

SELF EVALUATION FOR APPROPRIATE REFORMS

Investor Appetite

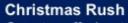
Growing need to improve Ease of Doing Business by reforming laws, policies, systems, processes, structures and mindsets.

Enabled by research, stronger stakeholder relationships, research and targeted advocacy.

High

Out of Stock

When investors and traders have the appetite for investment and trade, but the country offering is not attractive/competitive.



Country offering to investors and traders is attractive and appetite for investment and exporting is high.



High

Country aspirations

Dessert Stall

When investors and traders do not have the appetite for investment and exporting and the country offering is not attractive.

Empty Boutique

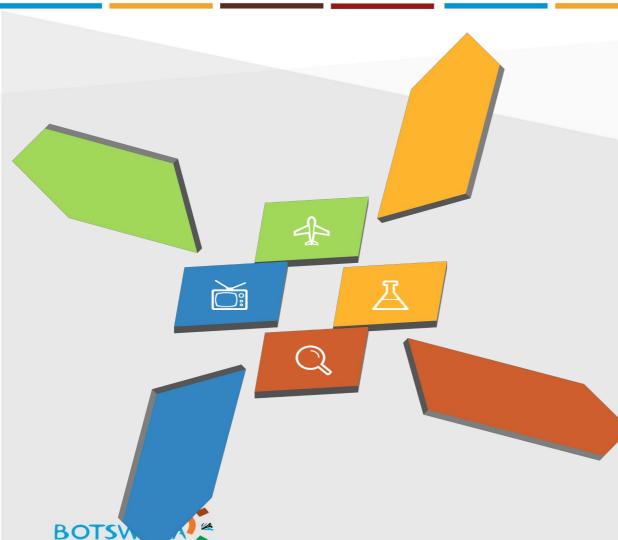
Country offer is attractive, but investors and traders are challenged due to unfavourable/uncompetitive conditions in which they operate.



Low



Global Tourism Status



Current Status

- Before 2019, Tourism was world largest service sector at about 25% and 10.4% of global GDP (US\$9 trillion);
- COVID-19 resulted in about 50% loss in GDP contribution; 20% job losses and about US\$ 1.3 trillion in revenue
- There were 1.4 billion global tourists in 2024 according to World Tourism Watch (2024) by World Bank; this represented 11% more tourist (or 140 million) more than in 2023;
- Global Travel at about 99% of 2019 in 2024 before the advent of COVID -19

Outlook

- Growth of about 3% to 5% globally expected dependent of improving world economy and no escalations in current geopolitical tensions
- This may have a positive impact of investment (new projects, expansions and commercial presences in some areas)

Botswana's Arrivals Pre and Post COVID-19

- In 2023, Botswana received 1,183,432 international tourists representing 76% of of the pre-pandemic levels (1,555,399).
- The majority of these visitors, 77.2%
 (913,893) came from the SADC region, reflecting the continued strength of regional travel.
- Long-haul markets have also shown a strong recovery, with 70% of the top ten surpassing pre-COVID-19 levels.
- In quarter one of 2024, the country received 18% more tourists than in the same period in 2023 which is indicative of gradual recovery of the sector towards full recovery.



