

Botswana: Intra-Africa trade and tariff profile 2020



Regional Economic Communities

Botswana is a member of the Southern African Customs Union (SACU) and the Southern African Development Community (SADC). The African Continental Free Trade Agreement (AfCFTA) entered into force on 30 May 2019. Botswana has not yet deposited its instrument of ratification.

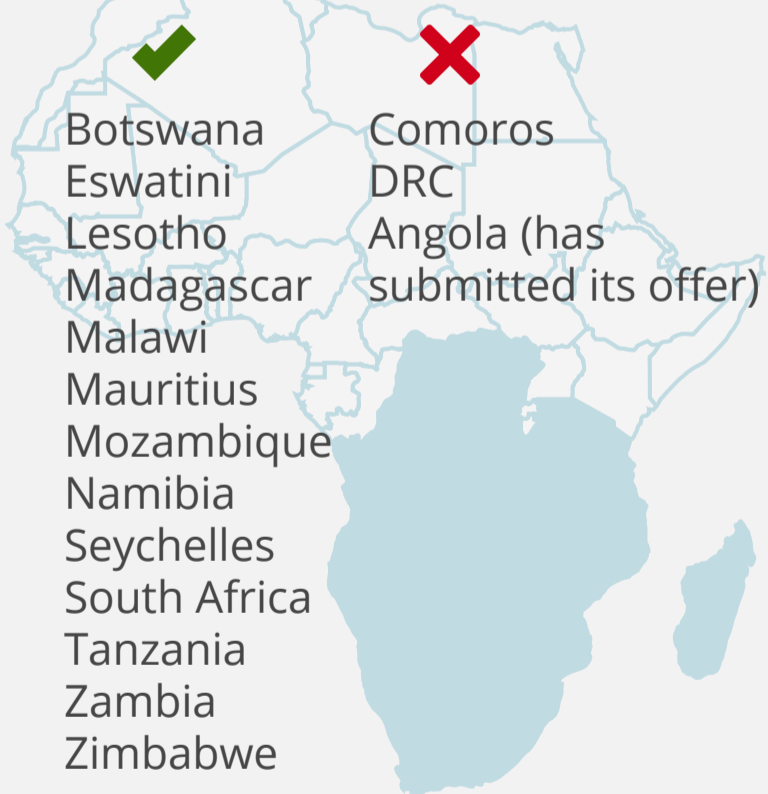
SACU



SACU is a customs union with duty-free intra-SACU trade and a common external tariff (CET) applicable to all goods entering from outside the Union.

SADC

Members of the SADC FTA:



SADC is a Regional Economic Community with 16 member states - all the SACU countries, Angola, DRC, Seychelles, Comoros, Madagascar, Tanzania, Zimbabwe, Zambia, Mauritius, Mozambique and Malawi. 13 SADC member states are members of the SADC Free Trade Area (FTA). Comoros and DRC are yet to join the FTA. Angola has submitted its tariff offer to join the SADC FTA.

Intra-Africa exports

For 2020, 17% of Botswana's world exports were to the rest of Africa. The main African destination markets are other SACU and SADC countries. The value of 2020 intra-Africa exports is US\$718 million. The main export products are non-industrial diamonds and ignition wiring sets.

