



REPUBLIC OF BOTSWANA

SPEAKING NOTES

FOR

**HIS EXCELLENCY DR. MOKGWEETSI E. K. MASISI
PRESIDENT OF THE REPUBLIC OF BOTSWANA**

ON THE OCCASION OF THE

**5th AFRICA BUSINESS FORUM
HELD ON THE MARGINS OF THE 35th ORDINARY SESSION OF THE
AFRICAN UNION ASSEMBLY OF HEADS OF STATE AND GOVERNMENT**

**07 FEBRUARY 2022
GABORONE**



- **Your Excellencies, Heads of State and Government here present;**
- **The United Nations Economic Commission for Africa (UNECA) and its partners;**
- **Captains of Industry;**
- **Distinguished Ladies and Gentlemen;**

A very good morning to you all!

1. Allow me, from the onset, to preface my remarks by thanking the United Nations Economic Commission for Africa (UNECA) and its partners, for successfully organizing the Fifth (5th) Africa Business Forum, which is being convened on the margins of the 35th Ordinary Session of the African Union Assembly of Heads of State and Government, as well as applaud them for tremendously promoting entrepreneurship and development in Africa. I am privileged to be part of this important investment promotion initiative, geared towards the realization of ***Agenda 2063: The Africa We Want.***
2. This Forum comes at an opportune time when countries across the globe are struggling to recover from the devastating effects

of the global health pandemic, occasioned by COVID - 19, which has adversely impacted the global economy and people's livelihoods.

3. This Forum affords us an opportunity to share experiences and innovative ways of transforming our economies for the betterment of our peoples, countries, regions and indeed, the global community.
4. The theme for this year's Forum is, ***Investing in Multimodal Transport Infrastructure to Optimize the Benefits of the African Continental Free Trade Area: A Focus on Air Transport and Tourism***, challenges us to prioritize and devise innovative ways of growing our economies in the midst of the pandemic, particularly in the transport and tourism sectors.
5. Now, bringing the theme closer to home, I must hasten to highlight that, like other countries, Botswana's air transportation and tourism industry have suffered over the past two years due to travel restrictions brought about by the COVID 19 Pandemic. This prompted Government to put in place a

robust Economic Recovery and Transformation Plan, with the goal of resuscitating the ailing sectors, among them, the air transport and tourism.

6. In this regard, Botswana recently revised the National Tourism Policy, which aims at leveraging existing resources to enhance citizen economic participation in lucrative tourism sites in the Okavango Delta, as well as National Parks around the country. The revised Policy seeks to promote domestic travel and intra-Africa travel through the implementation of key supporting projects, ongoing infrastructure upgrades, alignment to Africa Agenda 2063 and the implementation of the Africa Continental Free Trade Agreement (AfCTFA).
7. Furthermore, Botswana recently partnered with the European Union (EU) Delegation to Botswana and SADC under the "**Job creation and investment climate in the Eastern and Southern Africa and the Indian Ocean region (EA-SA-IO) Programme,**" with the overall objective of promoting full and productive employment, as well as decent work.

8. Under the Programme, one of the priorities is to upgrade the eco-tourism value chains and increase investments, innovation, trade and sustainable production as well as consumption patterns. We remain optimistic that at the end of the Programme, we would have transformed the sector and recovered from the impact of the Covid-19 pandemic.

❖ ***Botswana Air Transport and Tourism, and AfCFTA***

9. Botswana is signatory to the Agreement establishing the African Continental Free Trade Area Agreement (AfCFTA), which is the world's largest free trade area since the formation of the World Trade Organisation.
10. In this regard, the Government of Botswana has embarked on a number of key national projects to upgrade the existing air transport infrastructure to multimodal infrastructure, with a view to enable the air transport and tourism sectors to leverage on the provisions and the aspirations of AfCFTA and Agenda 2063.

11. The following notable projects demonstrate Botswana's readiness for uptake on the AfCFTA:

- Total upgrades and expansion of the Gaborone, Francistown, Maun and Kasane International airports for increased demand for travel, as well as air transportation to support the transport and tourism sectors;
- Kazungula Bridge, Molembo Bridge and Platjje Bridge development projects for improved road to air linkages and travel into and out of Botswana;
- Implementation of the revised Tourism Policy with the aim of transforming and diversifying our economy through promoting Domestic and Foreign Direct Investment (FDI), so as to boost the Air Transport and Tourism sectors;
- Signing of the Single African Air Transport (SAAT) Agreement aimed at facilitating the development of a single African air transport market for easier travel around the continent, thus promoting a smooth flow of services, goods and people in the continent;
- Implementation of e-Visa and e-passports for efficient cross-border trade, travel and tourism;
- Development and implementation of virtual platforms, namely, Virtual Botswana Travel and Tourism Expo

launched in December 2020; the Virtual International Tourism Bourse launched in March 2021; as well as the Botswana Live Virtual Tours campaign, launched in August 2021;

- Liberalization of air transportation and tourism sectors to allow for private sector participation and private air charter services. This initiative has indeed attracted a lot of interest and participation from both local and foreign investors.

❖ **Botswana as a Regional Logistics and Tourism Hub**

12. **Your Excellencies**, Botswana aspires to become a regional logistics and tourism hub. Therefore, be rest assured that despite Botswana's relatively limited market size and landlocked position, its central location in SADC presents multiple opportunities for investors seeking to tap into the Air Transport and Tourism sectors in the region because of her strategic location.
13. Furthermore, Botswana's air infrastructure is International Civil Aviation Organisation (ICAO) compliant, less congested and

offers a more competitive fee structure. The country has the capacity to serve as a satellite hub complementing other regional hubs, and to service niche sectors as well as underserved routes, thus expanding its air freight and air passenger volumes into Africa as a whole. Botswana's growing tourism market will be aligned to growing cargo and logistics capacity and opportunities within the country.

❖ **Investment Promotion**

14. **Your Excellencies**, Botswana's innovative intra-regional corridor developments and interconnectivity of road, rail and air cargo, provide a model platform to access local, regional and international markets. This is why we continue to promote opportunities in the air transport and tourism sectors by creating a conducive investment environment with the following incentives:

- No foreign exchange controls, remittance and full repatriation of profits and dividends;
- No restrictions on business ownership;

- Duty-free import of machinery and equipment for manufacturing purposes;
- Customs duty exemption on raw materials for goods going outside of SACU;
- Competitive tax regime: 22% corporate and 25% personal tax, with 15% corporate tax for manufacturing and IFSC-registered companies (lowest taxes in the SADC region)
- Negotiable tax holiday (up to 10 years maximum); and
- Deductible training rebate of 200%

❖ **So why Invest in Botswana?**

15. Beyond the above cited incentives, as one of the most business-friendly and stable countries in the region, Botswana provides investors with a conducive and welcoming operating environment, a high degree of safety and security as well as a strong focus on the rule of law.

16. To conclude, my remarks, Distinguished Ladies and Gentlemen, let me emphasize that Botswana is on an economic diversification drive that ensures liberalization of air services and deregulation of the domestic tourism industry for increased

connectivity in air travel, regional and global air links. This will facilitate the forging of strategic partnerships between foreign entities and domestic players with the overall net effect of improving the competitiveness of locally produced goods and services as well as private sector participation to advance the country as a regional air transportation and tourism hub.

17. I look forward to having further engagements with you in Botswana, to further explore these great opportunities.

I thank you for your attention.
