

BOTSWANA

Towards Prosperity for All

A Comprehensive Development Framework Profile





The World Bank

Comprehensive Development Framework
Operations Policy and Country Services

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Country Background and Recent Developments¹

Botswana is a success story in terms of economic growth and political stability. A landlocked country in a region marred by poverty, with less than 5 percent of its land cultivable and a population of about 1.7 million, Botswana's post-independence history has been characterized by good macroeconomic policies, an open economy, relatively strong institutions and high public revenues from diamond-mining industries, which have substantially improved the living-standards of the population. At the turn of the millennium, the challenge is to move forward on the road to further development. Economic diversification, the spread of HIV, unemployment and poverty, and global and regional integration, represent some of the key issues that the government is tackling, through its long-term vision and medium-term development plans.

Between 1966 and 1988, Botswana's GDP grew at an annual rate of 14.5 percent, one of the highest average growth rates in the world. Although the impact of global integration slowed growth in the 1990s, this did not prevent Botswana from positioning itself among the middle-income countries, with a per-capita GNI of about \$7,000 in 2002.²

¹ This profile is part of a series prepared by the Operations Policy and Country Services Vice-Presidency to deepen understanding of the CDF principles, and share valuable lessons. The profiles are based on roundtables among national stakeholders, with external partners, including the World Bank, acting as observers. The roundtable that served as a basis for this profile was held in Gaborone on December 1, 2003. Among the participants were government officials, representatives of the private sector, trade unions, the media, academia and think tanks. The World Bank and the Ministry of Finance and Development Planning organized the roundtable jointly.

² *World Development Report 2004*, p. 252. The Economist Intelligence Unit reports a GDP per head of US\$ 4,278 in 2003

The average growth of GDP was 5.9 percent in the 1997/98–2001/02 period and is expected to be between 4 and 5 percent in the next years. Diamonds have played a key role in fostering growth and the mining industry accounts for 36 percent of GDP, 75 percent of export earnings, and over 50 percent of government revenues.³ However, dependence on mining is heavily affecting the labor market, since the mining industry—not a labor-intensive sector—accounts for only 5 percent of the employed labor force. Unemployment in 2001 was estimated at 19.6 percent⁴. Nearly half of total employment is in the public sector and in its attempt to diversify the economy, the government has tried to promote manufacturing, international financial services and tourism. Financial and business services represent around 10 percent of GDP, tourism accounts for 11 percent, and manufacturing about 5 percent. Agriculture, livestock and beef processing mainly for the EU market, accounts for 3 percent of GDP.

Unlike other African countries with abundant natural resources, Botswana has witnessed continuous peace and stability since independence in 1966, with no debilitating infighting to control revenues from diamonds. It experienced a smooth transition from British colonial rule to independence. The Botswana Democratic Party (BDP) won most seats in a pre-independence poll of 1965, and at independence its founder, Serest Kaman, became the first president, favoring the establishment of a multiracial, democratic society based on a mix of traditional structures and modern institutions. Legislative power is vested in the National Assembly, whose 40 members are elected for five years. Executive power lies with the President, who is elected by the National Assembly. A 15-member House of Chiefs assembling tribal chiefs and sub-chiefs retains a strong symbolic significance, although its role is purely advisory. There are nine district councils, two city councils

³ Economist Intelligence Unit. *Botswana Country Profile 2003*, p. 19.

⁴ *Ibid.*, p. 28.

and four town councils. Traditional consultative foray such as assemblies of the elders (*kola*) survive and guarantee participation outside the official administrative and political structures. The BDP has continuously ruled the country, by winning substantial margins in open and free elections. The two main opposition parties, the Botswana National Front (BNF) and the Botswana Congress Party (BCP), remain divided and have been unable to challenge the Bed's leadership. New elections are scheduled for October 2004.⁵

Botswana has made significant advances in human development. At independence the country had few assets and a poor infrastructure. In 1966 there were only two secondary schools offering full five-year courses and only 80 students in the final year. The quality of education was uniformly poor with large class sizes and a high failure rate.⁶ Since then, the government's policy of reinvesting high returns from mining to improve living standards has produced dramatic changes in the country. The provision of almost universal free education has increased adult literacy from 34 percent in 1981 to 68 percent in 2002. More than 90 percent of children complete primary school, and 100 percent transition to junior secondary school, while the transition from junior to senior secondary is 51 percent. In health care, the government has invested heavily in infrastructure and the training of personnel. Nearly all urban residents and 80 percent of the rural population are within 15 kilometers of a primary health facility.⁷

Despite an impressive economic record and tremendous achievements in human development,

⁵ Ibid., pp. 6 ff.; cf. also D. Acemoglu, S. Johnson and J. Robinson. 'An African Success Story: Botswana'. *CEPR Discussion Paper No. 3219* (2002), pp. 9, 16.

