



# LOCAL MANUFACTURING SUMMIT 2025



## PROCEEDINGS REPORT

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 **LOCAL** **SUMMIT 2025**  
**MANUFACTURING**  
1<sup>ST</sup> - 2<sup>ND</sup> SEPTEMBER 2025 AT GICC

  
Botswana  
Chamber  
of Mines  
— "working towards excellence in the mining industry" —

Botswana Chamber of Mines

# LOCAL | SUMMIT 2025 MANUFACTURING

1<sup>ST</sup> – 2<sup>ND</sup> SEPTEMBER 2025 AT GICC

**Shaping the future of Botswana's Manufacturing Sector:**  
Exploring the Opportunities of Industrial Manufacturing and  
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# EXECUTIVE SUMMARY

The Local Manufacturing Summit 2025 concluded with a powerful and unified call to action: the era of dialogue is over, and the imperative now is implementation. The summit identified a critical disconnect between policy intent and tangible outcomes, highlighting a pervasive lack of trust and enforceable commitments as primary barriers to progress.

## Core Challenges Identified

- **Market Access and Off-Take:** Reliance on non-binding MOUs and letters of intent, instead of legally enforceable off-take agreements, leaves manufacturers without the demand certainty needed to secure financing and scale production.
- **Financing for Innovation:** A significant funding gap exists for research, development, and certification (e.g., ISO, IP), as traditional banks require proven cash flows, stifling innovation and limiting export competitiveness.
- **Fragmented Ecosystems:** SMEs are often isolated rather than clustered around anchor projects, leading to inefficiencies, missed knowledge-transfer opportunities, and an inability to meet large-scale demand.
- **Regulatory Bottlenecks:** Bureaucratic delays and procedural hurdles continue to impede growth, particularly for agro-processors and exporters, despite supportive policy frameworks.
- **Skills Mismatch:** The sector faces a shortage of industry-ready, specialised skills, such as certified welders and quality auditors, critical for high-value manufacturing and equipment repair.

## Strategic Imperatives

The proceedings crystallised into actionable priorities for policymakers and the private sector:

1. **Shift from Intent to Contract:** Mandate legally binding off-take agreements between miners, parastatals, retailers, and local manufacturers to de-risk investments and unlock financing.
2. **Finance the Entire Journey:** Establish blended finance facilities combining public and private capital to support SMEs across the full lifecycle, from R&D and certification to scaling for export.
3. **Build Clusters, Not Isolated Companies:** Formally cluster SMEs around anchor investors in Special Economic Zones (SEZs) and mining projects to create resilient value chains and economies of scale.
4. **Prioritise Skills for Industry:** Forge a new skills pact between industry and training institutions to address urgent skill shortages through targeted, accredited programmes.
5. **Embrace Anchor Crops for Export:** Strategically support high-value crops like moringa and cactus to transform agriculture into an export-orientated, agro-processing engine.

## The Path Forward: Accountability and Implementation

The Botswana Chamber of Mines, as the summit convener, will facilitate monitoring of these recommendations. Participants endorsed the creation of an Annual Implementation Review to be published alongside future summits, tracking progress against specific metrics, including factories built, products exported, and jobs created.

The message from the Honourable Minister of Minerals and Energy to every entrepreneur was one of partnership and shared accountability. The government has pledged to enable growth through legislative reform and policy co-creation, while the private sector must invest in local capacity, commit to binding agreements, and embrace innovation. Through this coordinated, action-driven approach, Botswana can transform its manufacturing sector and secure a diversified, prosperous economic future.

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# INTRODUCTION

Hosted by the Botswana Chamber of Mines, the Local Manufacturing Summit 2025 took place on September 1–2 in Gaborone under the theme “Shaping the Future of Botswana’s Manufacturing Sector: Exploring the Opportunities of Industrial Manufacturing and Agro-Processing.”

This report provides a comprehensive account of the proceedings, capturing the strategic presentations, critical insights, and candid discussions that defined the two-day event. The summit convened a high-level cohort of stakeholders, including government officials led by the Honourable Minister of Minerals and Energy, industry leaders, financiers, development partners such as the United Nations Development Programme (UNDP), entrepreneurs, and representatives from academia.

Building on the foundation of previous summits, the dialogue reflected a collective sense of urgency and a decisive shift from deliberation to action. Participants conducted a thorough examination of the bottlenecks limiting the growth of local manufacturing and agro-processing, with particular focus on market access, finance, skills development, and the persistent challenge of trust within the ecosystem. This document synthesises the key insights, strategic recommendations, and actionable strategies proposed to accelerate economic diversification, foster job creation, and advance a resilient, export-led manufacturing economy in Botswana.





# OPENING CEREMONY

## Safety Health Environment (SHE) Moment

**Mr. Lere Matebesi** (CEEP Manager, Debswana Diamond Company)

Mr Matebesi drew from his experience in the hazardous mining industry to stress that safety reflections were equally critical for the local manufacturing sector. He explained that safety extended beyond the workplace to include people's health, environmental protection, and overall well-being.

Focusing on the environmental aspect, Mr Matebesi underscored the urgent need to rethink waste management. He challenged industry leaders to stop viewing waste merely as something to discard but rather as a valuable economic resource. Advanced economies, he noted, already extract significant value from waste. The global leader in recycling processes 66% of its waste, while the top African performer, South Africa, ranks only 48th, leaving Botswana with a substantial gap and immense opportunity.

To illustrate, he shared success stories of citizen-owned enterprises. One company started by buying used oil from a mine and selling it to South Africa. It later invested in a pyrolysis plant, which recycled the oil into base oil—an essential component of lubricants—multiplying its value fourfold and creating around 50 jobs. In Dukwi, another enterprise recycles plastic containers from used oil into new plastic products, further proving the untapped economic potential of waste.

Mr Matebesi concluded with a call to action: industry leaders must seize these opportunities to build economic value chains, create sustainable jobs, and safeguard Botswana's environment. His conviction was clear: by rethinking waste and embracing recycling, Botswana could unlock vast social, economic, and environmental gains.

# Welcome Remarks

Mr Mwako delivered the welcome remarks on behalf of the Botswana Chamber of Mines and its partners. He opened by acknowledging the reflective mood of the summit. He emphasised that the event was not only about manufacturing by Batswana citizens but also about developing talent, encompassing technical skills and the creative arts, underscoring that manufacturing should leverage all of the nation's strengths and capabilities.

While noting that not all invited dignitaries could attend, he upheld the established protocol. He officially welcomed all participants on behalf of the Chamber's partners, including the Botswana Diamond Company, UNDP, Business Botswana, and other key sponsors.

He highlighted the significance of hosting the Manufacturing Summit for the third consecutive year. He expressed his privilege in having the Minister of Minerals and Energy present, noting that her previous role as Minister of Trade had given her unique insight into the alignment required to advance the manufacturing sector.

Reflecting on the Chamber's role, he explained that while mining remains the backbone of Botswana's economy, it faces challenges and is ultimately finite. This reality makes manufacturing a vital pathway for rethinking the nation's economic model. The Chamber has deliberately focused on the mining value chain and import substitution, pointing out that billions are spent annually on goods and services that could be produced locally.



Reinforcing the "no pit to pot" philosophy, he urged the nation to move away from exporting raw materials and instead prioritise industrialisation and beneficiation, ensuring that Botswana exports finished products. The first year of implementation, he noted, had shown that building a manufacturing sector is a gradual process, one that requires collaboration to establish a sustainable ecosystem.

He called on mines, corporations, and partners to actively support this initiative, emphasising that success must be measured by tangible outcomes, including job creation, new revenue streams, and exportable skills. Moving beyond dialogue to concrete action, he urged alignment with the government's mandate to diversify the economy and reduce inequality.

Looking ahead, he expressed hope that the summit's deliberations would yield practical and implementable ideas to accelerate diversification. He encouraged open and candid discussions, reminding attendees of their responsibility in steering the country's economic transition.

In closing, he referenced the recently launched Botswana Economic Transformation Program, which identifies manufacturing as one of six national priorities. He made a heartfelt appeal for a mindset shift, from negativity and complaints to solutions-driven thinking, asserting that economic diversification is not only possible but achievable through collective effort.

# LMS24 Progress Update

**Mr. Charles Siwawa** (Chief Executive Officer, Botswana Chamber of Mines)



Mr. Siwawa reflected on the progress made since the previous Local Manufacturing Summit and outlined practical steps for moving forward.

Providing context, Mr. Siwawa reminded the audience that the Summit's core aim was to drive economic diversification by widening participation in the mining sector's procurement process. He noted that the initiative, developed in partnership with the United Nations Development Programme (UNDP), had successfully produced many new entrepreneurs. However, he pointed out a critical gap: much of the activity was limited to importing and reselling goods, benefiting individuals rather than entire value chains. True empowerment, he argued, lies in manufacturing locally, which has the potential to strengthen whole ecosystems, from factory owners and their employees to transporters, financiers, and related industries.

He then highlighted several key action items that had been agreed upon to accelerate the shift toward local manufacturing:

1. **Manufacturing Data Portal** – A centralised portal, developed by the Botswana Chamber of Mines in collaboration with the Botswana Investment and Trade Centre (BITC), is underway. While not yet live, the project has begun, with potential manufacturers being guided through existing trade resources in the interim.
2. **Agro-Industrial Parks** – Plans are in motion to establish agro-industrial parks in Pilane, Pandamatenga, and Masunga by 2025. The relevant minister will present the details, with support from the Ministry of Agriculture, UNDP, and private investors.
3. **Specialised Skills Development** – To address shortages in manufacturing expertise, the Chamber is working closely with the Human Resources Development Council, building on earlier efforts to align training with industry needs.
4. **Transport Infrastructure** – Recognising logistics as a bottleneck, the Chamber has signed an MoU with Air Botswana to create dedicated transport routes for goods. While commitment is strong, discussions continue to refine the implementation process.
5. **Green Manufacturing Hub** – Mr. Siwawa emphasised the transformative potential of a national Green Manufacturing Hub. Air Botswana has already issued an expression of interest, with the award expected soon.

He also touched on Botswana's advocacy for continued access to the African Growth and Opportunity Act (AGOA), noting that tariff-free entry to the US market could unlock significant opportunities. Citing Lesotho's thriving textiles sector, which earns hundreds of millions annually through AGOA, he urged Botswana to position itself for similar success.

In conclusion, Mr. Siwawa referenced Botswana Ash's "Doubling in Five" strategy, particularly its focus on soda resource beneficiation rather than raw export. He confirmed that initial steps are underway, with investors showing keen interest. He expressed confidence that these combined initiatives would significantly boost the nation's GDP and ensure it continues on its path of sustainable growth.

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## UNDP's Supplier Development Programme Towards a Robust Manufacturing Sector

**Ms. Lovita Ramguttee** (Resident Representative to Botswana, UNDP)

Ms. Ramguttee expressed her appreciation for the opportunity to participate in the summit, stressing her conviction that a strong private sector is the engine of sustainable development. She noted that the UNDP works closely with both governments and businesses to drive inclusive economic growth, create jobs, reduce poverty, and foster innovation.

She highlighted the Sustainable Supply Development Program (SDP) as a flagship initiative reflecting this commitment. The UNDP supported the summit from its inception, she explained, because of its focus on manufacturing, a sector central to the SDP and vital for job creation and export expansion. Botswana, she noted, was the first country in Southern Africa to pilot this programme, which UNDP has refined globally over the past two decades.

The SDP, she explained, is designed to create market-driven opportunities for SMEs by linking small-scale suppliers to larger buyers and strengthening the entrepreneurial ecosystem. Its three pillars are market access, access to finance, and entrepreneurial skills training. Targeting transformational sectors, including manufacturing, agro-processing, and textiles, the programme is closely aligned with Botswana's economic priorities.

To demonstrate its impact, she shared key results: 60 experts were trained, 45 certified as SDP consultants, and a pool of 250 MSME suppliers was developed, many of whom were youth- and women-led. These suppliers have been linked with major corporate buyers, resulting in USD 300 million in procurement growth. Notably, 75% of the MSMEs reported at least 5% annual revenue growth, while buyers benefited from improved consistency, fewer disputes, and more transparent procurement processes.

