

**imani development**



**2007 UPDATE SURVEY OF NON  
TARIFF BARRIERS TO TRADE:  
BOTSWANA**

**FINAL REPORT**

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**Prepared for:** Regional Trade Facilitation Programme



**RTFP**

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## CHAPTER 1: EXECUTIVE SUMMARY

The outstanding factor concerning imports and exports is the incredible reliance Botswana has on South Africa. This is especially true for Botswana imports. The other SADC States, even collectively, are inconsequential. What with the proliferation of South African chain stores and franchise operations, Botswana is often called the tenth province of South Africa.

Some of the statistics illustrate trends. With the relocation of the Volvo Truck CBD assembly plant to South Africa, the value of exports by Botswana of vehicles dropped dramatically in 2006. The peaks and drops in the value of machinery and the like exported by South Africa reflects the start or finish of major mine infrastructure projects over the last decade. The drop in 2006 of the value of vehicles imported from South Africa probably reflects the impact of imports of second hand vehicles from Asia. Such vehicles are locally called “Fong Kongs”.

Botswana has not emplaced any explicit NTBs since 2004. However, some of what are essentially NTMs have become virtual NTBs when there are not enough experienced staff to administer them. The AYSCUDA system is now working well and returns for all computerised border points that handle 99+% of commercial exports are only a few days in arrears. The computerised forward export clearing documentation process is also working smoothly.

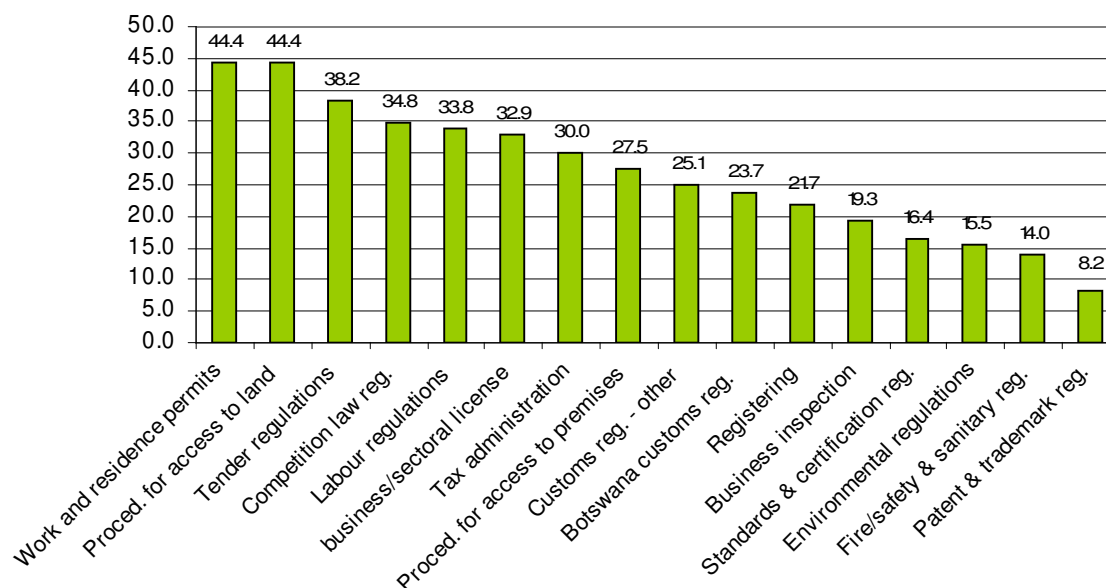
Various SARS initiated, often unilaterally, transit procedures have a definite irritating impact. The obsession with catching the few in number of intentional cheaters has an impact on the 98+% of legitimate operators/manufacturers. GABCON, as a ‘dry port’, is reportedly not utilised as much as it could be by exporters since the containers go by rail, which is both slow and expensive compared to road transport. The trade off is the more cumbersome and complex transit arrangements that have to be done for road transit.

The Drugs and Related Substances Act, 1993 established a Board to oversee and review the registration of all drugs utilised in non government facilities and practices. The procedures under the Act for registration are complex and require a very large dossier to be assembled for each drug submitted for registration. Due to this workload, up until about 2004 many drugs utilised in Botswana were granted a waiver while the registration process was taking place. This waiver process was halted around 2004. The backlog has not been cleared resulting in a situation whereby over half the drugs readily available in South Africa are no longer available in Botswana. What was intended to be a straightforward and legitimate Non Tariff Measure (NTM) justified on the grounds of safe guarding public health has now turned into a high impact NTB.

As tariffs decrease, the number of NTMs and outright NTBs generally increase. But, while tariffs are transparent, known and measurable, NTBs are often opaque, subjective and compliance costs are difficult to measure. Quite often the NTMs and NTBs have unintended consequences as the officials charged with administering them lack competence or inclination.

As part of a study by the World Bank a survey of a representative sample of large, medium and small companies was conducted. The chart below indicates the range of concerns of business people.

**Percentage of managers that perceived a certain administrative procedure as an obstacle to operation and growth of his company**



**BOTSWANA: ENTERPRISE SURVEY, 2006**

Trade	Botswana	Region	Rest of The world
Average time to clear direct exports through customs (days)	1.24	3.96	3.86
Longest time to clear direct exports through customs (days)	2.29	7.95	7.20
Average time to claim imports from customs (days)	2.24	6.84	5.53
Longest time to claim imports from customs (days)	3.96	14.28	19.20
Firms that export directly (%)	19.30	27.77	25.98

## CHAPTER 2: OVERVIEW OF INTRA SADC TRADE

The following tables are included in this chapter:-

- Table 1- Intra SADC Imports by Botswana by Value, 2003-2006 in Botswana Pula (BWP) and United States Dollars (USD)
- Table 2- Intra SADC Exports by Botswana by Value, 2003-2006; BWP & USD

In addition two sets of more detailed statistics are presented in the Annexure. These cover:

- Top Ten Products Exported by Botswana to SADC Countries by Value, 2003-2006; BWP & USD [HS2]
- Top Ten Products Imported by Botswana from SADC Countries by Value, 2003-2006; BWP & USD [HS2]

The outstanding factor in all four tables is the incredible reliance Botswana has on South Africa. This is especially true for Botswana imports. The other Member States, even collectively, are inconsequential. With the proliferation of South African chain stores and franchise operations in the country, Botswana's trade is increasingly tied to this source of supply.

Some of the statistics illustrate trends. With the relocation of the Volvo Truck CBD assembly plant to South Africa, the value of exports by Botswana of vehicles dropped dramatically in 2006. The peaks and drops in the value of machinery and the like exported by South Africa reflects the start or finish of major mine infrastructure projects over the last decade. The drop in 2006 of the value of vehicles imported from South Africa probably reflects the impact of imports of second hand vehicles from Asia which has risen significantly.

**Imports****Table 1: Imports to Botswana by other SADC countries by value in Botswana Pula (BWP) and United States Dollars (USD) for the period 2003-2006:**

Partner \ Year	Value in BWP				Value in USD			
	2003:	2004:	2005:	2006:	2003	2004	2005	2006
DRC	124445	81392	4624997	14034	25242	17391	912228	2415
Lesotho	769663	352762	1413731	2074344	156118	75376	278842	357030
Madagascar	135	93180	0	4246	27	19910	0	731
Mauritius	15884320	14362718	35299303	27135492	3221972	3068957	6962387	4670481
Malawi	3203748	3269913	6489430	4496773	649847	698699	1279966	773971
Mozambique	5118338	10755600	2587817	61472640	1038202	2298205	510418	10580489
Namibia	58429612	73067606	75420440	117644034	11851848	15612736	14875826	20248543
Seychelles	218554	519	1036	64080	44331	111	204	11029
Swaziland	7070384	1348717	1090807	540879	1434155	288187	215149	93094
Tanzania	1275043	2978304	3159837	926453	258629	636390	623242	159458
South Africa	10086738974	12606637036	13518940211	15243953762	2045991678	2693725862	2666457635	2623744193
Zambia	9738941	7499295	26684179	34216814	1975444	1602413	5263152	5889297
Zimbabwe	176239326	239192850	247522620	265247983	35748342	51109583	48821030	45653698

Source: Botswana Bureau of Statistics



The annual currency conversion rates BWP/USD were obtained from the Bank of Botswana. The rates were 2003- 4.93/1; 2004 4.68/1; 2005 5.07/1 and 2006 5.81/1.

The Foreign Investment Advisory Service (FIAS) of the World Bank produced a report in late 2003 entitled *Further Improving the Regulatory and Procedural Framework for Encouraging Private Investment*. The extracts below concern imports.

- Most of its international trade is routed through South Africa, in particular through Durban, the nearest seaport. Following United Nations recommendations to facilitate the trade of landlocked countries, an internationally recognized Inland Clearance Depot (ICD) or "dry port" has been constructed for containers at Gaborone. It is known by the acronym GABCON, and is serviced by Gaborone Regional Customs Office. This facility allows through transport documents to be issued from the overseas port of shipment to GABCON and from GABCON to the overseas port of destination. Use of through transport documents minimizes customs transit formalities at ports in South Africa, and for customs transit through South Africa.
- Most goods destined to Botswana do not now pay duty until they arrive in Botswana. However, transit through South Africa before payment of duty may create a need for customs transit control in South Africa. A further complication for the transit of goods through South Africa was created with the introduction of a 14% VAT in South Africa some years ago. It has also caused complications for trade between Botswana and South Africa.
- Import and export clearance procedures in Botswana have recently been reviewed and simplified as a prerequisite to computerization of customs procedures. The information required by the Customs and Excise Department for clearance of imports and exports can now be submitted electronically by approved importers and clearing agents to enable customs procedures to proceed in advance of receipt of documents by Customs. Declarations on paper are still accepted, but clearance may take a little longer than when the information is directly input to the customs computer system.
- Except for goods from SACU Member States and a limited number of other African countries, many goods require an import permit under the Control of Goods (Import Control) Regulations, 1991. A trading licence entitles the holder to import goods relevant to the licensed business, but a permit from the Consumer Affairs Department of the Ministry of Trade and Industry (MoTI) is required for listed goods. A completed application form, valid trade licence, and fee of 2 Pula are required.
- Regular importers can get a bulk permit valid for six months. In such cases, Customs endorse successive importations on the permit until the permitted quantity has been exhausted.
- Electronic submission of declarations by direct trader input (DTI) is in operation. Manual declarations continue to be received by Customs from non-DTI clearing agents and importers who clear their own goods. The declaration form used, BW500, is the international Single Administrative Document (SAD), a multi-purpose customs declaration on which a regime/customs procedures code is entered to show whether the goods are for home use, temporary admission, warehousing, export, etc.
- Goods that enter Botswana in through, or international, transit, e.g., from South Africa to Namibia, are controlled under a national customs transit procedure that operates satisfactorily. Diversion of transit goods has not been a problem. The present

manually operated through transit control will be taken over by the ASYCUDA transit module in due course.

