

Fact Sheet: Botswana



In this fact sheet, we have summarised answers to frequently asked questions about this country in one document for you. This information is not economic data, but rather statements on a wide range of practical topics that influence business activities with and in the country. In this publication you will find basic information on:

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Trade

Botswana is a welcoming country, known for its political stability, low levels of corruption and economic growth.

Its currency, the "pula", is strong compared to the South African rand.

The country has only 2.3 million inhabitants in an area of +- 580,000 Km².

Since Botswana is landlocked, its overseas trade has to go through South African or Namibian sea ports. 80% of its export revenue comes from the sale of diamonds.

The recently opened Kazungula Car and Draw Bridge between Botswana and Zambia now reduces overland customs clearance from 2 days to about 2 hours.

Customs Airports:

- Sir Seretse Khama International Airport Gaborone
- Francistown Airport
- Kasane Airport
- Maun Airport
- Jwaneng Airport
- Selebi Pikwe Airport

Relevant Authorities

The Botswana Unified Revenue Service (BURS)

Role: Monitor VAT on goods passing through customs.

Ministry of Investment, Trade and Industry (MIT)

Role: Responsible for the development of Botswana's economy

Goals: development of sustainable industries and trade, economic diversification and export development, prosperity for all, job creation, poverty reduction, and facilitating investment through straightforward business transactions

Department of International Trade (DIT)

Role: Responsible for the development of trade policy and the implementation of international trade agreements

Import

To import into Botswana, the following documents are required:

- Customs document
- Customs bond
- Customs declaration
- Import license
- Insurance certificate
- Inspection certificate
- Certificate of origin
- Weight certificate
- Consular invoice
- Commercial invoice

For more information and documents on importing, please visit the [BURS page](#).

Export

To export from Botswana, the following documents are required:

- Customs clearance document
- Customs bond
- Legal obligations
- Customs declarations
- Export license
- Letter of credit
- Commercial invoice with packing list
- Certificate of origin
- Insurance certificate
- Inspection certificates
- Temporary certificate of dispatch
- Certificate of analysis
- Certificate of free sale
- Weight certificate
- Consular invoice

For more information and document son export, please visit the [BURS page](#).

List of Existing Trade Agreements

[Southern African Customs Union \(SACU\)](#)

Botswana, South Africa, Lesotho, Namibia and Eswatini are members of the Southern African Customs Union (SACU). This is a free trade area that jointly sets tariffs on external goods. Apart from certain foodstuffs, no import permit is required when importing from member countries. SACU's head office is in Windhoek, Namibia. However, there are representative offices in all member countries.

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[Southern African Development Community \(SADC\)](#)

SADC (Southern African Development Community) is a free trade agreement between the countries of Botswana, Lesotho, Madagascar, Mauritius, Mozambique, Namibia, South Africa, Zambia, Zimbabwe, Angola, Democratic Republic of Congo, Comoros, Seychelles and Malawi. Although the SADC Free Trade Area (FTA) was launched in mid-2000, Angola and the Democratic Republic of Congo have not yet signed the treaty. SADC's headquarters are in Gaborone, the capital of Botswana.

SADC House
Plot No. 54385
Central Business District
Private Bag 0095
Botswana, Gaborone
Tel: +267 395 1863

SADC - EU Economic Partnership Agreement

This is a trade agreement between the SADC organisation and the EU that provides for an economic partnership. This trade agreement offers duty-free trade in goods between SADC member countries and the EU; however, negotiations between the parties must first take place.

SADC - Mercosur

The preferential trade agreement was concluded between the member states of the Southern Common Market (Mercosur) and the member states of the Southern African Customs Union (SACU).

World Trade Organization

Botswana has been a member of the World Trade Organisation since 1995.

China und Indien

Both countries have duty-free agreements with SACU and therefore also with Botswana. In this agreement, the parties agree to mutual economic support through trade in goods.

African Growth and Opportunity Act (AGOA)

This agreement is a unilateral scheme that gives African countries, including Botswana, duty-free access to the US market.

AfCFTA- African Continental Free Trade Area

The agreement establishing the African Continental Free Trade Area (AfCFTA) entered into force in 2019 and since the beginning of 2021, member states (including Botswana) have been trading on the basis of the AfCFTA.

Finding a Commercial Agent or Distributor

As part of its service portfolio, the AHK Southern Africa supports the process of finding suitable local business partners, such as representatives and distributors. For further information, please contact the contact persons in the [contact details](#) section.

