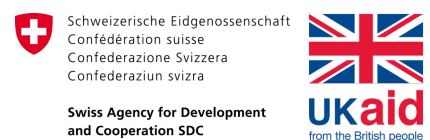


Southern Africa Climate Finance Partnership

Botswana Country Diagnostic

June 2019



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1 Context

1.1 Climate context

Botswana is especially vulnerable to climate change impacts [cite UN-GAIN/ND index, and IPCC1.5C report]. The country is already suffering constrained agricultural production, increasing food insecurity, and increasing water stress. These effects are expected to increase with climate change.

Botswana is arid to semi-arid, with warm winters and hot summers, and erratic rainfall. Surface water is the main source of water supply for urban areas, but there is little surface water, except in the far north. Some 66% of the country depends entirely on groundwater. Population increases and urbanisation aggravate water threats.

Over 60% of Botswana is sparse savannah woodland and scrub. Forests – notably hardwood forests in the north – provide a range of economic, social, and environmental benefits and services. Human activities, particularly burning wood for fuel, put pressure on forest resources.

According to Botswana's Second National Communication (SNC) to the UNFCCC, rainfall has been highly variable, and droughts are projected to increase in frequency and severity. [Botswana experiences regional variations in precipitation: the North suffers droughts in terms of rainfall deficits; the South-west suffers extreme droughts based on low rainfall and soil conditions; and the Northeast suffers high rainfall events and risks of floods.]

1.2 Socioeconomic context

Botswana attained independence from Britain in 1966. The most recent general election was in 2014, and the next will be held in October 2019.

Botswana is a parliamentary democracy, with the President serving as both Head of State and Head of Government. As of June 2019, the President is Mokgweetsi Masisi of the Botswana Democratic Party. The 63 member National Assembly serves as legislature, which is also advised by a 35 member House of Chiefs. As of 2017, Botswana's estimated population was 2.3 million. Most of the population is concentrated in the east of the country, along the prominent transport corridor between Gaborone and Francistown – owing both to historical factors, and the availability of water and arable soils.

Despite having one of the world's fastest growing economies over the past 50 years, Botswana's reliance on diamond mining and the public sector make it vulnerable to short term shocks and structural changes. Although Botswana's poverty has been declining rapidly, it remains high in rural areas, and low job creation means inequality levels are still some of the world's highest. Urban-rural gaps are significant in basic services, especially sanitation and electricity.

Botswana is classified by the World Bank Group (WBG) as an upper middle income country, with Gross National Income (GNI) per capita of USD6,730 in 2017, and annual GDP growth of 4.4% in 2018.

[In 2000, GDP and GNP were US\$5.8 billion and US\$5.1 billion respectively, and with GDP split as follows: 51% services; 45% industry; and 4% agriculture. Agriculture meets only a small portion of total food needs, and contributes to GDP mostly through beef exports. In 2004, agricultural imports (mainly cereals) exceeded agricultural exports by US\$102.5 million.

Only 0.7% of total land area is arable, and poor soils, inadequate economic infrastructure, scarce water resources, and recurrent drought hamper crop production.]

Botswana's CO2 emissions per capita in 2014 were 3.243 tons per capita.

[GHG emissions per capita are 10.56tn CO2eq. Total national emissions are 0.068% of the global total. Coal (34%), petroleum products (32%), and biomass (30%) dominated Botswana's primary energy supply in 2000. Major energy consumers were residential (42%), transport (27%), and industry (23%). Growth in car ownership has increased urban congestion, and operating costs of busses, while reducing their efficiency.]

2 Nationally Determined Contribution

Botswana submitted its Intended Nationally Determined Contribution (INDC) in 2015. It was converted to a Nationally Determined Contribution (NDC) in 2016.

2.1 Mitigation

Botswana intends to reduce its overall emissions by 15%, from the base year of 2010, by 2030, at an anticipated cost of USD18.4 billion. The NDC does not specify sources of funding for mitigation measures, or the share of local versus international contributions to support mitigation measures, but it identifies the need to clarify these points. The NDC mitigation estimations were based on three sectors: energy (mobile and stationary), waste, and agriculture. Notably, the calculation does not include methane (CH4) emissions from livestock farming – mostly from enteric fermentation – but Botswana will implement mitigation measures for this sector.

2.2 Adaptation

According to the NDC, Botswana's Government is implementing the following adaptation actions:

Sector	Action
Water	Transmit water to demand centres, by constructing pipelines and connecting to existing pipelines
	Reduce water loss during transmission, by investing in telemetric monitoring systems
	Enhance conjunctive groundwater-surface water use
Agriculture	Improve genetic characteristics of livestock breed (e.g. Musi breed)
	Improve livestock diet, through supplementary feeding [?]
	Switch to crops with drought resistance, high temperature tolerance, and short growing times
Health	Malaria strategy, public education and malaria campaigns

	Control diarrhoeal diseases
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3 Policy and planning documents

Developing a response to climate change is an objective in several policy documents, including the National Development Plan (NDP), and Vision 2016.