- Most imports into Botswana from outside the SACU common customs area pass through a seaport in South Africa, this most frequently being Durban, the nearest seaport. Goods destined to Botswana through, but not from, South Africa are usually consigned to GABCON, an internationally designated Inland Clearance Depot or "dry port", and cleared by Gaborone Regional Customs Office. This can involve some prior customs control requirements in South Africa, but if the goods are shipped on a through bill of lading to GABCON, the shipping company arranges transport all the way to Gaborone, usually by rail through South Africa, and no customs formalities have to be completed to obtain release from the South African port or for transit across South Africa. Goods purchased from South Africa are cleared at the border. Goods purchased from South African suppliers are normally cleared into Botswana at the border. If the supplier arranges transport to Botswana, and the sales invoice price includes transport to Botswana, the goods are supplied free of South African VAT. The supplier completes an export form for the driver to hand in at the border with invoices. SARS accepts this type of sale as a zero-rated export from South Africa. However, the purchase of goods in South Africa by Botswana importers can incur payment of 14% South African VAT to the supplier which has to be reclaimed from SARS after the goods have been exported from South Africa. This applies if the supplier sells ex-works, or if the buyer arranges transport.
- If the goods are shipped on a bill of lading for delivery by the shipping company at the seaport, the intervention of a clearing agent is needed in the seaport. The goods must be collected from the shipping company and onward transport arranged. The South African Revenue Service (SARS) requires a guarantee that if the goods remain in South Africa customs duty and VAT will be paid there. A cash deposit may be required, but usually the goods are transported across South Africa under the standing bonds of freight forwarders.
- No customs duty is payable on goods purchased from SACU Member States, but Botswana VAT at 10% is payable at the border. Many importers have deferred accounts with the Department of Customs and Excise and pay monthly. Before calculating the charge, Customs add 5% to the invoice value to cover freight if it is not included on the goods invoice, and if no separate freight invoice is produced.
- About half of the import declarations made at the border are manual, whereas at Gaborone Regional Office 90% are electronic. In both cases, the declarant may be the importer or a licensed clearing agent acting on behalf of the importer.
- When operating DTI, the declarant calls up the BW500 (SAD) format on the computer screen, and enters the required information in the relevant boxes. When giving the standard information about the nature of the consignment, the declarant enters the tariff code and value, but does not declare the rate of duty or the amount payable. This information is then sent electronically to the customs computer where checks are made for completeness and validity. After acceptance of the data by the computer, the software obtains the rate of duty from the tariff file and calculates the charges payable. It also allocates it to red, yellow, green or blue channel clearance.
- The system then prints out a completed declaration in the declarant's office. This shows the rate of duty and the charges payable. The declarant must sign and take four copies of this document with supporting documents to the customs clearance point.

The goods cannot be released by Customs until the hard copy declaration and supporting documents have been received.

- Red channel clearance means that both goods and documents must be examined. Yellow channel clearance means that only documents will be checked. Consignments that are allocated to green channel clearance are released without examination of documents or goods. Blue channel consignments are subject to documentary checks after being released. If good reason is found after a consignment has been allocated to yellow or green channel clearance, additional checks may be made before clearance.
- In addition to giving the standard information about the consignment, an importer or clearing agent who completes a declaration manually must also declare the tariff code for the goods, the rate of duty, and calculate the charges payable. Four copies of declaration form BW500 must be taken with supporting documents to the customs office where data are input to the computer by customs staff. Some delay may occur when many declarations are received at about the same time. The computer checks the completeness and validity of the declaration. After acceptance of the data, the computer checks the rates of duty from the tariff file and checks the declarant's calculation of the charges payable. It then allocates it to red, yellow, green or blue channel clearance.
- In addition to giving the standard information about the consignment, an importer or clearing agent who completes a declaration manually must also declare the tariff code for the goods, the rate of duty, and calculate the charges payable. Four copies of declaration form BW500 must be taken with supporting documents to the customs office where data are input to the computer by customs staff. Some delay may occur when many declarations are received at about the same time. The computer checks the completeness and validity of the declaration. After acceptance of the data, the computer checks the rates of duty from the tariff file and checks the declarant's calculation of the charges payable. It then allocates it to red, yellow, green or blue channel clearance.
- The BURS still has a long way to go on the collection of intelligence information to build an effective risk assessment system for selection of consignments for red, yellow, green and blue channel clearance. Urgent needs include collection of information for a valuation database, without which it is difficult for Customs to challenge suspect invoices under WTO rules.
- In Botswana, customs clearing agents, freight forwarders, manufacturers using imported materials on which duty and VAT have not been paid, and registered VAT traders who defer payment of VAT on imports are required to give financial security to cover possible non-payment of charges. Any registered VAT trader may be required to do so. Clearing agents advised the team that insurance company backing for this purpose is now difficult to obtain in Botswana. Furthermore, commercial banks are now blocking an equivalent amount in the trader's account to cover their liability under the guarantee, or tie in assets of an equal value. This defeats the object of using a bond as a preferable alternative because it creates the same cash flow disadvantage as a cash deposit.
- Some importers in Botswana would prefer to handle the transport arrangements for their purchases. It is often more convenient and quicker for the buyer to send a vehicle to South Africa to collect the goods. However, if the importer arranges transport, the sales invoice will include South African VAT. This has to be reclaimed when the goods reach the border. SARS will then repay only if the VAT is shown

separately on the invoice. They will not repay if the invoice shows a VAT inclusive price. Cheques for amounts up to 3,000 rands are issued at the border while the claimant waits. Cheques for larger amounts are issued later by post.

- The requirement to pay South African VAT on their goods and then claim a refund from SARS is very inconvenient for Botswana importers who arrange transport or collect the goods. Importers widely complain about the repayment of South African VAT. The VAT is paid in rands and the repayments are made by cheque in pula. The method of repaying the VAT by SARS gives rise to complaints about both the service charge and the exchange rate used to convert rands to pula. They pay South African VAT at the rate of 14% of the value of their goods, but say that the refund received is often about 10% of the value of their goods.
- SARS charge 1.5% service charge, minimum 10 rands, maximum 250 rands. Figures quoted by an importer relating to claims well above the level at which the minimum charge would apply, showed deductions of 12% and 12.2% from the amount paid in South Africa before conversion to pula. The same importer complained that SARS used a rate of 1.82 rands to the pula when the actual current rate was 1.47. The practice of deducting an *ad valorem* service charge from the repayment is contrary to Article VIII of GATT.<sup>1</sup> Conversion to pula at a very unfavourable rate is contrary to the requirements of Article VII of GATT.<sup>2</sup>

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<sup>1</sup> Article VIII of GATT requires all fees and charges in connection with importation or exportation to be limited in amount to the approximate cost of the service rendered. The administrative cost of making a repayment is not proportional to the amount repaid.

<sup>2</sup> Article VII(4)(b) of GATT requires customs valuation to reflect the current value of the currency in commercial transactions.

**Exports****Table 2: Exports by value from Botswana to other SADC states for the years 2003-2006 in both BWP and USD:**

Partner \ Year	Value in BWP				Value in USD			
	2003:	2004:	2005:	2006:	2003:	2004:	2005:	2006:
DRC	4,045,859	1,648,033	5,404,751	22,249,297	820,661	352,144	1,066,026	3,829,483
Lesotho	890,196	679,564	623,638	856,319	180,567	145,206	123,006	147,387
Madagascar	61,057	522,503	451,083	184,172	12,385	111,646	88,971	31,699
Mauritius	385,504	1,723,907	18,118,535	5,968,450	78,196	368,356	3,573,676	1,027,272
Malawi	3,072,170	6,528,796	2,637,016	3,911,626	623,158	1,395,042	520,121	673,257
Mozambique	4,397,502	5,242,965	1,051,972	5,202,721	891,988	1,120,292	207,490	895,477
Namibia	20,753,235	26,063,304	41,121,924	67,165,992	4,209,581	5,569,082	8,110,833	11,560,412
Seychelles	0	926	309,675	0	0	198	61,080	0
Swaziland	2,135,289	1,249,343	1,748,097	2,728,754	433,122	266,954	344,792	469,665
Tanzania	2,758,739	4,539,826	4,288,792	4,669,580	559,582	970,048	845,916	803,714
South Africa	1,196,993,142	1,544,529,264	1,984,029,427	1,547,016,336	242,797,798	330,027,621	391,327,303	266,267,872
Zambia	14,254,639	24,950,642	66,383,835	100,436,662	2,891,408	5,331,334	13,093,459	17,286,861
Zimbabwe	409,593,143	614,452,006	935,805,251	1,419,005,229	83,081,773	131,293,164	184,576,973	244,234,979

Source: Botswana Bureau of Statistics

The bulleted extracts below from the FIAS study concern exports:

