



Government of Botswana



European Union

PRIVATE SECTOR DEVELOPMENT PROGRAMME, BOTSWANA

1st Year Financial Report

March 2013-March 2014

*Report conforms to the
CDE - EU Delegation contribution
agreement.
Approved.
[Signature]*





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Updated May 2014



1. SUMMARY

The financial report covers the implementation of Private Sector Development Programme, Botswana for the first year from March 2013- March 2014. The signed Contribution Agreement (CA) between EU delegation and CDE approved a total budget of 2.3 million Euro to be implemented over a duration of 3 years.

Complementary budget of 350,000 euro was mobilized from Chanel Corporate Foundation to support Women Entrepreneurship Development (WED) Programme in the framework of the PSDP. Furthermore, the Ministry of Trade and Industry (MTI) approved running costs amounting to a total of 56,918 euro in order to support the implementation of the programme in better conditions.

1.1 First Year Approved Budget: Pre-financing

The EU delegation approved a total budget of **555 120 Euro** as pre-financing to be used during the first year. The disbursement of the budget included the following activities;

- Capacity Building of SMMEs and CBOS, foreseen in Result Area 1
- Capacity Building of Intermediary Organisations, foreseen in Result Area 2
- Enhancing of the Business environment for SMMEs, foreseen in Result Area 3
- Value chain support in Collaboration with ITC-Geneva
- Monitoring and Evaluation of the Programme by BOCCIM
- Programme Communication and Visibility
- Supporting costs and contingencies

2. COMMITMENTS TO DATE

A total of 24 activities were committed during the first year pre-financing of **555 120 Euro**. The total amount committed is **446,675.26 euro** which makes **80.5%** of the 1st year pre-financing amount.

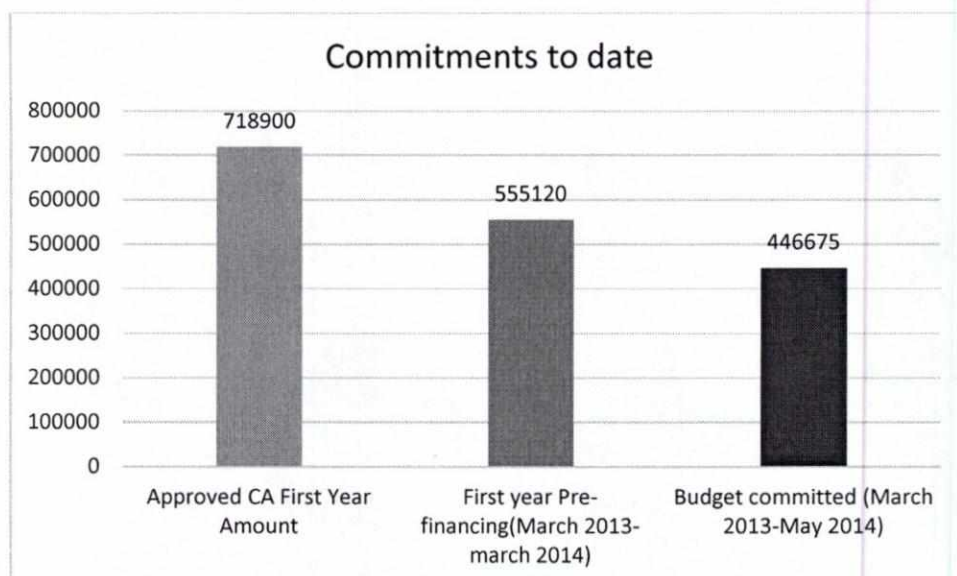


Figure 2: Commitments during First Year Pre-financing

4. OPERATIONAL COMMITMENT REPORT

The below table illustrates all amounts committed and the respective payments made. Currently, a total of **65778.54 Euro** has been paid from the **446,675.56 Euro** commitments. This demonstrates a total of **15%** payment rate. The majority of the payments are mostly for the start-up phase while the remaining amounts are for the projects follow-up and completion.