⁶ D. Acemoglu, S. Johnson and J. Robinson. 'An African Success Story: Botswana'. *CEPR Discussion Paper No. 3219* (2002), p. 17.

⁷ 'Africa's Best Kept Secret: Botswana as a 'Shining Liberal Democracy'. *The Courier ACP-EU*, 198 (May-June 2003), p. 54.

Botswana faces problems that could negatively affect its long-term development perspectives. High asset and income inequality—the Gini coefficient was estimated at 0.54 in 1993/1994—and high poverty rates—37 percent of the population are estimated to live below the poverty line—significantly undermine the emergence of a highly skilled workforce for emerging sectors in the economy.⁸ The HIV/AIDS epidemic—39 percent of the people aged 15-49 were estimated to be infected in 2002—is putting a severe strain on national resources and further depleting Botswana’s human resources.⁹ Economic diversification will require substantial improvement in infrastructure and international telecommunications. The government has recognized the urgency of the challenges ahead and developed for the first time since independence a long-term holistic development framework, called ***Vision 2016. Towards Prosperity for All.***

Long-term Holistic Vision

Botswana has a long tradition of preparing National Development Plans. This tradition dates back to the pre-independence period when a “Transitional Plan for Social and Economic Development” was prepared to cover the 1966-68 period. Since then, the country has produced nine National Development Plans (NDPs), with the first five being rolling plans covering a five year period and the last four being six year plans with a mid-term review halfway through the implementation period. The NDPs are not simply blueprints for government actions and financial budgets, but they serve as major statements of development policies and strategies and highlight the role of the private sector, non-governmental organizations and other civil society institutions. The Ninth Development Plan (NDP-9)

⁸ D. Acemoglu, S. Johnson and J. Robinson. ‘An African Success Story: Botswana’. *CEPR Discussion Paper No. 3219* (2002), p. 4; data refer to 1993/1994.

⁹ Economist Intelligence Unit. *Botswana Country Profile 2003*, p. 15.

covers the period from April 2003 to March 2009 and is the first one prepared after the long-term vision was adopted. It is appropriately called ***Towards Realization of Vision 2016: Sustainable and Diversified Development through Competitiveness in Global Markets.***

Coherent long term vision. The formulation of the long-term vision started in 1996, when Botswana celebrated the 30th anniversary of independence. A key question at that time was what kind of society would the country like to be by year 2016, when it would be celebrating the 50th anniversary of independence. There was a realization that all citizens will have to dedicate themselves to shape the destiny of their country, that nobody will do it for them and that this required continuous innovation, resilience, commitment and fortitude¹⁰. The process of introspection culminated in the setting of a nine member Presidential Task Group, which produced ***A Framework for a Long Term Vision for Botswana*** . The group of nine was then expanded to thirty-one in January 1997. After an extensive consultative process, the long-term vision document was issued in September 1997.

“We must remember that we exist within a wider ‘Global Village’, where success and failure are determined by common benchmarks. Such a competitive environment demands that all sectors of our own society, indeed each and every individual, not just Government, must set goals and standards of achievement that are second to none. This is a daunting task, but one that we can achieve within our own vision 2016 framework, whose ambitious but realizable goals remain the ultimate benchmark for measuring our collective progress”.

F. G. Mogae, President of the Republic of Botswana, State of the Nation Address, November 10, 2003

¹⁰ Vision 2016, p.65

Vision 2016. Towards Prosperity for All is a national manifesto of and for the people of Botswana detailing the consensus reached on long-term goals, identifying the challenges implied by those goals and proposing a set of strategies to achieve them. The following seven goals for year 2016 were established in the long-term vision¹¹:

- ***An educated and informed nation.*** All people will be able to have quality education that is adapted to the changing needs of the country. Improvements in the relevance, the quality and the access to education lie at the core of the vision for the future of the country. By 2016 schooling will be universal and compulsory to the secondary level and vocational and technical training will be available as an alternative to academic studies. The country will be in the forefront of information technology and all people will have access to telephones, newspapers, radio and television, and computer equipment.
- ***A prosperous, productive, and innovative nation.*** The country will be a society distinguished by the pursuit of excellence through a new culture of hard work and discipline, where efforts are rewarded and the necessary skills are available; the economy will be diversified and the development process will be sustainable and take account of the preservation of the environment and of renewable resources. It is envisaged that the overall average growth rate in the next twenty years will be of the order of 8 percent, within a context of macro-economic balances with stable monetary, exchange rate and fiscal policies. Women would be in the mainstream of the development process. Government will assume the role of facilitator and create an environment where private sector business and entrepreneurial activities are encouraged and supported.