- Under the first US African Growth and Opportunities Act (AGOA), Botswana was not given LDC treatment. Garments manufactured in Botswana from materials produced in the Far East were not eligible for duty free admission into the USA. Manufacturers therefore bought materials from South Africa although they may have preferred to buy from the Far East. However, under the second AGOA, Botswana is given the same treatment as LDCs and garments produced from materials purchased from Asian countries such as China are eligible.
- Export declarations are made on the same international SAD (form BW500) as import declarations. They may be manual or electronic as described for import declarations. Supporting documents required are invoice, transport document, and permit for restricted goods. Permits are required only for a limited number of commodities, and are issued by the appropriate authority, e.g., Wildlife Authority.
- Goods sold by Botswana traders to buyers in South Africa are liable to pay 14% VAT at the border. If the buyer collects the goods from Botswana, they may also be liable to 10% VAT in Botswana if the seller cannot prove that they have been exported. Exporters generally avoid this by delivering their goods to South Africa. In rare cases, the South African importer pays the VAT in advance or at the border, but it often has to be paid by the exporter because buyers do not attend or have agents at the border to pay the VAT. The Botswana exporter then has to obtain payment from the buyer by including an additional 14% on the invoice or submitting a supplementary invoice. Buyers who are allowed time to pay for the goods expect to be allowed a similar credit period for payment of the South African VAT to the seller in Botswana.
- In the same way that imports can be consigned to GABCON on a through bill of lading, exports from Botswana through South Africa can similarly be covered by a through bill of lading issued by a shipping line in Gaborone. They then transit South Africa by rail without customs documents or other formalities. No deposit or bond is called for in South Africa.
- It is believed that SARS is concerned about hijacking and pilferage of goods crossing the country by road. For exports crossing South Africa by road a deposit or bond to cover the VAT liability is required in South Africa, and a time limit is imposed.
- Exporters interviewed An exporter complained that when shipping goods to the EU and the USA under L/C, the bank in Botswana should pay immediately it receives the shipping documents that were issued in Durban, but it delays payment until receives the remittance from the foreign bank. Whether the bank in Botswana is failing to pay on time depends on the terms of the L/C. L/Cs operate under the International Chamber of Commerce's Uniform Customs and Practice for Documentary Credits (UCP). On receipt of the L/C, the bank in Botswana should inform the seller, and mention whether it is simply advising the credit or also confirming it. If simply advising, it is under no obligation to make payment, but will pay when a remittance is received from abroad. If, on the other hand, the bank in Botswana also confirms the credit, it must pay on receipt of the documents provided they are all in order. said that they use different methods to obtain payment from different customers. Typically they require payment in advance from Zimbabwe, use L/Cs for customers in Zambia, EU and USA, and BECI for sales to South Africa. Sales to chain stores in South Africa are often on 30, 90 or 120 day credit terms which require considerable financial outlay by manufacturing exporters.

- SARS does not normally impose customs transit control on goods carried by rail on a through bill of lading, nor is there a requirement to pay South African VAT. However, transit control under bond or payment of South African VAT applies to other goods passing through South Africa. When exports from Botswana that enter South Africa under bond are not shipped from the South African port within the time limit imposed by SARS on transit goods, monetary penalties are imposed. The exporter or freight forwarder must prove that the goods left South Africa within 30 days or pay a penalty. If South African VAT is paid on transit goods, a refund can be claimed after shipment (i.e., after the ship has sailed) but one exporter said that refunds take a long time, so all their exports are sent by rail.
- An exporter emphasized the importance of getting South African transit document DF150 stamped at both the South African entry and exit points. In event of failure to do so, SARS will not accept any other documents, e.g., Malawi import documents, as proof that goods actually left South Africa. The exporter said that if they failed to pay any charges demanded by SARS on transit goods that were not properly documented, they would expect their next consignment through South Africa to be seized.
- Some freight forwarders, particularly those that have associated companies there, send small consignments to South Africa to be containerized with other consignments, a practice known as consolidation or groupage. The benefits of this to Botswana exporters are the lower transport costs and greater security that accrue from containerization. Goods sent for consolidation have to pay South African VAT on entry or be covered by bond, in practice usually the latter. Such goods are not shipped from South Africa until there is a full container load. This means that the goods from Botswana cannot always be removed from South Africa
- A high level of bond is required from freight forwarders for movements in transit through South Africa. The potential charge on each consignment is calculated and debited to the bond, subsequently being credited back after the goods have been shipped from South Africa. This is not a modern method for a customs administration to use to administer bonds. If SARS adopted a modern risk management approach to the administration of bonds, the level of bond required from freight forwarders could be reduced.

### CHAPTER 3: NEW NTB MEASURES SINCE 2004 DIRECTLY AFFECTING EXPORTS

*Table 3: WTO NTB Categorisation Codes*

INVENTORY CATEGORY	DESCRIPTION				
Part I	Government Participation in Trade and Restrictive Practices Tolerated by Governments				
	WTO Inventory Code D  E	Problem Area Public Procurement & Assets Disposal Act plus Regulations Trade Act Tourism (Reservation of Tourist Enterprises for Citizens) Regs 2006 Industrial Development Act (2006)	Description of the most severe NTBs <ul style="list-style-type: none"> <li>• Whole categories of services restricted to citizen only procurement.</li> <li>• Construction companies registered by size and some contracts restricted to citizen companies.</li> <li>• 30% of building contracts by value reserved for citizen companies. .</li> <li>• Various types of businesses reserved for citizens in all three areas,(Trade, Tourism and Industry)</li> </ul>	Impact of NTB to businesses and trade:  Moderate	Responsibility/Source of NTB MFDP  MTI  MTI
Part II	Customs and Administrative Entry Procedures				
	WTO Inventory Code B F	Problem Area- SARS SARS	Description of the most severe NTBs- <ul style="list-style-type: none"> <li>• SARS valuing electronic equipment being temporarily exported for repairs in RSA.</li> <li>• Following SA-China Textile Agreement that RSA did not consult BNLS on, possible change in Rules of Origin on fabric could affect local textile &amp; clothing exports to RSA.</li> </ul>	Impact of NTB to businesses and trade: Restrictive rules of origin could have major impact on Botswana textile producers.	Responsibility/Source of NTB SARS  SARS



INVENTORY CATEGORY	DESCRIPTION				
Part III	Technical Barriers to Trade				
	WTO Inventory Code B C	Problem Area- Radiation Act, Standards Act	Description of the most severe NTBs- <ul style="list-style-type: none"> <li>No qualified staff at major border points</li> <li>This lack of qualified staff at major border points will also impact on other areas such as standards and SPS.</li> </ul>	Impact of NTB to businesses and trade: Moderate	Responsibility/Source of NTB MST BOBS
Part IV	Sanitary and Phytosanitary Measures				
	WTO Inventory Code A	Problem Area- Cattle Export Levy (Amendment) Act, 2005 & Regulations (2006) & Livestock & Meat Industries Act (2006)	Description of the most severe NTBs- <ul style="list-style-type: none"> <li>Scope of new Regulations still being implemented.</li> <li>Minister has power to impose an "export tax on any livestock produce"</li> </ul>	Impact of NTB to businesses and trade: Likely to be low.	Responsibility/Source of NTB MOA MOA
Part V	Specific Limitations				
	WTO Inventory Code- K	Problem Area- Marketing of Foods for Infants & Young Children Regulations (2005)	Description of the most severe NTBs- <ul style="list-style-type: none"> <li>Lack of qualified staff to manage the Regulations</li> </ul>	Impact of NTB to businesses and trade: Low	Responsibility/Source of NTB MOH
	J E	Livestock & Meat Industries Act  Bi-Lateral China-SA Agreement on Textiles without consulting BNLS members of SACU.	<ul style="list-style-type: none"> <li>Minister can impose export tax.</li> </ul> Allegedly there will be new, more restrictive Rules of Origin that could impact on Botswana AGOA exports if they go by road transport to Durban rather than via GABCON.	Low Low  Very Severe potential impact	RSA

INVENTORY CATEGORY	DESCRIPTION				
Part VI	Charges on Imports- See Chapter 4, below.				
	WTO Inventory Code	Problem Area	Description of the most severe NTBs	Impact of NTB to businesses and trade	Responsibility/Source of NTB
Part VII	Other				
	WTO Inventory Code- A	Problem Area- Architects Registration Bill (2006)	Description of the most severe NTBs- <ul style="list-style-type: none"> <li>• The new Act has yet to be gazetted and no regulations have been published as yet.</li> </ul>	Impact of NTB to businesses and trade: Probably low, at least initially.	Responsibility/Source of NTB MWT

**Table 4: Specific Additional Official Regulations Affecting Exports**

WTO Inventory Category	Product Group	Government Controlling Agency	Regulatory Procedure
Part IV A	Livestock produce	Min. Agric.	Slaughter and processing of livestock produce.
Part V J	Livestock produce	Min. Agric.	Minister can impose export tax.

Since the 2004 NTB Inventory report for Botswana no other Acts or Regulations than those noted in Table 5 have been promulgated that have a measurable impact on exports. However, there have been certain activities or events that do not readily fit the categories in Table 5 that have had varying impact on export trade. The amalgamation of the Department of Taxes and the Department of Customs & Excise into the statutory body, Botswana Unified Revenue Service (BURS) has had the inevitable teething problems, but should be positively beneficial in the longer term. Taxpayer and VAT registration numbers have been unified also. The AYSCUDA system is now working well and returns for all computerised border points that handle 99+% of commercial exports are only a few days in arrears. The computerised forward export clearing documentation process is also working smoothly.

Various SARS initiated, often unilaterally, transit procedures have a definite irritating impact. The obsession with catching the few in number of intentional cheaters has an impact on the 98+% of legitimate operators/manufacturers. GABCON, as a 'dry port', is reportedly not utilised as much as it could be by exporters since the containers go by rail, which is both slow and expensive compared to road transport. The trade off is the more cumbersome and complex transit arrangements that have to be done for road transit.

