

## **REPUBLIC OF BOTSWANA - OFFICE OF THE PRESIDENT**

### **STATE OF THE NATION ADDRESS BY HIS EXCELLENCY Lt. GEN. SERETSE KHAMA IAN KHAMA PRESIDENT OF THE REPUBLIC OF BOTSWANA TO THE FIRST SESSION OF THE TENTH PARLIAMENT**

"Democracy, Development, Dignity, Discipline and Delivery"  
13th November 2009,  
GABORONE

#### **INTRODUCTION**

1. Madam Speaker, I am grateful for this opportunity to address the opening session of our 10th National Assembly. It is my duty to once more present an assessment of our nation's progress, challenges and opportunities, along with a blueprint of how we as a Government, working with the people, intend to move forward.

2. In this endeavour, my administration shall continue to be guided by the principles of democracy, development, dignity and discipline, our roadmap for empowering the nation. Reaching our goals will also require renewed commitment on the part of all of us to yet another word that coincidentally begins with the letter "D" - delivery.

3. But, before proceeding further, let me first welcome and congratulate the newly elected members of this Assembly. Let me also take this opportunity to compliment Dr. Margaret Nasha on her election as the Speaker of the National Assembly; the first ever woman to be so elected. Each of us has been entrusted with the great responsibility of ensuring our country's continued progress. With the blessings of God, may we prove worthy of this task.

#### **Democratic Commitment**

4. As we work together, let us be mindful that our presence here is a product of the enduring commitment by Batswana to sustain their enviable record of development through a government that is accountable for their hopes and needs. Today's gathering is an outcome of our 10th consecutive general election. Like those before it, the ballot was conducted in a peaceful, free and fair manner. For this we can thank Batswana in general, along with the Independent Electoral Commission and all the others who helped to make the poll a success.

5. As political leaders we are answerable to the thousands who turned out to vote. In as much as the voters were naturally divided in their choices, they were also united in their undertaking to uphold the democratic values and practices that have enabled our progress over the years. As a Parliamentary Democracy we must be committed at all times to placing the interests of the nation first and our own self-interest last.

Last month my party, the Botswana Democratic Party, was re-elected on the basis of a manifesto promising delivery. We now start that process.

## Values

6. Madam Speaker, our consistent standing in the community of nations among the world's most stable democracies has been nurtured by our own devotion to our country and the underlying values that have long sustained it. These include our traditions of tolerance, consultation, and respect for each other and the rule of law.

7. As citizens of a republic we are united by our patriotism. In its historic derivation, the word "patriot" is associated with ties of family, as well as territory. As with members of a family, patriots through the ages have been joined not only in their loyalty to a motherland or fatherland, but by their collective obligation to the welfare of fellow citizens. This is an ideal that is consistent with our deepest traditions and values as Batswana.

8. Let us here recognise that while the nation can be united in its diversity, it cannot be divided in its loyalties. Even in a global village one must know one's own yard from that of one's neighbour. As citizens we can have but one country we call home. As patriots our loyalty to the nation should be above lesser ties of ethnicity, tribe or locality.

9. In our culture, individual rights are understood to go hand in hand with civic responsibilities and constant consideration for the rights of others. It is misguided to believe that we can prosper as a united and proud people in the absence of social harmony, underpinned by discipline and the rule of law. Our ancestors survived much harder times than these by upholding the collective discipline of their communities. It is, therefore, shocking to find some who would today go so far as to try to falsely justify acts of lawlessness, such as vandalism and substance abuse, in the name of culture. Such acts belong to the law of the jungle, rather than the culture of Batswana.

10. In addition to collective discipline, self-discipline in our personal and professional conduct is a prerequisite for mitigating many of the social ills we face, from fighting corruption and crime, to curbing alcoholism and other forms of substance abuse, to finally realising the goal of an HIV/AIDS free generation.

## Law & Order

11. Madam Speaker, the peace of mind of every citizen and our ability to attract foreign direct investment for economic growth is largely dependent on the security and stability of the country. To this end our law enforcement agencies should be well resourced to deal effectively with all types of crime. Likewise our communities must have a full appreciation of their role in making Botswana safe and secure.

12. While crime in general has declined over time, intrusive and violent crime remains a major concern. In the face of this increasing type of criminal activity we will come up

with strategies that will be responsive to this crime trend. To this end we will increase police visibility.

13. We shall shortly be putting in place organized neighbourhood watch strategies and will assist to the extent possible other privately organised neighbourhood watch groups. I expect a considerable number of youth to be employed periodically in the implementation of these strategies as yet another way of engaging the youth in income generating opportunities.

14. With these and other measures, we can enhance and ensure the confidence of our communities in our law enforcement agencies. It is my expectation that by January 2010 we will see this and other crime on a downward trend.

15. Let us recognize that by its very nature crime is an assault not only on the human rights of its immediate victims, but society as a whole. Where there is insecurity we are all ultimately affected. In this respect, we should avoid attempting to excuse the activities of criminals, while undermining the efforts of the dedicated men and women who work to protect us from lawlessness.

16. Our law enforcement agencies exist to uphold the law, not to break it. At the same time we do recognize that instances of individual transgressions and errors can occur in any organization. Whenever credible allegations of serious abuse by security personnel arise, they shall continue to be impartially investigated in accordance with the law and demands of due process, but not subject to the arbitrary timetables set by sensational newspaper headlines or partisan adventurers.

#### Fighting Corruption

17. Madam Speaker, corruption is like a cancer that, if not detected and uprooted at the earliest opportunity, can spread throughout our society. Our efforts to fight this crime will therefore be geared to effectively prevent corruption from taking root.

18. We intend to re-double our anti-corruption efforts so as to maintain Botswana's status as Africa's least corrupt country, as well as further enhance our global reputation for zero-tolerance towards such crimes. We will cooperate and benchmark with those countries that have the most effective and well resourced anti-corruption institutions.

19. In this regard we will soon be engaging a number of international experts to enhance the capability of the Directorate on Corruption and Economic Crime (DCEC) to deal with corruption. I must, however, commend our law enforcement agencies for making more arrests for these crimes than ever before in the history of our country.

20. In the recent past there have also been incidents of fraud in the acquisition of local passports, residence permits, visas and citizenship certificates. To address this problem, a programme was initiated to improve the security features of documents and processes that are susceptible to fraud. To curb incidences of forgery of travel documents, new

travel documents with enhanced security features that comply with regional and international standards will be rolled out in the coming year. Automation of the production processes of these documents will also greatly improve the turnaround time for their production.

### Constitutional Balance

21. Madam Speaker, our Constitution is the ultimate legal guarantor of our responsibilities to each other as citizens, as well as the individual liberties we all enjoy. It also provides us with the framework upon which the divisions of Government are held accountable to one another and, more importantly, to the public they have been established to serve.

22. As citizens we all look to the third branch of Government, the Judiciary, to act as our final arbitrator through the delivery of impartial judgments in courts that remain accessible even to the least privileged among us. Here I must voice my appreciation of the ongoing initiatives by the Administration of Justice in the management of their caseload. The new Court of Appeal and the Gaborone Division of the High Court will further improve the effectiveness of the Administration of Justice.

23. Our delivery of good governance is further bolstered by the existence of additional independent institutions, as well as the valued contributions from the private sector and civil society.

### Economic Downturn

24. Madam Speaker, the challenges we face as a nation are not always of our own making. We are living in a world where actions in one region will affect activities elsewhere. This reality has been manifest in the negative impact of the ongoing global economic downturn.

25. During the fourth quarter of 2008, Botswana's GDP declined by a little over 6%. This was followed by a 22% drop in the first quarter of 2009, placing our overall economy in recession. These figures were primarily the result of a sharp decline in global demand for diamonds, which resulted in cutbacks and the temporary closure of some mining operations. The crisis also had negative repercussions on other key commodities, with nickel prices dropping by 46% and copper prices by 56% between September and December 2008. Overall mineral revenue is thus expected to drop from P 10.8 billion in 2008/9 to about P6.8 billion during the current financial year.