¹¹ “Vision 2016. Towards Prosperity for All”, Presidential Task Group for a Long Term Vision for Botswana, September 1997

- ***A compassionate, just and caring nation.*** By 2016 Botswana will have a more equitable income distribution and absolute poverty will have been totally eradicated. There would be an efficient safety net for those who suffer misfortunes and everybody will have access to good quality health services, sanitation and nutrition. The negative impact of the AIDS epidemic will have been halted and reversed.
- ***A safe and secure nation.*** Violent crime will have been eliminated, the abuse of spouses and children completely eradicated and there will be full protection of individual rights. A small, well trained, disciplined and fully accountable national defense force will protect the people and borders of the country and the public will have confidence in well-trained law enforcement agencies.
- ***An open, democratic, and accountable nation.*** There will be a lasting and durable democracy, with strong decentralized institutions and political tolerance; accountability of all leaders will be emphasized; civil society will play full part in the development of the country and would be a key element of good governance; the nation's leaders will be morally and ethically upright, open and accountable to the people; the role of traditional leaders will be enhanced and freedom of expression as well as freedom of the press will be fully respected.
- ***A moral and tolerant nation.*** There will be high standards of personal morality and tolerant social attitudes towards people of different cultures, ethnic traditions, religions and disabilities.
- ***A united and proud nation.*** Society will share common ideals, goals and symbols, while respecting the mix of cultures, languages, traditions and people. The family will be the central institution for the development of the people and for the transmission of social and moral values.

The greatest achievement of Vision 2016 and its continued value is that it has helped the country steer away from its traditional medium-term development planning towards a broader multisectoral long-term approach, which also considers social and human development issues, as well as cultural and moral values. It challenged the government and the people to do things differently, and challenged national stakeholders to embrace the development agenda of the country.

Education emerged as one of the primary concerns for both the government and the private sector. Since independence, basic universal primary education was a major focus area and to a large extent the goal of providing universal primary education has been achieved. Secondary education is also developing rapidly. Policymakers were increasingly voicing the view that the main challenge to expand the economy beyond mining and cattle breeding was to aggressively expand tertiary education to produce a highly skilled workforce.

Implementation of the vision. The strategy for implementing the vision included in the first place the mainstreaming of the vision into the national planning process, which has remained the central vehicle for the development of the country. The Ninth National Development Plan (NDP-9)—which covers the period from April 2003 to March 2009—is titled *Towards Realization of Vision 2016: Sustainable and Diversified Development through Competitiveness in Global Markets*. The second element included the mobilization of all stakeholders to ensure ownership of the Vision by all members of society, not only the Government. For this purpose a “Vision Awareness Week” was recently celebrated, where everyone was challenged to locate his or her individual and organizational roles within Vision 2016.

As part of a deliberate effort to link NDP-9 to Vision 2016, the Vision Council was directly involved in the reference group for the preparation of the plan, and each sector chapter was especially checked to assure compliance with the Vision document. The NDP-9 is well balanced in addressing macro-economic, sector, social, cultural, institutional and structural issues. The main policy thrusts of NDP-9, consistent with Vision 2016, are economic diversification, employment creation, poverty alleviation, macroeconomic stability and financial discipline, public sector reforms, environmental protection, rural development, human resource development—including the fight against HIV/AIDS—and disaster management. It calls for an aggressive mobilization of government and domestic private savings, as well as a sustained inflow of foreign capital. Continued macroeconomic stability is identified as critical to achieving sustainable and diversified growth¹²

Policymakers recognize that Botswana must reposition itself to compete effectively in global markets by adjusting its economic structure and institutional framework to take advantage of the opportunities offered by globalization. They acknowledge the importance of implementing appropriate policies, strategies and programs, such as maintaining a conducive macroeconomic policy regime for private sector initiatives, implementing policies that explicitly incorporate cross-sectoral issues like gender, the environment and the fight against HIV/AIDS, as well as increasing labor productivity through human resource development and the provision of the necessary infrastructure.

¹² Ministry of Finance and Development Planning, “National Development Plan 9 2003/04 – 2008/09”, March 2003.

Some key initiatives of NDP-9 are:

- ***Economic Diversification and Employment Creation.*** There is potential for diversification in the agricultural, manufacturing, tourism and financial services sectors of the economy. Government will invest in research and development in science and technology to make these sectors competitive in global markets. The role of the Government will be limited to that of being a facilitator and providing a conducive environment for private initiative and innovation to take effect.
- ***Poverty Reduction.*** While economic diversification, education and training offer a long-term solution to the problem, in the immediate years the Government will continue to implement programs aimed at vulnerable groups, but giving greater emphasis to improvements in their effectiveness. The National Strategy for Poverty Reduction identifies the need to adopt a multi-dimensional concept of poverty, incorporating income issues, human capabilities and participation.
- ***Rural Development.*** Some of the emerging strategies in this area stress the need for a diversified approach to rural livelihoods (making full recognition of other sources of income besides agriculture), the need to remove all administrative and other constraints to speedy land acquisition, the need to provide infrastructure in production areas adopting some form of cluster approach and the need to continue to strengthen property rights in tribal lands.
- ***Health.*** The Ministry of Health will continue to provide policy direction and leadership in the health sector, working in partnership with the Ministry of Local Government for the delivery of primary health care services at the district level. Leading health challenges like HIV/AIDS prevention and care, and the resurgence of other communicable and non-communicable diseases are being addressed through inter-sectoral collaboration

with education, water and sanitation, agriculture, and social welfare.

