Botswana Trade Commission Annual Report

2025 / 26



BOTC
Botswana Trade Commission

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General Information

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List of Acronyms

- **AGOA** African Growth Opportunity Act
- **AfCFTA** African Continental Free Trade Area
- **BELN** Botswana, Eswatini, Lesotho, and Namibia
- **BOTC** Botswana Trade Commission
- **BURS** Botswana Unified Revenue Service
- **CADEPA** China-Africa Development Economic Partnership Agreement
- **CCA** Common Customs Area
- **CEO** Chief Executive Officer
- **CET** Common External Tariff
- **CSI** Corporate Social Initiative
- **CSR** Corporate Social Responsibility
- **DPS(T)** Deputy Permanent Secretary -Trade
- **DTCO** Digital Transformation Coordination Office
- **EPA** Economic Partnership Agreement
- **EU** European Union
- **ERM** Enterprise Risk Management
- **FAC** Finance and Audit Committee
- **HR** Human Resources
- **HOD** Head of Department
- **IESBA** International Ethics Standards Board for Accountants
- **IFRS** International Financial Reporting Standards
- **IIP** Infant Industry Protection
- **ISAs** International Standards on Auditing Information Technology
- **ITAC** International Trade Administration Commission
- **MTE** Ministry of Trade and Entrepreneurship
- **OPMS** Online Permit Management System
- **PAYE** Pay As You Earn
- **PMS** Performance Management System
- **PR** Public Relations
- **SACU** Southern African Customs Union
- **SADC** Southern African Development Community
- **UK** United Kingdom
- **UNDP** United Nations Development Programme
- **USA** United States of America
- **WTO** World Trade Organization

Glossary Of Terms

Term	Definition
Anti-Dumping Duty	An additional import duty that may be imposed following an investigation where goods are found to be exported at less than their normal value and cause or threaten material injury to a domestic industry.
Applied Tariff	The tariff rate actually charged by a country on an imported product. It may be lower than the country's WTO-bound tariff rate.
Bound tariff (bound rate)	The maximum tariff rate that a WTO Member has committed not to exceed for a particular product, except under specified WTO rules or following renegotiation.
Common External Tariff (CET)	A uniform set of customs duties applied by members of a customs union to goods imported from countries outside the customs area. Members generally trade with one another under preferential or duty-free arrangements (free movement of goods) while applying the agreed common tariff to third countries.
Countervailing Duty	An additional duty that may be imposed on subsidised imports following the required investigation where those imports are causing injury to the importing country's domestic industry.
Customs Duty/ Tariff	A tax or duty imposed on goods when they are imported. Tariffs may be expressed as a percentage of value, a fixed amount per unit, or a combination of the two.
Customs Union	A form of regional economic integration in which participating economies generally eliminate duties among themselves and apply substantially the same external trade regime or tariffs toward non-members.
Duty Drawback	A customs arrangement that allows import duties paid on imported materials or inputs to be refunded, wholly or partly, when those inputs are incorporated into goods that are exported. It is commonly used to support export competitiveness by reducing the duty cost embedded in exported products.
Fair Trade	In general trade-policy usage, the concept that international trade should take place under equitable, transparent and non-discriminatory conditions, without unfair practices such as certain forms of dumping or prohibited/subsidised trade.
Import License	An administrative authorisation that may be required before specified products can be imported into a country.
Industry Competitiveness	The ability of local industries to compete effectively in domestic and international markets.
Infant Industry Protection (IIP)	Temporary protection provided to a new or developing domestic industry to allow it time to establish itself and become internationally competitive. Protection is usually in the form of a tariff or other permitted measures.
Legislative Mandate	The legal authority and responsibilities assigned to an organization by legislation.
Market Access	The terms and conditions under which goods or services from foreign suppliers can enter and compete within a market, including tariffs, quotas and other regulatory conditions.

Rebate	A customs concession through which all or part of a duty or other charge that would normally be payable is reduced, remitted or refunded, provided that the specified eligibility conditions are met.
Safeguard Measure	A temporary trade-restrictive measure permitted under specified conditions to protect a domestic industry from serious injury, or threat thereof, resulting from increased imports.
Subsidy	Broadly, under WTO rules, a financial contribution by a government or public body, or certain forms of income or price support, that confers a benefit. Different categories of subsidies are subject to different WTO disciplines.
Tariff Amendment	A change made to an existing customs tariff schedule. This may involve increasing, reducing, removing or otherwise modifying a tariff rate, product classification, tariff description or related provision.
Trade Facilitation	Measures aimed at simplifying, modernising and improving the efficiency and transparency of procedures governing the movement, release and clearance of goods across borders.
Trade Negotiations	A formal process through which two or more countries or customs territories negotiate trade rules, market-access conditions, tariff concessions and other trade commitments.
Trade Remedies	A collective term referring to anti-dumping measures, countervailing measures and safeguard measures that governments may apply, subject to applicable WTO rules and requirements, to protect domestic industries from injury or the threat of injury arising from imported products.

iv Overview

BOTC is a statutory body established by the Botswana Trade Commission Act, 2013, as amended in 2023. The Commission is mandated to create and maintain an enabling environment for fair trade in Botswana, and by extension the SACU Common Customs Area. As Botswana's trade regulatory authority, BOTC is responsible for conducting investigations relating to tariff amendments, allegations of unfair trade practices, and unforeseen import surges that may cause injury to domestic industries. In addition, the Commission regulates the importation and exportation of goods, thereby supporting the national industrial development objectives.

VALUES
- Integrity
- Excellence
- Accountability
- Innovation
- Teamwork



MISSION
An organization of reckon in promotion of fair trade and industry competitiveness

VISION
To promote fair trade through the administration of trade instruments and provision of technical advice in trade and industry matters.

1 Letter to the Minister

25 September 2026

Honourable Tiroeaone Ntsima
Ministry of Trade and Entrepreneurship
Private Bag 004
Gaborone

Dear Honourable Minister,

Subject: **Submission of the Botswana Trade Commission Annual Report for the 2025/2026 Financial Year**

In accordance with section 30 of the Botswana Trade Commission Act 2013 and the principles of good corporate governance, I have the honour to submit the Annual Report of the Botswana Trade Commission (BOTC) for the 2025/2026 financial year.

The report highlights BOTC's performance, key activities, and financial position for the year under review. It also outlines progress made in advancing the Commission's mandate of regulating trade, promoting fair competition, and supporting government efforts in fostering sustainable economic development through industry development.

On behalf of the Board, I wish to express our continued commitment to transparency, accountability, and strategic alignment with national trade and economic priorities.

Please find the Annual Report enclosed for your kind consideration.

Yours sincerely,



Dr. Howard K. Sigwele
(Board Chairperson)
Botswana Trade Commission



BOTSWANA TRADE COMMISSION
REPORTS



2 Leadership Statement

It is my privilege, on behalf of the Board of Directors, to present the Botswana Trade Commission (BOTC) Annual Report for the 2025/2026 financial year.

The current Board assumed its responsibilities towards the end of the period under review. We, therefore, recognise that much of the performance reported reflects the stewardship of our predecessors and the sustained efforts of Management and staff. Our appointment nevertheless comes at an important juncture for BOTC and the Botswana economy, presenting an opportunity to build on the foundation established and position the Commission for an even greater contribution to the country's economic transformation.

Botswana is navigating a period of significant economic transition. Global economic uncertainty, shifting geopolitical dynamics, changing patterns of international trade and continued exposure to external shocks reinforce the urgency of building a broader, more diversified and resilient economic base. This imperative is reflected in the Twelfth National Development Plan (NDP 12) and Botswana Economic Transformation Programme (BETP), which place economic diversification, productive capacity and sustainable growth firmly at the centre of the national development agenda.

Within this context, BOTC occupies an increasingly important position at the intersection of **trade policy, industrial development and enterprise competitiveness.** Through the strategic administration of trade instruments, facilitation of international trade, advancement of Botswana's trade interests and support to domestic industry, the Commission has an important role in translating national transformation priorities into tangible economic outcomes.