Intra-Africa exports 2019-2020 ▼ 3%

MAIN DESTINATIONS

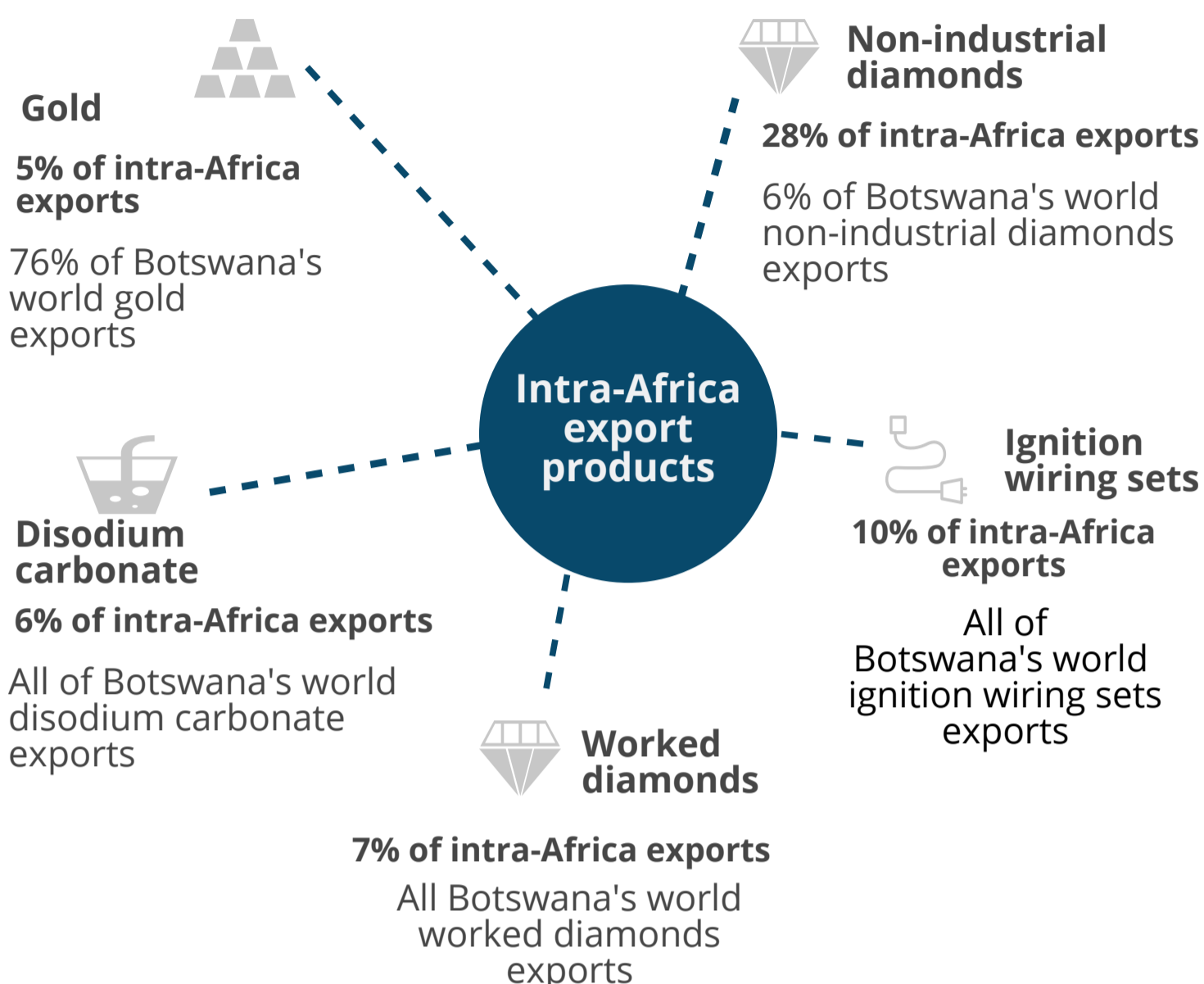
South Africa: 79% of intra-Africa exports