26. As Government we had to act. I therefore set up a task force to come up with recommendations to guide us through this difficult time, whose recommendations were accepted in February this year. Amongst the core recommendations that have proved to be effective are those for sustaining and growing employment and expanding the non-mining sector. Actions taken to sustain and grow employment included stay-in business strategies, which were developed and rolled out by the mining houses to avoid mass

retrenchments. Government also found it necessary to assist a number of companies, on a case by case basis, in order to protect jobs and investments.

27. To grow the economy in the non-mining sector, Government also took a deliberate decision to allow the already budgeted infrastructural projects to go ahead.

28. Government further introduced the Ipelegeng Programme which is now being implemented on a permanent basis. This has provided relief in a form of supplementary income support to the poor and unemployed who are adversely affected by unfavourable climatic and economic conditions. At the same time, the programme supports the carrying out of essential projects in both urban and rural districts. Since its inception in July 2008, the estimated monthly employment created through Ipelegeng has averaged 38,000 for the entire country. The cumulative number of beneficiaries under the programme as of October 2009 was 327,494 people. Our target for Ipelegeng is 40,000 to be employed at any one time and I am working on other initiatives to increase this number in the coming months in other income generating opportunities, without the need for additional budget provision.

29. The Bank of Botswana also needs to be commended for its supportive monetary policy initiative. Inflation declined from 15% in November 2008 to 6% in July 2009. This is the first time that inflation reached the Bank's medium term inflation objective in the last 7 years. As a result the Bank's rate has been reduced from 15.5% in November 2008 to 11% in August 2009, while commercial banks reduced their prime lending rate from 17% to 12.5%.

30. Owing in part to the interventions stated, many of the non-mining sectors of our economy have remained stable or growing. Non-mining GDP grew by 5.7% during the first half of this year. Unlike the situation in many industrial countries, where collapsing banks choked off credit to the economy, our stable banking system has maintained a supply of credit to households and businesses.

31. The price, however, which we as a nation have to pay for the above achievements is not trivial. By not cutting Government expenditure in response to collapsing revenues, our 2008/09 budget had a deficit of P3.6 billion, while the budget deficit for the current financial year is expected to be P 13.4 billion. These shortfalls are being financed through preferential borrowing and a drawdown of our foreign reserves. Of course, such financing is not something that can be repeated year after year. This implies that future spending must be below income.

32. There has, on the positive side, been a notable increase in diamond demand since April 2009. But, this has so far been uneven, with improvement in the sales of the middle range gems, while the large and small ranges have remained sluggish. Consequently, diamond production is now running at about 80% capacity, while profitability remains below pre-recession levels. This circumstance may persist in the coming year. With regard to other commodity prices there has been a significant improvement since the second quarter of this year with demand expected to pick up further in the coming year.

33. The Botswana Stock Exchange's domestic and foreign company indices were also adversely affected during the first half of the year, but have been showing positive growth since June.

### Challenges

34. Madame Speaker, I am happy to report that there are positive indications that the end of the recession is within reach. Locally, the second quarter of 2009 showed quarterly GDP growth of 24.9%. Around the world, many economists are now forecasting a pick-up in the global economy leading to projections of modest growth in 2010 and 2011. Our challenge is to be ready to do more with less. While in aggregate our GDP is now equal to the level prevailing before the recession, diamond profitability and therefore government mineral revenue is still well below. To reap the benefits of a return to global economic growth we must therefore devise and implement new initiatives aimed at increasing the productivity of our own economy.

35. Notwithstanding the immediate challenge of the economic downturn, Government continues to be committed to achieving our overarching development goal of transforming ourselves into a high income economy, capable of providing for the wellbeing of all our citizens. The challenges we face in reaching this goal are not new:

- \* The rate of poverty, although it has steadily declined over the past two decades; and
- \* Unemployment and underemployment, especially among our youth.

36. Related to each of these has been the challenge to sustain accelerated economic growth in the non-minerals sector. Over the decades our economy has grown by reinvesting the proceeds of the high return minerals sector into other economic activities. Even in the absence of recession, the need to make further progress in this area is urgent in the context of projections that diamond revenues will sharply decline in the coming years.

### Strategic Framework

37. To overcome our challenges, Government has formulated and committed itself to the "Botswana Excellence Strategy for Economic Diversification and Sustainable Growth", which serves as a framework for us to achieve our objective of reaching high income status, while leaving no citizen behind. Its Action Plan has, therefore, been incorporated into our new National Development Plan - NDP 10. To ensure delivery, implementation of the Strategy's key projects and initiatives will continue to be closely monitored from my Office and that of His Honour the Vice President, with the support of the newly created Government Strategy Development Office and as I announced at my inauguration the Coordinating Office for Poverty Eradication, as well as the Botswana Economic Advisory Council.

38. At its core, the Botswana Excellence Strategy recognises the need for all of us to adopt a more outward looking mindset that is conducive to accelerated private sector development. In this respect existing and potential investors can be assured of this Government's steadfast commitment to an open society with an open economy in which all who can make a positive contribution are encouraged to do so. In pursuing investment, more especially outside investment, our country will continue to market its comparative advantages, which include our:

- \* Political and macro-economic stability, with a record of economic growth based on prudent management;
- \* Relatively educated, adaptable workforce;
- \* Low rate of taxation when compared to many countries;
- \* Absence of exchange controls; and
- \* Superior sovereign credit ratings; along with
- \* Stable banking institutions that ensure adequate financial resources to cope with exogenous shocks to the economy.

39. We, also recognise the existence of deterrents to investment. Inhibitors such as complexities in the tax code, shortage of industry relevant skills and poor labour productivity can and must be overcome as a matter of urgency. In addition to continued reform of the public service, this calls for a further commitment to the promotion of technological innovation, skills training, and a reduction in barriers to starting up and growing businesses. We are currently working on reviewing our tax regime as well, to make it more simple and relevant. Any new regime we put in place will commence in the next tax year.

40. During my tenure of office employment creation will be driven by the following:

- \* the six hubs;
- \* Foreign Direct Investment focusing on mining, tourism, agriculture and manufacturing sectors amongst others;
- \* import substitution;
- \* broadening the tourism and agricultural base;
- \* local procurement preference;
- \* government schemes such as CEDA, Youth Development Fund and Young Farmers Fund will be given additional resources;
- \* Construction; and
- \* Information Technology.

41. Government's efforts to promote both domestic and foreign investment will, moreover, continue to go hand in hand with our efforts to promote citizen empowerment. To date the Citizen Entrepreneurial Development Agency (CEDA) loan, equity and credit guarantee schemes have assisted 3,608 projects valued at just over P 2 billion, which are projected to employ 27,820. The Local Enterprise Authority (LEA) also continues to provide training and advisory services to citizens in entrepreneurship development and technical and business management skills to facilitate the success of small, medium and

micro-enterprises. Since April 2007 over 7000 citizen entrepreneurs have thus benefited from LEA services. Our commitment to citizen empowerment is further evidenced by additional initiatives, such as the Youth Development Fund, Young Farmers Fund, NAMPAAD, and ISPAAD.

42. In a further effort to promote citizen empowerment through local sourcing, CEDA and the Ministry of Trade and Industry have been instructed to prepare a list of companies that produce goods locally. If the pricing is competitive central Government, local authorities and parastatals will be instructed to procure from such companies with immediate effect. This should empower citizens and local companies and help towards growing our manufacturing base.

43. While Government looks upon the growth of the private sector, increasingly rooted in the citizenry, as a key instrument for national development, we are concerned about the tendency of some to embrace self-interest over the national interest. An example of this is the often inflated cost of public projects, both at the stage of tendering and in implementation. Such practices are, unfortunately, consistent with a wider attitude of self-entitlement towards public resources, which threatens to undermine the principle of self-reliance that has been a cornerstone of our collective development. In this respect let me here clearly state that where evidence warrants it, Government will not hesitate to blacklist those whose private greed undermines our ability to deliver for the greater public good.