## CHAPTER 4: EW NTB MEASURES SINCE 2004 DIRECTLY AFFECTING IMPORTS

*Table 5: WTO NTB Categorisation Codes*

INVENTORY CATEGORY	DESCRIPTION				
Part I	Government Participation in Trade and Restrictive Practices Tolerated by Governments				
	WTO Inventory Code- D E	Problem Area- (Refer to Chap 3 Table as identical)	Description of the most severe NTBs	Impact of NTB to businesses and trade	Responsibility/Source of NTB Same as Chap 3
Part II	Customs and Administrative Entry Procedures				
	WTO Inventory Code- B F	Problem Area- (Refer to Chap 3 Table as identical)	Description of the most severe NTBs	Impact of NTB to businesses and trade	Responsibility/Source of NTB Same as Chap 3
Part III	Technical Barriers to Trade				
	WTO Inventory Code-  B C B B,C	Problem Area- (Refer to Chap 3 Table as identical.) Agrochemicals Act & Regulations Drugs & Related Substances Act & Regs	Description of the most severe NTBs-  Lack of qualified staff to administer the system.  Previous lack of qualified staff was alleviated by allowing many drugs in on waivers. This has been stopped and only about 40% of drugs previously allowed in are now available.	Impact of NTB to businesses and trade:  For the importer, it is a moderate to heavy impact.  All non governmental health professions and practices have suffered a very severe impact.	Responsibility/Source of NTB  Same as Chap 3 MOA  MOH

INVENTORY CATEGORY	DESCRIPTION				
Part IV	Sanitary and Phytosanitary Measures				
	WTO Inventory Code-  A B	Problem Area- (Refer to Chapter 3 Table as identical.) Food inspection at border posts and business premises	Description of the most severe NTBs- Lack of qualified staff to manage what on paper is becoming a complex area subject to allegedly arbitrary or subjective determinations.	Impact of NTB to businesses and trade:  Moderate	Responsibility/Source of NTB  MOH
Part V	Specific Limitations				
	WTO Inventory Code-  L	Problem Area- (Refer to Chap 3 Table as identical.) Roads Regulations	Description of the most severe NTBs-  Botswana is still to harmonise its axle load limits, currently at 8.2 tonnes to the SADC standard of 9.0 tonnes.	Impact of NTB to businesses and trade:  Inefficient use to external transport as they cannot be fully loaded to what is otherwise the SADC wide limit.	Responsibility/Source of NTB  MWT
Part VI	Charges on Imports				
	WTO Inventory Code	Problem Area	Description of the most severe NTBs	Impact of NTB to businesses and trade	Responsibility/Source of NTB

INVENTORY CATEGORY	DESCRIPTION				
Part VII	Other				
	WTO Inventory Code B	Problem Area  Drugs and Related Substances Act, 1993	Description of the most severe NTBs The registration process was intended to safe guard public health. However, due to lack of human resources to administer the process, it has meant that more than half of the drugs available in SA are no longer available in Botswana.	Impact of NTB to businesses and trade:  There has been a very severe impact on ill people who cannot be prescribed the drug of choice as it is not registered.	Responsibility/Source of NTB  MOH

**Table 6: Specific New Official Regulations Affecting Imports**

WTO Inventory Category	Product Group	Government Controlling Agency	Regulatory Procedure
VIII B	drugs	MOH	P800 fee for filing at application to register a drug plus submission of a lengthy dossier and then a multi year delay for a decision.

VAT at 10% is payable on all goods qualifying for it on entry to Botswana. The vast majority of goods entering Botswana are from South Africa. If the documentation on these goods is such to clearly indicate that South African VAT has previously been paid then it is possible to claim a refund at the border. Depending on the amount, the SARS office can issue a Pula denominated cheque immediately but above R3000 the refund is paid at a later date by post.

The Drugs and Related Substances Act, 1993 establishes a Board to oversee and review the registration of all drugs utilised in non government facilities and practices. The procedures under the Act for registration are complex and require a very large dossier to be assembled for each drug submitted for registration. Due to this workload, up until about 2004 many drugs utilised in Botswana were granted a waiver while the registration process was taking place. This waiver process was halted around 2004. The backlog has not been cleared resulting in a situation whereby over half the drugs readily available in South Africa are no longer available in Botswana. What was intended to be a straightforward and legitimate Non Tariff Measure (NTM) justified on the grounds of safe guarding public health has now turned into a very high impact NTB.

## CHAPTER 5: COMMENTARY AS A RESULT OF INTERVIEWS AND DESK RESEARCH

As tariffs decrease, the number of NTMs and outright NTBs increase. But, while tariffs are transparent, known and measurable, NTBs are often opaque, subjective and compliance costs are difficult to measure. Quite often the NTMs and NTBs have unintended consequences as the officials charged with administering them lack competence or efficiency.

The Government of Botswana policy pronouncements on trade since 2004 include the following examples:

- “Administrative bottlenecks that adversely affect business in Botswana remain a serious problem. The task of breaking these bottlenecks is one of Trade and Industry’s major assignments, in collaboration with BEDIA [Botswana Export Development and Investment Agency] and other relevant Ministries. Specific benchmarks have been set up.” *Midterm Review of NDP 9*, Para. 100.
- “..certain impediments still exist that need to be addressed for Botswana to become a significant regional player [in financial services]. These include:
  - Processes for issuing work permits, visas and registration of new companies are still too slow, and must be brought into line with international best practice.
  - Botswana does not yet have legislation that deals with data privacy and trans-border information. The absence of such legislation can deter some companies from setting up business in Botswana.” *Ibid*, Para. 168.
- The Local Procurement Programme (LPP) was introduced by Government in 1997, as an incentive programme for the promotion of the manufacturing sector. Its objective was to reserve for local manufacturers 30% of purchases made by Central Government. However, the programme has not achieved much of the desired result as there has been a reluctance on the part of the procuring institutions to support local industries. Consequently, cabinet directed that Central Government, Local Authorities and Parastatal Organisations should purchase all their requirements from locally based manufacturers and service providers, subject to compliance with technical, quality, price and delivery terms. To ensure effective implementation, procuring institutions are closely monitored and they are expected to submit quarterly reports on their purchases under the programme to the Ministry [of Trade and Industry].” *Ibid*. Para. 190.
- “Considering the problems and bottlenecks experienced in the road transport sector... its has become critical to amend the Acts as a matter of urgency with the following objectives:
  - To increase the single axle-weight load limit from 8.2 to 9 tonnes in order to harmonise it with other SADC Member States within the spirit of the SADC Protocol on Transport, Communications and Meteorology;
  - Introduce a more detailed and classification of passenger and good transport permit system based on the types and duration of services as well as the vehicles used, to suit requirements of the local and regional transport sector operations.” *Ibid*. Para. 238.
  - “An Air Transport Policy has been drafted whose strategic direction is to liberalise the air transport industry in line with the SADC Protocol on Transport, Communications and Meteorology and the Yamoussoukro Decision. Acting in the spirit of the SADC Protocol and other air transport agreements, the Government will accelerate



expansion of the air transport network through a variety of measures including market liberalization to provide adequate capacity and market access to facilitate easy movement of international and domestic traffic to and from Botswana.” *Ibid.* Para. 244.

- “Regional collaboration in management and control of trans-boundary animal diseases will be intensified.” *Ibid.* Para. 323.
- “Although the enactment of EIA legislation is a welcome development, there are challenges to the implementation and enforcement of the law. These include lack of institutional capacity to coordinate sectoral environmental responsibilities; a widely held notion that the EIA process will be costly and potentially delay implementation of projects due to conflicting and fragmented environmental related pieces of legislation.” *Ibid.* Para. 351.
- “The implementation of recommendations from the Partnership for the Development of Environmental Law and Institutions in Africa (PADELIA), a regional initiative coordinated by the United Nations Environmental Programme (UNEP) will be adopted to strengthen and harmonise environmental legislation in the country.” *Ibid.* Para. 353.

The Drugs and Related Substances Act, 1992 and the resultant Regulations, 1993 requires the registration of all drugs to be utilized outside public health facilities. This case study indicates the scope for unintended consequences. The Drugs Registration Unit (DRU) was established as was the Board to which it reported. A registration application has a fee of P800 and requires a large dossier setting out details of the drug in question. Over the years as the number of applications steadily increased and as the output of the Board did not keep pace, the practice of issuing waivers for the importation of drugs became established. However, around mid 2004 a decision was taken to radically restrict the issuance of waivers. The result at present is that reportedly less than half the drugs registered for use in South Africa or in the developed world are fully registered for use in Botswana. Thus, what was initially a NTM to protect public health has morphed into a particularly nasty NTB that limits the range of drugs that health practitioners can prescribe often to the detriment of their patients.

The FIAS report mentioned earlier was wide ranging. The following few paragraphs give a summary of the import permit/licence situation in Botswana:

“The 34-page list of goods that require an import permit is fairly comprehensive, and includes goods in 76 of the 96 HS chapters in the tariff. Noticeable exceptions to the import permit requirement are live animals, pharmaceuticals, photographic goods, leather goods, silk, carpets, lead, computers, motor vehicles, precision instruments, clocks and watches, and musical instruments.

The team was advised that, on receipt of an application, immediate issue of a permit is not possible, but only because the permit has to be typed in Consumer Affairs Department. The issue of permits appears to be a routine activity not requiring any serious consideration as to whether the application should be granted. Some customs clearing agents obtain import permits for their clients.

These import permits are in effect import licences under WTO terminology. The WTO recognizes that the flow of international trade can be impeded by the inappropriate use of import licensing procedures. The current Statutory Instrument imposing a requirement for import permits dates from 1991. Two changes since then suggest that the need for them should be seriously reconsidered.

The permits may have had a use in administration of exchange control, but exchange control has since been abolished. They may also have provided useful information to MoTI on the intentions of importers, and enabled the compilation of statistics on expected imports, which can be particularly useful when actual trade statistics do not become available for a considerable period after actual importation. However, the ASYCUDA computer project that is currently being implemented in the Customs and Excise Department means that by the end of this year comprehensive trade statistics will be available very shortly after clearance by Customs, possibly even on a daily basis.

The time and costs involved in importing are adversely affected by the need to obtain an import licence/permit. A first examination of the situation suggests that little or no value is added by the requirement. The team was informed that permits are never in practice refused. It is therefore appropriate to reconsider the need for these permits. It may be necessary to retain permits for a limited number of commodities for security, public health and public morals reasons, but the current coverage is far in excess of such needs.”

The FIAS study listed the following recommendations regarding trade facilitation:

“The following recommendations are for the attention of the Customs and Excise Department.

- When the question of whether acceptance of manual declarations be discontinued in favor of 100% DTI [direct trader input], the international recommendation that importers should be allowed to clear their own goods be borne in mind.
- The collection of intelligence information for risk assessment to determine selection of type of customs clearance should be proceeded with urgently.
- Collection of information on current values of goods in international trade and creation of a valuation database should be proceeded with urgently.
- The WTO Legal Text, the "Decision Regarding Cases where Customs Administrations Have Reason to Doubt the Truth or Accuracy of the Declared Value" should be enacted by Regulation if this has not already been done.
- In the interests of consistency and to protect the public from any possible abuse, customs officers acting under Section 5(7) and 5(8) of the Customs and Excise Duty Law should be required to be in possession of written authority from the Director.
- Proficiency tests for clearing agents should be introduced.
- Customs to participate in discussions aimed at enabling providers of financial security to do so without having an equivalent amount blocked in their bank account.
- A concise Code of Conduct dealing with disciplinary matters should be introduced.

