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Republic of Botswana TAUTONA TIMES of (10/9/2010) The Electronic Press Circular of the Office of the President Real Leadership for Real Delivery

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"As you are all aware, Government revenues declined due to the recession; and this meant we could only continue to implement a very limited number of ongoing development projects and carry out only recurrent activities. This constrained economic situation dictates that Government as a whole, including the Local Authorities, should be prudent in financial management and also be proactive and creative in engaging their communities to assume greater responsibility for financing some activities in their localities."- H.E. the President [B]

"Although Botswana falls to 76th place, it remains one of the four most competitive economies in the region. Among the country's strengths are its reliable and legitimate institutions (32nd), ranked 15th worldwide for the efficiency of government spending, 21st for public trust of politicians, and 30th for judicial independence. Botswana is characterized by extremely low levels of corruption (ranked 32nd overall, on a par with countries such as France and Japan)." - World Economic Forum 2010-11 Global Competitiveness Report [C4]

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### A. The Week that Was

Welcome to another edition of your weekly window into the Presidency, which features H.E. the President, Lt. Gen. Seretse Khama Ian Khama, remarks at a joint meeting between Cabinet and the Southern District Council in Kanye on Tuesday [B]

## The Week that Was

Having spent part of his Saturday participating in a charity sporting event, H.E. the President, Lt. Gen. Seretse Khama Ian Khama, arrived at the UB stadium in kit and in time to join others in cheering on the galloping Zebras to victory over the Sparrow Hawks of Togo. The win means that the National Team retains its so far undefeated record in the AFCON 2012 "K" Group [D2].

Botswana sports made additional global headlines during the week at the IAAF Continental Cup Tournament in Croatia, where Amantle Montsho won the 400m race with a season best of 49.89, while her teammate Kabelo Kgosiemang tied with two others in the men's high jump at 2.25m [C3]. Also in the news, the Botswana netball team was one of three African squads (the others being South Africa and Malawi) to qualify for next year's World Netball Championship in Singapore.

In politics, Tonota North constituency voters steamed to the polls in relatively high numbers to give the ruling party an overwhelming victory in a Parliamentary bye-election that many media commentators had previously predicted would be a close contest [D3].

Beyond the headlines at the beginning of the week, His Excellency received a quarterly briefing from the Ministry of Labour and Homes Affairs, whose highlights included notable improvements in the turnaround time for most Ministry services, including: 2 days for passports, 10 days for visas, 15 days for Omang; and 60 days for work and resident permits. The Ministry reported further progress in its promotion of Industrial Harmony measures and fight against corruption. During the week the President was also briefed by the Ministry of Transport and Communications on their progress in simplifying the categorization of driver's licences

During the week, his Excellency also had the pleasure of meeting with representative of C.A. Sales, who pledged their support for his ongoing Housing Appeal for the Needy.

On Tuesday, the President, along with his Ministers, attended a full meeting of the Southern District Council in Kanye as part of the executive's initiative to take Cabinet to the Councils. This was the fourth such meeting, following previous joint meetings with the Francistown, Gaborone and Kweneng District Councils [B]

On Friday, H.E. the President visited and interacted with residents in the Gaborone South Constituency. His tour is expected to take him to Bontleng, Babuse and Naledi

Wards, while H.H. the Vice President officiated at the Makaleng Ward Victory Celebrations.

On Thursday and Friday, the Minister of Presidential Affairs and Public Administration briefed the Southern and Kgalagadi District Councils on the "Botswana Excellence Strategy", which is Government's blueprint for sustainable growth through economic diversification. The interactive meetings were a continuation of a public awareness campaign that will eventually take the Minister to all of the country's City, Town and District Councils. During her tour the Minister is also addressing civil servants throughout the country, in the context of the ongoing implementation of the new Public Service Act [C 1-2]

- Dr. Jeff Ramsay, Deputy Permanent Secretary for Media (10/9/10)

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## B. STATEMENT

REMARKS BY HIS EXCELLENCY THE PRESIDENT LT. GEN. SERETSE KHAMA IAN KHAMA ON THE OCCASION OF HIS ADDRESS TO SOUTHERN DISTRICT COUNCIL 7 SEPTEMBER, 2010

Council Chairman, Hon. Leach Tlhomelang  
His Honour the Vice President  
Cabinet Ministers  
Councillors  
Senior Government officials

1. Let me thank you Council Chairman, for welcoming us to the Southern District Council Chamber this morning, and for giving me and my Cabinet an opportunity to address this Full Council meeting.