#### NDP 10

44. Madam Speaker, the onset of the economic crisis caused us to delay and re-adjust NDP 10. As one of its last acts, the previous Parliament approved the Plan, whose time frame and Key Result Areas have been tied to the seven Vision pillars. The Plan was refined through lengthy consultations with representatives from all sectors of society. The Ministry of Finance and Development Planning is finalising NDP 10 document for distribution before the end of December.

45. Unlike previous plans, NDP 10 is to be implemented through an "Integrated Results Based Management Approach", which will ensure that all of its Key Result Areas are results oriented. In this way, the Vision's goals have been translated into practical expectations of what each organ of Government is expected to deliver.

#### Mining

46. Madam Speaker, I shall now proceed to outline the current and anticipated progress of various Ministries and Departments towards achieving our vision of sustained social development through equitable economic growth, beginning with the Minerals sector. Over the years our prudent management of our diamonds and other minerals has been the basis of our economic progress. Notwithstanding recent market volatility, the sector remains a cornerstone in our efforts to build a more prosperous future. Government thus has a special obligation to administer the nation's mineral wealth for the benefit of all.



47. Mining's contribution to the building of our nation has been, and should remain, rooted in our continued adherence to the principle that the natural resources of this country are our common heritage. It is for this reason that the ownership of our minerals, along with other forms of natural wealth, remains legally vested with the state irrespective of who owns the land upon which they are found. This national principle is, moreover, consistent with a common understanding, embedded in our indigenous values, that nature can never be owned. It is also consistent with the fact that as a developing country we must ensure that our citizens as a whole reap the benefit of our finite resources, and not just those who by a chance of geography find themselves sitting on a particular asset.

48. During the past year, the Government has made good progress in meeting its goal of promoting Botswana as one of the world's major diamond trading centres. The Diamond Hub has been established to facilitate diamond beneficiation and support services. Fifteen of the sixteen licensed diamond cutting factories are currently operating. Preparations are underway for the remaining company to commence its operations shortly. Another encouraging sign is the recent opening of ABN AMRO Bank in Botswana, which will provide financing to employment generating downstream industries.

49. I am also happy to report that the construction of the Secure Transfer Facility at Sir Seretse Khama International Airport is near completion. This facility is part of the Diamond Hub and will be used for the movement of diamond and other goods that need to be transported under strict security conditions.

50. In the western part of the country mineral exploration is a challenge due to thick sands. As a result high costs are often incurred during the feasibility stages. To compensate for this, Government has been carrying out a high resolution aeromagnetic survey of the entire country, which will be concluded during NDP 10.

51. The Ministry has also carried out a Strategic Review of the mining sector, whose final report and resulting action plan was finalised this year and is now being implemented. Government, with the assistance of the Commonwealth Secretariat, is reviewing mineral legislation for coal, coal bed methane and radioactive minerals, such as uranium, which along with such established commodities as copper-nickel, gold, semi-precious stones and soda ash have the potential to further diversify our minerals sector.

## Energy

52. Madam Speaker, reliable and affordable energy is another prerequisite for our economic and social development. Energy self-sufficiency has also become an urgent priority in light of current shortfalls and the need to increase energy throughput for both industrial and home consumption.

53. To improve access to electricity, Government is in the process of electrifying 130 additional villages by September 2010, when we will have achieved our mid-term goal of ensuring that 70% of all villages in Botswana are electrified. At a total cost of P 665 million this is an expensive undertaking. Currently some 54% of households are connected to the national electricity grid. To facilitate more connections, Government has introduced the Rural Electrification Collective Scheme, which offers relaxed repayment terms. To date this initiative has enabled 116,585 additional households to connect.

54. To further improve electricity access, Government will put in place a National Electricity Connection Standard Cost of P 5000 for new household connections. To effectively implement this initiative a National Electrification Fund is being established. It has been further decided that a levy of 5 thebe per kilo Watt hour on consumption be introduced to compensate for the actual cost of electricity connection by households charged by the Botswana Power Corporation (BPC). The implementation of this initiative is expected in the first quarter of 2010.

55. To give customers the option of Photovoltaic (Solar) electricity, Government has also introduced the "Re Botswana" project, which is being piloted in four villages. This project is being implemented in partnership with UN's Global Environment Facility.

56. On the issue of energy supply, it should be noted that Morupule Power Station presently contributes only 120 Megawatts ( MW) of the 500 MW of electricity this country consumes, with the balance being imported from South Africa and Mozambique. Presently Botswana receives 350 MW from South Africa, which will be reduced to 250 MW in December. It is therefore, important that all of us appreciate that the provision of electricity will remain under stress until the ongoing Phase 1 expansion of Morupule Power Station is completed in 2012, which will add 600 MW of power, with another 600 MW to be added with Phase 2 of the project.

57. Working with the BPC, Government has put in place several immediate interventions to reduce the impact of the current power deficit. These include a:

- \* Power Management Programme;
- \* peak demand strategy targeting major electricity consumers; and
- \* 70MW diesel powered emergency generation facility, which is expected to be completed next month.

58. Efforts are also being made to fast track a Gas Fired Power Station. This project involves the development of an integrated 250 MW Open Cycle Gas Turbine and coal bed methane power plant fed by sub-stations situated at Orapa (90 MW) and the Mmashoro area (160 MW). The manufacturing of two 45 MW turbines is already in progress and it is hoped that the plant will begin to make a contribution by August 2010, using liquid fuels.

59. Other longer term measures to exploit Botswana's abundant coal resources, include the planned construction of a 1,200 MW power station at Mmamabula by CIC Energy.

There has, however, been modest progress on this project in recent months due to protracted negotiations with off-takers.

60. Government maintains an Oil Storage Development Programme to ensure availability of fuel supplies for essential services in case of supply disruptions. Due to growth in consumption, our strategic stock level has been reduced to 23 days, leaving the country vulnerable. We will therefore develop a new storage depot at Tshele, infrastructure at Palapye and expand the Francistown storage depot in order to increase capacity to enable maintenance of a 60 days strategic stock level.

61. The challenges facing the energy sector call for the introduction of new strategies. A policy paper is therefore being drafted to guide future developments. It is expected that this draft policy will be ready for submission to Parliament in the coming year.

## Water

62. Madam Speaker, to be a Motswana is to know the value of water. Neither the diamonds in the ground nor the livestock grazing above it are more precious to us. As with minerals, Government is obliged to act as a steward of this country's limited water resources not only for the citizenry of today but also those of tomorrow.

63. The 2006 National Water Master Plan Review recommended that institutional reform be carried out to meet the challenges facing the supply and overall management of our water resources.

64. With the assistance of the World Bank, in 2008 Government looked into the feasibility of implementing the Review's recommendations. One of these was that Water Utilities Corporation (WUC) should become the sole provider of bulk water, water supply and sewerage services. These services are also now provided by Local Authorities and Department of Water Affairs. Implementation is already advanced towards achieving the following timelines:

- \* WUC to takeover water supply and bulk water delivery for the entire country by April 2010;
- \* WUC to takeover the sewerage services for the entire country by April 2014; and
- \* The Legal and institutional framework for the sector to be in place by 2011.

65. The above targets are further in line with NDP 10 goals of achieving 100% national access to clean water, up from the current 65%.

66. The present source of water for much of the eastern part of the country is Letsibogo Dam, whose assured yield is becoming stressed. Government is, therefore, proceeding with the construction of Dikgathong, Lotsane, and Thune dams, whose plans incorporate the provision of water for adjacent irrigation projects. The North South Carrier 2 Pipeline will also be constructed during NDP 10 to increase the water conveyance from the dams in the eastern part of the country.

67. Environmental and social issues will be taken into consideration during the implementation of each of these projects. Construction of the Dikgatlong and Lotsane Dams has begun and are expected to be completed at the end of 2011, while the construction of Thune dam is scheduled to start next year.

