



Botswana Institute
for Development
Policy Analysis

ANNUAL REPORT 2025



Of Providing Evidence-Based Policy Advice
1995-2025

Ranked Top Think Tank in Sub-Saharan Africa in 2017, 2018, 2019.

CELEBRATING 30 YEARS OF RESEARCH EXCELLENCE



Botswana Institute
for Development
Policy Analysis

providing evidence-based
socio-economic policy advice
and related capacity
building

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AFS

CORPORATE GOVERNANCE

CORPORATE PROFILE

BIDPA Annual Report



Botswana Institute
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Policy Analysis

OVERVIEW

CORPORATE PROFILE | CORPORATE GOVERNANCE | AFS

providing evidence-based
socio-economic policy advice
and related capacity
building

BIDPA Headquarters

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Tshwene Drive,
Millenium Office Park
Gaborone

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Email; info@bidpa.bw
Website; www.bidpa.bw
Facebook; @BIDPABotswana

BIDPA Auditors

Grant Thornton

BIDPA Bankers

Bank Gaborone Limited
Absa Bank Botswana Limited
First National Bank of Botswana Limited
Botswana Savings Bank Limited

Postal Address

Private Bag BR 29
Gaborone

BIDPA Legal Advisors

Chibanda Makgalemele & Company

1.0 CORPORATE PROFILE



The Botswana Institute for Development Policy Analysis (BIDPA) was established in 1995 through a Deed of Trust as a partnership between the Africa Capacity Building Foundation (ACBF) and the government of Botswana.

Its establishment followed the realisation that there was a need to have an independent research institute that can effectively conduct research, policy advise, and publish on development policy issues relevant to Botswana and the region.

The core mandate of BIDPA is to provide independent, evidence-based research and policy advise to the government and development partners on Botswana's socio-economic development, covering micro economic policy, trade and industrial development, governance and institutions, human and social development as well as agriculture and environmental issues. To achieve this, BIDPA undertakes both demand-driven research and supply-driven research. Demand-driven work involves consultancies and commissioned studies undertaken on behalf of clients like the government, development partners, and non-state actors. Supply-driven research includes research that is undertaken by the BIDPA researchers on key policy issues, and it leads to publications such as working papers, policy briefs, book chapters, and journal articles.

Additionally, BIDPA offers institutional capacity building, professional training and public education services to both government and non-state actors. As the only Think-Tank in Botswana, BIDPA also drives key policy conversation through public forums and policy dialogues.

GUIDED BY OUR PURPOSE, BIDPA UPHOLDS THE FOLLOWING VISION, MISSION AND VALUES:

Vision:

To become a renowned policy research institute in Africa

Values:

- ☑ Botho ☑ Integrity
- ☑ Professionalism
- ☑ Teamwork
- ☑ Competitiveness



Mission:

To provide evidence-based socio-economic policy advice and related capacity building.

2.0 STRATEGIC OBJECTIVES

BIDPA derives its mandate from the Deed of Trust that established it. The Deed of Trust sets out the objectives, functions and responsibilities of the Institute as follows:



To promote and conduct research, analysis and publication on development policy issues of relevance to Botswana and the Southern African region.



To monitor the performance of the Botswana economy and the management of public policy implementation, especially with regard to the implication for economic and social development.



To offer advice and consultancy services to agencies of government and other clients under suitable contractual and other arrangements.



To provide technical and financial assistance, directly or indirectly, to individuals and organizations in Botswana as deemed desirable for purposes of facilitating policy analysis.



To assist professional training and public education of Botswana citizens in matters relating to policy analysis, and to encourage collaboration between expatriates and local professionals in these matters in ways that build or augment national capacities for performance and understanding of policy analysis.



To employ staff members who will individually, or jointly with other organizations or qualified people, carry out research, consultancy, training and education projects, including arrangement and management of contractual relationships designed to facilitate such activities by persons affiliated with the Institute.



**Botswana Institute
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Policy Analysis**



To present or publish the outcome of its policy analysis, orally or in writing, to individuals, organizations or the general public.



To mobilize and administer funds for the achievement of the objectives and performance of the functions of the Institute.

To achieve this BIDPA has five research units which are informed by the Botswana Vision 2036. These are:

A). Macroeconomics and Development

D). Environment, Agriculture and Natural Resources

B). Trade, Industry and Private Sector Development

E). Governance and Administration

C). Human and Social Development

As BIDPA evolves, the ambition is to expand the impact of its work through partnerships on the regional and international research and policy space.

3.0 BASIS FOR PREPARATION

1. Basis for Preparation and Presentation

This report is prepared in line with the International Integrated Reporting Framework (IIRF), King IV code on corporate governance, the Deed of Trust and applicable financial and sustainability standards. It reflects both financial and non-financial performance using a materiality-based approach.

2. Materiality determination

In line with the principles of King IV on Corporate Governance, BIDPA adopted an integrated approach to materiality, ensuring that the matters most critical to the organisation's ability to deliver on its mandate, impact on stakeholders, the environment and sustaining value creation are identified, assessed, and reported. The Board remains committed to reviewing material matters regularly to respond to a dynamic operating environment and uphold the principles of transparency, accountability, and responsible leadership. Material matters are those that substantively influence BIDPA's strategy, performance, governance, and future outlook. These matters are determined through a structured process that considers:

- The legitimate and reasonable needs, interests, and expectations of our key stakeholders (including government, development partners, researchers, private sector and civil society);
- The impact of BIDPA's operations and strategy on the broader socio-economic environment, influencing policy outcomes
- The potential impact of the strategy on the six capitals as per the International Integrated Reporting Framework
- Strategic risks and opportunities that could affect BIDPA's ability to remain relevant, credible, and financially sustainable, as well as external risks like change in funding, political shifts or economic shocks.
- Issues that affect BIDPA's ability to deliver on its mandate and strategy
- Impactful financial sustainability or reputation
- Relate to ESG factors e.g. sustainability & environmental issues, ethical governance, data privacy, social impact of research

BIDPA'S CONTRIBUTION TO BOTSWANA DEVELOPMENT FRAMEWORK

As the world evolves, the institute's ambition is to expand the impact of its work through partnerships on regional and international research and policy space. The Institute plays a critical role in supporting Vision 2036, which aspires to achieve sustainable economic growth, human and social development, environmental sustainability, and good governance. As a national policy think tank, BIDPA's research agenda is aligned with these pillars through evidence-based analysis that supports inclusive growth, institutional effectiveness, and long-term sustainability.

In addition, BIDPA's work contributes to the achievement of the Sustainable Development Goals (SDGs), notably those related to poverty reduction (SDG 1), quality education (SDG 4), Gender Equality (SDG 5), decent work and economic growth (SDG 8), reduced inequalities (SDG 10), climate action (SDG 13), and strong institutions (SDG 16). Through policy research, advisory services, and stakeholder engagement, BIDPA provides analytical inputs that inform national strategies, sectoral policies, and development programmes aligned to the SDGs.

From an Environmental, Social and Governance (ESG) perspective, Botswana faces both risks and opportunities arising from climate change, fiscal pressures, socio-economic inequalities, and governance reforms.



BIDPA plays a critical role in identifying, analysing, and proposing policy responses to these emerging ESG risks, while also highlighting opportunities for sustainable investment, green growth, and improved public sector performance.

In this context, BIDPA contributes to Botswana's SDG agenda through independent policy research, evidence-based analysis, and advisory services that guide government and stakeholders in aligning national strategies with global frameworks. The Institute's research informs the implementation of Vision 2036 across its four pillars: Sustainable Economic Development, Human and Social Development, Sustainable Environment, and Governance, Peace and Security by generating actionable insights for policy formulation and reform.

Through targeted research outputs and policy briefs, BIDPA supports evidence-driven approaches to addressing issues such as poverty, inequality, unemployment, governance effectiveness, and the sustainable use of natural resources, thereby reinforcing its role as a trusted source of policy advice in Botswana's development landscape.

Changes in the External Environment and BIDPA's Response

The think tank landscape has undergone significant changes over the past three decades, including shifting funding modalities, evolving policy environments, and a growing demand for real-time analysis. These challenges require BIDPA to strengthen its core analytical capabilities, diversify its sources of funding, and enhance its engagement strategies to remain influential, relevant, and impactful.

Specifically, over the past decade, BIDPA has experienced significant changes in its external operating environment that directly affect its research mandate and institutional sustainability. These changes include evolving government policy priorities, increased competition for research funding, a shift toward short-term and project-based financing, and growing demand for timely, policy relevant, and impact-oriented research.

In addition, advances in digital technologies and data analytics have increased expectations for real-time policy analysis, broader dissemination, and stronger stakeholder engagement. At the same time, the policy environment has become more complex, with cross-cutting issues such as climate change, youth unemployment, inequality, and fiscal sustainability requiring multidisciplinary and collaborative research approaches.

In response, BIDPA researchers are strengthening the Institute's analytical capabilities by:

- a) Enhancing methodological rigor and interdisciplinary research to address complex development challenges;
- b) Expanding applied policy research that responds directly to national priorities and decision-makers' needs;

c) Leveraging partnerships with government ministries, academia, regional think tanks, and development partners to co-produce knowledge and increase policy influence;

d) Improving research dissemination through policy briefs, dialogue forums, and digital platforms to ensure accessibility and uptake of research findings.

e) Furthermore, researchers are contributing to efforts to diversify BIDPA's funding base by developing high-quality research proposals to participate in the various funding calls, engaging with non-traditional funding sources (international funders), and aligning research outputs with donor and national development priorities while safeguarding institutional independence and credibility.

Environmental stewardship in operations

BIDPA recognises the importance of environmental stewardship as part of its commitment to sustainable development and responsible governance. While its operational environmental footprint is relatively modest, the Institute is taking steps to minimise its impact and promote environmentally responsible practices.

These efforts include:

- a) Encouraging efficient use of energy, water, and office resources;
 - b) Promoting paperless research processes like data collection and digital dissemination of publications;
 - c) Integrating environmental sustainability considerations into research themes and policy analysis, particularly in areas related to natural resource management, and green growth.
- Through both its internal operations and its research outputs, BIDPA seeks to contribute to national and regional efforts aimed at environmental sustainability and resilience.

4.0 GOVERNANCE REPORT

The oversight responsibility of BIDPA rests with the Board of Trustees, which provides strategic direction and ensures ethical and effective governance of the Institute. In carrying out its duties, the Board operates through three Board Committees that support it in overseeing key areas of the Institute's operations. The work of the Board is guided by a Board Charter, which clearly outlines the roles, responsibilities, functions, rights, and powers of the Board in discharging its governance mandate.

The Board Charter also clearly defines the respective roles and responsibilities of the Board, the Chairperson, and the Executive Director. This delineation of roles is intended to promote effective governance, strengthen accountability, and enhance the strategic leadership and guidance of the Institute in driving sustainable value creation.

The Board of Trustees comprise five members with the Executive Director serving as the secretary to the Board of Trustees.

ROLES AND RESPONSIBILITIES OF THE BOARD

The broader role of the Board is to provide ethical and effective strategic leadership and guidance. Broadly, the Board's roles and responsibilities include: –

STAKEHOLDER MANAGEMENT

- Aligns stakeholder needs with organisational goals, directly impacting outcomes, reputation, and long-term success to create value.



WORK PLAN AND BUDGET

- Approves the annual workplan and budget.
- Approves the audited financial statements.

APPOINTMENTS

- Appointing, setting performance targets, and evaluating the performance of the Executive Director as prescribed in the Deed of Trust.
- Appointing independent Board committee members.
- Appoints external auditors and internal auditors.

STRATEGY DEVELOPMENT AND OVERSIGHT

- Guiding BIDPA strategic direction
- Monitoring the performance of the organisation against set objectives

RISK AND COMPLIANCE

- Performing an oversight role in the development of the enterprise risk management strategy and monitoring of its implementation in accordance with best practices.
- Ensuring compliance with statutory, regulatory and contractual requirements and standards.

4.1 BOARD CHAIRPERSON

DUTIES OF THE CHAIRPERSON AND DEPUTY CHAIRPERSON

The role of the Chairperson is to provide strategic leadership and guidance, to promote cohesiveness and regular dialogue with Executive Director, and to ensure effectiveness of the Board. In the absence of the Chairperson, the Deputy Chairperson will play the roles and responsibilities of the Chairperson. Specific key roles and responsibilities shall include, among others, the following:

- ☑ Maintaining regular contact with the Executive Director on strategic governance matters.
- ☑ Maintaining good relationships with strategic stakeholders, such as parent ministry and other line ministries, and non-state actors.
- ☑ Ensuring that all Trustees are made aware of their responsibilities through an induction program.
- ☑ Monitoring, assessing, and evaluating the performance of the Executive Director.
- ☑ Ensuring that the Board and each individual Trustee is assessed for effectiveness on an annual basis.

EXECUTIVE DIRECTOR

- ☑ The Board delegates the following functions to the Executive Director of BIDPA:
- ☑ Ensure the effective and efficient running of the Institute in accordance with the strategic direction established by the Board and within the agreed policies and budgets.
- ☑ Be responsible for the employment, management, supervision, direction (and where appropriate, removal) of BIDPA employees subject to functions reserved for the Board.
- ☑ Ensure that advice and information is available to the Board so that informed decisions can be made.
- ☑ Ensure that records and documents of BIDPA are properly kept.
- ☑ Preparing the budget and audited financial statements of the Institute, for submission to and approval by the Board.
- ☑ Preparing annual reports on activities of the Institute.
- ☑ Preparing and maintaining proper record of proceedings of the meetings of the Board.
- ☑ Any other functions as directed by the Board.

There are 5 members of the board, and the Executive Director is the Secretary to the Board.

There are three Committees of the Board namely;

A). Finance, Risk and Audit Committee (FRAC)

A). Research Committee (RC)

A). Human Resources Committee (HRC)

4.2 CHAIRPERSON'S REMARKS

It is with great honour that I present the BIDPA 2024–25 Annual Report. As Botswana's national policy think tank, BIDPA remains steadfast in its mandate to inform development policy through rigorous research, objective analysis, and evidence-based advocacy. The Institute continues to play a pivotal role in supporting National Vision 2036, a national aspiration anchored on sustainable economic growth, inclusive human and social development, environmental stewardship, and sound governance.



The operating environment for think tanks, both regionally and globally, continues to evolve. Shifting government priorities, changing funding modalities, the increasing prevalence of project-based financing, and the growing demand for timely and policy-relevant research require institutions to be adaptive and forward-looking. In response, BIDPA is strengthening its analytical capabilities, diversifying its funding base, and enhancing stakeholder engagement to ensure that its work remains influential, credible, and impactful.

Through its forthcoming Strategic Plan, to be finalized in the 2025–2026 financial year, the Institute will broaden its policy research to align directly with national priorities; deepen partnerships with government ministries, academia, regional think tanks, and development partners to co-produce knowledge; strengthen research dissemination to promote accessibility and uptake; and actively pursue regional and international opportunities to diversify its funding portfolio.

I am pleased to report that the Institute recorded meaningful progress in knowledge generation, publishing eight peer-reviewed journal articles during the year under review. BIDPA also convened several policy dialogues that facilitated constructive exchange and supported evidence-based decision-making on complex national issues. Furthermore, the Institute continued to provide policy advice and technical expertise, with its specialists serving on various boards and specialized committees, including the Monetary Policy Committee.

During the reporting period, the Board remained unwavering in upholding the highest standards of governance, transparency, and accountability. Particular emphasis was placed on reinforcing institutional integrity, strengthening oversight, and ensuring alignment with the King IV principles, adopted as BIDPA's preferred code of corporate governance. This year's report further demonstrates our commitment to ethical leadership and sound strategic oversight.

Reflecting on the achievements of the past year, I extend my sincere appreciation to the management and staff of BIDPA for their professionalism, dedication, and commitment to national development. Their work continues to position the Institute as a trusted source of policy insight.

Finally, I wish to thank my fellow Board members for their counsel, support, and confidence in my leadership. Together, we remain committed to strengthening the Institute's contribution to Botswana's development journey.

1995 - 2025



Of Providing Evidence-Based Policy Advice



Daniel Molaodi

Mr Daniel Molaodi
BOARD CHAIRPERSON

**Botswana Institute for Development Policy Analysis
(BIDPA)**

4.3 MESSAGE FROM THE ACTING EXECUTIVE DIRECTOR

The financial year 2024/25 marked a very significant milestone for BIDPA as we are celebrating 30 years of providing independent and robust evidence-based policy advice. Our major client, the Government of Botswana has continued to be the primary consumer of our research services and advice, and a huge support to the institute.



It is gratifying to note that 30 years on, BIDPA remains firmly committed to its core mandate which includes capacity building, research, and policy analysis. This mandate continues to be relevant, and our work remains pivotal in shaping the policy landscape of the country despite a number of challenges that have accompanied our growth and development. Unlike 30 years ago, BIDPA finds itself having to operate in an environment that is both challenging and often times hard to navigate.

During the formative years of the institute, for example, the country was in a good fiscal position. The challenge of marketing diamonds has never persisted for a number of years like is currently the case. Due to the steady and high government revenues in the past, government easily provided the resources required by SOEs including BIDPA. This is not the case anymore as diamond revenues continue to decline sharply. This tightened fiscal space came after the advent of the COVID 19 pandemic which had greatly affected all the key sectors of the economy.

Over and above these two, unlike 30 years ago, the donor landscape has completely changed. Today, BIDPA struggles to access donor funding, especially since Botswana's classification as a middle-income country in the late 1990s. The declining financial position of BIDPA over the years has also naturally gone hand in hand with loss of critical manpower, especially the loss of senior researchers. This has led not just to erosion of capacity, but the loss of institutional memory as well.

Despite the challenges experienced over the years, BIDPA proudly marks 30 years of existence, demonstrating sustained resilience, institutional strength, and an unwavering sense of purpose in advancing evidence-based policy research. This milestone reflects the Institute's continued relevance and contribution to national development and policy discourse.

In recognition of a rapidly evolving operating environment, including shifting funding landscapes, emerging policy priorities, and increasing demand for high impact research, BIDPA is on a transformation journey meant to cement its position within the national and regional policy landscape as an impactful and effective think tank among its peers.