Namibia: 9% of intra-Africa exports

Zambia: 5% of intra-Africa exports

Zimbabwe: 5% of intra-Africa exports

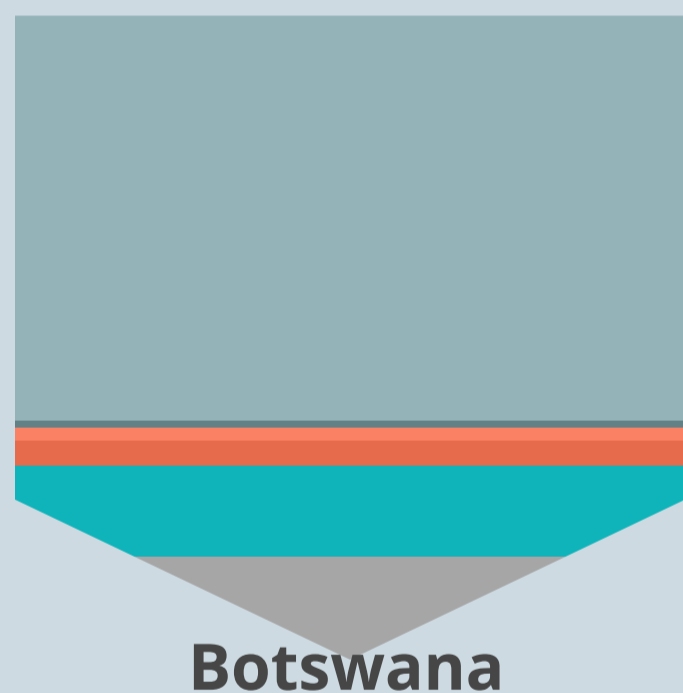
DRC: 1% of intra-Africa exports



Intra-Africa imports

For 2020, 68% of Botswana's world imports were intra-Africa imports. Apart from Uganda, Botswana's intra-Africa imports are mainly from the rest of SACU and SADC. Between 2019 and 2020, intra-Africa imports declined by 2%. Non-industrial diamonds and light oils are the main import products.

Intra-Africa imports



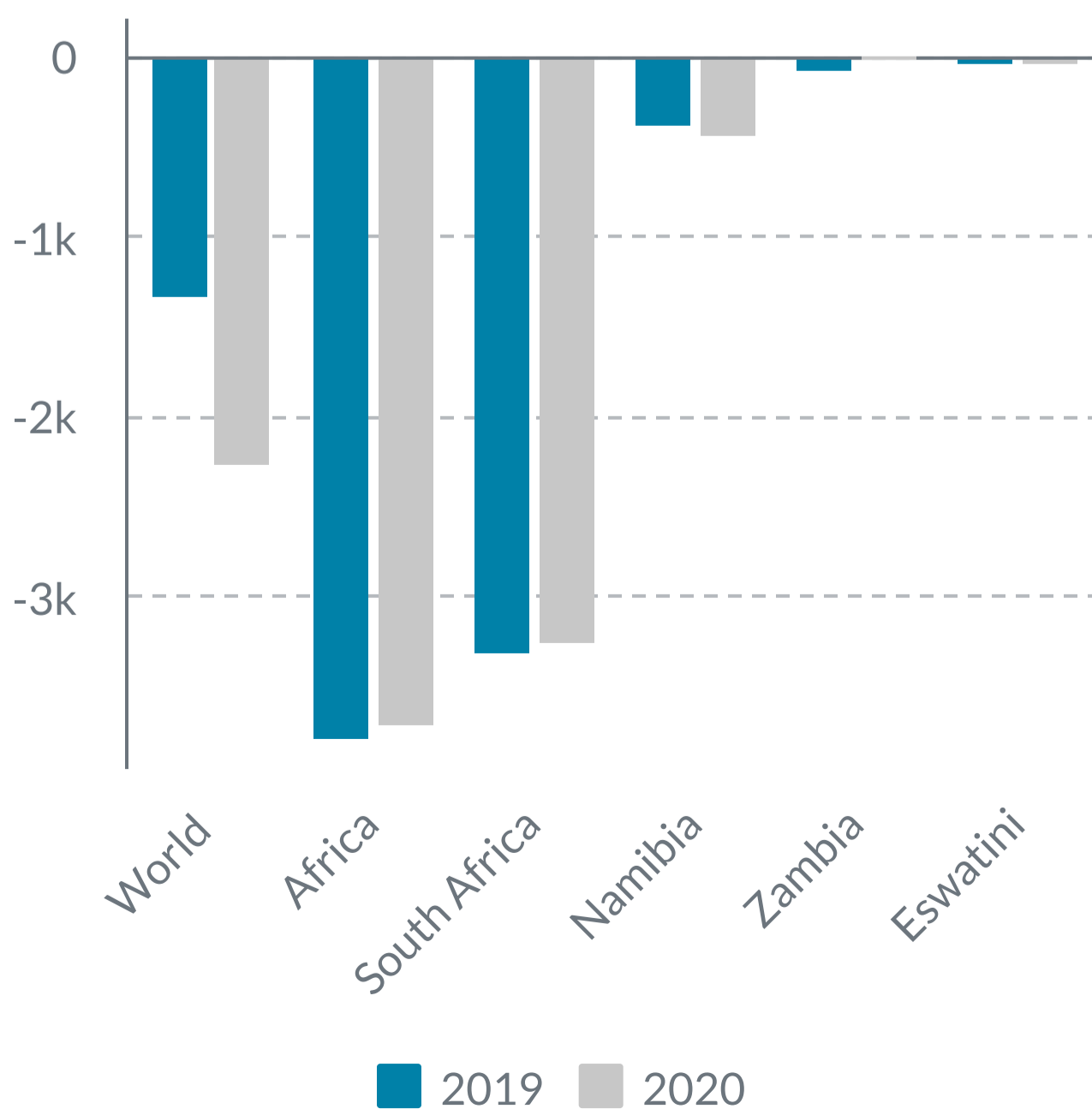
intra-Africa imports as % of world imports of designated products