Looking ahead, she announced that the programme is expanding regionally through a Botswana-led initiative that also includes Zambia, Zimbabwe, South Africa, and Mozambique. Supporting tools such as a local content policy toolkit and a digital supply chain platform are also being developed to enhance MSMEs' access to finance and markets.

In conclusion, she reaffirmed the UNDP's commitment to Botswana's economic transformation, describing the SDP as a proven model for building a diversified, export-led economy. She assured stakeholders of UNDP's continued partnership and singled out the Botswana Chamber of Mines as a key ally in implementing this vision.



# Official Opening of the Local Manufacturing Summit 2025 – Hon Bogolo Joy Kenewendo (Minister of Minerals and Energy)



Hon. Kenewendo delivered the keynote address on behalf of President Duma Boko. Minister Kenewendo reaffirmed strong government support for the Chamber of Mines and Botswana’s local manufacturing sector. She commended Mr. Siwawa for presenting a substantive update that moved from discussion to concrete action.

Reflecting on her personal role in launching the Supplier Development Program (SDP) in 2018, Hon. Kenewendo noted that although the initiative faced early challenges, it has since become a cornerstone for stimulating local production and strengthening regional value chains for SMEs.

She emphasised that Botswana’s current economic challenges necessitate more than just endless meetings; they require coherent, strategic, and long-term interventions. She confirmed that the government has placed economic transformation at the heart of its national agenda through the Botswana Economic Transformation Program, emphasising that this transformation must be private-sector-led. The summit, she said, was a critical moment to reaffirm Botswana’s commitment to building a self-reliant, productive economy.

Acknowledging the limitations of diamond dependency, Hon. Kenewendo declared diversification within and beyond mining as non-negotiable. To accelerate progress, she announced upcoming amendments to the Mines and Minerals Act aimed at reducing delays from exploration to production, boosting citizen ownership and supply participation, and strengthening entire value chains. She further revealed that amendments to the petroleum and gas sector were being prepared to open up opportunities in these industries, alongside efforts to expand into critical and rare minerals.

While conceding that Botswana may lack natural comparative advantages in specific manufacturing areas, she argued that competitive advantages can be built through efficiency, purchasing power, and service excellence. She challenged the private sector to pursue regional and global export markets rather than relying on perpetual protection for infant industries.

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As part of this vision, Hon. Kenewendo announced the creation of a Value Chain Development Office within the Ministry of Minerals. This office will collaborate with the Ministry of Trade and Business Botswana to develop cluster models around mining and energy projects. Mining, she emphasised, must serve as a platform for industrialisation rather than as an endpoint, and after decades of mining operations, Botswana should expect significant local production that sustains these industries.

In conclusion, Hon. Kenewendo stressed that shaping the future of manufacturing will require coordinated action across government, industry, and capital markets. She called for the summit to produce not only ideas but also actionable priorities, clear responsibilities, and renewed accountability. She closed by affirming her ministry's readiness to work in partnership to mobilise Botswana's natural resources, human capital, and financial markets toward a more diversified, inclusive, and resilient economy.

## Key Insights

1. Accelerate Legislative Reforms for Mining and Energy
  - ▶ **Action:** Fast-track the passage and implementation of the amended Mines and Minerals Act and the new petroleum and gas legislation.
  - ▶ **Rationale:** These reforms, highlighted by Hon. Kenewendo, will speed the shift from exploration to production, expand citizen participation in ownership and supply, and strengthen entire value chains—creating a predictable regulatory environment that attracts investment.
2. Operationalise the Value Chain Development Office
  - ▶ **Action:** Launch the new Value Chain Development Office within the Ministry of Minerals and Energy and begin its joint work with the Ministry of Trade and Business Botswana to build industrial clusters around mines and energy projects.
  - ▶ **Rationale:** As the central coordinating body, the office is critical to turning mining into a platform for industrialisation by shifting from a strategy to concrete cluster development plans.
3. Transform the Supplier Development Program (SDP) into an Export-Led Model
  - ▶ **Action:** Develop and publish a phased plan to transition SDP-supported enterprises from local supply toward competitiveness in regional and global markets.
  - ▶ **Rationale:** Hon. Kenewendo cautioned against over-reliance on “citizen premiums” and stressed the need for the SDP to serve as an incubator that propels Botswana's industries beyond domestic borders.
4. Institutionalise Public-Private Partnerships for Infrastructure
  - ▶ **Action:** Issue clear calls for private-sector participation in co-financing, building, and managing energy and other enabling infrastructure.
  - ▶ **Rationale:** With government resources constrained, PPPs are essential to reduce input costs, address infrastructure bottlenecks, and enhance competitiveness—particularly in energy.
5. Establish an Annual Implementation Review with Clear Metrics
  - ▶ **Action:** Create a formal review mechanism tied to this summit, publishing yearly progress reports on key commitments such as legislative reforms, SDP export milestones, cluster development, and infrastructure partnerships.
  - ▶ **Rationale:** To avoid becoming “another talking shop”, the summit must deliver measurable outcomes. An annual review ensures accountability for both government and private-sector stakeholders.



## VOTE OF THANKS

**Mr. Norman Moleele** (CEO, Business Botswana)

Mr. Moleele's core message was one of gratitude and a clear call to action. He thanked attendees for participating in the third Local Manufacturing Summit. He offered special appreciation to the Honourable Minister for delivering inspiring remarks that urged every participant to contribute to the country's progress.

Mr Moleele underscored that action was now the priority. He emphasised that further research or benchmarking was unnecessary, stating plainly, "We just do it," and affirming that everyone already understood what was required to advance the nation's manufacturing agenda.

He also acknowledged the summit's sponsors, noting their vital role in empowering both small businesses and established enterprises. He highlighted the value of the event as an opportunity to learn from experienced practitioners and improve existing initiatives.



## Closing Remarks

**Mr Lebea Sephuma** (Head, Global Markets at Stanbic Bank)

Mr Sephuma reflected on the morning session and described it as both inspiring and thought-provoking, thanking attendees for the privilege of addressing them. He noted that contributions from the Honourable Minister and industry leaders had articulated a shared vision: local manufacturing is central to Botswana's future, and meaningful progress requires collective action.

Mr. Sephuma distilled three key themes from the proceedings:

1. Collaboration is essential – Quoting Helen Keller, he emphasised that growth cannot be achieved in isolation. Progress demands coordinated efforts from government, financiers, industry, and citizen-owned enterprises to deliver tangible outcomes.
2. Empowering citizens is central – Industries thrive when local talent leads, owns, and participates meaningfully. Drawing on the example of Nelson Mandela, he emphasised that education and skills development are vital tools for transforming Botswana's manufacturing sector.
3. Innovation, competitiveness, and sustainability are non-negotiable – Global markets require a manufacturing sector that produces not only effectively, but also resiliently, with foresight and the ability to compete internationally.

He outlined Stanbic Bank's role in this journey, guided by its motto: "*Botswana is our home; we drive growth.*" He emphasised that finance alone does not create industries; its impact requires strategic alignment, capacity building, and a focus on measurable outcomes. As an example, he highlighted the bank's collaboration with the Botswana Chamber of Mines, ensuring investments reach citizen-owned businesses and help them scale sustainably.

Encouraging participants to carry forward the morning's energy, he echoed the Minister's call for the summit to be a springboard for action, not just discussion. He extended special thanks to the Botswana Chamber of Mines for facilitating the conference.

In conclusion, Mr. Sephuma reminded attendees that industrial transformation is a long-term journey that requires patience, continuous learning, and adaptability. He expressed confidence that, through purpose-driven collaboration, Botswana's manufacturing sector can become a pillar of economic growth and national pride. He looked forward to the subsequent sessions, which would focus on practical financing solutions and partnerships to turn the day's dialogue into tangible industrial outcomes.

# SUMMIT SESSIONS

## Session 1

### Industrial Manufacturing

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## Presentation 1

### Local Manufacturing in Focus: Unlocking Industrial and Agro- Processing Opportunities for Jobs, Food Security, Economic Diversification, and Inclusive Growth – **Mr. Joel Duke Ramaphoi**, (Permanent Secretary, Ministry of Trade and Entrepreneurship)

Mr. Ramaphoi explained that a draft strategy document had been completed and that consultations with the private sector would take place before the end of the month to ensure collective input, ownership, and joint implementation. Against this backdrop, he offered a preview of the Ministry's new policy direction.

The speaker covered seven key points that shaped the revised strategy. Beginning with the Ministry's mandate, he explained that it resulted from a merger between the former Ministries of Entrepreneurship and Trade and Industry. He emphasised that success would require a joint effort between the government and the private sector.

Turning to lessons from abroad, the speaker reflected on countries that had successfully broken free from the middle-income trap, a challenge that has faced Botswana since 1992. Out of 24 countries that had achieved this, only two were in Africa. He identified two persistent barriers holding the nation back: a shortage of innovation and a risk-averse culture that favoured established players over emerging suppliers. Mining companies, he urged, should give new entrants a chance to grow and thrive.

The new strategy, he explained, called for a paradigm shift in how entrepreneurship, trade, and industrialisation are viewed as an interconnected system. Entrepreneurship would drive innovation and new ventures, trade would expand access to markets, and industrialisation would follow as a natural outcome. The ultimate goal was to move from a resource-dependent economy to one focused on manufacturing.



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Mr Ramaphoi emphasised that this approach was in line with the President's directive to move beyond exporting raw materials and instead focus on industrial upgrading through innovation. The guiding framework was the nation's aspiration to achieve high-income status by 2036, with the National Economic Transformation Programme (NETP) serving as the three-year blueprint.

At a strategic level, Special Economic Zones would serve as testing grounds for new industrial policies and initiatives such as the Supplier Development Program (SDP) and the Subcontracting Initiative Partnership (SIP). These programmes, modelled on successful experiences in China and the Asian Tigers, would be central to implementation.

For policy interventions, the speaker outlined a four-step plan that leverages SDP and SIP: mapping supply chain opportunities, partnering with anchor firms to drive change, organising SMMEs into clusters, and securing government investment in public goods and infrastructure. A critical cross-cutting priority would be expanding financial services and improving financial literacy for SMMEs.

In closing, the speaker reiterated the seven key elements: the Ministry's mandate, the urgency of the task, lessons from other nations, the guiding principle, the 2036 vision, the strategy itself, and the specific interventions. He underlined that the plan was ambitious yet ready for implementation, provided both the public and private sectors worked in partnership. Without decisive action, he warned, the public would rightfully demand accountability.

## **Key Ideas and Recommendations**

1. **Partner in Strategy Rollout** – Actively participate in the Ministry's consultation process and align your organisational strategies with the national draft plan. Position your company/association as a thought partner in shaping policies that will directly affect your industry.
2. **Champion Innovation and Emerging Suppliers** – Review procurement and partnership practices to open space for new entrants, startups, and innovators. Pilot supplier inclusion programmes in sectors like mining to diversify value chains and encourage competition.
3. **Leverage Special Economic Zones (SEZs) for Growth** – Engage with SEZs as testing grounds for innovative industrial initiatives. Use them to trial new partnerships, supply chain models, and investment opportunities in collaboration with government and other stakeholders.
4. **Strengthen SMME Clusters and Value Chains** – Collaborate with anchor firms to build supplier networks, form clusters of SMMEs, and co-invest in capacity-building initiatives. Private players can contribute mentorship, market access, and technical expertise to accelerate the readiness of SMMEs.
5. **Invest in Financial Capability of Partners** – Support financial literacy training, create supplier-friendly financing schemes, or partner with financial institutions to improve access to credit. This will strengthen the resilience and competitiveness of SMMEs in your value chain.

## Presentation 2

### Off-take Agreements for Local and Export Markets: Imperatives for Growth and Sustenance of Local Manufacturers – Mr. Joseph Ramotshabi, Senior Projects Manager, Botswana Chamber of Mines



Mr. Ramotshabi provided an overview of the Chamber of Mines, explaining that it was an association representing the interests of the mining sector. He reported that while its primary focus had long been on extraction, in 2013, the Chamber decided to expand its mandate to include a socio-economic development programme. This initiative, known as the Business Development Forum, aimed to complement government efforts by attracting foreign direct investment (FDI), encouraging citizen participation in business, creating jobs, and ensuring food security.

