



# BOTSWANA ICT INVESTMENT FACTSHEET



2.3 million  
population



7,300 USD  
GNI Per Capita  
(2021)

11.4%  
GDP growth  
(2021 annual %)

29% of  
GDP  
Total Investment



# Botswana

A high growth, innovative,  
competitive and secure  
investment destination



57 out of  
173  
Global Innovation  
Index

61 out of  
177  
Index of Economic  
Freedom

87 out of  
190  
Ease of Doing  
Business

35  
**35/180 Globally;**  
**2/49 Sub Saharan Africa**  
Corruption Perceptions Index (2022)

# COUNTRY ASSESSMENT



## MACROECONOMIC

- Low tax regime
- No foreign exchange controls, Stable exchange rate
- 



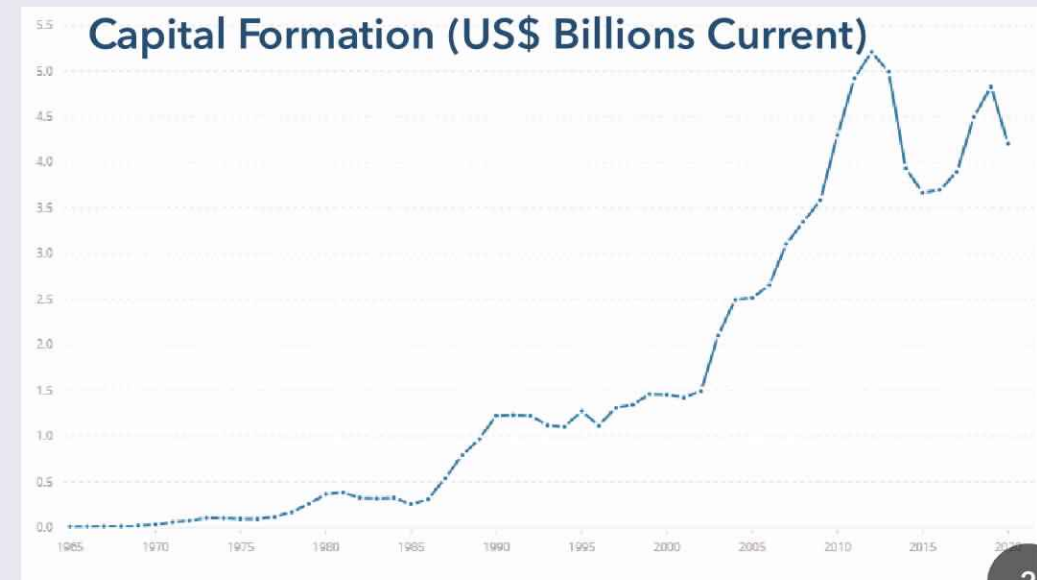
## POLITICAL

- Botswana has a low risk of political violence.
- Reputation for good governance - **Second least corrupt country in Africa**