- **Trade and Industry.** The Ministry of Trade and Industry is focusing on developing competitive and self-sustaining manufacturing enterprises whose products can access international markets. The Ministry is promoting linkages among firms and between the manufacturing sector and other sectors of the economy such as agriculture, tourism, and mining to facilitate growth in specific industrial sectors with growth potential. It is trying to diversify the rural economy through linkages among various sectors. For instance, adding value to agricultural products and further processing minerals and semi-precious stones is providing additional jobs and income opportunities for rural communities.
- **Labor and Home Affairs.** The Ministry of Labor and Home Affairs is providing a range of essential cultural and social services. The National Gender Program serves as a reference point for a multi-sectoral and coordinated response to gender issues.

Links to public expenditures and capacity for

implementation. Vision 2016 and NDP-9 underpin the 2003/04 budget, approved by the National Assembly in February 2003. The budget is aimed at the improvement of Botswana's competitiveness in global markets. However, insufficient skilled labor, exacerbated by the consequences of the HIV/AIDS epidemic, is a major constraint in the implementation of policies. NDP-9 candidly recognizes that "the creation of a substantial number of additional manpower posts, which will take some time to fill, means that many completed projects will remain understaffed and/or poorly managed and operated".

Policymakers acknowledge that manpower constraints call for careful planning to help ensure that scarce manpower is allocated efficiently to uses that will contribute to national development and social welfare.

Skilled-labor shortages are particularly acute in some key sectors:

- **Agriculture.** In the Ministry of Agriculture 71 percent of the staff in 2001/02 was made up of unskilled and semi-skilled workers. The Ministry was inadequately staffed at the frontline level and unable to adequately meet farmers' expectations for technical assistance. Strategies have been developed to address the deficiency, among them, by enhancing the curriculum at the Botswana College of Agriculture.
- **Water:** Both the Department of Water Affairs and the Water Utilities Corporation continue to experience difficulties retaining skilled manpower. The situation is attributed to the impact of HIV/AIDS and the resignation of experienced professionals who had been offered better salaries in the private sector. The lack of adequate manpower resources, particularly at the professional level was one of the main constraints in project implementation under NDP-8.
- **Health.** Health facilities face staff shortage both in numbers and skills. This shortage prevents them from providing acceptable quality health care services. NDP-9 addresses the situation with a five year Human Resources Strategic Development Plan for the sector.
- **Local Authorities.** The Local Authorities are faced with a manpower shortage, which inhibits their ability to adequately meet the demands for the services they are expected to deliver. During NDP-9, the government will put emphasis on enhancing capacity at the local authorities level, both quantitatively and qualitatively, to improve their competency in delivering the envisaged services.

Country Ownership

One of the key features of Botswana planning system has been its decentralization to the district and community level and the bottom-up approach used for plan preparation.

Openness, participation and consensus at all levels are encouraged. Structures are in place at the local level to promote systematic and participatory planning, including village committees dealing with specific sectors (agriculture, education, health), district and urban councils, tribal boards and district development committees. Local authorities prepare development plans for their jurisdiction and these plans feed into the National Development Plan. Planning is an interactive process where projects, programs and policies can emanate from national ministries, local authorities or the villages and wards. Private sector and civil society organizations are directly involved in the discussions at various stages of the preparation process. The Plan is ultimately agreed by the Cabinet and submitted for discussion and approval by Parliament.

However, policymakers and key stakeholders have perceived a failure to generate sufficiently strong commitment around the national development strategies, as well as little active participation from the private sector and civil society in their implementation. There was a perception among leaders inside and outside government that planning documents needed to better filter down to the grass-roots level, since people in the villages needed to be key implementers if the goals were to be achieved. Recognizing this, Vision 2016 was formulated through a process that went beyond the formal institutional structures of consultation and participation. It aimed at creating a new culture of participation and, in so doing, enhanced citizens' role in the formulation of NDP-9.