We are grateful to our board, which continues to guide and provide robust oversight. We thank our stakeholders and clients for their faith in our work. We look forward to strengthened partnerships and deepened impact of our work.



Dr Gloria Somolekae
Acting Executive Director

Botswana Institute for Development Policy Analysis
(BIDPA)

4.4 BIDPA BOARD OF DIRECTORS



Mr Daniel Molaodi
Chairperson

QUALIFICATION

Master's degree in public policy & administration
(*University of Wisconsin, Madison, USA*)
Bachelor's degree in public administration and political science (*University of Botswana*)

APPOINTED TO THE BOARD:

31st July 2019

Daniel Molaodi is a lecturer in the Department of Political & Administrative Studies (PAS) at the University of Botswana, having joined from the Institute of Development and Management. Molaodi has taught several public administration courses in the PAS' undergraduate and graduate programs. His focus is on Public Administration Theory, Local Governments, Public Services, Public Policy, and Project Planning & Management, among others.

He has also conducted workshops and seminars on local government projects in Botswana, Lesotho and Swaziland (BLS countries), as well as conducting a series of Heads of Departments seminars for senior level managers in the public sectors of these countries. In addition to attending numerous seminars on strategic planning and institutional missions and visions, Molaodi has made several conference paper presentations for organizations such as the African Association for Public Administration and Management (AAPAM), The Conference for Minority Public Administrators (COMPA) and National Forum for Black Public Administrators (NAFBPA), (the latter two in the USA).



Dr. Kealeboga Masalila
Deputy Chairperson

QUALIFICATION

PhD in Economics (*University of Manchester, UK*)
MPhil in Monetary Economics
(*Glasgow University, Scotland*)
Bachelor of Commerce (*University of Botswana*)

APPOINTED TO THE BOARD:

26 February 2021

Dr Kealeboga S Masalila is a Deputy Governor at the Bank of Botswana, appointed in December 2016. He oversees the Research and Financial Stability, Financial Markets, Statistics & Data Management, Human Resources, Information and Communications Technology, Protective Services, as well as Procurement and Property Management Functions.

Prior to appointment as Deputy Governor, he had been Director of the Research and Financial Stability Department from 2010, an area where he spent most of the over 30 years he worked at the Bank of Botswana. He has also worked in the Banking Supervision Department of the Bank and under the Special Appointee programme at the International Monetary Fund, as well as the Ministry of Trade and Industry. Dr Masalila has a special interest in monetary and exchange rate policies and financial sector regulation and reform and has contributed research and policy papers in this regard.



Mr Mpaphi Tsholofelo
Member

QUALIFICATION

Master's in Public Policy
Post Graduate Diploma in Public Administration (*Australian National University*)
Bachelor of Economics (*University of Botswana*)
PhD candidate (*Victoria University of Wellington*)

APPOINTED TO THE BOARD:

09 September 2024

Mpaphi Tsholofelo is a seasoned economic policy expert with over 15 years of experience in both government and private sectors, focusing on business development and public policy. As Head of Policy and Research at Business Botswana, he leads evidence-based advocacy to promote economic growth and investment, engaging regularly with senior government officials to address regulatory barriers. His expertise spans policy formulation, strategy development, programme management, and stakeholder engagement. He holds a Master of Public Policy and a Postgraduate Diploma in Public Administration from the Australian National University, a BA in Economics from the University of Botswana, and is currently a PhD candidate at Victoria University of Wellington.



Ms Goaba Mosienyane
Member

QUALIFICATION

Master of Science (Medical Microbiology),
(*London School of Hygiene and Tropical Medicine*)

APPOINTED TO THE BOARD:

7 September 2020

Ms Goaba Mosienyane is the Deputy Commissioner General at the National Planning Commission, responsible for implementation coordination. A scientist by training, Ms Mosienyane has undergone several executive leadership and transformation training programmes and was accredited for corporate values assessment tools.

In addition to this, she studied Public Enterprise Policy Management, Telecommunications Sales and Marketing Management and Total Quality Management. She has led a variety of organizational programs over time, from governmental institutions, public entities to private organizations.

This includes leading large systems to benefit from transformational change and has expertise at building teams, coaching, designing performance monitoring systems and her scientific background provides an excellent critical thinking foundation for this.



Ms Jacqueline Sajembe
Member

QUALIFICATION

MSc in Economics (*University of Wales, UK*)
Bachelor of Accounting and Economics
(*University of Botswana*)

APPOINTED TO THE BOARD:

20 January 2021

Ms Jacqueline Sajembe is an Economist with over 30-years experience. She started off as an Economics Lecturer at the then Botswana Institute of Administration and Commerce (BIAC) and the University of Botswana Centre of Continuing Education. She then joined the Economic Affairs Division in the then Ministry of Finance and Economic Development, focusing on the development of National Development Plans, Preparation of Annual Budget Speeches, macroeconomic reports, and forecasts.

At that time she worked with the World Bank, IMF, Commonwealth, SADC and SACU. She was then transferred at Director level, to coordinate and facilitate the Government Motor Vehicle and Residential Property Advance Scheme. Overseeing the processing and disbursement of Government Guaranteed funds, and insurance coverage of such guaranteed loans; working with financing banks.



Dr. Gloria Somolekae
Acting Executive Director and
Secretary to the Board

QUALIFICATION

PhD in Public Administration (*Maxwell School, Syracuse University, USA*)

Master's degree in Public Policy and Administration (*Institute of Social Studies in The Hague, Netherlands.*)

Bachelor's degree in Public Administration and Political Science (*University of Botswana and Swaziland.*)

Dr Gloria Somolekae is the head of the Governance and Administration Unit at BIDPA and currently Acting Executive Director. She started her career as a Lecturer at the University of Botswana where she taught Development Administration, Public Policy analysis, Research Methods, Local Government, Program Evaluation and Organizational Development.

After 18 years with the University, she joined the W.K. Kellogg Foundation as a Policy Consultant focusing on poverty eradication and broader issues of rural development in Southern Africa and became the Program Director at the W.K. Kellogg Africa head office, assuming responsibility for the work of the Foundation in Malawi, Botswana, Mozambique, and Zimbabwe.

She has also served as a specially-elected Member of Parliament and in 2011 she was appointed the Deputy Minister of Finance and Development Planning where she also assumed the role of Director for the African Development Bank representing the Botswana Government. She then served for a year, before moving to the Office of the President, and later the Ministry of Health in the same role of Deputy Minister.

4.5 BIDPA BOARD COMMITTEES



(1). Mr Ratsela Mooketsi (2) Mr Peter Tladinyane (3). Prof. Tapologo Maundeni (4). Ms Rebecca Mgadla (5). Dr Kabo Diraditsile (6). Ms Tekolo Modungwa (7). Dr Kealeboga Masalila (8). Ms Goaba Mosienyane (9). Ms Jacqueline Sajembe (10). Mr Mpaphi Tsholofelo



FINANCE, RISK AND AUDIT COMMITTEE (FRAC)

MANDATE

The Board of Trustees established the Finance, Risk and Audit Committee (FRAC) to provide transparency and integrity oversight financial information and to fulfil corporate governance responsibility. The committee provide oversight on;

- ☒ Integrity of financial reporting, audit processes and effectiveness of combined assurance functions
- ☒ Maintenance of sound internal control systems
- ☒ Effective Risk and Compliance Management
- ☒ Information and Technology
- ☒ Stakeholder Management including Corporate Social Responsibility
- ☒ Annual Budget preparation



Ms Jacqueline Sajembe
Chairperson

Members

Ms Rebecca Mgadla
Mr Ratsela Mooketsi
Dr Kealeboga Masalila

4.6 FRAC MEETINGS FOR THE YEAR ENDED MARCH 2025

Date/Attendance	Agenda	Decisions
22 July 2024 Present K. Masalila R. Mgadla R. Mooketsi	Management accounts for the year ended March 2024 & Audit findings. 2023/24 Internal Audit Report	Recommended for Approval by Board
	Stakeholder Management Policy	Recommended for Approval by Board
	BIDPA Travel Rates	Recommended for Approval by Board
	Mobile Device Policy	Recommended for Approval by Board
	IT Report	Recommended for Approval by Board
	Knowledge Management Report	Recommended for Approval by Board
26 November 2024 Present K. Masalila R. Mgadla R. Mooketsi	Management accounts for the period ended June 2024	Recommended for Approval by Board
	Appointment of Internal Auditors	Recommended for Approval by Board
	Appointment of External Auditors	Recommended for Approval by Board
	Operational Risk Registers	Noted
13 February 2025 Present K. Masalila R. Mgadla R. Mooketsi	Management accounts for the period ended September 2024	Recommended for Approval by Board
	Operational Risk Registers	Recommended for Approval by Board
	Revised BIDPA Travel Rates	Recommended for Approval by Board
	Recommendations for Board Sub-Committees and their mandates	Recommended for Approval by Board
	Items For Noting Internal Audit Findings update-noted	
20 March 2025 Present K. Masalila R. Mgadla R. Mooketsi	Management accounts for the period ended December 2024	Recommended for Approval by Board
	Adoption of Governance Code	Recommended for Approval by Board
	Business Continuity Plan	Recommended for Approval by Board
	2025/25 Budget with Annual plan Internal & External Audit findings	Recommended for Approval by Board





RESEARCH COMMITTEE

MANDATE

The Committee was established to ensure transparency and integrity in the execution of the research mandate.

- ☑ Advisory body for the Board and in matters pertaining to research in the broadest sense.
- ☑ Provides oversight of research activities as this is the core mandate of BIDPA.



Dr Kealeboga Masalila
Chairperson

Members

Dr Kealeboga Masalila
Ms Goaba Mosienyane
Prof. Tapologo Maundeni



HUMAN RESOURCES COMMITTEE

MANDATE

The Human Resources Committee was established to provide oversight transparency and integrity in human resources-related issues. The committee assist the BIDPA Board of Trustees in fulfilling its oversight responsibilities in the field of human resources.

The Committee:

- ☑ Provides oversight on all matters related to BIDPA's human resources such as recruitment, remuneration, development, succession planning and compensation.
- ☑ Oversees the development and implementation of comprehensive human resource policies and strategies to ensure that BIDPA is able to attract and retain required skills.
- ☑ Ensures that BIDPA keeps abreast of developments in the labour market and that the institute adopts suitable best practices in human capital management.



Ms Goaba Mosienyane
Chairperson

Members

Ms Jacqueline Sajembe
Mr Peter Tladinyane
Ms Tekolo Modungwa

NUMBER OF MEETING HELD

	DESCRIPTION	NUMBER OF MEETING HELD
1	Full Board	3
2	FRAC	4
3	HR Committee	2
4	Research Committee	2

BOARD REMUNERATION

NAME	NUMBER OF MEETINGS	ALLOWANCE RECIEVED
Mr D. Molaodi	3	45, 000.00
Dr K. Masalila	3	48, 000.00
Ms J. Sajembe	0	22, 000.00
Mr M. Tsholofelo	3	24, 000.00
Ms G. Mosienyane	3	32, 000.00

SKILLS MATRIX
KEY SKILLS OF OUR BOARD/ MEMBERS

SKILLS	MEMBERS
GOVERNANCE/PUBLIC POLICY	3
ECONOMICS	2
RESEARCH	3
FINANCE/AUDIT	1
STRATEGY	1
RISK	1
HUMAN RESOURCES	3
ICT	1

BOARD MEETING / RESOLUTIONS
ATTENDANCE / DECLARATIONS

RESEARCH COMMITTEE

(No Major decisions were made or conflicts declared)
10 July 2024: (Dr K Masalila, Prof T Maudeni,
Dr K Diraditsile, Ms G Mosienyane)
15 November 2024: (Dr K Masalila, Prof T Maudeni,
Dr K Diraditsile, Mr M Tsholofelo)

HR COMMITTEE

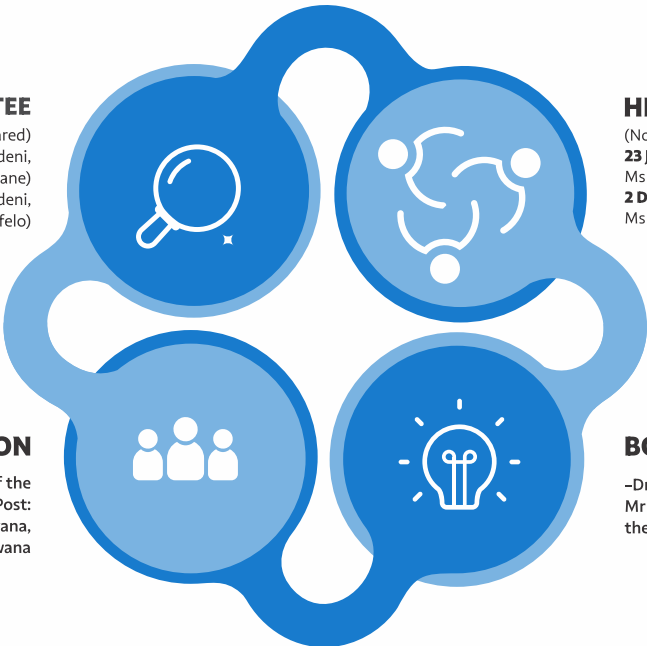
(No Major decisions were made or conflicts declared)
23 July 2024: (Ms G Mosienyane, Mr P Tladinyane,
Ms T Modungwa)
2 December 2024: (Mr T Mpaphi, Mr P Tladinyane,
Ms T Modungwa)

BOARD COMPOSITION

Vacancies: Ministry of Finance and Office of the
President In Post:
Business Botswana, Bank of Botswana,
University of Botswana

BOARD INDUCTION

-Dr Diraditsile (Research Committee) and
Mr Tsholofelo (Trustee) were inducted on
the 10th October 2024.



4.7 BOARD MEETING / RESOLUTIONS ATTENDANCE / DECLARATIONS

DATE	ATTENDANCE	DECISIONS / APPROVAL
4 SEPTEMBER 2024	Mr D Molaodi Dr K Masalila Ms G Mosienyane Ms J Sajembe – Absent No conflict of interest declared	• Approve the BIDPA Audited Financial Statements for the financial year 2023/2024. • Approve the Technical Assistance Project Audited Financial Statements for the financial year 2023/2024. • Approve the Management Accounts for the year ending March 2024. • Approve the Customer Feedback Management Policy. • Approve the Mobile Device Policy. • Approve the Stakeholder Engagement Policy.
10 DECEMBER 2024	Mr D Molaodi Dr K Masalila Mr M Tsholofelo Ms J Sajembe – Absent No conflict of interest declared	• Approve Management Accounts for the period ending June 2024. • Approve the appointment of Grant Thornton as external auditors for three years until 2027. • Approved the appointment of MSD Mesotlo and Associates as internal Auditors for three years. • Elected Dr Masalila as a Deputy Chairperson.
26 MARCH 2025	Mr D Molaodi Dr K Masalila Mr M Tsholofelo No conflict of interest declared	• Approve the extension of the current strategy from March 2025 to June 2025. • Approve the 2025/26 budget and workplan. • Approve the management accounts for September 2024 and December 2024. • Approve the adoption of King IV as a preferred code of corporate governance for BIDPA.



4.8 BIDPA BOARD APPOINTMENT DATES

Name	First Appointment	Expiration Date	Place of Employment
1. Dr Kealeboga Masalila	26-Feb-21	30-Nov-2026	Bank of Botswana
2. Mr Mpaphi Tsholofelo	04-Jul-24	02-Jul-28	Business Botswana
3. Ms Goaba Mosienyane	07-Sept-20	06-Sept-25	National Planning Commission
4. Ms Jacqueline Sajembe	20-Jan-21	20-Jan-25	Retired
5. Mr D. Molaodi	31-Jul-19	30-Jul-27	University of Botswana
6. Ms Tekolo Modungwa	01-Jul-23	30-Jun-27	Retired
7. Mr Peter Tladinyane	05-Apr-23	04-Apr-27	BOCRA
8. Ms Rebecca Mgadla	20-Aug-20	19-Aug-28	Retired
9. Mr Ratsela Mooketsi	05-Apr-23	04-Apr-27	Retired
10. Dr Kabo Diraditsile	01-Apr-24	31-Apr-28	Botswana Open University
11. Prof. T. Maundeni	19-Aug-19	30-Aug-27	University of Botswana

4.9 EXECUTIVE MANAGEMENT

The BIDPA Management Committee comprises the Executive Director, the Programme Coordinator, Finance Manager, Human Resources Manager, the Knowledge Management & Dissemination Manager, Information Technology Manager and all Research head of units. The Executive Director (ED) is appointed by Board of Trustees. The ED has everyday management responsibility for all activities of the Institute.



Dr Gloria Somolekae
Acting Executive Director



Dr Molefe Phirinyane
Head of Unit
- Governance & Administration



Dr Pinkie Kebakile
Head of Unit
- Trade, Industry & Private
Sector Development



Dr David Mmopelwa
Head of Unit
- Human & Social Development/
Research Committee Chairperson



Dr Kedibonye Thompson
Head of Unit
- Macroeconomics and
Development



Ms Boitumelo Wadikonyana
Manager, Human Resources
and Administration



Ms Bangwe Siwawa - Moepeng
Manager, Finance



Ms Poloko Ntokwane
Manager, Knowledge
Management & Dissemination



Mr Moemedi Madisa
Manager, Information
Communication Technology



Ms Winnie Tirelo
Programme Coordinator

5.0 GOVERNANCE



BIDPA is governed by a Board of Trustees supported by subcommittees namely the; Finance, Risk and Audit, Human Resource, and Research sub committees. The governance structure ensures alignment with King IV principles, ethical leadership, and strategic oversight.

Application of King IV by the institute

Principle 1

THE GOVERNING BODY SHOULD LEAD ETHICALLY AND EFFECTIVELY.

The Board collectively and individually commits to ethical and effective leadership in guiding BIDPA's strategic direction and governance. Board members adhere to a Board Charter and a Board Code of Ethics that set expectations for integrity, accountability, and responsible oversight.

At every meeting, members declare interests to ensure transparency. Independent biennial Board performance evaluations further support continuous improvement in governance and leadership culture. The last independent Board evaluation was conducted in 2024. There were no ethics breaches recorded this year. BIDPA is yet to put in place whistle blowing mechanisms to protect and ensure integrity.