During the year, BOTC achieved an overall performance score of 65 percent and advanced several interventions in support of domestic industry, including administering industrial rebates and Infant Industry Protection measures. The Commission also continued to advance Botswana's trade interests within SACU, SADC, AfCFTA and the WTO, supporting efforts to secure meaningful market access and increase the participation of Botswana enterprises in regional and global value chains.

The Board believes that **trade measures are not an end in themselves; their value must ultimately be reflected in stronger productive capacity, competitive and sustainable enterprises, increased market access, employment creation and economic growth.** BOTC must, therefore, remain responsive to the evolving needs of industry and strengthen evidence-based approaches to the deployment of trade instruments.

Achieving this impact will require stronger collaboration across Botswana's industrial development ecosystem. Government, business support institutions, industry associations and the private sector must work together to provide integrated, fit-for-purpose support that addresses constraints to enterprise growth and competitiveness. In this environment, **BOTC must increasingly position itself as an institution that enables, rather than merely regulates, industrial and trade activity.**

As a newly appointed Board, we are committed to providing the strategic oversight and governance necessary to support this evolution. We will work with Management to strengthen institutional capability, operational efficiency and service delivery, while promoting accountability and ensuring that BOTC's resources and interventions remain aligned with national development priorities and deliver measurable impact.

We approach the future with confidence. **Our aspiration is for BOTC to emerge as a trusted and effective catalyst for Botswana's industrial development: enabling competitive domestic industries, facilitating access to markets and deploying trade policy strategically in support of a diversified, resilient and export-oriented economy.** Working together with Government, industry and our development partners, we are confident that BOTC can make a tangible and enduring contribution to Botswana's economic transformation.

On behalf of the Board, I extend my sincere appreciation to Management and staff, our stakeholders and development partners for their dedication and support, and acknowledge the previous Board for the institutional foundation upon which we now have the responsibility to build.



Dr. Howard K. Sigwele
Board Chairperson
Botswana Trade Commission



3 Executive Statement

It is with great pride that I present the Botswana Trade Commission (BOTC) Annual Report for the 2025/26 financial year. This report reflects the progress made by the Commission and our continued commitment to delivering our mandate in support of Botswana's trade, industrial development and broader economic transformation agenda.

I do so at a time of considerable uncertainty in the global economic and trading environment. Shifting geopolitical dynamics, disruptions to global trade and supply chains, and heightened economic uncertainty continue to affect economies across the region. For a small, open economy such as Botswana, these developments reinforce the urgency of building greater economic resilience through diversification, stronger domestic productive capacity and increased participation in regional and international markets.

Despite these challenges, we remain steadfast in our conviction that BOTC's mandate is increasingly relevant to Botswana's economic transformation. The imperative to accelerate industrial development and diversify the economic base is firmly reflected in National Development Plan 12 (NDP 12) and the Botswana Economic Transformation Programme (BETP). Against this backdrop, our responsibility is to translate trade policy into practical interventions that support priority industries, projects and value chains, strengthen productive capacity, facilitate access to inputs and markets, and enhance enterprise competitiveness. **Our objective is not merely to administer trade instruments, but to ensure that they contribute meaningfully to industrial transformation and economic diversification.**

During the year, BOTC continued to advance Botswana's trade and industrial development interests through the administration of trade instruments and participation in regional and international trade processes. Infant Industry Protection measures were progressed for the surgical masks, thermal paper rolls and shade nets industries, while our broader interventions continued to support fair trade and domestic industrial development. Going forward, we will identify other emerging industries that may qualify for support, informed by an objective assessment of their potential to contribute to productive capacity, value addition, employment and economic diversification.

We also continued strengthening the institutional foundation required to deliver our mandate effectively. Investment in people, governance and operational systems was complemented by stronger internal controls, risk management and financial stewardship, culminating in an **unqualified audit outcome.** Notwithstanding a constrained fiscal environment, prudent resource management enabled the Commission to maintain continuity of core operations while sharpening our focus on efficiency and higher-impact priorities.

Digital transformation remains integral to this effort. Improvements to the **Online Permit Management System** and continued investment in digital solutions are intended to improve efficiency, transparency, turnaround times and the experience of businesses interacting with BOTC. These initiatives form part of our wider ambition to build a modern, responsive and progressively more capable Trade Commission.

As Botswana accelerates its transformation agenda, we recognise that industrial development cannot be delivered by BOTC alone. We will deepen collaboration with Government, business support institutions, industry associations, the private sector and development partners to promote **integrated and fit-for-purpose support for priority industries, projects and value chains.** Connecting trade interventions with the wider support required by enterprises will be critical to building sustainable and internationally competitive industries.

Looking to 2026/27, our focus will increasingly be on **execution, institutional maturity, and measurable impact.** The adoption of a new strategic plan, continued development of our technical capabilities, further digitalisation, strengthened partnerships and evidence-based deployment of trade instruments will position BOTC to respond more effectively to Botswana's

evolving development priorities. Importantly, our success should increasingly be measured not only by the permits, rebates and other trade instruments administered, but by the extent to which our interventions contribute to **productive capacity, enterprise competitiveness, market access, sustainable employment and economic diversification.**

I extend my sincere appreciation to the Board of Directors for its leadership and oversight, to our stakeholders and strategic partners for their continued collaboration, and to Management and staff for their professionalism, commitment and dedication.

We approach the future with confidence and a clear sense of purpose. Our ambition is to build a responsive, capable and development-oriented Trade Commission that enables competitive industries, facilitates trade and market access, and makes a measurable contribution to Botswana's transition towards a diversified, resilient and export-driven economy.



Ms. Shirley G. Moncho
Chief Executive Officer

Our success should increasingly be measured not only by the permits, rebates and other trade instruments administered, but by the extent to which our interventions contribute to productive capacity, enterprise competitiveness, market access, sustainable employment and economic diversification.



4 Statement of Responsibility and Approval of the Report

STATEMENT OF RESPONSIBILITY AND APPROVAL OF THE REPORT

The Board of Directors acknowledges the responsibility to ensure that the Botswana Trade Commission Annual Report and financial statements are prepared in accordance with the applicable laws of Botswana, International Financial Reporting Standards (IFRs), the King IV Code on Corporate Governance and sound governance practices.

The Board further guarantees the integrity of the Annual Report, based on the endorsement of the contents thereof by the Finance, and Audit and Risk Committee, which is responsible for overseeing the integrity and accuracy of the Annual Report.

This Annual Report addresses all operational issues and financial performance, while presenting a fair account of the state of the Commission for the financial year ended 31 March 2026. The report further reflects the Commission's commitment to principles of transparency, accountability, and good governance.

The Board approved the Financial Statements for the year ended 31 March 2026 and this report on 10 August 2026.

Full name	**Signature**
1. Dr. Howard. Sigwele - Board Chairperson	
2. Ms. Shirley G. Moncho - Chief Executive Officer	



5 Legislative Mandate

The BOTC is a parastatal under the Ministry of Trade and Entrepreneurship, that was established through an Act of Parliament, BOTC Act of 2013, amended in 2023. The Commission's mandate is "to provide for an efficient and effective system for the administration and facilitation of international trade; to regulate the import and exports of goods; provide for the implementation of the SACU Agreement and to provide for matters incidental thereto".

To implement this mandate, the functions of the Commission are as follows:

- Investigate and determine the impact of tariffs in Botswana and provide written recommendations regarding any tariff change to the Board;
- Investigate allegations of dumping, subsidized exports and import surges within the Common Customs Area that affect Botswana;
- Regulate the imports and exports of goods into and from Botswana;
- Regulate the exports of goods from Botswana;
- Assess and determine eligibility for infant industry protection from goods coming from or into the Common Customs Area;
- Receive requests from SACU Tariff Board to evaluate recommendations made to the SACU Tariff Board from the SACU Member States;
- Investigate requests received from the SACU Tariff Board in relation to allegations of dumping, subsidized exports, import surges and tariff amendments made to the SACU Tariff Board by the SACU Member States;
- Issue any rebate permit or certificate in terms of the Customs Act;
- Issue any certificate or permit in terms of duty drawback provisions of the Customs Act;
- Establish an efficient and effective system for the administration, monitoring and review of trade defense measures in trade agreements to which Botswana is a party;
- Establish an efficient and effective system for the administration, monitoring and review of international trade within Botswana;
- Investigate trade matters that are referred to the Commission by the Minister responsible for trade and industry.