Vision 2016. Locus of initiative and participation. The political leadership and the private sector through its main umbrella organization, the Botswana Confederation of Commerce, Industry and Manpower (BOCCIM), provided the initial impulse to launch a long-term holistic development strategy. Early on, the private sector saw the need to lessen the dependence from diamonds and diversify

the economy and the Francistown Conferences that started in 1988 were aimed at building mutual trust with the Government. At the Fifth National Private Sector Francistown Conference, government and private sector representatives jointly tabled a proposal for Vision 2016.

In 1996, on the basis of the recommendations of this conference, Sir Ketumile Masire, President of the Republic until March 1998, set up a nine-member Presidential Task Group to prepare a long-term vision. A year later, after having produced a framework document, the Task Group expanded to thirty-one members. The members were drawn from a variety of stakeholders, including government, political parties, nongovernmental organizations, churches, youth, private sector and trade unions

The 31-member task group sought to foster within all stakeholder groups a sense of ownership in the future of the country. It solicited written comments on the framework, organized open hearings and *kgotla* meetings in the district and urban centers and commissioned essay competitions from secondary schools and tertiary institutions. A University of Botswana Research Team for Rural Settlements canvassed the most remote settlements to survey people's views about what kind of Botswana they would like to see by 2016. The idea behind getting the views of all stakeholders across the board was to try to create conditions where all Botswana could feel they had a stake in the future of the country.

The coordination structure for the implementation of Vision 2016 has been institutionalized in a Vision Council, composed of government and non-governmental representatives. Since 2002 it is supported by a Technical Secretariat based in the Botswana Institute for Development Policy Analysis, an independent trust set up by a presidential decree in 1995 specializing in policy analysis and capacity building.

NDP-9. Leadership and institutional structure of

participation. For the preparation of NDP-9, the Ministry of Finance and Development Planning initially drafted a “macro policy paper” outlining all government policies for the planned period, drawing on the mid-term review of the previous National Development Plan and on Vision 2016. The draft paper was circulated to all sectoral ministries and organizations involved in the planning process to ensure that each sector chapter was linked to national policies and to the Vision. Sector chapters were prepared on the basis of consultations with stakeholders such as local authorities, NGOs, community-based organizations, and the private sector. Each ministry received general and sector-specific guidelines for preparing its plan including how to carry out consultations.

Coordination within the executive was further enhanced in meetings of the Economic Committee of the Cabinet. The draft plan was discussed by the Committee, which included the Permanent Secretaries from the corresponding Ministries and representatives from the Bank of Botswana. In drawing up the National Development Plan, the Minister of Finance and Planning convened a reference group that included representatives from the private sector, trade unions and academia. To facilitate NDP-9 being geared towards the achievement of the goals set out in Vision 2016, members of the newly established Vision Council were incorporated into the reference group.

Once the macro chapters and the sectoral chapters of the NDP were drafted by the relevant ministries, they were again submitted to national stakeholders, who held district conferences, comprising people working in the districts at the grassroots level, such as tribal administrations, local authorities and land authorities. National stakeholders received guidelines on resources and constraints, thus getting an idea on what was achievable. This was an important innovation, unique to the NDP process. A larger

national conference was then held where the NDP was discussed chapter by chapter, different ministries made their presentations and the government asked for feedback. The NDP was ultimately examined and approved by the Cabinet and then tabled in the National Assembly for discussion and approval.

“One of the things that the vision is trying to do is for us Botswana to accept the fact that we can do things for ourselves. But unless the vision is taken to the people, the ‘dependency syndrome’ of the Government doing everything for us is still going to remain. I think we need to vigorously go to the rural areas and raise their self-sufficiency and self help concept that was there some years ago, but now has died”.

Mr. G. D. Manga, Chairman, Botswana Association of Tribal Land Authorities

Role and impact of the National Assembly. According to the Constitution, the National Assembly is responsible for the allocation of resources in the country, and it has a number of committees involved in public expenditure issues. Before the formal submission of the final drafts of Vision 2016 and NDP-9, the Minister for Finance and Development Planning consulted with the parliamentary caucuses of the political parties represented in the National Assembly to collect their inputs.

The National Assembly engaged in an active dialogue with the executive and subjected the draft NDP-9 to close scrutiny; it rejected certain NDP-9 chapters and referred them back to the Cabinet for redrafting. Through this dialogue, it is clear that among political leaders across the political spectrum there is broad consensus around Vision 2016. However, the opposition differs with the

government on how to achieve these goals in a number of areas.

Role and impact of local government. One of the key features of Botswana's planning system has been its bottom-up approach to the formulation of national development plans, through decentralization to the district and community level where preparation starts. Draft plans, policies and strategies are discussed at national district development conferences. Local authorities prepare development plans, which feed into the National Development Plan. The preparation process for such plans is sequenced so that it dovetails with and informs the preparation of the National Development Plan. The aim is to provide a decentralized planning and project implementation process which fosters consultation and participation of local communities, the private sector, and NGOs at district, village and ward levels.