Non-industrial diamonds (16%)	45%
Light oils (14%)	97%
Electrical energy (4%)	100%
Passenger vehicles (2%)	56%
Maize (1%)	100%

% change in exports and imports (2019 to 2020)

South Africa	Exports: 13% increase Imports: 0.3% increase
Namibia	Exports: 58% decline Imports: 5% decline
Zambia	Exports: 33% increase Imports: 74% decline
Zimbabwe	Exports: 5% decline Imports: 42% decline
Eswatini	Exports: 52% decline Imports: 6% decline
Uganda	Exports: 21% increase Imports: 12 274% increase

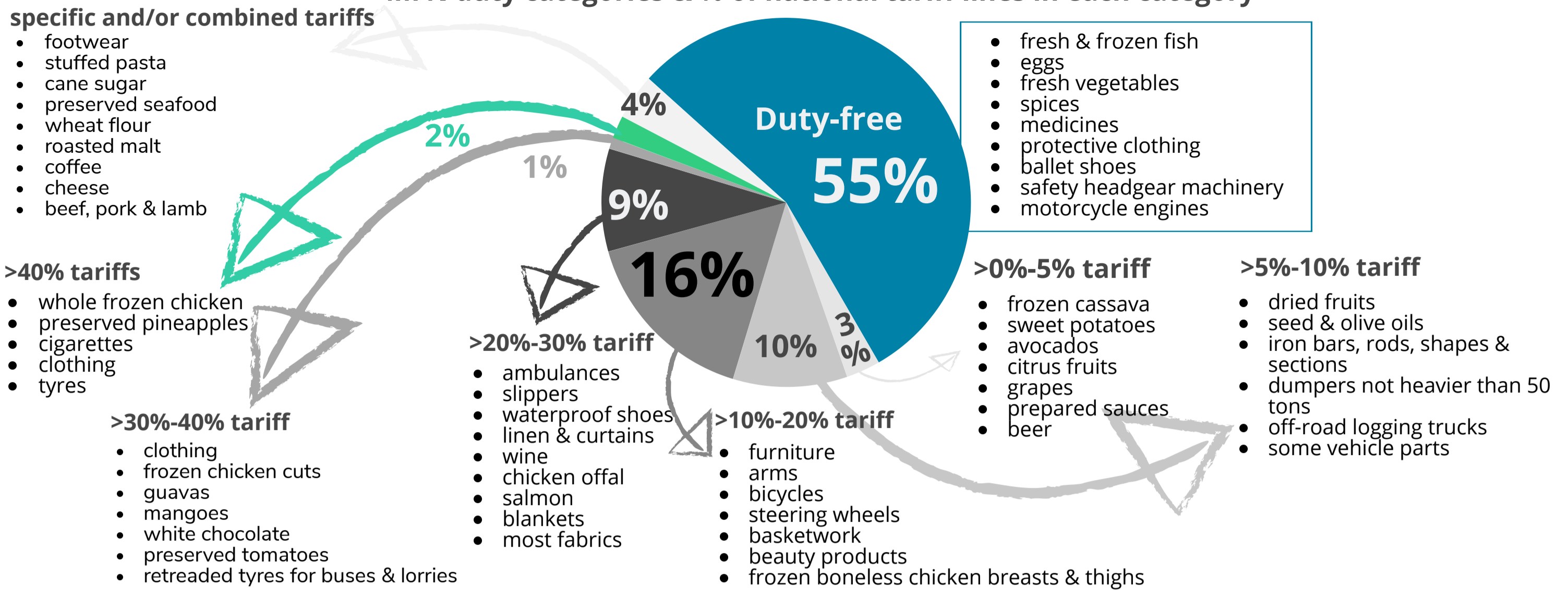
Trade balance with designated countries (US\$m)



