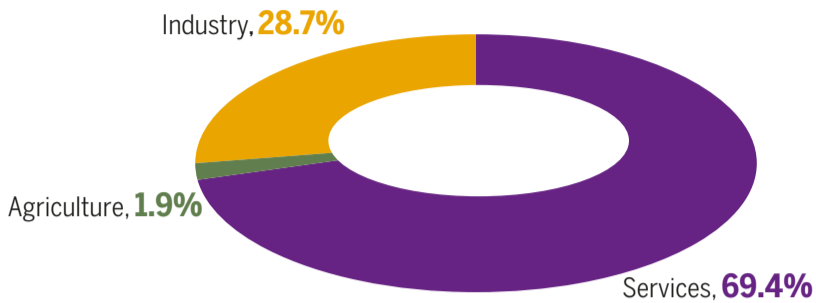


BOTSWANA FACT SHEET 2015



ECONOMICS

SECTOR CONTRIBUTIONS TO GDP



	2014	2015 ^(f)	2016 ^(f)	2017 ^(f)	2018 ^(f)
Inflation %	3.9	3.3	4.8	5.0	5.0
GDP %	4.4	4.1	4.4	4.6	4.7

(f) FORECASTED
CURRENCY: PULA [1.30 Pula = R1* & 10.30 Pula = \$1* (13 October 2015)]

Top import products

- Pearls, precious stones, metals, coins etc. (34.05%)
- Mineral fuels, oils, distillation products (15.51%)
- Vehicles other than railway, tramway (7.21%)

Top import origins

- South Africa (63.2%)
- Namibia (12.1%)
- Canada (10%)



Top export products

- Pearls, precious stones, metals, coins etc. (85.46%)
- Nickel and articles thereof (4.22%)
- Ores, slag and ash (1.69%)

Top export locations

- Belgium (25.8%)
- India (14.9%)
- South Africa (11.8%)

SOCIAL

- Population:
 - 2 182 719 people
 - 3 main ethnic groups
- Languages: Setswana, English and Kalanga
- Religion: Almost 70% of the citizens are Christian
- It is one of the most sparsely populated regions in the world
- The prevalence of HIV/AIDS is second highest in the world

TECHNOLOGY

- ICT infrastructure is more concentrated in the densely populated eastern regions of the country, thus limiting internet access for businesses located in other parts of the country
- Internet penetration rate in 2010 was at 10.1 per 100 people whereas the mobile penetration rate was 157.8 per 100 people
- Broadband penetration is even lower, at 1.9 per 100

POLITICAL/LEGAL

- The president Ian Khama of the Botswana Democratic Party (BDP) was re-elected in 2014 and will serve his term until March 2018
- The country's judiciary is founded on the Roman-Dutch law and cases are heard by customary courts

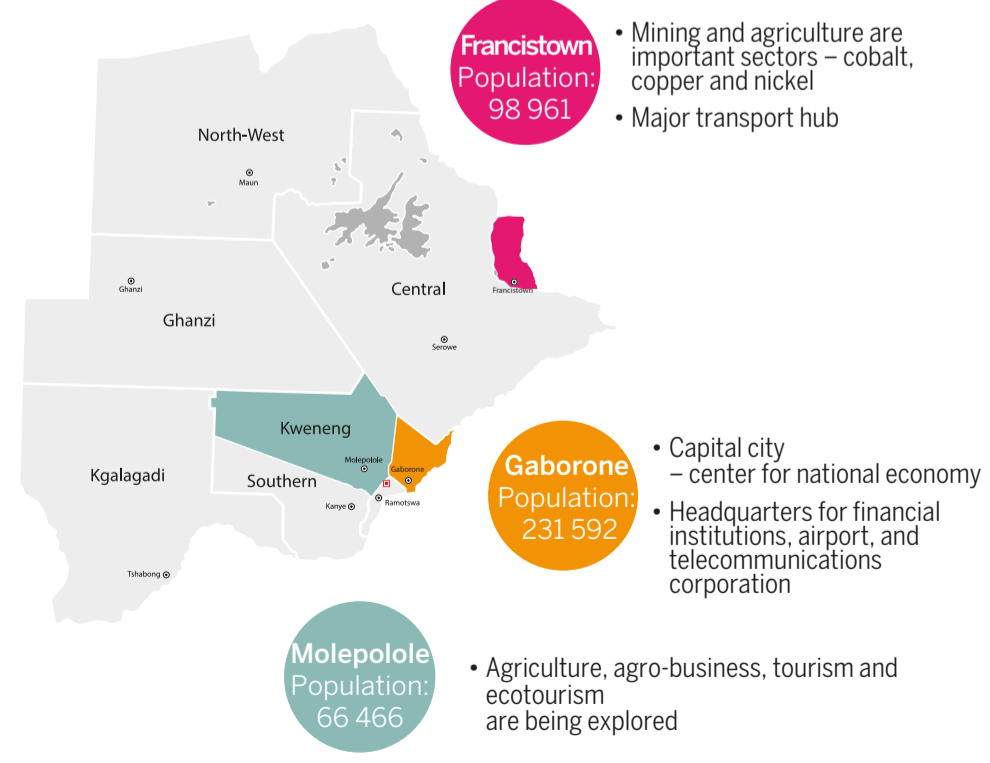
ENVIRONMENT

- Water resources are severely limited, which has hampered the development of sufficient water supply and national irrigation systems
- Recurring droughts also have a huge impact on the agricultural sector

CHALLENGES TO DOING BUSINESS

- The heavy reliance on diamonds renders the country's economy susceptible to external economic fluctuations such as changes in prices and demand
- Time to open a business in Botswana is 60 days, versus the regional average of 27.3 days
- Private sector development will be constrained by ongoing electricity shortages, periodic water shortages as well as skills shortages, high labour costs and the small domestic market
- Transport sector poses an operational risk as Botswana is a land-locked country, which places additional costs on supply chains. This also adds strain on the country's road and rail network
- Low internet penetration rates threaten the operations of companies in the service industry.
- High unemployment and low labour skills pose a challenge to foreign companies as they would need to bring in expatriates

MAJOR CITIES



OPPORTUNITIES FOR DOING BUSINESS

- Botswana seeks to diversify its economy away from diamonds into pharmaceuticals, textiles, clothing, leather products, coal tourism, financial products, business process outsourcing and research and attract a range of support services such as hotels and air services
- Botswana has an estimated 200 billion tonnes of coal reserves which means it has high potential to become a major coal extractor and exporter
- Foreign investors are provided with equal access to investment incentive schemes for medium and large projects provided that they partner with Botswana citizens
- Grants are available to foreign investors that partner with local companies

Detailed sources to be found in the brochure.