He detailed the Chamber's journey, explaining that they began in 2013 by developing a strategy, which led to the signing of a procurement charter in 2014, where members committed to supporting local enterprises. After realising that supported SMMEs were underperforming compared to foreign suppliers, the Chamber launched a Supply Development Program in 2017 in partnership with the UNDP, through which it trained over 100 enterprises. By 2020, they had transitioned into local manufacturing, and by 2025, they were focusing on export-driven manufacturing to overcome the limitations of the local market.

Mr Ramotshabi confirmed that this focus was perfectly aligned with the government's new Botswana Economic Transformation Program (BETP), which signalled a new era of economic reform aimed at diversification and reducing the country's dependence on diamonds. He emphasised that this shift required a collective effort from all organisations.

He then moved to the core of his presentation, arguing that market access and finance were the twin pillars essential for any business to grow. He stated that he would focus solely on market access, specifically through the use

of offtake agreements. He defined an offtake agreement as a commitment between a buyer and a manufacturer to purchase or sell goods in advance of production, which is vital for securing project financing by providing certainty and reducing risk. He stressed that such an agreement was utterly different from a non-binding letter of intent, which he described as being "as good as nothing".

To illustrate its power, he shared a personal anecdote, comparing his selection for the Botswana Olympic team to an offtake agreement; he was selected based on his promise (the agreement) to never be last in a race, a promise he kept. He explained that a proper offtake agreement clearly defines price, specifications, delivery times, and roles, and when presented to a bank, it provides the credibility needed to secure a loan. He argued that the absence of these binding agreements directly led to the common complaint about a lack of finance.

He outlined the requirements for a successful offtake agreement, which included thorough due diligence on both parties, a complete understanding of the product, involvement from both parties' financial institutions, absolute transparency, a confirmation of international trade protocols if applicable, skilled employees, and a full commitment from all parties involved.

In conclusion, Mr Ramotshabi made a direct appeal on behalf of the mining sector. He urged private sector organisations, state-owned entities, and government ministries to join forces and create a decisive shift towards providing formal offtake agreements to local manufacturers. He argued that this was the essential tool needed to give the market certainty required for local businesses to scale, access finance, and ultimately drive Botswana's economic transformation.

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## Key Ideas and Recommendations

1. **Commit to Binding Off-Take Agreements** – Move beyond letters of intent and handshake promises by signing legally binding off-take agreements with local manufacturers. These agreements provide certainty of demand, unlock financing opportunities, and build long-term trust in supply chains.
2. **Define and Share Clear Specifications** – Provide manufacturers with detailed product specifications, quality standards, quantities, and delivery timelines upfront. This transparency reduces tender failures, enhances supplier readiness, and ensures consistency in production.
3. **Strengthen Supplier Development and Clustering** – Partner with industry associations and development agencies to train, mentor, and cluster SMMEs into viable supply chains. Anchor firms should take a lead role in integrating these suppliers into procurement pipelines.
4. **Support Export-Led Manufacturing Growth** – Collaborate with government and trade bodies to expand market access beyond Botswana's borders. Private players can co-invest in branding, certification, and distribution networks that position local manufacturers competitively in regional and global markets.
5. **Integrate Financial Institutions into Value Chains** – Work with banks and financiers to design supplier-friendly funding mechanisms that leverage off-take agreements as collateral. This will ease liquidity constraints for manufacturers and accelerate industrial upgrading.

## Discussion

Following the two presentations, the floor was opened for a question-and-answer session. The first intervention came from a participant whose company supports the University of Botswana Innovation Hub. The hub, he explained, was created to nurture innovation from students, lecturers, and the broader community before external pressures set in. He urged industry leaders and financiers to partner with the Hub to help promising ideas—such as a project that converts human hair into fertilizer—move from innovation to commercialisation.

Responding, Mr Ramaphoi thanked the quizzer for their contribution and acknowledged Botswana's strong performance in innovation, ranking among the top three countries in Africa. However, he pointed out that fragmentation, with too many uncoordinated innovation hubs across different government departments, undermined much of this progress. The way forward, he stressed, was to synchronise these efforts and substantially increase national spending on research and development to between 3% and 5% of GDP, in line with global benchmarks, to support industrial upgrading.

Another quizzer enquired about the Ministry's plans to overcome bureaucratic hurdles in obtaining export licences for agricultural products, such as moringa, which are in high demand abroad. Another participant sought clarity on the distinction between Memoranda of Understanding (MOUs) and legally binding offtake agreements, noting their importance for entrepreneurs.

In a comprehensive response, the Permanent Secretary addressed both issues. Regarding red tape and fragmentation, he outlined a new, synchronised strategy anchored in a paradigm shift. The Ministry would be restructured around three pillars, entrepreneurship, trade, and industry, and would cluster its 12 state-owned enterprises (SOEs) to align with these functions.

- The entrepreneurship cluster would support businesses from idea development to IP-protected prototypes, ensuring quality standards and access to funding.
- The trade cluster, involving entities like the Competition and Consumer Authority, would address market access challenges, balance the dominance of established players with opportunities for new entrants, and remove bottlenecks, as illustrated by the recent cement statutory instrument.
- The industry cluster would work with investment promotion agencies to attract high-impact projects.

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He emphasised that this strategy would be private sector–led and presented to industry bodies for validation and buy-in before the end of the month.

Turning to the second question, he explained that agreements follow a precise sequence: a confidentiality agreement comes first, followed by an MOU, which remains non-binding. An offtake agreement represents a more profound commitment and should ultimately evolve into a legally binding offtake contract, enforceable in courts worldwide. Unlike MOUs, he stressed, contracts define specifications and quality standards, which are critical for credibility and financing.

In conclusion, he linked these themes to Botswana’s broader need for entrepreneurial spirit. He observed that the country’s declining Human Development Index reflected a limited appetite for risk-taking, a challenge being addressed by aligning education, entrepreneurship, and innovation policies in collaboration with the Minister of Education.

A photograph of Mr. Harold Matenge, a man with a shaved head wearing a blue suit and tie, speaking at a white podium with a microphone. The background is a blue wall with a large, faint image of a person's face.

## Presentation 3

### **Export Financing and Risk Management: A Toolkit for Growth** – **Mr. Harold Matenge** (Head of Ecosystem Banking, ABSA Bank Botswana)

Mr Matenge established Absa’s strong presence in Botswana’s financial sector, highlighting the bank’s 118 ATMs across the country, the most significant footprint in the market.

The speaker highlighted the opportunities of exporting: access to new markets, diversification of revenue streams, and enhanced competitiveness. However, he immediately cautioned that international trade carried serious risks, with the dual loss of control over both goods and money being the exporter’s most significant vulnerability. He described trade finance as one of the riskiest areas in banking, citing fraud, impersonation, and disruptions such as the South African riots, where goods in transit were looted or destroyed.

Despite these challenges, he assured participants that businesses could trade securely with the proper documentation, due diligence, and reliable financial partners. He emphasised that banks like Absa play a crucial advisory role, utilising their extensive correspondent networks to secure transactions even in jurisdictions where they do not have a physical presence.

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The presentation then walked the audience through the progression of financial instruments available to mitigate trade risks:

- Cross-border payments: The most straightforward method, operating on trust with no intermediaries.
- Documentary collections: Where the bank legitimises transactions by handling documentation between the buyer and seller.
- Documentary Letters of Credit (DLCs): A cornerstone tool for high-value or high-risk transactions. He broke these down further:
  1. Sight Letters of Credit: Immediate payment upon compliant documentation.
  2. Usance Letters of Credit: Deferred payment after conditions are met, e.g., livestock exports requiring a survival period.
  3. Confirmed Letters of Credit: Where the bank itself assumes payment risk, offering maximum security at a cost.
- Guarantees: Including tender guarantees, performance bonds, and retention money guarantees, which give off-takers confidence in an exporter's capacity and commitment.
- Escrow accounts: Particularly useful for parties unfamiliar with each other, where funds are released only once all agreed sale conditions are verified.

He then outlined the four categories of international trade risk: commercial risk (buyer default), country and political risk (instability or coups), foreign exchange risk (currency fluctuations), and logistics/performance risk (damage, delays, or theft). He reiterated that using a bank's instruments and advisory services was the most effective way to manage these risks.

During the Q&A session, a participant asked about security requirements and interest rates for these facilities. While the speaker declined to share specific pricing in a competitive setting, he affirmed that Absa's rates were highly competitive. On security, he explained that requirements were flexible, ranging from guarantees and property to performance bonds or the strength of an off-take agreement itself, depending on the commodity, market, and counterparty.

The session closed with a round of applause, leaving participants with a practical roadmap for navigating the complex but rewarding world of international trade finance.

## Key Ideas and Recommendations

1. De-risk Trade Through Structured Financial Instruments – Adopt secure trade finance tools such as documentary letters of credit, escrow accounts, and guarantees to protect both goods and payments. This reduces exposure to fraud, non-payment, and political or logistical disruptions.
2. Leverage Banking Networks for Market Expansion – Partner with banks that have strong correspondent relationships to extend reach into new markets. This provides a safer entry point into jurisdictions where exporters may lack direct presence or market intelligence.
3. Integrate Risk Management into Export Planning – Incorporate a structured risk framework that considers commercial, political, foreign exchange, and logistics risks. Align export contracts and financing tools with these categories to minimise vulnerabilities.
4. Use Off-Take Agreements as Collateral for Finance – Strengthen supplier financing by working with banks to recognise off-take agreements and performance bonds as valid forms of security. This will unlock capital for exporters without over-reliance on physical collateral.
5. Invest in Trade Finance Capacity Building – Collaborate with financial institutions to train SMEs and emerging exporters on trade finance instruments, documentation, and compliance. Building this knowledge base improves access to global markets and reduces transaction failures.



# Panel Discussion 1

## Local Manufacturing for Export Markets (Components and Finished Products) – Insights and Experiences

Moderator: Mr. Keamogetse Molebatsi (Managing Director, Oxygas)

### Panellists

Mr. Mustapha Adam (Managing Director, Premier Clothing)

Mr. Mike Almond (Delta Automotive Technologies)

Mr. Andrew Madeswi (Chief Executive Officer, Botswana Vaccine Institute)

The panel discussion on manufacturing for export engaged three leading Botswana-based executives who shared their experiences of breaking into international markets and the lessons they learnt along the way. The moderator noted that the objective was to draw insights from their journeys to inspire other local manufacturers.

Mr. Almond opened the discussion by outlining Delta Automotive's operations. Since relocating to Botswana in 2015, the company has imported 95% of its specialised raw materials from Europe and Asia, manufactured locally, and exported the finished goods to South Africa for onwards distribution to clients such as Volkswagen and Nissan. He acknowledged that while exporting was largely efficient, the importation of raw materials had historically faced delays at the Pioneer Border Post. However, he noted that recent upgrades had significantly eased the process.

Mr. Adam traced the growth of Premier Clothing, founded in 1982. He explained that the company initially secured the domestic market before expanding regionally, emphasising that international competitiveness requires a relentless focus on standards, research, and client engagement. To meet ISO certification for protective workwear, Premier Clothing invested heavily in product testing, specialised material sourcing, and the development of in-house intellectual property. He stressed that achieving international quality is a continuous journey, not a one-off milestone.

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Mr. Madeswi highlighted the pivotal role of BVI, a government-owned veterinary pharmaceutical producer with over 45 years of experience in the industry. He revealed that exports account for more than 90% of its revenue. He argued that Botswana needs a transformative moment, similar to the foot-and-mouth disease crisis that led to the establishment of the BVI, to catalyse a shift from diamond dependency to export-led growth. He underscored that BVI's competitiveness hinges on sustained investment in regulatory compliance, with the institute dedicating nearly three-quarters of a recent financial year to achieving certifications such as ISO 9001 and Good Manufacturing Practice (GMP).

