Agricultural Investment Opportunities in Botswana

By: Mmadima Nyathi (Agric Hub Director) & Tidimalo Rakgantswana
Table 1: Food Security Situation -2011

<table>
<thead>
<tr>
<th>Product</th>
<th>Domestic Demand</th>
<th>Domestic Production</th>
<th>Imports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sorghum/Millet</td>
<td>96 000 Mt</td>
<td>51 647 (54%)</td>
<td>44 353</td>
</tr>
<tr>
<td>Maize</td>
<td>221 000 Mt</td>
<td>21 560 (10%)</td>
<td>199 440</td>
</tr>
<tr>
<td>Fruits &amp; Vegs</td>
<td>75 000 Mt</td>
<td>36 138 (48%)</td>
<td>95 203</td>
</tr>
<tr>
<td>Pork</td>
<td>972 Mt</td>
<td>455 (47%)</td>
<td>517</td>
</tr>
<tr>
<td>Poultry</td>
<td>64 053 Mt</td>
<td>63 412 (99%)</td>
<td>4 576</td>
</tr>
<tr>
<td>Honey</td>
<td>31 Mt</td>
<td>14 (45%)</td>
<td>17</td>
</tr>
<tr>
<td>Mutton &amp; Chevon</td>
<td>997 Mt</td>
<td>770 (77%)</td>
<td>227</td>
</tr>
<tr>
<td>Milk</td>
<td>45 million litres</td>
<td>3 (6%)</td>
<td>42</td>
</tr>
</tbody>
</table>
Opportunities …cont’d

2. Ostrich Farming

- Remains unexploited

- High ostrich population a sign of good potential (77 000)

- Existence of an EU listed export abattoir
Opportunities ... cont’d

3. Processing / Value Addition
   - Currently limited.

   a. Commercialisation of agro-technologies (e.g. NFTRC proven).

   b. Tannery for hides & skins
      - 2.5 million cattle and 2,100,000 small stock,
      - Hides production @ over 300,000 annually.
      - Either exported raw or discarded.
      - Tanners are small scale cottage-yard industries.
Opportunities …cont’d

c. Horticultural Products
   • For longer shelve life.
   • Could promote production to increase supply.
   • Positive developments experienced recently.

d. Livestock Products
   • Processed beef products for e.g limited (echo beef and pet food mainly).
   • Others?
Opportunities …cont’d

4. Grey Water Reuse for Agriculture

• Study currently on until July 2014.

• Sewage water in towns & major villages.

• Opportunity in provision of technology to purify the water.

• Farming opportunities to result.
Opportunities …cont’d

5. Privatisation of Government Entities

• Most entities underperforming & poorly maintained.

  i. Production & Training Farms e.g. valley, Dikabeya, Ramatlabama.

  ii. Farmers Service Centres e.g. Goodhope: More to be established.
Opportunities …cont’d

6. Provision of Agriculture Insurance

- Study conducted in 2009 revealed necessity of agriculture insurance in Botswana.

- only 1 company is offering livestock (cattle) insurance currently.
Opportunities …cont’d

7. Joint Ventures

i. Between foreigners and citizens.

ii. The Hub facilitating this.

iii. Keeps a database of investors.
Opportunities …cont’d

8. Zambezi Agro-commercial Project
   – Water extraction from Zambezi River.
   – i.e. 495 million cubic metres/year to be done by 2015.

• Opportunity lies in pipe construction
• Approximately 110kms & over 2m high
• In later years pipe to be extended for domestic water supply in the country
• Has to be started before January 2015
• Or renegotiations of water rights to be done
Supporting Structures for Agric

• Supportive policy environment for sector’s development.
  
  - Government support programs which have now been redesigned for effectiveness e.g. ISPADD now targeted.
  
  - Government funding for diseases and pets of economic importance.
Supporting Structures…cont’d

• New agricultural strategy in pipeline:
  – Emphasises opportunity cost of idle land.
  – More outward looking & encouraging to FDI (directly or through joint ventures).
  – The Hub keeps a database – to try & link investors
Supporting Structures…cont’d

• Supportive land tenure

• Infrastructure development
  – Significant investment made in general infrastructure.
    ▪ Available: (airports, Trans-Kalahari road);
    ▪ On-going (Walvis bay dry port);
    ▪ Planned (Trans-Kalahari railway line; portable water and electricity).
  – Infrastructure to agricultural production areas still a challenge.
Supporting Structures…cont’d

• Available Land
  – Some of it from Ministry underutilised land

• Arable Land
  i. Dukwe - 10 000
  ii. Nshakazhogwe - 1000
  iii. Boteti - 200
  iv. Thune (dam) - 500
  v. Zambezi Agro project - 35 000
Supporting Structures…cont’d

• Livestock Land
  i. 72 ranches in the central district.
  iii. 20 ranches in Kweneng District.

• Ostrich Farming Land
  i. 7 farms of 20 Ha each
  ii. 4 farms of 150 Ha each
Figure 1: Agro-Ecological Potential of Different Areas
Thank You