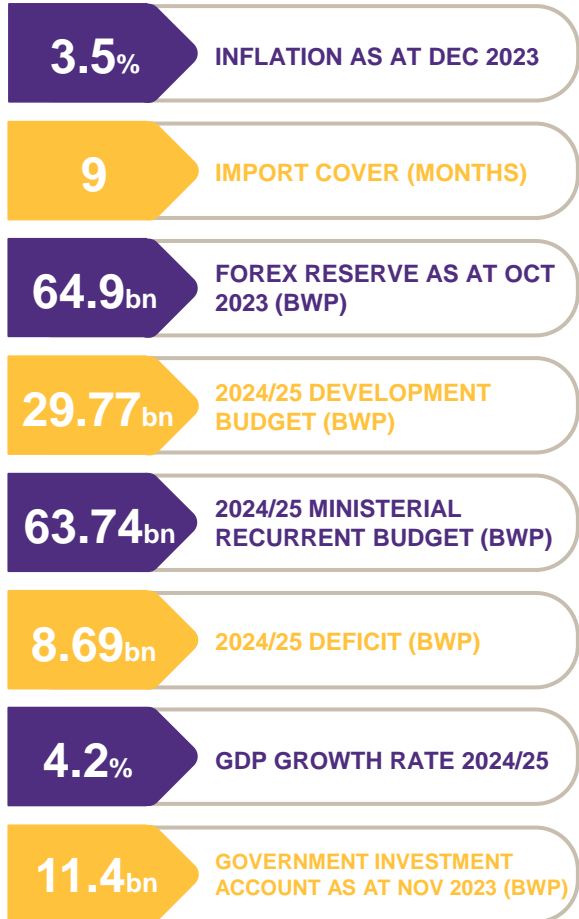


# BOTSWANA BUDGET 2024/25


Key achievements and highlights of Botswana Budget  
Presented by Hon. Minister Peggy O Serame

**BUDGET 2024**  
**VISION FOR**  
**FUTURE GROWTH**  
#ReKaChemaChema



## Achievements

 Transformational new diamond sales deal signed to increase Botswana's presence and leadership across the diamond value chain

 Completion of various infrastructure projects including water supply, sanitation projects, electricity and road network

 Ownership policy and code of corporate governance developed for SOEs

 Legislations amended to address emerging challenges faced by Botswana

 170 government services launched online

 Inflation down from 12.4% in December 2022 to 3.5% in December 2023

## Highlights

### BUDGET MESSAGE

Stimulate growth, create employment and focus on sectors with great potential to transform the lives of Batswana  
#MyBudget #YourBudget #OurBudget

Substantial increase in allocations towards sport development (317%), creative arts (58.8%), research and development (280.9%) and infrastructure development (33.5%)

P20.82bn allocated towards 'Game-Changing Programmes and Projects of High-Value Strategic Investments'

Land parcels to be released to private investors and farmers to enhance agricultural production, access roads to production centres prioritised

Phase 2 of procurement of 'National Retail Payments Switch' will commence in April 2024

'Intellectual Property (IP) Motshelo Scheme' and 'Intellectual Property Ideas Incubation Centre' to be established to empower Batswana to own and protect their Intellectual Property assets

'Chema Cheema Fund' proposed to support the informal sector

536.5% budget increase for gender mainstreaming

Informal sector strategy to be reviewed and implemented in 2024 / 2025

Intention to increase rate of transition from fossil fuels to renewable energy by 2030

Electronic invoicing (e-billing) to be introduced for efficient VAT collection

'Temo Letlotlo' and 'Thuo Letlotlo' (to be launched in 2024/25) programmes to support farmers

BURS to fully implement solution to digitally mark and track excisable goods ('Track and Trace') by July 2024

Integrated digital Labour Market Information System (LMIS) to be developed to align labour market needs with education sector output

General Education Curriculum to be reviewed to support outcome-based education in line with the strategic plan

Free readymade electricity boxes to be provided to households which are not wired

New tourism sites to be made available to support tourism land ownership by citizens

To enhance international supply chain efficiency BURS, in collaboration with other key stakeholders in international trade, has commenced the implementation of a National Single Window