The critical role of the Commission within the economy is to support national development objectives of promoting trade, industrial development, and economic diversification and in the process foster investment and employment creation. The focus is on creating an enabling environment for fair and transparent international trade practices. This is done through in alignment with regional frameworks (Southern Africa Custom Union (SACU) Agreement of 2002, Southern African Development Community (SADC) Protocol on Trade, African Continental Free Trade Area (AfCFTA)) and World Trade Organisation (WTO) rules.



TRADE REMEDIES

Measures used to protect domestic industries f rom unfair i nternational trade practices, such a s dumping, subsidies, or sudden import surges.



INFANT INDUSTRY PROTECTION (IIP)

A temporary measure in the form of additional customs duty on imports, intended to enable newly established industries to grow, mature and be competitive.



TARIFF AMENDMENT

A change made to an existing customs tariff schedule. This may involve increasing, reducing, removing or otherwise modifying a tariff rate to achieve a defined economic outcome



IMPORT/EXPORT CONTROL

Import and export of goods are controlled to protect health, s afety, and t he e nvironment. I n some instance, the measure also supports the growth and competitiveness of local industries.



6 Board of Directors

Mr. Kgalemang H. Sigwele
Board Chairperson

Dr. Howard Kgalemang Sigwele is a citizen of Botswana and worked for government in the Ministry of Agriculture for 25 years till his retirement in 2001. Dr. Sigwele is an agricultural and trade economist with about 44 years of experience. At the Ministry of Agriculture, he worked as a policy and trade analyst and advisor. He coordinated policy and project formulation, implementation, monitoring, evaluation as well as agricultural surveys.





Ms. Keolebogile L. Diswai
Vice Chairperson

A seasoned International Development, Policy and Advocacy professional and executive leader with over 15 years of experience in international relations and multilateral policy engagement across Africa, the Middle East, and beyond. Keolebogile brings a rare combination of global and continental knowledge and grounded Botswana institutional experience.

Mr Philiso Phodiso Valashia
Member

Mr. Valashia is a distinguished executive leader and internationally recognised authority in revenue administration, customs modernisation, and trade facilitation, with more than two decades of influence across national, regional, and global platforms. Mr Valashia is currently The Acting Commissioner General of the Botswana Unified Revenue Service (BURS).





Ms. Mantlha M. Sankoloba
Member

Mmantlha M. Sankoloba is a distinguished executive and trade leader with over 15 years of experience in trade facilitation, private sector development and economic transformation. She currently serves as Chief Executive Officer of the Botswana Exporters and Manufacturers Association (BEMA), where she leads a membership of over 450 companies, including some of Botswana's leading manufacturers.

Ms. Johanah L. Segotlong
Member

A trade policy and development director with over 20 years of experience in Government, advancing regional integration and market access for Botswana and the SACU region. Her expertise spans trade policy analysis, international negotiations, stakeholder management, governance, and strategic leadership gained from national and international experience.



Ms. Boitshoko Keabofe-Medupe
Member

Over 24 years practical experience reviewing diversified taxation policies, facilitating amendments to tax laws and regulations and facilitating implementation of tax laws ranging from the Income Tax Act, Value Added Tax Act, the Capital Transfer Tax Act, Transfer Duty Act, Customs Act and the Excise Duty Act to maximize tax revenue, while creating conducive environment for business to thrive and reduction in the tax gap for Botswana.





Mr. Ofentse G. Khumomotse
Member

Mr Khumomotse a lawyer with extensive experience in private practice spanning over 17 years predominantly on labour, constitutional matters and corporate governance. A versatile, results-oriented, practicing Attorney, Notary Public and Conveyancer including but not limited to general principles, constitutional law, administrative law, international trade law, international business transactions, intellectual property, labor relations law, contract law.

Ms. Shirley G. Moncho
Ex Officio

A seasoned Economist with a strong background in agricultural economics, international trade, and trade and industrial policy. Her work sits at the intersection of trade instruments, industrial development, and global industry trends, with a focus on strengthening productive capacity, optimising value chain performance, and supporting fair competition.



CO-OPTED MEMBERS



Mr. Cowell Habana



Mr. Peter Tladinyane

BOARD COMMITTEES

Finance, Audit And Risk Committee

- Mr. Ernest Kelapile - **Chairperson**
- Mr. Thulaganyo Moanaphala Mabe - **Member**
- Mr Cowell Habana - **Member**

Human Resources Committee

- Mr. Peter Tladinyane - **Chairperson**
- Ms. Keatlaretse Dintle - **Member**
- Ms. Gaone Lucy Arieff - **Member**



7 Executive Management



Ms. Shirley G. Moncho
Chief Executive Officer



Ms. Khutsafalo Sekolokwane
Tariff Management Director



Mr. John T. Soopu
Strategy Manager



Ms. Pako Ralehika
Legal Advisor & Board Secretary



Ms. Olebile Q. Garikai
HR Manager



Mr. Thero B. Moroka
Internal Auditor



Ms. Ketlhapile Segakise
Finance Manager



Ms. Kebatshabile Keloneilwe
Procurement Specialist



Mr. Morekolodi E. Ketlhaetse
PR & Comms Specialist



Ms. Elizabeth Mokaloba
IT Specialist



8 Strategic Performance

The Commission implemented its 2021-2026 Strategic Plan, which was developed to advance its mandate of promoting fair trade, industry growth, and competitiveness in Botswana. To facilitate the achievement of its mandate and long-term strategic objectives, the Commission developed and implemented Annual Performance Plans to translate strategic priorities into annual activities, targets and measurable outcomes, while ensuring alignment with national development priorities and stakeholder expectations.

In the final year of its 2021–2026 Strategic Plan, the Commission pursued nine (9) strategic objectives measured through twelve (12) Key Performance Indicators (KPIs). The assessment of the organisation's performance reflects an overall performance of 65%, signaling a high level of achievement against the Commission's strategic objectives as per the table below:

TABLE 1: Rating Scale

% Achieved	No. of KPIs	Description	Performance colour coding
80%-100%	3	Exceptional performance	
60%-79%	3	High performance	
50%-59%	2	Satisfactory performance	
39%-49%	1	Unsatisfactory performance	
0%-38%	3	Under achievement	
-	-	Not rated	

The Commission recorded several notable achievements during the reporting period, reflecting continued progress in executing its mandate, strengthening institutional capacity, and improvement of operational effectiveness. Key successes include:

- Effective implementation of trade instruments and strengthening regulatory oversight to ensure fair market practices, and support industry competitiveness.

- Effective stakeholder engagement with Government, regional institutions, and business associations supported alignment on trade priorities and effective policy execution.

- Strengthened strategic partnerships with key stakeholders, including the Botswana Unified Revenue Service (BURS), Business Botswana, and the WTO, enhancing collaboration on trade related matters.

- Strengthened governance and accountability through the adoption of key g governance frameworks, including the Risk Management and Compliance Policy, which has enhanced institutional oversight, accountability and operational consistency.
- Prudent financial management, reflected in a positive budget variance, achieved through effective expenditure management and cost containment measures during the reporting period.

- Improved staffing capacity, with staffing levels reaching 96% of the approved establishment for the 2025/2026 financial year, indicating significant progress in strengthening human resource capacity and improving Commission's ability to effectively deliver on its mandate.

Challenges

Despite progress achieved during the year, the Commission experienced several challenges that affected the pace of implementation and overall operational effectiveness. The key challenges included:

- The delayed transfer of the import and export regulation function from the Ministry to the Commission affected full delivery on implementation.

- Inadequate financial and human resources, limiting the Commission's ability to recruit additional staff and fully capacitate its departments.

- Delays in decision-making processes within SACU structures on recommended interventions, which negatively impacted industry development and competitiveness outcome.