68. Government has also started to upgrade the network for the provision of water to major villages, including Kanye, Moshupa, Tsabong, Gantsi, Mahalapye, Palapye, Ramotswa, Mochudi, Tonota, Letlhakane, Kasane, Molepolole and Thamaga. This initiative will reduce water losses and interruptions. The villages of Molepolole, Kanye, Thamaga and Moshupa will also be connected to the North-South Carrier during NDP 10, while Serowe is expected to be connected to the Carrier by next year.

69. Government intends to draw about 495 Million Cubic Metres of water per annum from the Chobe/Zambezi River system. This water will be used for the planned Zambezi Integrated Agro-Commercial Development Project at Pandamatenga, which will ultimately be linked to the North-South Carrier through a 580 km pipeline extension. A detailed Environmental Impact Assessment to ascertain the feasibility of extracting the water was completed in May of this year. Being a trans-boundary watercourse, such extraction is also subject to multi-lateral discussions with neighbouring countries, in accordance with the revised SADC Protocol on Shared Watercourses. In line with this requirement, Botswana in July 2009, formally notified SADC member states of her intention to proceed with the project.

#### Environment

70. Madam Speaker, our country has been blessed with a pristine environment, abundant wildlife and unique flora. In keeping with the time honoured principle that nature is a gift of God that is merely borrowed by each generation, Government has a responsibility to conserve and protect this natural heritage. The prudent management of our natural resources for sustainable growth is thus interconnected with our efforts to protect the environment. Our resulting NDP 10 goal of sustainable management of natural resources will thus be attained through the implementation of the:

- \* Mainstreaming of environmental awareness into all development processes;
- \* Introduction of new strategies in waste management, including the separation of waste at source;
- \* Carrying out forest resource inventories at ecosystem level for better forestry management;
- \* Improved wildlife management practices; and
- \* Implementation of the Community Based Natural Resource Management Policy.

71. To achieve the above in the context of our drive towards economic diversification, it will be necessary to adopt a systemic approach toward the integration of resource management and development. To help achieve this goal, an Environmental Information System has been put in place.

72. The Ministry continues to pursue its accelerated tree planting programme, which since its inception in 2008 has resulted in over 49,000 seedlings being planted across the country, with the participation of communities and 159 schools.

73. The Ministry is further concerned about wildfires. While it has been proactive in providing fire breaks at strategic locations, wild land fire management requires concerted effort not only from Government but also from private farm owners and communities who should also be providing their own fire breaks. In addition, communities should undertake measures to avoid fires as well as fully participate in fire fighting during outbreaks.

74. The Green Scorpion Initiative, which was piloted during NDP 9, has now been rolled out to districts. The Green Scorpions are tasked with dealing with environmental enforcement issues such as waste burning, veldt fire control, indiscriminate littering, and health hazards that threaten public safety and the environment.

75. Several projects are also ongoing to reduce underground water pollution and improve public health. The upgrading of the Gaborone Sewer Reticulation is expected to be complete by August 2012; while a project to increase the capacity of the Gaborone Sewage Treatment Plant should be completed by February 2010. Other major projects which are ongoing are Francistown Sewerage Infrastructure and Selebi-Phikwe Sewer Reticulation. These are expected to be completed by November 2009 and March 2010 respectively.

## Tourism

76. Madam Speaker, tourism has emerged as a significant growth sector on our economy, accounting for an estimated 23,000 jobs, while contributing P 10 billion in economic activity in the trade and hotels' sector. For a long time, this sector has been largely based on wildlife and wilderness. During NDP10, the approach will be to focus on product and geographical diversification, while seeking to promote domestic, as well as international consumption.

77. In 2007 twelve new lodge sites were identified within National Parks and Game Reserves. Of these sites, eleven were awarded to four Botswana registered companies, two of which are already operational. Some of the camp sites within the National Parks and Game Reserves have also been outsourced to citizens and citizen owned companies.

78. In line with the objective of diversifying tourism products, The Botswana Tourism Board is coordinating the development of heritage sites and other areas of interest, with a view to marketing them as tourism destinations. These developments are being undertaken with the involvement of communities, through their Trusts.

79. A partnership programme named "Adopt a Monument Strategy" for sustainable management and conservation of heritage sites was also launched in 2008.

80. In all of these efforts, Government remains committed to ensuring that local communities are involved in, and derive direct benefits from, the sustainable management of local resources. This includes those living in and adjacent to the Central Kgalagadi Game Reserve, where a revised Management Plan now forms the basis for our ongoing consultations. It is my intention and hope that we shall achieve sufficient consensus to finally bring closure to this matter.

81. The tourism industry has overtime been hampered by lack of readily available land. To address this, a tourism "Land Bank" has been established with the support of the Ministry of Lands and Housing, where land is made readily available for tourism development.

82. Human-wildlife conflict continues to be a concern among farming communities. For instance, large carnivores are being killed to protect livestock, which impacts on the conservation status of species such as lions and leopards. Government continues to spend on compensation for damage to both crop and livestock. The compensation rates were recently reviewed to address farmers' concerns and implementation of the reviewed rates commenced in April 2009.

83. The issue of predator-livestock conflict has to be addressed in a holistic manner that involves the farmers themselves to ensure that strategies undertaken are feasible, economic and ecologically acceptable. To this end, it is anticipated that the Predator Management Strategy, which is being finalised, will be implemented to play a central role in this regard during NDP 10. In the meantime various measures have been put in place to tackle such conflict and more will be done in this regard.

#### Transport

84. Madam Speaker, the Transport Hub has been established to strengthen our country's transportation connectivity both internally and externally in order to complement our economic diversification efforts through synergy in the air, road, and rail sectors.

85. Ongoing and planned initiatives falling under the Hub include the Kazungula Bridge, the Dry Port at Walvis Bay, Trans Kalahari Railway, Mmamabula-Ellisras and Moseitse to Kazungula Rail Links, and refurbishment of our major airports, in line with the pursuit of an Open Skies policy to attract international carriers. Feasibility studies for the rail projects are still in process, while a lease agreement for the Dry Port has been finalised. The upgrading and reconstruction of the Francistown, Maun, and Sir Seretse Khama International Airports are ongoing with Kasane yet to start.

86. A feasibility study and detailed design of the Kazungula Bridge inclusive of the border facilities is due next month. Together with Zambia we have opted for a bridge

design that will accommodate both road and rail traffic. The pre-feasibility study for the Trans-Kalahari Railway line, that will link us with Namibia, is expected to be completed by May 2010. In conjunction with the Dry Port facility, it is anticipated that this railway will greatly improve Botswana's trade competitiveness, particularly in terms of exports to Europe and the Americas.

87. Madam Speaker, with regard to the selling of boarded vehicles, over 2,600 such vehicles have been sold to citizens in public auctions as a result of the initiative that such sales be reserved for citizens and 100% citizen owned companies.

88. With regard to railways, Botswana Railways is faced with the challenge of depreciated assets, which renders it difficult to meet the demands of its customers. A Turnaround Strategy is in place that will entail rehabilitation of railway track, overhaul and refurbishment of wagons and locomotives, and the expansion and upgrading of workshops and other facilities.

### Agriculture

89. The Agricultural Hub has been established as a catalyst for the greater commercialisation and diversification of the sector, as well as to improve food security. Currently, amongst the Hub's key projects are the third phase of the National Agricultural Master Plan for Arable Agriculture and Dairy Development (or NAMPAAADD), the Zambezi Agro Commercial Integrated Development Project, and efforts to improve the National Beef Herd, including the restructuring of the Botswana Meat Commission (BMC) and reorganisation of Banyana farms.

90. NAMPAAAD's third phase is aimed at assisting farmers to become commercially viable. Production targets associated with the plan include the provision of 50% of the country's Sorghum and Maize requirements, 80% of fresh fruits and vegetables and 45% of liquid milk.

91. To implement this programme, the production and training farms established during NAMPAAAD's second phase will be facilitated to operate as business entities in their own right, while continuing to provide practical training. In addition, Farmer Service centres will be established at the training farms and elsewhere to provide additional inputs.