Petroleum storage and wastewater management projects to be implemented using the PPP model

Government to continue with the Meetings, Incentives, Conferences and Exhibitions (MICE) strategy aimed at positioning Botswana as a world class hosting hub

“Amidst tough conditions, it is commendable to see a bold increase in the Development Budget by 41%. Timely and effective implementation will be the litmus test to the theme - **Transformation Now and Prosperity Tomorrow.**”

**Kalyanaraman Vijay**  
**Managing Partner**  
**Grant Thornton Botswana**



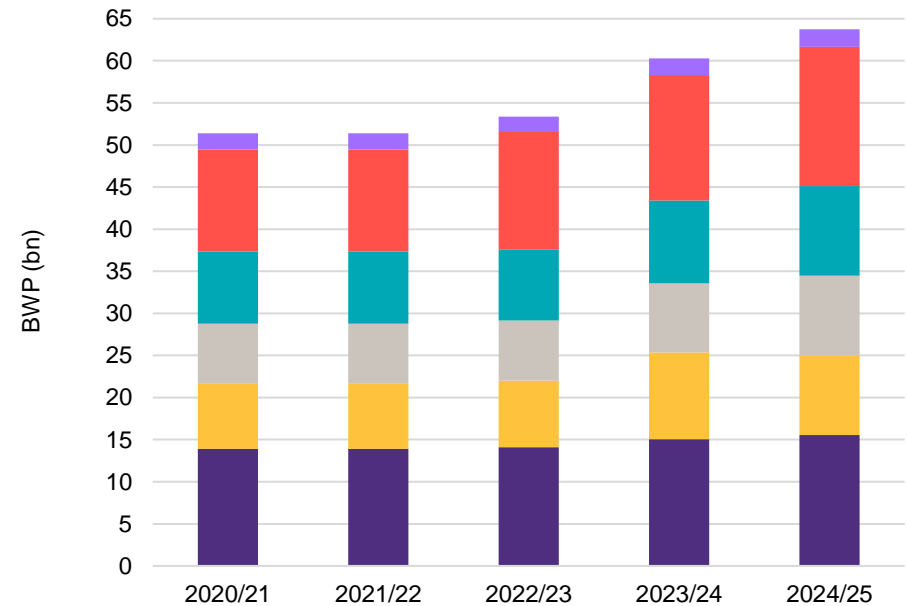
## Budget allocation 2024/25

Budget allocations – Focused on transformation of the economy and prosperity for Batswana

Government of Botswana's (GoB) recurrent budget of P 63.74 billion for 2024/25 is a 5.7% increase from 2023/24 budget.

### Recurrent budget

- The largest allocation of the recurring budget is to the Ministry of Education and Skills Development. In the drive to transition the country to a knowledge-based economy, the allocation of P 15.54 billion represents 24.38% of the recurrent budget. Amongst other things, the proposed budget will be utilized to ensure the delivery of quality curriculum development needed to enhance the knowledge and capability skills of learners.
- Ministry of Defense and Security is allocated the second largest share at 16.7% of the total budget at P 10.65 billion, an increase of 8.4% from 2023/24 budget. Besides covering the operational costs for security agencies, the budget will also cater for costs for the newly established Drug Enforcement Agency to combat the use of drugs.
- Ministry of Local Government and Rural Development is allocated P 9.48 billion, an increase of 15.3% as compared to prior year, to assist in upgrading sub-districts into fully-fledged districts. The major budgetary provision goes towards Revenue Support Grants to district and urban councils, which accounts for 55% of the Ministry's proposed recurrent budget.
- The fourth largest share is allocated to the Ministry of Health with a proposed budget of P9.46 billion. The budget will enable acquisition of vaccines medicines and other necessary medical supplies.