- Continued non-functionality of the OPMS which disrupted the delivery of efficient and seamless issuance of rebate certificates, import and export permits.

Future Outlook

- The Commission has initiated development of the 2026–2031 Strategic Plan which will provide a roadmap for continued alignment of the organisation's mandate with national development priorities as well as the evolving needs of stakeholders.



9 Operations Report

9.1 | Tariff Investigations

Botswana, as a member of SACU, implements the Common External Tariff (CET), which requires all Member States to apply a uniform level of customs duties on goods imported from outside the customs union. As such, changes in tariffs are implemented as a collective by the SACU Member States.

As Botswana's tariff administration body, BOTC facilitates national consultations based on tariff amendment investigations at the regional level. These consultations take into consideration the impact or potential impact on the local industry, national development priorities and are guided by regional frameworks such as the SACU Agreement and the WTO rules.

As part of supporting industrial development in the SACU region, twelve (12) tariff investigations were initiated by ITAC during the 2025/26 financial year to inform changes to be made on the tariff structure to enhance industrial development and competitiveness. BOTC undertook national consultations to assess the potential impact, if any, of the proposed tariff changes on domestic industries to inform the national position and recommendations to be made to ITAC. The tariff amendment investigation had no consequential bearing on the Botswana industry.

9.2 | Industrial Rebates

The granting of rebates on customs duties and duty drawbacks serves as a strategic counterbalance to tariffs, particularly for goods that are not produced domestically or in sufficient quantities, thus ensuring that duties imposed on imports do not unintentionally hinder industrial development, exports, or domestic value addition. The primary aim of these provisions is to provide a customs duty waiver and, therefore, make products that attract customs duty to be available at competitive world prices. Together these provisions encourage local production, reduce input costs and thus enable industries to be competitive domestically and abroad.

9.2.1 General Rebates administered on a continued basis

The Commission continued to administer industrial rebates through the issuance of rebate certificates in accordance with both the BOTC Act, Customs Act No. 33 of 2018 and Excise Act No 34 of 2018, to exempt companies from paying customs duty.

Table 2: General Rebates Admistered

Item No.	Rebate Item Description	No. of Permits
Rebate Item 412.11	Goods imported for the relief of distress of people in cases of famine or national disaster	202
Rebate Item 416.16	Photovoltaic cells, assembled in modules or made up into panels	54

9.3 | Trade Remedy Investigations

BOTC is responsible for investigating allegations of unfair trading practices and unforeseen surges in imports that cause injury to the Botswana industry in accordance with the BOTC Act, 2013 as amended in 2023, and in alignment with the SACU Agreement, 2002 and WTO rules. It does so by administering trade defence instruments, such as anti-dumping, countervailing (or anti-subsidy), and safeguard measures. Trade remedies have a bearing on the SACU CET, and as such, trade remedy investigations are conducted through a regional consultation process spearheaded by ITAC of South Africa on behalf of all the SACU Member States.

For the 2025/26 reporting period, the Commission's engagement in trade remedy investigations primarily involved instruments related to anti-dumping and safeguard measures. Through these trade remedy instruments; SACU Member States can enforce fair trade practices and support the sustainability and competitiveness of local industries.

During the period under review, the sunset review of the anti-dumping duty on sodium carbonate (disodium carbonate or soda ash) originating in or imported from the United States of America (USA) was completed. A final determination was made to extend the existing anti-dumping duty at the rate of 40 percent on imports from the USA as depicted by Table II below.

Table 3: Completed Trade Remedies Investigations

Report No	Product	Decision
Report 753	Disodium Carbonate (soda ash) classifiable in tariff subheading 1516.20.90, originating or imported from United States of America.	Maintain prevailing anti-dumping duty of 40%

Source: ITAC

This anti-dumping duty serves to safeguard and ensure long-term sustainability of the region's sodium carbonate (soda ash) industry. As the sole producer and supplier of soda ash in the SACU region and Southern Africa, Botswana Ash (Pty) Ltd, Botash, plays a vital role in ensuring a stable supply of this critical chemical to downstream industries, thus making it the cornerstone of regional economic development. Sodium carbonate (soda ash) is a strategic chemical used across a wide range of industries, including glass manufacturing, detergents and soaps, chemicals as well as mining operations including batteries, steel chrome, platinum and other industrial minerals. The extension of the anti-dumping measure will safeguard regional production and supply of soda ash to downstream industries from within the region.

9.2.2 Development of Industry in Botswana – Infant Industry Protection (IIP)

Botswana's industrial landscape is characterised by emerging industries that are still in the early stages of development and require nurturing to grow, scale and effectively compete on the international stage. To support this growth, Botswana utilizes the infant industry protection (IIP) dispensation as a developmental tool provided for under Article 26 of the SACU Agreement, 2002. The IIP is implemented in the form of an additional customs duty for a period of eight (8) years and is applied to "like" products originating from both within and outside the CCA.

The IIP provision supports the developmental objectives of the lessor developed economies within the Customs Union, namely Botswana, Eswatini, Lesotho, and Namibia (BELN), to protect their nascent industries from premature competition. This dispensation promotes the sustainability, expansion, and competitiveness of local industries, thereby contributing to broader national objectives on economic diversification, job creation, and long-term industrial resilience. By fostering a conducive environment for these nascent sectors, Botswana seeks to build a more diversified economy that is less reliant on traditional sectors and be better positioned for sustainable growth.

In support of Botswana's national developmental objectives, BOTC, conducts industry assessments to determine eligibility of local industries for IIP. Such assessment may be undertaken either at the request of an industry or on a self-initiated basis by the Commission, informed by observed trends and challenges faced by the industry. These assessments involve a comprehensive economic analysis to ascertain eligibility of the industry to benefit from IIP support. Eligibility for IIP is primarily informed by whether an industry is at an early or developing stage and its potential to contribute to industrial development, value addition, employment creation and economic diversification. The overall objective is to ensure that protection is granted exclusively to industries that are of strategic importance, demonstrate viability and can contribute meaningfully to Botswana's industrial development objectives.

During the period under review, the Commission has progressed the following IIP measures aimed at supporting the development and competitiveness of local industries:

Table 4: IIP Measures Progressed

S.I No.	Product/ Industry	Update
1.	Surgical masks, classifiable under tariff subheading 6307.90.10	An additional duty of 10% ad valorem was imposed with effect from February 2026 to increase the applied rate to 30% (bound rate). The 30% duty applies to all imports, including imports from within the Customs Union.
2.	Shade Nets classifiable under tariff subheadings 3926.90.91	An additional duty of 10% ad valorem was imposed with effect from February 2026 to increase the applied rate to 30% (bound rate). The 30% duty applies to all imports, including imports from within the Customs Union.
3.	Thermal paper rolls classifiable under tariff subheading 4802.61.90.	An additional duty of 20% ad valorem was imposed with effect from February 2026 to increase the applied rate to 30% (bound rate). The 30% duty applies to all imports, including imports from within the Customs Union.
4.	UHT Milk classifiable under tariff subheadings 0401.10.07; 0401.20.07; 0401.40.07; and 0401.50.07.	A request for extension of the IIP on UHT milk was submitted to the SACU Secretariat, in view of the under development of the industry and the existential threat that the expiry of the IIP duty would pose to the domestic industry. The request for extension is under consideration by SACU Members.

9.2.3 Trade Negotiations

As a designated authority to manage the national tariff policy, the Commission plays a key role in shaping Botswana's trade policy framework and contributing to the formulation of the national positions in trade negotiations. The Commission:

- Continues to provide policy and technical advice to ensure that trade agreements incorporate sufficient safeguards for key sectors, promote industrial upgrading and competitiveness, and support the country's overarching industrial development strategy;

- Supported Botswana in responding to evolving global and, geopolitical trade developments including the abrupt discontinuation of the African Growth Opportunity Act (AGOA), the subsequent one-year extension and parallel discussions on a reciprocal trade arrangement under the SACU framework, and negotiations between SACU and China on a reciprocal trading arrangement under the proposed China-Africa Development Economic Partnership Agreement (CADEPA) framework. These efforts were meant to secure and expand market access for Botswana's products in the world's biggest markets.