92. The objective of the Zambezi Agro-Commercial Integrated Development Project at Pandamatenga is to develop agricultural production on a large commercial scale in northern Botswana. The project will include 20,000 hectares of irrigated land, aquaculture, poultry and dairy farming, oil production and fruit and vegetable processing facilities. In the process, a new town of about 20,000 habitants is to be developed.

93. Over the past twelve months we have been encouraged by the public's embrace of the Integrated Support Programme for Arable Agriculture Development or "ISPAAD", which resulted in near threefold expansion of the area under cultivation to a total of 298,300 hectares, with a consequent rise in crop yields. This year's cereal production is currently

confirmed at 67,482 metric tons, which is already a significant improvement over last year. ISPAAD will thus be continued in this coming season.

94. Madam Speaker, it is estimated that our national beef herd numbers are about 2.5 million, of which over 80% are held in communal areas. If our meat product exports are to be maintained or increased, it is imperative that we shift toward weaner and feedlot production. In this context the National Beef Herd Improvement Plan has set the following targets:

- \* Change the structure of the national herd by taking weaners off the veldt, allowing for greater numbers of breeding stock; and reduce degradation of grazing land;
- \* Increase producer returns through better pricing for weaners and finished cattle;
- \* Increase industry participation through expanded feedlot facilities and back grounding of young stock, with consequent growth in support industries employment; and
- \* Develop a younger, better quality standardised product aimed at more lucrative export markets.

95. Four main drivers have been identified to implement the plan, namely better pricing and marketing, improved herd management, genetic improvement, and best practice education.

96. As I reported last year, financial institutions have often been reluctant to offer loans to farmers in the absence of an agricultural insurance scheme. To fill this gap, Government has encouraged the setting up of such a scheme. We are also undertaking a Botswana Agricultural Sector Review to develop a consolidated turn around strategy for the sector.

97. The Young Farmers' Fund is progressing, with 251 project approvals totalling P 97,638 million. Further progress is reported in our effort to refurbish and re-open the Maun Abattoir, which should become operational in the first quarter of next year. Overall it is my intention to significantly grow the agricultural sector to greatly improve our food security and self sufficiency and reduce poverty.

## Health

98. Madam Speaker, Government remains committed to ensuring that all Batswana are guaranteed quality health care services. The Health Hub was thus established to identify projects that will make Botswana a centre of excellence in the provision of healthcare services. Its goals include outsourcing selected services to improve efficiency, leveraging private sector capacity and establishing clinical centres of excellence to cater to foreign as well as local patients. 99. I am pleased to report that progress is ongoing with respect to each of these goals. The 450-bed Medical Teaching Hospital is on schedule and planned for commissioning during the 2012/13 financial year. In addition to teaching and patient care, this facility will facilitate local research and serve as an anchor for referral services. Since last year, significant steps have been taken to reduce referrals and associated costs across the border. The following have been put in place:



100. During the coming financial year an Eye Centre will be established at Sekgoma Memorial Hospital in Serowe, while the Eye Centre at the Deborah Retief Memorial Hospital in Mochudi has been revived. In cooperation with the Cambridge University Addenbrookes Hospital, a Diabetic Retinopathy Prevention Service has also already begun to operate at Princess Marina Hospital.

101. Since March of this year, we have also engaged a team from Wits University to perform knee and hip replacements at Princess Marina hospital, while private practice services in cardiology have started operating in Serowe and Maun. A Cardio-Thoracic Surgery Centre, is being established at the new Scottish Livingstone Hospital in Molepolole.

102. In addition, the Ministry has engaged in an interactive consultation with private practitioners in an effort to bring their services to the public hospitals. In this regard, the Ministry has put in place arrangements for the private sector to lease space in public health facilities to improve service delivery. Consultations are also ongoing with pharmaceutical manufacturing companies to setup operations in Botswana. One such company has secured land in Selebi-Phikwe, while another will locate in Gaborone. We have with this initiative, localised the hip and knee replacement operations resulting in savings of up to 62% of what government would have spent on referrals across the border. The Ministry of Health is actively engaged in finding ways of localising more operations to significantly reduce referral costs

103. A National Health Service plan is being formulated to address issues of uncoordinated and fragmented delivery. The plan will also address issues of access, equitable distribution and affordability. To this end, a health situational analysis has been made along with a draft Essential Health Service Package, which sets out minimum services to be offered by facilities to customers.

104. The efforts of the Ministry of Health are supported by those of the Ministry of Local Government, which is continuing to upgrade its integrated primary health care services. These services have now been organised into 183 clusters, 127 of which have doctors. To further support this network the Ministry is undertaking two major health related projects namely, the construction of 735 health staff houses and upgrading of health posts to clinics. This is all being done to greatly improve access by patients in rural areas to doctors and shall continue

105. Madam Speaker, the HIV/AIDS epidemic continues to be a threat to all of our future ambitions. Through our outreach efforts, over 100,000 people remain on ARVs, while we have greatly reduced mother-to-child transmission of the virus to 4%. But, these programmes have come at a great cost, and may not be sustainable in the long term. More to the point, while they provide necessary relief, they are not a solution. The focus of our efforts must, therefore, be on the prevention of new infections through appropriate behaviour. To repeat what I said last year - Drugs can only do so much. Discipline must do the rest.

106. Botswana like many countries has been affected by the A-H1N1 Influenza. The first case was reported on in July 2009, with another 32 cases subsequently confirmed. Whilst majority of these cases have been mild, a more severe form of this virus exists and can be fatal. The country will therefore continue to prepare for potentially more serious outbreaks. Among our defences is the establishment of Port Health service to protect citizens against the health risks associated with cross-border movements of people and material.

107. Government is further committed to the elimination of Malaria by 2015, through such interventions as ensuring universal coverage of Long Lasting Insecticide Treated Nets in affected areas, as well spraying and the provision of prophylactics.

108. Despite a noticeable reduction in known cases, Tuberculosis (TB) remains a serious health challenge. The incidence of Multi-Drug Resistant TB has increased mainly due to patients not taking their drugs for the recommended treatment periods. To counter this, new easy to take anti-TB drugs have been introduced. This should improve treatment compliance, while also allowing more patients to access drugs within their own communities.

109. In cooperation with the World Health Organisation, a "Stepwise Survey" was carried out to assess the risk factors associated with chronic non-communicable diseases in the country. The study revealed an increase in such conditions as high blood pressure and diabetes related to life style factors such as growing levels of obesity due to physical inactivity, low fruit and vegetable intake, and the use of alcohol, tobacco and other harmful substances.

110. The quality of life for people with disabilities also remains a major challenge to the nation. A Community Based Rehabilitation Strategy has been introduced to enhance independence, self-reliance and participation of people with disabilities through their empowerment. In addition, the National Policy on Care for People with Disabilities is being reviewed and Disability Legislation developed. The appointment of a Coordinator in the Office of the President to serve people with disabilities will facilitate these and other efforts.

## Education

111. The education system will need to produce more industry relevant graduates through development and delivery of quality academic programmes at all levels. Subsequent to the adoption of the Human Resource Development Strategy, a Human Resource Advisory Council has been established and work is in progress to develop a Human Resource Development Plan.

112. Focus during NDP 10 will also be on the implementation of the Tertiary Education Policy and development of the National Credit and Qualifications Framework which will among other things ensure compliance to developed standards, facilitate comparability of

qualifications and transfer of credits. Whilst we appreciate the contribution made by private institutions in providing access at tertiary level, we are also weary of incidents of sudden increase of fees and upsurge enrolments without due regard to issues of quality. We will continue to be vigilant to ensure that our hard earned funding goes to reputable institutions giving valuable training and education to Batswana.

113. The Education Hub has been established to enable Botswana to have a competitive edge both regionally and globally. This will be achieved through the promotion of education, training and research in niche areas. Some of the identified areas are Science and technology, Mining, Energy, Business Management, Hospitality, Tourism and Services. In this regard government has embarked on Projects such as the Botswana International University of Science and Technology which is due to start operating in March 2011. Construction of the Faculty of Health Sciences and Faculty of Engineering Technology at UB are progressing well and are scheduled for completion in October 2010 and March 2011 respectively.

