held with stakeholders (District Councils; about 20 NSA, including organisations dealing with HIV/AIDS, commerce and industry, export and investments, development policy, environment, ethics and law, community bases organisations, Human Rights, youth as well as the University of Botswana and the Federation of Trade Unions). NSA were given time after the meetings to comment in writing. The CSP was modified after
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	consultation and a revised version presented in November 06 to HQ, however, not all the recommendations were accepted by HQ.
Was the programming exercise effectively a joint and open process? Did the Government actively promote co-ordination and harmonisation with other donors?	No changes
<i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i>	

Non State Actors

<p>Participatory approaches to development: does the government involve non-state actors and local authorities in the PRS process (preparation, follow-up)?</p> <p><i>Note: an assessment of the quality of participatory approaches should be provided in Annex 5 to CSP</i></p>	<p>Role of non-state actors (e.g. NGOs, community organisations, voluntary associations etc.) in future implementation plans for more effective delivery of social services: Village Development Committees, comprising elected members of community have long been involved in planning and implementing service delivery projects at village level. The Botswana Council of Non-governmental Organisations (BOCONGO) is actively involved in the development agenda through a set of guidelines drawn up by government. On the planning side, BOCONGO and other civil society organisations such as Botswana Confederation of Commerce, Industry and Manpower are members, for example, of the NDP 10 Preparation Reference Group. The NDP 10 preparations also involve consultations with communities through the District Development Committees. The HIV/AIDS strategy, through such programmes as the Community Home Based Care use community volunteers to take care of HIV patients at home. The GoB seeks to monitor such activities, with the aim of possibly extending the community based principle into other areas of social services.</p>
<p><i>Other relevant information, overall appreciation and summary of the main problems identified in this area</i></p>	<p>The Executive is actively engaged in policy dialogue with non-state actors, especially the private sector, through the High Level Consultative Council (HLCC) and the bi-annual National Business Conference (NBC). The Business and Economic Advisory Council was formed as a result of the consultations involving the Botswana Confederation of Commerce, Industry and Manpower (BOCCIM), which has considerable influence in the HLCC and NBC. Engagement of local communities is through the Village and District Development Committees for development planning, and the Kgotla, or village assemblies for the popularisation of government policies, plans and decisions. However the consultation of local communities is more in the form of information provision to the local communities rather than seeking their input into policies and plans. Policy making and determination of national development priorities and are by and large dominated by central government. Local communities do not have significant influence on national plans, priorities and budget determination. Therefore, the consultations relating to the formulation of National Development Plan 10 (NDP 10) are likely to follow a similar pattern of informing local communities about the contents of the plan, after central government has determined the general parameters of policies, strategies and budget ceilings.</p>

OVERALL ASSESSMENT OF COUNTRY SITUATION 2005-2006 FOR QUALITY OF PARTNERSHIP	LEVEL (1 to 4) TREND (-1, 0,1)
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10 OVERALL CONCLUSION

There are no major changes in Botswana's political and economic situations in the period from 2006 to 2008. The country continues to be politically, socially, and economically stable and Botswana still ranks above the average with a stable trend in all the areas of assessment. However, there is a recurring problem with attaining effective implementation of the National Development Plan, an area that is nevertheless being actively attended to. Political/democratic governance has been maintained, and there is going to be a well-planned and managed political succession when Vice President Ian Khama takes over from retiring President Festus Mogae on 1st April 2008. The highlights of positive developments include the support given by GoB to the UN Declaration on the Rights of Indigenous Peoples, the prospect of reviewing policies towards ethnic minorities, measures to eliminate ethnic-linguistic discrimination, proposed amendments to laws that would ensure gender equality and empowerment of women, and better legal protection of women and children.

Political governance/rule of law has been exemplary, with several positive developments that are characterised by improvements in the administration of justice, and measures to improve access to the justice system.

Control of corruption has been boosted by the just-completed study on the causes and consequences of corruption, whose report recommends several important changes that would improve the efficiency and effectiveness of the fight against corruption. The drafting of the Financial Intelligence Bill will further contribute to the efforts to combat money laundering.

Government effectiveness is being improved through various policy and institutional changes. Institutional capacity improvements are underway to strengthen the delivery of public services. Reforms in the Ministry of Finance and Development Planning and in the line Ministries, Departments and Parastatal institutions are underway, such as restructuring of budgeting and programming in the MFDP and introduction of ministerial technical units to improve policy and programme implementation. The establishment of the Government Coordination Implementation Office is a major reform designed to put in place coordination, implementation monitoring, and reporting system that would provide an accurate estimate of the efficiency and effectiveness of the public sector in service provision and implementation of the national development plan commitments. Public finance management is also being improved, for example through the reforms that are being proposed in the Financial Reporting Bill that will establish a regulatory system for accounting, and public procurement processes that will enforce conformity and adherence to public procurement regulations and standards.

Economic governance has been boosted by the establishment of the Botswana Non-Bank Financial Institutions Regulatory Authority. However, the failure to significantly reduce the number of days it takes to register companies and slowness in enacting a Competition Act and establish a Competition Authority remain problematic in improving the attractiveness of Botswana as an investment destination. The establishment of the Diamond Trading Company marks a significant shift in Botswana's role as an international player in the aggregation, sales and beneficiation of diamonds, which has potential for assisting Botswana to diversify the economy from mere extraction and export of unprocessed minerals.

Internal and external security has not changed. The influx of Zimbabwean refugees is an extra burden on the law enforcement agencies but has not had a significant effect on safety and security.

Social governance is set to improve significantly, especially with the tabling of the Statute Law (Miscellaneous Amendments) Bill of 2008, which seeks to make all laws gender-neutral, thus removing all discriminatory provisions in many laws, and empower women (and children). Concrete actions to establish legal equality in terms of gender, and initiatives to address problems of gender based violence were also boosted by the enactment of the Domestic Violence Act and UNIFEM financing of a project to combat gender-based violence and the spread of HIV/AIDS. As shown in the budget for 2008/09, Botswana still continues to allocate significant public resources to combat the HIV/AIDS epidemic, and the country is reviewing the National Population Policy to align it with the Millennium Development Goals and Vision 2016 ideals, which should make it more relevant and appropriate to the dynamics of change.

International and regional context: Botswana has continued to be in the forefront of implementing reforms in the Southern African Customs Union and furthering the introduction of the SADC Free Trade Area. Its initialling of the Interim SADC FTA with the EU is testimony to the leading role that Botswana plays in regional cooperation, a role that was recently acknowledged by the European Trade Commissioner. The former president also continues to be engaged in various peace building, peace keeping and democracy initiatives that place Botswana in the forefront of regional statesmanship.

Quality of partnership has been the strength of the GoB. The executive is actively engaged with non-state actors at various levels of dialogue, through the District Development Committees, High Level Consultative Council, and other forums. The dialogue with international cooperating partners has been re-activated, and GoB seeks to improve performance on the realisation of its commitments.

ⁱ There have been public consultations over the past years relating to proposed amendments to the children protection laws, particularly, the Children's Act and the Adoption Act. It appears delays in finalising the consultation process relate to controversy surrounding certain proposed amendments, such as the abolition of corporal punishment, which is practiced even in schools. There seem to be sharp divisions concerning corporal punishment partly due to different interpretations of custom and tradition. Presently, no effective measures exist to prevent violence against children. For instance, the Children's Act only spells out the role of the State and social workers in the prevention of violence against children, and it is silent on the role of the community. According to the Child Welfare Division in the Department of Social Services in the Ministry of Local Government (MLG), this omission seriously impedes the reporting of incidents of violence against children because potential informers, who are members of the public, are not protected; therefore they are not forthcoming in reporting such incidents. The division is drafting a protocol on reporting incidents of violence against children, which will aim at enhancing the system for reporting and investigating incidents of such violence by affording protection to informers. The other problem identified by the Child Welfare Division is the prevalence of commercial sex exploitation of children, which does not yet have a national plan of action to address the problem.

ⁱⁱ Answer by Ditshwanelo-The Botswana Centre for Human Rights when requested by BIDPA to comment on Botswana's stance regarding the UN CRC, 26 February 2008.

ⁱⁱⁱ The International Federation for Human Rights in conjunction with Ditshwanelo released a report titled "The Death Penalty in Botswana: Hasty and Secretive Hangings" in June 2007. The report pointed out that the authorities are reluctant to encourage public debate on the death penalty and its possible abolition, and that there was no transparency in the execution process. It also notes that there appears to be strong public support for the death penalty, and this fact might be used by the authorities as a pretext to retain the death sentence in domestic legislation. The report further suggested that a moratorium on the death penalty could be the first step towards abolition.

^{iv} Consideration of Reports Submitted by States Parties under Article 40 of the Covenant: Concluding Observations of the Human Rights Committee-Botswana, CCPR/C/BWA/CO/1, 28 March 2008. (Advanced Unedited Version).

^v The official position remains that the constitutional guarantees and the operations of the justice system are adequate in dealing with human rights issues, and therefore there is no justification for a separate human rights commission. This position is inconsistent with the form of constitutionalism whereby there is promotion of and adherence to protection of human rights; where the presence of a human rights commission is considered central to sustaining that commitment. The advantage of having a human rights commission is that it is utilized as a critical institution for the promotion and protection of human rights by addressing human rights violations and ensuring effective redress for such violations. Furthermore, human rights commissions monitor and assess the observance of human rights and raise awareness on human rights issues. The absence of such a commission is unfortunate as its presence could enhance the promotion and protection of human rights in the country.

^{vi} UN General Assembly Resolution 48/134 of 20 December 1993 (A/RES/48/134, 4 March 1994). The resolution contains a comprehensive set of recommendations on the role, composition, status and functions of national human rights instruments.

^{vii} Consideration of Reports Submitted by States Parties under Article 9 of the Convention – Concluding Observations of the Committee on the Elimination of Racial Discrimination – Botswana, CERD/C/BWA/CO/16, 21 March 2006.

^{viii} Constitution (Amendment) Act, 2005, Act No. 9 of 2005, Laws of Botswana.

^{ix} See *Kamanakao I and Others v The Attorney General and Another* [2001] 2 BLR 654 at 671.

^x Consideration of Reports Submitted by States Parties under Article 40 of the Covenant: Concluding Observations of the Human Rights Committee-Botswana, CCPR/C/BWA/CO/1, 28 March 2008. (Advanced Unedited Version).

^{xi} The Chieftainship Act defines a tribe as referring only to the eight ethnic-linguistic groups, while the Tribal Land Act delineates tribal territories according to the same groups mentioned above (the Bamangwato, Bakgatla, Bakwena, Bangwaketse, Bamalete, Barolong, Batawana and Batlokwa). The proposed law seeks to extend the definition of a tribe to all ethnic or community groups, and the definition of a tribal area to mean an area inhabited by a tribe as defined in the proposed law.