When asked about building trust with international clients, Mr. Almond credited continuous training and adherence to global quality benchmarks. He shared that VW and other clients regularly audit Delta Automotive's Botswana facility, which consistently passes, thanks to a well-trained and motivated local workforce.

As advice to aspiring exporters, Mr. Adam urged manufacturers to prioritise process efficiency as a source of competitive advantage. With high input costs from imported raw materials and limited access to affordable capital, he warned that businesses must find ways to reduce unit costs without sacrificing quality.

Mr. Madeswi called for stronger institutional and government support. He argued that reliable supply chains are non-negotiable for industries handling perishable products. He urged Botswana to replicate mining-sector empowerment programmes to build local technical capacity and reduce reliance on foreign suppliers.

The discussion concluded with the panellists affirming that export success requires a long-term commitment to quality, training, and operational excellence. They agreed that benchmarking, collaboration, and knowledge-sharing are vital and invited fellow local businesses to learn from their experiences.

## Key Ideas and Recommendations

1. Invest in International Quality Standards and Compliance - Private sector actors must prioritise continuous investment in quality assurance, certification (e.g., ISO, GMP), and regulatory compliance to build credibility with global buyers. Implementation partners can support this effort by providing technical assistance, subsidising certification costs, and facilitating knowledge transfer on international requirements.
2. Strengthen Process Efficiency and Cost Competitiveness - Given high input costs and limited access to affordable capital, manufacturers should focus on lean production systems, efficient resource use, and technology adoption to lower unit costs without compromising quality. Partners can provide targeted financing solutions, productivity training, and technology transfer programmes.
3. Build Reliable and Resilient Supply Chains - Export-oriented industries depend on predictable access to raw materials and timely distribution. Businesses should diversify suppliers, invest in local sourcing where feasible, and adopt risk-mitigation strategies. Implementation partners can strengthen logistics networks, streamline customs processes, and support regional trade facilitation initiatives.
4. Develop and Retain Skilled Local Talent - Continuous training and workforce development are essential to meeting global standards and passing international audits. Companies should institutionalise skills development programmes and create attractive working conditions to retain talent. Partners can co-invest in vocational training, apprenticeships, and industry-academia linkages.
5. Encourage Collaboration and Sectoral Benchmarking - Export growth is accelerated when firms share best practices, pool resources, and benchmark against global peers. Businesses should engage in industry clusters, conduct joint research, and collectively lobby for policies that enable them. Partners can facilitate platforms for knowledge exchange, cross-company learning, and regional business networks.



## Panel Discussion 2

### Local Value Addition on Imported Machinery and Equipment: The Case of OEMS

Moderator: Mr. Rearabilwe Ramaphane, The Projects, Managing Director

#### Panellists

Mr. Mulenga Febian Kayula (Country Manager and Director, Barloworld Equipment Botswana)

Mr Peter Mbada (Managing Director – Africa, Multotec International)

During a panel discussion on creating employment through localising the repair and maintenance of mining equipment, two industry leaders presented a compelling case for Botswana to capture this value chain and outlined a clear path forward.

The moderator opened the session by emphasising that localising the validation and servicing of imported machinery was crucial to reducing unemployment. He argued that for over six decades, vast sums spent on equipment repairs and rebuilds had flowed out of the country, and that retaining this capital would generate jobs, add value, and strengthen the economy.

One panellist, Mr. Kayula, highlighted Barloworld Equipment's deep-rooted presence in Botswana, having operated locally for more than 60 years. He announced the company's recent investment in a state-of-the-art facility in the country as proof of its long-term commitment. Beyond profitability, he emphasised their broader mission of building economic resilience, noting that over 85% of their workforce is Botswana, including almost all senior management. He added that Barloworld's sustained presence had nurtured local suppliers, creating a multiplier effect across the economy.

Another panellist, Mr. Mbada, presented the business case for local value addition from a manufacturing perspective. Using cyclones as an example, he explained that shipping fully assembled equipment was costly and inefficient. Instead, shipping components for local assembly would immediately create jobs while reducing costs. He emphasised that these roles did not require advanced degrees, noting that Botswana's strong basic education system provided a solid foundation for the specialised training his company offers.

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On the topic of skills development, both panellists agreed that while Botswana's basic education was sound, there was a shortage of specialised, industry-ready skills. Mr. Mbada highlighted the urgent need for certified welders and riggers, which local training institutions are not currently producing. Mr. Kayula urged the private sector to take a more deliberate approach to supplier development. Rather than abandoning local suppliers after a single misstep, he argued, businesses should ask: *"Why did they fail, and how can we build their capacity?"*

When pressed on government support, Mr. Kayula stated that the policy frameworks were essentially in place but needed to be implemented with greater urgency. He called for honesty and clarity in project planning, particularly regarding which tasks could be realistically performed locally and how long external expertise would be required to ensure effective knowledge transfer.

Both executives emphasised Botswana's potential to become a regional hub for mining equipment repairs and maintenance. Mr. Mbada noted that, with his company's existing footprint across Southern Africa, work could be easily redirected to a capable facility in Botswana. Mr. Kayula added that their new centre was already attracting repair contracts from Zambia and Zimbabwe, with the Democratic Republic of Congo representing a significant future opportunity.

In closing, the panellists stressed their openness to partnerships and consultancy arrangements that create genuine value. The moderator concluded by affirming that the business case for localisation was clear: with strategic collaboration and decisive action, Botswana has the opportunity to position itself as a central repair hub for the region, transforming intent into tangible economic growth and employment opportunities.

## Key Ideas and Recommendations

1. **Localise High-Value Repairs and Assembly Work** - Policymakers should create incentives for companies to carry out equipment repairs, rebuilds, and assembly locally instead of abroad. The private sector should reconfigure its supply chains, for example, by importing components rather than fully assembled machinery, to reduce costs while creating skilled local jobs.
2. **Invest in specialised skills development** - There is an urgent need to expand training in technical trades such as certified welding and rigging, which are critical for the mining equipment sector. Policymakers should partner with industry to align curricula with market needs, while companies must invest in on-the-job training and apprenticeships.
3. **Strengthen Local Supplier Capacity** - Instead of sidelining local suppliers after errors, businesses should adopt a "capacity-building" approach, diagnosing weaknesses and helping suppliers improve their capabilities. Policymakers can reinforce this by establishing supplier development funds, offering incentives for local procurement, and implementing mentorship frameworks.
4. **Ensure Policy Implementation and Knowledge Transfer** - Policy frameworks exist but must be actioned with clear timelines and accountability. The government should mandate knowledge transfer requirements in contracts involving foreign expertise, while the private sector must commit to embedding local talent in senior and technical roles.
5. **Position Botswana as a Regional Repairs Hub** - Policymakers should promote Botswana as a regional hub for mining equipment maintenance and incentivise regional contracts. The private sector should capitalise on Botswana's geographic advantage and proven capacity to attract business from neighbouring markets, such as Zambia, Zimbabwe, and the DRC.



## Presentation 4

### Situational Analysis: Botswana MSMEs' Quality Management and Intellectual Property Capacity – Mr. Letlhogonolo Moremi (Founder, ParkGrey IP Consultants)

Mr. Moremi shared findings from a comprehensive study his firm conducted for the United Nations Development Programme (UNDP). The study examined the intellectual property (IP) and quality management (QM) landscape for Micro, Small, and Medium Enterprises (MSMEs) in Botswana's manufacturing sector to produce an actionable 12–24 month implementation roadmap.

Mr. Moremi explained that the research combined stakeholder workshops, interviews, and desktop analysis, benchmarked against best practices from Mauritius and India (IP) and Japan and Rwanda (QM). The central finding was that, although Botswana has a robust legal and policy framework for both IP and QM, a substantial implementation gap prevents MSMEs from effectively leveraging these tools to drive growth and enhance global competitiveness.

He identified a pervasive “survival mentality” among MSMEs, where 80% fail within five years due to resource constraints, high operational costs, and limited access to finance. This short-term focus discourages long-term investments in IP registration and QM certification, which are often perceived as secondary to immediate cash flow needs. Compounding this is an over-reliance on government procurement, which can create a “procurement trap” that stifles innovation.

On intellectual property, the study revealed low awareness and uptake:

- Only 14% of surveyed firms employed dedicated IP staff.
- 21% had formal IP policies.
- Just 29% had registered any IP.

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The key barriers were not government fees, which were described as relatively low, but rather the high cost of professional expertise and limited knowledge of IP commercialisation. The report recommended immediate interventions, including sector-specific commercialisation training, the development of model IP policy templates for MSMEs, and the establishment of facilitation desks at institutions such as the Local Enterprise Authority (LEA). Longer-term proposals included expanding the Botswana Innovation Fund to cover IP-related costs, establishing a specialised IP tribunal for expedited dispute resolution, and enabling IP collateralisation, allowing businesses to use their IP as security for loans.

Regarding quality management, the study found that the prevailing culture views QM as a compliance exercise rather than a core business value. High costs and bureaucratic delays hampered certification. To address this, the report recommended adapting Japan's Kaizen model of continuous improvement, alongside:

- Collective certification marks for business clusters.
- A national pool of QM experts to provide technical support.
- Tiered certification programmes, allowing MSMEs to progress incrementally.
- Subsidy schemes to lower the cost of obtaining and maintaining certifications.

Throughout his presentation, Mr. Moremi stressed that the study's purpose was not to produce another report that "sits on a shelf", but to provide a costed, practical roadmap with rescue measures. Implemented effectively, he argued, the plan could yield tangible results within two years, transforming Botswana's MSMEs into innovative, competitive, and export-ready enterprises.

## Key Ideas and Recommendations

1. Bridge the IP Awareness and Commercialisation Gap - The Ministry of Trade and Industry, LEA, and Business Botswana, with support from UNDP and legal/IP experts, should roll out sector-specific national training programmes on IP commercialisation. This must be supported by the development of model IP policy templates for MSMEs and the establishment of IP facilitation desks within agencies such as LEA.
2. Expand Financial Support for IP and QM Investments - The Ministry of Finance, BDC, and commercial banks, working with private sector co-financing, should broaden the Botswana Innovation Fund to include IP-related costs. Additionally, they should introduce subsidy schemes to alleviate the financial burden of obtaining and maintaining quality management (QM) certifications for MSMEs.
3. Institutionalise Faster IP Protection and Dispute Resolution - The Judiciary, Ministry of Trade and Industry, and financial institutions should establish a specialised IP tribunal to resolve disputes more efficiently. In parallel, they should promote IP collateralisation frameworks, enabling MSMEs to use their registered IP as security for accessing loans and other forms of financing.
4. Shift Quality Management from Compliance to Competitiveness - The HRDC, BOBS, and private industry associations should champion the adoption of the Kaizen model of continuous improvement. Alongside this, they should introduce tiered QM certification programmes, allowing MSMEs to work incrementally toward full compliance while strengthening their competitiveness.
5. Develop Shared Resources and Collective Standards - BOBS, industry clusters, Business Botswana, and UNDP should collaborate to create collective certification marks for MSME clusters, enhancing credibility and market access. They should also establish a national pool of QM experts, offering affordable, accessible technical support to strengthen MSME capabilities.



## Presentation 5

### Key Supply Chain Management Issues for Local and Export Markets: Buyers' Perspective – Mr. France Mashinyana (Head of Supply Chain, Debswana Diamond Company)

Mr Mashinyana outlined Debswana's strategic initiatives to promote local manufacturing and citizen participation in Botswana's economy. Reflecting on the previous day's discussions, he welcomed the fact that Original Equipment Manufacturers (OEMs) are increasingly using Botswana as a regional launchpad for manufacturing and exports. He underscored that in mining, quality and certification are non-negotiable, given the risks and consequences of equipment failure.

Tracing the company's two-decade journey, he explained that efforts began in the early 2000s with the integration of local suppliers into the value chain. After a period of consolidation in the 2010s, the company relaunched its Citizen Inclusion Policy in the 2020s, enabling Botswana to compete in sectors once dominated by foreign firms, such as drilling services, tyre management, and mining support services.