[Botswana is developing a NAP and Action Plan, which will highlight priority areas, including Climate Smart Agriculture. NAP development calls for broader stakeholder consultation. The Ministry of Environment, Wildlife, and Tourism coordinates NAP development, with support from the National Committee on Climate Change.]

3.1 National Development Plan

The 10th National Development Plan (NDP 10) ran for eight years up to 2016, thereby coinciding with the end of Vision 2016 and the formulation of Vision 2036. As NDP 10 was written within the uncertain context of the 2008 Global Financial Crisis, the Ministry of Finance and Development Planning also compiled a midterm-review of NDP 10 in 2013. The Ministry of Finance and Economic Development delivered the draft 11th National Development Plan (NDP 11) in 2016, to cover the period from 2017 to 2023. NDP 11 acknowledges that climate change has become a topical issue, noting periodic severe droughts and their effect on Botswana's wildlife and livestock assets, landscape, and biodiversity. [NDP 11 forecasts growth of 18.4% in the water and electricity sector, far surpassing the expected overall GDP growth of 4.4%.]

Four thematic working groups coordinated both the NDP 10 mid-term review and NDP 11: economy and employment; social upliftment; governance, safety, and security; and sustainable environment. As sustainable environment is the most relevant to climate finance considerations, the table below expands on the implementation strategies for this thematic area under the various NDPs:

NDP	Sustainable environment implementation strategies
Mid-term review of NDP 10	Increase public awareness of issues, including: habitat destruction and over-consumption of natural resources; encroachment into agricultural land-use areas; water management; and climate change.
	Implement a Biodiversity Strategy and Action Plan, and Community Based Natural Resource Management Plan, in the remaining years of NDP 10.
	Compile a list of policies and legislation relating to water, and safeguard national interests in shared water resources.
	Encourage water reuse, recycling, and harvesting.
	Amend Mines and Minerals Act to address mine closures, rehabilitations, and illegal mining.
NDP 11	Environmental protection, including effects of environmental health on human health

	Sustainable management of natural and cultural resources, including: climate change adaptation and mitigation; sustainable human settlements; and financing of sustainable environment programmes
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3.2 National Communications to the UNFCCC

Botswana was a founding signatory of the UNFCCC in 1992, and ratified the Convention in 1994. The Ministry of Works, Transport, and Communication submitted Botswana's Initial National Communication (INC) to the UNFCCC in 2001.

The Ministry of Environment, Wildlife, and Tourism submitted Botswana's Second National Communication (SNC) to the UNFCCC in 2011. The SNC lists a range of potential adaptation actions (dealing with crops, health, water, grassland and livestock, and forestry) and mitigation actions (dealing with energy, waste, agriculture, LULUCF, industrial processes, and transport).

3.3 National Climate Change Policy and Strategy and Action Plan (NCCSAP)

Botswana is developing its NCCSAP, to be implemented through the Ministry of Environment, Wildlife and Tourism in cooperation with the UNDP. The objectives of the NCCSAP are:

- Develop and implement appropriate adaptation strategies and actions that will lower the vulnerability of Botswana and various sectors of the economy to the impacts of climate change;
- Develop action and strategies for climate change mitigation;
- Integrate climate change effectively into policies, and institutional and development frameworks, in recognition of the cross-cutting nature of climate change; and
- Ensure that Botswana is ready for the post-2015 climate regime when a new Protocol applicable to all parties will be finalised.

Other national initiatives exist, such as the ongoing Sustainable Land Management in Ngamiland and Central Districts, designed to enhance resilience and reduce vulnerability of communities to climate change.

4 Climate finance stakeholders

[The Ministry of Environment, Wildlife, and Tourism is responsible for NAP development, with support from the NCCC. The Ministry's Department of Meteorological Services is the Nationally Designated Authority (NDA) to the GCF; and its Principal Meteorological Officer, Mr Balisi Gopolang is the Focal Point (FP) to the GCF]

4.1 NDA to the GCF

Botswana has recently been positioning itself to access GCF funding, and is in the process of setting up its NDA office. Botswana's Ministry of Finance and Economic Development is designated as the Nationally Designated Authority (NDA) to the GCF. This shifted the GCF Focal Point (FP) from Botswana's Ministry of Environment, Natural Resources, Conservation, and Tourism. Botswana's NDA continues to engage with, and receive support from, the GCF Regional Advisor [to Africa?].

[The NDA has been invited to a various in-country GCF workshops, including one hosted by the Ministry of Agriculture; did these happen already?]