^{xii} Consideration of Reports Submitted by States Parties under Article 40 of the Covenant: Concluding Observations of the Human Rights Committee-Botswana, CCPR/C/BWA/CO/1, 28 March 2008. (Advanced Unedited Version).

^{xiii} The department of African Languages and Literature at the University of Botswana promotes the use and teaching of all African languages that are commonly spoken in the SADC region, and is active in developing dictionaries, language and terminology definition for the minority languages of Botswana. Ditshwanelo considers that Government is not doing enough to develop a national language policy because “after 40 years after independence we still have Setswana (Single Policy Language) as the major language even though there are other well developed ethnic languages that deserve promotion and recognition. Children are still made to learn in Setswana in spite of evidence that teaching in Setswana restricts effective learning by minority communities especially during the formative years of learning...[Ditshwanelo] believes that it is necessary to have a language policy provided such policy recognizes and promotes other existing ethnic languages. Language is not just words but it is used to express oneself and one’s culture. A single language policy may lead to annihilation of minority groups. It may also kill multi-culturalism.”

^{xiv} Per Justice Dow in *Roy Sesana and Others v The Attorney General*, Misc. No. 52 of 2002 (Unreported).

^{xv} The Attorney General’s statement on the outcome of the case of Roy Sesana and Others vs. the Attorney General Republic of Botswana on 18 December 2006: “As a constitutional democracy that respects the rule of law, the Government wishes in this statement to indicate the immediate steps it intends to take to implement the decision of the Court. This will also guide the Government in its operations and management of the Central Kalahari Game Reserve (CKGR)”, Republic of Botswana: OP Press Circular No. 43 of 2006. The Weekly Electronic Press Circular of the Office of the President.

^{xvi} Ditshwanelo-Botswana Centre for Human Rights Press Statement on Declaration of Indigenous Rights, “UN Declaration on Rights of Indigenous Peoples supported by Botswana”, <http://www.ditshwanelo.org/bw/index/Other/Other/Press%20Statement%20on%20Declaration%20of%20Indigenous%20Rights%20-17%20September%202007.htm>

^{xvii} Press Secretary to the President, Background Brief on the Botswana Government Communication and Information System (BGCIS), 03 March 2008.

^{xviii} Statement by the Permanent Secretary to the President, with reference to allegations of interference in the operations of the I.E.C. and related matters (extract): “The Office of the PSP is mandated by law to perform a number of functions, including the management and supervision of the Public Service; application and implementation of policies, regulations and orders that cut across the Public Service. As such the office of the Permanent Secretary to the President has functional or working relationships with all Public offices including independent departments such as the IEC, the Ombudsman, the Administration of Justice, the Auditor General, the Directorate on Corruption and Economic Crime, to mention but a few... In this instance of alleged interference and meddling at IEC, the public ought to know that Secretary of the IEC is accountable for the use and management of Public Resources, within the ambit of the Law, like other Senior officials such as Permanent Secretaries and other officials of a similar status – it is an administrative action that has no bearing on the running of elections... I have gone to great length to explain the situation in order to assure the nation that I have never taken any action which has a bearing on the running of the elections. The only action I have taken has been in the ordinary course of supervisory or managerial functions as head of the public service pursuant to the Constitution and the Laws of Botswana”. Reproduced in the Republic of Botswana (8/2/08): TAUTONA TIMES no 2 of 2008. The Weekly Electronic Press Circular of the Office of the President.

^{xix} See, for example, Republic of Botswana, Government Gazette Extraordinary, Vol. XLVI, No. 3, 15 January 2008.

^{xx} Republic of Botswana, *Budget Speech, 2008*. Delivered to the National Assembly on 4th February, 2008 By Honourable Baledzi Gaolathe, Minister of Finance and Development Planning

^{xxi} DCEC, *Annual Report 2005*.

^{xxii} Review of Botswana’s National Anticorruption Strategy and its Implementation: Executive Summary of draft report, presented at a Stakeholders Workshop, 28 November 2007.

^{xxiii} Other recommendations are: that there should be speedier prosecution of corruption cases though several measures: formation of a special unit in the DPP to deal with corruption cases; designation of specific magistrate’s courts in Gaborone and Francistown to deal with corruption cases; giving priority everywhere to disposal of corruption cases; use of the extensive system of customary courts to try minor straightforward bribery and unauthorised gift cases; giving cautionary statements for minor corruption cases where the public interest does not require formal court proceedings. All these would still require that the DPP should give consent to prosecute or to caution; establish processes for measuring progress of anti-corruption measures, through collection and analysis of corruption statistics and opinion surveys.

^{xxiv} http://www.esaamlg.org/current_information/view_news_item.php?id=158&intVariationID=1&szTitle=Current

^{xxv} The Report on the Observance of Standards and Codes for the FATF Forty Recommendations (2003) on Anti Money Laundering and the Nine Special Recommendations (2001 and 2004) on Terrorist Financing (FATF 40+9) further states that the legal instruments currently existing in the fight against money laundering (the Proceeds of Serious Crimes Act (1990); Criminal Procedure and Evidence Act; Customs and Excise Act) are adequate in criminalising money laundering and the confiscation of illicit proceeds in Botswana. Further that the role played by the Directorate on Corruption and Economic Crime (DCEC) in conjunction with the Bank of Botswana in tracing suspicious transactions is adequately executed. Lastly, the report considers that the investigations by the Botswana Police Service, DCEC and Botswana Unified Revenue Service (BURS), as well as the functioning of the Office of the Director of Public Prosecutions are also considered adequate.

^{xxvi} Transparency International (TI), *Global Corruption Index* (Several years); Kaufman, D., A. Kraay, and M. Mastruzzi, 2007. *Governance Matters VI: Governance Indicators for 1996-2006* (World Bank Institute).

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- ^{xxvii} Republic of Botswana, *Budget Speech, 2008*. Delivered to the National Assembly on 4th February, 2008 By Honourable Baledzi Gaolathe, Minister of Finance and Development Planning
- ^{xxviii} Republic of Botswana, *Budget Speech, 2006*. Delivered to the National Assembly on 6th February, 2006 By Honourable Baledzi Gaolathe, Minister of Finance and Development Planning.
- ^{xxix} Republic of Botswana, *Budget Speech, 2007*. Delivered to the National Assembly on 5th February, 2007 By Honourable Baledzi Gaolathe, Minister of Finance and Development Planning.
- ^{xxx} Republic of Botswana, *Budget Speech, 2007*. Delivered to the National Assembly on 5th February, 2007 By Honourable Baledzi Gaolathe, Minister of Finance and Development Planning.
- ^{xxxi} Republic of Botswana, *Budget Speech, 2008*. Delivered to the National Assembly on 4th February, 2008 By Honourable Baledzi Gaolathe, Minister of Finance and Development Planning.
- ^{xxxii} Christmas Party Speech of the CEO of PEEPA, 07 December 2007.
- ^{xxxiii} Republic of Botswana: OP Press Circular No. 7 of 2007, 19 October 2007. The Minister of Presidential Affairs and Public Administration explained at the 2007 Public Service Convention that: "The primary objective of GICO is to ensure that the country implements the action items contained in the Economic Diversification and Sustainable Growth Action Plan and thus ensuring that diversification of the economy, which is a central goal of the Government, is achieved. The setting up of the Office was necessitated by the fact that in the past Government has done well in formulating policies but was not always effective in executing the said plans. The consequence of this is that most of the projects which are meant to benefit the nation are delayed. Therefore GICO will work with implementing agencies to ensure that planned projects are delivered on time. We should not go into NDP10 carrying half of NDP9!"
- ^{xxxiv} Auditor General (PARA 21/1 I (6), Responses to questions regarding public procurement, public expenditure and financial accountability and implementation of NDP 9, 03 March 2008.
- ^{xxxv} Republic of Botswana, *Budget Speech, 2008*. Delivered to the National Assembly on 4th February, 2008 By Honourable Baledzi Gaolathe, Minister of Finance and Development Planning
- ^{xxxvi} The survey, done between March and April 2007 amongst 100 representative businesses in all sectors of the economy, sought to find out a firm's expectations regarding general business conditions, national output, company production and capacity, stocks/inventories, volume of sales, imports of goods and services, employment, input costs, investment, profitability, company borrowing, and inflation.
- ^{xxxvii} Business Monitor, *The Botswana Business Forecast Report, Q1 2008*; World Bank, *Doing Business, 2008*; World Economic Forum, *The Global Competitiveness report 2007-2008*.
- ^{xxxviii} Report on Consultancy Services to Review and Advice on Appropriate Regulatory Reforms for Infrastructure and Utility Sectors in Botswana (Stone and Webster Consultants and BIDPA).
- ^{xxxix} Kaufman, D., A. Kraay, and M. Mastruzzi, 2007. *Governance Matters VI: Governance Indicators for 1996-2006* (World Bank Institute).
- ^{xl} *Measuring and Monitoring Progress Towards Good Governance in Africa: The African Governance Report II-Botswana*, Table 17 Prepared by BIDPA for the UN Economic Commission for Africa, 2008). The implementation of the strategy is through various initiatives: "know your status" programmes for orphans and vulnerable children; Prevention of Mother to Child Transmission (PMTCT); and Home-Based Care for the infected; the Anti Retroviral Therapy (ART) programme; and the National Orphan Care Programme (food baskets, free schooling, support with educational necessities and psychosocial counselling for orphans). As at June 2007, there were about 54,000 registered orphans. A total of 89,504 patients were receiving ART in Botswana at end of June 2007.
- ^{xli} Republic of Botswana, *Budget Speech, 2008*. Delivered to the National Assembly on 4th February, 2008 By Honourable Baledzi Gaolathe, Minister of Finance and Development Planning
- ^{xlii} Response to questions regarding Ditshwanelo's position on the enactment of the Domestic Violence Act, 26 February 2008.

D. USE OF BUDGET SUPPORT

Botswana benefits from sectoral budget support within the 9th EDF Focal Sector of Human Resource Development through the 9th EDF Education and Training Sector Policy Support Programme. The Financing Agreement was signed in February 2006 for an amount of €50.26M, including €8.06M from FLEX (See Section 2.1 of the Report).

Since no other donors are involved in the education sector¹⁶, the policy dialogue is exclusively between the Government (and civil society) and the European Commission. The use of the budget support approach is fostering a dialogue much more focused on policy issues rather than implementation aspects like in the past operations. Human Resource Development has again been identified as the single focal sector under 10th EDF and support will be delivered through sectoral budget support but more emphasis will be placed on the responsiveness of the sector to market needs to tackle unemployment.

The programme is one year behind schedule and the first tranche was only disbursed in November 2006, half way through the 2006/07 financial year, due to delays in the Commission's approval process. The payment of the second and third tranches also experienced delays and were paid some 4-6 months after the submission of the disbursement request. The payment of the fourth tranche is expected in mid-2009.

The table below shows the original and revised budget (following 2 riders) and the assessment and disbursement to date.