- Contributed to ongoing regional discussions on industrial promotion and development of regional value chains. These include the development of the SACU Industrialization Strategy and a Smart Specialization Strategy on Automotives and Mineral Beneficiation. The latter Strategy aims to support the development of automotive and complementary green mineral value chains in the region.

9.4 | Import and Export Control

The regulation of imports and exports is essential to control the flow of goods to safeguard national interests and support the achievement of defined economic and trade policy objectives. Its primary goals include protecting public health and safety, national security, and the environment; preventing the entry or exit of prohibited or restricted goods; supporting industrial development and strategic economic sectors; and ensuring compliance with international obligations.

9.4.1 National Workshop on Import Licensing Procedures

The Commission in collaboration with Ministry of Trade and Entrepreneurship (MTE) convened a three (3) day National Workshop on Import Licensing Procedures from 25th – 27th November 2025. The workshop was facilitated by the World Trade Organization (WTO) Secretariat.

The workshop brought together various Government Ministries, Departments and Authorities with a bearing on import licensing procedures with the view to provide hands-on training on the WTO Agreement on Import Licensing Procedures and Member States' commitments and obligations under the same Agreement. This was intended to guide the preparation and submission of Botswana's transparency or notification obligations under the Agreement. The workshop was further designed to shed light on case studies of licensing regimens of comparator countries with a view to share experiences and good practices for Botswana to consider in the review of her import licensing regime to make it more streamlined, transparent and efficient. This with a view to facilitate the transfer of mandate on import and export control to the Commission

Challenges

Budgetary constraints have constrained delivery on the Commission's plans to expand its operational base. Some of the plans affected include: increasing the technical staff complement, undertaking the manufacturing sector study, monitoring and evaluating the performance of industries benefiting from our trade instruments.

However, those commitments and plans remain relevant to bolster the Commission's capabilities to better deliver on the mandate and enhance its impact on industry development and contribute to economic growth and development.

Future Outlook

- In the coming financial year, the Commission will focus on strengthening its institutional, regulatory and research capabilities to enhance its effectiveness in delivering on its core mandate. Key priorities will include:

- **Legislative and Regulatory Reform:** Undertake legislative review to facilitate the transfer of the import and export control mandate to the Commission.

- **Strengthening Research Capability:** Develop a

Research Capability Development Framework which will assist in standardizing and enhancing the quality of research undertaken by the Commission. The initiative will strengthen evidence-based decision making, ensure consistency of analytical rigor, and maximise the policy and strategic impact of the Commission's research.

- **Strategic Partnerships and Resource Mobilisation:** Establish and strengthen strategic partnerships with identified development partners and competent authorities to provide technical assistance and joint resource mobilization for strategic initiatives aimed at institutional strengthening and enhancing regulatory capacity. This will also support the undertaking of the industrial country diagnostics to inform industrial development and competitiveness interventions.

9.5 | Human Resources and Administration

Overview

Recognising the importance of human capital in delivering the Commission's mandate, efforts were directed towards enhancing employee engagement and wellness initiatives, building staff capacity, and improving administrative support systems. These initiatives are aimed at improving organisational effectiveness, promoting accountability and teamwork, and positioning the Commission to implement its strategic priorities effectively.

9.5.1 Workforce Capacity

Despite the challenging economic environment and prevailing budgetary constraints, the Commission remained committed to maintaining a motivated and productive workforce, while strengthening the systems and processes necessary to support sustainable organisational growth and service delivery.

Despite the challenging economic environment and prevailing budgetary constraints, the Commission remained committed to maintaining a motivated and productive workforce, while strengthening the systems and processes necessary to support sustainable organisational growth and service delivery.
As at 31 March 2026, the Commission had a staff complement of twenty-seven (27) employees, comprising both permanent and fixed term contract employees.

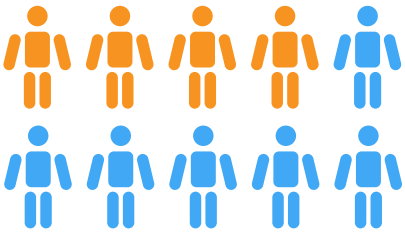
The Commission maintained a workforce composition of sixteen (16) females and eleven (11) males during the year under review. Representation at Executive level improved from four (4) members, previously all female, to ten (10) members comprising seven (7) females and three (3) males, reflecting the Commission's continued commitment to diversity, inclusion, and balanced leadership representation.

Employee Ratio



Exco Count:

6+
Increase



Challenges

Budgetary constraints resulted in delays in filling some critical positions and limited investment in long-term staff development and training initiatives. Nevertheless, the Commission remains committed to building capacity and improving organisational efficiency to achieve its strategic goals.

Future Outlook

The Commission will continue to focus on strengthening institutional capacity and improving operational efficiency in support of its strategic mandate. Priority areas are as follows:

Organisational Structure Review and Realignment

An Organisational Structure Review and Realignment exercise will be undertaken to ensure that the organisational structure, roles, and functional responsibilities are fully aligned with the Commission's 2026–2031 Strategic Plan

Review of Human Capital Frameworks

The Commission will prioritise the development and review of Human Capital policies and frameworks to strengthen governance, enhance people management practices, and support the creation of a high-performance and accountable organisational culture.

Human Resources and Records Management Systems

Efforts will be directed towards strengthening human resource and administrative systems, including the enhancement of records management processes and the exploration of digital solutions aimed at improving efficiency and service delivery.

Capacity Building, Wellness and Culture Transformation

Emphasis will be placed on organisational culture transformation initiatives to improve productivity, strengthen employee engagement, and enhance organisational resilience within the prevailing economic environment.

9.6 | Procurement

9.6.1 Alignment to the Public Procurement Act

The Commission aligned its procurement processes with the Public Procurement Act, 2021, Public Procurement Regulations, 2023 and relevant Circular legislation. In this regard, procurement procedures and frameworks were developed and implemented to guide procurement activities and ensure full compliance. The Commission procured goods and services in accordance with these requirements, with procurement activities reserved for 100% citizen-owned companies in line with national empowerment objectives.

Future Outlook

- **Automation of Procurement Processes**

The Commission intends to automate its procurement processes to enhance operational efficiency, reduce reliance on paper-based systems, and strengthen transparency. This initiative will also provide a reliable audit trail, improve compliance, and support timely decision-making in procurement activities.

9.7 | Information Technology

The Commission prioritized the development and strengthening of its Information and Communication Technology (ICT) capabilities to support operational efficiency, service delivery, and digital transformation initiatives.

9.7.1 Cybersecurity Strengthening Initiatives

The Commission continued to reinforce its cybersecurity posture through staff awareness initiatives and targeted interventions. Key activities included the successful implementation of a Cybersecurity Awareness Month programme, aimed at enhancing staff knowledge and promoting a culture of security consciousness.

In addition, adjustments were made to the organisation's security infrastructure to better align with operational needs and available resources. Continuous efforts are being undertaken to maintain an appropriate balance between system security, performance, and usability.

9.7.2 Systems Automation and Digital Transformation (OPMS)

To address the operational challenges experienced with the OPMS, the Commission successfully migrated the system from the 1-Gov, 1-Citizen platform to a BOTC managed host environment. The migration process and the associated integration of the OPMS with other Government supporting systems are expected to be concluded in the coming financial year. Hosting the OPMS within the BOTC managed environment would enable the Commission to ensure system availability, improve access to service, and enhance operational control, ultimately ensuring that the vision to digitalise government services is realised.

Future Outlook

- In the 2026/27 financial year, the Commission will prioritise the review and strengthening of its ICT Governance Framework to ensure alignment with evolving organisational needs, regulatory requirements, and best practices in technology management. This will enhance oversight and strategic decision-making in ICT investments and operations.

- In addition, emphasis will be placed on fostering a strong digital culture across Commission. This will involve promoting the adoption of digital tools, enhancing staff digital competencies, and embedding technology-driven ways of working to improve efficiency, innovation, and service delivery.