Table 2: Operational Commitment report

Name	Amount Committed (EUR)	Amount left (EUR)	Amount Paid (EUR)
PSDP Botswana-EU day Logistics	7955.26	1209.14	6746.12
PSDP launch logistics	4592	466.41	4125.59
SMEs trade missions under Result Area 1	9840	6726.11	3113.89
Missions under Result Area 2	7788	4410.91	3377.09
Mission under Result Area 3	7788	4410.91	3377.09
Communication and Promotion under PSDP Botswana	4820	465.39	4354.61
Support to PSDP Junior Experts	7800	591.78	7208.22
PSDP Botswana Interns 2013	2308	935.05	1372.95
Capacity Building of the Trade Facilitation Advisory Group	24522	14713.20	9808.80
PSDP Missions Logistics	6140	4647.40	1492.60
Development of a policy framework for Micro Financing	7834	3323.80	4510.20
Review of BOCCIM Constitution	7243	3621.50	3621.50
BOCCIM Membership Model	2500	2500	0
Technical Advisor in Agro-Industries	12180	8526	3654
Support Staff for PSDP Botswana	14800	14562.72	237.28
Establishment of BOCCIM as an Apex Body	29262	20483.40	8778.60
Opportunity study for Honey and Marula products	29974	29974	0
PSDP Communication and Visibility	37000	37000	0
Team leader for Diagnosis of SMEs	24335	24335	0
BOCCIM Consultative Workshop	3224	3224	0
Monitoring and Evaluation Framework	159726	159726	0

Below is a summary status of the WED programme activities.

8.1 Committed files in 2013 and 2014

Table 7: Committed projects under WED

Committed files 2013			
Name	File number	Amount (EUR)	Comments
Communication and Promotion under Women Entrepreneurship Development Programme	BWP/1306/01	6000	WED activities were promoted to the general public including SMEs and Business Associations. The visibility materials include press releases on PSDP actions, banners and programmes, call for expression of interest, and market consultations
Missions Logistics for the promotion of the Women Entrepreneurship Development Programme	BWP/1312/01	6480	<p>The purpose was to support missions for 4 key speakers during the WED seminar and launch which was held from the 25th – 26th September 2013. The speakers were from Ghana, Kenya and South Africa respectively.</p> <p>Furthermore, due diligence missions for WED SMEs were done by the PSDP team in January 2014.</p>
SME Diagnosis for Women Entrepreneurship Development Programme	BWP/1315/01	48910	<p>In order to determine the critical areas that will need reinforcement through the WED programme for the women-led businesses, SME diagnosis started in February 2014 in order to determine areas of intervention that will be needed to assist the beneficiaries.</p> <p>As one of the ways to reinforcing the trained Intermediary organizations, CDE recruited an international expert to undertake diagnosis of the selected 35 Women-led SMEs in collaboration with the Botswana Investment Trade Centre (BITC). The diagnosis is foreseen to be completed by end of May 2014.</p>
Total		61390	

7. CDE SUPPORT TO THE PROGRAMME COORDINATING UNIT

The Centre for the Development of Enterprise is supporting the Programme Coordinating Unit with an estimate 500 000 Euro for the three year period as below;

Table 5: PSDP Coordinating Unit budget (Euro)

#	Type of Cost	PSDP budget						Overall Total (as per financial offer)
		Unit costs (updated as per the financial offer)	COMMITTED year 1 -2012 budget (9 Months)	COMMITTED Year 1 2013 budget (9 Months)	COMMITTED Year 2 (2013 budget (12 Months)	TO BE COMMITTED year 3 (2014 budget) (12 Months)	TO BE COMMITTED year 4 (2014 budget) (3 Months)	
1	Human Resource							
1.1	Programme Coordinator	9,800	88,200	-	98,000	98,000	9,800	294,000
1.2	Programme Assistant	2,000	18,000	-	24,000	24,000	6,000	72,000
1.3	Finance Officer	1,200	-	10,800	14,400	14,400	10,400	50,000
1.4	Administrative Assistant	1,000	-	9,000	12,000	12,000	8,000	41,000
1.5	Driver	600	-		4,200	7,200	2,800	14,200
	Total Human Resource		106,200	19,800	152,600	155,600	37,000	471,200
2	Relocation Costs							
2.1	International travel			1,500	1,500	-	1,500	3,000
2.2	Relocation costs				4,900		4,900	9,800
	Total Relocation Costs	-	-	1,500	6,400	-	6,400	14,300
3	CDE Promotion of PSDP Events/ Logistics				6,297	-	-	6,297
4	Miscellaneous			3,599	2,000	2,000	500	8,099
	OVERALL TOTAL		106,200	24,899	167,297	157,600	43,900	499,896