- Every member of the Department should be issued with a copy of the Code of Conduct, and be required to acknowledge receipt and acceptance of its contents.
- Consideration should be given to the issue of an Importers Charter.
- Initiative to be taken on development of a customs transit control system valid in all SACU member countries.

The following recommendations are for attention by the Government of Botswana:

1. The level of resources of the Customs and Excise Department to be reviewed against current urgent needs which include: (a) development of computer processing of goods declarations for more efficient selection for examination and for more effective valuation checks; and (b) development of a realistic program for audit of VAT returns.
2. The terminal operator should be requested to install additional lifting equipment at GABCON to avoid unloading delays.
3. In the interests of trade facilitation, and having regard to the changes that have taken place since the current requirement was enacted, it is recommended that MoTI consider whether in the current situation import permits still constitute an essential part of its control of imports, and abolish as many as possible.
4. The proposal to limit the sale of Duty Credit Certificates to the country of issue should be resisted.
5. A strategic approach to enforcement of national standards by BOBS must be developed.
6. Equipment and facilities for testing and analysis must be made available for BOBS.
7. Discussions to be held with Government of South Africa on the frequent requirement for Botswana importers to pay South African VAT.
8. Discussions to be held with Government of South Africa on the method of making repayments of VAT to Botswana importers by SARS.
9. Discussions to be held with Government of South Africa on acceptance of alternative evidence of exportation of transit goods in the event of failure to obtain certification when the goods leave South Africa.
10. Discussions to be held with Government of South Africa on a greater transit time allowance for consignments sent to South Africa by freight forwarders for consolidation.
11. Discussions to be held with Government of South Africa on the possible easing of transit bond requirements for exports from Botswana.
12. Consideration to be given to development of a transit system that covers movement through all SACU Member States.

The following recommendations are for the attention of the Chamber of Commerce or any other body responsible for trade facilitation:

- Together with the Customs and Excise Department, study the need for wide availability of a form of security to cover potential customs charges that does not adversely impact on the trader's liquidity.
- Copies of the ICC publications "Universal Customs and Practice for Documentary Credits", "Guide to Documentary Credit Procedures", and "Incoterms 2000" to be made available to importers and exporters.
- Publicity should be given to the status of GABCON as a "dry port" from which through bills of lading can be issued.
- A Guide for Importers and Exporters that explains commercial procedures and official requirements, including relevant South African ones, should be issued."

Freight forwarders interviewed stated that few, if any, of the above recommendations had yet been implemented. Proficiency tests for persons applying for a freight forwarder licence have not been instituted. However, the long moribund freight forwarders association is being resuscitated with Botswana Unified Revenue Service (BURS) encouragement in the hopes that the body can set proficiency standards that BURS can apply when processing licence applications.

The SACU Agreement provides for industrial rebates to certain industries to assist such industries to become competitive in international markets. The following programmes are applicable to the textile and clothing industry:

- The Duty Credit Certificate Scheme (DCCS) was introduced on 1<sup>st</sup> April, 1993 to influence textile and clothing manufacturers to actively pursue the objective of achieving international competitiveness without subsidies. Exporters of certain prescribed textiles and clothing earned duty credits. The scheme came to an end in March, 2005 and has since been replaced by the Textile and Clothing I Development Programme (TCIDP) which came into effect in June, 2006. The TCIDP will serve as a temporary measure until March, 2007. This is to be replaced with a long term textile development programme that is WTO compliant, but details are still being resolved. The Botswana Exporters' Association stated that they and the textile exporters associations in South Africa, Swaziland and Lesotho have requested the SACU Secretariat that the TCIDP be extended for up to two years to allow the WTO compliant development programme to be fully developed and for consultations and training seminars to be arranged. Under the TCIDP 40 certificates valued at P120,962,072 have been issued to 8 companies in Botswana.
- Rebate Item 470.03 - This provision grants a rebate of duty on components and materials used in manufacture, processing, finishing equipping or packing of goods exclusively for export. Over the last decade 85% of the users of this provision have been textile and clothing manufacturers.
- Rebate Item 405.04 - Under this facility a rebate of duty is granted on goods (excluding motor vehicles) designed for use by persons with physical or mental defects.

The following extract from a recent article on agricultural trade liberalization set out the situation in Botswana quite succinctly.

“The SACU region maintains common tariffs for extra-regional trade and, ideally, a free trade regime for intra-regional trade. The SADC trade protocol was signed in 1996 and its implementation, at least on paper, started in 2000. SADC’s aim is to liberalize 85 percent of its trade by 2008 and trade in sensitive commodities by 2012. Thus, tariffs (border taxes on imports) and non-tariff barriers (NTBs) (import/export quotas, import/export licensing, import/export permits, etc) should be eliminated by 2008. Both SACU and SADC trade agreements call for the elimination of all trade barriers, the only significant exception being that *infant industries* are eligible for protection, for a period not exceeding eight years.

For Botswana, import restrictions have been imposed on horticulture, poultry, fresh milk, pig-meat and grains (raw and flour) for over two decades. These trade restrictions are implemented under the Controls of Goods, Prices and Other Charges Act. Importers of these commodities have to apply for permits each time they wish to import, specifying the exact quantities they would like to import.

In practice, the application of import permits has varied across the respective commodities. *For horticulture*, import permits are not issued when domestic production is deemed sufficient to meet local requirements, for those commodities subject to import permit requirement. This is meant to ensure that domestic produce has access to the domestic market, and that there is minimal competition with cheaper imports during harvest time. *For poultry*, import permits are not issued for unprocessed cuts of chicken meat and table eggs, unless there has been a shortfall in domestic production. This is rarely the case, implying that imports are normally completely blocked. Import permits are only issued for valued-added products (chicken nuggets, chicken burgers, marinated chicken wings, etc) and production inputs (hatching eggs, point-of-lay pullets and day-old broiler chicks). *The policy is meant to award domestic poultry producers some degree of competitive advantage, by allowing them access to inputs and simultaneously restricting imports of finished products.* Similarly, imports of whole *pork* cuts are prohibited, unless there has been a shortfall in domestic production. Permits are only issued for special-cuts, such as the familiar spare ribs, commonly served in restaurants around Gaborone. Dairy processors are allocated monthly import quotas of *fresh milk* to meet excess demand over domestic production. However, retailers can only purchase *fresh milk* from domestic processors and, hence, are prohibited from importing.

The situation in the *grain* industry is perhaps one of the most contentious. Intra-regional trade of raw cereals (maize and sorghum) was liberalized through the removal of producer price supports in 1991 and BAMB’s monopoly on sorghum imports in 1992. This meant that millers were now allowed to procure supplies directly from outside Botswana. The effect was that BAMB (Botswana Agricultural Marketing Board) became a supplier of last resort, as millers preferred to procure grain from South Africa (SA) and elsewhere. This might have been one of the reasons BAMB realized negative profits and was in the brink of collapse in the last couple of years. Recently, Government introduced a new trade restricting measure, a 40:60 procurement rule, which requires grain processors to procure at least 40 percent of their grain domestically before they could be awarded import permits for the remaining 60 percent. The effect is an increase in miller transaction costs, due to being forced to procure

from more than one source, even though doing so may not be economically justified. Moreover, domestic suppliers of raw grain now have some degree of market power, which entices/enables them to set their sale prices above border prices. We would therefore expect that millers would find this policy contestable. The policy is intended to ensure that domestically produced grain is sold, so as to sustain the country's grain industry, but at millers' and ultimately at final consumers' expense.

The grain flour case is perhaps even more contestable. Take the case of wheat where there is no primary production (*gae lengwe mo Botswana*). A 15 percent import levy on wheat flour is currently in place to promote value-addition within Botswana. The policy is complemented by a *bread ban* (for the lack of a better term), which prohibits the importation of loaves of bread. A 50:50 procurement rule for maize flour and *samp*, currently in place, is intended to force retailers/wholesalers to purchase at least 50 percent of these products from domestic processors (millers), rather than to depend solely on imports. Similarly, a 40:60 procurement rule for sorghum flour is meant to ensure that retailers/wholesalers procured at least 40 percent of their flour from domestic millers. This policy is a double-edged sword: millers are currently favored by this requirement, whereas a similar requirement for raw grain, which is an input in their production process, does not favor them. The same inefficiency argument, emanating from increased transaction costs, may be advanced against these policies. But arguments for these NTBs are equally valid. The major reason is to promote value-addition and job creation. One other justification is that cross-border supermarkets prefer to import rather than purchase locally, some due to their procurement procedures. Hence, if transactions were not regulated, some of these traders would not even bother to procure from the local market. <sup>3</sup>

The Industrial Development Act, 2006, formalized the previous policy of reserving certain industries for citizens, even if these provisions now occur in the "Miscellaneous" part.

"27. (1) The Minister may make regulations providing the licences to carry on such enterprises as may be prescribed shall be issued only to citizens of Botswana, or to companies wholly owned by citizens of Botswana.

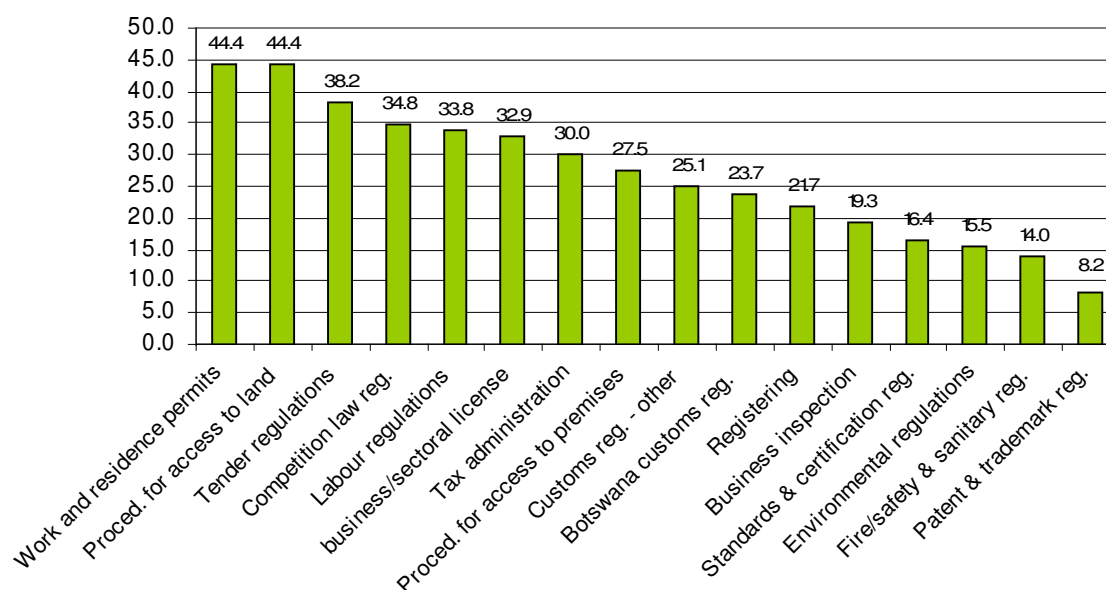
1. Regulations made under this section may provide that only citizens of Botswana shall be entitled to carry on a particular enterprise in such areas in the country as may be prescribed.
2. Notwithstanding the provisions of this section, the Minister may make regulations providing the licences to carry on enterprises reserved for citizens and which enterprises fall within the medium or large scale category shall be issued to joint ventures between citizens and foreign partners, provided that the citizen partner holds a minimum 51% share holding in the joint venture."

