



EUROPEAN UNION

DELEGATION TO THE REPUBLIC OF BOTSWANA AND SADC

Gaborone, 7 December 2015

Official launch of the Private Sector Development Programme at Business Botswana

Remarks by Alexander Baum

Ambassador

Delegation of the European Union

to the Republic of Botswana and SADC.

Hon. Vincent T Seretse, Minister of Trade and Industry.

Mr. Solomon Sekwakwa, Permanent Secretary, Ministry of Finance and Development Planning.

Mr. Leta Mosienyane, President of Business Botswana

Maria MACHAILO-ELLIS, Executive Director of BOCCIM

Mr. Sid Boubekur, Head of CDE regional office Southern Africa, based in Gaborone.

Invited speakers

Other dignitaries of the Botswana Government,

Representatives of EU Member States

Representatives of Private Sector Organizations (BEMA, HATAB, WIBA and BOCCIM)

Representatives of the Civil Society Organisations

Ladies and Gentlemen,

I am pleased to be part of this important occasion to witness the launch of a grant to Business Botswana for the implementation of the Private Sector Development Programme (PSDP). Let me thank specifically Minister Seretse for his presence here today. I believe this event is an important step and not a small challenge for Business Botswana that deserves indeed our full attention. I recognize the commitment of the Government to help the private sector to play its due role in building the economy further and sustain Botswana's success story. I would also like to reaffirm the European Union's commitment to remain present and relevant as a friend and partner of Botswana and to provide our support where it is needed.

Allow me to recall some of the background on PSDP that has let us come together here today. In the framework of the Government of Botswana's Private Sector Development Strategy (PSDS), the Ministry of Trade and Industry (MTI) and Botswana Confederation of Commerce, Industry and

Manpower (BOCCIM), in partnership with the European Union (EU) and the Centre for the Development of Enterprise (CDE), developed the Private Sector Development Program (PSDP). The PSDP is meant to address some key areas of the Private Sector Development Strategy.

A little more than two years ago, the EU signed a Contribution Agreement for EUR 2.3 M with the Centre for Development of Enterprise (CDE) for the implementation of a PSDP. CDE has been partnering with BOCCIM, now Business Botswana, in the implementation of this programme.

The Centre for the Development of Enterprise (CDE) is, as you may be aware, a specialized joint ACP/EU organization under the Cotonou Agreement. By a joint political decision of the ACP/EU Council of Ministers in June 2014, CDE has – unfortunately for us here – to be wound up. This forced us to think through the future of PSDP well before the end of the current project. Hon. Minister, I am happy that through dialogue with your government and other key stakeholders we found an appropriate solution, which is to use Business Botswana as the implementing agency to drive the programme to its completion. With the grant now being provided to Business Botswana the implementation of the PSDP is finally transferred from CDE to BB.

Hon. Minister, I am aware that the development of the private sector is an important corner stone in the Government's drive to sustain economic growth in Botswana. Growth and expansion of private sector, particularly small and medium-sized enterprises can be a powerful driver of broad based economic growth and the main future source of job creation. The various institutions and policies that your government has put into place can indeed be taken as testimony for the Government's commitment to help the private sector to develop itself. I am referring here to the business

service providers such as CEDA, Botswana Investment and Trade Centre and Botswana Innovation Hub, to mention only a few, all of which are public institutions under the responsibility of your Ministry. The Economic Diversification Drive is one of those strategies that government has launched to facilitate growth in the economy in order to create new job opportunities, increase people's incomes and, eventually, eradicate poverty. The "Doing Business reform Roadmap" is another one.

I believe that this attention to the private sector is well placed. All economies around the world that have rapidly and sustainably grown to high income levels have grown through a dynamic private sector and a close partnership between government and private entrepreneurship, a partnership of trust and common purpose, a partnership that respects also the different roles between government and private sector, and the need for impartiality and rational decision making in the public as well as the private sector.

Master of Ceremonies, distinguished guests, ladies and gentlemen;

EU has signed a grant agreement with Business Botswana for EUR 1,128 million to enable BB to implement the remaining activities and responsibilities of PSDP. The grant will be implemented over 13 months under the management of a Coordinating Unit that has been transferred from CDE. I would like to thank the government of Botswana for their commitment to this programme; without their contribution in terms of various resources it would have been impossible to implement this programme.

I would like to take this opportunity to thank CDE team based in Gaborone for their dedication to making PSDP a success. The management of the

various types of relationships with local intermediary organisations, the benefiting SMEs as well as the consultants from across the world have been excellent. The high level of technical expertise, professionalism and dedication of the staff has been commended by the recent Mid-Term Review. This is due to good leadership at CDE and punctual support from government of Botswana a Management Committee led by Ministry of Trade and Industry and a Project steering Committee led by the Ministry of Finance and Development Planning. I am confident that the level of leadership that has seen the PSDP to where it is today will continue under Business Botswana.

Master of Ceremonies, Ladies and Gentlemen,

The transfer of PSDP to Business Botswana is taking place at a very critical time in the evolution of the organisation that has been around for decades. Business Botswana has recently engaged organisation development processes in order to transform into a properly constituted chamber of commerce. You will all know by now of the departure of the Chief Executive Officer of Business Botswana, Maria Machailo-Ellis, who has steered the organisation into its current position as an important partner on PSDP.

I acknowledge that Business Botswana is keenly aware of the challenges ahead. With the human resources capital at Business Botswana and the Coordinating Unit that is being transferred with PSDP, I believe that there is sufficient depth at Business Botswana to enable it stabilise quickly and assume the responsibility of the grant for implementation of PSDP. I would like to encourage Business Botswana, under the able leadership of its President Mr. Leta Mosienyane to execute, with diligence, their responsibility of EU resources committed under this grant.

In closing, let me take this opportunity to commend again the government of Botswana for this initiative with which we are very pleased to be associated. The PSDP was meant to be an investment into the future of private sector development in Botswana. BB has just engaged onto a higher gear to become a driver of progress and change.

I Thank you!!!.....PULA!!!.....KE A LEBOGA!!!