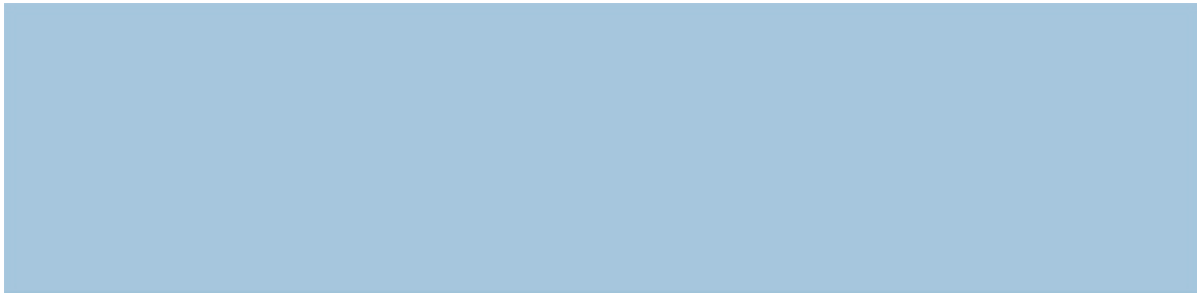


## Fact Sheet: Botswana



In this fact sheet, we have summarised answers to frequently asked questions about this country in one document for you. This information is not economic data, but rather statements on a wide range of practical topics that influence business activities within the country. In this publication, you will find basic information on:

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## Trade

Botswana, a landlocked country in Southern Africa, covers an area of 581,730 km<sup>2</sup>, and is bordered by South Africa, Namibia, Zimbabwe, and Zambia. Botswana relies on South African and Namibian ports for overseas trade. The Kazungula Bridge opened in 2021, which spans the Zambezi River between Botswana and Zambia, has significantly improved trade logistics in the region. The country's population is approximately 2.5 million (2022), primarily Batswana, with English as the official language and Setswana widely spoken.

Botswana is a politically stable country with low levels of corruption and strong economic growth, largely driven by its diamond exports, which account for around 90% of its export revenue. Other key sectors include tourism and agriculture. Botswana operates as a multi-party democracy. The capital, Gaborone, is the administrative and economic centre. The national currency is the Pula (BWP).

### Contact persons and relevant authorities

#### [The Botswana Unified Revenue Service \(BURS\)](#)

*Role:* perform tax assessment and collection functions on behalf of the Government and to take appropriate measures to counteract tax evasion on the one hand, and to improve taxpayer service to a much higher level on the other. BURS also monitors VAT on goods passing through customs.

*Goals:* to enable the fair payment of taxes, facilitate trade and manage borders for the transformation of Botswana.

#### [Ministry of Investment, Trade and Industry \(MIT\)](#)

*Role:* Responsible for the promotion of business development in the country.

*Goals:* development of sustainable industries and trade, economic diversification and export development, wealth and employment creation, poverty reduction, and facilitating investment through straightforward business transactions

#### [Department of International Trade \(DIT\)](#)

*Role:* Responsible for trade policy formulation and its implementation, import control, trade negotiations as well as the implementation of international trade agreements.

### Trade Information

Customs airports:	Sir Seretse Khama International Airport Gaborone, Francistown Airport, Kasane Airport, Maun Airport, Jwaneng Airport, Selebi Pikwe Airport, Sowa Airfield
Customs harbours:	Harbours in South Africa and Namibia
ISO currency code:	BWP
Customs tariff:	Import duty and taxes are calculated based on CIF value (value of the imported goods as well as shipping costs.)
ISO country code:	BW

### Preferential trade relations with the EU

An Economic Partnership Agreement with reciprocal preferential treatment exists between the European Union and the SADC Economic Partnership Agreement countries.

## Special provision for a selected group of goods

The contact for norms and standards is the Botswana Bureau of Standards ([BOBS](#)).