Source: Statistics Botswana, Tourism Statistics Annual Reports, 2019-2024

- Shiftenda -

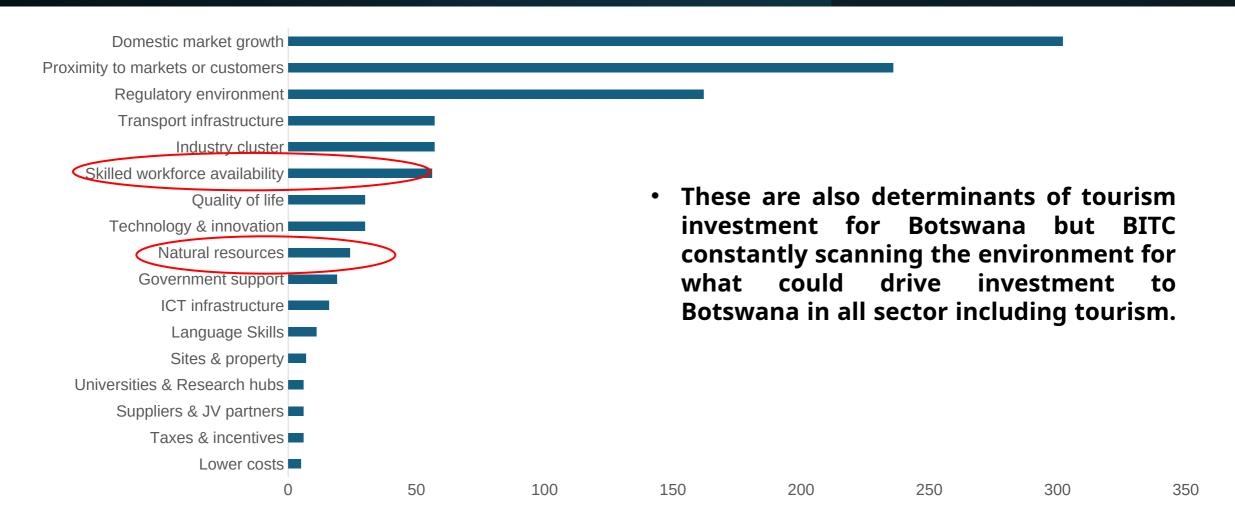
Botswana's Top 10 Source Markets

- 7/10 of the top 10 international source markets have surpassed the 2019 levels
- Arrivals from the United States and Germany have exceeded pre-pandemic levels by 10% and 9%, respectively.
- The United Kingdom has recovered 88% of the 2019 levels.

	2019	2020	2021	2022	2023	%Recovery	
United States of America	56,618	5,313	10,203	43,861	62,386	110	
Germany	37,616	3,518	4,064	26,834	40,856	109	
United Kingdom	28,719	3,460	1,985	20,161	25,357	88	
France	14,258	1,016	2,087	9,743	14,673	103	
Australia	16,525	1,406	303	4,617	12,298	74	
Netherlands	13,011	741	1,355	8,148	11,249	86	
Canada	9,028	1,378	538	5,308	9,533	106	
Switzerland	8,128	478	2,199	5,924	8,419	104	
Italy	6,575	339	399	4,282	6,807	104	
Spain	6,445	253	1,474	4,420	6,680	104	
Total	196,923	19,922	24,607	133,300	198,258	101	
	Germany United Kingdom France Australia Netherlands Canada Switzerland Italy Spain	United States of America 56,618 Germany 37,616 United Kingdom 28,719 France 14,258 Australia 16,525 Netherlands 13,011 Canada 9,028 Switzerland 8,128 Italy 6,575 Spain 6,445	United States of America 56,618 5,313 Germany 37,616 3,518 United Kingdom 28,719 3,460 France 14,258 1,016 Australia 16,525 1,406 Netherlands 13,011 741 Canada 9,028 1,378 Switzerland 8,128 478 Italy 6,575 339 Spain 6,445 253	United States of America 56,618 5,313 10,203 Germany 37,616 3,518 4,064 United Kingdom 28,719 3,460 1,985 France 14,258 1,016 2,087 Australia 16,525 1,406 303 Netherlands 13,011 741 1,355 Canada 9,028 1,378 538 Switzerland 8,128 478 2,199 Italy 6,575 339 399 Spain 6,445 253 1,474	United States of America 56,618 5,313 10,203 43,861 Germany 37,616 3,518 4,064 26,834 United Kingdom 28,719 3,460 1,985 20,161 France 14,258 1,016 2,087 9,743 Australia 16,525 1,406 303 4,617 Netherlands 13,011 741 1,355 8,148 Canada 9,028 1,378 538 5,308 Switzerland 8,128 478 2,199 5,924 Italy 6,575 339 399 4,282 Spain 6,445 253 1,474 4,420	United States of America 56,618 5,313 10,203 43,861 62,386 Germany 37,616 3,518 4,064 26,834 40,856 United Kingdom 28,719 3,460 1,985 20,161 25,357 France 14,258 1,016 2,087 9,743 14,673 Australia 16,525 1,406 303 4,617 12,298 Netherlands 13,011 741 1,355 8,148 11,249 Canada 9,028 1,378 538 5,308 9,533 Switzerland 8,128 478 2,199 5,924 8,419 Italy 6,575 339 399 4,282 6,807 Spain 6,445 253 1,474 4,420 6,680	

Source: Statistics Botswana, Tourism Statistics Annual Reports, 2019-2023

MOTIVES & LOCATION DETERMINANTS FOR INVESTMENTS 2003-2023 Africa



What Drives Investment in Tourism?