Recurrent budget	BWP (bn)	%
Education and Skills Development	15.54	24.38%
Health	9.46	14.84%
Defence and Security	10.65	14.87%
Local Government and Rural Development	9.48	16.71%
Transport and Public Works	2.09	3.28%
Other ministries and departments	16.52	25.92%
<b>Total</b>	<b>63.74</b>	<b>100%</b>

- Transport and Public works
- Other ministries and departments
- Defence and Security
- Local Government and Rural Development
- Health
- Education and Skills Development

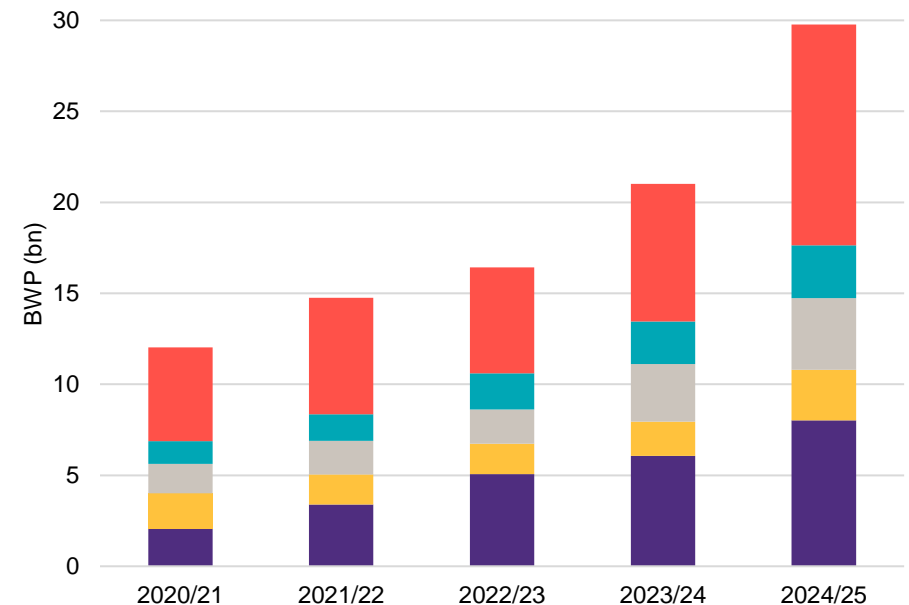
## Budget allocation 2024/25

Budget allocations – Focused on transformation of the economy and prosperity for Botswana

Government of Botswana's (GoB) development budget of P 29.77 billion for 2024/25 is a 41.7% increase from 2023/24 budget.

### Development budget

- Through this budget, the Government aims to propel the implementation of projects to unlock opportunities for sustainable jobs, improving the quality of life, reducing poverty, eliminating gross inequalities and ultimately achieve a high-income status.
- The largest share of P8.01 billion is allocated to the Ministry of Lands and Water Affairs. This represents 27% of the budget which is in line with 29% budget allocated in 2023/24. Water supply and sanitation projects continue to drive this budget allocation. Major projects include the completion of North South Carrier 2.2, Maun water and sanitation, Goodhope water supply scheme phase 2.2 as well as implementation on-going Molepolole wastewater treatment plant.
- The second largest share at 13% of the budget is for the Ministry of Transport and Public Works. The increased budget allocation will be focused on ongoing road infrastructure projects such as Traffic Signal Modernisation and Central Traffic Control for greater Gaborone. The allocation will also cover upcoming road projects including Mogoditshane - Gabane - Mmankodi Junction dualling.
- The third largest share of the budget of P2.89 billion (9.7%) is allocated to the Ministry of Local Government and Rural Development. This will be utilised to boost local government infrastructure, improve primary education services and implement social welfare programs which include Ipelegeng (the destitute program) and Remote Area Development Program.