	Original amount (M€)	Rider N°1 (M€)	Rider N°2 (M€)	Fixed (% tot)	Variable (% tot)	Ass't (% tot)	Disb't (M€)
FLEX funds (2005/06)	8.06	8.060	8.060	100	-	100	8.06
Sectoral budgetary support - Tranches	41.26	42.208	42.86				
1 st , financial year 2005/2006	8.26	8.260	8.260	100	-	100	8.26
2 nd , financial year 2006/2007	11.00	11.000	11.000	-	100	88	9.68
3 rd , financial year 2007/2008	11.00	11.200	11.200	-	100	72	7.92
4 th , financial year 2008/2009	11.00	11.748	11.700	-	100	55	(6.435)
5 th , financial year 2009/2010	-	-	0.700	-	100		
Studies, analyses, monitoring	0.30	0.500	0.200	n/a	n/a		
Evaluation	0.10	0.100	0.150	n/a	n/a		
Audit	0.54	0.540	0.138	n/a	n/a		
TOTAL	50.26	51.408	51.408				33.92+

n.b.: the assessment and amount of the disbursement of the 4th tranche have to be confirmed by EC Headquarters before disbursement takes place.

The table below shows a summary of the 2008 Joint Annual Appraisal, carried out in October-December 2008.

INDIC.	DESCRIPTION	Wght (%)	ACHIEVEMENTS	Ass't (%)
1. SR	2007/08 Sustainability ratio <1	10	Achieved – SR=0.73	10
2. EPER	(i) Review of system of votes undertaken by MoE	10	Not achieved, but progress – MoESD is in the process of reviewing its system of votes and but it is likely to remain the same for the 2009/10 budget	5
	(ii) Grant Loan scheme reviewed and formal response to the recommendations issued		Not achieved, but progress – GLS review contract awarded and study to start in January 2009	

¹⁶ UNESCO and China are supporting the sector through ad hoc interventions, which until now have not necessitated coordination. UNESCO has however proposed to undertake a labour market survey, in which the EC would be involved, given previous studies funded by the EC in this area.

INDIC.	DESCRIPTION	Wght (%)	ACHIEVEMENTS	Ass't (%)
	(iii) Proposals for incentives schemes to attract and retain teachers to remote areas developed and under consideration by GoB		<u>Achieved</u> – A review of the Teacher Transfer Policy was undertaken and proposals for attracting/retaining teachers to work in remote areas are under consideration	
	(iv) Decision taken on the possibility to make greater discretionary funds available at primary and secondary school		<u>Achieved</u> – Additional maintenance funds have been made available to primary and secondary schools	
3. O&M	(O&M) Detailed action plan for restructuring of central MoE and regional offices developed and under implementation.	5	<u>Achieved</u> – Action Plan leading to a phased decentralised programme developed and approved. Implementation has already started with the redefinition of regions and drafting of job profiles	5
4. HRDS	(i) Human Resource Development Advisory Council (HRDAC) established	5	<u>Not achieved</u> – HRDAC has not yet been established but is in progress	2.5
	(ii) Inclusion of implementation of NHRDS as a project in NDP10		<u>Achieved</u> – NHRDS is a central component of the NDP 10 education and training strategy	
5. EMIS	(i) Implementation of “flash reporting” of select education statistics	5	<u>Achieved</u> – “ Stats Brief” for 2008 selected statistics produced	5
	(ii) First Term 2008 flash reports on website by Sept 2008		<u>Achieved</u> – Stats Brief published on MoESD website	
6. Lack of resources	(i) Primary school capitation increased to P500;	5	<u>Not achieved</u> , but progress – Recommendation has been discussed and approved by MLG but not yet fully implemented	2.5
	(ii) Additional resources (capitation based) made available to double shift schools;		<u>Achieved</u> – Additional ablution blocks provided, as well as equipment, transport and books. Building programme and purchase of houses for teachers under way	
	(iii) Secondary teacher housing survey undertaken;		<u>Achieved</u> – Survey was undertaken and completed in June 2008 with 204 CJSS and 27 Senior Secondary schools reviewed	
	(iv) Expansion of 2 teacher school programme		<u>Achieved</u> – Additional schools are under construction or planned for NDP10. Multi-grade training and teaching being implemented	
8. TVET enrolment	2008 TVET enrolment = 16,745	5	<u>Achieved</u> – Enrolment in major VET institutions (Technical Colleges, Brigades and private institutions) is 22,895	5
10. primary drop out	MoE undertakes a detailed study of primary drop out, with particular focus on areas with above average drop out rates	5	<u>Partially achieved</u> – Survey undertaken and analysis 85% completed with reasons for drop-outs given and remedial strategies proposed	2.5
11. female drop out sec	2008 female net dropout rate at secondary less than 2.06%	5	<u>Achieved</u> – 2008 net female drop-out rate at secondary level is 1.79%	5
12. TVET female enrolment	DVET develops a strategy and incentives to attract more females in VTCs and Brigades.	5	<u>Achieved</u> – Strategies to attract and retain female students in TC & Brigades already in place and female enrolment in Brigades has increased	5
13. TVET SEN	A blue print and training modules in two areas (hospitality and business) are available by end of 2008.	5	<u>Achieved</u> – Both modules and the blue print prepared with detailed supplementary materials, Action Plan & TOR for recruitment of TAs	5
14. NCQF	(i) NCQF Project Management Unit fully staffed.	5	<u>Not achieved</u> – NCQF Coordinator in place as of May 2008, but there is no project management unit with staffing and funding to develop the technical framework or to help establish the National Qualification Authority. Slow progress	0
	(ii) Skills Needs assessment in key sectors and comparative analysis of BTEP and NCC curricula undertaken.		<u>Not achieved</u> – ToR for Labour Market Survey under preparation, but slow progress	0
15. New Inspection framework	New Department of Inspection established with at least 50% staff in place.	5	<u>Not achieved</u> , but progress – A bill to establish a new Department of Inspection as a parastatal has been drafted and will be debated in Parliament in mid-2009	0
16. PSLE A-C grades	5% more students scoring A-C grades: i) in PSLE in the 20 worst performing primary schools in 2006	5	<u>Achieved</u> – The average score (A-C grades) for the 20 schools was 56%, which indicates an improved pass rate of 19%.	2.5

INDIC.	DESCRIPTION	Wght (%)	ACHIEVEMENTS	Ass't (%)
	ii) in JCE in the 11 worst performing secondary schools in 2006		<u>Not achieved</u> – The average score (A-C grades) for the 11 schools was 57.8%, which indicates an overall improved pass rate of 0.8%	
18. BGCSE A-C grades	2% increase in 2007 (over 2006) of students scoring A*-C grades in BGCSE core subjects of Setswana, English, Maths and a Science.	5	<u>Not achieved</u> – Average A*-C grades in BGCSE core subjects pass rate for 2007 was 11.74% in comparison to 12.35% for 2006, which represents an overall reduction of 0.61 % points	0
20. HIV/AIDS awareness	(i) Research undertaken into adolescent sexual behaviour and HIV/AIDS prevention policy options identified	5	<u>Not achieved</u> , but progress – The research proposal has been submitted to the Ministry of Health Research and Development Division for review and appraisal.	0
	(ii) Coordination/alignment of donor assistance to HIV/AIDS in the education sector is included in the Partnership Forum on HIV/AIDS		<u>Not achieved</u> - Complex internal coordination procedures, and no active participation of MoESD in the Partnership Forum.	
21. Language & Inclusive Education Policy Policies	(i) Language Policy and implementation Plan, including time frame, human and financial resources under active consideration by GoB	10	<u>Not achieved</u> - No progress. Does not seem to be a priority.	0
	(ii) Inclusive Education Policy and Implementation Plan, including timeframe, human and financial resources under active consideration by GoB		<u>Not achieved</u> - Technical assistance for the development of the Policy expected to start in January 2009	
		100		55

Although the assessment shows a low level of achievement of targets, there are three important issues to take into account:

- *Targets for tranche 4 were intentionally set at an ambitious level, taking into account that unmet targets would be assessed again the following year and could still trigger the release of corresponding funds;*
- *For many unmet targets, there has been good progress in achieving the target, and it is thus very likely that corresponding funds will be disbursed next year;*
- *Several senior positions (Deputy Permanent Secretary, Directors of Department) have been vacant for several months in 2008, thus delaying the approval/implementation of key reforms.*

Good progress was noted in the implementation of **EPER** and **O&M** report recommendations. It is also worth highlighting the implementation of the 2008 **flash reporting of educational statistics**, with the publication for the first time ever of data on enrolment and drop-outs for the current year, compared to the usual 3 year gap. The **HRD Strategy** is also receiving a high level of commitment and is seen as a key element in driving reforms in the education and training sector under NDP10. **Progress is however slow** in key reform areas, which are expected to have a major impact in the education and training sector, such as the development of an **NCQF**, a new **Inspectorate Framework**, and the delivery of **special education**.

b) Aid effectiveness

E. DONOR FINANCIAL SUPPORT AND ROLES

E.1 Current Donor Financial Support

donor disbursements in Botswana as per 31/12/08

in Euro

donor	Sector														Total
	Education	Health	HIV/AIDS	Government: general capacity building (planning/statistics/poverty)	CS/NGO/CBO/ small grant scheme/sustainable livelihood	Transport/storage	Banking/financial services/business/private sector	Agriculture/forestry/fishing	Trade/tourism	Env/energy	Rule of Law	Gender	Emergency/humanitarian aid	Others	
EC (excl. EIB)	10,778,000		29,000	1,701,000	1,350,000		55,000		615,000	265,000				4,542,000	19,335,000
Germany	307,000	22,600	16,300	15,000	25,000	73,000		31,000						28,000	517,900
UK				8,000						24,000	40,000		26,000	33,000	131,000
France	143,790													63,210	207,000
Sweden (SIDA)			1,850,000	320,000			330,000								2,500,000
total EU	11,228,790	22,600	1,895,300	2,044,000	1,375,000	73,000	385,000	31,000	615,000	289,000	40,000	0	26,000	4,666,210	22,690,900
UNDP			1,157,000	1,116,000	38,100					3,118,000	1,555,000				6,984,100
UNFPA	20,000	439,700	241,980	188,700	368,116							15,000	27,000		1,300,496
UNICEF	200,000	300,000	900,000	400,000							200,000		100,000		2,100,000
U.S.			69,870,000		31,000										69,901,000
WB			2,260,000												2,260,000
total others	220,000	739,700	74,428,980	1,704,700	437,216	0	0	0	0	3,118,000	1,755,000	15,000	127,000	0	82,545,596
total all donors	11,448,790	762,300	76,324,280	3,748,700	1,812,216	73,000	385,000	31,000	615,000	3,407,000	1,795,000	15,000	153,000	4,666,210	105,236,496

Note: Planned donor disbursements are indicative; entry into the tables does not constitute an entitlement
 France: "others" refers to support to local cultural activities