2. You will appreciate that earlier this year I made a decision to take Cabinet to the Councils. This initiative was to be achieved through addresses and interactive meetings with full Council. Therefore our mission this morning is for Cabinet and I to meet and interact with you as the leadership of council and representatives of the people in your district.

3. To date we have had four such interactive meetings. The first, second and third meetings have so far been held with Francistown, Gaborone and Kweneng Councils on the 25th May, 24th June, and 29th June 2010 respectively. The journey therefore continues.

4. This kind of interaction is necessary because development efforts demand continuous consultation and feedback between Central Government and Local Government bodies. As a local Authority you have your hand on the pulse of everyday life at the community level, and therefore a good understanding of the needs and aspirations of our people, their fears and hopes and their prospects and limitations for growth.

5. It is this understanding and knowledge that Cabinet and I hope to harness and to gain from, so that in making policy and delivery decisions, these take into cognizance the very issues that our people feel strongly about. These addresses and interactions therefore further aim at building a tripartite partnership between Cabinet, the Local Leadership and the Local Communities. It is a partnership that I have no doubt in my mind, will drive development efforts fully, and deliver prosperity.

6. This belief is strengthened by the fact that while our role as Central Government is to develop policies and strategic interventions in consultation with yourselves, we are mindful of the fact that the success of policy and strategic interventions depends on an understanding and ownership at the local level. It is in fact my conviction that policies and interventions should be initiated at the local level.

7. As you are all aware, Government revenues declined due to the recession; and this meant we could only continue to implement a very limited number of ongoing development projects and carry out only recurrent activities. This constrained economic situation dictates that Government as a whole, including the Local Authorities, should be prudent in financial management and also be proactive and creative in engaging their communities to assume greater responsibility for financing some activities in their localities.

8. Having said that let me make reference to some general issues with respect to Local Authorities which I expect you to reflect on. The first one is an ever increasing dependence on Central Government for financing development programmes and a relatively low standard of financial management in some Local Authorities. It is time that we start to reflect on innovative initiatives that will address the question of development and delivery of services should the current economic meltdown and erosion of Government revenue continue.

9. The other question is whether you are doing enough to put in place economic strategies based on appropriate policies for growing economic developmental activities in your district. As Local Authorities you must pay greater attention to stimulating the economic growth of your areas of jurisdiction. It is indeed my expectation that you would identify potential growth points and economic zones which you could market in collaboration with organizations such as BEDIA.

10. Some of you will also recall that over the years, we have put in place rural development policies that were aimed at revamping the economic and social

development of our rural areas. The key focus was employment and poverty reduction. This is still a challenge to us and Southern District is not an exception. I need to point out that poverty eradication has been identified as one of the priority areas by my government and I expect all Councils and members of the community at large to eradicate poverty in their areas.

11. This is critical if we are to make any impact in the upliftment of the living standards of Batswana. The overall objective is to assist vulnerable groups like destitutes to graduate to sustainable livelihoods. You need to explore various ways through which these people can be assisted and engage other stakeholders like the private sector and Non-Government Organisations to assist them to engage in income generating activities.

12. Let me also emphasise that coordination with Central Government Ministries, Private Sector and Non-Governmental Organisations in your District is also important if you are to make any difference and reduce people's dependence on Government, especially in Remote Area Dweller settlements and other villages far away from major centres like Kanye. You therefore need to change your strategies and focus on interventions that will improve people's livelihoods.

13. I am also concerned that community participation and mobilization in development is waning. The spirit of self help which laid a solid foundation for nation building, mobilization and development for development at independence and thereafter has to be revived. I therefore call upon you here in Southern District to start community development and mobilization initiatives for capacity building and community empowerment. This is important, if we are to do away with the culture of entitlement and reduce dependence on Government handouts. Reliance on Government for everything is neither desirable nor sustainable.

14. Let me also point out, Chairman, that as a Local Authority, Council is a major procuring entity in the district. You should therefore use your purchasing power to support Small, Medium and Micro Enterprises (SMMEs) to grow the local economy and create employment opportunities for the District. You, as Councils, should make sure that procurement of basic commodities like bread, uniforms, etc. is done within localities or communities that consume them.

15. As a Local Authority, you cannot achieve anything new by following old practices. You therefore need to tap and harness the capabilities of public servants, the business community, and other Batswana in Southern District to come up with initiatives aimed at improving service delivery by your Council. You need to forge links with the community, other service providers, your stakeholders and strategic partners. It will help to think outside the box now and then.