114. During NDP 10 appropriate education and skills training will remain a top priority of government. Thus among the Plan's key goals is provision of accessible quality education. To achieve this we have set ourselves the targets of 100% primary and junior secondary school enrolment and endeavour to maximise transition from junior to senior secondary school, vocational and technical education. In order to accomplish these milestones there will be a need for personal discipline and effective utilisation of public resources. In this respect, we shall certainly achieve our goals if:

- \* All of our educational institutions are at all times committed to being centres of excellence;
- \* All of our students are constantly nurtured and never abused and conduct themselves in accordance with Setswana values of mutual respect;
- \* All educational professionals take personal pride in, and are recognised by their communities for, their professionalism.

115. As Government, we are also mindful that achieving high levels of productivity in a workforce is not simply a matter of human resource development. It is also dependent on the effective deployment of our workforce to take strategic advantage of emerging vocational and entrepreneurial opportunities.

116. Madam Speaker, for us to achieve all these, given the current financial limitations that Government is faced with, and also the need to rethink our strategies and spending patterns in future, we perhaps need to pause and review all the training that has been funded to date and evaluate its impact on the economy. I am concerned about the state of disrepair of some of our public institutions. Trade offs on whether to spend on training more people or on maintaining the structures that have clearly become a health and safety risk should be considered. I am also concerned that we are not able to accommodate public officers who are posted away from their homes. The accommodation problem has a potential to impact upon service delivery. I have directed the Minister of Lands and Housing to come up with solutions for the housing of public officers. Consideration

should also be made on identifying cost effective ways of providing training. Utilisation of distance education and e-learning can go a long way towards ensuring that productivity is not compromised while people are away on training.

## Technology

117. Madam Speaker, our ability to embrace new technologies will be a central determinant of our collective capacity to transform the economy toward an innovative, private sector led diversified growth. To enhance delivery in the areas of science, research and Information and Communication Technology (ICT), Cabinet portfolios have been restructured through the creation of two new dedicated Ministries - Infrastructure, Science and Technology and Transport and Communications.

118. It is our vision that Botswana will become a nation in which most of our citizens are engaged in knowledge based jobs. In keeping with this vision, we have been establishing an Innovation Hub as a commercial nexus for knowledge creation and innovation. The Hub will cater for ICT and Research and Development companies serving the local and international market. In the context of the financial constraints brought by the global recession, the project is being restructured to give it a corporate character better capable of attracting private equity.

119. In order to efficiently and effectively deliver public services to the people, Government has embarked upon the automation and integration of processes through the e-Government programme. The first major deliverable of e-government is the portal, a single window for accessing online government information, which has been developed and is undergoing testing. The next stage is automation and integration of services, which will start in the next financial year.

120. More broadly, ICT will play a key role in the attainment of Botswana development goals through the creation of conditions and incentives for provision of the widest possible access to ICT, particularly for rural and underserved areas. The Trans-Kalahari fibre optic project that was completed last year will ensure that superior telecommunications infrastructure reaches our major towns and villages, while also provide for Botswana's international connectivity through the neighbouring countries. It is now anticipated that, beginning from next year, Botswana will benefit from being linked to five major cable projects.

121. I am also pleased to note that the long-awaited NTELETSA II project is progressing throughout the country. This project is providing rural communities with access to Telecommunication services, including voice, data and internet services. By the end of the 2009/10 Financial year, it is expected that 100 additional villages will have access to telephone services in the Central, Kgatleng, Kweneng, Southern and Kgalagadi Districts.

122. Government is also in the process of improving access to a full range of reliable and efficient media services. To attain this, implementation of an extensive radio and television transmitter network continues. A total of 19 transmitter stations are to be

commissioned, which is expected to improve access to radio and television from 80% to 95% and 40% to 75% respectively.

123. Last December, Parliament passed the Media Practitioners Act. Contrary to what has since been spun by a few of its critics, the Act was the product of months of debate and amendment in this chamber, as well as years of consultation between Government and industry stakeholders. No profession can ever hope to achieve world-class standards, if its practitioners are unwilling to commit themselves to appropriate norms of conduct. In this context, the call for local media practitioners to be responsible and professionally accountable to a Media Council with sufficient capacity and credibility ought to be understood as a necessary and long overdue development.

#### Lands & Housing

124. Madam Speaker, the efficient allocation of land for residential, agricultural, industrial and commercial use is vital to realising our development goals. It is in recognition of this fact that since April of this year, Government has delivered 26,308 plots on both State and communal land. During 2008/09 over 55114 plots were allocated while a total of 232,414 were allocated during NDP 9.

125. Realising efficient land delivery faces challenges ranging from local land shortages to limited financial resources to service land which has been earmarked for development, Government continues to address land shortages in some areas through acquisition of unused land. A total of 47,559 hectares were thus acquired during NDP 9, with the further acquisition of some 36,000 hectares anticipated during NDP 10.

126. To further make land available, land servicing is being implemented in various parts of the country, especially in urban and peri-urban areas. These will yield a total of 10,368 plots. In line with the NDP 10 strategic thrust of encouraging private sector growth, Government will facilitate the delivery of serviced land and housing through expanded private sector participation. Consultations with the private sector are ongoing to finalise guidelines on how private sector participation in land and housing delivery can be improved.

127. A major challenge that calls for introspection is the tendency of some to hoard land and use it for speculative purposes. We have observed that citizens acquire land and fail to develop it for the purpose for which it was allocated and, with the passage of time, often sell it to non-citizens. These people then go back to apply for additional land and inflate the lists of people waiting to be allocated. This is prevalent in small districts where there is acute shortage of land. Government will not allow this practice to continue and it is putting in place measures that will identify and impose sanctions on those involved.

128. Government remains committed to the provision of housing for all citizens irrespective of their income levels and social status through the National Policy on Housing. During NDP 9, a total of P193,725,368 was disbursed for 9,530 beneficiaries in both rural and urban areas. In an effort to ensure that citizens and employees live a

dignified life with adequate shelter. Government has put in place various housing initiatives under the Ministry of Lands and Housing. These initiatives target the low income groups and other special categories of beneficiaries deserving assistance.

129. The Self Help Housing Agency (SHHA) programme continues to be an avenue by which low income households access finance for home improvement, as well as plots in the urban areas. In order to complement the SHHA scheme the government introduced the Turnkey Development Scheme for beneficiaries to access completed houses. During 2008 the SHHA loan threshold was increased from P20,000 to P45,000 whilst the Turnkey was set at P 60,000. The repayment was also increased from 15 years to 20 years without interest for those who do not default in loan repayments. Since April 2009, P 15,495 million was disbursed for 351 beneficiaries under the SHHA loan and a further P 29,340 million for 489 Turnkey projects.

130. Government has initiated additional schemes aimed at improving housing delivery for different target groups based on need. These include provision of high density and multi-residential houses for the youth, as well as bachelor flats for first time home owners and employees. Consequently, in all urban and major villages where development plans and layout plans are prepared, land is identified and zoned for high density residential use where these houses will be constructed. During NDP 9, BHC completed 3373 housing units against a target of 3400. During NDP 10, it is anticipated that BHC will complete 29,000 housing units as part of Government's effort to accelerate housing provision. During the current financial year construction of 1093 housing units is on-going.

131. Whilst the major challenge for starting up these initiatives has been mobilization of adequate funding, Government will put in place a new Instalment Purchase Scheme to be implemented by the BHC to make rental and purchase more affordable. Government has also found it necessary to establish a single housing authority upon which all public housing delivery initiatives will be coordinated. Consultations are at an advanced stage within Government to transform BHC into such an authority. Once the authority is in place, there will be clarity on the roles of the major players, including the private sector, in policy formulation, planning and monitoring of housing delivery.

#### Labour and Home Affairs

132. Madam Speaker, during NDP 10 the Ministry of Labour and Home Affairs will continue to be responsible for labour administration, which include labour inspections, trade dispute resolution, social security protection, the registration of job seekers and promoting good industrial relations, occupational safety and health and workers' compensation. Along with its responsibility for the issuance of residence and work permits, the Ministry will thus play a pivotal role in creating a conducive environment for economic growth.