## List of existing trade agreements

<a href="#">AfCFTA</a> (2019)	African Continental Free Trade Area	The agreement establishing the African Continental Free Trade Area (AfCFTA) entered into force in 2019 and since the beginning of 2021, member states (including Botswana) have been trading on the basis of the AfCFTA.
<a href="#">AGOA</a> (2000)	African Growth and Opportunity Act	A unilateral programme that gives African countries, including Botswana, duty-free access to the US market.
<a href="#">COMESA-EAC-SADC</a> (2024)	Tripartite Free Trade Area (TFTA)	The TFTA consists of 29 Member/ Partner States across the three Regional Economic Communities (RECs) namely COMESA, EAC and SADC. The objective is to enhance market access, address multiple memberships and further the objectives of cooperation, harmonization, and coordination of Policies.
<a href="#">OACPS</a> (1975)	Organisation of African, Caribbean and Pacific States	79 Member States from Africa, the Caribbean and the Pacific. OACPS strives to achieve the sustainable development of its Members and their progressive integration into the world economy. There is also a longstanding partnership between OACPS and the EU (OACPS-EU).
<a href="#">SACU</a> (1910)	Southern African Customs Union	SACU ensures the free movement of goods between the member states Namibia, Botswana, Lesotho, Eswatini and South Africa. The free trade area jointly sets tariffs on external goods. Apart from certain foodstuffs, no import permit is required when importing from member countries. SACU's head office is in Windhoek, Namibia. However, there are representative offices in all member countries.

Ms. Ellen Richard-Madisa  
Permanent Secretary  
Ministry of Trade and Industry  
Government Enclave  
Botswana, Gaborone  
Tel: +267 395 3880  
<https://www.sacu.int/>

[SACU-EFTA Free Trade Agreement \(2008\)](#)

Free Trade Agreement between SACU and the European Free Trade Association

The Agreement regulates trade in goods and is the basis for the Parties' engagement on intellectual property, investment, services and government procurement.

[SACU – Mercosur \(2016\)](#)

Preferential Trade Agreement

The preferential trade agreement was concluded between the member states of the Southern Common Market (Mercosur) and the member states of the Southern African Customs Union (SACU).

[SACU-USA TIDCA \(2008\)](#)

Trade, Investment and Development Cooperation Agreement

A framework agreement between the SACU member states and the United States. The agreement aims to promote investment and the expansion and diversification of trade.

[SACUM-UK EPA \(2021\)](#)

Economic Partnership Agreement

Economic Partnership Agreement (EPA) between the Southern African Customs Union (SACU) member States and Mozambique, of the one part and the United Kingdom of Great Britain and Northern Ireland of the other part.

[SADC \(1992\)](#)

Southern African Development Community

A regional economic community of 16 member states (including Botswana) with the aim of strengthening regional integration, promoting poverty reduction in Southern Africa through economic development and ensuring peace and security. SADC's headquarters are in Gaborone.

SADC House  
Plot No. 54385  
Central Business District  
Private Bag 0095  
Gaborone, Botswana

+267 395 1863

<https://www.sadc.int/>SADC-EU EPA  
(2016)

## Economic Partnership Agreement

Six of the SADC member states - Botswana, Lesotho, Mozambique, Namibia, South Africa and Eswatini - signed the Economic Partnership Agreement with the European Union. The agreement focuses on: Strengthening trade developments, creating improved opportunities for the movement of goods and the protection of geographical products such as wine and tea.

WTO

## World Trade Organization

Botswana has been a member of the WTO since 1995.

**Bilateral Agreements**

In addition, Botswana has bilateral agreements with the following countries: Barbados, Czech Republic, China, Eswatini, France, Iceland (agricultural agreement), India, Ireland, Lesotho, Luxembourg, Mauritius, Namibia, Norway (agricultural agreement), Russia, Sweden, Switzerland (agricultural agreement), Seychelles, South Africa, United Arab Emirates, United Kingdom, Zambia, Zimbabwe.