For NDP-9, village development committees were given the opportunity to conduct brainstorming sessions on the projects and policies they considered essential. The proposals were taken to the national level, to the Cabinet and the different sector ministries to compare with actual resources. Accordingly, cuts and changes were made and the proposals went back to the village development committees, which prioritized them.

Role and impact of internal and external partners. Internal partners did bring about changes in the initial drafts, particularly on issues related to the young and gender. The media had little coverage of the preparation of NDP-9. During the preparation of national development plans, external partners are usually consulted, but once a decision as a country is taken, external partners are expected to align their programs and technical assistance to that decision. The government has not borrowed with any form of conditionality.

Country-led Partnership

Government and the private sector. A regular and open dialogue between government structures and private sector representatives is key to promote private sector development and bring about closer public-private cooperation in achieving development results. Botswana has made important steps in this direction through the National Business Conferences and the High-level Consultative Council (HLCC). Vision 2016 and NDP-9 are the product of this dialogue and build on its structures to foster private-led growth. Most policymakers share the view that the private sector should act as a watchdog and a partner in the implementation of government policies and programs.

“We have found that this structure [the High Level Consultative Council between the government and the private sector] works very well. We have removed a number of impediments to private sector development and growth and we have earned the respect of government and of our public service by taking a very open-minded stance as private sector. Government, in turn, has responded positively”.

I. Ebrahim, President, Botswana Confederation of Commerce, Industry, and Manpower

The National Business Conferences. On the initiative of the business associations and with the assistance of UNDP, the first National Business Conference (NBC) was held in 1988 to facilitate the private sector’s participation in the economic development of Botswana. The NBC convenes every two years and brings together private sector representatives, the President and his Cabinet. At the beginning the government participated by invitation. Now, it organizes the conference jointly with BOCCIM.

The High-level Consultative Council. The HLCC was established to complement the NBCs and act as an on-going forum of discussion. The objective of the HLCC is the improvement of economic performance through effective partnership between the public and private sectors. Meetings are chaired by the President. Its core members are cabinet ministers, the permanent secretaries from the ministries of Commerce, Trade and Industry, Finance and Development Planning, Labour and Home Affairs, Local Government, Lands and Housing, Works, Transport, and Communications, and a maximum of ten members representing the private sector; they are drawn from various organizations that span from business associations to trade unions to economic think-tanks and advocacy groups.

Issues that have been considered by the HLCC and require further attention are referred to sectoral HLCCs. Sector HLCCs are established for each ministry and consist of the relevant minister, permanent secretaries, department heads and private sector representatives appointed by BOCCIM. Results are reported to the principal HLCC, and if a consensus cannot be reached at the sectoral level, the issue is referred to the principal HLCC for a decision.

Impediments to partnership with the private sector.

Smaller business associations and larger umbrella organizations have shown insufficient capacity to significantly affect government policies and act as effective *traits d'union* between their membership and the government. Outside the mining industry, the private sector in Botswana is highly fragmented. BOCCIM has 1,600 members, 80 percent of whom fall into the small and micro-sector. Its secretariat is understaffed and is not always able to convey the wealth of ideas and proposals coming from its members to the executive and the legislature. This weakness has sometimes left the government relying uniquely on external consultants. Financing and capacity building for business organizations are seen by private sector

representatives as key to strengthening their ability to engage in a constructive dialogue with the government and bring about substantial proposals to open opportunities for private sector development.

“We cannot run this country without the NGOs. That is very important—just like the private sector. Government cannot run around and do everything. In social development, we have found that well-organized NGOs play a very important role. They are more efficient than government in delivering some of the social programs. So we will be encouraging that, but we will also encourage them to put their house in order”.

Serwalo S. G. Tumelo, Permanent Secretary,
Ministry of Finance and Development
Planning

NGOs. The NGO movement in Botswana is relatively new. NGOs are working at the grassroots level and are partnering with government on limited areas of social development. NGOs have a seat on the principal and sector HLCCs. They are also represented on local consultative

groups. In 2001 civil society engaged in a more proactive dialogue with the private sector by establishing the NGO-Private Sector Forum.

Impediments to Partnership with NGOs. The NGO sector is weakened by limited financing and insufficient capacity to act at the grass-roots level. Few NGOs have partnered with local authorities in delivering services in villages and towns. The launch of NDP-9 had raised high expectations among NGOs for some form of financial support for those NGOs engaged in service delivery and, at the same time, establishing a legal framework to increase accountability and transparency of civil society organizations. These expectations have not been met. The government recognizes the important role NGOs could play in social

development but there is a widespread perception among civil society leaders that more proactive and concrete steps are needed to enable NGOs to work effectively and have been lobbying government to approve an NGO policy, which has been debated since the preparation of NDP7.