The NDA is currently exploring how best to set up its unit, while having technical committees comprising representatives from other ministries to input into its operations – for example, through the no-objection procedure, and assessment of alignment with country objectives. There is currently limited communication between the NDA and technical units within other ministries.

4.2 Potential Direct Access AEs to the GCF

[From recent internal country brief: Forest Conservation Botswana are reported to be applying for accreditation to the GCF-The process is ongoing. FCB are completing Stage 1 of the Accreditation process and will be advancing to Stage 2. It is hoped that this process might be supported by exchange with SANBI.]

4.3 Private sector engagement

In March 2018, the Ministry of Finance and Economic Development's Public-Private-Partnership (PPP) Unit hosted a workshop on PPP, specifically targeted at projects that the Government intends to implement through PPP.

4.4 Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

GIZ is Botswana's GCF Readiness delivery partner.

4.5 United Nations Development Programme (UNDP)

UNDP is a GCF Accredited Entity engaging with Botswana.

4.6 Conservation International (CI)

CI is a GCF Accredited Entity engaging with Botswana.

4.7 Forest Conservation Botswana (FCB)

[FCB was nominated as a Direct Access AE to the GCF].

5 Climate finance accessed to date

5.1 GCF climate finance accessed

Conservation International (CI) Botswana has submitted a project concept note titled *Ecosystem and livelihoods resiliency: climate change risk reduction through ecosystem based adaptation in Botswana's communal grazing lands*.

6 Climate finance readiness

6.1 GCF Readiness accessed to date

Botswana's NDA submitted a Readiness proposal [on what date?], with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) identified as the delivery partner, followed by a revised version of the proposal [in April 2019?]; this Readiness proposal is now awaiting approval.

SACFP's Botswana country team has communicated the potential for SSN to serve as a delivery partner for Botswana's Readiness. The activities in the proposed scope of work have been specifically chosen to avoid duplication of those activities already explicitly outlined in the Readiness Proposal.

7 SACFP engagements with Botswana

[The first in-country meeting was held on 26 April at the Ministry of Finance and Economic Development. This meeting was attended by representatives from other ministries, and served primarily as an introduction to the SACFP and identification of proposed activities to be supported by the SACFP.]

[The first in-country workshop took place in July 2018, and was attended by planning officials from various ministries. SACFP received positive feedback from participants, who showed a keen interest in understanding the GCF, and also in seeing the rollout of similar GCF workshops and capacity building with regards to the GCF.]

[The first private sector workshop was initially planned for August 2018. However, the SACFP team saw the need for advancing the NDA guidelines, to allow for better understanding and consideration of the NDA's strategy to engage the private sector.]

[interim operational guidelines]

7.1 Technical assistance

TA engagements in Botswana.

7.2 Bilateral exchanges and engagements

Bilateral engagements with Botswana.

7.3 SACFP Regional Learning Forums

[SACFP RLF1 outlined the potential for a bilateral exchange between FCB and SANBI; assume we won't mention this?]

Botswana hosted RLF2 in Maun, during April 2019.

7.4 SACFP Workstream 2

The SSN team has identified gender as one of the key areas of focus under SACFP Workstream 2. In its Readiness proposal, Botswana's NDA does not adequately take gender into account, so there is opportunity to provide valuable input, while avoiding overlap with existing Readiness activities.

SACFP is in the process of finalising *Interim Operational Guidelines for Botswana's NDA*, which include a section in gender, ESS, and indigenous policy considerations. [In addition to these operational guidelines, SACFP will develop a *Botswana Gender and Climate Change Background Study*, which will be used as a background document to the workshop?].

[SACFP has identified the opportunity to support Botswana's NDA in facilitating a gender workshop with relevant stakeholders in-country, in Q1/Q2 2019.]

7.5 SACFP Workstream 3

SACFP's Workstream 3 support to Botswana aims to identify barriers to participation of the private sector in country priorities, and identify the measures necessary to overcome these barriers.

SACFP is developing a country landscape analysis to inform the development of a private sector engagement strategy, and a strategy to identify climate finance projects with private sector components. This country landscape will be the basis for NDA engagement with the private sector, to support the identification of private sector opportunities to access the GCF. A draft version of the Botswana private sector landscape has been completed, [and this will be updated following the in-country workshop planned to Q1/Q2 2019 in Botswana?]. [From in-country engagements with Botswana's private sector stakeholders, the SACFP will consider the possibility of supporting participation at the Innovate4Climate Conference in 2019?].

8 Looking forward

Summary of section 6.

8.1 SACFP Phase 3

Potential SACFP Phase 3.

9 Further reading

This section highlights a selection of documents with further details on Botswana's climate finance context.

9.1 Botswana Government documents

NDC

Vision 2036

National Development Plan (NDP10 / 11 ?)

Botswana Biomass Energy Strategy (2009)