SUMMARY	2012 budget	106,200 euro	Already committed under CDE 2012 operations budget
	2013 budget	24,899 euro	Already committed under the CDE 2012 budget
	2013 budget	167,297 euro	Already committed under the CDE 2013 budget
	2014 budget	157,600 euro	Planned
	2014 budget	43,900 euro	Planned
	Total	499,896 euro	Total allocated

Technical Advisor in Agro-Industries	BOT/1401/01	12,180	The technical advisor will assist CDE-PSDP team in coordinating value chains analysis and development in the agro-industry sector. He will also work with various IOs in the agro-industry sector and the Ministry of Agriculture.
Support Staff for PSDP Botswana	BWP/1407/01	14, 800	The budget is for the PSDP support staff, 2 Junior Experts and an Intern for a period of 1 year
Establishment of BOCCIM as an Apex Body	BOT/1402/01	29,262	Selection of the service provider has been completed. The objective is the review of BOCCIM constitution in the framework of an Apex body in order to establish BOCCIM as an Apex Body of all sector associations in Botswana. Project Committee (PC) report to be approved following delegation of power.
Monitoring and Evaluation Framework & Systems to support Private Sector Development Programme (PSDP)	BWP/1304/01	159,726	The objective is to design and develop results and Performance Based Monitoring and Evaluation System for the PSDP that will be used by BOCCIM to monitor and evaluate activities implemented by the Programme in the framework of PSDS. The contract ready for signature.
Technical Advisor on Tourism	BWP/1408/01	27,844	The Tourism advisor will provide technical advice to PSDP team as well as targeted technical assistance to key programme stakeholders such as the Ministry of Environment and Wildlife, Botswana Tourism Organisation (BTO), and the Hospitality and Tourism Association of Botswana (HATAB), for the development of the tourism sector through, value chain analysis, capacity building and sensitization of key players.
PSDP Communication and Visibility	BWP/1314/01	37,000	Selection of the service provider has been completed. The service provider has started work.
Assistance to the Development of a Micro Financing Policy Framework	BWP/1415/01	7,200	The consultancy fees for the expert to undertake the development of a micro financing policy framework.
BOCCIM Consultative Workshops	BWP/1416/01	3,224	Logistics for BOCCIM consultative workshops
Opportunity study for Honey and Marula products	BWP/1414/01	29 974	The consultant has been selected and started desk work.
Team leader for Diagnosis of SMEs	BWP/1410/01	24,335	The consultant has been selected and will start work beginning of June 2014.
Total Committed		446,675.26	

8.2 In Process to be committed by end of June 2014

Table 8: Projects to be committed by 30 June 2014

BWP/1405/01	27, 315	The intervention will involve providing individual coaching based on each company's needs. This intervention will be in terms of production, quality, packaging, marketing, process challenges, and advice or coaching will be based on international best practices. The objective of the intervention will be to consolidate the beneficiaries' competitiveness and access to markets in Botswana, the region and internationally.
BWP/1409/01	28,508	This assignment will be group training on business management to the women-led businesses who are beneficiaries to the WED programme.
BWP/1413/01	24,894	The expert is expected to sensitise a selected number of SMEs in issues concerning certification and standardisation, eventually leading to the certification of their products.
Total	80,717	