16. These challenges are not easy to address, but they require you as a Local Authority to explore ways and means of addressing them, both in the short and medium term with the limited resources at your disposal. A coordinated and integrated approach to these challenges will be critical if you are to make the required impact.

17. As Southern District Council, you cannot address development challenges in isolation because some of them cut across the region to your neighbouring Districts. Therefore, the need to forge strategic partnerships with nearby districts to mobilize resources for development cannot be over-emphasized. You need to adopt a regional approach to planning to avoid duplication of efforts, reduce costs and promote efficiency.

18. Let me conclude by once again stating that I am hopeful that we shall in the spirit of democracy and consultation, share ideas, propose solutions and forge an understanding and partnership that will allow us both to take this Country, including the Southern District to another level of development; a level that will reflect positive changes in the lives of our people.

19. I do appreciate that you may be having several issues that you wish to raise with Cabinet Ministers, who shall respond to them, and where they do not have responses, they shall revert to you accordingly in due course. I thank you.

## C. NOTICES & FORWARDING

### C1) 7/9/10: NEGOTIATIONS ON THE CONSTITUTION OF PUBLIC SERVICE BARGAINING COUNCIL

Please find below Press statement issued by the Director for DPSM on discussion with Labour Unions on Public Service Bargaining Council:

Last night (6th September, 2010), the Directorate of Public Service Management (DPSM) as the employer, and the recognised unions namely Botswana Public Employee Union (BOPEU), Botswana Secondary School Teachers Union (BOSETU), Botswana Teachers Union (BTU), National Amalgamated Local, Central Government and Parastatal Workers Union (NALCGPWU), Botswana Land Board, Local Authorities and Health Workers Union (BLLAHWU) and Botswana Government Workers Union (BOGOWU), also representing Trainers and Allied Workers Union (TAWU), met to appreciate the response from BOPEU, BOSETU, BTU, NALCGPWU, and BLLAHWU on the employer's proposed amendments on the draft Constitution of the PSBC. Responses from BOGOWU and TAWU were not yet available as they received the employer's documents in the morning of the 6th September 2010. Their response is expected today (7th September, 2010).



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Following the presentation of the five unions' response, the employer requested for an adjournment up to Thursday the 9th September, 2010 to allow for consideration of the submission.

BOPEU, BOSETU, BTU, NALCGPWU, and BLLAHWU did not agree with the employer's request for adjournment. They indicated that they were not prepared for further meetings and declared a deadlock. They maintained that a resolution could not be made in respect of the disputed provisions of the draft Constitution of the Bargaining Council.

On the other hand, the employer indicated that there was no impasse on the draft Constitution of the Bargaining Council as there are opportunities for parties to reconsider their positions. The employer therefore did not agree with the declaration of the deadlock.

With reference to the widely publicised "mother of all strikes" issue, DPSM would like to inform all public service employees and the general public that it has never been alerted by the unions of their intentions to engage in same. DPSM only learns of this purported strike in the local media. DPSM would like to point out that there are procedures to be followed in the event that unions intend to engage in a lawful strike.

#### C2) 8/9/10: Minister Motsumi Continues to Consult Councils on Economic Strategy

Tomorrow, Thursday 9th of September, beginning at 1100 hours, the Minister of Presidential Affairs and Public Administration, the Hon. Lesego Motsumi, will brief the Southern District Council on the "Botswana Excellence Strategy for Economic Diversification and Sustainable Growth" [soft-copies still available on request].

The interactive meeting will mark a continuation of a month-long public awareness drive that should also see the Minister consulting with the Kgalagadi District Council on Friday, followed by the Sowa, Central, Lobatse, Chobe and Kweneng District Councils. In addition during her tour the Minister will also be addressing Public Servants, in the context of ongoing implementation of the new Public Service Act among other issues. [Please find revised schedule of Council and Public Servant meetings below].

Southern District Council, Kanye, on Thurs 9/9/10 @ 1100 Kgalagadi District Council, Tsabong, on Fri 10/9/10 @ 1000 and address Public Servants @ 1400 Sowa Township Authority on Friday 17/9/10 @ 0900 and address Public Servants @ 1400 Central District Council, Serowe, on Monday 20/9/10 @ 0900 and address Public Servants @ 1400 Central District Council and Cabinet Joint Meeting, on Tuesday 21/9/10 and address Public Servants in Palapye @ 1400 Lobatse Town Council on Thursday 23/9/10 @ 0900 and address Public Servants @ 1400 Kasane address Public Servants on Monday 27/9/10 Chobe District Council, Kasane, on Tuesday 28/9/10 @ 1200 Kweneng



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District Council, Molepolole, on Monday 4/10/10 @ 0900 and address Public Servants @ 1400

Subsequent meetings are still to be scheduled to brief the remaining Town, City and District Councils throughout the country on the Strategy.