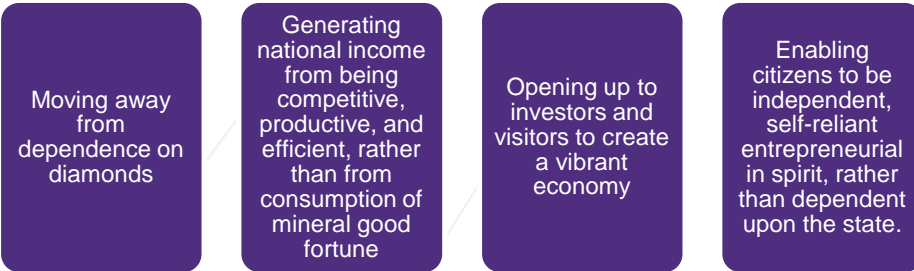
Development budget	BWP (bn)	%
Lands and Water Affairs	8.01	26.91%
Transport and Public Works	3.95	13.27%
Local Government and Rural Development	2.89	9.71%
Defence and Security	2.78	9.34%
Other ministries and departments	12.14	40.78%
<b>Total</b>	<b>29.77</b>	<b>100%</b>



## Vision 2036 targets

### Bold steps to address gaps

Four key changes required to achieve our Vision 2036 goals are:



- Moving away from dependence on diamonds
- Generating national income from being competitive, productive, and efficient, rather than from consumption of mineral good fortune
- Opening up to investors and visitors to create a vibrant economy
- Enabling citizens to be independent, self-reliant entrepreneurial in spirit, rather than dependent upon the state.

Government of Botswana's forecast of 5.4% GDP growth in 2025, which is 1% higher than the International Monetary Fund (IMF) forecast, appears to be based on certain key initiatives and strategic investments to stimulate growth, attract investments and generate employment, including:

- Infrastructure development and spatial planning: P 17.09 billion.
- Programmes to achieve agricultural development and food security: P 2.82 billion.
- Research and development in areas like mining, agriculture, veterinary research, water, environment: P 1.02 billion.
- Drive innovation and implementation of Digital Transformation Strategy: P 1.83 billion.



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## Digital transformation

### Embrace and act

The ever-changing environment and increased reliance on IT by companies across the globe has underscored the importance of robust and responsive IT services. In the current era of rapid digitalisation and technological advancement initiatives by governments, businesses face evolving challenges and opportunities, necessitating a proactive approach to enhancing IT infrastructure environment.

As companies embrace digital transformation, the demand for secure, scalable, and reliable IT solutions has never been more pronounced. Cybercriminals / hackers are more likely opportunists unless it is a targeted or sponsored attack. Globally, small businesses are often oblivious to cybersecurity threats due to their small size, and assume the Governments and medium and large-scale businesses are lucrative primary targets. These targets also have controls that make them exceptionally difficult.

Our comprehensive suite of IT services are designated to address the dynamic needs of digital transformation and help propel businesses forward. From adapting to the changing regulatory landscape to fortifying cybersecurity defences, we are committed to keeping IT at the forefront of technology. Let us navigate the complexities of the digital landscape, allowing businesses to focus on what matters most – the growth and success of business and contribute to Botswana's growth.

Join us on this transformative journey, and together, we can harness the power of IT to achieve your business goals.



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## Dintlha kgolo tsa kabo ya madi a setshaba mo ngwageng wa 2024/25

Tona o supile fa pego ya kabo madi ya monongwaga, e ikaegile thata ka maikaelelo a tebelopele ya sechaba ya 2036 mo setlhogong sa “**Go gatela kwa seemong sa itsholelo e isohel kwa godimo: go fetoga gone jaana, Katlego ka isago**”.

Puso e itlamile go diragatsa tse di latelang e le bontlha bongwe jwa go tokafatsa matshelo a Batswana.

- Go tlhama le go simolodisa letlole la “Chema chema” e le bontlha bongwe jwa go tokafatsa dikgwebo tse di potlana le go fokotsa manokonoko a letlhoko la ditiro.
- Go tlhama lenaneo la Thuo Letlotlo le patilwe ke la Temo Letlolo, le ka lone le tla oketsang thuo ya leruo le selekanyo sa thobo mo lefatsheng la Botswana.
- Go oketsa madi a itshetso a Bagodi, Masiela, Batlhoki, Bana le Bogole le Masole a pele a ntwaga ya mafatshe ka P100.00 kgwedi le kgwedi.
- Go oketsa madi a bodiredi jwa VDC ka P130.00 kgwedi le kgwedi.
- Go thusa makgotla a tsa sepolotiki ka madi, e le tselo ya go tokafatsa tsamaiso ya puso ya batho ka batho.
- Badirela puso batla okeletswa madi ka selekanyo sa 5%.