Driving Longterm Investor Confidence through:

Predictability and Clarity of Policy

- Investors need clear, transparent and consistent policy frameworks.
- Especially vital in areas such as land allocation for tourism development, tourism site concessions, clarity on tenure, renewal processes with clear timelines, environmental compliance with shorter timelines, and clear licensing processes.
- Overall, clear timelines and criteria create certainty and therefore critical.

Ease of Doing Business

- Streamlined investment process, minimal redtape, and time-efficient decisionmaking drive confidence.
- BOSSC: Offer seamless support to investors.

Comparative and Competitive Advantage

- Natural & Cultural Assets: Botswana's comparative and competitive advantage lies in its unique and untapped ecotourism offerings, cultural heritage (The Delta, Kalahari, heritage sites – Tsodilo Hills, Old Mines Sites), Sports.
- Invoctors sook dostinations with

What Drives Investment in Tourism?

Driving Longterm Investor Confidence through:

Economic Stability

- Botswana's Economic Stability: Low corruption, political stability, and prudent fiscal management make it attractive.
- Critically important to maintain this reputation.

Incentives

- Investors are attracted by competitive and well-designed incentives.
- E.g. The Botswana International Financial Services Centre (IFSC) offers opportunities for structuring tourism funds.

Botswana's Value Proposition in Tourism Investment

O1
Pioneers of
Sustainable
Tourism: Low
Volume High
value

02

Unmatched Wildlife
Adventures: rare birds,
big 5, diverse ecoecosystem

4th Most Visited Country in 2024 in Africa

Source: Tourism and Travel Index 2024

03

Rich culture and heritage. Eg Tsodilo Hills

04

Public Safety and Political Stability



Recommendations for Investment Promotion

Promoting Botswana as a MICE Destination

Key Leverages / Enablers

MICE Strategy of 2023

- A tool for economic diversification and growth;
- Leverage on natural resources endowment;
- A historical experience in conservation;
- Geo-strategic location in SADC and Africa;
- Value addition to tourism industry to achieve more income generating; and
- Profiling of projects under BITC project origination initiative for projects-based investment promotion

New and Emerging Opportunities: Medical Tourism, sport tourism, agro-tourism, development of lesser known local destinations among others.



Creating A Conducive Environment

Balanced Empowerment and FDI

- Need for a win-win model that combines Citizen Economic Empowerment (CEE) with openness to FDI.
- Promote CEE: CSI, Equity, skills development, and local sourcing/ procurement quotas.
- FDI attraction: provides both the capital and expertise required.

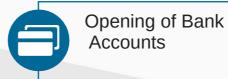


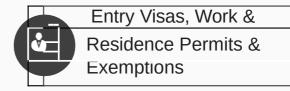
Infrastructure & Connectivity

- Air Access: Open sky policies, and partnerships with more airlines to regional/international routes.
 - Develop new airstrips and expand existing ones, dev. other regional airports
- Road Networks: Linking tourism sites to urban centres and transit corridors will improve connectivity and reduce transit time e.g. Kazungula Bridge.
 - Need for similar investments for Kalahari Transfrontier/ Corridor (PPP-driven)
- Utilities: Reliable power supply water

Tourism Investment Facilitation: BOSSC @ BITC











Utility Connections



Income Tax & VAT Registration





Incentives; IFSC, Manufacturing, Tax Holidays (DAO)



Aftercare Services – renewals, expansions etc.





Leveraged on strong Advocacy and Recommendations for doing business reforms



THANK YOU

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