133. In recent years, labour relations have been characterised by the growth of trade unions in the public and private sectors, a development that followed our ratification of new international conventions in 1998 and subsequent amendments to our labour laws.

The goal for NDP 10 is to further improve industrial relations through the strengthening of the labour inspection system, social dialogue, the planned establishment of an independent dispute resolution service and development of an action programme.

134. In this as in any society, trade unions have a pivotal role to play as the watchdogs of worker interests. To discharge this duty effectively, however, their leaderships ought to at all times remain focused on the common interests of their members rather than being distracted by their own potentially divisive partisan loyalties. As there is no workplace in this country that is the exclusive domain of a particular political party or faction, it makes little sense for some labour leaders to be channelling their efforts towards the promotion of external agendas at the expense of their constituents.

135. Since January, the Ministry has been implementing a National Internship Programme to enhance the marketability of our graduates who may not be immediately employed upon completion. This has so far resulted in the placement of 2987 interns, many of whom have already found permanent employment in either the public or private sector.

136. I am pleased to once more report that Botswana remains a global as well as a regional leader in the participation of women in senior decision making levels in both the public and private sectors. Women makeup over half of those employed in our country in professional and technical fields, while in senior positions in the public service, female representation stands at just above 40%. To enhance female participation in political leadership, where we have been lagging, we have recently endeavoured to reserve almost 50% of all specially nominated councillor positions for women. Also, three women were recently promoted to occupy Permanent Secretary level positions to lead their institutions

#### Local Government

137. Madam Speaker, the report of the Second Local Government Structure Commission of 2001 emphasized the importance of giving more powers to local level structures in order to improve customer service. Pursuant to these recommendations, the Ministry of Local Government this year embarked on the formulation of a comprehensive decentralization policy that is inclusive of the entire Government. It is anticipated that the policy will guide Government during the course of NDP 10 in devolving more decision-making powers and responsibilities to Local Authorities, which should enhance accountability and responsiveness to constituency needs. As part of this process, Government will continue to establish additional Sub-districts, Administrative Authorities, and local Service Centres when it is appropriate and cost effective to do so.

138. During NDP9, construction was completed on major village infrastructure projects in three areas, while 16 additional projects are ongoing. Six major urban land servicing projects have also been completed. This delivered a total of 5,716 plots for allocation.

139. The provision of shelter to destitute persons will continue to restore dignity to individual recipients. In the first three years of the NDP 10, Government will construct

635 destitute houses in 15 districts. Construction of the first 200 houses has already started for the current financial year, whilst negotiations are ongoing with other contractors for the construction of the remaining 435 houses which will start in the next year.

140. Government also continues to provide a social safety net in the form of programmes and projects targeting the vulnerable and less fortunate in society such as orphans, the elderly, destitute and the world war veterans. Altogether these Social Benefits schemes will cost government an estimated P 307 million this year. As of August 2009, there were 90,236 registered old age pensioners.

141. The introduction of the use of food coupons for provision of food baskets to beneficiaries in April 2009 was meant to confer a sense of respect and dignity on the recipients. Currently 22,000 beneficiaries are utilizing the programme. There were, however, challenges experienced at the start of the programme, such as some retailers trying to cheat the beneficiaries by hiking prices, keeping beneficiary cards and selling items outside the food basket. Government has addressed these challenges by introducing signed agreements between the merchants and the Local Authorities, so that in cases of abuse, the supplier can be disqualified.

142. To improve the level of community participation in government policies and programs at the local level, Government has introduced the Local Economic Development and Community Resilience Programme. This project, which is being jointly implemented by the Ministry of Local Government and UNDP on a pilot basis, seeks to empower communities to shoulder greater responsibility for improving their own well-being. The project is being piloted in seven localities. The Ministry is also to speed up ensuring local authorities roll out opportunities for people in all localities to be able to win tenders to supply various commodities for council operations.

#### Public Service

143. Madam Speaker, to prosper in the global economy will further require us to adopt standards of service in both the public and private sectors, which will empower us to compete with the best in the world. We therefore need to embrace a culture of achievement with an emphasis on customer satisfaction through quality delivery.

144. For its part, Government remains committed to ensuring customer focus on the part of the public service. To realize this, additional measures, with different stages of implementation, are in place to enhance its efficiency and effectiveness. These include the:-

\* Setting standards and monitoring performance to improve public service delivery and business process re-engineering, including greater automation. This has already resulted in improvement at all levels.



\* Auditing of human resource policies and practices to identify non-compliance and redundancy across the public service. This will also contribute to identification and reduction of any corrupt practices.

\* Introduction of competency based human resource management to focus recruitment, development and progression of public officers on results and competencies, rather than solely on qualifications and long service. This will provide a better basis for rewarding deserving employees.

145. As part of the Government overall efforts to address joblessness among the youth, the Directorate of Public Service Management (DPSM) has been registering unemployed graduates for employment. Since last year this has resulted in a total of 9,515 graduates registered, of whom 2,351 have so far been recruited.

146. Also aligned to Government's broader e-government strategy, DPSM is in the process of introducing a computerised Human Resource Management System for the entire Public Service, which will facilitate the efficient provision of human resource services.

147. In a further effort to enhance human resource performance, Government this year signed a Memorandum of Agreement with the Singapore Civil Service College to facilitate the transformation of what has been the Botswana Institute of Administration and Commerce (BIAC) into a Public Service College, whose programmes will be geared towards reinforcing a productive ethos through customised competency training and leadership development.

148. It gives me great pleasure to further inform this house that our sustained efforts have been paying dividends in improved service delivery. Our success in this respect is evidenced by the overall improvement in the performance of most Ministries recorded in our monthly monitoring and six month reviews. In appreciating such progress special tribute is deserved by the Permanent Secretary to the President, Mr. Eric Molale, who has been tirelessly driving our entire reform process over the past six years.

## Culture

149. Madam Speaker, Botswana culture and heritage is the basis of our identity as a proud nation united in its diversity. It is anticipated that, during NDP 10, the promotion and sharing of culture will also play a pivotal role as a driver of economic opportunity. In an effort to enhance the preservation, promotion of our country's diverse traditions, while also bringing focus to issues of youth empowerment, distinct Departments of Arts and Culture and of Youth were established in April of this year.

150. The Department of Arts and Culture is off to a strong start, with District Offices in six areas. It is also noteworthy that more communities have been initiating and reviving various cultural activities over the past year. Government will continue to support such initiatives and further encourage efforts to document what we can of our heritage for the benefit of future generations through the ongoing efforts of the Archives and Record

Services and others. In so doing we must, however, be cautious in avoiding the misuse of culture to promote divisive agendas. As I said before, as citizens of a Republic, we should always put the national interest above personal and parochial interests.

151. To further promote cultural expression and preservation, from April next year Government will sponsor dance, drama and choir competitions in every constituency to compliment our already ongoing sports competitions. These competitions, which were held as part of President's Day celebrations last year and this year, have proven to be very popular with the number of participants increasing from 3,079 in 2008 to 5,696 in 2009, an increase of 85%. Similarly, this overwhelming interest has been recorded in the number of groups participating as they increased from 325 to 680, an impressive 109% increase.

### Sports

152. Our Constituency Sports Tournaments have proved to be a popular success, so far involving the participation of 1582 football, 66 netball and 45 volleyball teams. We shall therefore continue to support these competitions, which are providing entertainment, promoting fitness and inculcating a spirit of camaraderie and shared values among participants in all 57 constituencies.

153. Annual District Sport Festivals shall also continue to be celebrated in different Districts and Sub-Districts. Traditional games will be among the activities being undertaken to promote our national heritage.

154. Notwithstanding financial constraints, Government continues to invest in the development of sport infrastructure. Two stadia in Lobatse and Francistown are under construction and should be completed in the first half of 2010. The refurbishment of the Gaborone Stadium is on-going and should be completed in the first quarter of 2010. Meanwhile, the re-grassing of the University of Botswana Stadium is complete, while the re-grassing of Sir Seretse Khama Barracks Stadium will soon commence. The re-grassing of Molepolole Stadium was completed and handed over to the Government late last year, as part of the FIFA "Win in Africa with Africa Project".