E.2 Future Donor Financial Support

planned donor disbursements in Botswana for 2009

in Euro

donor	Sector														Total
	Education	Health	HIV/AIDS	Government: general capacity building (planning/statistics/poverty)	CS/NGO/CBO/s mall grant scheme/sustainable livelihood	Transport/storage	Banking/financial services/business/private sector	Agriculture/forestry/fishing	Trade/tourism	Env/energy	Rule of Law	Gender	Emergency/humanitarian aid	Others	
EC (excl. EIB)	10,798,000			1,506,000	2,650,000		40,000			124,000		210,000		4,427,000	19,755,000
Germany	310,000	20,000	15,000	20,000	25,000	80,000		31,000						30,000	531,000
UK	11,000	10,000		4,000								3,000			28,000
France	110,000													40,000	150,000
Sweden (SIDA)			2000000											2500000	4,500,000
total EU	11,229,000	30,000	2,015,000	1,530,000	2,675,000	80,000	40,000	31,000	0	124,000	0	213,000	0	6,997,000	24,964,000
UNDP			989,961	2,241,000	30,480					3,243,000	1,733,000				8,237,441
UNFPA	20,000	375,666	205,000	394,743	195,591							25,000	30,000		1,246,000
UNICEF	200,000	700,000	1,100,000	500,000							200,000				2,700,000
U.S.			67,983,750	77,000											68,060,750
WB			23,800,000												23,800,000
total others	220,000	1,075,666	94,078,711	3,212,743	226,071	0	0	0	0	3,243,000	1,933,000	25,000	30,000	0	104,044,191
total all donors	11,449,000	1,105,666	96,093,711	4,742,743	2,901,071	80,000	40,000	31,000	0	3,367,000	1,933,000	238,000	30,000	6,997,000	129,008,191

Note: Planned donor disbursements are indicative; entry into the tables does not constitute an entitlement

SIDA's partner driven cooperation programme has earmarked approx. €2,5 M but not allocated to specific sectors at the moment (sectors would probably include government, env/energy, banking/private sector, trade, health)

indicative planned donor disbursements in Botswana for 2010

in Euro

donor	Sector														Total
	Education	Health	HIV/AIDS	Government: general capacity building (planning/statistics/poverty)	CS/NGO/CBO/ small grant scheme/sustainable livelihood	Transport/ storage	Banking/financial services/ business/ private sector	Agriculture/forestry/fishing	Trade/ tourism	Env/ energy	Rule of Law	Gender	Emergency/ humanitarian aid	Others	
EC (excl. EIB)	6,000,000		7,000,000	1,150,000	900,000							250,000		276,000	15,576,000
Germany	310,000	20,000	15,000	20,000	25,000	80,000		31,000						30,000	531,000
UK	5,000		16,000	7,000							13,000				41,000
France	100,000													35,000	135,000
Sweden (SIDA)			2,000,000											2,500,000	4,500,000
total EU	6,415,000	20,000	9,031,000	1,177,000	925,000	80,000	0	31,000	0	0	13,000	250,000	0	2,841,000	20,783,000
UNDP			779,000	1,523,300	30,480					1,712,200	1,628,600	166,706			5,840,286
UNFPA															0
UNICEF	100,000	500,000	300,000	700,000						20,000	800,000	100,000			2,520,000
U.S. (*)															0
WB			6,000,000												6,000,000
total others	100,000	500,000	7,079,000	2,223,300	30,480	0	0	0	0	1,732,200	2,428,600	266,706	0	0	14,360,286
total all donors	6,515,000	520,000	16,110,000	3,400,300	955,480	80,000	0	31,000	0	1,732,200	2,441,600	516,706	0	2,841,000	35,143,286

(*) US figures not known as yet

Note: Planned donor disbursements are indicative; entry into the tables does not constitute an entitlement
 UNFPA data not available
 SIDA's partner driven cooperation programme has earmarked approx. €2,5 M but not allocated to specific sectors at the moment (sectors would probably include government, env/energy, banking/private sector, trade, health)

indicative planned donor disbursements in Botswana for 2011

in Euro

donor	Sector														Total
	Education	Health	HIV/AIDS	Government: general capacity building (planning/statistics/poverty)	CS/NGO/CBO /small grant scheme/sustainable livelihood	Transport/storage	Banking/financial services/business/private sector	Agriculture/forestry/fishing	Trade/tourism	Env/energy	Rule of Law	Gender	Emergency/humanitarian aid	Others	
EC (excl. EIB)	10,000,000			900,000	550,000							50,000			11,500,000
Germany	310,000	20,000	15,000	20,000	25,000	80,000		31,000						30,000	531,000
UK		11,000								14,000		10,000		18,000	53,000
France	100,000													35,000	135,000
Sweden (SIDA)			2,000,000											2,500,000	4,500,000
total EU	10,410,000	31,000	2,015,000	920,000	575,000	80,000	0	31,000	0	0	14,000	50,000	10,000	2,583,000	16,719,000
UNDP			778,270	1,523,232	30,480					1,712,200	1,626,600	166,706			5,837,488
UNFPA															0
UNICEF	100,000	500,000	300,000	700,000						20,000	800,000	100,000			2,520,000
U.S. (*)															0
WB			9,800,000												9,800,000
total others	100,000	500,000	10,878,270	2,223,232	30,480	0	0	0	0	1,732,200	2,426,600	266,706	0	0	18,157,488
total all donors	10,510,000	531,000	12,893,270	3,143,232	605,480	80,000	0	31,000	0	1,732,200	2,440,600	316,706	10,000	2,583,000	34,876,488

(*) US figures not known as yet

Note: Planned donor disbursements are indicative; entry into the tables does not constitute an entitlement

UNFPA data not available

SIDA's partner driven cooperation programme has earmarked aprox. €2,5 M but not allocated to specific sectors at the moment

(sectors would probably include government, env/energy, banking/private sector, trade, health)

E.3 Current Donor Roles

current donor presence in sectors in Botswana as per 31 December 2008

donor	Education	Health	HIV/AIDS	Government: general capacity building (planning/statistics/poverty)	CS/NGO/CBO /small grant scheme/sustainable livelihood	Transport/storage	Banking/financial services/business/private sector	Agriculture/forestry/fishing	Trade/tourism	Env/energy	Rule of Law	Gender	Emergency/humanitarian aid	Others (mining)
EC (excl. EIB)	L		P	A	A		P		A/E	A/	A		A	A
Germany	A	A		A	A	A		A						
UK				A						A	A		A	
France	A													
Sweden (SIDA)			A	A			A							
total EU														
UNDP			A	A						A	A			
UNFPA														
UNICEF	A	A	A	A							A		A	
U.S.			A		A									
WB			A											
total others														
total all donors														

Note: This matrix is an example of a donor matrix that could be drafted at country level to show 1) the current state of donor support to given sectors 2) the planned donor support to sectors at a given date (for instance once division of labour with more sector concentration has been agreed) Sector definitions may vary locally according to sectors retained in the country poverty strategy or similar strategy. The example may be adapted for local use or a similar locally devised matrix may be used
The matrix is used to present donor roles per sector and per donor as follows:

- L = Lead donor
- A = Active donor
- P = Passive (silent) donor
- E = Exit strategy for this donor in this sector

E.4 Future donor roles

perspective donor presence in sectors in Botswana 2009

donor	Education	Health	HIV/AIDS	Government: general capacity building (planning/statistics/poverty)	CS/NGO/CBO/ small grant scheme/sustainable livelihood	Transport/ storage	Banking/financial services/ business/ private sector	Agriculture/ forestry/ fishing	Trade/ tourism	Env/ energy	Rule of Law	Gender	Emergency/ humanitarian aid	Others
EC (excl. EIB)	L		P	A	A		P		A/E	A/	A		A	A
Germany	A	A		A	A	A		A						
UK				A						A	A		A	
France	A													
Sweden (SIDA)			A	A			A							
total EU														
UNDP			A	A						A	A			
UNFPA														
UNICEF	A	A	A	A							A		A	
U.S.			A		A									
WB			L											
total others														
total all donors														

Note: This matrix is an **example** of a donor matrix that could be drafted at country level to show 1) the current state of donor support to given sectors 2) the planned donor support to sectors at a given date (for instance once division of labour with more sector concentration has been agreed) Sector definitions may vary locally according to sectors retained in the country poverty strategy or similar strategy.

The example may be adapted for local use or a similar locally devised matrix may be used
The matrix is used to present donor roles per sector and per donor as follows:

- L = Lead donor
- A = Active donor
- P = Passive (silent) donor
- E = Exit strategy for this donor in this sector

F. EAMR AID EFFECTIVENESS QUESTIONNAIRE

Questions on the EU Aid Effectiveness targets.

The Commission has to report its performance annually against the four EU targets on aid effectiveness. The data for this will be collected through the EAMR reporting system. You are therefore requested to complete the questions below with specific information as noted so that the current baseline we have from the January 2008 EAMR can be tracked annually. The information will also be important for you to exchange with your government colleagues, NGOs and with other donors, including MS.

Regional offices will have to complete Annex C separately for each country in their region.

Please note that the previous questionnaires for EU Target 2 coordinated technical Assistance/Cooperation and EU Target 3 Parallel Project Implementation Units have been replaced by the format for 'Mapping of significant Technical Cooperation operations and PIUs and TC/PIUs action plan 2009' (see Excel format). The questionnaires for EU target 1 "use of country systems" and EU target 4 "coordinated missions" are the same as the ones used for the January 2008 EAMR Annex C.