**Import**

To import into Botswana, the following documents are generally required:

- Customs declaration: Submitted to Botswana Unified Revenue Service (BURS).
- Commercial Invoice: Detailing the goods being imported.
- Bill of Lading or Airway Bill: Proof of transport.
- Certificate of Origin: Verifying the goods' country of origin.
- Packing List: Itemizing the goods included in the shipment.
- Import Permit/License (if applicable): Necessary for restricted or regulated goods.
- Insurance Certificate: Providing coverage details for the goods during transit.
- Trader Identification Number (TIN): Registration with BURS is required to obtain this number, which facilitates customs clearance.
- VAT Deferral Form (if applicable)

These requirements may vary based on the type of goods being imported and any applicable trade agreements. It is recommended to consult with BURS for tailored guidance on specific cases.

*For more information and documents on importing, please visit the [BURS page](#).*

**Export**

To export from Botswana, the following documents are typically required:

- Customs Declarations: Submitted to BURS for customs clearance.
- Commercial Invoice: Specifying the value, quantity, and description of goods.
- Certificate of Origin: Certifies that the goods originate in Botswana, important for

- Export Permit: trade agreements and tariff considerations. Obtained from the Ministry of Trade and Industry - necessary for specific goods.
- Packing List: Provides a detailed breakdown of the shipment contents.
- Transportation Documents: Such as a bill of lading or airway bill.
- Quality Certificates: Needed for specific goods to confirm compliance with required standards.
- Other Supporting Documents: Depending on the goods being exported or the destination country, additional certificates (e.g., inspection, insurance, health, or analysis certificates) may be necessary.

These requirements may vary based on the type of goods being exported and any applicable trade agreements. It is recommended to consult with BURS for tailored guidance on specific cases.

*For more information and documents on export, please visit the [BURS page](#).*

### Finding a Commercial Agent or Distributor

The AHK Southern Africa supports the search for potential local business partners, such as representatives and distributors, as part of its service portfolio. For further information, please contact the contact person in the [contact details](#) section.

## Visa Regulations and Immigration

The Ministry of Nationality, Immigration and Gender Affairs ([Immigration and Civil Registration](#)) is responsible for visa regulations and immigration. Information on visa matters is also available from the Embassies of Botswana in the foreign markets. The [Embassy of Botswana](#) in Berlin, Germany and the Embassy of Botswana in South Africa also provides support and advice on business visas.

As a German or SADC citizen, a **tourist visa is not required** when entering Botswana.

### Visa

Important visas for German businesspeople who want to do business in Botswana:

- Business Visa: Visa for potential investors, businesspeople and traders who want to visit and explore the country for business reasons.  
*Processing Time: 7 working days*  
*Costs: 500 BWP - 2500 BWP (+- 35Euro – 175 Euro)*
- Investment Visa: Visa for businesspeople who regularly visit Botswana as directors of companies based in the country and for individuals who have an investment project in Botswana.  
*Processing Time: 7 – 14 working days*  
*Costs: 1000 BWP – 2500 BWP (+- 70 – 175 Euro)*

More information can be found on the official website of the [Ministry](#).

### Work Permit

Foreign nationals wishing to work in Botswana must apply for a work permit. Information and necessary documents for the application can be found [here](#) and on the official site of the [Ministry](#).

*Processing Time:* 14 days

*Costs:* 1500 BWP (+- 105 Euro)

### **Immigration (Permanent Residence)**

Forms and documents relating to immigration can be found on the Permanent Residency Application page of the [Ministry](#).

*Processing Time:* 6 months

*Costs:* 3000 BWP (+- 210 Euro)

## Labour Laws

[Ministry of Employment, Labour Productivity and Skills Development](#) is the relevant authority responsible for employment, labour regulations, workplace health and safety, skills development and social security in Botswana.

Labour legislation in Botswana is governed by the Employment Act ([Cap. 47:01](#)) and supplemented by various regulations and amendments aimed at improving workplace standards and rights.