As part of the FIAS report, mentioned above, a survey of a representative sample of large, medium and small companies was conducted by BIDPA. The chart below indicates the range of concerns raised by business people:

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<sup>3</sup> Seleka, T., Snr. Research Fellow, Botswana Institute for Development Policy Analysis (BIDPA, *Agricultural Trade Liberalisation: Its Mystification or Demystification, or Just Fuss out of Nothing?*, Botswana Guardian, Northern Extra, 2<sup>nd</sup> march, 2007, pgs. Ii-iii.

**Percentage of managers that perceived a certain administrative procedure as an obstacle to operation and growth of his company**



In 2006 the World Bank conducted a survey of 114 companies as part of its “Enterprise Surveys” series. The table below sets out some of the findings and compares Botswana to the region (undefined in the survey, but probably SADC) and the rest of the world.

**BOTSWANA: ENTERPRISE SURVEY, 2006**

Trade	Botswana	Region	Rest of The world
Average time to clear direct exports through customs (days)	1.24	3.96	3.86
Longest time to clear direct exports through customs (days)	2.29	7.95	7.20
Average time to claim imports from customs (days)	2.24	6.84	5.53
Longest time to claim imports from customs (days)	3.96	14.28	19.20
Firms that export directly (%)	19.30	27.77	25.98
<b>Tax</b>			
Average time firms spent in meetings with tax officials (days)	1.75	4.36	3.32
<b>Informality</b>			
Sales amount reported by a typical firm for tax purposes (%)	55.18	77.97	82.06
<b>Finance</b>			
Value of collateral needed for a loan (% of loan amount)	133.36	140.39	136.69
<b>Crime</b>			
Security costs (% of sales)	1.39	1.54	1.75
Losses due to theft, robbery, vandalism, etc against the firm (% of sales)	1.53	1.54	0.80
<b>Bureaucracy</b>			
Snr. Management time spent in dealing with requirements of government regulation (%)	5.62	9.01	7.02
Consistency/predictability of officials' interpretation of regulations affecting the firm (%)	59.29	50.24	47.14
<b>Corruption</b>			
Firms expected to give gifts in meetings with tax officials (%)	5.36	18.76	32.13

The Tlokweng-Kopfontein Gate was supposed to remain open 24 hours per day w.e.f. 1<sup>st</sup> March, 2007. This gate is by far the busiest for Botswana-South Africa trade. However, the South Africans are claiming they do not have enough accommodation on site to maintain 24 hour operations. As at 6<sup>th</sup> March the 24/7 service has not commenced. A 24 hour service would be a great boon to importers especially as the daily morning queue of in-bound lorries can stretch to a kilometer and the resulting queues for customs clearance can disrupt service to others until 10:30 every day. It should also smooth out departures from Botswana, especially at the present opening time. Also, it should cut out the rush to be SA bound by the large lorries that have already driven up to Gaborone the same day and improve road safety on the route in general.

With regard to the use of the Trans Kalahari Highway for trade the Botswana Exporters' Association reported that exporters and importers do not favour this route for the following reasons:-

- If vehicles break down on the very isolated Botswana portion of the road it can be very expensive to make repairs.
- If vehicles break down on the Namibian portion it is also difficult to effect repairs and the payment procedures are such that funds have to be sent first to South Africa and then transferred to a bank in Namibia and this can take a long time,
- While reefer container ships depart fairly often to Europe, the departure of regular container ships with general cargo is much more sporadic.
- At present there are no direct container ships plying the Walvis Bay –US east coast route so there is no point in shipping AGOA goods via that port.
- At present it is alleged that GABCON does not operate as an 'inland dry port' for Walvis Bay so this type of operation must go through Durban.

### **NTB Reporting Form**

The matter of the NTB reporting form prepared by COMESA and adopted by SADC did not elicit much of a response from the persons interviewed, including those who attended the NTB workshop in Pretoria in November, 2006. No one was opposed to the format of the form and the general consensus was that the form be utilized during a trial period and then possibly modified if so required.

### **Private Sector Focal Point for Reporting NTBs**

The Department of International Trade (DIT) officials noted that three possible focal points had been identified. One is the Exporters Association but the view seemed to be that they were focused solely on exports and at least half of NTBs are on the import side, especially for a country such as Botswana that imports 90% by value of the goods it consumes. The second possible focal point identified is BEDIA, the Botswana Export Development & Investment Agency. However, BEDIA is a parastatal authority rather than a purely private sector actor. The third possibility is BOCCIM, the Botswana Confederation of Commerce, Industry & Manpower. However, BOCCIM has yet to be formally approached by DIT.

It has been argued that while the private sector is the first to complain about the impact of NTBs on business, traders as a collective body, are rarely collectively pro active in taking the lead on reporting NTBs in order to affect changes that would benefit those very same traders. BOCCIM truly values the continuation of the High Level Consultative Council (HLCC) as a



means of dialogue with the highest levels of Government including the State President. While the November, 2006 SADC Workshop on an Action Plan for the Elimination of NTBs exhorted that a private sector led focal point for reporting NTBs be established in each SADC country and report to the SADC National Committees (SDCs) how the process is initiated will vary from country to country and will likely turn on whether the SDC is functioning and active. In the case of Botswana it is not.

However, during 2006 Botswana published a Draft National Export Strategy 2006-2009 prepared by “the National Team” and BEDIA with assistance from the Commonwealth Secretariat and the International Trade Centre. One measure in the strategy is to establish the “National Body on Tariffs Administration” by September, 2007 whose mandate would be “to deal immediately with all issues that are deemed trade unfavourable to Botswana.” NTBs are by definition trade unfavourable. And, while the conclusion could seem to be that little has been done since the November 2006 workshop with regard to establishing the focal point, such a focal point in the Botswana context might end up being a body of a different shape but common purpose.

## **CHAPTER 6: ASSESSMENT OF PROCEDURES FOR HARMONISATION OF TRANSIT TRAFFIC BETWEEN COUNTRIES IN THE REGION**

Botswana is at an advanced state of harmonizing its axle load limit with the SADC norm. The current Botswana rule is 8.2 tonnes while the SADC norm is 9 tonnes. Botswana has also adopted regulations that will harmonise all road signs in the country with that of SADC. As BURS has grown accustomed to the AYSCUDA computerized system and as direct trader input (DTI) has grown increasingly common, the view of freight forwarders is that the overall situation has improved.

There remain some problems, but they are often not of Botswana's making. At the Kazungula Border Post, the only border post with Zambia, it is reported that there can be long customs delays on the Zambian side. As the economic situation in Zimbabwe worsens, it is reported that the Zimbabwean side of the Plumtree Border Post can get chaotic as searches of vehicles is increased.

The Tlokweng-Kopfontein Border Post only 16 kilometres from Gaborone is always chaotic during Public Holidays, doubly so if it is also a holiday in RSA. The customs and immigration rooms on the South African side only provide space inside for a queue of about six people so everyone else that might be in the queue have to form up outside and in inclement weather this causes problems. While it was announced that this border post would be open 24/7 from 1<sup>st</sup> March, 2007, this has not happened. Once it comes to pass, it should be a boon to all concerned.

It is unclear as to why rail traffic from Gauteng Province to Gaborone is such a lengthy and slow process. However, it is very common to see heavy duty vehicles hauling cement and face bricks from Gauteng while one would think that rail would be the preferred mode of transport for such bulk commodities.

## **CHAPTER 7: RECOMMENDED ACTIONS ON NOTIFICATION, MONITORING AND ELIMINATION OF NTBs**

The recommendations in the FIAS Report late 2003 but have not been implemented. They are still relevant and still require implementation. All sectors still need to establish the focal point for reporting NTBs in the private sector and the existence of the focal point requires extensive advertising to make it effective.

Botswana needs to complete the harmonization process for road transport with its SADC neighbours. Government needs to review all requirements for import permits to ascertain if they are still required or serve a defensible purpose. Government also needs to review all regulatory legislation to determine if what have emerged as unintended consequences of such legislation are defensible. The registration process for the importation and sale of drugs and related substances is a glaring example of such regulatory practice.

It is unlikely that Botswana will have eliminated all NTBs by the end of 2008 as the timetable adopted by SADC mandates, but in broad terms, it is much further down the road than the other Member States. The reservation for citizens clauses in the new Industrial Development Act, 2006 are not all that encouraging as an indication of Government commitment to open trade, but the implementing regulations have not been published in the *Government Gazette* as yet, so it is not known how many industries in how many parts of Botswana will be reserved.