1. EU Target No 1		
Channel 50% of government-to-government assistance through country systems, including by increasing the percentage of our assistance provided through budget support or SWAP arrangements		
2. Introduction		
The aim is to collect information that allows us to measure this target. The information that is needed is both the total amount of ODA provided, as well as the extent to which country systems are used in providing this ODA. For these purposes the country systems are defined as covering four main areas: (i) national budget execution procedures; (ii) national financial reporting procedures; (iii) national auditing procedures; and (iv) national procurement systems. By treating each of these four areas as having a 25% weight and dividing by the total amount of ODA provided the information required can be calculated (hence the division by four – see part 4 below). In all cases the necessary information can be collected using the same definitions as those in the OECD/DAC "Definitions and Guidance" (see attached page which includes an extract of definitions relevant to this indicator)		
3. Questions and definitions		
Question	Definition – OECD Ref	Response EUR
How much ODA did you disburse at country level for the government sector in FY 2008 (EUR)?	Qd2	18 965 111.98
How much ODA disbursed for the government sector in FY 2008 used national budget execution procedures (EUR)?	Qd5	7 920 000
How much ODA disbursed for the government sector in FY 2008 used national financial reporting procedures (EUR)?	Qd6	7 920 000
How much ODA disbursed for the government sector in FY 2008 used national auditing procedures (EUR)?	Qd7	7 920 000
How much ODA disbursed for the government sector in FY 2008 used national procurement procedures (EUR)?	Qd9	7 920 000

4. Definition of Indicator	
$\frac{[(Qd5 + Qd6 + Qd7 + Qd9) \div 4] \div [Qd2]}{\text{response \%}}$	Response 41.7 %
5. Additional information	
<p>Are there any significant initiatives in your country to promote the use of country systems? If so provide a list and a short description. If not, highlight the constraints to use of country systems (use additional space as needed)</p>	
<p>At present country systems are only used in budget support programmes. In Botswana one programme is on-going on the 9th EDF (51.408 M Euro): Sector Policy Support Programme in Education and Training and another is planned on the 10th EDF (62 M Euro): Sector Policy Support Programme in Human Resource Development.</p>	

Definitions from "Definitions and Guidance" OECD/DAC
www.oecd.org/dataoecd/13/29/36306366.doc

ODA	<p>Official Development Assistance (ODA) includes all transactions as defined in OECD-DAC Statistical Directives para. 32 (see appendix), including official transactions that:</p> <ul style="list-style-type: none"> ▪ Are administered with the promotion of the economic development and welfare of developing countries as its main objective; and ▪ are concessional in character and convey a grant element of at least 25%.
Disbursements	<p>A disbursement is the placement of resources at the disposal of a recipient country or agency (see OECD-DAC Statistical Directives para. 15-18). Resources provided in kind should only be included when the value of the resources have been monetised in an agreement or in a document communicated to government. In order to avoid double counting in cases where one donor disburses ODA funds on behalf of another, it is the donor who makes the final disbursement to the government who should report on these funds.</p>
Government sector	<p>Administrations (ministries, departments, agencies or municipalities) authorised to receive revenue or undertake expenditures on behalf of central government.</p>
Disbursements for the government sector	<p>This category includes the disbursement of ODA in the context of an agreement with the government sector (see definition above), including works, goods or services delegated or subcontracted by government to other entities (e.g. NGOs, private companies).</p>
Use of national budget execution procedures (Q ^{d5})	<p>Donors use national budget execution procedures when the funds they provide are managed according to the national budgeting procedures as they were established in the general legislation and implemented by government. This means that programmes supported by donors are subject to normal country budgetary execution procedures namely procedures for authorisation, approval and payment.</p>
Use of national financial reporting procedures (Q ^{d6})	<p>Legislative frameworks normally provide for specific types of financial reports to be produced as well as for the periodicity of such reporting. The use of national financial reporting means that donors do not make additional requirements on governments for financial reporting. In particular they do <u>NOT</u> require:</p> <ul style="list-style-type: none"> ▪ The production of additional financial reports. ▪ Periodicities for reporting that are different from government's normal reporting cycle. ▪ Formats for reporting that do not use government's existing chart of accounts.
Use of national auditing procedures (Q ^{d7})	<p>Donors rely on the audit opinions, issued by the country's supreme audit institution, on the government's normal financial reports/statements as defined above. The use of national auditing procedures means that donors do not make additional requirements on governments for auditing.</p>

Use of national procurement procedures	Donors use national procurement procedures when the funds they provide for the implementation of projects and programmes are managed according to the national procurement procedures as they were established in the general legislation and implemented by government. The use of national procurement procedures means that donors do not make additional, or special, requirements on governments for the procurement of works, goods and services. (Where weaknesses in national procurement systems have been identified, donors may work with partner countries in order to improve the efficiency, economy, and transparency of their implementation).
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1. EU Target No 4

Reduce the number of uncoordinated missions by 50%.

2. Introduction

The aim is to collect data on the number of uncoordinated EC Missions to your country. The information needed is (a) the total number of EC Missions to your country and (b) how many of these were coordinated.

The Paris Declaration **objectives** underlying the related indicator of progress for coordinated missions are: "In planning their missions to the field¹⁷ it is important that donors: Conduct **fewer missions, coordinate timing of missions** with partner authorities and, where necessary, with other donors, *conduct more joint missions, avoid conducting missions during "mission free periods"*¹⁸.

Coordinated mission is a mission undertaken by 2 or more donors jointly, or by one donor on behalf of another. In practice, the following 3 questions help to clarify what is meant by a mission:

1. Does the mission involve international travel to a beneficiary country? i.e. **this concerns only missions from HQ, not missions undertaken within the country by the Delegation.**
2. Does the mission involve a request to meet with government officials, including local government?
3. Is this mission undertaken by 2 or more donors jointly? Or is it done by an HQ service also on behalf of another donor?

The Definitions and Guidance of the OECD (www.oecd.org/dataoecd/13/29/36306366.doc) requires that missions undertaken by consultants contracted by AIDCO (or other DG's), if they meet the 3 above questions, must also be included.

3. Questions and definitions

OECD ref: Q ^d 15	How many HQ missions to the field were undertaken in FY 2008? ¹⁹	9
Q ^d 16	How many of these were coordinated?	3
Please provide a breakdown of missions the Commission and its services have undertaken to your country in FY 2008 in the table below:		
Missions by:	Coordinated	Uncoordinated
Members of Commission: - Peter Mandelson	0	1
AIDCO - Jean Marc Dewerpe	0	1
- M. Pikaar	0	1
DEV	0	0
RELEX - Mr. J. Mauve	0	1
TRADE	0	0
ECHO:		

¹⁷ 'Field' refers to the country in general including missions to the capital only.

¹⁸ The target set for 2010 for indicator 10 a) is to have 40% if donor missions to the field as joint.

¹⁹ This question applies to the missions from the HQ

- Refugee Camp	1	0
FISH	0	0
OTHER DGs		
- OLAF (EIB project)	0	1
- INFISO (closure Beanish)	0	1
COURT OF AUDITORS		
Consultants contracted by the Commission		
- PEFA	1	0
- HIV & AIDS mainstreaming workshop	1	0
Total	3	6

4. Definition of Indicator

Q^d16 / Q^d15	2007	2008
Please calculate and enter in the column for 2008 and also include the figure for this indicator for 2007 ;	25%	33%

5. Additional Information

Delegations are invited to list the dates for main HQ missions already planned for March 2009 to August 2009, indicating whether they are, or not, to be coordinated with other donors;

HQ DG	Date planned	Purpose/Sector	Coordinated (Yes/No)
AIDCO	3 or 4/09	HRD	No
DEV	3 or 4/09	HRD	No

Delegations are suggested to indicate higher priority requests for HQ missions needed from September 2009 to February 2010, but not yet agreed with HQs, that the Delegation estimates serve better the coordination arrangements at local level and can yield more added value for the policy dialogue.

HQ DG	Date planned	Purpose/Sector	Donor(s) involved
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None

Delegations are asked to briefly inform if there are significant initiatives to decrease the number of uncoordinated missions in your country? If so, please provide a short description. If not, highlight key constraints.

Efforts are on-going to better plan with the few remaining development partners. However, it is difficult to get this exercise driven by the Government.

Finally, Delegations are asked to assess the likelihood of meeting, by 2010, the twin targets for missions, ie. the OECD target of 40% and the EU target of halving the number of un-coordinated missions.

- OECD target of 40% likely to be met: No
- EU target of halving the number of un-coordinated missions: No

Delegations are asked to briefly indicate what additional steps HQ should be prepared to consider to help in achieving those targets at the level of the beneficiary country concerned:

It is not easy to do in Botswana with so few donors but:

- Timely plan the missions and share mission plans with Delegation asap
- Inform Delegations more on possible joint/coordinated missions with IOs (with whom HQ has regular contacts in the context of cooperation).

c) Financial Annexes

G. FINANCIAL SITUATION OF EDF PROJECTS

G.1 Financial situation of still on-going EDF projects as of 31/12/2008

Project Number	Project Title / DAC code	Decision	End FA	Amount	Contracts	Paid	RAC	RAP	RAL
8 ACP BT 3	BW FRANCISTOWN CTVE/VTC VOCATIONAL TRAINING PROGRAMME / 110	2000	31/12/2008	15,000,000.00	14988571.32	12,618,244.51	11,428.68	2,370,326.81	2,381,755.49
8 ACP BT 4	BW 3RD MICROPROJECTS PROGRAMME	2000	31/10/2003	2,500,000.00	2312727.04	2,043,866.56	187,272.96	268,860.48	456,133.44
8 ACP BT 10	BW WILDLIFE CONSERVATION AND MANAGEMENT PROGRAMME	2001	31/12/2007	13,273,400.00	12148854.93	11,323,770.38	1,124,545.07	825,084.55	1,949,629.62
8 ACP BT 13	BW ECONOMIC DIVERSIFICATION OF THE MINING SECTOR / 32210	2002	31/12/2009	30,000,000.00	29691773.75	20,723,570.48	308,226.25	8,968,203.27	9,276,429.52
8 ACP BT 14	BW AUGMENTATION OF GABS TECHNICAL COLLEGE AND AUTOMOTIV TRADES TECHNICAL COLLEGE / 110	2003	31/08/2009	3,880,000.00	3725523	551,646.35	154,477.00	3,173,876.65	3,328,353.65
EDF 8	TOTAL			64,653,400.00	62,867,450.04	47,261,098.28	1,785,949.96	15,606,351.76	17,392,301.72
9 ACP BT 2	BW GENERAL T.A. FOR SUPPORT TO TAX ADMINISTRATION REFORM	2003	31/12/2010	600,501.68	553171.68	526,527.65	47,330.00	26,644.03	73,974.03
9 ACP BT 3	BW TECHNICAL COOPERATION FACILITY (TCF) / 15010	2004	31/10/2010	1,385,000.00	1369678.54	1,217,910.51	15,321.46	151,768.03	167,089.49
9 ACP BT 4	EDUCATION AND TRAINING SECTOR POLICY SUPPORT PROGRAMME / 110	2005	31/12/2011	43,348,000.00	42374741.95	25,923,769.95	973,258.05	16,450,972.00	17,424,230.05
9 ACP BT 6	STRANGTHENING CAPACITY FOR COMMUNITY DEV. IN MINISTRY OF LOCAL GOVERNMENT AND COUNCILS - ADONIS 8643 / 43040	2006	31/12/2013	3,000,000.00	1567735	402,226.32	1,432,265.00	1,165,508.68	2,597,773.68
9 ACP BT 7	NON-STATE ACTORS CAPACITY BUILDING PROGRAMME ADONIS 8643 / 15050	2006	31/12/2013	6,000,000.00	2155000	529,158.78	3,845,000.00	1,625,841.22	5,470,841.22
9 ACP BT 8	TCF II / 15110	2007	31/12/2013	2,500,000.00	766865	439,784	1,733,135.00	327,081.00	2,060,216.00
EDF9	TOTAL			56,833,501.68	48,787,192.17	29,039,377.21	8,046,309.51	19,747,814.96	27,794,124.47
EDF8&9	TOTAL	-	-	121,486,901.68	111,654,642.21	76,300,475.49	9,832,259.47	35,354,166.72	45,186,426.19

G.2 Financial Report of EDF Projects over 2006-2008

Commitments, contracts and disbursements under EDF projects in Botswana 2006-2008

