

Botswana Stakeholders Look Forward to Private Sector Transformation

The private sector is set to thrive through the intervention of the Private Sector Development Programme (PSDP) which is an initiative of the Government of Botswana, represented by the Ministry of Trade and Industry (MTI) and Ministry of Finance and Development Planning (MFDP), in partnership with the European Union (EU).

The goals of the Programme are to strengthen the value chain of SMMEs and community based organisations (CBOs); promote SMME participation in procurement; enhance the service delivery of Intermediary Organisations (IOs); improve access to financing for SMMEs and empower women entrepreneurs. The Head of Cooperation for the EU Delegation to Botswana and SADC, indicated that “The PSDP is key to the growth of Botswana’s economy and arrives at a good time for the private sector under the Economic Diversification Drive.” On the importance of a strong private sector, Chief Commercial Officer of the Ministry of Trade and Industry, Gideon Mmolawa, said, “Competitive local enterprises will ensure their reinforced participation in the economy, creating jobs, wealth, reducing poverty and contributing towards Government’s long- term objective of diversifying the economy”.

The PSDP is implemented by the Centre for the Development of Enterprise (CDE) in collaboration with Botswana Confederation of Commerce Industry and Manpower (BOCCIM). CEO of BOCCIM, Maria- Machailo- Ellis, said, “We want to see SMMEs that deliver on their business objectives; that are competitive, access markets outside the country and have the quality and high standards of products and services which will enable them to play in the wider world economy.” Participating SMMEs are from a range of sectors, including manufacturing, tourism and agri- business, taking the entire value chain into consideration.

Chief Economist at the MFDP, Kgangmotse Kgangmotse, commended the Programme, saying, “The PSDP will eventually reduce the number of imports and possibly increase exports, thus deploying a good net export balance. It is our desire to see SMMEs become large enterprises, which will also help the private sector in Botswana to grow. The economy should not be heavily dependent on Government but rather be private sector led.”

The programme has to date, selected 100 SMMEs including CBOs to be empowered on how to efficiently run their businesses. As a start-up, the programme trained local IOs such as BNPC, CEDA, BOCCIM, BITC, LEA, BIH, and local consultancy firms on diagnosis of SMMEs using the CDE audit tools. Furthermore, the respective IOs were involved in conducting audits of the selected 100 companies. The audits identified gaps in the businesses, which will be alleviated with individual coaching and sector- specific mentorship.

For his part, the Head of CDE Regional Office for Southern Africa, Sid Boubekeur noted that “Due to the excellent collaboration between the public and private sector, the PSDP Botswana progresses in a favourable environment. I would like to express my gratitude to the MTI, EU Delegation, BOCCIM and MFDP for the support they provided during the preparation and start-up of the Private Sector Development Programme”.

The Programme was developed in response to the Public Sector Development Strategy (PSDS) that was initiated by BOCCIM with the help of the Commonwealth Secretariat in 2008. The programme responds to the aspiration of several of Botswana’s goals to strengthen her economy, including the Economic Diversification Drive and the theme of the National Development Plan (NDP) 10, 2009- 2016 and will conclude in 2016.

Notes to the Editors

Background of the Private Sector Development Programme

The PSDP was launched in May 2013 to provide a systematic and coherent framework to promote the development and growth of the private sector. It has identified milestones, bottlenecks and interventions that will contribute towards establishing an enabling environment that will spur entrepreneurial development; attract foreign and domestic private investment and simultaneously create business opportunities. The PSDP responds to the aspiration of Vision 2016 and the theme of the National Development Plan (NDP) 10, 2009- 2016.

It is an initiative of the Government of Botswana represented by the Ministry of Trade and Industry (MTI) and Ministry of Finance and Development Planning (MFDP), in partnership with the European Union (EU). The programme is supported by the Centre for the Development of Enterprise (CDE) and Botswana Confederation of Commerce Industry and Manpower (BOCCIM). The programme will run for 3 (three) years and has a budget of €2.3 million.

PSDP Partner Entity Profiles

The **Ministry of Trade and Industry** (MTI) is the supervising agency of the PSDP. The MTI's mandate is to provide a conducive environment for growing the economy and creating wealth through investment, industrialization, economic diversification and trade. Through the Economic Diversification Drive (EDD), MTI strives for diversification of the economy through the development of globally competitive enterprises. The EDD envisages development of globally competitive enterprises that need little or no Government support. (<http://www.mti.gov.bw/home>)

The **European Union (EU)** is the contracting authority of the PSDP. The EU is an economic and political partnership between 28 European countries that together cover much of the continent. The EU aims to promote the **competitiveness** of industry and businesses and enhance **job creation** and **economic growth** by creating a business-friendly environment, particularly for small businesses and the manufacturing industry, all over the world. Special attention is given to the needs of small and medium-sized enterprises (SMEs). Supporting SMEs and promoting entrepreneurship is the key to economic diversity. (http://europa.eu/index_en.htm)

The **Ministry of Finance and Development Planning** (MFDP) sits on the PSDP Management Committee. The overall mandate of the MFDP is to coordinate national development planning, mobilise and prudently manage available financial and economic resources. Further to that the Ministry is responsible for the formulation of economic and financial policies for sustainable economic development. (<http://www.finance.gov.bw/index.php>)

The **Centre of the Development of Enterprise** (CDE) is the executing agency of the PSDP. CDE is a joint institution of the African, Caribbean, Pacific (ACP) Group of States and the European Union (EU), within the framework of the Cotonou Partnership Agreement. Its [mandate](#) is to support the development of the ACP private sector. CDE provides non-financial services (consultancy, technical assistance, studies, training) to ACP companies, especially SMEs and intermediary organisations (chambers of commerce, professional associations, business services providers, etc.), and to joint initiatives of ACP and EU economic operators. (<http://www.cde.int/en>)

The **Botswana Chamber of Commerce, Industry and Manpower** is the internal monitoring body of the PSDP. BOCCIM is a Business Association of Employers representing employers in all sectors of the Botswana economy in an advocacy capacity. BOCCIM has been the vanguard and main voice of the private sector in Botswana. The organisation has protected the economic interests of the business community and through its philosophy of constructive policy dialogue, BOCCIM has won the confidence and respect of Government and other stakeholders in Botswana. (<http://www.boccim.co.bw/index.php>)

Ends