10 Stakeholder Management

10.1 | Overview

The Botswana Trade Commission proactively strengthened stakeholder relations across government, the business community, and development partners through consultations, outreach programmes, Corporate Social Responsibility (CSR) initiatives, and digital media engagement. The efforts resulted in improved awareness of the Commission's mandate, increased participation in its programmes, and strengthened collaboration with key partners across the trade ecosystem.

Enhanced engagement platforms also contributed to more effective information dissemination, improved responsiveness to stakeholder needs, and greater public visibility of the Commission's activities. In addition, CSR initiatives fostered positive community relations and reinforced the Commission's commitment to social responsibility.

10.2 | Stakeholder Engagement

The Commission conducted various stakeholder engagement activities during the year, including workshops, stakeholder meetings, and outreach programmes focused on trade awareness.

As a result, there was increased stakeholder awareness and participation in the Commission's programmes, as well as improved alignment between stakeholder expectations and the Commission's strategic objective.

Table 5: Stakeholder Engagement activities

STAKEHOLDER	OUTREACH PROGRAMME	FOCUS AREAS
Business Community	• **Northern Trade Fair (Business Botswana)** • **Local Manufacturing Summit 2025** • **Global Expo 2025** • **Stakeholder workshops** (Gaborone, Lobatse, S/Phikwe, Francistown) • **Industry Visits** (Gaborone, S/Phikwe, Palapye Francistown) • **CEDA Branch Opening** • **(Tutume)**	• Promotion and awareness of BOTC Services • Brand Visibility • Customer Feedback on trade and industry matters)
Local Authorities	• **Full Council Briefing** (Gaborone, S/Phikwe, Palapye Francistown) • **BURS** (Courtesy call to Acting Commissioner)	• Promotion and awareness of BOTC Services • Feedback from policy makers
International Bodies and Partners	• UK Trade Remedies Authority • International Fund for Agricultural Development (IFAD) • African Development Bank (AfDB) • United Nations Industrial Development Organisation (UNIDO)	• Technical cooperation and institutional capacity building
Media & Communication Partners	• **Radio Botswana**	• Awareness of BOTC Services • Feedback on brand visibility

10.3 | CSR Projects

The Commission recognises its broader responsibility to be a good corporate citizen and make a positive impact to society. Corporate Social Responsibility (CSR) initiatives are guided by a commitment to inclusive and sustainable development, aimed at empowering communities, supporting vulnerable groups, and promoting self-reliance through impactful interventions. The Commission implemented a Community Support Initiative under the Adopt-a-School programme during the financial year 2024/25 , through which a Manyana Primary school special needs class project was sponsored. As part of this initiative, poultry and orchard projects were

established to promote sustainability, encourage community ownership, and foster a culture of self-reliance.In the year 2025/26 the Commission supported the poultry project by providing feed for a six (6)-month period, which ended in October 2025. The orchard project was further supported through the provision of fertilisers to enhance productivity and long-term viability.

10.4 | Digital Media Performance

The Commission enhanced stakeholder engagement and organisational visibility through effective use of digital platforms, including its website and social media channels. Content dissemination focused on key activities, stakeholder engagements, and strategic initiatives, contributing to improved communication and outreach.

10.4.1 Website

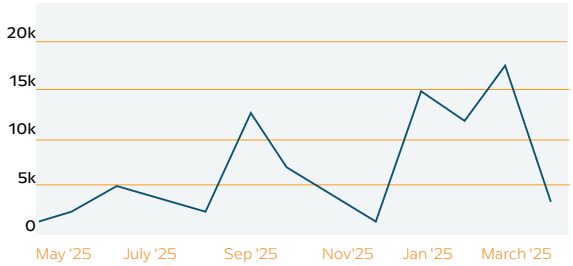
The Commission successfully completed the revamp of its website, introducing improved interactive features such as a chatbot, FAQs, and feedback tools. The platform now supports recruitment, publication of reports, and information sharing. Ongoing system diagnostics ensure continued security, compliance, and optimal performance.

10.4.2 Other Digital media platforms

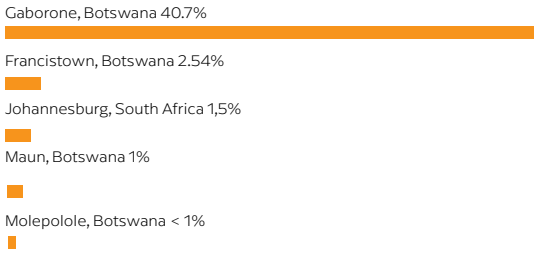
The following graph gives an illustration summary of growth from the financial year 2024/25:

a) LinkedIn

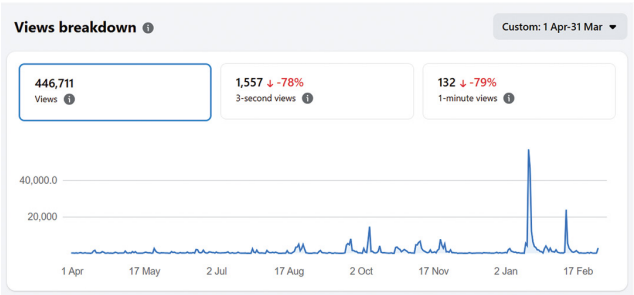
Metrics



Geography



b) Facebook







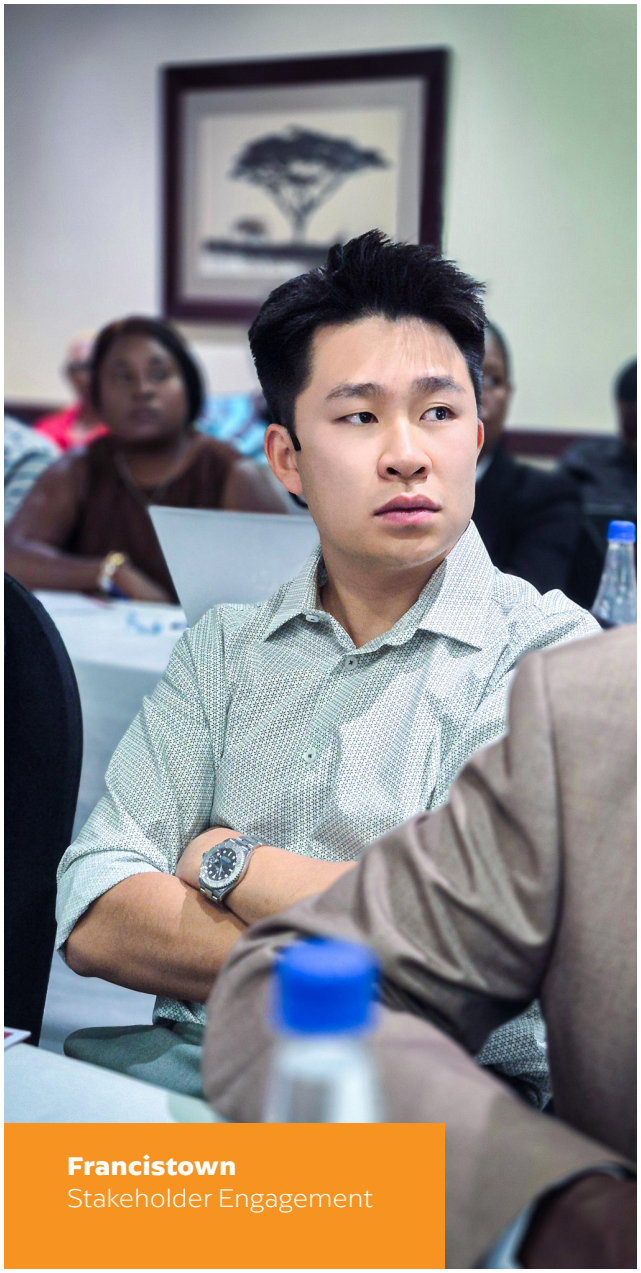


Future Outlook

The Commission will prioritise strengthening its digital communication strategies to expand stakeholder reach and engagement. It will also enhance stakeholder consultations and improve customer satisfaction through structured feedback mechanisms. Additionally, BOTC will focus on increasing organisational visibility, reinforcing its brand identity, and ensuring consistent messaging across all communication channels through two (2) strategic objectives of Brand Improvement and Customer Centricity programs.