**ANNEXURE 1: CONTACTS**

<b>NAME</b>	<b>TITLE/ORGANISATION</b>	<b>TEL</b>
K. Laletsang	Director, Dept of International Trade, MTI	318-8401
Graham Burt	MD, Consolidations (Botswana)	390-8236
Leif Bekker	MD, Rohlig (Botswana)	395-3505
Raj Rallan	MD, MS Group	391-8791
Dick Jamieson	MD, Plascon Paint (Botswana)	392-2764
Lefeletse Ketlaaleka	Reg. Mngr, BOCCIM	395-3459
Loago Raditedu	GM, Exporters' Association	391-1883
Barney O'Reilly	MD, Panasonic Business Systems	395-3077
Oupa Tsheko	Lecturer, Dept of Economics, UB	355-2151
Ignatius Ndzingo	MD, Gaborone Veterinary Clinic	391-4121
Charles Rabothiwa	Stats Officer, Trade Statistics, CSO	395-6117
Keanewa Mandoze	Stats Officer, Trade Statistics, CSO	395-6333
Richard Lyons	Richard Lyons Attorneys	395-2364
Mick Reay	MD, Security Systems	391-4868
Jay Salkin	Research Advisor, Bank of Botswana	360-6353
Tyrrell Duncan	Res. Econ. Advisor, Min. of Works & Transport	395-3399
Kristina Brejt, Dr.	Private General Practitioner	395-7070
Anon Pharmacist	Private Pharmacy	000-0000
Tafila Nyamadzabo	Secretary for Economic Affairs, MFDP	395-0292
Johana Segotlong	Prin. Trade Officer, Dept. of Int'l Trade, MTI	319-0243
Jabulani Mthethwa	SADC Secretariat	395-1863
Happias Kuzvinzwa	SADC Secretariat	395-1863
Paul Kalenga	SADC Secretariat (out of country)	395-1863
Maxwell Mosinyi	Investment Officer, BEDIA	318-1931

## ANNEXURE 2: TOP TEN PRODUCTS (HS2) FROM SADC COUNTRIES IMPORTED BY BOTSWANA

Below sets out the top ten products (HS2) from SADC countries imported by Botswana by value for the years 2003-2006 in BWP and USD. The same conversion rates as used in Table 1 were used in this Table.

Description & Country	Value in BWP				Value in USD			
	2003	2004	2005	2006	2003	2004	2005	2006
<b>Chemicals &amp; Rubber Products on:</b>								
Democratic republic of Congo	0	0	16,646	60	0	0	3,283	10
Lesotho	590,261		471,777	1,496,994	119,728	0	93,053	257,658
Mauritius	12,376,658	10,948,378	11,655,043	13,465,305	2,510,478	2,339,397	2,298,825	2,317,608
Malawi	2,635	122,464	559,148	99,158	534	26,168	110,286	17,067
Mozambique		240		320,028	0	51	0	55,082
Namibia	2,467,006	1,997,792	311,644	901,634	500,407	426,879	61,468	155,187
Swaziland	6,310,878	17,683	64,789	1,200	1,280,097	3,778	12,779	207
Tanzania	426	2,202	2,647	3,051	86	471	522	525
South Africa	1,281,821,030	1,586,497,093	1,725,536,692	2,139,591,245	260,004,266	338,995,105	340,342,543	368,260,111
Zambia	263,735	22,580	140,685	237,542	53,496	4,825	27,749	40,885
Zimbabwe	19,619,327	21,042,353	15,669,955	12,830,327	3,979,580	4,496,229	3,090,721	2,208,318
<b>Food Beverages &amp; Tobacco:</b>								
Democratic Republic of Congo	124,445		6,114		25,242	0	1,206	0
Lesotho		46,286			0	9,890	0	0
Mauritius	235			26,404	48	0	0	4,545
Malawi	2,191,622	1,035,588	3,133,911	3,676,489	444,548	221,279	618,128	632,786
Mozambique	7,196	3,767	83,881	5,854	1,460	805	16,545	1,008
Namibia	14,110,407	27,080,260	29,079,865	34,010,109	2,862,152	5,786,380	5,735,674	5,853,719
Swaziland	35,613	165,557	72,749		7,224	35,375	14,349	0
Tanzania	317,393	342,338	330,748	428,336	64,380	73,149	65,236	73,724
South Africa	1,943,914,593	2,095,679,757	2,099,453,972	2,303,176,357	394,303,163	447,794,820	414,093,486	396,415,896
Zambia	2,219,239	1,830,276	6,789,641	9,447,132	450,150	391,085	1,339,180	1,626,012
Zimbabwe	58,954,263	63,748,393	78,042,661	88,494,071	11,958,268	13,621,451	15,393,030	15,231,338
<b>Fuel(imp):  27 </b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Description & Country	Value in BWP				Value in USD			
	2003	2004	2005	2006	2003	2004	2005	2006
Mauritius		278		8,520	0	59	0	1,466
Mozambique	4,914,948	745,086	2,328,239	16,230,504	996,947	159,206	459,219	2,793,546
Namibia	30,451,294	32,917,064	33,276,944	57,733,624	6,176,733	7,033,561	6,563,500	9,936,940
Swaziland		584			0	125	0	0
South Africa	781,775,297	1,748,091,432	2,167,591,825	2,994,638,502	158,575,111	373,523,810	427,532,904	515,428,314
Zambia	77,282	19,110	755,728	4,674,248	15,676	4,083	149,059	804,518
Zimbabwe	1,252,990	737,514	257,491	568,671	254,156	157,588	50,787	97,878
<b>Furniture:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Lesotho	6,837				1,387	0	0	0
Malawi		29,800	124,624	32,067	0	6,368	24,581	5,519
Mozambique		149,186	628		0	31,877	124	0
Namibia	256,019	352,957	1,201,343	618,921	51,931	75,418	236,951	106,527
Swaziland		105,432			0	22,528	0	0
Tanzania			30,086		0	0	5,934	0
South Africa	235,203,893	263,469,998	282,984,883	315,711,429	47,708,700	56,297,008	55,815,559	54,339,317
Zambia	3,076	653	21,125		624	140	4,167	0
Zimbabwe	1,584,764	1,558,002	2,112,118	1,128,965	321,453	332,906	416,591	194,314
<b>Machinery &amp; Electric Equipment:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Democratic Republic of Congo		3,774			0	806	0	0
Lesotho			26,207	43,414	0	0	5,169	7,472
Madagascar				4,246	0	0	0	731
Mauritius	264,334	88,816	20,399,227	12,560,086	53,617	18,978	4,023,516	2,161,805
Malawi	77,515	80,727	365,871	185,762	15,723	17,249	72,164	31,973
Mozambique	60,722	394,104	2,814	7,607	12,317	84,210	555	1,309
Namibia	1,545,880	805,169	5,303,610	11,656,886	313,566	172,045	1,046,077	2,006,349
Seychelles	217,111			61,572	44,039	0	0	10,598
Swaziland	82	708,060	7,646	24,001	17	151,295	1,508	4,131
Tanzania	24,696	330,990	1,048,737	39,667	5,009	70,724	206,851	6,827
South Africa	1,754,836,696	2,051,175,940	1,978,764,420	2,302,524,620	355,950,648	438,285,457	390,288,840	396,303,721
Zambia	1,239,340	113,415	205,100	2,304,186	251,387	24,234	40,454	396,590
Zimbabwe	11,302,706	4,266,461	5,059,045	3,020,859	2,292,638	911,637	997,839	519,941
<b>Metals and Metal products:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Description & Country	Value in BWP				Value in USD			
	2003	2004	2005	2006	2003	2004	2005	2006
Democratic Republic of Congo			1,112,563		0	0	219,440	0
Lesotho			258		0	0	51	0
Madagascar		57,309			0	12,246	0	0
Mauritius	1,476	45,663			299	9,757	0	0
Malawi	24,880	8,534	57,330	3,150	5,047	1,824	11,308	542
Mozambique		7,060,047		44,798,869	0	1,508,557	0	7,710,649
Namibia	621,244	186,631	108,096	283,052	126,013	39,878	21,321	48,718
Swaziland		33,839		1,631	0	7,231	0	281
Tanzania		708	89,295		0	151	17,612	0
South Africa	874,875,061	1,177,185,051	1,124,789,501	1,295,693,040	177,459,444	251,535,267	221,851,973	223,010,850
Zambia	446,036	1,435,300	6,283,077	7,544,970	90,474	306,688	1,239,266	1,298,618
Zimbabwe	24,074,341	42,061,498	36,954,163	26,201,110	4,883,233	8,987,500	7,288,790	4,509,657
<b>Salt Ores &amp; Related Products :</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Democratic Republic of Congo		20,272	3,479,589		0	4,332	686,309	0
Namibia	924,196	416,279	594,473	829,415	187,464	88,949	117,253	142,756
South Africa	224,534,859	249,944,431	515,111,863	533,949,822	45,544,596	53,406,930	101,599,973	91,901,863
Zambia	174,030	164,852	3,322,711	262,648	35,300	35,225	655,367	45,206
Zimbabwe	23,698,339	32,826,849	41,501,103	54,780,405	4,806,965	7,014,284	8,185,622	9,428,641
<b>Textiles &amp; Footwear(imports) on:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Democratic Republic of Congo		38,730			0	8,276	0	0
Lesotho		770	322,549	343,587	0	165	63,619	59,137
Mauritius	1,450,868	1,321,633	975,885	313,503	294,294	282,400	192,482	53,959
Malawi		191,954	404,176	3,738	0	41,016	79,719	643
Mozambique		3,404	1,436	1,579	0	727	283	272
Namibia	271,681	438,814	915,183	1,140,653	55,108	93,764	180,509	196,326
Swaziland	129,309	64,348	784,507	792	26,229	13,750	154,735	136
Tanzania	267,004	368,777	72,444	131,432	54,159	78,799	14,289	22,622
South Africa	534,404,257	661,130,799	643,859,777	750,610,595	108,398,429	141,267,265	126,994,039	129,192,873
Zambia	2,702,778	2,410,926	3,817,268	2,869,955	548,231	515,155	752,913	493,968
Zimbabwe	7,597,420	13,544,290	13,765,472	11,151,338	1,541,059	2,894,079	2,715,083	1,919,335
<b>Vehicle &amp; Transport Equipment:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Democratic Republic of Congo			2,403	6,978	0	0	474	1,201