Principle 2

THE GOVERNING BODY SHOULD GOVERN THE ETHICS OF THE ORGANISATION IN A WAY THAT SUPPORTS THE ESTABLISHMENT OF AN ETHICAL CULTURE.

BIDPA is committed to cultivating and sustaining an ethical organisational culture. The Board provides oversight over organisational ethics through the Human Resource Committee, which monitors the implementation of ethical standards incorporated within the Institute's Conditions of Service. Although the comprehensive Organisational Ethics Policy is still under development, ethical expectations and behavioural standards are already embedded in existing policies and practices. Board & Committee members are inducted upon joining the structures to introduce them to the ethical culture and expectations of the institute.

To reinforce ethical leadership at governance level, the Board has approved a Code of Ethics for the Board and its subcommittees, which guides members' conduct, ensures adherence to fiduciary duties, and promotes integrity, transparency, and accountability.

Principle 3**THE GOVERNING BODY SHOULD ENSURE THE ORGANISATION IS AND IS SEEN TO BE A RESPONSIBLE CORPORATE CITIZEN.**

BIDPA recognises its role as a responsible corporate citizen and integrates the triple bottom line (economic, social, and environmental considerations) in its pursuit of value creation. The Institute has developed compliance monitoring tools to ensure adherence to legal and regulatory obligations, reinforcing responsible governance and accountability. The compliance register is regularly shared with the FRAC and the Board. The future plan is for the Board to monitor corporate citizenship indicators, including stakeholder engagement, research impact, staff welfare, and community service. BIDPA's research outputs and advisory services contribute to national development priorities and are reported annually.

BIDPA promotes responsible corporate citizenship through policies and practices that uphold legal compliance, fair labour processes, environmental responsibility, and socio-economic contributions. No penalties have been levied on the institute for noncompliance. The Board will in the following year adopt ESG framework which should further strengthen BIDPA's corporate citizen responsibility.

Through our Corporate Social Responsibility initiative, BIDPA continues to promote educational excellence by sponsoring the Hunhukwe Primary School Prize Giving exercise aimed at motivating learners to strive for better results.

The Institute also provides annual hampers to employees of the private security and cleaning companies that support its operations.

Principle 4**THE GOVERNING BODY SHOULD APPRECIATE THAT THE ORGANISATION'S CORE PURPOSE, ITS RISKS AND OPPORTUNITIES, STRATEGY, BUSINESS MODEL, PERFORMANCE AND SUSTAINABLE DEVELOPMENT ARE ALL INSEPARABLE ELEMENTS OF THE VALUE CREATION PROCESS.**

BIDPA recognises that its core purpose, strategic objectives, risks, and opportunities are intrinsically linked to the process of creating sustainable value for stakeholders. In June 2025, the Board approved a new, stakeholder-oriented Strategic Plan, which aligns with National Vision 2036 and reflects the Institute's mandate to contribute to evidence-based policy development.

The strategic plan aligned with the Institute's mandate and national development agenda, is operationalised through individual performance contracts, ensuring that each staff member's objectives are directly aligned with the organisation's overarching strategy. This approach strengthens accountability and enables measurable contributions to strategic outcomes. In future, Strategic performance will be monitored quarterly, supported by risk assessments and operational reporting. The strategy integrates financial sustainability, research excellence, institutional strengthening, ensuring a holistic and stakeholder-focused approach to value creation. BIDPA communicates performance, outcomes, and material matters through annual reports.

Principle 5**THE GOVERNING BODY SHOULD ENSURE REPORTS ENABLE STAKEHOLDERS TO MAKE INFORMED ASSESSMENTS OF THE ORGANISATION'S PERFORMANCE IN THE SHORT, MEDIUM AND LONG TERM PROSPECTS.**

In line with its commitment to enhanced accountability and value creation, the Board has adopted integrated reporting as the primary framework for communicating organisational performance which is aligned with national requirements and international best practice in transparency. In the coming year, BIDPA will transition to an Integrated Report, providing a holistic view of strategy, governance, performance, value creation, and sustainability practices. The report will reflect how BIDPA's activities, risks, opportunities, and resources interact to create value for stakeholders in the short, medium and long term.

Principle 6

THE GOVERNING BODY SHOULD SERVE AS THE FOCAL POINT AND CUSTODIAN OF GOVERNANCE IN THE ORGANISATION.

The Board fulfills the role of custodian of governance, guided by a Board Charter that outlines duties, authority, and responsibilities. It oversees strategy implementation, governance, risk, ethics and internal controls. The Charter is reviewed every three years to ensure continued alignment with governance best practice, legislative requirements, and BIDPA's evolving strategic context. The Board is supported by committees which are the Finance, Risk & Audit, Human Resources, Research committees, each operating under approved Charters by the Board.

The Board assumes ultimate accountability for BIDPA's performance, governance, and ethical culture, and acts as the custodian of good corporate governance within the Institute. In support of this role, the Board adopted King IV as its governance code during the year under review, reinforcing its commitment to transparent, responsible, and ethical governance practices.

The Board monitors organisational performance and ensures accountability through structured reporting from Management. Management provides quarterly reports to Board subcommittees and to the Board, enabling effective and robust oversight of strategy implementation, financial performance, compliance, and operational activities. All these mechanisms support sustainable value creation and align with expectations of stakeholders.

The charter dictates that the Board should hold four statutory meetings, and three meetings were held.

Principle 7

THE GOVERNING BODY SHOULD COMPRISE THE APPROPRIATE BALANCE OF KNOWLEDGE, SKILLS, EXPERIENCE, DIVERSITY, AND INDEPENDENCE FOR IT TO DISCHARGE ITS GOVERNANCE ROLE AND RESPONSIBILITIES EFFECTIVELY.

The composition of the BIDPA Board is defined by the Institute's founding legal instrument, the Deed of Trust, which prescribes an institutional representation model to ensure balanced oversight and alignment with national development priorities. The Board is constituted entirely of non-executive members drawn from key institutions being; Bank of Botswana, Ministry of Finance, Ministry for State President, University of Botswana, and Business Botswana, thereby strengthening independence and objectivity in governance.

Board tenure is staggered and monitored, ensuring continuity, orderly succession, and preservation of institutional memory, all essential elements of sustainable value creation.

Collectively, the Board and its subcommittees possesses a comprehensive blend of skills, experience, and technical expertise including human resources, information technology, finance, research, economics, strategy, corporate governance, and public policy, strengthening the depth and quality of Committee & Board deliberations to guide the Institute effectively in fulfilling its mandate.

Through this balanced, diverse, and skills-rich governance structure, BIDPA ensures that its Board composition supports responsible leadership, informed oversight, and long-term value creation in line with integrated reporting principles. The institute is in the process of reviewing the legal documents where Board membership will no longer be institutional based.

Principle 8

THE GOVERNING BODY SHOULD ENSURE THAT ITS ARRANGEMENTS FOR DELEGATION WITHIN THE GOVERNING BODY PROMOTE INDEPENDENT JUDGMENT, AND ASSIST WITH BALANCE OF POWER AND THE EFFECTIVE DISCHARGE OF ITS DUTIES.

To support effective governance and ensure balanced oversight, the Board has established three specialised subcommittees: the Finance, Risk and Audit Committee, the Human Resource Committee, and the Research Committee. Each committee is composed of three independent Board members and two independent subject-matter experts, ensuring a strong blend of governance oversight and technical expertise. This structure strengthens independent judgment and enhances the quality of committee deliberations and recommendations.

Each committee operates in terms of a formally approved Committee Charter, which outlines delegated responsibilities, reporting obligations, authority limits, and governance expectations. These charters are reviewed and approved by the Board to ensure alignment with best-practice governance principles and the Institute's strategic objectives.

The committees, particularly the Finance Risk and Audit Committee meet quarterly and provides detailed reports to the Board, enabling informed decision-making and effective monitoring of strategic performance, governance, financial stewardship. Delegation to committees supports integrated thinking, enhances governance efficiency, and ensures that the Board remains focused on its core fiduciary duties while retaining overall accountability.

Principle 9**THE GOVERNING BODY SHOULD ENSURE EVALUATIONS SUPPORT CONTINUED IN PERFORMANCE AND EFFECTIVENESS.**

BIDPA is committed to continuous governance improvement through regular, independent performance evaluations of the Board and its leadership structures biennially. The most recent externally facilitated Board assessment was conducted in November 2024, evaluating the effectiveness of the Board, its subcommittees, the Chairperson, and individual members.

This independent assessment, performed every two years, provides objective insights into governance strengths, gaps and areas requiring enhancement. The findings inform targeted interventions to strengthen Board effectiveness, governance processes, and overall institutional performance.

The Board is actively addressing the gaps identified during the assessment, with progress monitored to ensure that the recommended improvements translate into enhanced governance capability. Through this structured evaluation process, BIDPA ensures that its governance structures remain effective, responsive, and aligned with best practice and long-term stakeholder expectations.

Principle 10**THE GOVERNING BODY SHOULD ENSURE THAT THE APPOINTMENT OF, AND DELEGATION TO MANAGEMENT CONTRIBUTE TO ROLE CLARITY AND THE EFFECTIVE EXERCISE OF AUTHORITY AND RESPONSIBILITIES.**

Management is responsible for day-to-day operations and implementation of strategy. The Board appoints and delegates authority to the Executive Director. The Board ensures effective delegation to management by linking unit-level performance objectives to the Institute's overarching strategy. Each organisational unit signs performance contracts derived from its annual plan, cascaded from the Strategic Plan. Implementation of these plans is reviewed and monitored semi-annually and at year-end, enabling management accountability and measurement of progress.

The Board receives regular performance reports, providing oversight and insight into operational execution. While formal oversight of the Executive Director's performance through the Human Resource Committee is yet to be fully implemented, mechanisms are in place to ensure that accountability, role clarity, and effective exercise of authority are embedded throughout management structures.

Principle 11**THE GOVERNING BODY SHOULD GOVERN RISK IN A WAY THAT SUPPORTS STRATEGIC OBJECTIVES.**

BIDPA has established risk management structures to systematically identify, assess, and manage risks that may affect the achievement of its strategic objectives. The Institute recently resuscitated its risk management function, strengthening the framework for proactive oversight and mitigation. The Finance, Risk & Audit Committee will oversee risk governance, ensuring alignment with strategy and emerging issues. By embedding risk governance into strategic and operational planning, BIDPA will ensure that risk management is integrated with value creation, supports sustainable development, and contributes to transparency and accountability. Management will align the risk register with the new strategy.

Principle 12**THE GOVERNING BODY SHOULD GOVERN TECHNOLOGY AND INFORMATION APPROPRIATELY**

BIDPA, as a knowledge-based institute, recognises information and technology as strategic assets fundamental to achieving its research mandate, operational effectiveness and long-term sustainability. The Finance, Risk and Audit Committee (FRAC) provides oversight to ensure information and technology governance supports the institute in setting and achieving its strategic objectives.

The FRAC oversees the alignment of IT strategy with institutional goals, ensuring that information assets are safe guarded, and the institute maintains effective controls over cybersecurity, data privacy and the integrity of information systems.

Principle 12 continue...

The institute maintains disaster recovery and business continuity measures to ensure resilience of critical systems, continuity of research operations, and protection of organisational knowledge in the event of disruptions.

Through FRAC, the governing body continuously monitors information and technology governance practices, ensuring that they remain responsive to emerging risks, regulatory developments and opportunities arising from digital transformation.

BIDPA's Knowledge Management Unit ensures transparent and accessible communication with stakeholders using digital technology. A structured dissemination ensures consistency and impact in stakeholder communication.

Principle 13

THE GOVERNING BODY SHOULD GOVERN COMPLIANCE WITH APPLICABLE LAWS AND ADOPTED, NON-BINDING RULES, CODES AND STANDARDS IN A WAY THAT SUPPORTS THE ORGANISATION BEING ETHICAL AND A GOOD CORPORATE CITIZEN.

BIDPA recognises that compliance risk is a material risk that can affect the Institute's ability to achieve its strategic objectives and remain a responsible corporate citizen. Accountability and responsibility for compliance risk management rest with the Board, which provides strategic oversight to ensure that legal, regulatory, and policy obligations are met consistently.

To strengthen compliance governance, BIDPA has developed a centralised compliance management tool that tracks obligations, monitors adherence, and ensures accountability across all units. Oversight of compliance performance is delegated to the Finance, Risk and Audit Committee (FRAC), which reports regularly to the Board on emerging compliance risks, mitigation measures, and adherence to statutory and internal requirements.

This structured approach ensures that compliance governance is integrated with risk management, ethical conduct, and value creation, supporting BIDPA's status as a responsible corporate citizen and enabling transparent reporting to stakeholders. There has not been any compliance breaches recorded in this financial year.

Principle 14

THE GOVERNING BODY SHOULD ENSURE THAT THE ORGANISATION REMUNERATES FAIRLY, RESPONSIBLY AND TRANSPARENTLY SO AS TO PROMOTE THE ACHIEVEMENT OF STRATEGIC OBJECTIVES AND POSITIVE OUTCOMES IN THE SHORT, MEDIUM AND LONG TERM.

BIDPA's remuneration policies and practices are designed to be transparent and aligned with the Institute's performance, values, and strategic objectives, supporting both staff motivation and organisational effectiveness. Remuneration structures aim to reward contribution, accountability, and alignment with BIDPA's mandate of generating evidence-based policy insights.

Despite these efforts, the Institute faces ongoing challenges in attracting and retaining talent, primarily due to financial constraints resulting from the founder's limited capacity to fully resource the organisation. Fair and competitive remuneration remains constrained under current funding models. The remuneration policy is yet to be approved by the Board. The institute applies a performance management system where staff are rewarded based on performance.

To address these challenges and ensure sustainable human capital management, BIDPA continues to diversify its revenue base, seeking additional funding streams to strengthen financial sustainability and enable fair remuneration practices. These initiatives support the alignment of human resource strategies with long-term strategic objectives, ensuring that BIDPA can retain critical skills and knowledge while promoting responsible stewardship and value creation for stakeholders.

Principle 15

THE GOVERNING BODY SHOULD ENSURE THAT ASSURANCE SERVICES AND FUNCTIONS ENABLE AN EFFECTIVE CONTROL ENVIRONMENT, AND THAT THESE SUPPORT THE INTEGRITY OF INFORMATION FOR INTERNAL DECISION-MAKING AND OF THE ORGANISATION'S EXTERNAL REPORTS.

BIDPA ensures the integrity of information and effectiveness of controls through robust internal and external assurance mechanisms. The Institute has outsourced internal audit services to PricewaterhouseCoopers, providing the Board with independent and objective assurance over financial, operational, and compliance processes. These services support informed decision-making and strengthen governance oversight.

In addition, BIDPA engaged reputable external auditors, being Grant Thornton, to conduct annual audits. Audit findings and the resulting report are submitted to the FRAC and the Board and shared with government. This process ensures transparency, accountability, and confidence among stakeholders regarding the Institute's financial and operational performance.

Internal & External audit findings forms a permanent agenda item for the FRAC. This ensures monitoring of mitigation measures implemented by Management against the identified risks. This year, there was one external audit finding.

Principle 16

IN THE EXECUTION OF ITS GOVERNANCE ROLE AND RESPONSIBILITIES, THE GOVERNING BODY SHOULD ADOPT A STAKEHOLDER-INCLUSIVE APPROACH THAT BALANCES THE NEEDS, INTERESTS AND EXPECTATIONS OF MATERIAL STAKEHOLDERS IN THE BEST INTERESTS OF THE ORGANISATION OVER TIME.

BIDPA recognises that stakeholders are critical to the Institute's ability to create sustainable value and to fulfilling its mandate of providing evidence-based policy advice. The Board has approved a Stakeholder engagement policy to guide a more strategic and coordinated approach to stakeholder relations, with the objective of establishing a centralised stakeholder engagement model across the Institute. BIDPA was able to engage stakeholders on their expectations and in turn developed its strategy to respond to stakeholder expectations. The institute has dedicated personnel tasked with managing stakeholder relationships and ensuring ongoing, meaningful engagement.



**Botswana Institute
for Development
Policy Analysis**

providing evidence-based
socio-economic policy advice
and related capacity
building

6.0 BIDPA STRATEGY

The BIDPA Strategic Plan outlined a focused agenda to strengthen the Institute's role as a premier advisor to Government on evidence-based socio-economic policy. Central to the strategy was enabling effective policy making by ensuring national decisions are informed by high-quality research aligned with Vision 2036, NDP 11 and national development priorities. To deliver this, BIDPA adopted three overarching strategic goals:



Increasing the number of evidence-based policies supporting effective policy making and management



Improving public and stakeholder perceptions of BIDPA's research quality



Expanding participation of non-state actors and enhancing public officials' capacity in policy processes

To achieve these goals, BIDPA committed to improving the quality, relevance and visibility of its research through a strengthened quality assurance process, increased publication output and expanded dissemination via digital platforms and policy forums. The strategy further prioritised stronger stakeholder engagement through needs assessments, customer feedback mechanisms and a structured engagement plan targeting Government, non-state actors and development partners. BIDPA also sought to deepen national policy capability by delivering targeted training programmes for public officials and non-state actors.

Internally, the plan emphasised strengthening governance, project management, and administrative systems, alongside the full implementation of Monitoring & Evaluation and Enterprise Risk Management frameworks. Organisational development centred on cultivating a high-performance culture through improved HR policies, leadership development and enhanced technical competencies, with particular focus on attracting and retaining skilled research staff. Financial sustainability was to be supported by maintaining core government funding while diversifying revenue streams and improving cost management.

Collectively, the strategy positioned BIDPA to operate as a more effective, efficient and influential policy think tank—capable of producing high-quality research, shaping national policy debates, building public sector capacity and contributing meaningfully to Botswana's socio-economic development.

DURING THE YEAR 2024/25 BIDPA COMMENCED THE PROCESS OF DEVELOPING A NEW STRATEGIC PLAN FOR THE NEXT FIVE YEARS.