External partners. Overseas development assistance (ODA) has a limited role in Botswana, with a total amount estimated at \$38 million in 2002 or 0.8 percent of GNI. Bilateral partners account for 81 percent of ODA, with the United States by far the most important followed by Japan, Germany and the European Commission.¹³ External partners are increasingly focusing their assistance on the fight against the spread of the HIV/AIDS infection; a grant from the Bill and Melinda Gates Foundation has recently supported the establishment in Gaborone of the Harvard AIDS Institute, the largest laboratory of its kind in Africa.

“The departure of donors comes at a very critical stage of development when we are talking about globalization, privatization, and therefore it is important to build the capacity of other stakeholders to participate effectively in the global discussions (...) we still have a challenge of building capacity to effectively engage in global issues and in furthering the development agenda of the country”.

K. Moletsane, Botswana Council of Non-Governmental Organizations

Multilateral development banks own the bulk of the external debt, estimated at \$370 million in 2001 down from \$413 million in 2000; the government has so far preferred borrowing on concessional terms to finance mainly infrastructure projects, although, given the relative wealth of

¹³ OECD Data and Statistics, available at <http://www.oecd.org/dataoecd>.

the country, borrowing on favorable terms is becoming increasingly difficult and repayments are currently exceeding new borrowings.¹⁴

Policymakers inside and outside government regard external partners as key to help build capacity for private sector and civil society organizations, and provide technical assistance to government departments. Most agree that the status of Botswana as a middle-income country should not bring about the disengagement of bilateral and multilateral development assistance agencies; it should drive them to rethink their strategies and operations to help achieve development results by strengthening in-country capacity and sustainability of reforms. There is a perception that reliance by external partners on preconceived development models or one-size fits-all schemes—often advocated by international consultants with poor knowledge of the country—have in the past contributed to a somehow difficult relationship between national authorities and external partners. Policymakers advocate the launch of a new dialogue, with development assistance agencies geared to the needs of the country and aimed at supporting and enhancing local resources.

Focus on Development Results

Botswana has gained international recognition as a democratic, open, and corruption-free society. It scores among the 30 least corrupted countries worldwide and the least corrupted in Africa according to the Corruption Perception Index released by Transparency International in 2003.¹⁵ The 2003 Economic Report on Africa singled out Botswana as the best performer in the African continent and

¹⁴ The World Bank. *Global Development Finance 2003*, p. 222, available at <http://www.worldbank.org/prospects/gdf2003>.

¹⁵ CPI 2003, available at <http://www.transparency.org>.

cited its legal system as predictable, transparent, and uniformly applied.¹⁶

The government recognizes that to maintain these standards, Botswana must improve its capacity to monitor, evaluate and report the progress being made in implementing development strategies, programs, and projects. Feedback and information loops between government and national stakeholders are still weak, as is the overall monitoring system.

The Vision Council has been entrusted with the task of monitoring the implementation of Vision 2016. The terms of reference of the Council include:

- To drive and monitor the implementation of Vision 2016 and to address problems and challenges that may be faced during implementation;
- To generate sustained ownership of the Vision by all stakeholders, and a consensus on national directions and strategies;
- To harmonize and promote cooperation between various sectoral objectives and bring them within the larger national interest;
- To call for information, to conduct public hearings or special investigations;
- To coordinate stakeholder feedback for effective policy implementation;
- To monitor the implementation of National Development Plans as vehicles of the Vision;
- To commission the translation of materials related to the Vision into Setswana and other local languages.

A monitoring tool has been installed at the Central Statistics Office (CSO). Since the goals of Vision 2016 are

¹⁶ United Nations Economic Commission for Africa. *Economic Report on Africa 2003: Accelerating the Pace of Development*, available at <http://www.uneca.org/era2003>.

closely related to the time frame for the MDGs, the Vision Council and the CSO are building on the MDGs to develop the indicators for the Vision. The CSO has been involved in the United Nations Indicators project. Research has also been conducted with the Economic Commission for Africa on governance assessment by examining people's perceptions of the performance of different actors in the public sector. The Vision Council, however, acknowledges that it is still lacking the full financial and human resource capacities to completely fulfill its terms of reference.

Monitoring is perceived as a work in progress, still at its early stages. For NDP-9, the government is developing an implementation matrix to allow continuous monitoring of the strategy and feedback on progress. The matrix should also constitute an effective tool to report to Parliament.

Stakeholders' access to development information. In 2003, the Vision Council organized a Vision Awareness Week, to inform people in villages and remote areas of the existence of Vision 2016, on the progress in its implementation, and urge them to act in order to fulfill its objectives. Following this initiative, the Vision Council launched a two-year program that includes an outreach activity to address different stakeholder groups across the country. The Council is also circulating short versions of Vision 2016 in Setswana. However, policymakers have voiced concern on the still insufficient level of information among the population on the progress achieved in implementation.

