

SUCCESS STORY

Immigration Reforms Make Botswana More Attractive to Investors

USAID Southern Africa Trade Hub support results in review of the Point Based System for work and residence permits in Botswana



Botswana's commitment to reforming its business environment has recorded another success with the announcement of reforms to the points based system for work and residence permits in Botswana. An objective points based system will allow the country to address skills shortages and encourage investment in sectors targeted for economic diversification.

On February 1, 2013, Botswana lowered the cut-off point for new work and residence permits from 75% to 60% and to 50% for renewal applications in response to requests from the private sector. This makes the points-based system (PBS) for permits more responsive to the needs of prospective investors to be able to mobilize skills and experience not already available in the country.

The Trade Hub, which initially assisted the government to come up with the PBS, facilitated the consultations between the government and private sector that led to the adoption of these reforms.

In its efforts for diversify the Botswana economy away from its dependence on minerals, the government of Botswana is actively courting investors in productive sector and taking several steps to transform the business enabling environment to facilitate effective private sector operations.

In April 2012, Botswana introduced a pilot PBS in response to recommendations in a paper commissioned by the Trade Hub. The introduction of the PBS however resulted in high rejection rates for permit applications. The Trade Hub then partnered with the Botswana Investment and Trade Centre (BITC) to organize a consultative workshop bringing together over 200 participants from the private and public sector, to discuss proposals to improve the PBS.

Following these consultations, the Government agreed to lower the cut-off point for permits and to automatically grant permits to investors recommended by BITC and other investment institutions. The reforms are expected to make it easier and more transparent to obtain work and residence permits thus encouraging investment into the country.

According to Mrs. Sethembile Dube, Executive Director of Botswana Exporters and Manufacturers Association (BEMA), the revised PBS comes at the "right time to restore public trust in the immigration law and controls". She noted that it has improved the way investors perceive Botswana, resulting in increased investor confidence in the country.