Despite an annual procurement spend of P9–10 billion, which is second only to the government's, he revealed that only a third of the budget is allocated to goods, with the rest spent on services. Last year, citizen spend reached 50% and local spend 87%, yet job creation remained limited. He highlighted the contrast: local manufacturing generates jobs at P280,000 per job, compared to P1.2 million per job under a supply-only model. This, he argued, proves that scaling manufacturing is the only path to meaningful employment.

He credited the company's progress to supportive leadership, sector-wide collaboration, flexible OEM partnerships, and financial backing from partners such as UNDP and Tokafala. Persistent challenges remain, however, including the need for tighter quality control, competitive pricing, reliable after-sales service, and reduced lead times to build trust in local suppliers.

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Looking ahead, he stressed that local manufacturing is now a core strategic priority, not only for job creation but also for supply chain resilience and economic diversification. He called on the government to provide enabling frameworks by streamlining licensing, facilitating exports, and prioritising local manufacturers through off-take agreements and targeted incentives.

To demonstrate action, he outlined ongoing initiatives:

- Contracts with local manufacturers for pipes, PPE textiles, and dust suppression systems.
- A testing protocol for innovative products such as coolant, valves, and biodiesel was developed with the University of Botswana.
- Plans to locally source ferrosilicon, lubricants, explosives, safety equipment, and medical gases.
- Advocacy for a collaborative Rebuild and Repair Centre to retain value currently lost to neighbouring countries.

- Nearly 1,000 expressions of interest were received from local suppliers around mine communities and a major new underground project.

In closing, he emphasised that upcoming large-scale and underground mining projects would be critical levers for transformation. He pledged to review procurement policies, adjust partner selection criteria to favour local manufacturers and innovators, and continue aggregating demand across the industry to strengthen the domestic supply base. His final message was clear: the time for talk has passed—decisive action and collaboration are now essential to building a resilient, post-mining economy for Botswana.

## Key Ideas and Recommendations

1. Prioritise Local Manufacturing for Economic Diversification and Job Creation
  - ▶ **Policymakers:** Establish enabling frameworks by streamlining licensing, facilitating exports, and offering targeted incentives to strengthen local manufacturing.
  - ▶ **Private Sector:** Expand local manufacturing initiatives, particularly in high-value sectors such as mining support services, to boost employment and reduce import dependency.
2. Integrate Local Suppliers into Strategic Procurement
  - ▶ **Policymakers:** Promote preferential procurement policies and off-take agreements that favour local manufacturers.
  - ▶ **Private Sector:** Review procurement strategies and partner selection criteria to prioritise qualified local suppliers while maintaining international quality standards.
3. Enhance Quality, Service Reliability, and Competitive Pricing
  - ▶ **Policymakers:** Support certification, quality assurance, and industry standards that build confidence in local products.
  - ▶ **Private Sector:** Invest in product testing, reliable after-sales service, and competitive pricing to position local suppliers as credible alternatives to foreign firms.
4. Leverage Collaborative Partnerships and Innovation Ecosystems
  - ▶ **Policymakers:** Facilitate collaboration between industry, academia, and development partners to accelerate product innovation and knowledge transfer.
  - ▶ **Private Sector:** Co-develop testing protocols, new products, and shared facilities (e.g., Rebuild and Repair Centres) to retain value locally and strengthen supply chains.

Aggregate Demand and Use Large-Scale Projects as Transformation Levers

- ▶ **Policymakers:** Coordinate demand across major mining and infrastructure projects to create economies of scale for local suppliers.
- ▶ **Private Sector:** Identify projects that can serve as catalysts for local manufacturing, consolidating procurement needs to build a resilient domestic supply base.



## Presentation 6

### Special Economic Zones (SEZs) as catalysts to Local Manufacturing, Beneficiation, and the Green Energy Revolution – Ms. Tapiwa Masie (Acting Chief Executive Officer, Special Economic Zones Authority)

Ms Masie outlined the agency's pivotal role in driving national economic transformation. She began by explaining that SEZA, established by an Act of Parliament in 2015 and operational since 2018, is a relatively new but strategically powerful concept. Its mandate is to create designated geographic zones with tailored administrative, regulatory, and fiscal frameworks that are distinct from the rest of the country.

Ms Masie emphasised that the core purpose of these Special Economic Zones (SEZs) is to foster an exceptionally business-friendly environment, offering state-of-the-art infrastructure, streamlined services, and competitive incentives. Designed to bypass typical bureaucratic bottlenecks, SEZs aim to accelerate industrialisation, agro-processing, and beneficiation. Notably, she stressed, SEZs are not exclusively for foreign investors; they provide platforms for local Botswana businesses to scale, become export-ready, and compete globally.

She highlighted SEZA's alignment with Botswana's national priorities, including the aspiration to achieve high-income economy status by 2036 and the Botswana Economic Transformation Program. SEZA serves as the delivery mechanism for these ambitions, translating high-level vision into industrial output, job creation, and inclusive growth. According to Ms Masie, SEZs offer a practical solution to Botswana's structural challenges, such as over-reliance on raw mineral exports and high unemployment, while unlocking untapped potential in agro-processing and manufacturing.

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The speaker detailed the nine strategically located SEZs across the country, each leveraging local resources and comparative advantages:

- Airport City SEZ (Gaborone): Diamond beneficiation, aviation, automotive components.
- Francistown SEZ: Mineral beneficiation and logistics.
- Selibe-Phikwe SEZ: Metal beneficiation.
- Lobatse Meat and Leather City SEZ: Meat and by-product processing.
- Palapye SEZ: Energy and renewables.
- Tuli Block SEZ: Horticulture and fruit processing.
- Pandamatenga SEZ: Integrated agriculture and grain processing.
- Sua Pan Soda Ash and Salt SEZ (partnership with Botash): Chemical manufacturing.
- Fairgrounds SEZ (Gaborone): FinTech and business process outsourcing (BPO).

She outlined two primary pathways for local businesses to participate. First, anchor investors – companies that invest a minimum of P50 million, committing to job creation, technology transfer, and export potential – receive the full suite of incentives, including a 5% corporate tax rate. Second, SMMEs can participate as suppliers and support businesses by locating near anchor investors, providing essential raw materials, components, and services, thereby eliminating the high investment threshold.

Ms Masie concluded by emphasising that the zones are open and ready for business. She revealed that 18 mega-investors have already obtained licences, with five of them operating and actively seeking local suppliers. She framed SEZs as more than catalysts; they are tangible embodiments of national will. Her closing call to action urged all local manufacturers to seize this opportunity, participate in the value chain, and contribute to building a prosperous, diversified, and export-driven economy led by Botswana for Botswana.

## Key Ideas and Recommendations

1. Participation in SEZs
  - ▶ **Policymakers:** Promote policies that facilitate entry for local SMMEs, including simplified licensing, targeted incentives, and support for clustering near anchor investors.
  - ▶ **Private Sector:** Position local businesses to supply raw materials, components, and services to anchor investors, leveraging proximity within SEZs for market access and growth.
2. Leverage SEZs for Export-Ready Industrialisation
  - ▶ **Policymakers:** Support SEZs as platforms for scaling businesses to become export-ready through streamlined regulations, fiscal incentives, and trade facilitation.
  - ▶ **Private Sector:** Invest strategically in production, beneficiation, and value-added processes to reach international markets efficiently.
3. Encourage Anchor Investments with High Economic Impact
  - ▶ **Policymakers:** Provide attractive tax incentives, technology transfer requirements, and job creation mandates to anchor investors.
  - ▶ **Private Sector:** Pursue anchor investment opportunities to catalyse industrial ecosystems, introduce advanced technologies, and stimulate local supply chains.
4. Foster Collaboration and Innovation Ecosystems
  - ▶ **Policymakers:** Enable partnerships between SEZ businesses, academia, and development partners to encourage innovation, technology transfer, and skills development.
  - ▶ **Private Sector:** Collaborate with universities and research institutions to develop new products, improve processes, and enhance competitiveness.
5. Use SEZs as Strategic Engines for Economic Diversification
  - ▶ **Policymakers:** Align SEZ planning with national economic transformation priorities, focusing on sectors like agro-processing, manufacturing, energy, and FinTech.
  - ▶ **Private Sector:** Target investments that exploit local comparative advantages and contribute to diversifying Botswana's economy beyond mineral exports.

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## Discussion

Following the presentations, attendees from multiple sectors posed detailed questions to the presenters, highlighting a strong interest in collaboration and seeking clarity on national initiatives.

The session opened with an agribusiness representative expressing frustration that SEZA had not been more visible in the ongoing Botswana Economic Transformation Programme (BETP) labs. He noted that his organisation had sought a collaborative programme for three years and lamented that the connection had not been made. The SEZA representative acknowledged the feedback, concurred that increased visibility was necessary, and personally extended an invitation to the individual for a follow-up discussion following the session.

Another participant asked a two-part question. First, he enquired whether Debswana was still open to new suppliers for its ferrosilicon value chain initiative. Mr Mashinyana clarified that while the formal expression of interest process had concluded, their policy remained receptive to innovative, unsolicited proposals that met operational requirements. Second, he enquired about the apparent exclusion of tourism from SEZA's zone specialisations. The SEZA representative explained that tourism is integrated across all SEZs under a "live, work, play" model rather than through a dedicated zone, asserting that "the country as a whole is a tourism special economic zone."

An official from the National Planning Commission posed pointed questions to both entities. She first asked how Debswana was supporting BITRI, a parastatal organisation working on electric vehicles. The Debswana head of engineering confirmed that he had visited BITRI. He acknowledged progress on a prototype but noted that a significant gap remained in meeting stringent mining-quality standards, emphasising that "quite a lot of work" was still required before adoption. Her second question addressed SEZA's alignment with the Ministry of Communication's long-term low-emission development strategy. Ms Masie admitted the strategy had not yet been shared with them but committed to engaging the ministry to ensure alignment. She also requested an update on SEZ developments, to which SEZA reported that all nine zones had been master-planned and feasibility studies had been completed. However, they were at varying stages of attracting private developers, with some plots already allocated.

An online participant asked whether Debswana's research and development (R&D) initiatives were open to external collaboration or limited by closed agreements. Mr Mashinyana clarified that there were no closed agreements and actively encouraged partnerships, citing ongoing collaborations with the University of Botswana on biodiesel projects and other institutions on waste-to-value initiatives such as brick manufacturing.

Finally, a question was directed at SEZA regarding support for the upcoming Botswana agro-processing expo and linking local SME clusters to anchor tenants within the SEZs. Ms Masie confirmed that facilitating these linkages is a key part of their mandate. She highlighted that investors frequently cite raw material shortages and expressed eagerness to connect them with capable local suppliers. She also clarified that the Palape SEZ is dedicated to the energy value chain, including coal beneficiation and renewable energy. She noted that SEZA can facilitate "single-factory" SEZs on larger plots for large-scale projects, such as solar farms.

The session concluded with a clear sense that public and private stakeholders are actively seeking deeper partnerships to advance economic diversification, with recurring emphasis on practical support, standards compliance, and open channels for innovation.



## **SESSION 2:**

# **AGRO PROCESSING: FARMING AND VALUE ADDITION OF HIGH-VALUE CROPS FOR LOCAL AND EXPORT MARKETS**



## Presentation 1

### Unpacking Botswana's National AgroProcessing Strategy – Prof. Julius Athlopheng (Chief Executive Officer, NARDI)

In a thought-provoking presentation, Prof. Athlopheng called for a holistic and introspective approach to unlocking Botswana's agro-processing potential. He framed agro-processing not merely as a mechanised, modern industry but as a practice deeply rooted in Indigenous Technological Knowledge Systems, citing the simple act of sun-drying and seasoning meat to extend shelf life as an example of traditional methods that can empower SMEs and social innovators alongside high-tech solutions.

Providing a global perspective, he highlighted that urbanisation and a youth-dominated population are driving a growing demand for processed foods worldwide. He contrasted the highly automated, data-driven, and rigorously regulated agro-processing sectors in the U.S. and Europe with Africa's largely untapped potential. While countries such as Egypt, South Africa, and Kenya are emerging as continental leaders, he stressed that systemic barriers continue to inhibit broader growth.