7.0 KEY ACHIEVEMENTS FOR 2024/2025

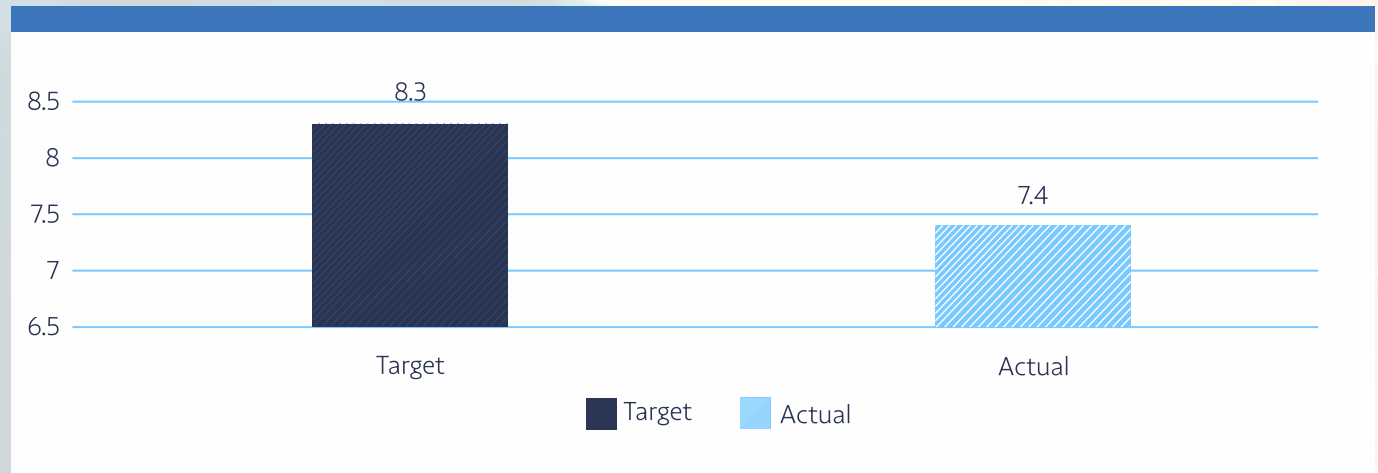
Research Output Performance for 2024/25

1. Performance Against the Plan

1.1 Income Generation

Figure 1 illustrates that P7.4m was generated against a target of P8.3m, representing an 89% achievement.

2. Figure 1: Project Income Generation: 2024/25



The details of the income-generating projects are as follows.



01

PROJECT:
Consultancy Services to Conduct a Study on Tourism Leakages in Botswana.

Client:
Botswana Tourism Organisation.

The project has been completed.



02

PROJECT:
Assessment of an Enabling Environment to Fast Tracking Renewable Energy Transition in Botswana

Client:
European Climate Foundation (ECF)

The project has been completed.



03

PROJECT:
Review of the Revised 2002 Policy on Rural Development and Production of a New Policy.

Client:
Ministry of Local Government and Rural Development.

The project has been completed.



04

PROJECT:
Review of the Rural Development Council Mandate and Committee.

Client:
Ministry of Local Government and Rural Development.

The project has been completed.



2.2 SUPPLY-DRIVEN RESEARCH

Supply-driven research is undertaken by BIDPA researchers on key policy issues, and it leads to publications such as working papers, policy briefs, book chapters, and journal articles.

Table 1: Supply Driven Research Against the Plan

Product	Target	Actual	Remarks
Working papers	5	2	40%
Journal Articles	3	8	266%
Policy Briefs	5	2	40%
Chapters	2	3	150%
Budget Briefs	1	2	200%

8.0 BUSINESS MODEL

“BIDPA funds its operations through government subvention, carrying out consultancy work for government & government agencies, private sector, developmental partners and the Civil society and through capacity building initiatives.”

The purpose of the institute is to inform and influence public policy through high-quality, evidence-based socio-economic research, policy analysis, capacity building and advisory services that contribute to Botswana's sustainable development.

BIDPA's business model therefore centres on delivering high-quality policy research, advisory services, monitoring the economy, capacity building, and outreach through strategic partnerships. BIDPA funds its operations through government subvention, consultancy work for government & government agencies, private sector, developmental partners and the civil society and through capacity building initiatives.

BIDPA converts knowledge and stakeholder engagement into policy insights that inform and improve public decision-making. The value created is both intellectual (research-based evidence) and developmental (impact on national policies and programs).

BIDPA creates value through:



Research
outputs



Policy
influence



Advisory
services
to government,
private sector
& civil society



Capacity
building on
research, policy
development
& management



Stakeholder
engagement



Demand
driven
research



Capital (input, output & impact) that are used to create value

1. Financial Capital

Input:

BIDPA's financial resources include government subvention, donor funding, consultancy income from government, other stakeholders, development partners, and project grants from development partners such as African Capacity building Foundation (ACBF), World Bank, UNDP, UNICEF, AfDB and others.

Activities:

Funds are allocated efficiently to support research, policy analysis, stakeholder engagement, capacity building and institutional development. Sound financial management systems, including strict adherence to regulatory and statutory requirements like BAOA and King IV standards, PPRA, the Master of the High Court to ensure transparency and accountability.

Output / Outcome:

BIDPA has existed for 30 years due to sustainable funding base, has had unqualified audits for over three decades, and effective resource utilization leading to trust from government and donors. Research output, journals, policy advice, trained researchers and capacity building

Risks:

Limited income sources and delayed payments.

2. Human Capital

Input:

The BIDPA establishment has a staff complement of 44 staff members. The research cadre comprise a multi-disciplinary team of highly qualified researchers with 9 PhDs (5 men and 4 women), and currently the overall structure has 24 women and 10 men. This dedicated team of researchers and support staff have diverse skills to address emerging economic issues. Staff benefit from life and health insurance. Continuous support for short courses is done while PhD sponsored training has been suspended, and staff are encouraged to seek alternative sponsorships.

Activities:

Staff undertake high-quality policy research, data analysis, and capacity building. Even though the institute believes in investing in leadership and digital skills development to ensure future skills readiness, there is still limited funding to pursue the initiatives. The institute continues to find more innovative ways to implement those including online training for staff. BIDPA operates a performance management system that ensures recognition of effort and motivation of staff to deliver quality work.

Output / Outcome:

Empowered professionals producing rigorous, evidence-based policy insights that influence national and regional decision-making, productivity, and retention support long-term institutional sustainability. This year three staff members returned from their PhD studies, Two were sponsored by BIDPA while the third had sought sponsorship from development partners.

Risks

Brain drain due to uncompetitive remuneration packages and limited career progression.

3. Intellectual Capital**Input:**

BIDPA's rich knowledge base, institutional experience, research methodologies, and strategic partnerships with regional and global think tanks that have been nurtured and developed over time. Regarding human capital, the skills and experience developed and acquired overtime. Structural capital like data collection and methodologies.

Activities:

Research policy advice to government. Production of policy briefs, research working papers, thematic studies, and dialogue sessions that generate and share knowledge with stakeholders. Implementation of a knowledge management system to preserve institutional memory.

Output / Outcome:

Increased thought leadership and credibility as Botswana's premier policy research institution. Enhanced influence on public policy, governance, and socio-economic development. Development of Journals, working papers and conducting public forum activities and dialogues.

Risks:

Brain drain and limited funding for PhD studies.

4. Social and Relationship Capital

These are relationships of the institute with groups of stakeholders to create value in the short medium and long term.

Input:

Strong relationships with government ministries, the private sector, academia, civil society, and international partners such as ACBF, FANRPAN, WORLD BANK and UNDP.

Activities:

Collaborative research partnerships and joint proposals, policy dialogues, demand driven research and advisory services. Active participation in national development frameworks (e.g., Vision 2036, NDPs, National budget).

Output / Outcome:

Enhanced trust and visibility of BIDPA as a neutral, credible policy advisor. Strengthened partnerships that facilitate funding, information exchange, and impact scaling.

Risk:

Overemphasis on income generation may detract from relationship building with other stakeholders and limit opportunities for strategic collaboration, essential for long term institutional relevance and impact

5. Manufactured Capital

Manufactured or physical assets used for the production of goods and services.

Input:

Physical infrastructure, own building, research facilities, digital systems, and ICT tools that support BIDPA's operations and data-driven research.

Activities:

Maintenance and modernization of office infrastructure, two research vehicles were purchased to bring the fleet to four vehicles, digitalisation of data collection tools, and administrative processes. Digitization of Research processes. All these are meant to facilitate delivery of quality research.

Output / Outcome:

Improved operational efficiency, cost control, and safer more effective field research capabilities that support project delivery. Increased adoption of digital platforms supporting automation of processes to drive efficiency.

Risks:

Limited resources to further digitise other admin processes, and fully digitised research data collection and processing.

6. Natural Capital**Input:**

Responsible use of natural resources in operations, energy, water, and materials, guided by environmental awareness.

Activities:

Implementation of environmentally conscious practices in paper use. Integration of sustainability principles into research themes (e.g., food security, climate resilience), dedicated research unit dealing with environmental issues.

Output / Outcome:

Reduced environmental footprint, promotion of sustainable policies & recommendations, and contribution to Botswana's and Africa's green growth agenda through research. Reduced use of paper due to digitisation. Research that examines how natural resources could contribute to economic growth.

Risks:

Transitioning requires additional funding which may not be readily available.

Value Creation Logic

Through the effective combination of these six capitals, BIDPA:

- Produces knowledge and policy solutions that inform evidence-based decision-making.
- Strengthens institutional governance and sustainability.
- Contributes to national development priorities, ESG and the UN Sustainable Development Goals (SDGs).

7.2 Future Resource Allocations

Capital	Key Assets / Strengths	Challenges / Risks	Strategic Opportunities/Resource Allocation
Financial Capital; Funds available to support operations and growth	Grants, donor support, consulting income. Government 80% Grant Consultancies- 20% Interest 2%	Limited income sources, delayed payments to fund the strategy. Stagnant Government grant.	Diversify income sources, offer paid services like Training
Intellectual Capital Knowledge-based assets including research, systems, and methodologies	High-quality research, expert staff, data systems. Dedicated knowledge management systems, Cybersecurity	Reduced research capacity Risk of knowledge loss, Loss of specialised policy knowledge	Improve Knowledge Management systems and repositories, promote outputs more widely. Dissemination workshops Improve conditions of service
Human Capital- Skills, experience, and motivation of employees.	Dedicated and experienced researchers, PhD and internal training. Currently 15 researchers with PhD and masters degree. 3 additional PhDs completed their studies bringing the total number of PhDs to 9 SHEQ- BIDPA committed to providing and protecting employees wellness, health and safety. SHEQ policy developed. All staff supported for medical aid & insurance. Annual short term training availed to staff	Capacity gaps in digital tools, inability to retain & attract talent. Sponsorships for PhD no longer available, however staff encouraged to seek alternative sponsorship. Limited research outputs policy influence Increased workload on remaining staff	Upskill workforce with future skills, incentivize performance. Enhance SHE in the workplace strengthen employee value proposition .
Social and Relationship Capital -Relationships with stakeholders including government and partners	Strong ties with government and academic institutions. Dedicated personnel for stakeholder engagement. Quality service. Signed memorandum of agreement with different partners	Limited visibility, and slow uptake of research outputs.	Leverage IT webinars/podcasts to build partnerships, disseminate information and engage stakeholder dialogues. More aggressive on collaborations & partnerships
Manufactured Capital Physical assets such as buildings, vehicles, and equipment.	Research vehicles, ICT infrastructure. Digitisation, BIDPA recently restored structural defects on the building to bring it to a more conducive status. Purchased two research vehicles using bank facilities Digitizing data collection without compromising on quality.	Inefficient use of resources Aging equipment, lack of energy backup. Cyber readiness-Security & Data privacy - Outdated or insufficient infrastructure - Technology obsolescence - Capital funding constraints	Invest in green energy and digital systems. Enhance data protection. Invest in tools for research and cloud-based collaboration platforms/cybersecurity best practices.; mine data for further research from past projects. -Ensure resource efficiency
Natural Capital - Environmental resources affected by or supporting operations.	Minimal impact; digital transformation efforts underway. Energy usage, reliance on paper. Physical data collection.	Lost opportunities on sustainable funding	Enhance sustainability practices and awareness. Integrating sustainability into operations, governance, all levels. Opportunities- Regional partnerships for ESG-focused studies;

9.0 RISKS, OPPORTUNITIES & INTERNAL AUDIT

9.1 Overview of the Internal audit plan

The primary focus of internal audit engagement is to evaluate the adequacy and effectiveness of internal controls implemented by management to mitigate the risks faced by BIDPA. Internal audit provides an independent assurance to the Board on effectiveness of internal controls.

9.2 Objectives of the internal audit plan:

- Develop an annual internal audit plan to review the areas of significant and top strategic risk to the Institute and related internal controls.
- Conduct internal audit using an internationally developed methodology in line with the International Standards of Professional Practice of Internal Auditing published by the Internal Audit Association.
- Provide recommendations to improve the adequacy and effectiveness of internal controls, risk management and

governance and provide advice to improve existing controls, processes and outputs

- Prepare recommendations to address weaknesses identified whilst also evaluating how processes can be re-engineered to ensure that the identified departments can improve efficiency and effectiveness; and
- Monitor the implementation of the said measures by conducting follow-up audits to encourage the timely resolution of identified weaknesses, and to keep track of and report on progress in this regard.

9.3 Key Risks

Key risks include funding constraints, talent retention, and shifting policy priorities. Opportunities exist in regional collaborations, digital transformation, ESG-aligned research, and diversification of funding sources. The following are identified as key risks;

NO.	Strategic Objective	Risk Description	Current Controls / Mitigation Actions (What do we currently have in place to prevent it from going wrong or detect or correct it if it does go wrong?)
1	To promote and conduct research, analysis and publication on development policy issues, which are of relevance to Botswana and the Southern African region.	Loss of senior skilled researchers	Database and outsourcing of specific work to third party research consultants. Engagement of resident/ permanent consultants for a specific time period (periodic) Diversification of income base Adopt AI/analytics, upgrade IT infrastructure, staff training - Invest in tools for research and cloud-based collaboration platforms/cybersecurity best practices.
2	To promote and conduct research, analysis and publication on development policy issues, which are of relevance to Botswana and the Southern African region.	Slow uptake of researched recommendations	Research agenda aligned to the national priorities. Increased stakeholder engagement: Proper dissemination of research output
3	To mobilize and administer funds to be used for achievement of the objectives and performance of the functions of the Institute.	Inadequate funding of institute's activities	Diversification of income base Continuous engagement with the shareholder Cost containment initiative Establish a crisis Management strategy & Team
3	Build sustainability issues in the institute's strategy	Policy irrelevance risk due to climate-ignorant research recommendations	Opportunities: Regional partnerships for ESG-focused studies; Carbon credits from digital transformation.

10.0 OUR PERFORMANCE

BIDPA's annual workplan for 2024/2025 was focused mainly around the following key areas; Improve the quality and relevance of research products and services, strengthen partnerships and engagement of development partners, Increase customer and stakeholder satisfaction, increasing visibility and access to the institute's research output, diversifying funding sources, strengthen Human Resources Capacity, Improve Administrative Processes and Improve Data & Knowledge Management.



10.0 KEY ACHIEVEMENTS MADE IN THE FINANCIAL YEAR 2024 /2025

STRATEGIC OBJECTIVE	ACTIVITY	ACHIEVEMENTS
Improve the quality and relevance of research products and services	Designing processes for quality assurance of internal publications	Anti-plagiarism software in use
	Develop a database of subject area experts to review internal publications	Completed
	Develop guidelines for responses to Invitation to Tender for Consultancies	Ongoing
Undertake relevant and responsive policy research	Working Papers	2 ↓
	Journal Articles	8 ↑
	Policy Briefs	2 ↑
	Books and Book Chapters	3 ↑
	Editorial Contributions	1 ↓
Strengthen partnerships and engagement of development partners	Active MOUs	3 ↑
	BIDPA Experts in policy taskforces, working groups and advisory Boards to provide technical support	4 ↑
	Thought Leadership Initiatives	4 ↑

STRATEGIC OBJECTIVE	ACTIVITY	ACHIEVEMENTS
Increase customer and stakeholder satisfaction	Stakeholder satisfaction index	Planned for 2026-27
	Customer satisfaction index	85% 
Increase stakeholder engagement	BIDPA initiated Policy Forums	3 
	Capacity Building workshops delivered	4 
Increase visibility and access to the institute's research output	No of validation workshops organized	2 
	Dissemination forums organized	1 
	No. of visits to the website	12, 000 
	No. of downloads from the website	10, 000 
	No. of publications distributed to stakeholders	2, 500 
	No. of media citation at BIDPA Research	12 
	No. of social media posts	48 
Diversifying funding sources	Ratio of total revenue from Demand-driven projects	20% 
	Ratio of revenue from Non-Government sources	62% 
Strengthen Human Resources Capacity	Strengthen HR policies Conditions of Service, Performance Management System, promotion guidelines, remuneration, and incentives structure)	Ongoing
	No of PhDs graduated	3 
Improve Data & Knowledge Management	No of Knowledge Sharing Forums	4 
	Develop IT Governance Framework	Planned for 2025-26
	Develop a KM Framework	Planned for 2025-26

11.0 BIDPA PUBLICATIONS



WORKING PAPERS

1. Lekobane, K.R. (2024). Factors Influencing the probability of being left behind: A multidimensional poverty approach for Botswana. BIDPA Working Paper No. 85. July 2024.
2. Khanie, G., and Gaetsewe, T. Tobacco control in Botswana: effectiveness of tax changes, by Khanie and Gaetsewe. Working Paper No. 86. In print

JOURNAL ARTICLES

1. Khanie, G. (2025). Factors influencing SMEs' access to Credit in Botswana. African Journal of Innovation and Entrepreneurship, 4(1), p. 53-73.
2. Omotoye, A. M. T., & Holtzhausen, N. (2025). Advocacy coalitions and the co-production of anti-corruption policy in Botswana: A discourse network analysis. Review of Policy Research, 00, 1-24. <https://doi.org/10.1111/ropr.1264>
3. Seleka, T. B., Obi, A., and Motsatsi, J. (2024). Competitiveness of the South African Citrus food industry in the global market and its macroeconomic determinants. Journal of Agribusiness in Developing and Emerging Economies.
4. Lekobane, K. R. and Samboma, T. A. (2024). Children with disabilities: Left behind or forgotten? Empirical evidence from Botswana using multidimensional poverty measures. Children and Youth Services Review. <https://www.sciencedirect.com/science/article/abs/pii/S0190740924005577>
5. Lekobane, K. R. and Ton, G. (2024). Does social protection reach those left behind? Empirical evidence from Botswana using multidimensional poverty approaches. Lekobane. Journal of Development Effectiveness (Taylor & Francis). May 2024. DOI: 10.1080/19439342.2024.2355635
6. Omotoye, M. A., and Natasja Holtzhausen, N. (2024). Integration of digital technologies in anti-corruption initiatives in Botswana: lessons from Georgia, Ukraine and South Africa. Transforming Government: People, Process and Policy Emerald Publishing Limited, 19(1):22-36.
7. Lekobane, K.R. and Samboma, T. (2024). Children with disabilities: Left behind or forgotten? Empirical evidence from Botswana using multidimensional poverty measures. Children and Youth Services Review.

