



# BOTSWANA

## TECHNICAL ASSISTANCE REPORT—NATIONAL ACCOUNTS MISSION

December 2023

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# TECHNICAL ASSISTANCE REPORT

## BOTSWANA

Report on the National Accounts Mission  
(November 6–17, 2023)

**NOVEMBER 2023**

**Prepared By**  
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**AFRITAC**  
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## Acronyms and Abbreviations

<i>2008 SNA</i>	<i>System of National Accounts 2008</i>
AFS	IMF's Regional Technical Assistance Center for Southern Africa - AFRITAC South
BMTHS	Botswana Multi-Topic Household Survey
BURS	Botswana Unified Revenue Service
CEE	Census of Enterprises and Establishments
GVA	Gross Value Added
IMF	International Monetary Fund
IT	Information Technology
SB	Statistics Botswana
SUT	Supply and Use Tables
TA	Technical Assistance

## Summary of Mission Outcomes and Priority Recommendations

- 1. A technical assistance (TA) mission was conducted by IMF's Regional Technical Assistance Center for Southern Africa (AFS)<sup>1</sup> during November 2023 to assist Statistics Botswana (SB) in reviewing and finalizing the questionnaires to be used in the Census of Economic Establishments (CEE), sample design and the information technology (IT) processing system in preparation for the rebasing of the national accounts.** The IMF country team raised concerns about some of the deflators being used which the mission followed up on.
- 2. The draft CEE questionnaires finalized during the previous mission in March 2023, have been tested.** Some improvements were identified and have been incorporated into the CEE questionnaires. The trade questionnaire was redesigned and will be tested in the second round of testing. The construction questionnaire will also be tested in the second round mainly because of non-response in the first round.
- 3. The IT system specifications were reviewed, and several improvements were incorporated.** SB need to engage an IT specialist as soon as possible to develop the system so it can be tested. The preparation of the activity list to be used for industry coding a business was commenced during the mission. The team will continue to develop this list as well as the product list in the coming months.
- 4. The mission and team commenced development of the data collection and data processing manuals.** These generated considerable discussion on the approaches that could be undertaken. SB will need to decide on the most appropriate approach.
- 5. SB are planning to use the tax list to identify the sample frame for this rebase.** SB need to commence discussions with Botswana Unified Revenue Service (BURS) to determine the sample frame as soon as possible. The sample design will have an impact on the data processing system.
- 6. The deflator issues raised by the IMF country team were discussed.** The SB indicated they had resolved these issues after the Ministry of Finance raised the same concern. The mission sent the response to the IMF country team.

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<sup>1</sup> AFS provides TA and training to Angola, Botswana, Comoros, Eswatini, Lesotho, Madagascar, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Zambia, and Zimbabwe. AFS donors are the European Union, Switzerland, Germany, China, Mauritius, the United Kingdom, Netherlands, European Investment Bank, Australia, and Canada.

7. To support progress in the above work areas, the mission proposed the following priority recommendations needed to improve estimates of GDP.

**TABLE 1.** Priority Recommendations

Target Date	Priority Recommendation	Responsible Institutions
March 2024	Finalize the draft IT specifications for processing the CEE	SB
March 2024	Finalize the questionnaire design for the 2024 CEE	SB
June 2024	Determine sample frame for the rebasing of the national accounts.	SB

8. Further details on the priority recommendations and the related actions/milestones can be found in the action plan under Detailed Technical Assessment and Recommendations.

## Section I. Annual National Accounts Rebase

**9. SB currently has a base year of 2016 which was released in July 2021.** The next base year will be 2024 given many of the required censuses and surveys required for a rebase (such as the Population and Housing Census (2022), the Botswana Multi Topic Household Survey (BMTHS) (2024/25), Agricultural Census (2024/25), and CEE (2024)) are planned for over the coming years.

**10. The CEE is the main survey used to estimate gross value added (GVA) and populate the supply and use tables (SUTs).** The national accounts team have tested some of the questionnaires which were drafted in the previous mission. Overall, the testing was successful, and the questionnaires were completed by businesses successfully. However, some additional expense items were identified and will be included in the questionnaires to ensure intermediate consumption is estimated correctly.

**11. Some businesses refused to complete the form.** The reason for this was surrounding confidentiality issues, i.e., that competitors could obtain the data. Despite assurances that the data would not be released the businesses still refused. This generated a discussion of how the SB will handle refusals especially when the data is critical for the rebase. The legislation gives the SB the right to collect the data and outlines the consequences for not providing the data if directed. The mission raised the issue with SB management and recommended they determine a strategy for dealing with refusals of significant businesses.

**12. The trade questionnaire was redesigned to enable margin by product to be estimated.** The margin is difference between the sales of the product and the purchase of the product. The product level detail is necessary for the population of the margin matrix in the SUT. The national accounts team will be testing this questionnaire during the second round of testing. There will be a mini survey done for the taxis and combis based on what was done in the previous rebase. The national accounts team will also develop this questionnaire and test it during the second round of testing.