Visa Regulations and Immigration

The Ministry of Nationality, Immigration and Gender Affairs ([Immigration and Civil Registration](#)) is responsible for visa regulations and immigration. Information on visa matters is also available from the Embassy of Botswana in the foreign markets. The [Embassy of Botswana](#) in Berlin and the Embassy of Botswana in South Africa also provides support and advice on business visas.

As a German or SADC citizen, a tourist visa is not required when entering Botswana.

Visa

Important visas for German businesspeople who want to do business in Botswana:

- **Business Visa:** Visa for potential investors, businesspeople and traders who want to explore the country for business reasons.
Processing Time: 7 working days
Costs: 500 BWP - 2500 BWP (+/- 40 Euro – 200 Euro)
- **Investment Visa:** Visa for businesspeople who work regularly in Botswana and for those who have an investment project in Botswana.
Processing Time: 7 – 14 working days
Costs: 1000 BWP – 2500 BWP (+/- 75 – 200 Euro)

More information can be found on the official website of the [Ministry](#).

Work Permit

Foreign nationals wishing to work in Botswana must apply for a work permit. Information and necessary documents for the application can be found [here](#) and on the official site of the [Ministry](#).

Processing Time: 14 days

Costs: 1500 BWP (+/- 115 Euro)

Immigration (Permanent Residence)

Forms and documents relating to immigration can be found on the Permanent Residency

Application page of the [Ministry](#).

Processing Time: 6 months

Costs: 3000 BWP (+/- 230 Euro)

Taxes

The authority responsible for taxes and duties is the [Ministry of Finance](#).

You can also find more information on the [BURS page](#). The mandate of the Botswana Unified Revenue Services (BURS) is to perform tax assessment and collection functions on behalf of the Government.

The most important taxes are:

- Corporate taxes
- Income tax
- Value Added Tax

Diamond mines pay taxes that are negotiated and in agreement with the government.

Basis for Calculation

Any income generated in Botswana must be taxed in Botswana.

Corporate Tax

- Local Companies: **22%**
- International Companies: **30%**
- International Financial Institutions: **15%**

Income Tax

- Citizens: **0%-25%**
- Foreign Nationals **5%-25%**

Value Added Tax

- VAT = **12%**

Botswana has a "flat rate" tax system that is attractive to international investors. There is no wealth tax. Taxes on personal income are maximised at 25%.

Business Establishment and Investment Incentives

Information for investment opportunities can be found on [Botswana Investment & Trade Centre](#) page.

Why Botswana? Important contacts and investment opportunities for this can be found on the *Invest page* of the [Botswana Investment & Trade Centre](#).

One of the more detailed documents on business start-ups and investment opportunities is the Botswana Investors Handbook by [SADC](#).

Further Support Services

As part of its service portfolio, the AHK Southern Africa provides support in initiating business on the ground. For further information, please contact the contact persons in the [Contact Details](#) section.

Special Economic Framework Conditions

Botswana, as well as neighbouring South Africa and Namibia, have created a system that offers the indigenous population special rights to work. The Broad-Based Black Economic Empowerment (**B-BBEE**) in South Africa and New Equitable Economic Empowerment Framework (**NEEEF**) in Namibia corresponds to Citizen Economic Empowerment (**CEE**) in Botswana.

The CEE ensures that disadvantaged local citizens have a chance to get into leadership positions and to be able to further their education. Companies must abide by the rules prescribed in the CEE.

The main objectives of the CEE are:

- Strengthening the local economy
- Better control over the local market
- More opportunities for the local population
- Filling jobs with local workers whose level of education meets international standards
- Poverty reduction

You can find more information on the CEE [here](#).

Key Sectors:

- Mining (especially diamonds)
- Cattle breeding and agriculture
- Tourism

Promising sectors in Botswana:

- Car and commercial vehicle production
(Botswana has a growing engine, leather and battery industry)
- Renewable energies
(Botswana has a high potential for solar plants to generate renewable energy)

Banking System

The banking system in Botswana is well developed and comparable to that in South Africa and Namibia. There is a central bank and several public banks. All banks in Botswana are either partly or wholly owned by foreign organisations. The best known banks are:

- ABSA
- Standard Chartered Bank Botswana
- First National Bank Botswana
- Bank of Barode Botswana Ltd
- Stanbic Bank Botswana
- Capital Bank
- African Banking Corporation
- Bank Gaborone

Opening of an Account

Requirements for Opening an Account

Private Account

- Permanent residence permit or working visa
- Regular monthly income
- Valid identity card

Business Account

- Suitable for persons who wish to establish a company or
- Persons who own a registered company
- Further information and documents can be found on the banks' websites

Contact Details

The information contained in this document has been prepared by the AHK for Southern Africa. For further assistance and questions, please contact:

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