

# Doing Business in Botswana



THINK AFRICA  
THINK PKF

# COUNTRY OVERVIEW



Botswana is a land-linked country at the heart of Southern Africa, bordered by Namibia, Zambia, Zimbabwe and South Africa. Its central location in this region makes Botswana the perfect gateway for reaching the whole of the Southern African Development Community (SADC), making it the ideal investment and trade hub.

## GEOGRAPHY

Area	582,000 km <sup>2</sup>
Population	2.3 Million
Capital	Gaborone

## POLITICS

Form of Government	Parliamentary
Republic Head of State	President, Dr. Mokgweetsi E. K. Masisi

## LANGUAGES

Official Language	English
National Language	Setswana

## ECONOMY

Gross Domestic Product 2018	USD 18.3 billion
Per capita GDP	USD 7831
GDP Real Growth Rate for 2018	4.5%
Inflation Average Rate	2.6% (May 2019)
Currency	ISO code is BWP
Current exchange rate	One Pula = 100 Thebe

# WHY BOTSWANA?

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Botswana has successfully held eleven general elections and maintained one of the world's highest economic growth rates since its independence in 1966

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International studies have consistently ranked Botswana among the world's least corrupt countries

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Botswana is one of the most secure and safe countries in Africa and compares well worldwide for low crime rates and the rule of law

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Home to one of the world's largest diamond market, the economy benefits from adequate flow of foreign exchange through diamond exports.

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Botswana has implemented practices in its legal code for over 40 years to guarantee investor protection, allowing for a competitive and accessible investor market

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Botswana's financial and capital markets are among the most sophisticated in Africa, boasting numerous domestic companies and regional offices of multi nationals

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The country has developed significant human resource skills in the mining, construction, financial services, tourism and travel sectors.

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Botswana's geographical proximity to regional giant South Africa positions the country favourably for investors in Sub-Saharan Africa

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Botswana's literacy rate is 88.2% for citizens aged 15 and above, a figure that reflects consistent investment in education.

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# INVESTMENT INCENTIVES



No foreign exchange controls; remittance and full repatriation of profits and dividends

No restrictions on business ownership

100% Duty rebate on importation of machinery for manufacturing

Customs duty exemption on raw materials for goods going outside of southern african customs union (sacu)

Liberal tax regime: 22% corporate and 25% personal tax, with 15% corporate tax for manufacturing and ifsc-registered companies (lowest taxes in the SADC region).

Deductible training rebate of 200%

Established International Financial Services Centre to facilitate domestic and international trade.

# INVESTMENT OPPORTUNITIES



MINING



MINERAL  
BENEFICIATION



EDUCATION



AGRICULTURE



ENERGY



HEALTH



INFRASTRUCTURE



TOURISM AND  
HOSPITALITY



CARGO, FREIGHT  
AND LOGISTICS



INFORMATION AND  
COMMUNICATION  
TECHNOLOGY



FINANCIAL AND  
BUSINESS SERVICES



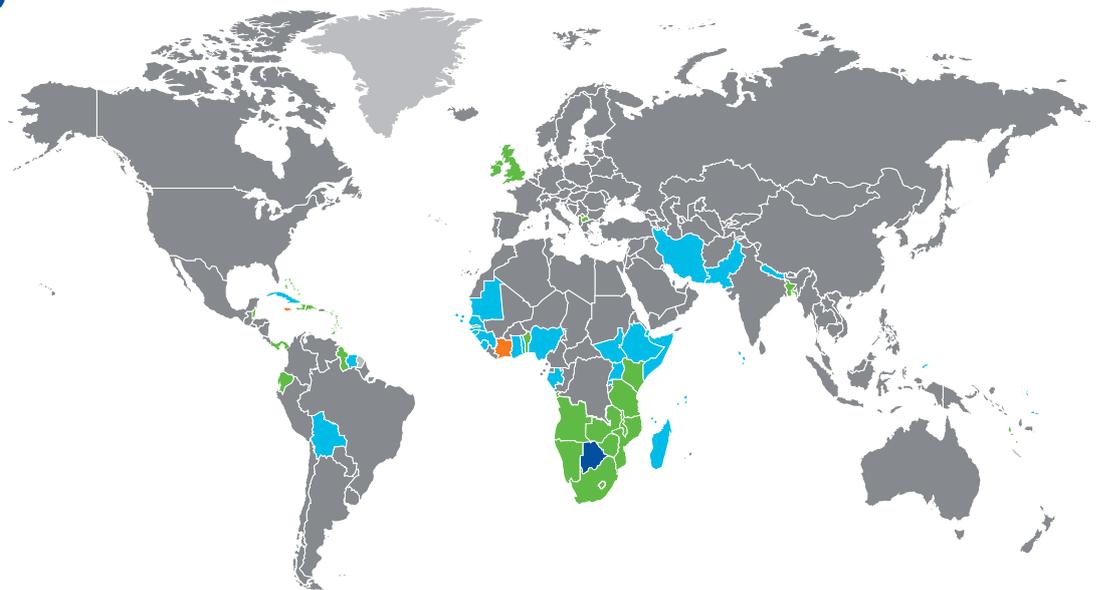
INTERNATIONAL FINANCIAL  
SERVICES CENTRE HUB

# COMPANY STRUCTURES

Requirement	LLC	PLC	IFSC (Offshore Company)
<b>Duration</b>			
Company Set up	10 weeks	14 weeks	16 weeks
Bank account setup	4 weeks	4 weeks	4 weeks
Company Structure			
Resident Director required	Yes	Yes	Yes
Resident Shareholder required	No	No	No
Resident Company Secretary	Yes	Yes	Yes
Corporate shareholders permitted	Yes	Yes	Yes
Wholly foreign owned	Yes	Yes	Yes
Minimum paid-up share capital	US\$1	US\$1	US\$1
Legal Liability	Limited	Limited	Limited
Annual Tax Return Submission	Yes	Yes	Yes
Tax Registration Certificate	Yes	Yes	Yes

## VISAS

- Botswana
- Visa required
- Visa on arrival
- Visa free
- ETA



Due to the current pandemic, visa policies may have been temporarily suspended. Please see an overview of travel restrictions [here](#) and verify with local authorities.

# TAX

Standard  
Corporate  
Tax

**22%**

Branches  
Standard  
Corporate  
Tax

**15%**

Withholding tax

Interest, Royalties, Technical services **15%**

Dividends **7.5%**

Rent **5%**

Brokerage fees and commission **10%**

Standard  
VAT Rate

**12%**

Capital  
gains tax

**Up to 25%**

Branch  
Remittance  
Tax

**0%**

Special  
exemption  
for IFSC  
registered  
companies

# TRADING LICENCE

Trading licences can be obtained at the commercial departments of district or town and city councils. Requirements include; forms and an accompanying covering letter outlining business operations in detail. Trading licences vary in fees and duration and an annual fee of 25% of the licence fee is required. Annual proof of compliance with health regulations and filing of annual returns are also required.

For a full list of requirements visit - <https://www.gov.bw/trade/trade-license-application>

right people  
right size  
right solutions

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## TALK TO US

We'll help direct your enquiry to the right place. Contact us at:

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