**13. The mission reminded the team that they should be consulting now with the Population and Housing Census data processing team to obtain the data required for the rebase.** Otherwise, it may be difficult to extract the required data at a later date. The team informed the mission that the processing of the Population and Housing Census has been taking longer than expected but that will consult with them to get the data required for the rebase. The national accounts team have been participating in the development of the BMTHS. This is essential for the estimation of household final consumption expenditure as well as updating the Consumer Price Index.

**14. The draft IT system specifications for the data processing system were reviewed for all questionnaires.** The data processing system will cover both data entry as well as data processing. Whilst the previous mission outlined the key requirements for the system, the national accounts team did not include some key requirements. The mission and national accounts team worked through the specifications again and included the missing requirements as well as adding some additional requirements. The specifications for all questionnaires were drafted.

**15. The SB needs to assign an IT specialist as soon as possible so that the data processing system can be developed and tested with enough lead time.** It was expected that the IT system development would have commenced in May 2023. However, due to competing priorities, the in-house IT specialists have not been able to commence work on the national accounts rebase project. The mission raised this issue with the senior management and strongly recommended that an IT specialist be



assigned to the national accounts rebase as a matter of urgency. It is a completely new system so will need time to test to ensure it is fit for purpose.

**16. The previous mission recommended that an activity and a product list be developed.**

These will assist with the industry coding of businesses and coding of the products. The mission and the national accounts team commenced development of the activity list during this mission. The activity list for the “Wholesale and retail trade and repair of motor vehicles and motorcycles” industry was developed during the mission. This exercise provided the national accounts team with the experience to continue to develop the activity list as well as develop a product list.

**17. Initial discussions were held on the development of the data collection and the data processing manuals.**

The previous data collection manual was reviewed, and changes were identified given the change in approach for this rebase. The main change is that questionnaires will be hand delivered and left with the business rather than mailed out. Mailing out proved to be unsuccessful during the last rebase. The enumerator will agree to a pickup time and date when they leave the questionnaire with the business. An outline of the data processing manual was developed. The national accounts team will need to fill in most of the details taking into consideration the resources to be used and other organizational issues.

**18. The sample frame needs to be finalized by June 2024.** It was decided during the last mission that the tax list would be used as the business frame from which a sample will be drawn to undertake the CEE. The national accounts team need to commence discussions with the BURS to produce a frame as soon as possible. There are likely to be many issues that need to be resolved during this process.

**19. The national accounts team are developing a more detailed Gantt chart which will include all of the tasks and associated timings.**

*Recommendations:*

- The national accounts team to update the expense items in all questionnaires.
- The SB management and national accounts team to develop a strategy to deal with refusals.
- The national accounts team to test the redesigned trade questionnaire and the mini survey for taxis during the second round of testing.
- The national accounts team consult with the Population and Housing Census data processing team to obtain the data required for the rebase.
- The SB management to assign an IT specialist to the NA rebase project as a matter of urgency.
- The national accounts team to develop an activity and product list.
- The national accounts team to develop data collection and data processing manuals.
- The national accounts team finalize the sample frame in conjunction with the BURS.
- The national accounts team to develop a detailed Gantt chart for the rebasing exercise.

## Section II. Detailed Technical Assessment and Recommendations

TABLE 2. Results Based Framework

Priority	Action/Milestone	Target Completion Date	Actual completion date
<i>Objective: Strengthen compilation and dissemination of NAS - Comprehensive updates and rebasing – NAR.</i>			
<i>Outcome: Authorities have a baseline understanding of the current state of Comprehensive Updates and Rebasing statistics compilation and dissemination and opportunities to strengthen these capabilities.</i>			
<b>H</b>	Determine sample frame for the rebasing of the national accounts.	30 June 2024	
<b>H</b>	Finalize the questionnaire design for the CEE.	29 March 2024	
<b>H</b>	Commence development of data input and processing system.	29 March 2024	
<b>M</b>	Develop Data Collection and Data Processing Manuals.	29 March 2024	
<b>M</b>	Develop Activity List.	29 November 2024	
<b>L</b>	Undertake the CEE.	FY 2025/26	
<b>L</b>	Data gathering and assessment (Analysis of data; BMTHS, Agric census, CEE etc..).	FY 2026/27	
<b>L</b>	Compilation of SUT.	FY 2026/27	
<b>L</b>	Dissemination of rebased GDP estimates.	FY 2028/29	
<b>L</b>	Disseminate back cast series from 1994 to 2024 (the new base year).	FY 2028/29	

## A. OFFICIALS MET DURING THE MISSION

Name	Institution
Dr. Burton Mguni	Statistician General
Dr Lucky Mokgatlhe	Deputy Statistician General; ECOSOC
Boitumelo Matlhaga	Director: Economic Statistics
Phaladi Labobedi	Manager; National Accounts & Prices
Lekoko Simako	Manager; Trade & Industry
Winstern Kabo	Acting Senior Statistician
Chandler Madisa	Statistician
Boitumelo Kobua	Statistician
Godiraone Gaolaolwe	Statistician
Phemelo Ntwayapelo	Statistician
Michael Andina	Statistician