Description & Country	Value in BWP				Value in USD			
	2003	2004	2005	2006	2003	2004	2005	2006
Lesotho	58,327	223,217	490,694	140,271	11,831	47,696	96,784	24,143
Madagascar		35,871			0	7,665	0	0
Mauritius	1,027,384	831,978	773,035		208,394	177,773	152,472	0
Malawi	237,478	440,470	172,280	149,356	48,170	94,118	33,980	25,707
Mozambique		1,348,408	142,539	37,958	0	288,121	28,114	6,533
Namibia	3,822,897	5,417,489	1,890,512	5,258,734	775,435	1,157,583	372,882	905,118
Swaziland	110,794	97,856	71,361	387,606	22,473	20,909	14,075	66,714
Tanzania	251,737	69,622	1,516,185	72,989	51,062	14,876	299,050	12,563
South Africa	1,300,375,794	1,546,349,836	1,758,262,094	1,374,310,403	263,767,910	330,416,632	346,797,257	236,542,238
Zambia	668,335	301,963	816,790	1,100,060	135,565	64,522	161,103	189,339
Zimbabwe	2,993,493	3,225,229	5,413,231	6,666,046	607,199	689,151	1,067,698	1,147,340
<b>Wood &amp; paper products:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Lesotho			2,567	9,624	0	0	506	1,656
Mauritius	720,826	588,814	1,454,936	648,085	146,212	125,815	286,970	111,546
Malawi	661,750	869,562	1,538,615	157,285	134,229	185,804	303,474	27,071
Mozambique	134,002	63,073			27,181	13,477	0	0
Namibia	471,518	379,377	345,295	2,463,722	95,643	81,063	68,106	424,049
Swaziland	30,925	35,082	3,591	3,066	6,273	7,496	708	528
Tanzania		25,712	5,630	849	0	5,494	1,110	146
South Africa	509,106,250	562,308,899	597,271,565	631,612,028	103,266,988	120,151,474	117,805,042	108,711,192
Zambia	278,733	286,008	3,173,212	4,436,682	56,538	61,113	625,880	763,629
Zimbabwe	20,166,638	31,830,313	36,511,405	48,950,634	4,090,596	6,801,349	7,201,461	8,425,238



### ANNEXURE 3: A LIST OF THE TOP TEN EXPORTS FROM BOTSWANA TO ITS SADC PARTNERS

Annexure 3, below is a list of the top ten exports from Botswana to its SADC partners for the years 2003-2006 by value in both BWP and USD with the conversion rates as noted previously for the other Tables.

Description/Country	Value in BWP				Value in USD			
	2003	2004	2005	2006	2003	2004	2005	2006
<b>Copper &amp; Nickel:</b>								
South Africa	2,657,815	3,272,582	148,278,749	6,523,915	539,111	699,270	29,246,302	1,122,877
Zimbabwe	298,854,035	500,101,640	738,385,961	1,094,112,194	60,619,480	106,859,325	145,638,257	188,315,352
Diamonds on:								
South Africa	16,610	24,187,462	47,272,318	1,474,519	3,369	5,168,261	9,323,929	253,790
Gold new:								
South Africa	46,561	9,516,034	121,325,685	87,583,830	9,444	2,033,341	23,930,115	15,074,670
<b>Hides &amp; Skins:</b>								
Mauritius			3,700		0	0	730	0
Namibia	58,137	20,492	576,623	2,894,241	11,792	4,379	113,732	498,148
Swaziland		2,276			0	486	0	0
South Africa	15,554,097	12,134,554	21,577,373	30,051,984	3,154,989	2,592,853	4,255,892	5,172,459
Zimbabwe	21,000				4,260	0	0	0
<b>Iron Steel &amp; Related Products:</b>								
Democratic Republic of Congo				46,671	0	0	0	8,033
Lesotho	63,775		45	3,134	12,936	0	9	539
Madagascar		8,881			0	1,898	0	0
Malawi	2,982		870	1,099,738	605	0	172	189,284
Mozambique	14,575	129,622	1,332	136	2,956	27,697	263	23
Namibia	2,869,420	5,135,751	3,379,042	7,016,319	582,032	1,097,383	666,478	1,207,628
Seychelles			1,108		0	0	219	0
Swaziland	97,276	691	285	1,575	19,731	148	56	271
Tanzania		506,247			0	108,172	0	0
South Africa	53,466,696	68,092,904	88,929,947	107,492,997	10,845,172	14,549,766	17,540,423	18,501,376
Zambia	1,124,164	614,745	630,824	1,996,600	228,025	131,356	124,423	343,649
Zimbabwe	16,699,684	1,659,207	2,851,442	3,598,559	3,387,360	354,531	562,415	619,373

Description/Country	Value in BWP				Value in USD			
	2003	2004	2005	2006	2003	2004	2005	2006
<b>Machinery &amp; Electric Equipment:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Democratic Republic of Congo	31,301		15	2,100,029	6,349	0	3	361,451
Lesotho	99,625		8,426	39,059	20,208	0	1,662	6,723
Madagascar	60,742	103,276	15	422	12,321	22,068	3	73
Mauritius			100,900	1,223	0	0	19,901	210
Malawi	789,557	584,451	559,916	1,520,996	160,154	124,883	110,437	261,789
Mozambique	294,966	91,611	193,684	1,004,963	59,831	19,575	38,202	172,971
Namibia	10,565,547	4,162,976	14,435,293	7,236,772	2,143,113	889,525	2,847,198	1,245,572
Seychelles			7,862		0	0	1,551	0
Swaziland	1,000,265	27,748	70,406	515,047	202,894	5,929	13,887	88,648
Tanzania	638	84,002	371,271	103,125	129	17,949	73,229	17,750
South Africa	96,154,289	159,304,395	132,650,276	140,108,107	19,503,913	34,039,401	26,163,763	24,114,993
Zambia	1,999,942	2,207,570	18,950,371	25,209,101	405,668	471,703	3,737,746	4,338,916
Zimbabwe	2,004,888	3,345,569	12,477,717	7,043,522	406,671	714,865	2,461,088	1,212,310
<b>Meat &amp; Meat Products on:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Mauritius	232,536				47,168	0	0	0
Malawi				2,888	0	0	0	497
Mozambique			16,020	9,529	0	0	3,160	1,640
Namibia	61,754	163,548	526,024	1,128,609	12,526	34,946	103,752	194,253
South Africa	41,586,043	43,658,794	144,539,773	226,157,379	8,435,303	9,328,802	28,508,831	38,925,539
Zambia			105,272	95,493	0	0	20,764	16,436
Zimbabwe	2,966	81,600		15,329	602	17,436	0	2,638
<b>Plastic &amp; Plastic Products:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Democratic Republic of Congo				3,251	0	0	0	560
Lesotho			3,476	19,615	0	0	686	3,376
Madagascar		4,718			0	1,008	0	0
Mauritius	14,454				2,932	0	0	0
Malawi	2,960		15		600	0	3	0
Mozambique	2,026	6,531	1,087	1,785	411	1,396	214	307
Namibia	284,516	1,164,118	1,597,928	2,740,432	57,711	248,743	315,173	471,675
Seychelles			12,350		0	0	2,436	0
Swaziland	3,589	1,243	3,676	76,273	728	266	725	13,128
Tanzania				7,405	0	0	0	1,275

Description/Country	Value in BWP				Value in USD			
	2003	2004	2005	2006	2003	2004	2005	2006
South Africa	19,822,336	32,415,235	41,194,179	78,397,619	4,020,758	6,926,332	8,125,085	13,493,566
Zambia	269,345	25,683	1,901,846	675,913	54,634	5,488	375,118	116,336
Zimbabwe	2,443,255	2,241,704	3,911,956	6,948,417	495,589	478,997	771,589	1,195,941
<b>Salt &amp; Soda Ash:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Democratic Republic of Congo	260,564	516,872	3,089,071	10,664,790	52,853	110,443	609,284	1,835,592
Malawi	158,868	143,746	27,155	104,139	32,225	30,715	5,356	17,924
Namibia	4,632	41,962	45,249		940	8,966	8,925	0
Tanzania			46,743		0	0	9,220	0
South Africa	85,919,715	109,781,446	98,577,582	30,104,899	17,427,934	23,457,574	19,443,310	5,181,566
Zambia	3,260,389	3,236,019	8,962,224	12,404,052	661,337	691,457	1,767,697	2,134,949
Zimbabwe	32,532,813	49,803,410	87,390,654	35,687,086	6,598,948	10,641,754	17,236,815	6,142,356
<b>Textiles (exports:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Democratic Republic of Congo	66,074				13,402	0	0	0
Lesotho	56,696	22,247	258,523	496,141	11,500	4,754	50,991	85,394
Madagascar		237,211	38,485		0	50,686	7,591	0
Mauritius	543	1,153,290	17,516,595	5,628,873	110	246,429	3,454,950	968,825
Malawi	10,665	12,165	44,539	233,551	2,163	2,599	8,785	40,198
Mozambique	38,383	45,831	25,280	181	7,786	9,793	4,986	31
Namibia	290,246	810,304	1,222,936	1,876,043	58,873	173,142	241,210	322,899
Seychelles			8,557		0	0	1,688	0
Swaziland		2,287	250,987	1,053,278	0	489	49,504	181,287
Tanzania			2,516,436	77	0	0	496,338	13
South Africa	155,434,112	255,205,905	296,491,856	364,444,674	31,528,217	54,531,176	58,479,656	62,727,138
Zambia	72,870	122,926	843,606	1,050,917	14,781	26,266	166,392	180,881
Zimbabwe	1,591,406	2,533,905	14,563,416	6,408,721	322,800	541,433	2,872,469	1,103,050
<b>Vehicles and parts exports on:</b>					<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Democratic Republic of Congo	2,725,398		16,972	6,364,769	552,819	0	3,348	1,095,485
Lesotho	139,255	436,740	147,300	52,990	28,246	93,321	29,053	9,120
Madagascar			220,500		0	0	43,491	0
Mauritius		314,213	35,200	16,275	0	67,140	6,943	2,801
Malawi	330,206	4,273,843	762,304	377,541	66,979	913,214	150,356	64,981
Mozambique	350,800	683,023	723,171	580,456	71,156	145,945	142,637	99,906
Namibia	2,061,300	5,473,689	2,818,790	3,004,021	418,114	1,169,592	555,974	517,043

Description/Country	Value in BWP				Value in USD			
	2003	2004	2005	2006	2003	2004	2005	2006
Swaziland	269,687	390,303	498,405	163,817	54,703	83,398	98,305	28,196
Tanzania	120,911	90,946	538,111	1,334,062	24,526	19,433	106,136	229,615
South Africa	474,074,486	535,500,953	541,868,282	116,363,950	96,161,153	114,423,281	106,877,373	20,028,219
Zambia	1,039,969	12,647,586	8,010,663	11,715,776	210,947	2,702,476	1,580,012	2,016,485
Zimbabwe	6,722,919	5,984,127	11,499,519	10,749,560	1,363,675	1,278,660	2,268,150	1,850,182