8. Blackie, I., Gaodirelwe, I., and Masole, C. (2024). Wildlife killer instincts: Human-wildlife conflict and fatal incidents in Botswana. Cogent Social Sciences, 10:1, 2429795, DOI: 10.1080/23311886.2024.2429795

POLICY BRIEFS

1. Masole, C., Domptail, S., Fynn, R., Kolawole, O., Kadhikwa, S., and Petrick, M. (2025). Hunting trophy imports from Southern Africa: A time to reconsider the roles of stakeholders in Europe and Africa?
2. Gaodirelwe, I., Sarpong, J., Sainda, A., Ruben, L., Dhlwayo, O., Agbeli, G., Ayele, D. S., Nzuki, S., Diakite, M., and Nangula, S. (2024). The Political Economy of Land Governance in Western, Southern or Eastern Africa. Network of Excellence on Land Governance in Africa (NELGA).

CHAPTERS

1. Lekobane, K. R. Multidimensional Energy Poverty in Botswana. Paper presented at the 2021 Population and Housing Census Dissemination results in June 2024. The dissemination report was published by Statistics Botswana.
2. Lekobane, K.R. and Samboma, T. Children with Disabilities: Profiles and Characteristics, by Lekobane and Samboma. Paper presented at the 2021 Population and Housing Census Dissemination results in June 2024. The dissemination report was published by Statistics Botswana.
3. Khanie, G. (2024). Impact of Internationalisation on Firm Performance – Published in a Conference Proceedings report.

BUDGET BRIEFS

1. Omotoye, M. Effective Anti-Corruption Initiatives. No 20.
2. Mookodi, L. Enhancing social protection amidst fiscal constraints. No. 21.

12.0 BIDPA STUDIES THAT HAVE INFLUENCED GOVERNMENT DECISIONS

Although some of these studies were carried out in the last five years, some of the BIDPA recommendations were implemented during this reporting period. The studies and key recommendations are as follows;

1. STUDY ON THE ECONOMIC CONTRIBUTION OF COPYRIGHT INDUSTRIES IN BOTSWANA

Key Findings of the 2019 Study

- Conducted by BIDPA, the study assessed the economic contributions of copyright-based (creative) industries in Botswana using 2016 data.
- It found that in 2016, these industries contributed **5.46% of GDP, 2.66% of total employment, 1.28% of exports, and 3.47% of imports.**
- In comparison, they contributed more than sectors like water & electricity (0.3%), agriculture (2%), and nearly matched or surpassed manufacturing (5.2%)

Decisions Based on the Outcomes of the Study

i. Launch of the levy on technical devices fund (ITDF) and increased funding

- The LTDF, established under the Copyright and Neighbouring Rights Act, channels levies from devices into creative industry development
- Motivated by the study's findings, the government significantly ramped up LTDF investments:
- **In 2023**, funding approvals for 80 projects reached over **P60 million**, distributed across film, music, publishing, animation, and more
- By early **2025**, approximately **89 projects** were funded with over **P66 million** committed
- These investments explicitly aim to grow the creative economy, increase employment, and support diversification away from traditional economic sectors

ii. Strengthened IP enforcement and regulatory support

- Enforcement has become more robust, with seizures of over P1.4 million worth of counterfeit items in early 2025—punctuating the seriousness of IP protection
- The 2025 budget underscored IP's role as an economic driver, with plans to weaken monopolies across sectors and promote trademark and copyright registrations—creating new opportunities for local creatives.

iii. Efforts toward digital monetisation and support for creators

- Legal gaps, particularly in digital monetization, were highlighted in 2025 by professionals pointing to outdated copyright laws and limited enforcement tools; Botswana currently has only one Collective Management Organization, COSBOTS
- In response, the government has entered negotiations with platforms like Google, TikTok, and Meta to enable monetization for Botswana's content creators—a direct push toward aligning digital policy with economic realities

iv. Regional cooperation and cultural policy re-evaluation

- Botswana ratified the UNESCO 2005 Convention in 2020 and, by 2024, submitted its first Quadrennial Periodic Report based on participatory consultations. This report used updated analysis to pinpoint opportunities for policy reforms, especially in digital access and cultural participation.
- The study's stats also fed into regional IP dialogues. For example, Botswana has participated in ARIPO-led efforts to establish a central database for voluntary registration of creative works, aimed at improving access, protection, and dispute resolution regionally

Summary	Action Taken
Funding for Creativity	Major LTDF investments (P60m+ in 2023; P66m+ in 2025) targeted at creative sectors.
IP Enforcement & Regulation	Stronger crackdowns on counterfeits and pro-creator IP frameworks.
Digital Monetisation Support	Talks with global platforms to enable content creators to earn revenue.
Regional Cultural Alignment	UNESCO QPR processes and ARIPO coordination to boost visibility and protection.

Overall, the 2019 study acted as a powerful piece of evidence, demonstrating the substantial economic weight of copyright-based industries and inspiring a range of policy actions—from funding and enforcement to international cooperation and digital transformation.

2. ASSESSMENT OF INVESTMENT OPPORTUNITIES WITHIN THE MANUFACTURING SECTOR IN BOTSWANA

BIDPA conducted a comprehensive review of employment, output, and trade data in key manufacturing subsectors. It also assessed the existing policy and regulatory environment, identifying both supply-side and demand-side constraints affecting export-oriented SMMEs (Small, Medium & Micro Enterprises)

Key insights included:

- Financing difficulties: Manufacturing firms frequently cited insufficient finance as a major obstacle—and that CEDA's current support structure wasn't tailored to the sector's specific needs.
- Sector-specific policy gaps: The manufacturing sector lacked dedicated institutional backing within development finance frameworks.
- Underleveraged policy frameworks: While several policy documents (e.g., National Trade Policy, National Export Strategy, National Entrepreneurship Policy, and Vision 2036) support manufacturing development, implementation gaps persist.
- Need for capacity building: Recommendations included designing tailored support interventions, building institutional capacity (especially within CEDA), and enhancing partnerships with government

Decisions based on the outcomes of the study

CEDA's Strategic Focus

- The study's recommendations for sector-sensitive financial models appear aligned with calls for CEDA to better adapt its support to manufacturing SMMEs—a shift acknowledged in broader discussions around SME support.
- Discussions around collateral flexibility and credit access also reflect the study's framing that manufacturing firms need differentiated support instruments.

Study Summary	Action Taken
CEDA Policy Adjustment	Reinforced calls for tailored finance and institutional capacity for manufacturing SMMEs.
Policy Dialogues & Sector Strategy	Provided evidence for multi-stakeholder dialogue on prioritized manufacturing development via national plans and Vision 2036.
Institutional Setup & Think-Tank Role	Strengthened the basis for evidence use in policy, even while direct links remain implicit.

3. DECENTRALIZATION POLICY OF BOTSWANA

Background:

Botswana's decentralization policy was introduced to promote local governance, improve service delivery, and foster participatory development. The goal was to devolve power from the central government to local authorities, enabling communities to have a say in their own development.

Key Features of the Policy:

- Establishment of District Councils and local government structures.
- Transfer of administrative and financial responsibilities to local authorities.
- Encouragement of community participation in decision-making processes.

Influence

- Shift Towards Local Governance: Botswana transitioned from a highly centralized governance system to one that empowers local government units.
- Improved Service Delivery: Decentralization led to policies focusing on tailoring services to local needs, improving efficiency in sectors like education, health, and infrastructure.
- Resource Allocation: The policy shift included more equitable distribution of resources across districts, reducing regional disparities.
- Increased Accountability and Transparency: Local authorities became more accountable to their communities, influencing broader governance reforms.
- Promotion of Participatory Democracy: Citizens' involvement in decision-making processes increased, encouraging policies that reflect grassroots priorities.

Challenges and Adjustments:

- Some initial challenges included capacity constraints at the local level and coordination issues with central government. Over time, policy adjustments were made to strengthen institutional capacity and clarify roles and responsibilities

4. TOURISM LEAKAGES IN BOTSWANA

Key Findings from BIDPA's Research

The study revealed that a substantial portion of tourism revenue in Botswana is lost due to leakages. The African Natural Resources Centre, in collaboration with BIDPA, reported that over 70% of tourism revenue is repatriated to foreign countries, primarily due to the dominance of foreign-owned entities in the sector. This situation has led to significant economic losses, with estimates suggesting that approximately P2 billion is lost annually from the tourism sector.

Policy Responses and Legislative Changes

In response to these findings, the Government of Botswana has initiated several measures to curb revenue leakages:

- **Review of the Tourism Act:** The Ministry of Environment and Tourism has commenced a review of the Tourism Act of 2009. The proposed amendments aim to compel tourists to make payments in full within Botswana, thereby ensuring that all revenue generated from tourism remains in the country.
- **Mandating Local Currency Transactions:** The government plans to mandate that all tourism-related payments be made in Botswana's local currency. This policy is intended to prevent cash outflows and maximize the economic benefits of tourism for the local population.
- **Stricter Enforcement and Penalties:** To ensure compliance, the government intends to implement stiffer fines for non-compliance and enhance monitoring of financial activities within the tourism sector.

Broader Implications for the Tourism Sector

BIDPA's research has also highlighted structural issues within the tourism sector, such as its high concentration in specific areas like Moremi and Chobe, weak linkages with other sectors of the economy, and limited diversification in tourism products. These factors exacerbate revenue leakages and hinder the sector's potential to contribute more significantly to Botswana's economy.

5. ASSESSMENT OF FORMAL AND INFORMAL SMALL MEDIUM ENTERPRISES IN BOTSWANA

A study conducted by BIDPA in collaboration with the Local Enterprise Authority (LEA) revealed that Small, Micro, and Medium Enterprises (SMMEs) contribute approximately **14% of GDP** and account for **33% of employment** in the country. Within that, the informal sector contributes about **6%**, and the formal SMMEs add another **8%** to GDP.

The study also highlighted that informal SMMEs are largely owned by **younger females with lower levels of education** and that the sector is dominated by activities like tuckshops, street vending, food catering, and ICT support.

Key challenges facing SMMEs: **limited access to finance**, regulatory barriers (especially related to trade licensing), unfavourable procurement processes, inadequate business skills, limited market access, fragmented support services, and insufficient access to commercial land

Decisions based on the outcomes of the study

Launch of a Government-Backed SMME Association

- **In June 2023**, the government, encouraged by findings like SMMEs contributing up to **75% of private sector** employment and **20% of national output**, launched a new government backed **SMME association**.
- This association is intended to strengthen **skills training**, improve capital access, and provide technical assistance for SMMEs to scale and operate sustainably

Restructuring

CEDA's reporting line was shifted from the Ministry of Finance and Development Planning to the Ministry of Trade and Industry, aligning with LEA's recommendations aimed at enhancing coordination and rationalizing the SMME ecosystem. The study served as a vital evidence base that shaped both strategic and operational policy responses in Botswana's SMME sector. It illuminated the economic significance and structural constraints of SMMEs—especially informal ones—and helped spur institutional reforms and the establishment of support mechanisms aimed at elevating the sector's contribution to national development.

Summary	Action Taken
Institutional SupportCoordination & Strategic Planning	Guided LEA's strategic direction and definition alignment across government.
Policy & Structural Reform	Led to structural changes—e.g., CEDA's realignment under Ministry of Trade and Industry.

6. EVALUATION OF SOCIOECONOMIC PROGRAMS IN BOTSWANA

The study revealed that poverty eradication efforts—particularly the Poverty Eradication Program (PEP) were largely ineffective. The evaluation cited issues such as poor project design, inadequate implementation, weak monitoring, and beneficiary disengagement.

On the other hand, a 2024 IMF report also recommends streamlining programs, adopting a unified social registry, improving targeting, moving toward cash transfers instead of in-kind benefits, and consolidating and simplifying delivery systems. The study heightened awareness of systemic inefficiencies within poverty eradication programs and prompted policymakers to rethink program design, strengthen monitoring systems, and consider structural reforms to avoid dependency and increase impact.

13.0 PUBLIC FORUMS

BIDPA as a think-tank serves as a catalyst for policy development and play a crucial role in shaping public discourse.

During the last financial year, BIDPA organized public forums to directly engage with policymakers to promote policy ideas and its recommendation. These direct engagements allow BIDPA to build relationships with policy makers, understand their perspectives and influence policy discussions.

POST BUDGET ANALYSIS

14 FEBRUARY
09:00-11:00hrs



LIVE WEBINAR

BOTSWANA'S 2025/26 BUDGET

A People-Centered, Inclusive, and Transformational Approach

SPEAKERS



Dr D. Mmopelwa
Moderator



Dr K. Thompson
(Macroeconomics)



Dr L. Mookodi
(Development Economics)



Dr P. Kebakile
(Trade Economics)

LIVE ON



Microsoft Teams



**Botswana Institute
for Development
Policy Analysis**



14.0 CAPACITY BUILDING

The Botswana Institute for Development Policy Analysis (BIDPA) extends its heartfelt congratulations to its researchers who were recently awarded doctorates, (PhDs) after successfully completing their studies.

Investing in human capital remains BIDPA's key priority. As a think tank, our capacity to produce high-quality research and evidence that responds to societal needs is at the core of everything we do. We are proud to celebrate this academic milestone and look forward to their continued contributions to research and policy analysis.

Dr Lillian Mookodi

Doctor of Philosophy (PhD) in Economics,
University of Reading (United Kingdom)

Thesis: Intergenerational Educational Mobility and the Destitution Programme in Botswana.

Dr Mookodi's doctoral research provides a comprehensive analysis of intergenerational educational mobility in Botswana. Focusing on the long-term effects of social policies on educational outcomes across generations. The thesis is structured into three key studies: (i) Intergenerational Educational Mobility in Botswana which examines the extent to which educational attainment is transmitted from parents to children, assessing the degree of mobility within the country; (ii) Three-Generational Educational Mobility in Botswana which explores how education is passed down across three generations, shedding light on the persistence of educational inequality and; (iii) Effects of the Destitution Programme on Educational Mobility in Botswana which investigates the impact of the destitution programme on the educational achievements of children from economically disadvantaged backgrounds. By integrating both primary and secondary data sources, Dr. Mookodi's research offers critical insights into the role of social protection policies in shaping educational opportunities and economic mobility in Botswana. The findings contribute to the discourse on inequality of opportunity and provide policy recommendations for fostering inclusive development. Dr Mookodi's PhD supervisors were Professor Giovanni Bazzi and Professor Simona Longhi (both from the University of Reading), while her Examiners were Dr Forhad Shapi (World Bank) and Assoc. Professor Sam Bwalya (University of Reading).

Dr Lillian Mookodi has been with the Botswana Institute for Development Policy Analysis (BIDPA) since 2012 and currently serves as a Research Fellow in the Human and Social Development Unit. Over the years, she has played a pivotal role in shaping national policies by contributing to the development of key policies such as the Poverty Eradication Policy and the National Social Protection Recovery Plan. Therefore, her research interests span a range of critical economic and social policy areas, including: Poverty & Inequality, Social Mobility & Education, Social Protection & Public Policy, Gender Development, Youth Development, Employment, Food Security, and Regional Integration. Beyond her research and policy contributions, Dr. Mookodi has experience in teaching and tutoring/mentoring, having worked with students at various levels, at the Universities of Botswana and Reading.

In addition to her PhD, Dr Mookodi holds a Master's Degree in Development Economics and Policy from the University of Manchester (United Kingdom) and a Bachelor's Degree in Social Science from the University of Botswana.



Dr Marumo Omotoye

Doctor of Philosophy (PhD) in Public Policy,
University of Pretoria (South Africa)

Thesis: Towards an advocacy coalition framework for the co-production of anti-corruption reforms in Botswana.

The thesis examines the nature and role of advocacy coalitions in shaping anti-corruption reforms in Botswana. It also analyses the key factors that either hinder or support the implementation of Botswana's anti-corruption efforts. The research proposes a policy framework to enhance collaboration, transparency, accountability, and integrity in Botswana's governance framework. The thesis was written under the supervision of Professor Natsang Hothobau. The principal findings and contributions of the study have been published in accredited international journals.

Dr Omotoye joined BIDPA in 2015 and currently holds the position of Research Fellow in the Governance and Administration Unit. He has participated in numerous strategic projects in Botswana and South Africa. These include serving as a consultant for a study commissioned by South Africa's Department of Public Service and Administration and the United Nations Development Programme aimed at repositioning the South African Public Service. Additionally, he has played a key role in the formulation and evaluation of several national policies in Botswana such as the Waste Management Policy, Decentralisation Policy, Disability Policy, Anti-Corruption Policy, and Citizen Economic Empowerment Policy. His research focuses on ethics in the public service, whistleblowing, corruption in developing states, institutional theories of corruption, the role of policy networks in combating corruption, and comparative public administration. He also holds a Bachelor's degree, an Honours degree, and a Master's degree (cum laude) in Public Management from the University of Pretoria.



Providing Evidence-Based Policy Advice

Dr Kedibonye Thompson

Doctor of Philosophy (PhD) in Economics,
(Macroeconomics and Financial Markets)
Business School, Loughborough University (United Kingdom)



Thesis: Investment Dynamics, Financial Markets, and Economic Performance in Selected African Countries.