He identified three critical constraints: a lack of suitable financing schemes, a shortage of skilled human resources, and inadequate infrastructure and logistics. He also highlighted the absence of reliable, sector-specific data, which hampers evidence-based investment by making it difficult to compare the value of processing, for example, apples versus beef. Outdated and slow-to-respond policy frameworks, designed for a different agricultural reality, were another source of concern.

A substantial portion of his critique is centred on business and institutional readiness. He questioned whether Botswana possesses a proper business mindset, if processes are efficient, and whether stakeholders are meaningfully engaged. Turning the lens on the audience, he challenged citizens' consumer choices, asking why they often favour imported products over locally made goods. He argued that without a cultural shift and a collective sense of self-belief, local agro-processing would struggle to thrive.

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For Botswana to transition to a high-income economy, he asserted, significant investment in testing laboratories and a strong commitment to food safety and nutrition-sensitive production are non-negotiable. He also warned about the risks associated with emerging technologies, such as GMOs, and stressed the importance of developing “green skills” to ensure a just and sustainable transition.

Finally, he outlined NARDI’s mission to bridge these gaps through needs-based research and enterprise development, detailing strategies to commercialise research outputs, map entire value chains, and create enterprises in areas such as oilseeds, horticulture, aquaculture, and the bio-economy. His concluding message was a call for deep partnership and collective introspection, urging the nation to honestly assess its readiness and commit to the excellence required to build a self-sustaining, prosperous agro-processing sector.

## Key Ideas and Recommendations

1. Invest in Skills Development and Green Technologies
  - **Policymakers:** Prioritise education and training programmes that build “green skills”, food safety expertise, and nutrition-sensitive production knowledge to prepare the workforce for a modern agro-processing sector.
  - **Private Sector:** Invest in employee upskilling and adopt innovative, sustainable production methods to enhance competitiveness and ensure compliance with emerging standards.
2. Strengthen Financing and Investment Mechanisms for SMEs
  - **Policymakers:** Design targeted financing schemes and incentives to reduce capital barriers for local agro-processors and social innovators.
  - **Private Sector:** Leverage available financing to scale operations, integrate value chains, and adopt appropriate technologies for higher productivity.
3. Develop Infrastructure and Data-Driven Decision-Making
  - **Policymakers:** Improve sector-specific infrastructure, logistics, and data collection systems to enable evidence-based investment and strategic planning.
  - **Private Sector:** Use reliable market and production data to optimise supply chains, select high-value crops or products, and reduce operational risks.
4. Promote Indigenous Knowledge and Local Product Adoption
  - **Policymakers:** Recognise and support Indigenous Technological Knowledge Systems as part of national agro-processing strategies, integrating traditional methods with modern innovation.
  - **Private Sector:** Incorporate traditional processing methods where appropriate to reduce costs, empower SMEs, and differentiate products in local and export markets.
5. Foster Business and Institutional Readiness for Value Chain Integration
  - **Policymakers:** Streamline policies and regulatory frameworks to encourage efficiency, collaboration, and the growth of domestic agro-processing enterprises.
  - **Private Sector:** Adopt a business mindset focused on efficiency, quality standards, and local sourcing, while actively engaging with partners, research institutions, and communities to build resilient value chains.



# Panel Discussion 1

## Downstream Value Addition in High Value Crops and Food Processing

Moderator: Ms. Lilian Costa Scheepers, Chief Executive Officer, Pandamatenga Commercial Farmers Association

### Panelists

Mr. Fannie Gwizi – Managing Director (Arona Natural Foods)

Dr. Martin Kebakile – Director, Technology Transfer and Commercialisation (NARDI)

Mr. Rihan Swanepoel – Chief Executive Officer (Techno Feeds)

In this panel discussion on unlocking Botswana’s agro-processing potential, a stark contrast emerged between the sector’s vast opportunities and the systemic challenges holding it back. The session moderator opened with a clear vision: reducing import dependency and positioning Botswana as a future food exporter. She immediately highlighted a “catastrophic” crisis, as grain farmers had not been paid since the April harvest, pushing many toward default and threatening the next planting season.

This crisis set the tone for the discussion. When asked about the state of value addition, panellists painted a picture of missed opportunities exacerbated by distrust and poor coordination. Mr Gwizi emphasised the need for a “fair level of understanding” between farmers, processors, and consumers. Mr Swanepoel highlighted inconsistencies and low production volumes, which prevent processors from committing to large-scale operations, such as canning factories. Notably, producers and processors remain disconnected, leading to both market gluts and shortages.

Dr. Kebakile detailed NARDI’s efforts to bridge these gaps, describing technical systems, laboratories, and pilot plants designed to validate ideas, prototype products, and equip farmers with the technical knowledge required for agro-processing.

The discussion then turned to the raw material supply crisis, and the panellists were candid. Mr Swanepoel described government parastatals as “problematic” and “unreliable business partners”, criticising the Botswana Agricultural Marketing Board (BAMB) for predatory markups and competition that undermines the private sector. He also highlighted bureaucratic hurdles at entities like the Botswana Meat Commission (BMC).

Mr Gwizi shared the business perspective, noting a massive supply gap; his company requires 700,000 tonnes of sunflower seeds but sources only a fraction locally. He challenged stakeholders, asking, "What is it that you have done to help a farmer?" and called for collective responsibility: paying farmers on time, buying local, and fostering competition to break BAMB's stranglehold.

Dr. Kebakile proposed a straightforward solution: fully liberalise the market. He argued that binding off-take agreements between farmers, processors, and retailers, he argued, would create a self-regulating system, ensuring all parties are paid according to contracts.

In terms of risk and investment, panellists agreed that unreliable raw material supply is the biggest threat. Mr Gwizi also noted the risk of cheaper imports undercutting local products. Yet the tone remained optimistic. Mr Swanepoel expressed pride in Botswana and excitement about global demand for beef, urging entrepreneurs to focus on their value chains and seize export opportunities, declaring, "The sky's the limit... we as Botswana have to do it."

The session concluded with a pointed challenge from a representative of the Human Resource Development Council (HRDC), who questioned the industry's willingness to absorb graduates. Mr Swanepoel responded bluntly: "It is not the industry's responsibility to absorb the graduates. The graduates' responsibility is to absorb the industry."

The moderator closed by acknowledging the scale of the challenges but affirmed that the work is worthwhile, provided all stakeholders, including farmers, processors, government, and consumers, commit to working together.



## Key Ideas and Recommendations

1. Strengthen Direct Linkages Between Producers and Processors
  - Establish formal agreements and communication channels to ensure consistent supply and quality of raw materials.
  - Use technology platforms or cooperative frameworks to match farmers with processors and minimise market gluts and shortages.
2. Promote Timely Payments and Market Accountability
  - Develop mechanisms to guarantee timely payment to farmers, reducing financial stress and ensuring the sustainability of supply.
  - Encourage private sector-led off-take agreements to replace or complement unreliable parastatal channels.
3. Invest in Local Sourcing and Supply Chain Expansion
  - Scale operations by sourcing more raw materials locally, prioritising crops and livestock with high domestic and export demand.
  - Collaborate with farmers and SMMEs to build supply chains that meet processing volume requirements.
4. Encourage Innovation and Capacity Building
  - Partner with research institutions like NARDI to prototype products, implement pilot projects, and train farmers and staff in agro-processing techniques.
  - Invest in technologies and process improvements that enhance product quality and reduce reliance on imports.
5. Focus on Export Readiness and Value Chain Development
  - Identify global market opportunities and develop products tailored for export, leveraging Botswana's comparative advantages such as beef and horticulture.
  - Map entire value chains and integrate local stakeholders to ensure competitive, efficient, and sustainable production.



## Presentation 2

### The Dynamics and Power of Cooperatives and Cluster Development for High Value Crops Production: Insights and Experience: The Case of Uganda – Mr. Bamwenda Benard (Chief Executive Officer, Nkokonjeru Area Cooperative Enterprise)

Mr Benard showcased how Uganda’s agricultural cooperatives are transforming smallholder farming through value addition, collective action, and access to export markets. With over 80% of Ugandans relying on agriculture, the sector contributes 5.4% to the country’s GDP, while cooperatives account for an additional 3%. This underscores their national significance.

The speaker clarified what defines a true cooperative: an autonomous, voluntary association that is member-owned, member-used, and member-controlled, where benefits are shared equitably among all members, not concentrated in the hands of founders. To stress the importance of unity, he offered a vivid metaphor: two goats tied to the same post must learn to graze together, or both will starve.

He then outlined Uganda’s multi-tier cooperative system, spanning from primary cooperatives (RAPOs and SACCOs) to secondary unions, the Uganda Cooperative Alliance at the national level, and ultimately the International Cooperative Alliance (ICA). At the heart of his presentation was the triangular model that integrates production, finance, and marketing:

- Producer Organisations (RAPOs) bulk and market harvests, enhancing bargaining power.
- Area Cooperative Enterprises (ACEs) provide value addition, extension services, training, and quality assurance.
- Savings and Credit Cooperatives (SACCOs) ensure access to financing for operations and inputs.

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This model has since evolved into a cashless ecosystem that de-risks farming and cuts out intermediaries. Within the ACE, insurers, input suppliers, buyers, and banks converge to create a seamless system. Farmers receive inputs on credit, repay after harvest, and receive profits directly via mobile money or bank transfers.

A cornerstone of the model is enterprise selection. Each year, members collectively choose priority crops, balancing export staples like Fairtrade organic coffee with diversified products such as pumpkin and maize. With pumpkin alone, the cooperative produces seven value-added goods, including wine, snacks, cakes, and fortified porridge for export markets.

Mr Benard was candid about the challenges. He cited weak leadership, lack of trust, poor infrastructure, volatile markets, and shortages of technical expertise. He also recalled how the government once dismantled cooperatives, fearing them as political rivals, and even shut down the cooperative bank. Although many primary cooperatives collapsed, unions have gradually been revived, with compensation programmes helping to restore grassroots structures.

Despite these setbacks, the speaker affirmed that cooperatives remain the most powerful tool to lift smallholder farmers out of poverty. By pooling resources, they overcome the twin barriers of low quality and insufficient quantity, access certified export markets, and shield farmers from predatory middlemen. He concluded with conviction: the cooperative model not only raises farmer incomes but also empowers communities to build schools, improve livelihoods, and invest in their own futures.

Following his presentation, Mr. Bernard engaged in a question-and-answer session, where participants sought better to understand the operational realities of the Ugandan cooperative model.

The first question was about financing models. An attendee asked whether development banks, private banks, or funds were the main avenues for agricultural finance. The speaker explained that the approach depends on scale: small-scale farmers are primarily supported through the triangular cooperative model, particularly via SACCOs, while larger farmers typically secure loans from commercial banks or access specialised products from the Uganda Development Bank.

The discussion then turned to the fate of Uganda's original cooperatives, which had been dismantled in the past. Pella acknowledged that many primary cooperatives "died naturally" during that period but noted that some unions have since been revived. He clarified that the government now channels compensation funds directly to secondary-level unions, which use them to strengthen and rebuild their affiliated primary cooperatives.

On the subject of exports, an online participant asked which products were most successful and what contributed to that success. Coffee, Pella said, remains Uganda's leading export, with broad cooperative involvement. He also highlighted his cooperative's achievements in diversifying into value-added pumpkin products. The decisive factor for export success, he stressed, is certification. To access markets in Europe, cooperatives must invest in rigorous organic and Fairtrade certifications, often supported by international partners who help maintain the required standards.

Another question raised the issue of inclusion and meeting quality standards, especially for smallholder farmers. Pella explained that the ACE plays a crucial role in this process, providing centralised facilities and expert staff who handle processing, quality control, and certification. This structure enables farmers to concentrate on cultivating their crops, while the cooperative ensures that the final product meets export standards.

Finally, a participant drew a comparison with Botswana, recalling a case where a farmer was forced to destroy his harvest because of cheaper imports. They asked how Uganda's cooperatives mitigate such risks and what role the government plays. Pella responded that the ACE assumes responsibility for marketing, distribution, and fulfilling off-taker agreements, thereby ensuring that farmers have reliable access to markets. As for the government's role, he emphasised that it is not to drive cooperative formation but to create a supportive policy environment. Actual ownership and sustainability, he argued, must come from the communities themselves.