## Background

The Strategy for Excellence, which was approved in November 2008, lies at the centre of Government's efforts to create an Enabling Framework for Botswana's transformation into a higher income economy that provides for the wellbeing of all our citizens. It is thus an instrument for the eradication of poverty, as well as promotion of sustainable growth through economic diversification away from its current dependency on diamond mining.

To achieve its lofty goals the Strategy's Enabling Framework incorporates a wide range of actions and instruments to, among other things, promote effective education and skills development, address bureaucratic inefficiencies, roll back the culture of entitlement, and improve work ethics, while reinforcing society's commitment to the zero tolerance of corruption.

Recognising that our domestic economy is too small to thrive on its own, the strategy emphasizes the need for Botswana to empower themselves to increasingly take advantage of opportunities to compete in regional and global markets. This calls for an approach to citizen empowerment that places a greater emphasis on private sector wealth creation through individual self-empowerment and collective self-reliance.

Through its implementation of the Strategy, Government further acknowledges and commits itself to addressing bottlenecks to private sector development, such as obtaining land, licenses and permits, including residence permits that facilitate value added external investment and skills transfer.

While embracing a commitment to increase the private sector's overall share in the economy, the strategy also recognises the imperative for Government to proactively promote new economic activities by, where necessary, kick-starting job creating projects as the lead investor.

To ensure its success, the Strategy for Economic Diversification and Sustainable Growth incorporates outcome based Monitoring and Evaluation procedures. Whereas in the past Monitoring and Evaluation in Government was done more at output rather than result based levels, the Strategy and its Action Plan clearly define expected benefits to be derived from implementation of projects, programs and policies

C3) 5/9/10: Montsho & Kgosiemang win at Continental Cup in Croatia



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The IAAF Continental Cup opened this weekend in Split, Croatia with Botswana's Amantle Montsho among the celebrated winners. Montsho, who qualified for the competition by scooping the 400m African title in Nairobi recently, delivered victory for Africa in the women's lap-race. Montsho scored a maximum 8 points as she sped away from US champion Debbie Dunn in the final stages of the women's 400m clocking a new season's best 49.89.

Local high jumper Kabelo Kgosiemang was also victorious at the games when he tied with two others Hup Wei of Malaysia and Martyn Bernard of UK at 2.25m.

C4) 9/9/10: WEF World Competitiveness Report 2010-11 for Botswana

Below please find unedited the full text of the Botswana section of the World Economic Forum Global Competitiveness Report 2010-2011, which was released today. While Botswana's scores were relatively stable its overall rank fell in the context of this year's wider Survey.

In keeping with similar recent survey our country ranked relatively high in terms of trust and efficiency of public institutions but low in terms of Health. Unlike some Surveys the WEF report also continues to rank Botswana relatively low in educational enrolment and the quality of our human resource base.

The Survey also notes a notable decline in the macro-economic environment, which may be attributed in large part to the effects of the economic downturn.

UNEDITED WEF TEXT -

Botswana - Although Botswana falls to 76th place, it remains one of the four most competitive economies in the region. Among the country's strengths are its reliable and legitimate institutions (32nd), ranked 15th worldwide for the efficiency of government spending, 21st for public trust of politicians, and 30th for judicial independence.

Botswana is characterized by extremely low levels of corruption (ranked 32nd overall, on a par with countries such as France and Japan). While still better rated than in a number of industrialized countries, there has been deterioration in its macroeconomic environment, dropping from 41st to 74th over the past year.

Botswana's primary weaknesses continue to be related to the country's human resources base. Educational enrolment rates at all levels remain low by international standards (ranked 111th, 88th, and 114th for primary, secondary, and tertiary enrolment, respectively), and the quality of the educational system receives mediocre marks. Yet it is clear that by far the biggest obstacle facing Botswana in its efforts to improve its competitiveness remains the health situation in the country. The rates of



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diseases remain very high (the rates of HIV, malaria, and tuberculosis are ranked 110th, 100th, and 135th, respectively); although on a positive note these rates are for the most part coming down. Continuing to improve the health and education levels of the workforce remain the key priorities for improving Botswana's competitiveness.