Thompson's thesis examined the structure and price dynamics of capital markets in selected African countries and their implications for the real economy. Furthermore, the thesis analysed aggregate investment dynamics responses to financial variables in countries with relatively stable capital markets and investigated differential impact of macroeconomic variables on firm investment behaviour. This comprehensive approach aimed to provide actionable insights for policymakers to deepening the development of capital markets as well as investment growth and economic performance. Thompson was supervised by Professor Eric Pentecost and Dr Ahmad Hassan Ahmed from Loughborough University, while Professor David Fielding from Manchester University and Dr Simon Coleman from Loughborough University served as examiners.

Dr Thompson has been with BIDPA since 2011 and currently serves as a Research Fellow and Head of the Macroeconomics and Development Unit. She has contributed to the revision and development of some national economic policies, conducted impact evaluation studies, and engaged in capacity-building activities. She has also published on several topics of national importance. Her key research interests include financial systems and capital market development, macro-finance analysis, macroeconomic dynamics, sustainable growth, industry development, and economic impacts of South-South Cooperations.

In addition to her PhD, Dr Thompson holds a master's degree in international economics from Shanghai University (People's Republic of China) and a Bachelor's Degree in Finance from the University of Botswana.

To be a leading think tank in Africa, recognized for innovative, impactful research and its contribution to sustainable development.

BIDPA continues to invest in its human resources to advance research and innovation. During the 2024-25 Financial year, three employees graduated with PhDs. The more research capacity the institute has, the more likely it will be able to address the research gaps in the country.



GENDER MAINSTREAM RATIO

During the year under review, BIDPA had 33 employees, 63% female, 27% Males. Of the 33 employees, there were 9 PhD holders, 4 were females and 5 males.

Female

63%

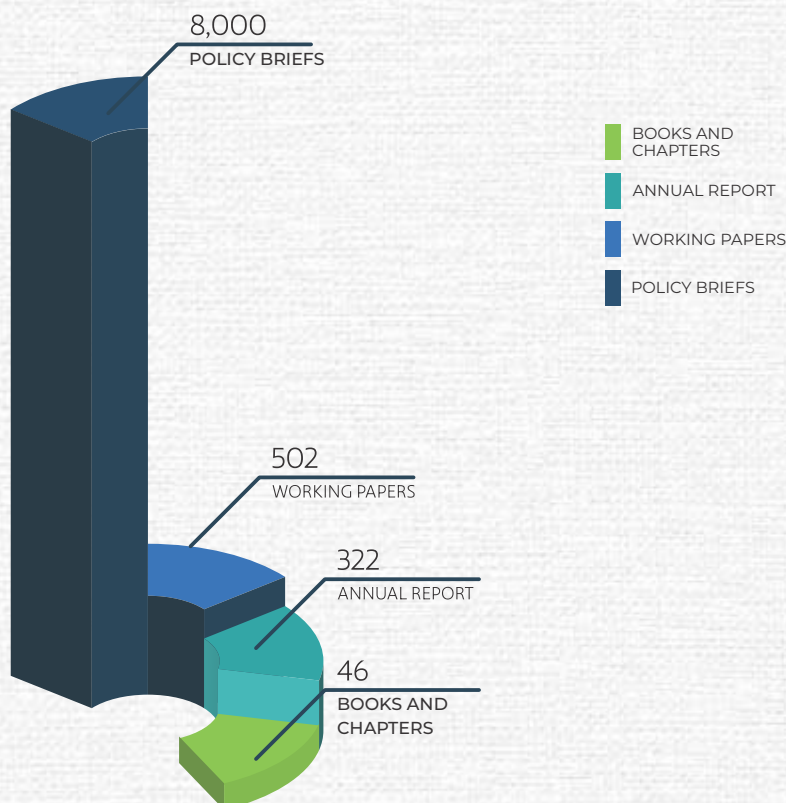
Male

27%

VISIBILITY AND OUTREACH

During the year under review, BIDPA engaged in the following to advance visibility and access to products and services. Visits to the BIDPA website; 4,000

DOWNLOADS OF BIDPA DOCUMENTS



MEDIA CITATIONS REFERENCING BIDPA RESEARCH;



Print Media articles 12



Online Publications 6



Electronic Media 12

15.0 STAKEHOLDER MANAGEMENT

BIDPA Stakeholder Categories, Their Expectations, and BIDPA's Responses



1. Government of Botswana The core funder and sponsor of BIDPA

Expectations

- High-quality, independent, evidence-based policy advice.
- Timely delivery of research outputs supporting national development priorities.
- Compliance with governance, regulatory and reporting requirements (BAOA, OP reporting, BURS, PPRA, etc.).
- Efficient use of public funds.
- Research that informs decision-making and improves service delivery.
- Transparency and accountability in institutional operations.

BIDPA's Response

- Produces policy briefs, research reports, dialogues, and advisory papers aligned with national priorities.
- Participate on ministry reference groups and offer advice as necessary.
- Produce high quality research recommendations and advise per Terms of References.
- Provides quarterly and annual reports to the Office of the President and relevant ministries.
- Implements stronger governance through King IV and risk management.
- Ensures prudent financial management, audits, and cost containment measures.
- Maintained unqualified audits for past 30 years.
- Engages reputable external and internal auditors. Currently Grant Thornton and PricewaterhouseCoopers respectively
- Participates in national task forces and consults ministries during policy formulation.



2. Private Sector, Parastatals & Industry Associations -Consumers of our research.

Expectations

- Research that supports competitiveness, economic diversification, and private sector development.
- Platforms to voice policy concerns (dialogues, conferences).
- Reliable data and insights on market trends, regulations,

productivity, and investment climate.

- Opportunities for collaboration on studies, training, and consultancy.

BIDPA's Response

- Conducts research on trade, industrial policy, productivity, and labour markets.
- Hosts high-level dialogues and consultative platforms to bridge public-private policy gaps.
- Provides consultancy services to private-sector agencies.
- Engages stakeholders during project inception, data collection, and validation.



3. Development Partners & Donor Agencies- provide funding for research.

Expectations

- Strong governance and financial accountability.
- Demonstrated research capacity and project management excellence.
- Sustainable institutional systems, integrity, and transparency.
- Impactful studies aligned with global development priorities (SDGs, climate resilience, inclusion, economic transformation).
- Efficient use of funds and accurate reporting.

BIDPA's Response

- Implements robust financial management systems donor & development partners reporting, and compliance frameworks.
- Delivers high-quality, externally reviewed research outputs.
- Aligns research themes with global development agendas and donor priorities.
- Builds trust through timely reporting and transparent procurement. BIDPA is regulated by the Public Procurement Regulatory Authority and was audited and no issues brought to management's attention.
- Dedicated resources to address collaboration and partnerships



4. Academia, Researchers & Sister Think Tanks; –Collaborating partners, content sharing platforms

Expectations

- Collaborative opportunities for joint studies, knowledge exchange, and capacity building.
- Access to high-quality data, publications, and research output.
- Participation in policy dialogues and academic forums.
- Partnership in regional and continental research networks.

BIDPA's Response

- Publishes reports, working papers, policy briefs, and academic outputs.
- Participates in regional networks (SATRN, FANRPAN, ACBF community).
- Hosts dialogues and conferences for knowledge sharing.
- Offers internship and research attachment opportunities, attachments to University of Botswana students.
- Dedicated resources
- Content sharing



5. Civil Society & NGOs –consumers of research output

Expectations

- Research that addresses social development, poverty, gender equality, governance, and welfare.
- Engagement in policy discussions to ensure inclusive decision-making.
- Access to simplified, public-friendly research outputs.

BIDPA's Response

- Conducts social and governance studies (social protection, poverty, gender, energy poverty, food security).
- Uses dialogues, publications, radio programs, and media to share findings.
- Provides evidence-based recommendations that support inclusive policy making.
- Input on studies through interviews and dialogues



6. BIDPA Employees (Researchers & Support Staff) – drive the institute mandate

Expectations

- A conducive working environment and fair remuneration.
- Professional development (PhD, training, skills upgrading).
- Job security, wellness support, and recognition.
- Transparent leadership, governance, and communication.

BIDPA's Response

- Supports PhD training and skills development in digital and analytical tools.–PhD support currently suspended, staff encouraged to source alternative scholarship.
- employee medical and life insurance, and will introduce staff performance awards in the coming year.
- Strengthens governance, performance management, and talent management. staff performance monitored every six months.
- , inclusive work environment (24 women and 10 men; equal representation in PhDs).
- BIDPA recently renovated its building to provide a conducive environment for staff



7. The Media- Dissemination of research output

Expectations

- Timely access to expert insights and information on national policy issues.
- Credible, independent commentary on public policy.
- Access to BIDPA researchers for interviews and analysis.

BIDPA's Response

- Participates in media interviews, talk shows, commentaries, and press briefings.
- Shares research findings through press statements and public communication.
- Builds strong media relations to expand reach and visibility.



8. The Public / Citizens– provide data & consume BIDPA's output

Expectations

- Access to clear, reliable information on national policies and development issues.
- Research that supports welfare, economic stability, and social protection.
- Easy-to-understand publications that inform public debate.

BIDPA's Response

- Produces public-friendly briefs, media interviews, and dissemination forums.
- Strengthens stakeholder engagement through podcasts, webinars, and public dialogues.
- Ensures national relevance through studies aligned with public welfare and development.
- Input on studies through interviews and dialogues

16.0 OUTLOOK

As BIDPA marks a strategic milestone in its institutional journey, the outlook for the Institute remains cautiously optimistic, with clear opportunities to strengthen its role as a leading public policy think tank in Botswana. We anticipate a complex fiscal environment, increased demand for evidence-based policymaking, and opportunities through regional economic blocs and digital engagement. Adaptability, digitisation and innovation remain critical to the outlook. The following highlights key outlook dimensions in the short, medium and long term.

i) Strategic Direction

BIDPA will intensify its influence on national policy discourse by aligning its research agenda with emerging national priorities, such as economic diversification, social inclusion, youth development, unemployment and the digital economy. The Institute will also explore opportunities to expand its impact across the region through collaborative research and advisory work. In the medium term, BIDPA will position itself as Botswana's ESG policy leader, leveraging digital tools to reduce environmental footprint while advancing social inclusion. In the coming year, the Institute will complete a new stakeholder focused strategic plan to ensure its operations remain responsive to the evolving external environment.

ii) Policy Relevance and National Alignment

BIDPA's continued alignment with Vision 2036 and Botswana's National Development Plans is central to its role in shaping evidence-informed policy. The upcoming 30th anniversary and planned policy conference offer timely platforms to reflect and refocus on long-standing challenges, particularly economic diversification.

III) Operational Sustainability

While the Institute has managed to secure government support, financial sustainability remains a key concern. There is a need to diversify income through project funding, consulting services, donor partnerships, and value-driven collaborations. Operational efficiency will be supported by continued digital transformation and performance monitoring.

IV) Human Capital and Capability Development

Human resources and intellectual capital remain the backbone of BIDPA's research excellence. Attraction and retention remains a challenge. The Institute will prioritize strengthening Employee Value proposition (EVP), development and retention of skilled researchers, through digital empowerment while fostering a culture of innovation, capacity-building, and high performance.

V) Governance and Reporting

BIDPA is progressing towards the adoption of sound corporate governance frameworks, including alignment with King IV, ESG initiatives, SDGs and Integrated Reporting principles. Emphasis will be placed on improved transparency, compliance, and stakeholder engagement.

BIDPA is well positioned to consolidate its influence as a strategic policy advisor to government and development partners. With a sharpened focus on sustainability, innovation, and governance excellence, the Institute's outlook reflects resilience and renewed purpose in contributing to Botswana's long-term development goals.

VI) Digitization

Digitisation will remain a key driver of BIDPA's efficiency and research excellence. The Institute will prioritise strengthening data management, expanding the use of AI enabled tools, and modernising internal processes to enhance productivity and reduce costs. Improved digital platforms will also support better information security, wider stakeholder engagement, and more effective dissemination of research. These efforts will position BIDPA as an agile, technology enabled think tank that responds to emerging policy needs.

“We anticipate a complex fiscal environment, increased demand for evidence-based policymaking, and opportunities through regional economic blocs and digital engagement.”

17.0 BIDPA CORPORATE SOCIAL RESPONSIBILITY

– Hunhukwe Primary School
(Kgalagadi District)



PROMOTING EDUCATIONAL EXCELLENCE IN BOTSWANA

Through our Corporate Social Responsibility initiative, BIDPA continues to promote educational excellence by sponsoring the Hunhukwe Primary School Prize Giving exercise aimed at motivating learners to strive for better results.

In 2023 the school achieved 74% pass rate in the PSLE for the first time in its history having performed below 50% since its establishment. Then in 2024 the school dropped back to 46%. During the year under review, 47 prizes were awarded to excelling learners from Standard 1- 7, an increase from 22 prizes the previous year.

**LET'S FOLLOW
THE STEPS OF
KINDNESS.**

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

GENERAL INFORMATION

Country of incorporation and domicile	Botswana
Nature of business and principal activities	Botswana Institute for Development Policy Analysis (the Institute) is an autonomous, non-governmental research Institute established by a trust deed (MA 16/95). It is involved in development policy analysis and capacity building in Botswana.
Acting Executive Director	Dr. G Somolekae
Trustees	Ms. G. Mosienyane Mr. D. Molobe, Mr. D.K Molaodi Dr. K.S Masalila, Ms Sajembe (Resigned January 2025)
Secretary	Dr. G Somolekae
Business address	BIDPA House, Plot 134, Millennium Office Park, Gaborone
Bankers	Absa Bank Botswana Limited, First National Bank Of Botswana Limited
Investment Banker	Bank Gaborone Limited, Botswana Savings Bank Limited
Auditors	Grant Thornton, Chartered Accountants (Member firm of Grant Thornton International limited)
Presentation currency	Botswana Pula (BWP)
Postal address	Private Bag BR 29, Gaborone, Botswana
Trust registration number	TUHGB-000189-20

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Trustees' Responsibilities and Approval

The Trustees are required in terms of the Deed of Trust (MA 216/22) to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Institute as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the Institute and place considerable importance on maintaining a strong control environment. To enable the Trustees to meet these responsibilities, the board of trustees sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Institute and all employees are required to maintain the highest ethical standards in ensuring the Institute's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Institute is on identifying, assessing, managing and monitoring all known forms of risk across the Institute. While operating risk cannot be fully eliminated, the Institute endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

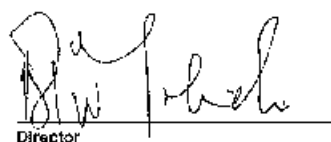
The Trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Trustees have reviewed the Institute's cash flow forecast for the year to 31 March 2026 and, in light of this review and the current financial position, they are satisfied that the Institute has or had access to adequate resources to continue in operational existence for the foreseeable future.

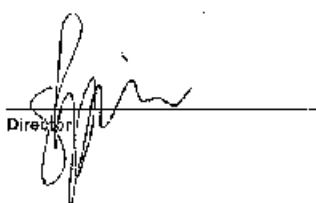
The external auditors are responsible for independently auditing and reporting on the Institute's annual financial statements. The annual financial statements have been examined by the Institute's external auditors and their report is presented on pages 50 to 51.

The annual financial statements set out on pages 61 to 80, which have been prepared on the going concern basis, were approved by the board of trustees on 11 October 2024 and were signed on their behalf by:

Approval of financial statements



Director



Director

Grant Thornton

Acumen Park, Plot 50370
Fairgrounds, Gaborone
P.O. Box 1157
Gaborone, Botswana

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[Twitter.com/GrantThorntonBW](https://twitter.com/GrantThorntonBW)

Independent Auditor's Report**To the Shareholders of Botswana Institute for Development Policy Analysis****Opinion**

We have audited the annual financial statements of Botswana Institute for Development Policy Analysis (the Institute) set out on pages 8 to 37, which comprise the statement of financial position as at 31 March 2025, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including material accounting policy information.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Botswana Institute for Development Policy Analysis as at 31 March 2025, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the Institute in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (Parts 1, 3 and 4A) (IESBA Code) and other independence requirements applicable to performing audits of annual financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the document titled "Botswana Institute for Development Policy Analysis annual financial statements for the year ended 31 March 2025", which includes the Detailed Income Statement and the supplementary information as set out on pages 38 to 39, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustees for the Annual Financial Statements

The Trustees are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and for such internal control as the Trustees determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.