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## Key Ideas and Recommendations

1. Institutionalise Multi-Tier Cooperative Structures – Support the establishment of strong, layered cooperative systems (primary, secondary, and national apex bodies) that integrate production, finance, and marketing functions. This model de-risks farming, creates economies of scale, and strengthens bargaining power, reducing dependence on intermediaries.
2. Expand Access to Affordable Agricultural Finance – Policymakers should incentivise development banks and commercial banks to design agricultural finance products. At the same time, private sector partners can scale SACCO-like microfinance tailored to smallholder needs. Tiered financing models ensure that both small and large farmers have access to credit for inputs, infrastructure, and expansion.
3. Invest in Value Addition and Certification Capacity – Build centralised facilities within cooperatives for processing, quality control, and certification, supported by private sector partnerships for export certifications (e.g., organic, Fairtrade). Certification and value addition are crucial for penetrating premium export markets and ensuring that farmers capture higher margins.
4. Strengthen Cooperative Leadership and Governance – Introduce leadership training, governance frameworks, and accountability mechanisms to prevent elite capture, mismanagement, and erosion of trust. Weak leadership and poor governance are recurring challenges; capacity-building safeguards sustainability and inclusiveness.
5. Create a Supportive Policy and Market Environment – Governments should avoid direct control but ensure enabling policies: infrastructure investment, market access frameworks, and protections against unfair import competition. The private sector can provide support through reliable off-taker agreements and market linkages. Community-led cooperatives thrive when supported by fair policies and predictable markets, rather than being driven top-down.

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## Session on High-Value Crop Clusters: Cactus – Mr. Stephen McNeil (NOPAL)

Mr McNeil positioned his company at the forefront of cactus-based energy innovation. He noted that in engagements with governments across Africa, three priorities consistently emerge: meeting energy needs, creating jobs, and driving economic growth, particularly through tackling high youth unemployment. Yet, too often, he argued, governments gravitate toward short-term fixes, such as coal-fired plants or fossil fuels, while increasingly framing solar energy as the only viable alternative. While solar has a role, he cautioned, it contributes little to land use or job creation, leaving countries vulnerable to persistent energy insecurity and rising costs.

Turning to Botswana, Mr McNeil outlined the urgent challenges confronting its mining and manufacturing sectors. Industries, he explained, are constrained by an unreliable grid that disrupts production, volatile fuel imports that undermine profitability, and intensifying global pressure to decarbonise supply chains. With Botswana's energy demand projected to double within the next decade, he warned that EU-imposed carbon taxes could directly threaten the competitiveness of the country's exports.

The speaker then presented NOPAL's solution: a scalable model built on a proprietary drought-resistant spiny cactus cultivated on degraded land unsuitable for conventional farming. The cactus uses just 20% of the water required for maize or sugarcane and is fermented in anaerobic biodigesters to produce biogas. This biogas can be converted into baseload electricity, liquefied natural gas (LNG), compressed natural gas (CNG), and high-demand products such as methanol. Unlike conventional fuels, this system guarantees industries predictable, competitive pricing, protects them from foreign exchange volatility, and delivers a verifiable green energy supply chain to support exports.

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He emphasised that the model's defining strength lies in its multi-dimensional benefits. Beyond energy, it produces organic fertilisers and generates carbon credits, unlocking a diverse range of revenue streams. Notably, it generates thousands of local jobs, spanning from farming and logistics to technical roles in energy production. The cactus also contributes to food security: its fruit can be processed into juices and jams, while its water-rich leaves provide fodder for animals. These by-products, he suggested, open up new entrepreneurial opportunities for communities. Mr McNeil concluded with a bold assertion: the NOPAL model advances 14 of the 17 UN Sustainable Development Goals. He invited Botswana's industries to collaborate on a pilot project that could secure a reliable, affordable, and sustainable energy future.



Building on this presentation, Ms Balusi Mbaakanyi, an experienced professional with a background at the Ministry of Investment and Trade and UNDP, reinforced the broader potential of the cactus crop. She highlighted its versatility for agro-processing and SME development, noting that the spineless variety is edible and can be transformed into diverse products, such as fodder, juices, gluten-free flour, and cosmetic oils, for the European market. Ms Mbaakanyi announced the upcoming Botswana Agro-Processing and Cluster Development Expo, scheduled for 18–19 September, positioning it as a platform to build SME clusters anchored by off-take agreements. NOPAL, she revealed, would serve as a key off-taker for cactus producers supplying its planned bio-energy plant, while also unlocking established European market channels for other Botswana-made cactus products.

## Key Ideas and Recommendations

1. Establish a Cactus-Based Bio-Energy Pilot Project - Launch a pilot cactus-to-energy project in Botswana to demonstrate the commercial and technical viability of NOPAL's model.
2. Develop Cactus Farming Clusters Linked to Energy and Agro-Processing - Establish organised farming clusters on degraded land for the large-scale cultivation of spiny and spineless cactus varieties.
3. Strengthen SME Participation through Off-Take Agreements - Structure long-term off-take agreements that guarantee market access for SMEs producing cactus for both energy and agro-processing value chains.
4. Build Agro-Processing Value Chains for Cactus By-Products - Invest in SME-led processing enterprises for juices, animal feed, gluten-free flour, and cosmetics from cactus varieties.
5. Position Botswana as a Regional Leader in Sustainable Bio-Energy and Agro-Innovation - Integrate cactus-based energy and agro-products into Botswana's export branding strategy, highlighting carbon-neutral and sustainable supply chains.



## Moringa as an Anchor Crop in Agriculture-Based Clusters – Mr. Elfaz Zadzagomo, Executive Director, Hunters Global Network

Mr Zadzagomo introduced Moringa as a revolutionary “anchor crop” capable of transforming Botswana’s agricultural economy and addressing its long-standing financing challenges. He began with pride, noting that his Moringa project was among only 12 initiatives selected from 3,700 submissions in the highly competitive agriculture category of the Botswana Economic Transformation Program (BETP).

The speaker emphasised his organisation’s global footprint and credibility: operations in 41 countries, a research hub in the United States, and active work establishing agriculture-based clusters (ABCs) in Zambia, Nigeria, and Ethiopia. Botswana, he argued, holds unique potential, particularly with its institutional framework for Special Economic Zones (SEZs), which provides a strong foundation for scaling the Moringa agenda.

At the core of his presentation was a sharp critique: Botswana’s agriculture remains locked in subsistence, rain-fed production that leaves farmers vulnerable and disconnected from markets. His proposed solution, inspired by the Royal Urban Agriculture Innovation Production Program (RUAP), is a rural development model that positions villages as the ecosystems sustaining cities, shifting from survival farming to community-driven agricultural empowerment.

Mr Zadzagomo highlighted the economics: one hectare can accommodate 35,000 bushes, harvested six to eight times a year, generating revenues of P400,000 to P800,000 per harvest. Moringa, he stressed, is a 43-year legacy crop ideally suited to Botswana’s arid climate, requiring minimal water and demanding immediate processing since fresh leaves spoil quickly, creating a built-in incentive for local value addition.

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To illustrate the transformative potential of an anchor crop, the speaker drew a striking comparison to China's bamboo strategy. Bamboo, he noted, became the foundation of a global industrial ecosystem, powering industries from textiles and medicine to scaffolding, an empire that now exports products to Botswana. Similarly, he argued, Botswana must commit to a high-value anchor crop if it is to break from decades of low-return agriculture.

He presented an extensive portfolio of Moringa applications, branding it a miracle crop with far-reaching benefits across sectors:

- **Health and Nutrition:** teas, anti-ageing ben oil, dietary supplements, fortified foods, energy drinks, and baby food to combat malnutrition.
- **Industrial uses:** organic fertiliser, bio-lubricants, biodegradable plastics, eco-packaging, biogas, and plant growth hormones.
- **Animal Feed:** protein-rich supplements for poultry, cattle, and aquaculture.
- **Cosmetics and Pharmaceuticals:** skincare creams, shampoos, serums, pain relievers, and antimicrobial extracts.

To demonstrate progress beyond theory, Mr Zadzagomo made several significant announcements. His organisation had already secured an off-take agreement for five million metric tonnes of moringa powder with buyers in Germany and South Africa. The first shipment had been delayed pending certification, but international accreditors from South Africa were scheduled to arrive on September 10th to work with Botswana's Plant Protection division. Most significantly, he revealed that Plant Protection had agreed to register every Moringa farmer in his programme as an official exporter.

He invited participants to a conference on September 13–14, where international buyers would meet local farmers, who would be formally registered as exporters. Farmers Pride, his company, would serve as the aggregator, with first exports expected by the end of September. With optimism, Zadzagomo projected that this initiative could raise agriculture's contribution to Botswana's GDP from 2% to 10% in record time.

## Key Ideas and Recommendations

1. Position Moringa as Botswana's Anchor Crop for Agro-Industrial Development – Adopt Moringa as a national anchor crop to drive large-scale agro-industrialisation and diversify Botswana's economy.
2. Build Value-Addition Infrastructure for Moringa Processing – Establish local processing plants to convert Moringa into high-value products (nutraceuticals, cosmetics, industrial materials and animal feed).
3. Secure Market Access through Off-Take Agreements and Export Certification – Scale farmer registration and certification processes to ensure a consistent supply for export markets.
4. Develop Community-Centric Agricultural Clusters (ABCs) – Organise farmers into agricultural clusters linked to processing hubs and export markets, based on the RUAP model.
5. Leverage Moringa for National GDP Growth and SDG Alignment – Integrate Moringa into Botswana's economic diversification and SDG strategies, aiming to raise agriculture's contribution to GDP from 2% to 10%.

## Discussion

The two presentations triggered a wave of practical and pointed questions from the audience.

Regarding seed sourcing and certification, a participant enquired about how farmers could secure the right inputs while meeting stringent export requirements. Mr Zadzagomo explained that, due to strict biosecurity protocols, such as bans on smoking and wearing jewellery near crops, his organisation, in partnership with Plant Protection, is the registered importer and distributor of certified seeds. He emphasised that training is non-negotiable; he invited upcoming sessions where the international buyers themselves would provide guidance on compliance standards.

On current production levels, an online participant queried how much local farmers were already generating. Mr Zadzagomo acknowledged that farmers were only at the beginning stages but projected yields of two tonnes per harvest, six times a year, from a one-hectare plot. He further noted that local processing had already begun, pointing to the powdered products on display as examples of Botswana's own harvests.

On lessons from past failures, one participant referenced Uganda's unsuccessful Moringa initiative. Mr Zadzagomo was candid in his response: government certification and international accreditation, he said, are the decisive factors for success. He revealed that his own export timeline had been delayed by two months pending certification, underscoring that "anyone attempting shortcuts is doomed to fail." He added, however, that Ugandan researchers had since recovered and were running a successful national school feeding programme in Namibia by adhering to proper protocols.

Throughout the exchange, both Zadzagomo and Ms Mbaakani stressed that moringa and cactus should be seen as complementary rather than competing crops. Together, they offer Botswana an opportunity to build a diversified, high-value agricultural export base.





## Panel Discussion 2: Driving Demand for Local Produce: The Offtaker's Perspective

Moderator: Mr. Wanatsha Moakufi, Head of CEEP, Diamond Company

### Panelists

Ms. Ruth Seipone, Acting Chief Executive Officer, BAMB

Resego Keipadile – FNBB

Mr Obakeng Mooki – Soil and Dust Binders

The panel discussion revealed a sobering consensus: many current initiatives are failing to gain meaningful traction on the ground. The moderator set the tone candidly, pointing to a profound lack of trust and a potentially flawed delivery model as the root causes of stagnation.

The panel brought together diverse perspectives from across the ecosystem.