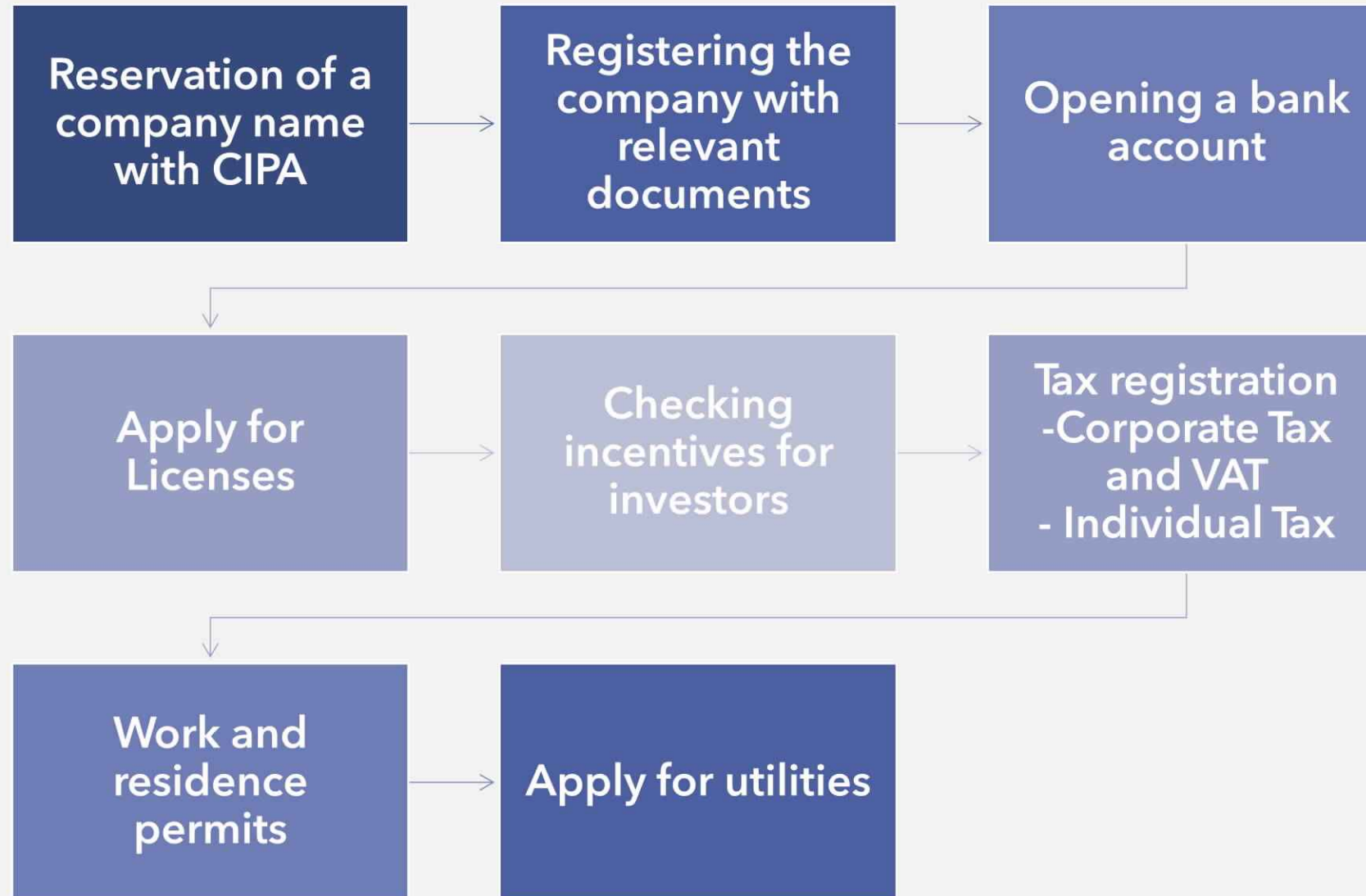


## REGULATORY

- Progress has been made in strengthening the competition framework
- ~~Further enforcement efforts are being made~~ **High regard to Rule of Law (#1 in Sub Saharan Africa)**