	Global commitments	% forecasts	Individual commitments	% forecasts	Payments	% forecasts
2006	9,000,000.00	100%	54,550,815.00	162%	25,444,009.72	68%
2007	3,648,000.00	101%	20,156,307.69	119%	24,189,443.02	78%
2008	0.00	0	9,015,750.78	179%	18,965,111.98	102%
Total	12,648,000.00		83,722,873.47		68,598,564.72	

G.3 Financial Absorption Capacity Ratios

- RAC 2008 all projects / average annual volume of contracts 2006/07/08

$$6\,730\,730 / (54\,500\,000 + 20\,156\,308 + 9\,015\,750.78)/3 =$$

$$6\,730\,730 / 27\,890\,686.26 = 0.24 (24\%)$$

- RAC 2008 all projects / volume of contracts 2008

$$6\,730\,730 / 9\,015\,750.78 = 0.746 (75\%)$$

- RAL 2008 all projects / average volume of disbursements 2006/07/08

$$39\,196\,375 / (21\,800\,000 + 24\,189\,433 + 18\,965\,111.98)/3 =$$

$$39\,196\,375 / 21\,651\,514.6 = 1.8 (180\%)$$

- RAL 2008 all projects / volume of disbursements 2008

$$39\,196\,375 / 18\,965\,111.98 = 2.06 (200\%)$$

H. LIST OF REGIONAL AND INTRA-ACP PROJECTS BENEFITING BOTSWANA

H.1 Regional Projects under EDF9

ESIPP (EU-SADC Investment Promotion Programme; € 14M) came to an end in June 2008. After a rather difficult start, the project became rather successful and well known amongst the regional stakeholders. In order to keep some momentum, SADC will ensure follow-up activities in the area of Private Sector Development and Investment activities in the region. PROINVEST agreed to take on board the SADC region in their all ACP programme.

The Regional Statistical Training Project (€ 3.85 M) which ended in December 2007 benefitted from various post-project activities for consolidating and developing necessary mechanisms for sustaining the key achievements of the regional statistical training project. These included e.g. adaptation and dissemination of training materials.

HIV & AIDS (€ 3.14M): The Regional HIV and AIDS closed in mid 2008. The publication of *Evaluating and Drawing Lessons Learnt in Piloting an Initiative on HIV and AIDS in the SADC Region* (Oct 2007) adds to the already extensive list of guidelines and best practice documents produced.

Regional Integration and Capacity Building Project (RICB, € 15.6 M), Throughout the implementation of earlier EDF-RIPs (6th and 7th EDF), SADC's performance in terms of absorptive capacity for regional integration measures was considered disappointing by the EC, as was the performance in the promotion and implementation of the Transport and Trade Protocols. The RIBC programme was intended to assist SADC in the implementation of its regional integration agenda and to intensify regional cooperation by way of increasing the capacity of the Secretariat. Though the programme was designed before the restructuring process, its relevance has remained valid. In addition to strengthening SADC-EU cooperation the project has provided capacity building support for financial administration in the Secretariat and implementation assistance in the in the TIFI and I&S technical Directorates. The project has also provided professional support to 9th EDF-financed projects in terms of financial administration, procurement and general implementation.

The Land & Water Management Applied Research Programme (€4.1 M) – ended its operation in June 08. The School of Agricultural Sciences at the University of Zambia has been selected as the hand-over institution. Regional professional skill improvement, the development of a Land and Water Management Information System, the initiation of a new curriculum on Land and Water for tertiary education are among the main achievements of the project.

The Implementation and Coordination of Agriculture Research and Training in SADC (ICART 1 and ICART 2- € 13.9) will end in December 2010. Its implementation continued without major obstacles following the mobilization of additional technical assistance in May 08. The project focus is now on capacity building of agricultural research networks, information system and on the monitoring of the 11 grant contracts (agricultural research and training) awarded in 2006

Promotion of Regional Integration in the Livestock- PRINT (€ 7.9 M): the project completed the development of 12 modules of the SADC Livestock Information Management System (LIMS) and a WebGIS internet based interactive mapping tool (<http://lims.sadc.int>); regional studies to fill information gaps in animal production marketing and trade are being undertaken and the 3 year regional training programme for continuous professional training is being implemented.

EPA support Facility (9 ACP SAD 006): The operational implementation of the project stretches until October 2010 and will focus on concluding the negotiations for a full and comprehensive EPA and the implementation of the same.

Standardisation, Quality Assurance, Accreditation and Metrology (SQAM- 9 ACP SAD 007 - € 14.2 M): D+3 on 6 December 2008. After a significant delay at the beginning of this project, the long terms TAs are in place now. The 1st Programme Estimate, comprising laboratory material for the upgrading of laboratories in the region is under implementation.

Customs modernisation (9 ACP SAD 009 - € 18 M): D+3 on 18 December 2008. A new project management is in place from late August and accelerated implementation of activities is expected. This project which should be the flagship of the EU support to SADC faced many initial setbacks due to divisions within SADC, the

resignation of the original team leader and the unexpected death of the SADC Director for Trade, Investment, Finance and Investment.

Technical Cooperation Facility I & II & III (9 ACP SADC 005, 011, 017 – € 5.6 M): Resources from the facility have been used in support of SADC-ICP coordination and in particular the development of the Windhoek declaration on aid effectiveness, the preparation of 9th EDF financing proposals, the development of the 10th EDF RSP/RIP, the annual meetings of the SADC National Committees and the 2007 Institutional Assessment of the SADC Secretariat. In 2008 support has been provided for the holding of the SADC Poverty Conference in April 2008 and for the completion of activities associated with the Regional Statistical Training Programme. The most recent facility, TCF 3, is to be used to finance the preparation of the Regional Infrastructure Development Master Plan, for which tenders are to be launched in the first quarter of 2009

The Food Safety- Capacity building on residue control (€ 7.5 M) project, aims at harmonising food safety control regulations, guidelines and procedures through institutional strengthening in the SADC region in order to increase exports. Project implementation continued smoothly in 2008 with the TAs in place since March 2008. This project is being implemented in close collaboration with the SQAM project.

The Implementation of the SADC Finance and Investment Protocol (€ 13 M), signed in December 2007, will support SADC Member States achieve closer regional economic integration and harmonisation in the finance and investment sectors. The technical assistance is expected to be in place by March 2009.

The SADC Foot and Mouth Disease project (€ 12.6 M) started its implementation in April 2007 and will face the D+3 in June 2009. Implementation to date raises serious questions about project strategy. In addition due to the current situation in Zimbabwe resulting in ineffective controls on animal movement and doubts raised on the effectiveness of the vaccines used in the region for the control of FMD, the vaccination campaigns cannot take place. A mid term review was undertaken in 2008 to better plan project re-orientation.

Capacity Building for Regional Integration (€ 12.5 M) The European Commission is committed to assisting SADC in the development of the capacities needed for accelerating and implementing regional economic integration. This commitment will be partly realised through a successor to the ongoing Regional Integration and Capacity Building project (RICB). The successor project, Capacity Building for Regional Integration (CBRI) takes account of SADC's capacity building requirements for RISDP implementation both at the level of the Secretariat, at the Member State level through the medium of the SADC National Committees and at the level of Non-State Actors. The interventions included under the project are based on the SADC Capacity Building framework and draw on the recommendations of the 2007 Institutional Assessment of the SADC Secretariat and the Job Evaluation exercise that took place in 2007. Operational implementation of the project is expected to commence in the second half of 2009.

Orange-Senqu river basin support project (€ 2.5 M) (part of the African Transboundary River Basin Support intra-ACP Programme): The Technical Assistance Team based at the ORASECOM Secretariat in Pretoria started in March 2008 and implementation of activities is well underway. A coordination group under the leadership of the ORASECOM Secretariat has been established to ensure close coordination with other ICPs supporting the Orange-Senqu River Basin, including GTZ, UNDP and FGEF.

Disaster Risk Management-Sub regional programme under the ACP-EU Natural Disaster Facility (Amount: € 1.868 M) The Commission decision was taken in December 2007. Pre-condition to project implementation is the signature of the Delegation Agreement (DA) between the ACP Secretariat and the SADC Secretariat. The DA is currently being negotiated.

The “Capacity support for sustainable management of energy resources in four ACP regions” € 2.5 M) including the SADC component “PROBEC”. The FA has been signed, but due to progress in the SADC PROBEC programme supported by other ICPs, a significant re-orientation will be necessary due to the fact that some result areas have already been achieved under the project. A delegation agreement with GTZ will be pursued for the implementation of the project once the re-orientation exercise has been finalised between the Delegation, SADC and the GTZ managed PROBEC programme.

Signing Date	Project Number	Project Name	Amount	Situation 01/01/09			
				Contracted	Remains to be contracted	Paid	Remains to be paid
1995	9ACP RPR216	(EX 07 P146) SADC CONTROLE DES MALADIES ANIMALES EN AFRIQU	542,026	96,960	445,066	65,924	31,036
1999	8ACP RAU4	SADC EU MINING FORUM (MINES 1999)	1,950,000	1,864,354	85,646	1,864,354	0
1999	8ACP RAU5	SADC REGIONAL STATISTICAL TRAINING PROJECT	3,850,000	3,386,395	463,605	2,682,805	703,590
1999	8ACP RAU9	SADC REGIONAL DRUG CONTROL PROGRAMME (SRDCP)	1,520,000	1,482,953	37,047	1,482,862	91
1999	8ACP RAU10	SADC ESIPP INVESTMENT PROMOTION PROGRAMME	14,000,000	12,564,404	1,435,596	10,301,849	2,262,555
2000	8ACP RAU13	SADC REGIONALINTEGRATION & CAPACITY BUILDING	15,615,000	15,235,382	379,618	13,390,017	1,845,365
2000	8ACP RAU14	SADC HIV/AIDS - REGIONAL SUPPORT FOR AN EXPANDED MULTISECTOR	3,114,000	2,855,260	258,740	2,746,182	109,078
2002	8ACP RAU18	SADC LAND AND WATER MANAGEMENT APPLIED RESEARCH PROGRAM	4,100,000	3,763,623	336,377	3,285,712	477,912
2003	9ACP SAD1	SADC IMPLEMENTATION AND COORDINATION OF AGRICULTURAL RESEARC	10,200,000	9,275,165	924,835	5,143,051	4,132,114
2004	9ACP SAD2	SADC PRINT PROMOTION OF REGIONAL INTEGRATION IN THE SADC L	7,900,000	7,571,021	328,979	4,417,141	3,153,880
2004	9ACP SAD4	SADC SUPPORT TO THE SADC REGIONAL INTEGRATION AND THE MULTIL	1,090,000	1,090,000	0	959,800	130,200
2005	9ACP SAD5	TECHNICAL CO-OPERATION FACILITY (TCF)	1,131,150	1,130,613	537	1,001,972	128,641
2005	9ACP SAD6	ECONOMIC PARTNERSHIP AGREEMENT (EPA) SUPPORT FACILITY	6,500,000	5,982,240	517,760	4,668,794	1,313,446
2005	9ACP SAD7	SUPPORT TO SADC MEMBER STATES IN STANDARDIZATION, QUALITY AS	14,200,000	12,219,096	1,980,904	3,120,024	9,099,071
2005	9ACP SAD9	SUPPORT TO SADC MEMBER STATES ON CUSTOMS MODERNISATION AND T	18,000,000	13,672,255	4,327,745	4,173,532	9,498,723
2006	9ACP RPR53	PROGRAMME DE GESTION INTEGRE DES BASSINS TRANSFRONTALIERS AF	2,500,000	1,899,227	600,773	210,403	1,688,825
2006	9ACP RPR94	HEALTH & DEVELOPMENT INNOVATIVE CONSORTIUM (HDIC) - NETWORK	5,000,000	4,900,000	100,000	740,160	4,159,840
2006	9ACP SAD10	SADC FOOT AND MOUTH DISEASE PROGRAMME (SFMDP)	12,600,000	4,386,778	8,213,222	1,903,881	2,482,897
2006	9ACP SAD11	COMMITMENT OF 9TH EDF FUNDS TO REPLACE DECOMMITMENT OF EX-6T	818,850	780,683	38,167	635,470	145,213
2007	9ACP SAD13	CAPACITY BUILDING IN MAXIMUM RESIDUE LEVELS IN THE SADC REGI	7,500,000	3,579,363	3,920,637	1,031,752	2,547,611
2007	9ACP SAD14	SUPPORT TO THE IMPLEMENTATION OF THE SADC FINANCE & INVESTME	13,000,000	5,226,325	7,773,675	233,141	4,993,184
2007	9ACP SAD15	CBRI-CAPACITY BUILING FOR REGIONAL INTEGRATION	12,500,000	0	12,500,000	0	0
2007	9ACP SAD16	ICART II - COMPLEMENTARY PHASE - IMPLEMENTATION AND COORDINA	3,700,000	1,975,400	1,724,600	637,160	1,338,240
2007	9ACP SAD17	TCF 3 - SADC REQUEST OF 18/04/2007 - REF: SADC/11/014/2	3,700,000	0	3,700,000	0	0
TOTAL			165,031,026	114,937,499	50,093,527	64,695,988	50,241,511