Full report available @  
[http://www3.weforum.org/documents/WEF\\_GlobalCompetitivenessReport\\_2010-11.pdf](http://www3.weforum.org/documents/WEF_GlobalCompetitivenessReport_2010-11.pdf)

C5) 5/9/10: Botswana Judge shakes UN by ordering whistleblower compensation

The UN system was rattled this on Wednesday (1/9/10) when its Dispute Tribunal ruled that UN Secretary-General Ban Ki-moon must compensate a former employee who was fired after disclosing alleged mismanagement within the United Nations Development Programme (UNDP).

Tribunal Judge Memooda Ebrahim-Carstens of Botswana issued the judgment in the long pending case of Artjon Shkurtaj, a whistleblower from Albania who had made much publicized disclosures regarding UNDP wrongdoing at its North Korean office. Judge Ebrahim-Carstens ordered the UN Secretary-General to award Shkurtaj fourteen months' net base salary as compensation for the failure of the ad hoc External Independent Investigative Review Panel appointed by UNDP to investigate the case to allow Shkurtaj to comment on adverse findings contained in its publicly released report.

For further information see also:

- 1) A Wall Street Journal Editorial hailing Judge Memooda Ebrahim-Carstens ruling @ <http://online.wsj.com/article/SB10001424052748703882304575465882341825778.html> and
- 2) A critique of the Judgement by the Government Accountability Project NGO @ <http://www.whistleblower.org/blog/31-2010/720-un-tribunal-awards-compensation-to-long-suffering-undp-whistleblower>

D. ALSO IN THE NEWS:

NB: News reports, statements and/or views reproduced below are NOT necessarily those of Government of Botswana.

D1) 5/9/10: Rapaport - "Botswana's Success Story" by Avi Krawitz

Please find reproduced below online article published by Rapaport, including interview with the Minister of Mineral, Energy and Water Resources, the Hon. P.H.K. Kedikilwe -

With a population of just over two million people spread across a landmass comparable in area to that of Texas, Botswana historically was rural, tribal and agriculture-based.



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That is, until the discovery of diamonds in 1967 turned the country into a poster child for the benefits of a well-functioning African democracy and an economic success story.

Observers credit the effective relationship between government and the country's private sector along with the investor-friendly attitude adopted by state officials for the progress in Botswana. Given the country's heavy dependence on the diamond industry, nothing has been as important to its development as the government's partnership with De Beers, a partnership that marks its 40-year anniversary in 2010.

While the government owns a 15 percent stake in De Beers and the two entities have equal shares in the Debswana mining company and the Diamond Trading Company Botswana (DTCB), it is estimated that, after accounting for royalties, taxes, duties and dividends, 80 cents of every dollar of revenue generated by De Beers goes to the government.

Undoubtedly, 2010 will see new milestones for that relationship as the economy claws its way out of the global recession and Botswana aggressively embarks on a program to diversify away from diamonds. Much of the second half of the year will be spent negotiating a new marketing contract for Debswana goods, as the current contract expires at the end of 2010. It is hoped this contract will pave the way to finally introduce diamond trading in Gaborone.

Overseeing many of these developments, Minister of Minerals, Energy and Water Resources (MMEWR) P.H.K. Kedikilwe is acutely aware of the fine balance required to trade off what is best for the country, for De Beers and for the diamond industry and he is increasingly sensitive to the changes that lie ahead.

Rapaport Diamond Report: What is the secret to Botswana's diamond success?

Minister P.H.K. Kedikilwe: You will appreciate that 80 percent of our export earnings, about 95 percent of our mineral revenue, 40 percent of our government revenue and about one-third of our gross domestic product (GDP) comes from diamonds. So we are extremely dependent on the industry.

In 1967, a year after independence, the government legislated that our diamonds would be used for development, and that has helped transform Botswana from one of the poorest countries in the world into a middle-income economy. Our revenues from minerals and diamonds in particular, have been used for infrastructure, public services and all the other development you see here today - building schools, roads and health facilities and financing education and skills development.

RDR: That dependence on diamonds also makes the economy vulnerable. To what extent was the country affected by the world economic downturn?