Ms Ruth Seipone, Acting CEO of the Botswana Agricultural Marketing Board (BAMB), reaffirmed that Botswana still trust the institution but acknowledged structural challenges that undermine its effectiveness. She explained that BAMB's role was to guarantee a market for staple grains and act as the backbone of the agricultural sector. However, liquidity constraints and market distortions, such as millers and retailers purchasing directly from farmers, were disrupting the value chain and causing delays in payments. For the system to work, she argued, Botswana needs a closed-loop model with back-to-back off-take agreements and stronger regulatory support to reduce imports and protect local markets.

Mr Obakeng Mooki, CEO at Soil and Dust Binders, shared his entrepreneurial journey as a local innovator producing dust suppressants and road-building materials. He stressed that success begins with promoters who have a fail-proof plan and deep industry knowledge. He credited the Botswana Chamber of Mines and early trust from partners like Debswana for opening markets to his business. But he challenged the ecosystem to move faster, adapt financing tools, and embrace innovation instead of clinging to business-as-usual approaches.

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Mr Resego Keipadile, Business Development Lead for Strategic Partnerships at FNBB, provided the financier's lens. He explained that banks can only fund projects backed by predictable cash flows and clear off-take agreements. While FNBB champions innovation and ESG-linked initiatives, he clarified that research and development (R&D) is typically better funded by equity investors, not traditional banks, which require guaranteed returns. He emphasised partnerships, regulatory clarity, and a holistic development approach that links financing with job creation and socio-economic impact.

The audience pressed the panel with pointed questions. Why did BAMB not secure stronger off-take agreements with retailers? Why did farmers bypass BAMB? Ms Seipone responded that BAMB did pursue such agreements but that weak contract enforcement and market distortions undermined them. Another participant challenged FNBB to take a leading role in R&D funding. Mr Keipadile replied that while banks offer tailored products for various stages of growth, risk-heavy R&D remains the domain of equity finance, though FNBB remains committed to sustainability and innovation.

In their closing remarks, panellists revisited a common theme: trust as the cornerstone of progress. Mr Mooki called for off-takers to create space for innovation and for dedicated R&D funding pathways. Mr Keipadile urged regulatory alignment and stronger partnerships to diversify the economy beyond mining. Ms Seipone closed passionately, declaring her faith in Botswana's farmers and encouraging all stakeholders – farmers, financiers, and marketers – to trust one another. The system itself aims to unlock proper economic diversification.

The moderator concluded with a note of pragmatic optimism: solving this paradox requires alignment around shared goals, recognition of incremental wins, and persistence through ongoing dialogue until results take root on the ground.

## Key Ideas and Recommendations

1. Establish Enforceable Off-Take Agreements to Stabilise Value Chains – Introduce legally binding off-take agreements between farmers, processors, and retailers to reduce market distortions and ensure predictable payments. BAMB, millers, and retailers to formalise contracts. Regulators and trade bodies to enforce compliance and resolve disputes.
2. Strengthen Regulatory Measures to Protect Local Producers – Introduce stronger policies to curb imports of staple crops and support local production. Agribusinesses and farmer associations to advocate for fair market access. Ministry of Agriculture and competition authorities to align regulations with economic diversification goals.
3. Create Dedicated R&D and Innovation Financing Pathways – Establish a blended finance model where equity funds and innovation grants support high-risk R&D. At the same time, banks finance proven, cash-flow-generating ventures: commercial banks, private equity funds, and accelerators to co-design financing mechanisms. Development finance institutions (DFIs), innovation funds, and donor agencies are to provide catalytic capital.
4. Build Trust-Centred Partnerships Across the Ecosystem – Develop platforms for continuous dialogue and collaboration between farmers, financiers, marketers, and regulators to rebuild trust and transparency. Industry associations to convene regular forums and publish transparent performance data. Chambers of commerce, apex farmer bodies, and development partners to facilitate coordination.
5. Accelerate Adoption of Local Innovation Through Strategic Off-Takers – Support early adoption of homegrown solutions (e.g., soil and dust suppressants, agricultural technologies) by linking innovators with large industrial and mining off-takers. Mining companies and large corporates to commit to piloting and scaling local innovations. The Botswana Chamber of Mines and sectoral associations to broker partnerships and monitor uptake.



## Closing Remarks

### Hon. Baratiwa Mathoothe (Assistant Minister of Trade and Entrepreneurship)

Hon. Mathoothe delivered a forceful commitment to lead the transformation of Botswana's manufacturing sector. He began by thanking the Botswana Chamber of Mines and its partners for convening the event before pledging that his ministry would take decisive steps to accelerate government reforms.

He acknowledged that the current regulatory environment had too often frustrated rather than enabled business growth, and he vowed that under his leadership, this would change. The ministry, he declared, would move from restrictive to enabling regulation and from theoretical policy pronouncements to tangible, on-the-ground opportunities.

Outlining his vision for an "intimate partnership" with the private sector, the Minister announced a series of concrete actions:

- Regular, structured dialogue to swiftly identify and resolve challenges, moving beyond ad hoc consultations.
- Policy co-creation, inviting industry leaders to shape regulations and incentives in line with market realities directly.
- Capital mobilisation: working with financial institutions to unlock funding for entrepreneurs with viable projects.
- Market expansion, leveraging trade agreements and the Botswana Trade Commission to secure regional and continental market access for local goods.

- Quality enhancement, deploying the Botswana Bureau of Standards to ensure local products consistently meet international benchmarks.
- Shared accountability and tracking progress against measurable outcomes such as factories established, products exported, and jobs created.

He stressed that his ministry would not be content with declarations but would focus on relentless coordination and implementation. Powerful institutions—including CEDA, BDC, and the Botswana Trade Commission—would be aligned and mobilised around this singular goal.

Speaking directly to the Botswana Chamber of Commerce, he assured members that the government stood as their partner, committed to reforms that would unlock value chains in the mining sector and drive job creation. To manufacturers and investors, he promised a predictable, responsive, and proactive ministry.

The Minister closed with a firm pledge: the government is committed, prepared, and determined to deliver this economic transformation. He called on all stakeholders to work together to build, manufacture, and secure Botswana's future prosperity.

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# Summit Recommendations

The discussions and presentations at the summit generated a clear set of strategic priorities designed to unlock Botswana's manufacturing and agro-processing potential. These recommendations are framed to drive implementation, foster stronger public-private collaboration, and address systemic barriers that have slowed progress. They outline concrete actions, assign responsibilities, and set timelines to ensure accountability, with the Botswana Chamber of Mines positioned to facilitate monitoring and review.

## 1. Mandate Legally Binding Off-Take Agreements for Strategic Goods

- **Action:** Establish and enforce a framework requiring major mines, parastatals (e.g., BAMB, BMC), and retailers to sign legally binding off-take agreements with local manufacturers and aggregators for a predefined set of goods (e.g., ferrosilicon, PPE, processed foods, grains), moving beyond non-binding MOUs.
- **Who Implements:** Private Sector (Anchor companies: Debswana, other mines, major retailers). Policymakers (the Ministry of Trade & Ministry of Agriculture to provide enabling policy).
- **Timeline:** Framework published within 6 months; first agreements signed within 12 months.
- **Who Monitors:** Botswana Chamber of Mines (Track value and volume of goods contracted).

## 2. Establish a Blended Finance Facility for SME R&D and Certification

- **Action:** Create a blended finance facility combining public funds, development partner grants (e.g., UNDP), and private risk capital to support MSMEs with IP registration, quality certification (ISO, GMP), and prototype development.
- **Who Implements:** Policymakers (Ministry of Finance, BDC). Private Sector (Commercial banks, private equity). Development Partners (UNDP, others).
- **Timeline:** The fund was designed, and the first call for applications was within 9 months.
- **Who Monitors:** Botswana Chamber of Mines (Track disbursements and number of SMEs certified or registering IP).

## 3. Launch a National Supplier Development Cluster Program

- **Action:** Cluster SMEs around anchor projects (e.g., mines, SEZ tenants) in priority areas such as mining equipment repair, PPE manufacturing, and agro-processing. Anchor firms to provide technical mentorship, structured capacity building, and procurement pathways.
- **Who Implements:** Private Sector (Barloworld, Multotec, Debswana, major processors). Policymakers (Ministry of Trade, LEA).
- **Timeline:** Identify 3 clusters and appoint anchor leads within 6 months; the first cluster operational within 18 months.
- **Who Monitors:** Botswana Chamber of Mines (Map clusters and track procurement spend).

## 4. Operationalise the Value Chain Development Office

- **Action:** Fully resource and empower the Value Chain Development Office (Ministry of Minerals) to coordinate clusters, map supply chains, and resolve cross-ministerial bottlenecks.
- **Who Implements:** Policymakers (Ministry of Minerals & Energy, Ministry of Trade).
- **Timeline:** The office was staffed, budgeted, and published a work plan within 6 months.
- **Who Monitors:** Botswana Chamber of Mines (Track resolution of industry bottlenecks).

## 5. Implement a Specialised Skills Pact for Manufacturing

- **Action:** Establish a pact between industry and training institutions to address critical skill shortages (e.g., welders, riggers, quality auditors). Develop accredited, short-cycle programmes co-funded by industry and government.
- **Who Implements:** Private Sector (Industry associations, major employers). Policymakers (HRDC, BITC, VTCs, Brigades).
- **Timeline:** Skills gap analysis within 4 months; first training cohorts within 12 months.
- **Who Monitors:** Botswana Chamber of Mines (Track certifications and employment outcomes).

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6. Localise High-Value Mining Equipment Rebuilds and Assembly
    - **Action:** Introduce a policy requiring OEMs and mines to perform a percentage of equipment rebuilds, repairs, and assembly locally, using kits instead of fully assembled imports. Incentives are to be provided for compliance.
    - **Who Implements:** Policymakers (Ministry of Minerals & Energy). Private Sector (OEMs such as Barloworld, Multotec, and mining companies).
    - **Timeline:** Policy drafted within 9 months; enacted by Q1 2026.
    - **Who Monitors:** Botswana Chamber of Mines (Audit and report local rebuild activity).
  7. Integrate SEZs with Local Supplier Development
    - **Action:** Require SEZA anchor investors to publish annual local procurement plans and onboard SMEs, supported by LEA/Business Botswana, to meet standards and supply needs.
    - **Who Implements:** Policymakers (SEZA). Private Sector (SEZ investors).
    - **Timeline:** Procurement plans for all 18 licensed investors will be published within 6 months.
    - **Who Monitors:** Botswana Chamber of Mines (Track SEZ procurement spend on local SMEs).
  8. Liberalize and Digitize the Agricultural Market
    - **Action:** Break market monopsonies by enabling direct, contract-based trade between farmers and processors/retailers. Establish a digital platform for commodity trading, off-take agreements, and payment tracking.
    - **Who Implements:** Policymakers (Ministry of Agriculture). Private Sector (BAMB, BMC, farmer associations, banks).
    - **Timeline:** Policy drafted and platform prototype developed within 12 months.
    - **Who Monitors:** Botswana Chamber of Mines (Track transaction volumes and payment timelines).
  9. Launch Anchor Crop Initiatives for Export (Cactus & Moringa)
    - **Action:** Select 2–3 anchor crops (e.g., Moringa, Cactus) for targeted national support, including export certification, processing facilities, and international off-take agreements to secure markets for clustered farmers.
    - **Who Implements:** Policymakers (Ministry of Agriculture, BITC). Private Sector (Anchor off-takers: NOPAL, Hunters Global, Arona Foods).
    - **Timeline:** First certified exports within 18 months.
    - **Who Monitors:** Botswana Chamber of Mines (Track hectares cultivated, processing capacity, and export volumes).
  10. Institutionalise an Annual Manufacturing Implementation Review
    - **Action:** Establish a formal annual review, linked to this summit, to assess progress on recommendations, reforms, and outcomes (factories built, exports achieved, jobs created).
    - **Who Implements:** Botswana Chamber of Mines (Secretariat & host). All stakeholders (provide data).
    - **Timeline:** First review at the 2026 Local Manufacturing Summit.
    - **Who Monitors:** Botswana Chamber of Mines (Publish progress report).





Botswana Chamber of Mines

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1<sup>ST</sup> – 2<sup>ND</sup> SEPTEMBER 2025 AT GICC

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