Partners

Kalyanaraman Vijay (Managing), Arwin Vaidyanathan*, Madhavan Venkatachary*, Anthony Ouashie, Sunny K Mulakulam*,
Aparna Vijay* (*Indian)

In preparing the annual financial statements, the Trustees are responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated annual financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide the Trustees with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Trustees, we determine those matters that were of most significance in the audit of the annual financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Statement of Financial Position as at 31 March 2025

Figures in Pula	Note	2025	2024
Assets			
Non-Current Assets			
Property, plant and equipment	3	21,431,953	18,004,675
Current Assets			
Financial assets	4	10,577,211	11,195,808
Trade and other receivables	5	4,136,428	2,407,017
Cash and cash equivalents	6	4,552,262	1,450,134
		19,265,901	15,052,959
Total Assets		40,697,854	33,057,634
Equity and Liabilities			
Equity			
Reserves		21,418,257	19,161,735
Retained income		2,974,721	(1,051,738)
		24,392,978	18,109,997
Liabilities			
Non-Current Liabilities			
Lease liabilities	9	782,420	-
Deferred income	11	5,556,540	5,318,629
		6,338,960	5,318,629
Current Liabilities			
Trade and other payables	10	9,631,689	9,354,671
Lease liabilities	9	240,054	-
Deferred income	11	90,930	217,324
Deferred project revenue	12	3,243	57,013
		9,965,916	9,629,008
Total Liabilities		16,304,876	14,947,637
Total Equity and Liabilities		40,697,854	33,057,634

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Statement of Profit or Loss and Other Comprehensive Income

Figures in Pula	Note(s)	2025	2024
Revenue	13	7,357,754	6,187,337
Grant income	14	28,105,000	20,300,000
Gross profit		35,462,754	26,487,337
Other operating income	15	128,723	463,906
Other operating gains	16	(71,896)	27,777
Other operating expenses		(32,662,084)	(29,783,260)
Operating profit/(loss)	17	2,857,497	(2,804,240)
Finance income	19	638,238	718,733
Finance costs	20	(29,292)	-
Profit/(loss) for the year		3,466,443	(2,085,507)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Gains on property revaluation		2,816,538	-
Other comprehensive income for the year net of taxation		2,816,538	-
Total comprehensive income (loss) for the year		6,282,981	(2,085,507)

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Statement of Changes in Equity

Figures in Pula	Revaluation reserve	Capital grant	Training fund reserve	Building fund reserve	Total reserves	Retained income	Total funds and reserves
Balance at 01 April 2023	6,902,003	1,891,510	5,134,519	6,099,880	20 027,912	167,592	20,195,504
Loss for the year	-	-	-	-	-	(2,085,507)	(2,085,507)
Total comprehensive Loss for the year						(2,085,507)	(2,085,507)
Transfer to retained income	-	(63,050)	-	-	(63,050)	63,050	-
Transfer to fixed capital grant	-	-	(594,787)	-	(594,787)	594,787	-
Amortisation	-	-	-	(208,340)	(208,340)	208,340	-
Total contributions by and distributions to owners of company recognised directly in equity	-	(63,050)	(594,787)	(208,340)	(866,177)	866,177	-
Balance at 01 April 2024	6,902,003	1,828,460	4,539,732	5,891,540	19,161,735	(1,051,738)	18,109,997
Profit for the year	-	-	-	-	-	3,466,443	3,466,443
Other comprehensive income	2,816,538	-	-	-	2,816,538	-	2,816,538
Total comprehensive income for the year	2,816,538	-	-	-	2,816,538	3,466,443	6,282,981
Transfer to retained income	-	(63,050)	(288,626)	(208,340)	(560,016)	560,016	-
Total contributions by and distributions to owners of company recognised directly in equity	-	(63,050)	(288,626)	(208,340)	(560,016)	560,016	-
Balance at 31 March 2025	9,718,541	1,765,410	4,251,106	5,683,200	21,418,257	2,974,721	24,392,978

Note

7

8

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Statement of Cash Flows

Figures in Pula	Note(s)	2025	2024
Cash flows from operating activities			
Cash generated from/(used in) operations	21	2,270,175	(2,400,360)
Net cash from operating activities		2,270,175	(2,400,360)
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(405,467)	(1,300,084)
Proceeds from sale of property, plant and equipment		9,877	-
Cash advanced on financial assets	4	-	(714,887)
Cash receipts on financial assets	4	618,597	800,000
Interest income	19	638,238	718,733
Net cash from investing activities		861,245	(496,238)
Cash flows from financing activities			
Finance costs	20	(29,292)	-
Total cash movement for the year		3,102,128	(2,896,598)
Cash and cash equivalents at the beginning of the year		1,450,134	4,346,732
Cash and cash equivalents at the end of the year	6	4,552,262	1,450,134

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these annual financial statements.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Pulas, which is the Institute's functional currency.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key sources of estimation uncertainty

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Institute uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Institute's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Fair value estimation

Certain assets and liabilities of the group are either measured at fair value or disclosure is made of their fair values. Observable market data is used as inputs to the extent that it is available.

Impairment testing

The Institute reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Useful lives of property, plant and equipment

The estimates of useful lives as translated into depreciation rates are detailed in property, and equipment policy on the financial statements. These rates and residual lives of the assets are reviewed annually taking cognisance of the forecasted commercial and economic realities and through benchmarking of accounting treatments in the industry.

1.2 Significant judgements and sources of estimation uncertainty

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

1.3 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Institute and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Property, plant and equipment are subsequently stated at cost less accumulated depreciation and impairment losses except for land which is not depreciated unless otherwise stated.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	40 years
Household Furniture – Technology Tablets	Straight line	3 years
Furniture and Fixtures	Straight line	10 years
Motor Vehicles	Straight line	4 years
Office Equipment	Straight line	5 years
IT Equipment	Straight line	4 years
Library Books	Straight line	2 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting . No material changes were made.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

1.4 Financial instruments

Financial instruments are recognised when the Institute becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. The material accounting policies for each type of financial instrument held by the Institute are presented below:

Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write offs accounting policy.

Impairment – Expected credit losses and write offs

A provision matrix is used as a practical expedient when determining expected credit losses. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast conditions.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

The measurement of expected credit losses incorporates the probability of default, loss given default and the exposure at default, taking the time value of money, historical data and forward-looking information into consideration.

The movement in credit loss allowance is recognised in surplus or deficit with a corresponding adjustment to the carrying amount of the instrument through a loss allowance account.

The Institute writes off an instrument when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Instruments written off may still be subject to enforcement activities under the Institute's recovery procedures. Any recoveries made are recognised in surplus or deficit.

Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Derecognition

The Institute derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Institute neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Institute recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Institute retains substantially all the risks and rewards of ownership of a transferred financial asset, the Institute continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Institute derecognises financial liabilities when its obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Reclassification

The Institute only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities are not reclassified.

1.5 Tax

Current tax assets and liabilities

The Institute is exempt from paying income tax as per the requirements of the Income Tax Act.

Tax expenses

The Institute is exempt from paying income tax as per the Income Tax Act (Cap 52: 01).

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.6 Impairment of assets

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash generating unit to which the asset belongs.

Impairment losses are recognised immediately in profit or loss.

1.7 Employee benefits

Short-term employee benefits

Short-term employee benefits, which consist of annual leave and sick leave, bonuses, and medical aid, are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal obligation to make such payments as a result of past performance.

1.8 Provisions and contingencies

The Institute recognises provisions in circumstances where it has a present obligation resulting from past events, which can be measured reliably and for which it is probable that the Institute will be required to settle the obligation.

There is always a degree of estimation uncertainty involved with provisions as they are measured at management's best estimate of the amount which will be required to settle the obligation. When the effect of discounting is material, the provision is measured at the present value of such amounts.

Contingent assets and contingent liabilities are not recognised.

1.9 Government subvention

Government grants are recognised when there is reasonable assurance that:

- the Institute will comply with the conditions attaching to them; and
- the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the profit or loss.

Repayment of a grant related to income is applied first against any un-amortised deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or where no deferred credit exists, the repayment is recognised immediately as an expense.

Repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised to date as an expense in the absence of the grant is recognised immediately as an expense.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Accounting Policies

1.10 Revenue from contracts with customers

Income from research projects

The institute earns income from research projects at a fee. These contracts involve services that are substantially the same and the benefit of each service is received and consumed immediately. These contracts therefore consist of a single performance obligation for which control is transferred over time (i.e. the contract period) and revenue is recognised on a straight-line basis over the term of each contract. This method provides a faithful depiction of the transfer of services because the work required does not vary significantly from month-to-month. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

1.11 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Pulas, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are translated at the end of the reporting period using the closing rate.

Cash flows arising from transactions in a foreign currency are recorded in Pulas by applying to the foreign currency amount the exchange rate between the Pula and the foreign currency at the date of the cash flow.

Refer to the individual accounting policies for financial instruments for the detailed foreign exchange accounting policies.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Notes to the annual financial statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the Institute has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Supplier finance arrangements - amendments to IAS 7 and IFRS 7

The amendment applies to circumstances where supplier finance arrangements exist. These are arrangements whereby finance providers pay the suppliers of the entity, thus providing the entity with extended payment terms or the suppliers with early payment terms. The entity then pays the finance providers based on their specific terms and conditions. The amendment requires the disclosure of information about supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows as well as on the entity's exposure to liquidity risk.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The Institute has adopted the amendment for the first time in the 2025 annual financial statements. The impact of the amendment is not material.

Non-current liabilities with covenants - amendments to IAS 1

The amendment applies to the classification of liabilities with loan covenants as current or non-current. If an entity has the right to defer settlement of a liability for at least twelve months after the reporting period, but subject to conditions, then the timing of the required conditions impacts whether the entity has a right to defer settlement. If the conditions must be complied with at or before the reporting date, then they affect whether the rights to defer settlement exists at reporting date. However, if the entity is only required to comply with the conditions after the reporting period, then the conditions do not affect whether the right to defer settlement exists at reporting date. If an entity classifies a liability as non-current when the conditions are only required to be met after the reporting period, then additional disclosures are required to enable the users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The Institute has adopted the amendment for the first time in the 2025 annual financial statements. The impact of the amendment is not material.

Lease liability in a sale and leaseback

The amendment requires that a seller-lessee in a sale and leaseback transaction, shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

The effective date of the amendment is for years beginning on or after 01 January 2024.

The Institute has adopted the amendment for the first time in the 2025 annual financial statements. The impact of the amendment is not material.

2.2 Standards and interpretations not yet effective

The Institute has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Institute's accounting periods beginning on or after 01 April 2025 or later periods:

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' surplus or deficit only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' surplus or deficit.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Notes to the annual financial statements

The effective date of the amendment is to be determined by the IASB.

It is unlikely that the amendment will have a material impact on the Institute's annual financial statements.

Lack of exchangeability - amendments to IAS 21

The amendments apply to currencies which are not exchangeable. The definition of exchangeable is provided as being when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. The amendments require an entity to estimate the spot exchange rate at measurement date when a currency is not exchangeable into another currency. Additional disclosures are also required to enable users of financial statements to understand the impact of the non-exchangeability on financial performance, financial position and cash flow.

The effective date of the amendment is for years beginning on or after 01 January 2025.

The Institute expects to adopt the amendment for the first time in the 2026 annual financial statements.

It is unlikely that the amendment will have a material impact on the Institute's annual financial statements.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Notes to the annual financial statements

Figures in Pula				2025		2024		2024	
3. Property, plant and equipment									
				2025		2024			
		Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value		
Buildings		18,754,894	(544,894)	18,210,000	16,071,264	(270,068)	15,801,196		
Furniture and fixtures		1,674,834	(861,791)	813,043	1,656,846	(785,839)	871,007		
Motor vehicles		1,438,700	(213,577)	1,225,123	178,184	(89,092)	89,092		
Office equipment		745,413	(504,830)	240,583	690,277	(429,471)	260,806		
Computer equipment		1,117,519	(857,920)	259,599	1,194,737	(954,765)	239,972		
Library books		622,170	(622,170)	-	622,170	(622,170)	-		
Household furniture - technology tablet		842,815	(159,210)	683,605	842,815	(100,213)	742,602		
Total		25,196,345	(3,764,392)	21,431,953	21,256,293	(3,251,618)	18,004,675		
Reconciliation of property, plant and equipment - 2025									
	Opening balance	Additions	Additions through lease	Disposals	Revaluations	Depreciation	Total		
Buildings	15,801,196	-	-	-	2,683,629	(274,825)	18,210,000		
Furniture and fixtures	871,007	56,985	-	-	-	(114,949)	813,043		
Motor vehicles	89,092	105,134	1,022,474	-	132,908	(124,485)	1,225,123		
Office equipment	260,806	132,015	-	(9,877)	-	(142,361)	240,583		
Computer equipment	239,972	111,333	-	-	-	(91,706)	259,599		
Household furniture - technology tablet	742,602	-	-	-	-	(58,997)	683,605		
	18,004,675	405,467	1,022,474	(9,877)	2,816,537	(807,323)	21,431,953		

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Notes to the annual financial statements

Figures in Pula	2025	2024
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3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Depreciation	Total
Buildings	15,409,000	662,264	(270,068)	15,801,196
Furniture and fixtures	644,402	396,108	(169,503)	871,007
Motor vehicles	133,638	-	(44,546)	89,092
Office equipment	193,197	110,959	(43,350)	260,806
Computer equipment	187,558	130,753	(78,339)	239,972
Household furniture - technology tablet	801,599	-	(58,997)	742,602
	17,369,394	1,300,084	(664,803)	18,004,675

Valuations

Land and building consist of a certain piece of land, being portion 134 of the Farm Forest Hill No. 9-KO measuring 1554 square meters held under a title deed MA56/2003 dated 01 March 2003 for a 99 year period commencing 01 March 2003.

Land and Buildings was revalued by an independent professional valuer in the current year. The land and Buildings were valued at P 15 409 000, after renovations and refurbishments representing the open market value arrived at using discounted cash flow method. Inspection of the properties were conducted during the valuation.

The revaluation of motor vehicles was done was performed on the 15 March 2022 and 06 April 2022. The revaluations were performed by independent valuers. The motor vehicles were valued at P 178 185, thereby representing the open market value.

Carrying value of assets under the cost model

Property 1

- Purchase price: 1 December 2005	2,827,290	2,827,290
- Additions since purchase or valuation	118,821	118,821
	2,946,111	2,946,111

4. Financial assets

Financial assets are presented at amortised cost, which is net of loss allowance, as follows:

Vunani Fund Managers	-	1,153,243
The fair value of the investments in money market funds are based on the valuation of units provided by the fund manager. The fund manager's valuation is based on market value of the underlying assets of each fund.		
Bank Gaborone Limited	5,170,803	10,042,565
Botswana Savings Bank	5,406,408	-
	10,577,211	11,195,808

Split between non-current and current portions

Current assets	10,577,211	11,195,808
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Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Notes to the annual financial statements

Figures in Pula	2025	2024
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4. Financial assets (continued)

Exposure to credit risk

Financial assets inherently exposes the Institute to credit risk, being the risk that the Institute will incur financial loss if counterparties fail to make payments as they fall due.

Other financial assets are subject to the impairment provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk. The loss allowance for Other financial assets is calculated based on twelve month expected losses if the credit risk has not increased significantly since initial recognition. In cases where the credit risk has increased significantly since initial recognition, the loss allowance is calculated based on lifetime expected credit losses. The loss allowance is updated to either twelve month or lifetime expected credit losses at each reporting date based on changes in the credit risk since initial recognition.

In determining the amount of expected credit losses, the Institute has taken into account any historic default experience, the financial positions of the counterparties as well as the future prospects in the industries in which the counterparties operate or are employed. This information has been obtained from the counterparties themselves, as well as from economic reports, financial analyst reports and various external sources of actual and forecast data and is applied to estimate a probability of default occurring as well as estimating the loss upon default.

The Institute's financial assets are subject to credit risk. Credit risk represents the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. The Institute manages credit risk by transacting only with reputable counterparties and monitoring exposure on an ongoing basis.

For the current reporting period, the Institute assessed the expected credit losses (ECL) on financial assets in accordance with IFRS 9. The assessment considered the probability of default (PD) to be zero, loss given default (LGD) to be zero and exposure at default (EAD) to be zero. Based on this evaluation, this outcome reflects the high credit quality of the counterparties and the nature of the financial assets, which are primarily investments in managed by regulated institutions. Accordingly, no loss allowance has been recognized.

Credit rating framework

For purposes of determining the credit loss allowances, management determine the credit rating grades of each loan at the end of the reporting period. These ratings are determined either externally through ratings agencies or internally where external ratings are not available.

The table below sets out the internal credit rating framework which is applied by management for loans for which external ratings are not available. The abbreviation "ECL" is used to depict "expected credit losses."

Internal credit grade	Description	Basis for recognising expected credit losses
Performing	Low risk of default and no amounts are past due	12m ECL
Doubtful	Either 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL (not credit impaired)
In default	Either 90 days past due or there is evidence that the asset is credit impaired	Lifetime ECL (Credit Impaired
Write-Off	There is evidence indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.	Amount is Written-off

Botswana Institute for Development Policy Analysis

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Notes to the annual financial statements

Figures in Pula		2025	2024			
4. Financial assets (continued)						
Credit loss allowances						
The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for financial assets by credit rating grade:						
2025						
Instrument	External credit rating (where applicable)	Rating agency	Internal credit rating (where applicable)	Basis of loss allowance	Gross Carrying amount	Amortised cost
Bank Gaborone Limited Botswana Savings Bank	N/a	N/a	Performing	12m ECL	5,170,803	5,170,803
	N/a	N/a	In default	Lifetime ECL (credit impaired)	5,406,408	5,406,408
					10,577,211	10,577,211
2024						
Instrument	External credit rating (where applicable)	Rating agency	Internal credit rating (where applicable)	Basis of loss allowance	Gross Carrying amount	Amortised cost
Vunani Fund Managers Bank Gaborone Limited	N/a	Fitch	Performing	12m ECL	1,153,243	1,153,243
	N/a	N/a	Performing	12m ECL	10,042,565	10,042,565
					11,195,808	11,195,808

Botswana Institute for Development Policy Analysis

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Notes to the annual financial statements

Figures in Pula	2025	2024
5. Trade and other receivables		
Financial instruments:		
Trade receivables	3,357,933	1,411,739
Trade receivables - related parties	648,797	806,142
Loss allowance	(79,114)	(79,114)
Trade receivables at amortised cost	3,927,616	2,138,767
Deposits	28,000	28,000
Other receivable	3,689	52,112
Non-financial instruments:		
Employee costs in advance	131,571	52,730
Prepayments	45,552	135,408
Total trade and other receivables	4,136,428	2,407,017
Split between non-current and current portions		
Current assets	4,136,428	2,407,017
Financial instrument and non-financial instrument components of trade and other receivables		
At amortised cost	3,959,305	2,218,879
Non-financial instruments	177,123	188,138
	4,136,428	2,407,017

Exposure to credit risk

Trade receivables inherently expose the Institute to credit risk, being the risk that the Institute will incur financial loss if customers fail to make payments as they fall due.

The Institute's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

	2025	2025	2024	2024
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Not past due:	3,534,392	-	1,365,527	-
Less than 30 days past due	74,964	-	773,240	-
31 - 60 days past due:	318,260	-	-	-
>90 days past due:	79,114	(79,114)	79,114	(79,114)
Total	4,006,730	(79,114)	2,217,881	(79,114)

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

Opening balance in accordance with IFRS 9	(79,114)	(79,114)
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Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Notes to the annual financial statements

Figures in Pula	2025	2024
5. Trade and other receivables (continued)		
Fair value of trade and other receivables		
The fair value of trade and other receivables approximates their carrying amounts.		
6. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	258	1,307
Bank balances	4,552,004	1,448,827
	4,552,262	1,450,134

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:

Bank balances are maintained with reputable banks which are rated in South Africa and the United Kingdom.