Intra-Africa tariffs

Imports from SACU and SADC (excl. sugar, second-hand clothes, original vehicle components parts & wheat flour) enter Botswana duty-free. Imports from countries outside SACU and SADC face MFN applied duties which is the SACU CET.

MFN duty categories & % of national tariff lines in each category

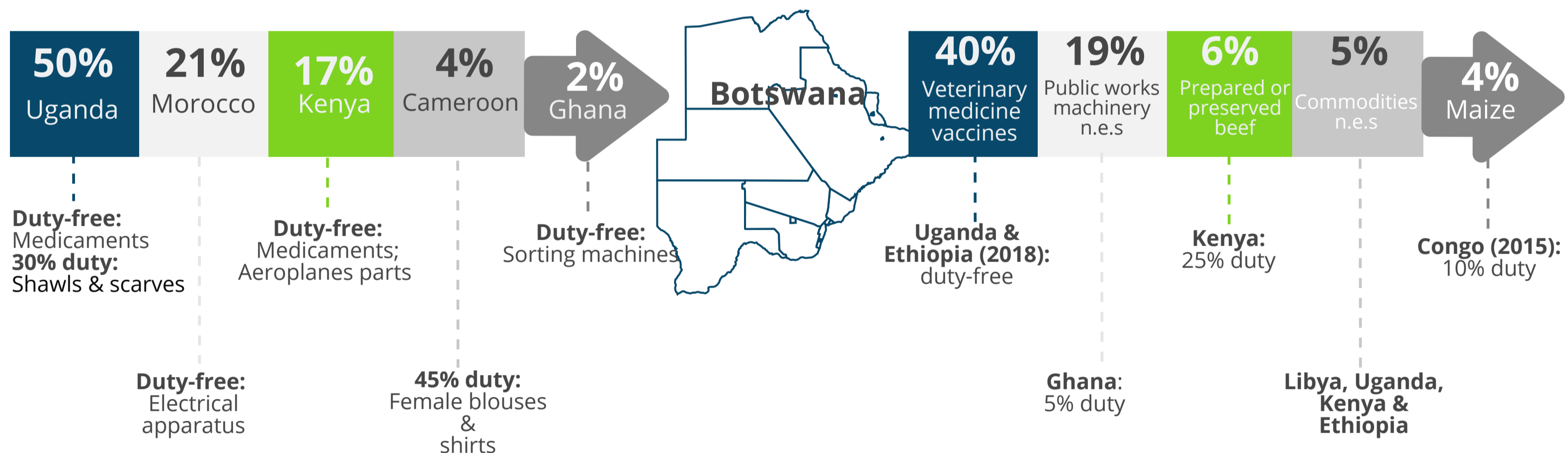


Trade with African countries outside SADC and SACU

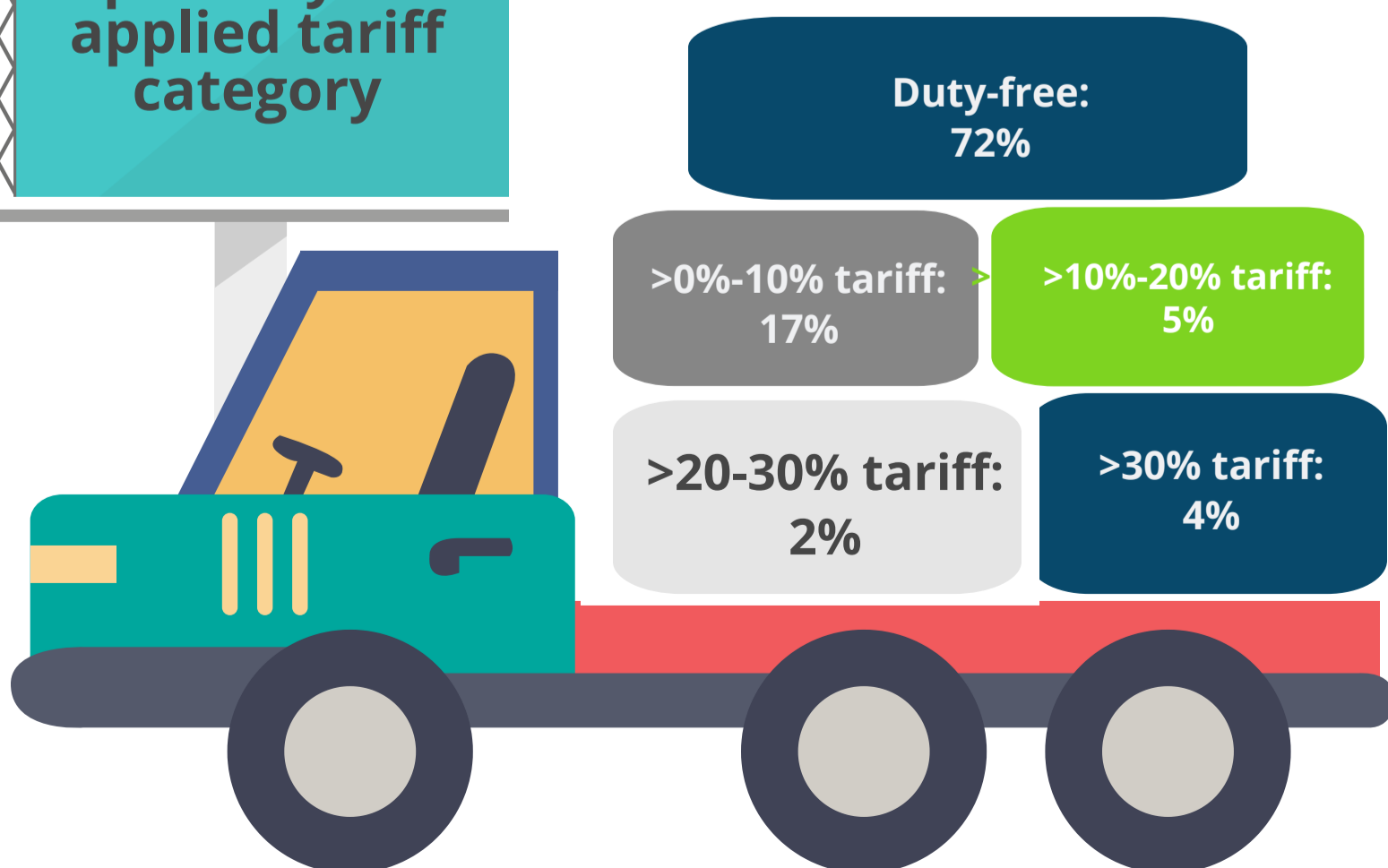
Only 0.05% of world and 0.32% of intra-Africa exports are to African countries not members of SACU & SADC. 40% of these exports are vaccines for veterinary medicine; 19% are machinery for public works not elsewhere specified. In terms of imports, 0.22% of world and 0.32% of intra-Africa imports are sourced from African countries outside SADC & SACU. 65% of these imports are medicaments mainly sourced from Uganda and Kenya, and 8% is electrical apparatus for switching electrical circuits sourced mainly from Morocco.

Imports into Botswana

Exports from Botswana



% of 2020 imports by MFN applied tariff category



All of Botswana's world imports of unwrought nickel alloys are sourced from African countries outside SACU & SADC; also 78% of articles of asphalt, 53% of female blouses.