The most important laws at a glance:

- Trade Disputes Act ([Cap. 48:02](#))
- Workers' Compensation Act ([Cap. 47:03](#))
- Factories Act ([Cap. 44:01](#))

Further information can be found here:

<https://www.gov.bw/labor-employment?txterm=132>

<https://www.gov.bw/taxonomy/term/82>

### **Contact details of the Ministry of Employment, Labour Productivity and Skills Development**

Tel: (+267) 3732700 / 2600 / 0800 600 186

Fax: (+267) 3952261

Email: [melsdpr@gov.bw](mailto:melsdpr@gov.bw)

City/Town: Gaborone

Address: Private Bag 516, Block 8, Government Enclave, Gaborone

## Taxes and Duties

The authority responsible for taxes and duties is the [Ministry of Finance](#).

You can also find more information on the [BURS page](#). The mandate of the Botswana Unified Revenue Services (BURS) is to perform tax assessment and collection functions on behalf of the Government.

### **The most important taxes are:**

- Corporate taxes
- Income tax
- Value Added Tax

### **Basis for Calculation**

Any income generated in Botswana must be taxed in Botswana. Tax year is a period of 12 months from 1st July to 30th June.

### Corporate Tax

- Local Companies: **22%**
- International Companies: **30%**
- International Financial Services Centres (IFSC): **15%** on income arising from approved financial transactions with non-residents, IFSC companies, and Specified Collective Investment Undertakings. All other income is taxable at the rate of **22%**.

*Mining profits, other than profits from diamond mining, are taxed according to the following formula: Annual tax rate = 70 minus (1,500/x), where x is taxable income as a percentage of gross income.*

*The tax rate shall not be less than the flat CIT rate of 22%.*

*Diamond mines pay taxes that are negotiated and in agreement with the government.*

### Income Tax

- Citizens: **0%-25%**
- Foreign Nationals **5%-25%**:

Taxable income (BWP)		Tax on excess (%)
Over	Not over	
0	84,000	5
84,000	120,000	12.5
120,000	156,000	18.75
156,000		25

*There are no income taxes in addition to central government taxes.*

### Value Added Tax

- VAT = **14%**

*Botswana has a "flat rate" tax system that is attractive to international investors. There is no wealth tax. Taxes on personal income are maximised at 25%.*

## Business Establishment and Investment Incentives

The Botswana Investment and Trade Centre ([BITC](#)) plays a critical role in promoting economic growth in Botswana by attracting Foreign Direct Investment (FDI), domestic investment, and facilitating expansions and further drives the growth of exports by promoting locally manufactured goods to regional and international markets.

BITC operates an Investment Facilitation Centre ([Botswana One Stop Service Centre - BOSSC](#)) which houses relevant government agencies as a single cohesive structure that provides prompt, efficient and transparent services to investors. Among others it provides services like Company and business registration, Trade and business license applications, Entry visas, work and residence permits, Opening a bank account, Connection of utilities e.g., power, telecommunications and water, etc.



### Special Economic Zones (SEZs)

Special Economic Zones (SEZs), are geographically designated areas of a country set aside for specifically targeted economic activities, supported through incentives. The purpose of the SEZ is to expand the strategic industrialisation focus to cover diverse regional development needs and contexts.

The mandate to establish, develop and regulate SEZs in Botswana was given to the Special Economic Zones Authority (SEZA). This is a parastatal under the Ministry of Trade and Entrepreneurship established through the Special Economic Zones Act of 2015. SEZA began operating in April 2018.

### Benefits of operating within Special Economic Zones in Botswana:

- Duty-free imports of specialist plant and machinery for manufacturing purposes.
- Waiver on transfer duty on land and property and property tax exemption for five (5) years.
- Zero-rated VAT on raw materials for manufacturing for export.
- Fast-tracked land allocation and long-term renewable land leases.
- 5% corporate tax for the first 10 years then 10% corporate tax thereafter.
- Exemption from payment of transfer duty for purchase of land in Special Economic Zones.