PHKK: Although we were affected by the recession, the impact was cushioned by our approach to the downturn. Each mining company was treated as an entity unto itself and their individual capabilities and limitations were assessed in determining what they needed. Our help ranged from a postponement of royalties to an infusion of cash, not directly by government, but via financial institutions. In order to conserve cash, some mines were temporarily closed and others were placed on care and maintenance schedules. We suspended projects that we would otherwise have undertaken, including some development projects. We halted all increases in civil-service salaries and ministerial budgets were cut in half. In monetary terms, mineral revenues fell from Botswana Pula (BWP) currency of 12.4 billion (\$1.8 billion) in 2008 to BWP 6.6 billion (\$970 million) in 2009. Total revenues fell from BWP 27.4 billion (\$4 billion) to BWP 24.6 billion (\$3.6 billion). But we made sure that those projects that would assist in social and infrastructure improvements continued, such as in water and electricity, and our education programs. We also continued to invest in our six "hub" programs, which consist of diamonds, innovation, health, agriculture, transport and education, all essential to helping the economy develop and diversify. There was a clear strategy not to be caught napping so that when the recovery came about, we would be in a position to take advantage of it.

RDR: Are you seeing the fruits of that strategy now that the global economy is showing signs of slight recovery?

PHKK: Yes. With the exception of one or two, the companies we assisted during the recession are all on their feet, and they otherwise would have fallen. The same applies to the cutting and polishing companies. Of course, there were retrenchments but, in terms of employment, the numbers are going up again.

RDR: What are your forecasts for 2010?

PHKK: There is evidence of some recovery but we are not anywhere near 2008. We are extremely cautious about the recovery and I think the banks, both international and local, are also, having burned their fingers before. At this point, it would be guesswork to predict what the rate of growth will be, but we are expecting growth in 2010. In the diamond industry, there are indications of growth in terms of volumes, but values vary. Larger stones are more bullish now. For us, that makes a big difference because the bigger rough is our favourite over the smaller ones. I guess that stands to reason in terms of its value.

RDR: What is the government hoping to achieve in its negotiations to renew the marketing contract with De Beers?

PHKK: We are a diamond-producing country and it is in our interest to ensure that the right atmosphere exists here for the industry. We are very sensitive, however, to the



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needs of the private sector and we don't want to destroy the goose that lays the golden eggs.

We also want diamonds to be traded in Botswana because we want to develop an international centre here and we need to take the necessary steps to promote that. Therefore, our relationship with De Beers and any other company that has interests in diamonds must be nurtured, but not at the expense of our goals, or of our people. There are many spin-offs to trading here, which is why, among other things, we have expanded our airport and built a diamond security facility there to ensure that fraud is kept to a minimum, if not zero.

In March 2010, we chose to contribute to De Beers through a loan, along with the company's other shareholders. We did so because not only did we want to protect our shareholding, but also to protect the industry. An alienated De Beers would not only not be good for Botswana as a country, but also not good for the global diamond industry.

RDR: Is Botswana looking to increase its share in De Beers if the opportunity arose?

PHKK: We would consider - and try to optimize - all our options regarding anything that affects diamonds and diamond production and that promotes Botswana's interest.

RDR: It seems the negotiations will focus on introducing diamond trading outside the DTC framework. Is that a goal the government wants to achieve - to set aside a portion of Debswana diamonds for rough tenders in Gaborone?

PHKK: We want as many diamonds as possible to be traded here in Botswana, which is why, ultimately, the intention is to have the trading that currently takes place in London take place in Gaborone. For us, that is core to beneficiation.

We appreciate that there are other implications we will need to examine closely, such as tax issues, so that the environment is right for developing trade.

RDR: In practical terms, what do you envisage the diamond trading hub to look like?

PHKK: We want to ensure that a proper and suitable trading platform is developed and that is why we have appointed a consultancy to advise us on how we can achieve that. The idea is that companies opening diamond mines here would agree to trade their diamonds in this country, in line with our diversification strategy. We would like to see all diamonds produced in Botswana, sold in Botswana. We want to be involved in all the various stages of the diamond pipeline, including jewellery manufacturing, retail, trading and cutting and polishing. Already, we have issued 16 licenses for cutting and polishing, so we are moving in the right direction. Our goal is to diversify the economy away from diamonds. Of course, as long as we have diamonds, we will benefit from them. But we want to reduce our dependence on them because in the long term, it is not good for the county's economy.



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RDR: The diamond hub essentially diversifies the industry along the pipeline. What initiatives outside of diamonds will help to reduce that dependence?