155. Botswana National Library Service continues to provide information freely to the public through its lending and reference services. The Service now supports 27 public libraries and 67 Village Reading Rooms.

156. The Robert and Sara Rothschild Family Foundation has also built four libraries since 2007, and a fifth library is under construction. The Bill and Melinda Gates Foundation is further funding the provision of computers with internet access in all our public libraries and Village Reading Rooms.

### Youth

157. As I indicated earlier, the Department of Youth is now a stand alone entity. The creation of the Department is a demonstration of the commitment of Government towards the issues of young people and the importance of youth development. The objective is to promote youth development in a holistic, coordinated and effective manner. The new Department is undertaking this important task within the framework of the National Youth Policy, which aims to ensure that the youth are given every opportunity to realise their full potential as individuals and active citizens. In line with the objectives of the Policy, a number of programmes targeted at the youth are being implemented.

158. One such programme is the Youth Development Fund, formerly the Out of School Youth Programme, which assists young people to set up small businesses. Projects ceilings under the revised programme are set at a maximum of P100,000 per project. The project funding is 50% loan and 50% grant. The loan aspect of the project funding is interest-free except for defaulters where a five percent interest would be chargeable. In addition, programme funding has been distributed amongst the fifty-seven constituencies on the basis of a given criteria.

159. Implementation of the fund is ongoing, with an overwhelming response from the youth. In order to strengthen capacity in the District Youth Offices, twenty five Assistant Youth Officers were employed in May, 2009 and have been deployed to their respective District Offices. The officers will further assist in the mobilisation of the youth and implementation of the Fund.

160. We have realised over time that the allocation for the Fund is not enough and leaves many youth out. In view of this I have directed that with immediate effect the Fund be increased to double its current allocation. This additional funding shall come from the monies raised through the alcohol levy.

161. Positive indications are that steps taken to address alcohol abuse like reduced hours of sale, the alcohol levy and the awareness campaign are yielding good results with a significant reduction in excessive and irresponsible alcohol drinking. To date P180m has been realised from the levy since its introduction in October 2008. As the campaign is aimed mainly at the youth, this money will be used in programs geared towards youth empowerment, education and rehabilitation of victims of alcohol abuse.

162. These youth programmes and projects that have been identified for additional funding, include Youth Industries projects, Recreation and Youth Centres, Drama and Poetry, Song and Dance, Alcohol and Substance abuse campaigns and Business Mentoring for young entrepreneurs. In this regard 57 recreational centres will be refurbished and equipped for youth activities, 32 youth industries will be initiated and 2 mobile campaign trucks will be purchased for publicity on alcohol and substance abuse programmes. Further, Youth artists including drama, poetry song and dance would be mobilised to engage youth in character building activities. All these initiatives will target 250 000 youth and a provision of over P70million will be needed for all the envisioned projects. This will all be sourced from the alcohol levy.

163. A Multi-purpose Youth Centre is being constructed in Gaborone. The purpose of the Centre will be to provide training, counselling, recreational and leisure facilities for the young people of Botswana. It is expected to be completed by October, 2011.

164. To further promote youth empowerment in political leadership, a target of close to 50% of all specially nominated councillor positions have recently been allocated for the youth, which goes along with our 50% goal for women.

#### International Relations

165. Madam Speaker, over the past 43 years, we have established ourselves as a respected member of the community of nations. At the same time we recognize and appreciate the fact that our progress continues to benefit from the support we receive from beyond our borders. As a small developing country, we do not and can never afford to take this goodwill for granted. In our development efforts we have benefited immensely from the generosity of the international community, as represented here by heads of diplomatic missions and international organisations.

166. When the scourge of HIV/AIDS struck, we turned to our international friends, without whose support many more in our society would have perished. We thus derive strength from the goodwill and bonds of common humanity that exist worldwide. Organisations and companies such as the Bill and Melinda Gates Foundation, the Merck Company, Bristol Meyers Squibb, Boehringer Ingelheim, the Harvard AIDS Institute, Texas Children's Hospital, Baylor College of Medicines and the Botswana-UPenn partnership have come to our aid and generously assisted us in our struggle against the virus.

167. Neither should we forget that over the years our friends in the international community have also assisted us in many other ways from supporting development projects such as transport infrastructure and dams to providing scholarships for our students. On behalf of all Botswana, I therefore take this opportunity to once more thank the various countries and international organisations who are contributing to our development.

168. Since independence the core principles of our foreign policy have remained constant. These include a commitment to promoting good neighbourliness and respect for territorial integrity of all nations, while upholding in our international as well as domestic affairs our belief in democracy, good governance, human rights and the rule of law. Botswana will continue to work alongside other countries within the framework of SADC, the African Union, and the United Nations to promote adherence to these common and universal values. In this respect, we will continue to strongly defend the rights of people everywhere to elect their own leaders, to live in peace and achieve better standards of life in freedom.

169. A case in point was our support for the people of Zimbabwe towards reaching political reconciliation and economic reconstruction, through the implementation of the Global Peace Agreement. I must here, however, express concern at the continued failure of ZANU-PF to fully honour the spirit of the power-sharing agreement. In the absence of genuine partnership it would be better for all parties to go back to the people, for they are the ultimate authority to determine who should form the Government of Zimbabwe.

170. As I recently said at a conference on Parliamentary Conference on Democracy in Africa, one thing which I fear may become a trend in Africa if not stopped, is where an individual and/or a political party in order to come into power or stay in power engage in unconstitutional and undemocratic actions to achieve this, which as we have already witnessed result in power sharing arrangements and one man rule. There can be no substitution for free, fair and credible elections, where people in any country should be allowed to elect representatives of their choice, and not have them imposed on them through rigged elections, brutalizing opponents, military interventions, constitutional amendments to stay longer in power, and one man rule that goes on for decades. Every country has a pool of people who have the ability to lead.

171. We have also been committed to ensuring that the conduct of our foreign relations contributes to our domestic wellbeing by attracting investment and other forms of international support. In the process we have, over the years, steadily expanded our network of friends, establishing diplomatic relations with over 140 nations. We have also joined many regional and international bodies.

172. Madame Speaker, we fully recognise that our continued economic growth is dependent on our partnership and cooperation with our neighbours and other friendly nations around the world. We are thus committed to cooperation within SADC, and are determined to contribute to the economic and social progress of Africa as a whole.

173. Beyond the shores of Africa, we attach the utmost importance to the benefits we derive from multi-lateral partnerships, such as the Tokyo International Conference for Africa's Development (TICAD), Forum of China Africa Cooperation (FOCAC), India-Africa Cooperation Forum, and Africa-South America and Afro-Arab Cooperation. Botswana continues to derive substantial assistance from these and other collaborative arrangements in fields such as health, human resource and infrastructure development and investment.

174. With respect to our international trade relations, we need to intensify our efforts to diversify, while at the same time continuing taking advantage of preferential trade arrangements, including the US Africa Growth Opportunity Act (AGOA) and Economic Partnership Agreements with the European Union, as well as SADC and SACU. In this regard, the marketing of our country as a destination for investment and tourism will continue as a priority.

Conclusion

175. Madam Speaker, Honourable Members of this Assembly, to reiterate what I said earlier, we should all now be committed to reciprocating the confidence that our electorate have so recently expressed in us by discharging our responsibility to collectively build a better Botswana. Each one of us has individually taken an oath of service to this nation. Let us all therefore leave here knowing that during the anticipated life of this Parliament, it will be our duty to work together in delivering on the key result areas of NDP 10. In so doing we shall turn today's great challenges into greater opportunities for tomorrow's children. Such a common legacy will be something worthy of celebration as we approach the 50th Anniversary of our Republic.

176. Finally, as we face the challenges ahead, let us also seek the blessings and guidance of the Lord in all of our endeavours.