H.2 Intra / All -ACP Projects

- Health and Development Innovative Consortium (HDIC)

The project consists of a grant to the University of Botswana to set up and implement a network of ACP Universities to strengthen national HIV and AIDS responses. The secretariat located in Botswana has been set up, focal persons have been appointed and annual plans have been drafted. The project has experienced challenges as not all of the participating institutions have been able to meet their cost sharing obligation according to the MoUs signed. Therefore, it has been decided that institutions that are ready will start to implement activities and serve as good examples and inspiration to institutions that have not yet reached this level.

- Erasmus Mundus: 6 persons from Botswana benefitted in 2008 (see below)

List Name	Cat.	Type	Family Name	First Name	Birthyear	Email	Application Title	Origin Institution
Main List	EM	Student	HULELA	Nthula	1976	bhulela@yahoo.com	DILL - International Master in Digital Library Learning	University of Botswana,
			KGOSIESELE	Ednah	1980	gookiz@yahoo.com	"GEM: Geo-information Science and Earth observation for Environmental Modeling and Management"	UNIVERSITY OF BOTSWANA
			KHIWA	Balule Simon Nickson	1980	nicksonza@yahoo.	DILL - International Master in Digital Library Learning	Nelson Mandela Metro. University, South Africa
			MOSUPIEMANG	Utlwanang	1982	umoupiemang@yahoo.co.uk	European Master in Animal Breeding and Genetics (EM-ABG)	Botswana College of Agriculture, Botswana
Reserve List	EM	Scholar	CAVRIC	Branko	1956	cavra@mega.bw	MUNDUS URBANO - Interdisciplinary Erasmus Mundus Master Course International Cooperation and Urban Development	University of Belgrade
		Student	KGAKATSI	Virginia Segametsi	1967	vkgakatsi@yahoo.com	MA SEN, Special Education Needs	University of Botswana

- CDE (see chapter 2.4.6)

NB/ The elaboration of a list of other centralised managed projects (of interest to Botswana) is on-going.

I. STATUS OF BUDGET LINES

Budget line	Domain	Contract nr	Project Name	Beneficiary	Contracted (€)	Paid	2008 S1		2008 S2		RAL
							Contracted	Paid	Contracted	Paid	
21.050300	GENRE	GENRE/2007/117-222	Promoting Gender Equality		371,145	151,791	0	0	0	0	219,354
21.030100	ONG-PVD	ONG-PVD/2006/132-160	Capacity building for marginalised people		890,182	213,328	0	0	0	250,000	426,854
21.030100	ONG-PVD	ONG-PVD/2007/134-813	Gender-based violence		530,336	150,016	0	0	0	0	380,320
19.010407	EIDHR	EIDHR/2008/171-834	Botswana Centre for Human Rights	Botswana Centre for Human Rights	3,000	0	0	0	3,000	2,836	164
	ENV	ENV/1999/054-131	HOORC through KCS	Harry Oppenheimer Okavango Research Centre	1,509,600	0	0	0	-69,884	272,612	0

J. STATUS OF OTHER EU-FUNDED PROJECTS

(i) Budget Lines managed by DG Research involving Botswana Institutions

FP6

Project Number	Thematic	Project Title	Project Call Identifier	Participant Legal Name	Project Start	Project End	Participant Total Cost	Participant EC Contribution
003717	International Cooperation Activities	Towards effective involvement of local government in Integrated Water Resources Management (IWRM) in river basins of the Southern African Development Community (SADC) region	FP6-2002-INCO-DEV-1	KALAHARI CONSERVATION SOCIETY	01-Jan-2005	31-Mar-2008	41,086	41,086
015459	International Cooperation Activities	Molecular, Environmental and Nutritional Evaluation of Bambara Groundnut (<i>Vigna subterranea</i> L.Verdc.) for Food Production in Semi-Arid Africa and India	FP6-2003-INCO-DEV-2	BOTSWANA COLLEGE OF AGRICULTURE	01-Jan-2006	31-Dec-2009	98,074	98,074
015838	2. Information society technologies	Building Europe- Africa collaborative Network for applying IST in Health care sector	FP6-2004-IST-3	MINISTRY OF COMMUNICATIONS, SCIENCE AND TECHNOLOGY	01-Jan-2005	30-Jun-2007	213,720	160,290
032059	International Cooperation Activities	Development of innovative and healthful marama bean (<i>Tylosema esculentum</i>) products targeting niche markets	FP6-2004-INCO-DEV-3	UNIVERSITY OF BOTSWANA	01-Jan-2007	31-Dec-2009	286,859	286,859
032448	International Cooperation Activities	Competence Platform on Energy Crop and Agroforestry Systems for Arid and Semi-arid Ecosystems - Africa	FP6-2004-INCO-DEV-3	UNIVERSITY OF BOTSWANA	01-Jan-2007	31-Dec-2009	15,900	15,900

037046	6. Sustainable development, global change and ecosystems	DESERTIFICATION MITIGATION AND REMEDIATION OF LAND - a global approach for local solutions -	FP6-2005-GLOBAL-4	UNIVERSITY OF BOTSWANA	01-Feb-2007	31-Jan-2012	175,000	175,000
043602	International Cooperation Activities	VGT work How Space helps to manage ecosystems.	FP6-2002-INCO-DEV/SSA-1	BOTSWANA METEOROLOGICAL SERVICES	01-Jan-2007	31-Aug-2009	86,814	86,814
043982	International Cooperation Activities	Cross Sectoral Commons Governance in Southern Africa	FP6-2002-INCO-DEV/SSA-1	UNIVERSITY OF BOTSWANA	01-Mar-2007	28-Feb-2009	87,017	87,017
8 selected proposals out of 47							1,004,470	951,040

FP7

Project Number	Category	Project Program Description	Project Title	Participant Legal Name	Project start	Project End	Project EC Contribution	Project Total Cost
212188	Cooperation	Food, Agriculture, and Biotechnology	Technical eXperts Overseeing Third country eXpertise	COLDSTREAM HOLDINGS LTD TRADING AS NFDS AFRICA	01-Apr-2008	31-Mar-2011	999,854	1,044,678
216634	Cooperation	Information and Communication Technologies	IST-Africa 2008 - 2009, Regional Impact of Information Society Technologies in Africa	MINISTRY OF COMMUNICATIONS, SCIENCE AND TECHNOLOGY	01-Sep-2007	31-Oct-2009	868,456	1,006,406
2								
			Sum:				1,868,310	2,051,084

(ii) EC COOPENER programme, which is a DG ENV initiative to promote renewable energy sources and energy efficiency in developing countries, as well as sustainable energy services for poverty alleviation (Botswana is benefiting from 3 projects which started in 2004: Insaba; TIE-ENERGIA&DEA: They are all regional, with Europeans working in a consortia with African partners). The person responsible from UNEP visited the country twice.

(iii) Instituting effective monitoring of protected areas (IBA) as a contribution to reducing biodiversity loss in Africa, which is a multi-country project, financed from the NGO-co-financing budget line, managed centrally by HQ. There was no contact with this project in 2008.

K. STATUS OF EIB PROJECTS

Botswana - Country Portfolio as of 12.01.2009

Loans from EIB Own Ressources (EURO)

Loan N°	Contract Name	Mandate	Status	Signature Date	Signed Amount	Disbursed Amount	Cancelled Amount	To be disbursed	Outstanding	First Repayment Date	Last Repayment Date
17063	BOTSWANA LOBATSE WATER SUPPLY	LOME - CONVENTION 4	Disbursed	20/12/1993	7,400,000.00	2,927,256.00	4,472,744.00	0.00	1,030,448.34	05/06/1998	05/12/2013
18177	NORTH SOUTH CARRIER WATER	LOME - CONVENTION 4	Disbursed	23/10/1995	40,000,000.00	40,000,000.00		0.00	17,094,099.72	20/04/2001	20/10/2015
18785	BOTSWANA POWER CORPORATION V	LOME - CONVENTION 4	Disbursed	17/06/1996	6,600,000.00	6,176,271.98	423,728.02	0.00	2,235,920.34	20/05/2000	20/05/2011
21942	FRANCISTOWN WATER SUPPLY	LOME - CONVENTION 4 - PROT.2	Disbursed	14/02/2003	12,500,000.00	12,500,000.00		0.00	8,842,501.54	15/09/2008	15/03/2023
					66,500,000.00	61,603,527.98	4,896,472.02	0.00			

Loans from Risk Capital Ressources (EURO)