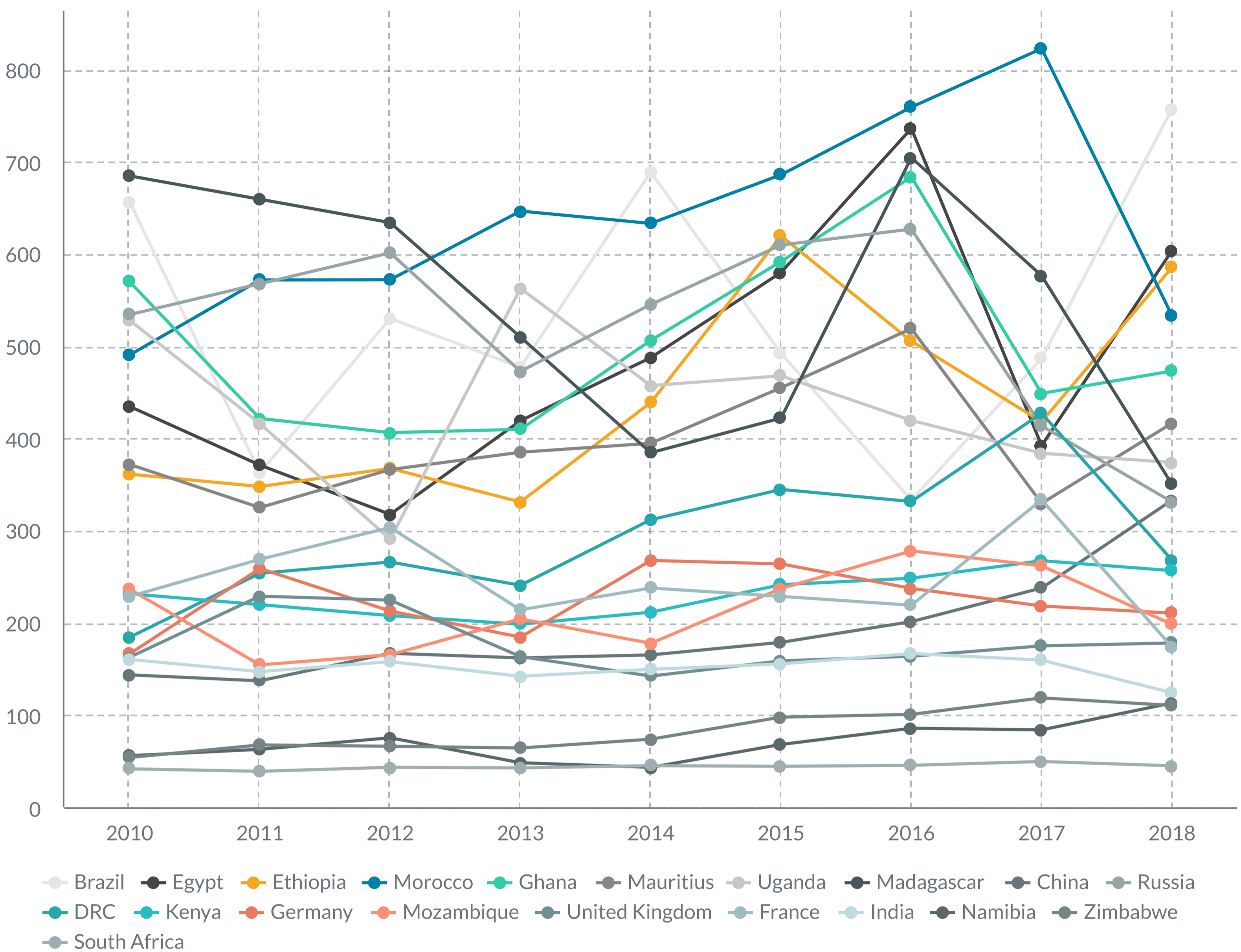
Of the top 20 import products, the highest tariffs (45% duty) are applicable to imports of female blouses. A 30% duty is applied to imports of shawls and passenger vehicles. Imports of fruit juices mixtures are levied a 20% duty. Imports of electric conductors and tubes and hosepipes are charged 15% duty. Duty-free imports include:

- Medicaments
- Electrical apparatus
- Insulated coaxial cable & electric conductors
- Graders
- Flexible tubes & hosepipes
- Sorting machines
- Aeroplane parts
- Hydraulic brake fluids
- Chandeliers
- Vulcanised rubber articles
- Mobile telephones
- Anti-freezing