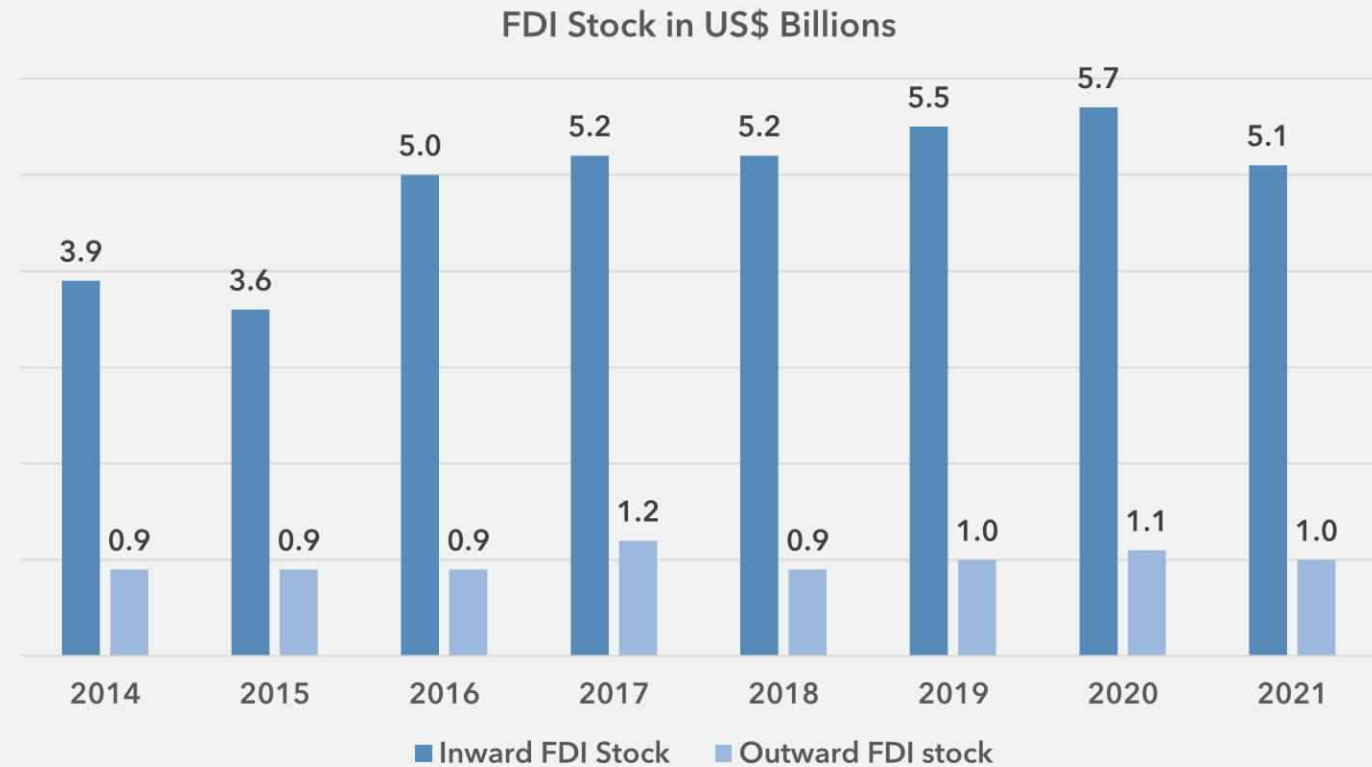


# SETTING UP A BUSINESS IN BOTSWANA



# BOTSWANA'S INVESTMENT ATTRACTIVENESS

- **Tax rate of 15%** for International Financial Services Centre (IFSC) Companies including ICT;
- **Tax exemption on dividends** received from foreign sources;
- **Double taxation avoidance agreements** with 8 countries;
- **Tax holiday for a period of 5 to 10 years** for approved companies;
- Exemption on **withholding tax and capital gains tax for IFSC companies; and**
- **Preferential access to SADC**, a market of about 366 million people and **AfCFTA**, a market of 1.3 billion people.