PHKK: Our diversification program doesn't just focus on diamonds; it also tackles tourism, along with other minerals. We have promising deposits of coal, uranium and copper, some not so small, and we are hoping something good will come out of those. For diversification purposes, we have invested heavily in power, as well as other forms of energy, such as biogas, biofuels and a solar water-transfer scheme. We are also working to attract investment in exploration of other minerals and we recently held a workshop on that subject. And we continue to invest in the six hub projects.

RDR: What is Botswana's competitive advantage in developing the diamond hub?

PHKK: The resource is here and to an extent, we can control, through exploration, the quantities mined in this country. We are using the best technologies available to access that resource. In addition, our tax policy is highly competitive.

RDR: Are you requiring new companies coming on board through the AK6 and BK11 mines to make a certain amount available for polishing here?

PHKK: We want them to trade the goods here but also, to the extent possible, to supply goods to the local polishers.

RDR: Do you foresee government owning a stake in some of the cutting companies?

PHKK: The establishment of a Botswana diamond investment company - with all these options and permutations - is imminent.

RDR: What are the greatest challenges facing the Botswana diamond industry and the economy moving forward?

PHKK: We have the quantities and qualities of diamonds and have historically been the world's largest producer by value. But, because we now have to mine deeper, our comparative advantage in terms of lower production cost will be affected. We are reviewing our mining operations in anticipation that we will have to mine deeper. We also have to ensure that we have a slimmer organization so that the overhead costs do not erode the revenue that would otherwise come to the government. So we are privatizing some operations and outsourcing others. In addition, we must ensure that the allure and sparkle of diamonds are sustained in the world market. The natural diamond still has sparkle for consumers and we need to continue to promote and market that appeal.

D2) 5/9/10: AP - "Botswana on track to reach first Cup of Nations"



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Unfancied Botswana is on track for its first appearance at the African Cup of Nations while continental heavyweights Cameroon, Ivory Coast and South Africa all won their opening qualifiers on Saturday for the 2012 tournament in Gabon and Equatorial Guinea. Botswana's national team, nicknamed the Zebras, continued a dream run when it saw off Togo 2-1 in Gaborone to open a six-point lead in Group K over former African champion Tunisia.

A Samuel Eto'o-inspired Cameroon overpowered Mauritius 3-1 and Ivory Coast relied on three of its English Premier League players to cruise past Rwanda 3-0 in Abidjan. South Africa missed a host of second-half chances and settled for a 2-0 win over Niger.

Jerome Ramathlakwane hit the winner for surprise package Botswana in the 55th minute, just five minutes after an equalizer from Togo's Serge Fiake. Winger Joel Mogorosi had put the home team ahead inside five minutes at the University of Botswana Stadium.

"I have no words to describe my joy," said Botswana coach Stanley Tshosane as the unbeaten Zebras claimed a third win in four games. Botswana has already beaten Tunisia, away, and Chad earlier in the campaign. Botswana only won its first Cup of Nations qualifying match in 2002 and finished bottom of its qualifying group for the 2010 tournament, behind lowly Mauritania and Benin.

Botswana's position was strengthened when Tunisia, the 2004 African Cup of Nations winner, was held to a 2-2 home draw by Malawi in Rades later on Saturday. Striker Iso Kanyenda scored with a late penalty as the Malawians rallied from 2-0 down to hand Tunisia another setback in its qualifying effort. Botswana leads the five-team group with 10 points from four games. Tunisia has four points from three games.

The top two teams in Group K will reach the finals. The group kicked off its qualifiers back in July after Togo was reinstated and added to the original four-team group following a successful appeal against a two-tournament ban. The group winners and two best second-placed teams from the other 10 groups will also book their places at the finals.

Inter Milan striker Eto'o scored twice in his 100th international appearance as Cameroon made a winning start in Group E with a 3-1 victory in Mauritius. Eric Tchoupo Moting added the third from the penalty spot as the Indomitable Lions served up victory for former Spain coach Javier Clemente in his first game in charge. Clemente had put pen to paper on his Cameroon contract just days earlier. Trying to forget its disastrous World Cup campaign, where it lost all three matches, Cameroon takes early charge of Group E. Senegal travels to the Democratic Republic of Congo in the group's second fixture on Sunday.

Even without Chelsea striker Didier Drogba, Ivory Coast was too strong for Rwanda in their Group H match in Abidjan - giving another new coach, Francois Zahoui, a successful start. Manchester City's Yaya Toure, Drogba's Chelsea teammate Salomon Kalou and Arsenal's Emmanuel Eboue made up for the big striker's absence to lead the Elephants to a comfortable win. The Ivorians were 3-0 up through Eboue's 25-meter (yard) shot in the 39th minute and cantered home.