Non-tariff trade costs

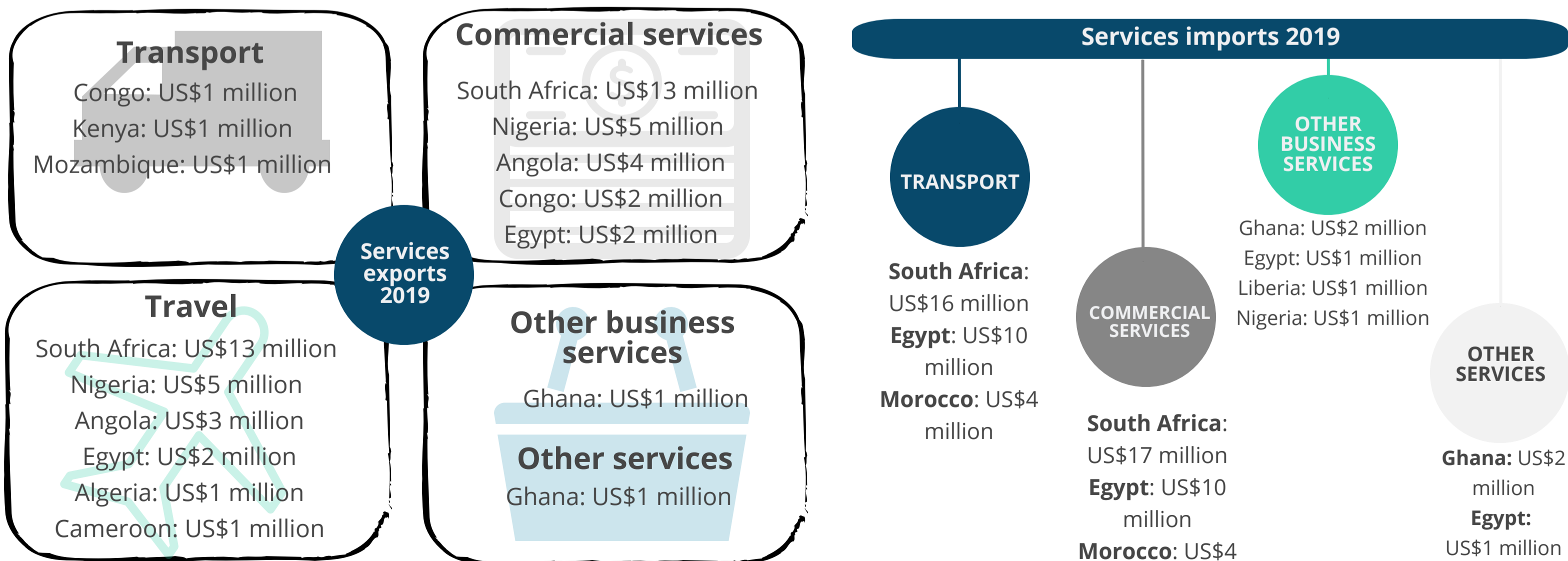
The ESCAP-World Bank trade cost database include the cost of transportation and the time to complete import procedures and obtain necessary information as non-tariff costs affecting bilateral trade between trade partners. Botswana's trade with African countries (including Egypt, Ethiopia, Morocco, Ghana, Mauritius, Uganda, Madagascar) is more costly than trade non-African countries (including with China, Russia, Germany, the United Kingdom, France and India). Botswana's trade with southern African countries (including Mozambique, Zimbabwe and South Africa) is less costly than trade with east, west and north African countries (including Kenya, Uganda, Ghana, Morocco and Egypt) .

Cost of bilateral trade between Botswana and designated countries; 2010-2018



Trade in services

The WTO-OECD Balanced Trade in Services Dataset (BaTiS) is an experimental dataset which contains a complete, consistent and balanced matrix of international trade in services. Statistics cover the period 2005-2019, for over 200 reporters and partners, and 12 EBOPS 2010 categories in addition to total services.



Sources: ITC TradeMap and MacMap for trade in goods and tariffs; World Bank for non-tariff trade costs; and WTO for trade in services