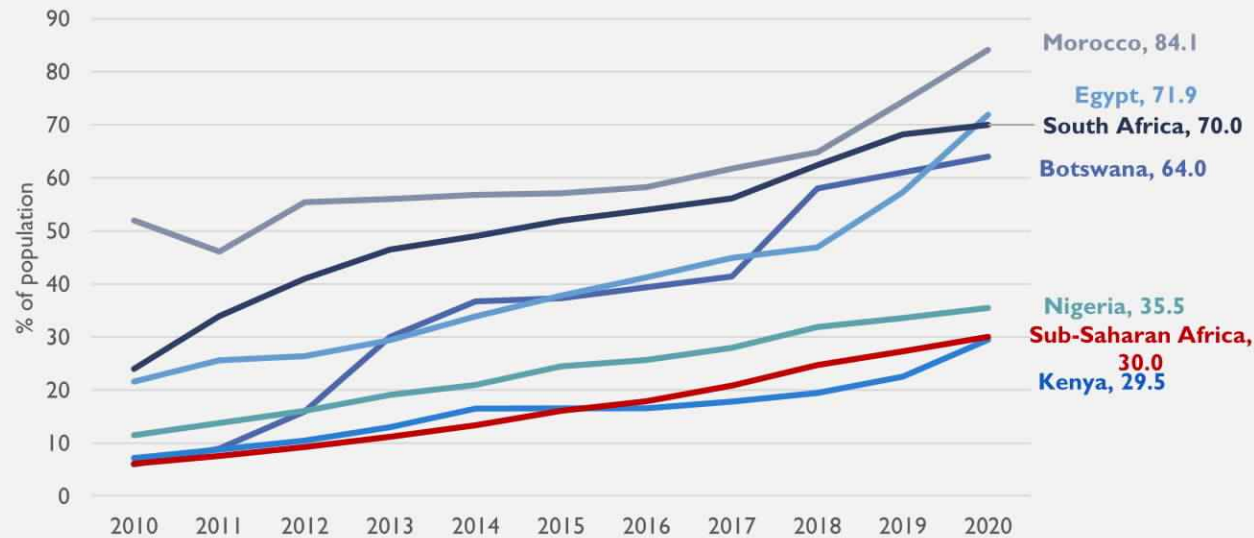
Source: UNCTAD 2021

# WIDE NETWORK COVERAGE

**90 percent** of Botswana's population lives within the footprint of a mobile broadband network. Botswana has one of the **highest internet penetration** rates and **highest access to electricity** in the region.