Makoro Bricks & Tanks
Palapye Industry Visits



Francistown
Stakeholder Engagement



Francistown City Council
Full Council Brief



7 Star Pipes
Palapye Industry Visits



Industry Workshop
Francistown Stakeholder Workshop



World Trade Organisation
Import & Export Licensing Workshop



11 Governance

The BOTC Board of Directors serves as the apex governance structure, providing strategic direction, oversight, and stewardship to ensure that the organisation fulfils its mandate effectively and sustainably.

In discharging its responsibilities, the Board upholds the principles of good corporate governance by promoting accountability, transparency, integrity, and ethical leadership across all levels of the Commission.

11 .1 | Statutory Composition of The Board of Directors

The Board of Directors of BOTC is constituted in accordance with the BOTC Act, 2013, as amended in 2023, which provides for a Chairperson and eight (8) other members appointed by the Minister responsible for trade and industry. The membership includes representatives drawn from the Ministries responsible for trade (international trade), agriculture (agribusiness), and finance (tax policy), the Botswana Unified Revenue Service, and three (3) individuals from the private sector with relevant expertise in areas such as trade, law, finance, and industry, together with the Chief Executive Officer as an ex-officio member of the Board. This statutory composition ensures an appropriate mix of independence, technical competence, and institutional representation, enabling the Board to effectively exercise its oversight, policy direction, and governance functions in line with the Commission's legislative mandate.

The BOTC Board was reconstituted on the 1st of March 2026. This meant the tenure for the outgoing Board ended on the 28th of February 2026 and the newly appointed Board assumed duty on the 1st of March 2026.

11 .1 | Outgoing Board of Directors (Term Lapsed)

NAMES	QUALIFICATION & COMPETENCIES	CURRENT OCCUPATION	SECTOR/ MINISTRY	TENURE
Dr. Kealeboga N.Bojosi	• DPhil in International Law - University of Oxford • LLM (Commercial Law Specialisation) - University of Cambridge • LLM (International Human Rights and Democratisation in Africa) - University of Pretoria • Bachelor of Laws - University of Botswana	Principal Legal Counsel, Finance - African Development Bank, Abidjan, Côte d'Ivoire.	Private Sector	01/12/2020 - 30/11/2025
Mr. Ernest Kelapile	• Bachelor of Accountancy – University of Botswana • Associate Chartered Management Accountant (ACMA) • Chartered Global Management Accountant (CGMA)	Internal Audit Manager, Morupule Colliery	Private Sector	01/07/2022 - 30/06/2025
Mr. Thulaganyo M. Mabe	• Master of Commerce (Economics) - University Research Thesis of Stellenbosch • Bachelor of Arts in Social Sciences (Economics) August 1997 - University Botswana	Self Employed	Private Sector	01/10/2023 – 28/02/2026

Ms. Keatlaretse Dintle	• Hons. Economics - University of the Western Cape • BA Social Sciences (Economics) - University of Botswana	Chief Trade Officer, Department of Trade Development	Department responsible for international trade	01/10/2023 - 28/02/2026
Ms. Gaone L. Arieff	• Bachelor of Arts in Social Sciences- University of Botswana • Chartered Institute of Management Accountants – Botswana Accountancy College	General Manager – Trade Facilitation, BURS	Botswana Unified Revenue Services	01/10/2023 - 28/02/2026
	VACANT		Department responsible for agri-business	N/A
	VACANT		Department responsible for tax policy	N/A
	VACANT		Private Sector	N/A

11.2 | Current Board of Directors

NAMES	QUALIFICATION & COMPETENCIES	CURRENT OCCUPATION	SECTOR/ MINISTRY	TENURE
Dr. Howard K. Sigwele	• PhD (Agric. Econ) - University of Pretoria, South Africa • MSc (Agric. Econ) - Michigan State University, USA • Bsc Agic -University of Botswana and Swaziland	Agricultural and Trade Economic Consultant	Private Sector	01/03/2026 - 28/02/2031
Ms. Keolebogile L. Diswai	• PhD Candidate, International Relations — University for Peace, Costa Rica (2026) • MA International Policy & Diplomacy — Staffordshire University, United Kingdom • BA Mass Communication — Curtin University, Australia	Independent Consultant –Policy & Partnership Strategy	Private Sector	01/03/2026 - 28/02/2031
Ms. Mmantlha M. Sankoloba	• Executive Master's in Business Administration (Candidate) Botswana Open University • Bachelor of Administration (Human Resources, Public Administration) - Northwest University, South Africa	Chief Executive Officer- Botswana Manufacturing and Exporters Association	Private Sector	01/03/2026 - 28/02/2031

Mr. Ofentse G. Khumomotse	• Bachelor of Laws - University of Botswana	Attorney - Khumomotse Law Practice	Private Sector	01/03/2026 - 28/02/2031
Ms. Johanah L. Segotlong	• Post-Graduate Certificate in Enterprise Risk Management - Botswana Accountancy College • Diploma in Trade Policy - University of Swaziland • Post Graduate diploma in Economics (Economics and Finance) – University of Bristol. • BA Economics degree - University of Botswana	Director –Trade Development	Department responsible for international trade	01/03/2026 – (TBC)
Mr. Philiso P. Valashia	• Bachelor of Arts (Economics) – University of Botswana • Master of Customs Administration and Law	Acting Commissioner General	Botswana Unified Revenue Services	01/03/2026 – (TBC)
Ms. Boitshoko Keabofe-Medupe	• Master of Taxation – University of Sydney (Australia) • Bachelor of Arts- Economics	Director- Tax Policy	Department responsible for tax policy	01/03/2026 – (TBC)
VACANT			Department responsible for agri-business	N/A
Ms. Shirley G. Moncho	• Postgraduate Diploma in Management Practice (Trade Policy & Law) • University of Cape Town. • MSc Agricultural Economics – 1999 - Oklahoma State University (USA) • BSc Agriculture -1993- University of Botswana	Chief Executive Officer - Botswana Trade Commission	Ex-Officio	N/A

11.2 | Board Committees

Board Committees are specialized structures established to enhance the efficiency and effectiveness of the Board's oversight role. While the Board retains overall responsibility, these committees enable focused, in-depth consideration of key areas that require technical scrutiny or sustained attention. The Committees have no final authority and usually make recommendations to the Board for approval, unless such authority has been delegated to the Committee by the Board. The Commission has two (2) Committees namely the Finance, Audit, Risk Committee and the Human Resources Committee.

11.2.1 Finance, Audit And Risk Committee

This Committee supports the Board by overseeing financial reporting, internal controls, risk management, and audit processes, and thus ensuring integrity, transparency, and accountability in the organization's operations. The composition of FARC appears below:

NAMES	APPOINTMENT DATE	EXPIRY OF TERM	ROLE
Mr. Ernest Kelapile	01/09/2022	30/06/2025	Chairperson
Mr. Thulaganyo M. Mabe	18/12/2023	28/02/2026	Member
Mr Cowell Habana	01/04/2024	30/03/2027	Member

11.2.1 Human Resources Committee

The Human Resources Committee supports the Board by providing oversight and guidance on Human Resources matters to achieve organisational goals and promote a positive organisational culture.

NAMES	APPOINTMENT DATE	EXPIRY OF TERM	ROLE
Mr. Peter Tladinyane	01/09/2024	31/08/2026	Chairperson
Ms. Keatlaretse Dintle	18/12/2023	28/02/2026	Member
Ms. Gaone L. Arieff	18/12/2023	28/02/2026	Member

11 .3 | Board Meetings

The Board convenes ordinary meetings on a quarterly basis and special meetings as and when there is need. Declarations of interests in relation to the matters to be tabled before them are signed ahead of the deliberations as a control measure.