### Botswana currently has 8 SEZs:

- Sir Seretse Khama International Airport (SSKIA) - Mixed Use
- Tuli Block - Agropolis
- Lobatse - Meat and Leather
- Fairgrounds - International Finance & Technology
- Pandamatenga - Agropolis
- Greater Palapye - Energy
- Francistown - Mixed Use
- Selebi Phikwe - Mixed Use

Further information on Botswana's SEZs can be found here:

<https://www.seza.co.bw/special-economic-zones/>

### Company Registration Process

- The Companies and Intellectual Property Authority (CIPA) facilitates registration of businesses as per the Companies Act and the Registration of Business Names Act
- To register a company, an applicant is first required to create a profile with the Online Business Registration System (OBRS) and then proceed to reserve a business/company name. After submitting a name for review, one should expect feedback on the state of the request within 24 hours. The cost for this process is P20.
- Once the name has been reserved successfully, the applicant will proceed to register the company by filling in the online form and attaching the required documents.
- Once these documents are uploaded, one will be required to pay the company registration fees.

Register a Private or Public Company	P 360
Register an External Company	P 4,600
Register a Company Limited by Guarantee	P 4,600
Register a Close Company	P 360

- The application will be approved within 24 hours once the payment is made.

More detailed information on business establishment and investment opportunities can be found here:

- the [Botswana Investors Handbook](#) by the BITC
- the [Practical Guide to Investing in SADC Region](#) by SADC, pages 22-34

### Further Support Services

As part of its service portfolio, the AHK Southern Africa provides support in initiating business on the ground. For further information, please contact the contact persons in the [Contact Details](#) section.

## Special Economic Framework Conditions

Botswana, as well as neighbouring South Africa and Namibia, have created a system that offers the indigenous population special rights to work.

The Broad-Based Black Economic Empowerment (B-BBEE) in South Africa and New Equitable Economic Empowerment Framework (NEEEF) in Namibia corresponds to **Citizen Economic Empowerment (CEE)** in Botswana.

The CEE ensures that disadvantaged local citizens have a chance to get into leadership positions and to be able to further their education. Companies must abide by the rules prescribed in the CEE.

### The main objectives of the CEE are:

- Strengthening the local economy
- Better control over the local market
- More opportunities for the local population
- Filling jobs with local workers whose level of education meets international standards
- Poverty reduction

You can find more information on the CEE [here](#).

### Key Sectors:

- Mining (especially diamonds and copper)
- Cattle breeding and agriculture
- Tourism

### Promising sectors in Botswana:

- Car and commercial vehicle production  
(Botswana has a growing engine, leather and battery industry)
- Infrastructure: (renewable) energy, water, transport and communication  
(Botswana has a high potential for solar plants to generate renewable energy)

## Banking and FOREX

The banking system in Botswana is well developed and comparable to that in South Africa and Namibia. There is a central bank ([Bank of Botswana](#)) and several public banks.

The Bank of Botswana is responsible for monetary policies, central banking services, supervision of financial institutions, issuing of bank notes, implementing exchange rate policies, administering exchange controls, and foreign exchange reserves management. The bank's financial statements comply with international standards.

All commercial banks in Botswana are either partly or wholly owned by foreign organisations. The best-known banks are:

- ABSA
- Standard Chartered Bank Botswana
- First National Bank Botswana
- Bank of Barode Botswana Ltd
- Stanbic Bank Botswana
- Capital Bank
- African Banking Corporation
- Bank Gaborone
- State Bank of India
- Banc ABC
- Bank of India

### **Opening of an Account**

Requirements for Opening an Account:

#### Private Account

- Permanent residence permit or working visa
- Regular monthly income
- Valid identity card

#### Business Account

- Suitable for persons who wish to establish a company or Persons who own a registered company
- The exact requirements and documents vary depending on the bank.

*Further information can be found on the respective bank websites.*

### **FOREX:**

Botswana's approach to forex trading is relatively liberal compared to some African countries.

The Botswana government acknowledges forex trading as a legitimate financial activity but emphasizes compliance with anti-money laundering (AML) regulations and the use of credible platforms. Traders must ensure that they follow legal procedures, particularly when transferring funds for trading purposes.

While the country does not have a dedicated forex regulator, the Bank of Botswana oversees monetary policies and ensures financial stability, indirectly influencing the forex market's operations.

## Contact Details

The information contained in this document was compiled by AHK Southern Africa. For further assistance and questions, please contact:

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