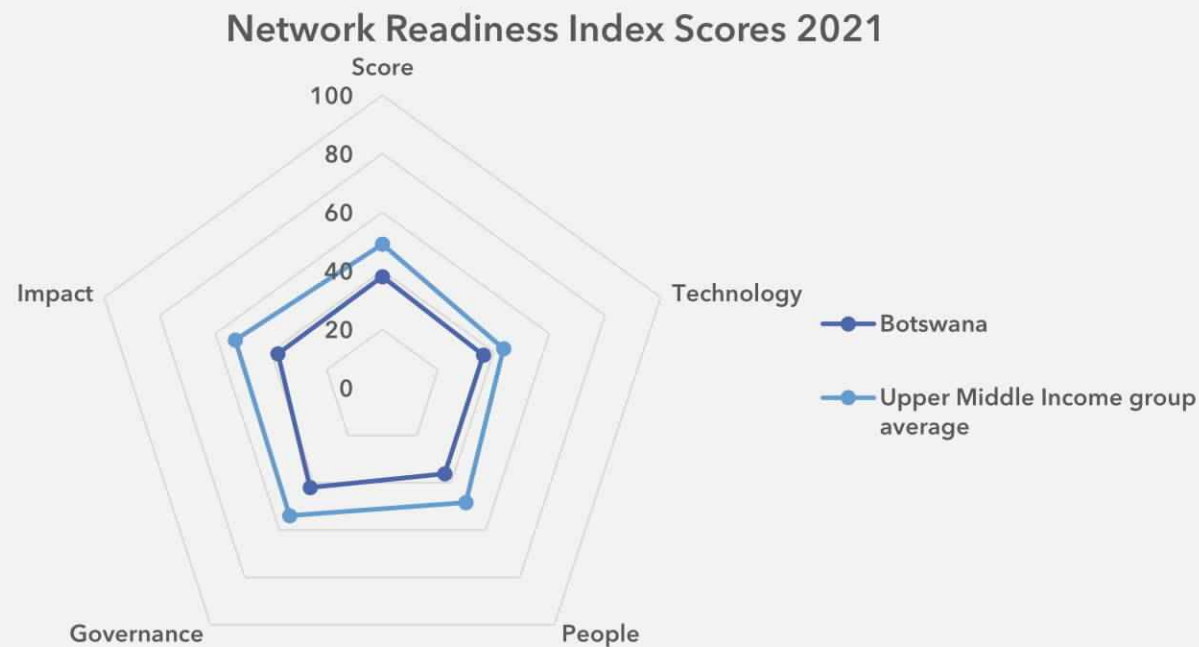
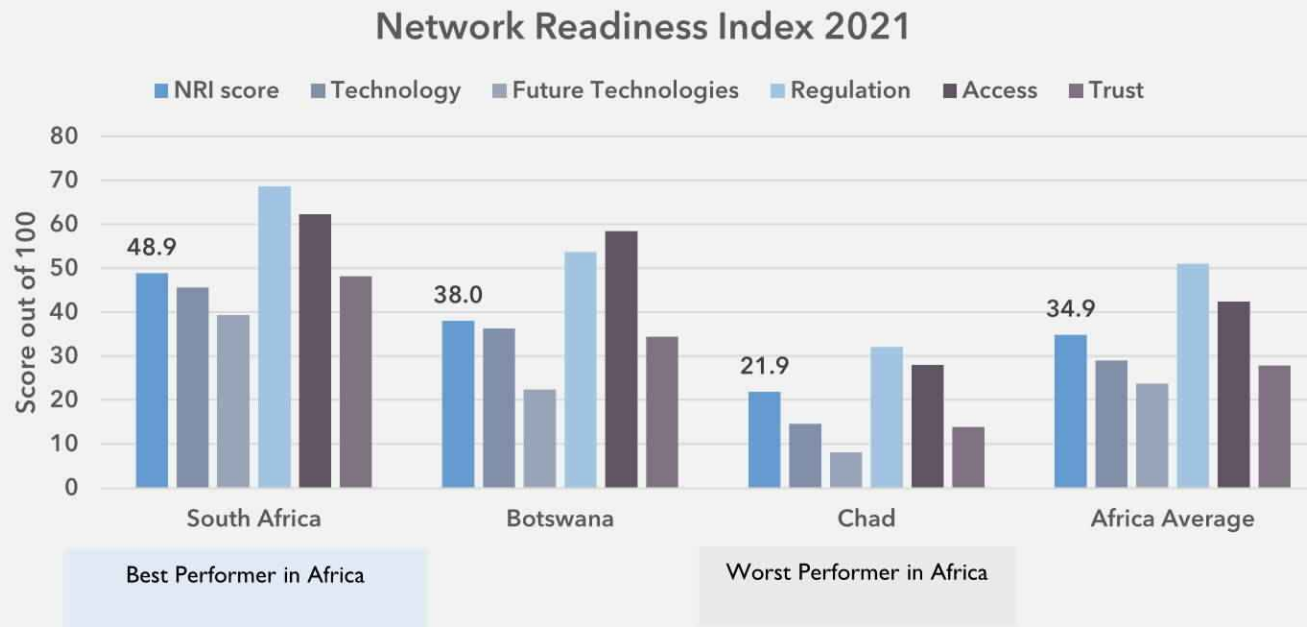
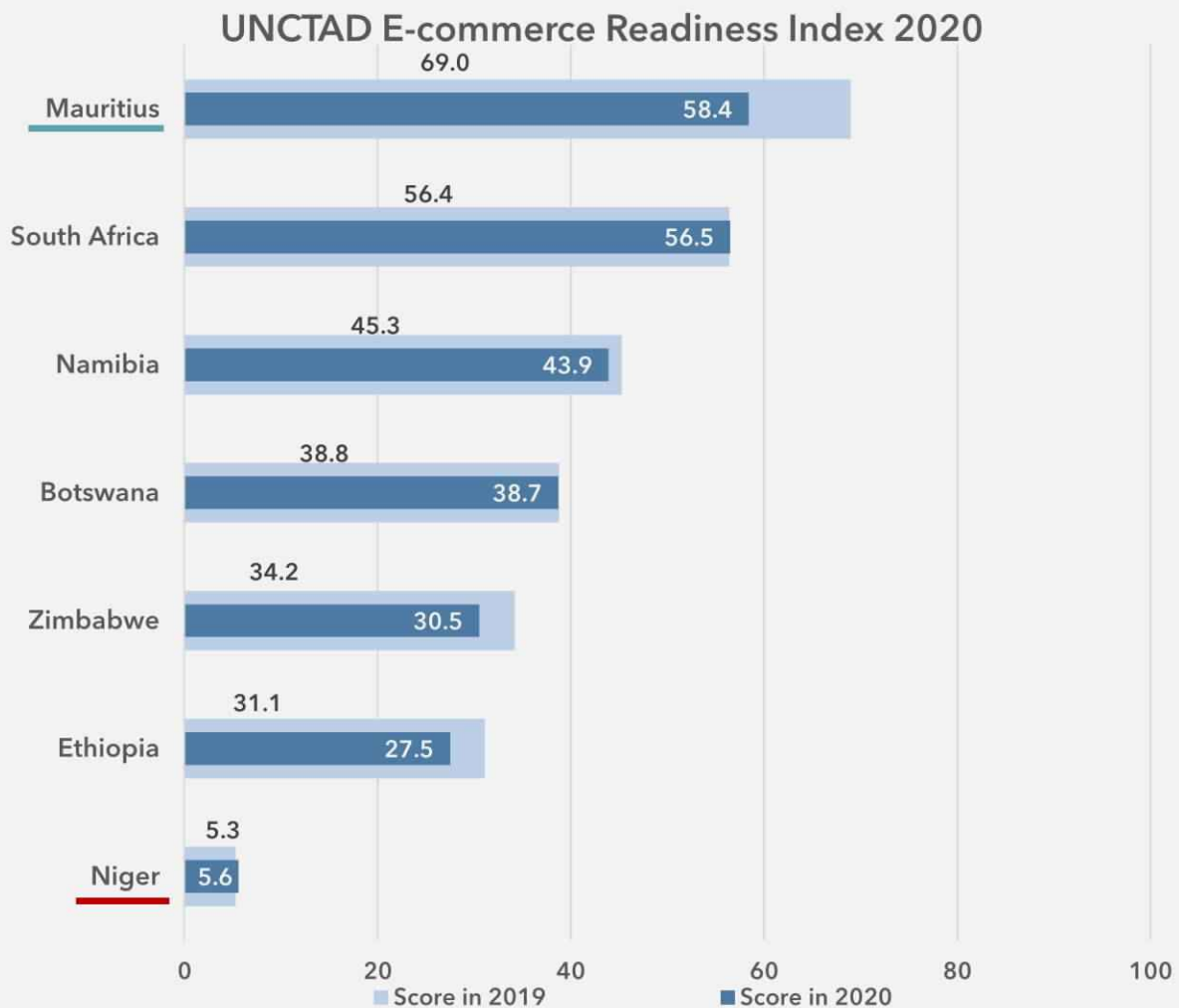
Internet Penetration Rates (% of population)