The vuvuzelas rang out again at Nelspruit's Mbombela World Cup stadium as South Africa began its campaign by beating Niger 2-0 in its first competitive match under new boss Pitso Mosimane. Strikers Katlego Mphela and Bernard Parker were on target for Bafana Bafana in the first half, but the host missed a string of chances in the second that would have boosted its goal difference ahead of tough matches against Sierra Leone and defending African champion Egypt later in Group G.

"We created a lot of opportunities and at the end of the day I think we must be disappointed we didn't take our opportunities," said South Africa's Everton midfielder Steven Pienaar. "We are really going to need those goals."

Egypt and Sierra Leone meet on Sunday. Also Saturday, Cape Verde began Group A's action with a surprise 1-0 home win over Mali. Sudan beat Congo 2-0 in Group I with a goal in each half from Mudathir El-Taieb and Mohamed Al-Tahir, and Uganda were comfortable 3-0 winners over Angola in Group J.

World Cup finalist Algeria struggled to a 1-1 draw against Tanzania in its Group D opener on Friday as the minnows of African football made their presence felt across the continent.

Tanzania went ahead with a Jerry Tegete goal on 33 minutes. Algeria, semi-finalists in the 2010 Cup of Nations earlier this year and 2010 World Cup qualifiers, forced an equalizer through Adlene Guediora just before halftime. The 2012 African Cup of Nations will feature 14 teams.

The 132-match qualifying competition features 44 countries, split into 11 groups and ends in October 2011.

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AP Sports Writer Jerome Pugmire in Paris and Associated Press Writers Emmanuel Tumanjong in Yaounde, Cameroon and Sello Motseta in Gaborone, Botswana contributed to this report.

D3) 8/9/10: Botswana Gazette - "Molao wins Tonota North" by OARABILE MOSIKARE  
MATHANGWANE: Botswana Democratic Party (BDP) parliamentary candidate in Tonota North Fidelis Molao convincingly won the constituency against the combined opposition coalition last weekend.



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The opposition parties in this by election rallied behind the Botswana Congress Party (BCP) candidate Dr Habaudi Hobona. These parties included Botswana Movement for Democracy (BMD), Botswana National Front (BNF) and Botswana Peoples Party (BPP). The other opposition party Marx, Engels, Lenin and Stalin (MELS) Movement of Botswana only managed a paltry two digits of 62 votes.

Molao was voted by 4, 575 people while Hobona garnered 2, 617 votes. One thousand nine hundred and fifty eight votes separated Molao from Hobona. There were more spoilt votes than the votes MELS's Bayani Phalalo managed to canvass. Hundred and forty votes were rejected out of the total of 7, 394. During this by election less people voted than they did during the general elections in October last year.

During the general elections 9, 047 voted and out of that number 169 votes were rejected. The late BDP Member of Parliament Baledzi Gaolathe had garnered 5, 811 votes to Hobona's 3, 067 votes. Last Sunday after the results were announced the ruling party hastily arranged a press conference where the campaign team took the opportunity to thank the voters and everybody who contributed to their sound victory.

The victor expressed their delight that despite having started the campaign later than the opposition they still won. Molao thanked his supporters for their cooperation and vote of confidence in him. "There are a lot of challenges that this constituency is facing. The youth are also facing many challenges that I'm going to tackle at parliament," the elated Molao said.

The MP for Tonota North said despite what was reported in some quarters that the BDP might suffer a defeat, this was proved otherwise. He said his victory was a sign that the ruling party is alive and very well and stronger than ever. Assistant Minister of Local Government Bothogile Tshireletso disclosed that she volunteered to deputize Assistant Minister of Local Government Kentse Rammidi who was Molao's campaign manager.

"It was a matter between life and death," Tshireletso said about the bye election. She also said there was team work which led to BDP victory. The Mahalapye East legislator said BDP victory here clearly showed that Batswana like President Lt. Gen Ian Khama's leadership.

Another speaker the BDP secretary general Thato Kwerepe said the by election win proved that there is still no alternative and that their future was secure in the hands of the BDP. Member of Parliament for Tonota South Pono Moathodi said Molao's victory was evidence that the party is united. "This campaign has brought us passionately to get," said Moathodi who is a deputy National Assembly speaker.

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