Loan N°	Contract Name	Mandate	Status	Signature Date	Signed Amount	Disbursed Amount	Cancelled Amount	To be disbursed	Outstanding	First Repayment Date	Last Repayment Date
70679	FRANCISTOWN ABATTOIR	LOME - CONVENTION 3	Disbursed	15/09/1987	2,000,000.00	1,550,908.82	449,091.18	0.00	468,506.70	10/09/2003	10/09/2012
70699	BDC GLOBAL LOAN II	LOME - CONVENTION 3	Disbursed	26/11/1987	3,000,000.00	991,000.00	2,009,000.00	0.00	744,950.00	15/06/1993	15/06/2012
70893	BDC GLOBAL LOAN III	LOME - CONVENTION 3	Disbursed	04/12/1992	1,500,000.00	1,500,000.00		0.00	1,500,000.00	30/11/2013	30/11/2017
70948	BDC GL IV	LOME - CONVENTION 4	Disbursed	14/04/1994	1,500,000.00	269,000.00	1,231,000.00	0.00	125,900.00	10/04/2000	10/04/2009
70954	LOBATSE WATER SUPPLY	LOME - CONVENTION 4	Disbursed	28/04/1994	3,000,000.00	2,263,632.00	736,368.00	0.00	891,644.64	20/04/1999	20/04/2014
22712	FABULOUS FLOWERS	ACCORD DE COTONOU	Disbursed	04/10/2004	2,000,000.00	2,000,000.00		0.00	2,000,000.00	25/02/2007	25/08/2014
24140	MARTIN S DRIFT KIMBERLITE PROJECT	ACCORD DE COTONOU	Disbursed	24/10/2007	5,000,000.00	5,000,000.00		0.00	5,631,289.70	07/11/2009	21/07/2015
					18,000,000.00	13,574,540.82	4,425,459.18	0.00			

L. UPDATED EDF10 CSP CHRONOGRAMME

	Date	Accounting Number Numéro Comptable	TITLE OF Project INTITULE du Projet	GLOBAL Commit' Engagem' GLOBAL	CONTRACTS										PAYMENTS						Remaining RAL 2013			
					Contracted	RAC	Forecast 2009	Forecast 2010	Forecast 2011	Forecast 2012	Forecast 2013	TOT	Remaining RAC 2013	Paid	RAP	Forecast 2009	Forecast 2010	Forecast 2011	Forecast 2012	Forecast 2013		TOT	Remaining RAP 2013	
EDF 8	2000	8ACP BT3	BW FRANCISTOWN CTVE/VTC VOCATIONAL TRAINING PROGRAMME	15,000,000	14,988,571	11,429	0	0	0	0	0	0	0	11,429	13,149,995	1,838,576	1,333,581	0	0	0	0	1,333,581	504,995	516,424
	2000	8ACP BT4	BW 3RD MICROPROJECTS PROGRAMME	2,043,867	2,043,867	0	0	0	0	0	0	0	0	0	2,041,984	1,883	0	0	0	0	0	0	1,883	1,883
	2001	8ACP BT10	BW WILDLIFE CONSERVATION AND MANAGEMENT PROGRAMME	13,273,400	11,323,770	1,949,630	0	0	0	0	0	0	0	1,949,630	11,323,770	0	0	0	0	0	0	0	0	1,949,630
	2002	8ACP BT13	BW ECONOMIC DIVERSIFICATION OF THE MINING SECTOR	30,000,000	29,542,338	457,662	457,662	0	0	0	0	457,662	0	23,790,074	5,752,263	5,180,014	379,050	0	0	0	0	5,559,064	650,862	650,862
	2003	8ACP BT14	BW AUGMENTATION OF GABS TECHNICAL COLLEGE AND AUTOMOTIV	3,880,000	3,722,636	157,364	0	0	0	0	0	0	0	157,364	1,036,777	2,685,859	2,680,692	0	0	0	0	2,680,692	5,167	162,531
EDF 9	2003	9ACP BT2	BW GENERAL T.A. FOR SUPPORT TO TAX ADMINISTRATION REFORM	600,502	553,172	47,330	25,000	0	0	0	0	25,000	22,330	533,507	19,665	19,665	0	0	0	0	0	19,665	25,000	47,330
	2004	9ACP BT3	BW TECHNICAL COOPERATION FACILITY (TCF)	1,385,000	1,366,499	18,501	18,500	0	0	0	0	18,500	1	1,273,288	93,211	87,300	0	24,411	0	0	0	111,711	0	1
	2005	9ACP BT4	EDUCATION AND TRAINING SECTOR POLICY SUPPORT PROGRAMME	43,348,000	43,123,770	224,230	0	60,000	0	0	0	60,000	164,230	26,082,581	17,041,189	6,476,189	5,700,000	0	0	0	0	12,176,189	4,925,000	5,089,230
	2006	9ACP BT6	STRANGTHENING CAPACITY FOR COMMUNITY DEV. IN MINISTRY OF LO	3,000,000	2,234,735	765,265	0	520,000	245,265	0	0	765,265	0	846,700	1,388,035	565,162	605,000	800,000	183,138	0	0	2,153,300	0	0
	2006	9ACP BT7	NON-STATE ACTORS CAPACITY BUILDING PROGRAMME	6,000,000	4,403,400	1,596,600	1,000,000	20,000	576,600	0	0	1,596,600	0	1,100,707	3,302,693	2,437,100	865,593	1,396,000	200,600	0	0	4,899,293	0	0
2007	9ACP BT8	TCF II	2,500,000	997,281	1,502,719	1,365,000	135,000	2,719	0	0	1,502,719	0	655,009	342,272	946,123	526,338	372,530	0	0	0	1,844,991	0	0	
S.TOTAL 1				121,030,768	114,300,039	6,730,730	2,866,162	735,000	824,584	0	0	4,425,746	2,304,983	81,834,393	32,465,646	19,725,826	8,075,981	2,592,941	383,738	0	30,778,486	6,112,905	8,417,889	
EDF 10	2009	10ACP 01	SPSP HRD	62,000,000	0	62,000,000	0	60,000,000	1,000,000	1,000,000	0	62,000,000	0	0	62,000,000	0	9,000,000	17,000,000	14,000,000	16,000,000	56,000,000	6,000,000	6,000,000	
	2009	10ACP 02	TCF III	3,000,000	0	3,000,000	0	1,000,000	1,000,000	500,000	500,000	3,000,000	0	0	3,000,000	0	400,000	900,000	800,000	900,000	3,000,000	0	0	
	2010	10ACP 03	Empowerment of civil society	8,000,000	0	8,000,000	0	2,000,000	2,500,000	2,500,000	1,000,000	8,000,000	0	0	8,000,000	0	2,000,000	2,000,000	2,000,000	2,000,000	8,000,000	0	0	
S.TOTAL 2				73,000,000	0	73,000,000	0	63,000,000	4,500,000	4,000,000	1,500,000	73,000,000	0	0	73,000,000	0	11,400,000	19,900,000	16,800,000	18,900,000	67,000,000	6,000,000	6,000,000	
TOTAL				194,030,768	114,300,039	79,730,730	2,866,162	63,735,000	5,324,584	4,000,000	1,500,000	77,425,746	2,304,983	81,834,393	105,465,646	19,725,826	19,475,981	22,492,941	17,183,738	18,900,000	97,778,486	12,112,905	14,417,889	

M. ABBREVIATIONS

ACHPR	African Commission on Human and People's Rights
ACP	Group of African, Caribbean and Pacific States
ATTC	Automotive Trades Technical College
ARV	Anti-retrovirals
b or bn	billion
BAM	Botswana Alliance Movement
BoB	Bank of Botswana
BCL	Bamangwato Concessions Limited
BCP	Botswana Congress Party
BDP	Botswana Democratic Party
BGCSE	Botswana General Certificate of Education
BIAC	Botswana Institute of Administration and Commerce
BIUST	Botswana International University of Science and Technology
BNAPS	Botswana National HIV/AIDS Prevention Project
BNF	Botswana National Front
BTEP	Botswana Technical Education Programme
BURS	Botswana Unified Revenue Service
BWP (or P)	Botswana Pula
Btv	Botswana Television
CDE	Centre for Development of Enterprises
CKGR	Central Kalahari Game Reserve
CSO	Central Statistics Office
Dikgosi	Traditional authority
DCEC	Directorate on Corruption and Economic Crime
EDF	European Development Fund
EDMS	Economic Diversification of the Mining Sector
EFTA	European Free Trade Area
EIB	European Investment Bank
EITI	Extractive Industries Transparency Initiative
EPA	Economic Partnership Agreement
EPER	Education Public Expenditure Review
ETSPSP	Education and Training Sector Policy Support Programme
EU	European Union
FMD	Foot and Mouth Disease
FCTVE	Francistown College of Training and Vocational Education
FTA	Free Trade Area
FWC	Framework Contract
GDP	Gross Domestic Product
GoB	Government of Botswana
GTC	Gaborone Technical College
HOORC	Harry Oppenheimer Okavango Research Centre
HRD	Human Resource Development
IMF	International Monetary Fund
ISPAAD	Integrated Support Programme for Arable Agriculture Development
MDG	Millennium Development Goal
MoESD	Ministry of Education and Skills Development
MoPAPA	Ministry of Presidential Affairs and Public Administration
MLG	Ministry of Local Government
MoYCS	Ministry of Youth, Culture and Sports
MoCST	Ministry of Communications, Science and Technology
MoDS	Ministry of Defence and Security
MoLHA	Ministry of Labour and Home Affairs
MoEWT	Ministry of Environment, Wildlife and Tourism

m or mn	million
MS	Member State
MTR	Mid term Review
MP	Member of Parliament
NACA	National Aids Coordination Agency
NDP	National Development Plan
NER	Net enrolment rate
NHRDS	National Human Resource Development Strategy
NCQF	National Credit Qualification Framework
NSA	Non State Actor
ORASECOM	Trans-Boundary River Basin Support Programme to the Orange Senqu River Basin
PAC	Public Accounts Committee
PACC	Programme Advisory Committee on Child Labour
PE	Programme Estimate
PEFA	Public Expenditure Financial Accountability
PFM	Public Finance Management
PMTCT	Prevention of mother to child transmission
PPP	Public-Private Partnership
PSLE	Primary School Leaving Examination
RAC	Reste a payer (Which remains to be contracted)
RAP	Reste a contractor (Which remains to be paid)
RAL	Reste a liquidier (Which remains to be liquidated): $RAL = RAC + RAP$
RIP	Regional Indicative Programme
RSP	Regional Strategy Paper
SADC	Southern African Development Community
SACU	Southern African Customs Union, South Africa, Swaziland, Lesotho, Botswana and Namibia
SME	Small and Medium Enterprises
SPEDU	Selebi Phikwe Economic Diversification Unit
SSN	Social safety net
TA	Technical Assistance
TCF	Technical Cooperation Facility
TEC	Tertiary Education Council
TEP	Tertiary Education Policy
t	Ton
TB	Tuberculosis
TVET	Technical & Vocational and Education Training
UN	United Nations
UNDAF	UN Development Assistance Framework
UNHRC	United Nations Human Rights Commission
UNHRCWC	UN Human Rights Council's Working Committee
WB	World Bank