“In this coming year we need to have a roundtable with the media and interrogate closely this issue of what is news and what role they should be playing...I am hoping that that will be the beginning of a dialogue”.

G. Somolekae, Chairperson, Botswana Vision 2016 Council

The media had a significant role in challenging the Vision Council to confirm whether implementation is living up to the Vision's ideals and principles, especially in the rural areas. However, the private and independent press, though lively and unconstrained, is still young as are independent radio stations, which were allowed for the first time in 1999 and cover only the areas around Gaborone and Francistown. The Vision Council is trying to engage the media in a constructive dialogue on possible ways of involving them as an active partner in improving access to information. The approval of a Freedom of Information Act would be key to encourage more open and accountable government by establishing a statutory right of access to official records and information. There is concern among the media that the Act has not yet been submitted to the National Assembly, although the Botswana Media Consultative Council has repeatedly called attention to the Act as one of the objectives of Vision 2016.

Managing for Development Results. Government introduced a Performance Management System (PMS) for the public sector during NDP-8 and plans to extend it to all ministries and departments under NDP-9. The PMS will require all ministers and departments to prepare vision, mission, and value statements as well as a strategic plan for implementing policies, programs, and projects. Government sees the PMS as an important tool to ensure effective implementation of agreed policies. However, concerns have emerged on the extent to which the results of the PMS will be made available outside government.

Key Challenges

Botswana has made a remarkable advance in the establishment of a long-term holistic development strategy (Vision 2016), which is well linked to a medium-term development plan (NDP-9) and to the public expenditure program and budget process. The biggest challenge at this stage is implementation. Implementation requires a strong

commitment and engagement of all stakeholders and this still has to be tested on the ground. The culture of “government dependency” is still much engrained among several stakeholders and needs to be transformed into a culture of personal actions and responsibilities. “Vision Awareness Week” has challenged individual and institutions to identify their roles in implementing the long-term vision, but is only a starting point that has to be accompanied by further and continuous actions. Implementation is also weakened by the lack of good indicators to monitor advances in the execution of the vision.

Consultative mechanisms are in place in Botswana and have been effectively used in the formulation of Vision 2016 and preparation of NDP-9. The challenge is to be continuously relevant in asking stakeholders the appropriate questions at the right time providing feedback to those consulted. Consultation cannot be a process done every six years for the preparation of a national plan, but should also be undertaken during the implementation phases. Stakeholders that participate and give suggestions would like to know what was done with them and this process can help in increasing their commitment to implementation.

The partnership between the Government and the private sector appears to be on the right path. The Francistown Conferences have served to improve confidence and trust and the dialogue appears to be now open and frank. The High Level Consultative Council has proven to be a good mechanism to resolve differences and get the necessary decisions and actions from both parties. However, the private sector complains that there are still many issues where they are only informed when draft bills are presented to the National Assembly. They have suggested the preparation of consultative papers (“Green Papers”), calling for proposals and suggestions from different stakeholders before tabling draft bills and reports on future legislation (“White Papers”) to the National Assembly.

The partnership with NGOs and civil society needs to be reviewed and improved. NGOs have been negatively affected by the decreasing funding from external donors, but they still remain the most appropriate vehicle for the implementation of social programs, especially in rural areas and remote villages. A comprehensive legislative framework for the NGO sector would enhance the capacity of civil society to act as effective partners in the implementation of the strategies identified in the Vision and NDP-9. At the same time, these organizations need institutional strengthening and improvements in their financial procedures and accountability. NGOs should increase transparency and enlarge representation by creating umbrella organizations, which could become more effective actors in service delivery at the grass-roots level.

Another important partner that has not been used to the full extent of its capacity to promote the long-term vision is the media. The media can be a powerful instrument to mobilize stakeholders in the implementation of the strategies and policies. It can also help to improve transparency and accountability. The passage of a Freedom of Information Act and the creation of a media ombudsman are useful measures, but other measures to mobilize the press in positive directions should also be designed and implemented, including encouraging deeper coverage of important development issues.

Bilateral and multilateral development assistance agencies should reconsider their activities in the country and help Botswana meet the objectives identified in Vision 2016 and NDP-9. Although the financial support may be limited, the country could benefit tremendously from the knowledge and practical advice that can be provided by such institutions. There are areas that are new for the country where there is ample international experience that could be brought forward, such as on institutional strengthening, the development of tertiary education, and enhancing the

capacity of non-governmental institutions. On the other hand, Botswana has made substantial advances in the way it has approached its long-term development challenges and its successful experience should be disseminated and used as an example for other countries in the region and elsewhere by external development partners.