7. Training fund reserve

The funds will be used assist professional training and public education of Botswana citizens in matters relating to policy analysis and encourage collaboration between expatriates and local professionals in these matters in ways which will build and augment national capacities for performance and understanding of policy analysis. The funds are for PHD training and were necessary will include training at masters level.

The reserve shall be released to the retained income to the extent of training funds utilised during the year.

Opening balance	4,539,732	5,134,519
Transferred to retained earnings	(288,626)	(594,787)
	4,251,106	4,539,732

8. Building fund reserve

The Institute set up this reserve from its accumulated surplus to demark the funds that have been allocated towards the building renovations and refurbishments. These fund have been for the renovations on the BIDP building which commenced in April 2021 and was completed during the year. Renovations include the superstructure and excludes other additional components that had to be removed from the renovation stage. It includes replacement of the lift, replacement of environmentally friendly air conditioners, partitioning of smaller meeting rooms as well as other aesthetic additions.

The reserve shall be released to the accumulated surplus to the extent of depreciation charge on the renovations costs on an annual basis.

Opening balance	5,891,540	6,099,880
Amortisation	(208,340)	(208,340)
	5,683,200	5,891,540

Botswana Institute for Development Policy Analysis

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Notes to the annual financial statements

Figures in Pula	2025	2024
9. Leases		
Other disclosures		
Interest expense on lease liabilities	29,292	-
Lease liabilities		
The maturity analysis of lease liabilities is as follows:		
Within one year	310,805	-
Two to five years	872,972	-
	1,183,777	-
Less finance charges component	(161,303)	-
	1,022,474	-
Non-current liabilities	782,420	-
Current liabilities	240,054	-
	1,022,474	-
10. Trade and other payables		
Financial instruments:		
Trade payables	219,446	25,338
Vision 2036 funds	197,290	197,290
Other payables	1,803,506	1,288,705
Non-financial instruments:		
Amounts received in advance	1,079,680	1,070,302
Refund liability	6,076,310	6,516,627
Value added tax	255,457	256,409
	9,631,689	9,354,671
Fair value of trade and other payables		
The fair value of trade and other payables approximates their carrying amounts.		
11. Deferred income		
Government grants	5,647,470	5,535,953
Split between non-current and current portions		
Non-current liabilities	5,556,540	5,318,629
Current liabilities	90,930	217,324
	5,647,470	5,535,953

The Institute receives grants from the Government based on the budget approved by the Board of Trustees and the Ministry of Finance and Economic Development.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Notes to the annual financial statements

Figures in Pula	2025	2024
11. Deferred income (continued)		
Grants related to assets		
Balance at the beginning of the year	5,318,629	4,880,580
Received during the year	471,955	-
Transfer from deferred income	126,394	721,303
Disposal	(304,427)	-
Released to income statement through amortisation	(56,011)	(283,254)
	5,556,540	5,318,629
Deferred Income		
Balance at the beginning of the year	217,324	938,627
Received during the year	-	-
Transferred to grants relating to assets	(126,394)	(721,303)
	90,930	217,324
12. Deferred project revenue		
The institute has an agreement with European union in collaboration with the Ministry Of Finance And Economic Development to undertake a study titled implementation of Botswana Policy Dialogue Facility. The balance represents the tasks and activities that are yet to be undertaken by the Institute.		
Opening balance	57,013	786,998
Release to the income statement for services rendered during the year	(53,770)	(729,985)
	3,243	57,013
13. Revenue		
Revenue from contracts with customers		
Income earned from research projects	7,357,754	6,187,337
Disaggregation of revenue from contracts with customers		
The Institute disaggregates revenue from customers as follows:		
Services revenue		
Professional services revenue	7,357,754	6,187,337
Timing of revenue recognition		
Over time		
Rendering of services	7,357,754	6,187,337
14. Grant income		
Government of Botswana	(28,105,000)	(20,300,000)

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Notes to the annual financial statements

Figures in Pula	2025	2024
15. Other operating income		
Other sundry income	72,712	180,652
Amortisation of capital grants	56,011	283,254
	128,723	463,906
16. Other operating gains (losses)		
Foreign exchange gains (losses)		
Net foreign exchange (losses) gains	(71,896)	27,777
17. Operating profit (loss)		
Operating profit/(loss) for the year is stated after charging (crediting) the following, amongst others:		
Auditor's remuneration - external		
Audit fees	130,348	229,905
Auditor's remuneration - internal	220,000	-
Depreciation and amortisation		
Depreciation of property, plant and equipment	807,323	664,803
Expenses by nature		
The general and administrative expenses, maintenance expenses and other operating expenses are analysed by nature as follows:		
Advertising	59,098	71,149
Board expenses	581,233	243,081
Cleaning costs	286,279	255,995
Consulting and professional fees	697,530	326,997
Depreciation, amortisation and impairment	807,323	664,803
Employee costs	24,072,023	21,718,189
IT Expenses	459,906	448,552
Insurance	116,113	119,245
Legal fees	57,633	181,078
Other expenses	1,400,285	691,018
Project costs	2,534,856	3,307,618
Repairs and maintenance	245,969	143,663
Security	195,230	162,971
Telephone and fax	484,573	578,689
Training	390,288	618,801
Water and electricity	273,745	251,411
	32,662,084	29,783,260

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Notes to the annual financial statements

Figures in Pula	2025	2024
18. Employee costs		
Employee costs		
Basic	15,771,685	14,340,686
Medical aid	463,569	438,468
Performance bonus	300,728	303,473
Pay in lieu leave	904,617	654,793
Gratuity	4,337,680	4,112,468
Scarcity allowances	1,645,284	1,303,410
Recruitment & Repatriation	1,200	-
Cell phone allowance	171,624	179,127
Entertainment benefit	475,636	385,764
	24,072,023	21,718,189
19. Finance income		
Interest income		
Investments in financial assets:		
Bank and other cash	638,238	718,733
20. Finance costs		
Lease liabilities	29,292	-
21. Cash generated from/(used in) operations		
(Loss) profit before taxation	3,466,443	(2,085,507)
Adjustments for non-cash items:		
Depreciation	807,323	664,803
Amortisation of capital grants	(56,011)	(283,254)
Release to the income statement for services rendered	(53,770)	(729,985)
Adjust for items which are presented separately:		
Interest income	(638,238)	(718,733)
Finance costs	29,292	-
Changes in working capital:		
(Increase) decrease in trade and other receivables	(1,729,411)	(374,832)
Increase (decrease) in trade and other payables	277,019	1,127,148
Increase (decrease) in deferred income	167,528	-
	2,270,175	(2,400,360)

Botswana Institute for Development Policy Analysis

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Notes to the annual financial statements

Figures in Pula	2025	2024
22. Related parties		
Relationships		
Ultimate holding company	Government of Botswana	
Projects controlled by the Institute	Technical Assistance Project	
Independent Board Committee Members	Mr P. Tladinyane Ms T. Modungwa Mr R. Mokeetsi Ms R. Mgadla Professor T. Maundeni	
Members of key management	Dr G Somolekae (Acting Executive Director) Ms B. Siwawa-Moepeng (Finance Manager) Ms B. Wadikonyana (Human Resource and Administration Manager) Mr M. Madisa (IT Manager) Ms P. Ntokwane (Knowledge Management and Dissemination Manager) Ms W. Tirelo (Programme Coordinator)	
Related party balances		
Amounts included in Trade receivable (Trade Payable) regarding related parties		
Technical Assistance Projects	648,797	806,142
Related party transactions		
Grants received from related parties including deferred grants		
Government of Botswana grant income	(28,105,000)	(20,300,000)
Board Transactions		
Board sitting fees and expenses	581,233	243,081
Administration fees received from related parties		
Technical Assistance Projects	-	(707,142)
Key management remuneration		
Other long term employee benefits	1,693,027	1,733,846

Botswana Institute for Development Policy Analysis

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Notes to the annual financial statements

Figures in Pula			2025	2024	
23. Financial instruments and risk management					
Categories of financial instruments					
Categories of financial assets					
2025					
	Note(s)	Amortised cost	Total	Fair value	
Financial asset	4	10,577,211	10,577,211	10,577,211	
Trade and other receivables	5	3,959,305	3,959,305	3,959,305	
Cash and cash equivalents	6	4,552,262	4,552,262	4,552,262	
		19,088,778	19,088,778	19,088,778	
2024					
	Note(s)	Amortised cost	Total	Fair value	
Financial asset	4	11,195,808	11,195,808	11,195,808	
Trade and other receivables	5	2,218,879	2,218,879	2,218,879	
Cash and cash equivalents	6	1,450,134	1,450,134	1,450,134	
		14,864,821	14,864,821	14,864,821	
Categories of financial liabilities					
2025					
	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	10	2,220,240	-	2,220,240	2,200,240
Lease liabilities	9	-	1,022,474	1,022,474	1,022,474
		2,220,240	1,022,474	3,242,714	3,222,714
2024					
	Note(s)	Amortised cost		Total	Fair value
Trade and other payables	10	1,511,334		1,511,334	1,511,334

Botswana Institute for Development Policy Analysis

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Figures in Pula	2025	2024
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23. Financial instruments and risk management (continued)

Capital risk management

The Institute's objective when managing capital (which includes borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the Institute's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise returns.

Financial risk management

Overview

The Institute is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The board of directors has overall responsibility for the establishment and oversight of the Institute's risk management framework. The board has established the risk committee, which is responsible for developing and monitoring the Institute's risk management policies. The committee reports quarterly to the board of directors on its activities.

The Institute's risk management policies are established to identify and analyse the risks faced by the Institute, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Institute's activities.

Credit risk

Credit risk is the risk of financial loss to the Institute if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The institute only deals with reputable counterparties with consistent payment histories. The exposure to credit risk and the creditworthiness of counterparties is continually monitored.

Credit risk exposure arising on cash and cash equivalents is managed by the group through dealing with well-established financial institutions with high credit ratings.

The maximum exposure to credit risk is presented in the table below:

		2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Financial asset	4	10,577,211	-	10,577,211	11,195,808	-	11,195,808
Trade and other receivables	5	4,038,419	(79,114)	3,959,305	2,486,131	(79,114)	2,407,017
Cash and cash equivalents	6	4,552,262	-	4,552,262	1,450,134	-	1,450,134
		19,167,892	(79,114)	19,088,778	15,132,073	(79,114)	15,052,959

Botswana Institute for Development Policy Analysis

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Notes to the annual financial statements

Figures in Pula	2025	2024
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23. Financial instruments and risk management (continued)

Liquidity risk

The Institute is exposed to liquidity risk, which is the risk that the Institute will encounter difficulties in meeting its obligations as they become due.

The Institute manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

2025

		Less than 1 year	2 to 5 years	Total contractual cash flows	Carrying amount
Non-current liabilities					
Lease liabilities		-	782,420	782,420	782,420
Current liabilities					
Trade and other payables	10	2,200,240	-	2,200,240	2,220,240
Lease liabilities		240,054	-	240,054	240,054
		2,440,294	782,420	3,222,714	3,242,714

2024

			Less than 1 year	Total contractual cash flows	Carrying amount
Current liabilities					
Trade and other payables	10	1,511,334		1,511,334	1,511,334

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Notes to the annual financial statements

Figures in Pula		2025	2024
23. Financial instruments and risk management (continued)			
Foreign currency risk			
The Institute is exposed to foreign currency risk for transactions which are denominated in a currency other than Pula. The Institute does not take cover on foreign currency as it regards the Pula as a stable currency. The Institute's exposure to foreign exchange risk, based on notional amounts, is analysed as follows:			
Exposure in Pula			
The net carrying amounts, in Pula, of the various exposures, are denominated in the following currencies. The amounts have been presented in Pula by converting the foreign currency amounts at the closing rate at the reporting date:			
US Dollar exposure:			
Current assets:			
Trade and other receivables	5	79,600	100,493
Cash and cash equivalents	6	21,562	90,028
Net US Dollar exposure		101,162	190,521
Euro exposure:			
Current assets:			
Cash and cash equivalents	6	56,294	-
Net exposure to foreign currency in Pula		157,456	190,521
Exposure in foreign currency amounts			
The net carrying amounts, in foreign currency of the above exposure was as follows:			
US Dollar exposure:			
Current assets:			
Trade and other receivables	5	5,819	7,500
Cash and cash equivalents	6	1,576	6,725
		7,395	14,225
Net US Dollar exposure		7,395	14,225
Euro exposure:			
Current assets:			
Cash and cash equivalents	6	3,800	-
Exchange rates			
Pula per unit of foreign currency:			
US Dollar		0.073	13.387

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Figures in Pula	2025	2024
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23. Financial instruments and risk management (continued)

Foreign currency sensitivity analysis

The following information presents the sensitivity of the Institute to an increase or decrease in the respective currencies it is exposed to. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated amounts and adjusts their translation at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

	2025	2025	2024	2024
	Increase	Decrease	Increase	Decrease
Increase or decrease in rate				
Impact on profit or loss:				
US Dollar 10% (2024: 10 %)	10,116	(10,116)	19,043	(19,043)
Euro 10%	5,629	(5,629)	-	-
	15,745	(15,745)	19,043	(19,043)

Interest rate risk

As the Institute has significant interest-bearing assets, the Institute's income and operating cash flows are substantially dependent of changes in market interest rates.

The Institute's interest rate risk arises from deposits in short term financial assets and call accounts with its bankers. The Institute analyses its interest rate exposure on a dynamic basis. Since most of the deposits are placed in short term maturity assets, the financial administrators negotiate interest rates with the bankers on maturity of these instruments before decisions on reinvesting. A quote for the best interest is obtained from financial institutions in the country and decisions are then made.

The institute invests with reputable financial institutions and is subject to normal market interest rate risk on its banking facilities.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

	2025	2025	2024	2024
	Increase	Decrease	Increase	Decrease
Increase or decrease in rate by 10%				
Impact on profit or loss:				
Financial assets 0.1% (2024: 0.1%)	63,824	(63,824)	71,489	(71,489)

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Notes to the annual financial statements

Figures in Pula	2025	2024
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24. Fair value information

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the Institute can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 2

Level 3

Recurring fair value measurements

Assets

Property, plant and equipment

Land and buildings

Motor vehicles

Total property, plant and equipment

Total

Note(s)

3

18,210,000 15,805,054

1,225,123 89,092

19,435,123 15,894,146

19,435,123 15,894,146

Botswana Institute for Development Policy Analysis

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Notes to the annual financial statements

Figures in Pula					2025	2024
24. Fair value information (continued)						
Reconciliation of assets and liabilities measured at level 3						
	Note(s)	Opening balance	Additions	Revaluations	Depreciation	Closing balance
2025						
Assets						
Property, plant and equipment	3					
Land		15,805,054	-	2,683,629	(274,825)	18,213,858
Motor vehicles		89,092	1,127,608	132,908	(124,485)	1,225,123
Total		15,894,146	1,127,608	2,816,537	(399,310)	19,438,981
2024						
Assets						
Property, plant and equipment	3					
Land and buildings		15,409,000	662,264	-	(270,068)	15,801,196
Motor vehicles		133,638	-	-	(44,546)	89,092
Total		15,542,638	662,264	-	(314,614)	15,890,288

Land and Buildings was revalued by an independent professional valuer in the current year. The land and Buildings were valued at P 15 409 000 representing the open market value arrived at using discounted cash flow method. Inspection of the properties were conducted during the valuation.

25. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The Trustees believe that the Institute has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Trustees are optimistic that the Institute will continue to be supported by the Government of Botswana through revenue subventions to meet recurring expenditure of the Institute. The Trustees are not aware of any new material changes that may adversely impact the Institute. The Trustees are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Institute.

26. Events after the reporting period

There were no other post balance sheet events which require adjustment or disclosure in these financial statements.

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Detailed Income Statement

Figures in Pula		2025	2024
Revenue			
Income earned from research projects		7,357,754	6,187,337
Grant income	14	28,105,000	20,300,000
Gross profit		35,462,754	26,487,337
Other operating income			
Sundry income		72,712	180,652
Amortisation of fixed assets		56,011	283,254
	15	128,723	463,906
Other operating gains (losses)			
Foreign exchange (losses) gains		(71,896)	27,777
Expenses (Refer to page 39)		(32,662,084)	(29,783,260)
Operating profit (loss)	17	2,857,497	(2,804,240)
Finance income	19	638,238	718,733
Finance costs	20	(29,292)	-
Profit (loss) for the year		3,466,443	(2,085,507)

The supplementary information presented does not form part of the annual financial statements and is unaudited

Botswana Institute for Development Policy Analysis

Annual Financial Statements for the year ended 31 March 2025

Detailed Income Statement

Figures in Pula		2025	2024
Other operating expenses			
Advertising		(59,098)	(71,149)
Auditor's remuneration - external audit	17	(130,348)	(229,905)
Auditor's remuneration - internal audit	17	(220,000)	-
Bank charges		(33,603)	(30,108)
Cleaning		(286,279)	(255,995)
Accounting fees		(31,158)	-
Consulting and professional fees		(697,530)	(326,997)
Consulting and professional fees - legal fees		(57,633)	(181,078)
Depreciation		(807,323)	(664,803)
Employee costs		(24,072,023)	(21,718,189)
Entertainment		(118)	(1,000)
Project expenses		(2,534,856)	(3,307,618)
Corporate social responsibility		(15,573)	(47,207)
Board expenses		(581,233)	(243,081)
Conference costs		(422,663)	(19,707)
Public forum		(3,860)	-
Health and safety		-	(400)
Insurance		(116,113)	(119,245)
IT expenses		(459,906)	(448,552)
Motor vehicle expenses		(49,199)	(37,928)
Electricity and water		(273,745)	(251,411)
Postage		(4,979)	(8,045)
Printing and stationery		(146,501)	(97,279)
Publications		(158,122)	(98,600)
Repairs and maintenance		(245,969)	(143,663)
Security		(195,230)	(162,971)
Staff welfare		(41,516)	(51,624)
Subscriptions		(85,633)	(59,199)
Telephone and fax		(484,573)	(578,689)
Training		(390,288)	(618,801)
Travel - local		(57,012)	(10,016)
		(32,662,084)	(29,783,260)

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