Botswana's population enjoys  
**90 percent** 3G coverage,  
**80 percent** 4G coverage.

Source: World Bank 2022

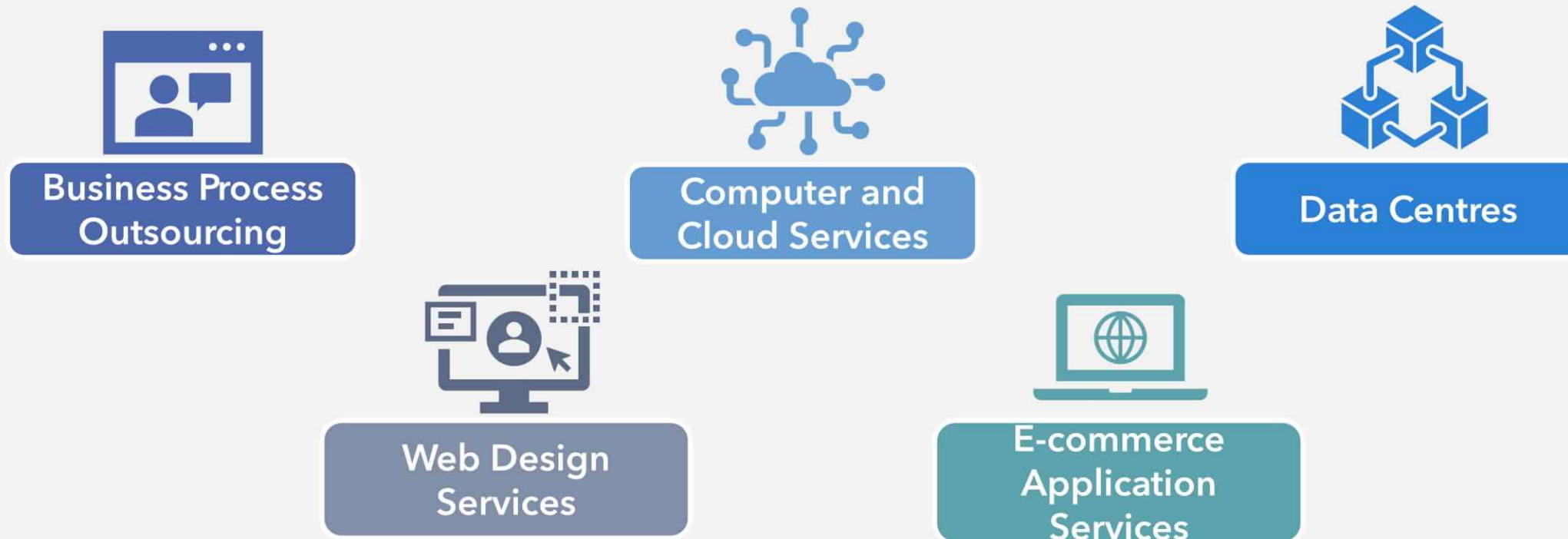
# ICT SECTOR READINESS



# SECTOR SELECTION

ICT services sub-sectors with strong investment potential, based on the following factors:

