

## Introduction

Botswana is a landlocked country in Southern Africa that borders the countries of Namibia, South Africa, Zimbabwe, and Zambia. The geography is flat, and up to 70% of Botswana is covered by the Kalahari Desert, thus making it a sparsely populated country with little agricultural activity. The government system is a parliamentary republic; the chief of state and head of government is the president. Botswana has a mixed economic system, which includes a variety of private freedom, combined with centralized economic planning and government regulation. Botswana is a member of the Southern African Development Community (SADC).



**Location:** Southern Africa

**Capital City:** Gaborone (+2 GMT)

**Chief of State:** President Mokgweetsi Eric Keabetswe Masisi

**Head of Govt.:** President Mokgweetsi Eric Keabetswe Masisi

**Currency:** Botswanan pula (BWP)

**Major Languages:** Setswana 77.3%, Sekalanga 7.4%, Shekgalagadi 3.4%, English (official) 2.8%, Zezuru/Shona 2%, Sesarwa 1.7%, Sembukushu 1.6%, Ndebele 1%, other 2.8% (2011 est.)

**Primary Religions:** Christian 79.1%, Badimo 4.1%, other 1.4% (includes Baha'i, Hindu, Muslim, Rastafarian), none 15.2%, unspecified 0.3% (2011 est.)

**Calling Code:** 267

**Voltage:** 231

## Key Websites

Main Government Page: [gov.bw](http://gov.bw)

Commerce Ministry: [gov.bw](http://gov.bw)

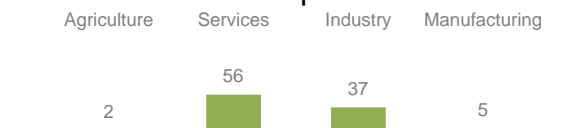
Export Promotion Agency: [gobotswana.com](http://gobotswana.com)

Investment Promotion Agency: [gobotswana.com](http://gobotswana.com)

## Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$48.20 billion (2022)
GDP growth (annual %):	5.78% (2022)
GDP per capita, PPP (current international \$):	\$18,323.05 (2022)
External debt stocks, total (DOD, current US\$):	\$1,981,527,906.40 (2021)
Manufacturing, value added (% of GDP):	5.38% (2022)
Current account balance (BoP, current US\$):	-\$0.12 billion (2021)
Inflation, consumer prices (annual %):	11.67% (2022)
Labor force, total:	1,151,624 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	20.68% (2022)
Imports of goods and services (current US\$):	\$8.55 billion (2022)
Exports of goods and services (current US\$):	\$8.85 billion (2022)

## GDP Composition %



*\*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

## Rankings

Index	Rank
Corruption Perceptions Index	41 / 178
Global Competitiveness Index	91 / 141
Global Enabling Trade Index	65 / 136
Index of Economic Freedom	52 / 176
Inward FDI Potential Index	78 / 139
KOF Index of Globalization	125 / 185
Networked Readiness Index (NRI)	101 / 139
Open Budget Index	77 / 114

## Risk Assessment (Provided by Coface)

**Country rating: B** - Political and economic uncertainties and an occasionally difficult business environment can affect corporate payment behavior. Corporate default probability is appreciable.

**Business Climate rating: A4** - The business environment is acceptable. Corporate financial information is sometimes neither readily available nor sufficiently reliable. Debt collection is not always efficient and the institutional framework has shortcomings. Intercompany transactions may thus run into appreciable difficulties in the acceptable but occasionally unstable environments rated A4.

### Strengths

- Abundant mineral resources (mainly diamonds, but also good prospects for copper, coal, silver, nickel and lithium)
- Low public and external debt
- Large domestic financial market
- Significant foreign exchange reserves and the "Pula Fund", a sovereign wealth fund bolstered by diamond revenues
- The country's institutional stability and level of governance place it among the leaders in sub-Saharan Africa in business environment international rankings.
- Member of the Southern African Customs Union (SACU).

### Weaknesses

- Dependence on diamonds (80 % of exports, 50% of government revenue and 30% of GDP)
- Inadequate infrastructure (water and electricity production and distribution)
- Inequality and high unemployment (particularly among young people) (23.4% in 2023), poverty maintained at a relatively high level (14.5% in 2022)
- Landlocked location generates high transport costs
- Dependence of public and current account surpluses on SACU revenues, made up of customs duties levied on SACU imports from the rest of the world, redistributed to Member States.
- Small domestic market unfavorable to the establishment of manufacturing activities (15% of

GDP) and lack of skilled labour

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**U.S. Embassy**

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