### Ditlhabololo

- Puso e tla atolosa ditsela tsa toropo kgolo Gaborone e le bontlha bongwe jwa go ipankanyetsa go tshwarela diphuthego tse ditona le ditiro tsa seemo se seem kwa godimo. Lenaneo le, le tla atolosetswa ko mafelong a mangwe mo dingwageng tse di tlang.
- Puso e itlamile go baya kwa pele go tokafatsa mafaratlhatlha go ya kwa mafelong a go lengwang kwa go one go fetola temo- thuo.
- Puso e itlamile go rarabolola kgwetlho ya letlhoko la metsi le kgopo ya metsi a Kgomo leswe ga mmogo le go atolosa kgokelo ya motlakase mo metseng selegae.

## Stay up-to-date with the latest tax updates

<https://www.grantthornton.co.bw/insights/>



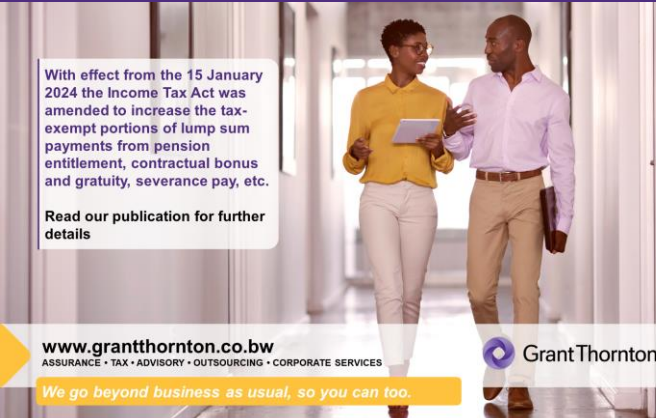
Are you aware that Botswana Unified Revenue Service is charging heavy penalties of P500,000 for each tax year in which the requirement to submit Transfer Pricing documentation is not complied with?

Read our publication for further details

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With effect from the 15 January 2024 the Income Tax Act was amended to increase the tax-exempt portions of lump sum payments from pension entitlement, contractual bonus and gratuity, severance pay, etc.

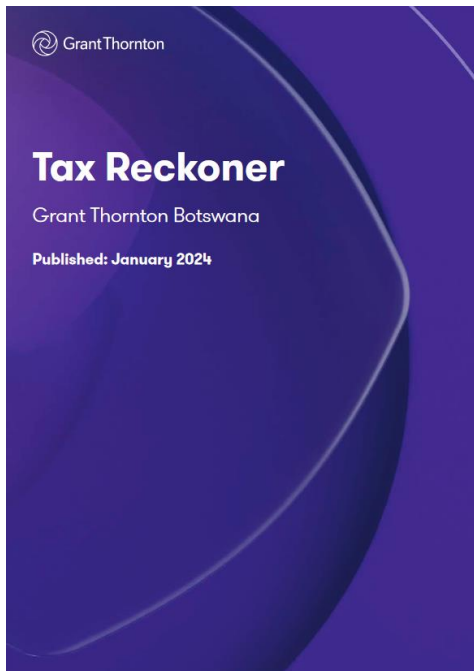
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Navigating the Botswana tax landscape can be an overwhelming task for taxpayers. In such scenarios, an easy-to-refer summary with key information is a welcome addition to any professional's desktop.

### View our Tax Reckoner:

- Scan the QR code
- <https://bit.ly/GT-BW-Tax-Reckoner/>
- <https://www.grantthornton.co.bw/insights/publications/tax-reckoner/>
- Contact Olivia Muzvidziwa (Director – Taxation) on (+267) 370 7109 / [olivia.muzvidziwa@bw.gt.com](mailto:olivia.muzvidziwa@bw.gt.com)
- Get in touch with your usual Grant Thornton contact

Income tax overview	Company tax	Personal tax	Withholding Tax (WHT)
Value Added Tax (VAT)	Transfer duty	Capital Transfer Tax (CTT)	BURS e-filing

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