1. Global growth and potential of the sub-sector
2. Global growth and potential in the SADC region
3. Significance of the sector in Botswana's ICT landscape
4. Presence of ICT service sector in Botswana with the potential for expansion

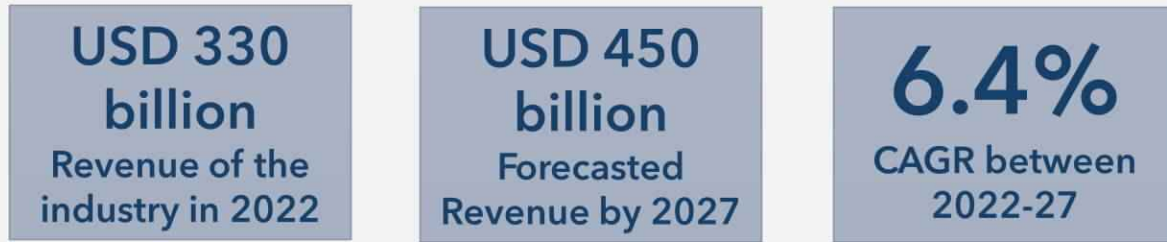




# **BUSINESS PROCESS OUTSOURCING SECTOR**

# GLOBAL POSITIONING OF THE SECTOR

*Business process outsourcing (BPO) is a type of outsourcing where a third-party service provider carries out business functions for a company.*



## Largest exporters in 2021



Source: WTO Stat

## Global market dynamics



## Key trends in the sector

- Automation and AI uptake.
- Increased efficiency and organisational agility.
- Lowered operational costs
- Increased use of sub-contracting

# INVESTING IN BOTSWANA

## Setting up a BPO company



## Growth Drivers

- Reimagining services through the use of innovation in services offerings with automation, cloud, artificial intelligence, and IOT
- Competitive business model
- Future scalability of operations

## Drivers in Botswana

Infrastructure	Skills	FDI
Medium	Medium	Low

## BPO Industry Readiness

- Presence of multinational firms
- Availability of skilled professionals
- Presence of domestic data centres
- Greater domestic demand for BPO
- Uptake of advanced IT applications
- Growing International Financial Services Centre's opportunities
- English speaking population
- Existence of Gaborone Mixed Economic Zone



# COMPUTER AND CLOUD SERVICES SECTOR

# GLOBAL POSITIONING OF THE SECTOR

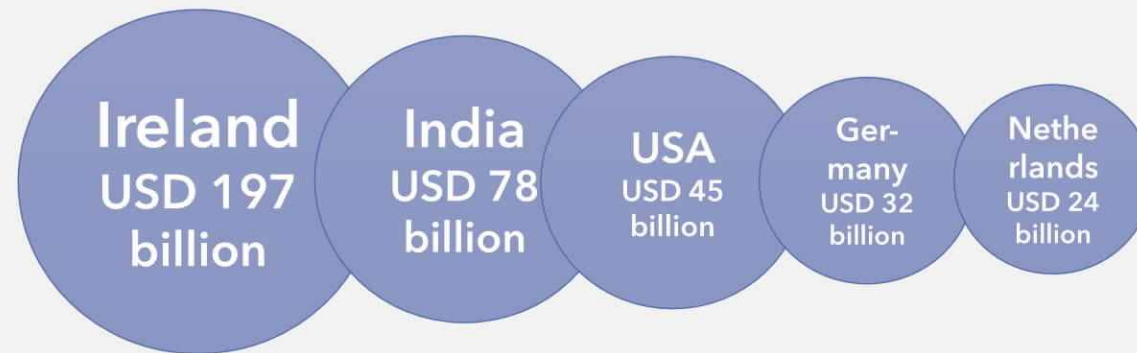
*Delivering computer resources such as servers and storage capacities, development tools and frameworks, and business applications to consumers through the internet.*

**USD 414.8 billion**  
Revenue of the industry in 2022

**USD 881.9 billion**  
Forecasted Revenue by 2027

**16.3%**  
CAGR between 2022-27

## Largest exporters in 2021



Source: WTO Stat

## Key trends in the sector

- An ongoing mass adoption of cloud computing.
- Requirement of higher security by businesses.
- COVID-19 and the digital transformation.
- Automation and AI uptake

## Global market dynamics

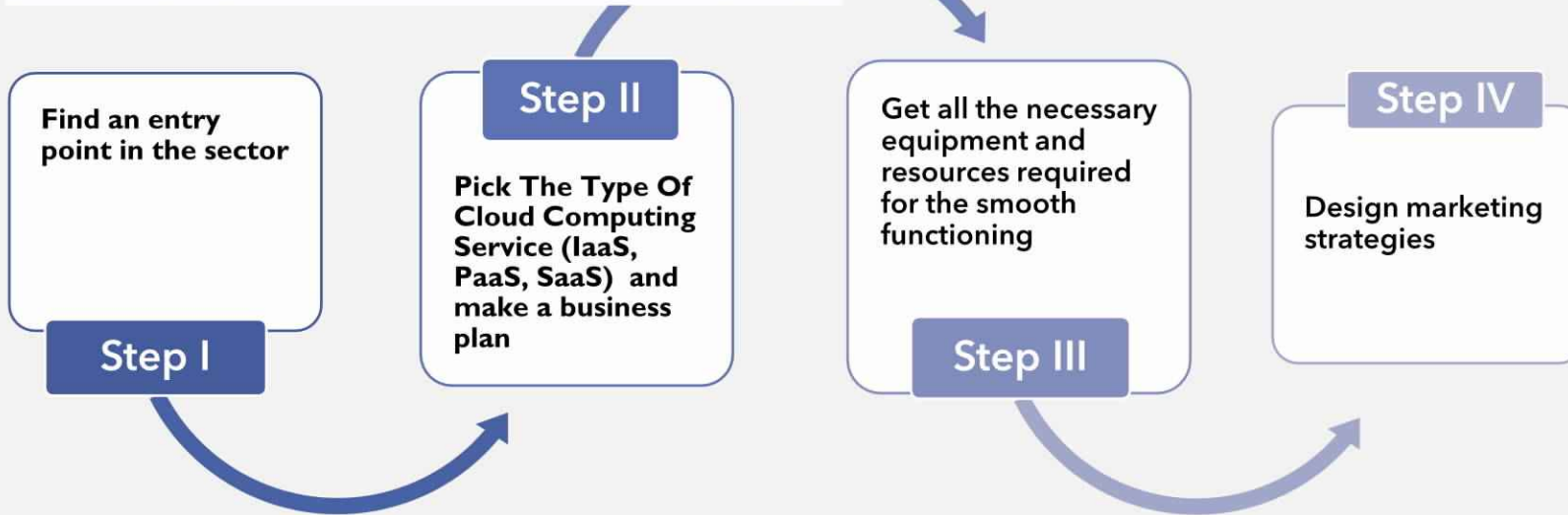
Value	Growth	Forecast
Very High	High	Very High

SADC Market (including Botswana)

Value	Growth	Openness
Medium	Medium	High

# INVESTING IN BOTSWANA

## Setting up a cloud services company



## Computer and Cloud service Industry Readiness

- SmartBots initiative to establish cloud computing infrastructure.
- New emerging platforms in the domestic sector (4 companies)
- Availability of skilled professionals
- Presence of domestic data centres
- Uptake of advanced IT applications
- Existence of Gaborone Mixed Economic Zone

## Growth Drivers

- Investments and adoption of cybersecurity and secure servers
- High uptake of new cloud users
- Generous credit systems and free services, as promotional tools
- Leverage distributor, vendor partnerships
- Interlinkage of cloud services to other services, such as ecommerce

### Drivers in Botswana

Infrastructure	Skills	FDI
Medium	Low	Low



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