The Board Secretary provides essential governance support to the Board, ensuring compliance with statutory and governance requirements. The role includes preparing and circulating agendas and Board packs, recording accurate minutes, and advising the Board on governance procedures and regulatory obligations to support sound decision-making and accountability.

11 .4 | Meeting Attendance and Remuneration of Board Members

Board members are entitled to sitting allowances in accordance with prescribed rates as determined by relevant Presidential Directive CAB 30B/2023 REV.1 on Board sitting allowances and retainer fees (effected 1st of December 2023). The Chairperson is eligible for P5 000.00 remuneration per sitting while the rest of the members are entitled to P4 000.00 per sitting. Board Chairperson is also entitled to a retainer fee of P7500.00 quarterly while ordinary members receive a retainer fee of P6 000.00 quarterly.

11.5 | Remuneration of Board/Board Committee Members and Meeting Attendance

11.5.1 Outgoing Board Of Directors (Term Lapsed 28th Of February 2026)

MEMBER	DESIGNATION	ORDINARY BOARD MEETING	HRC	FARC	RETAINER	SITTING ALLOWANCE	TOTAL REMUNERATION
Dr, Kealeboga N. Bojosi	Chairperson	3/3	N/A	N/A	P20,000	P15,000	P35,000
Mr. Ernest Kelapile	Vice-Chairperson	1/3 (term expired in June 2025)	N/A	1/2	P6, 000	P8, 000	P14,000
Mr. Thulaganyo Mabe	Member	3/3	N/A	2/2	P 22,645.16	P20, 000	P42,645.16
Ms Gaone L. Arieff	Member	3/3	3/3	N/A	P22,645.16	P24, 000	P46,645,16
Ms. Keatlaretse Dintle	Member	3/3	3/3	N/A	P22,645.16	P24 ,000	P46,645.16
Ms Shirley G. Moncho	Chief Executive Officer (ex-officio member)	3/3	3/3	2/2	N/A	N/A	N/A
Mr. Peter Tladinyane	Co-opted member of the Human Resources Committee	N/A	3 /3	N/A	N/A	P12 ,000	P12 ,000
Mr. Cowell Habana	Co-opted member of the Finance, Audit and Risk Committee	N/A	N/A	2/2	N/A	P8, 000	P8,000

11.5.2 Current Board of Directors (Term Commenced 1st March 2026)

MEMBER	DESIGNATION	ORDINARY BOARD MEETING	HRC	FARC	RETAINER	SITTING ALLOWANCE	TOTAL REMUNERATION
Dr. Kgalemang Howard Sigwele	Chairperson	1/1	N/A	N/A	P2, 250	P5, 000	P7, 500
Ms. Kelebogile Lebogang Diswai	Vice-Chairperson	1/1	N/A	N/A	P2, 000	P4, 000	P6, 000
Ms. Johanah Lucy Segotlong	Member	1/1	N/A	N/A	P2, 000	P4, 000	P6, 000
Ms. Mmantlha Mmamagirl Sankoloba	Member	1/1	N/A	N/A	P2, 000	P4, 000	P6, 000

Mr. Ofentse Gilbert Khumomotse	Member	1/1	N/A	N/A	P2, 000	P4, 000	P6, 000
Mr. Philiso Phodiso Valashia	Member	1/1	N/A	N/A	P2, 000	P4, 000	P6, 000
Ms. Boitshoko Keabofe-Medupe	Member	1/1	N/A	N/A	P2 000	P4, 000	P6, 000
Ms. Shirley Gabontloge Moncho	Chief Executive Officer (ex-officio member)	1/1	N/A	N/A	N/A	N/A	N/A

11.6 | Corporate Governance Milestones Achieved by BOTC in the 2025/26 FY

11.6.1 Corporate Governance review by Botswana Accountancy Oversight Authority (BAOA)

BOTC was reviewed for compliance with the requirements of King IV Code. Results indicate that BOTC's compliance was satisfactory (low-medium), implying that BAOA was satisfied that there is consistent compliance in material aspects with the principles of good governance. Subsequent to the review, BOTC prepared a remedial action plan to support maintenance of robust corporate governance practices within the organization.

11.6.2 Code of ethics and conduct

Previously, aspects of the Code of Ethics were subsumed in the Board Charter. As part of improving the governance framework, the Board adopted a standalone code of ethics as a critical tool for achieving an ethical culture. It sets out the ethical standards and values expected of Board members and requires Board members to embody the "ICRAFT" characteristics: Integrity, Competence, Responsibility, Accountability, Fairness, and Transparency.

11.6.3 Board Charter and Terms of Reference for Board Committees

The Board Charter and Board Committee Terms of Reference were reviewed to ensure that they are aligned to corporate governance best practices and to enhance prudent decision making. The reviewed governance documents reinforced the director's fiduciary duties and refined the operational procedures for the Board and its Committees.

11.6.4 Compliance policy

In the interests of BOTC's commitment to conducting all business activities with integrity, and in full alignment with relevant legal and regulatory requirements, the Commission adopted a Compliance Policy. The policy further aims to ensure that legal and compliance risks are systematically identified, assessed and effectively managed.

11.6.5 Corruption Prevention Committee

BOTC established a Corruption Prevention Committee (CPC), strengthening its institutional framework for integrity and anti-corruption. The appointed members were capacitated through training conducted in collaboration with the Directorate on Corruption and Economic Crime (DCEC) and the Ethics and Integrity Directorate. The Committee operates in accordance with its approved Terms of Reference, ensuring structured and effective oversight of corruption prevention initiatives within the Commission.



12 Risk Management

12 .1 | Governance and Oversight

The Board maintains overall responsibility for the Commission's Risk Management Framework, ensuring that risks are effectively identified, assessed, managed, and monitored. During the reporting period, both the Board and Executive Management continued to provide strategic oversight of the Commission's Enterprise Risk Management (ERM) processes and on the broader corporate risk environment.

12 .2 | Risk Maturity Assessment

As part of strengthening its governance and risk management practices, the Commission conducted a Risk Maturity Survey. The survey assessed the extent to which risk management is embedded across the Commission, including awareness, implementation, and integration into decision-making and operations.

The overall risk maturity level was assessed at 28.83%, indicating a low level of maturity. While foundational risk management elements are in place, the organisation has not yet achieved consistent execution or full integration into strategic processes. The assessment highlighted moderate progress in policy development and performance monitoring, but identified gaps in business continuity planning, limited automation of risk processes, and a lack of a strong leadership-driven risk culture.

In response to the findings of the risk maturity assessment, the Commission developed a targeted implementation plan aimed at strengthening its risk management capability. Key priorities include the following:

12.2.1 Strengthening Governance Structures

The Commission will strengthen risk governance through the establishment of an Executive-level Risk Management Committee and the appointment of Risk Champions across departments. Risk management will also be integrated into standing agenda items for Management meetings to ensure continuous oversight and accountability.

12.2.2 Building Organisational Capacity

The Commission will strengthen organisational capacity through a targeted Risk Awareness Programme, to promote a risk-aware culture and enhance skills in risk identification, assessment, root cause analysis, and effective risk reporting and monitoring.

12.2.3 Embedding Risk Management into Strategy and Operations

The Commission will embed risk management into strategy and operations by aligning the Strategic Risk Register with organisational objectives and performance indicators, conducting root cause analyses for key risks, and implementing departmental risk registers that are integrated with operational plans.

12.2.4 Development of Risk Appetite and Tolerance Framework

To further enhance risk management maturity, the Commission will develop and implement a Risk Appetite and Tolerance Statement. This will define acceptable risk levels in pursuit of strategic objectives and establish clear thresholds to guide decision-making.

12 .3 | Enhancements to the Risk Management Framework

To further enhance risk management maturity, the Commission will develop and implement a Risk Appetite and Tolerance Statement. This will define acceptable risk levels in pursuit of strategic objectives and establish clear thresholds to guide decision-making.

12.3.1 Strategic Risk Register Review

The Commission enhanced its risk register by introducing:

- **Residual Risk Ratings,** enabling the assessment of risk exposure after mitigation measures have been applied. A Corporate Risk Matrix was also introduced to provide a visual representation of risk levels and ensure alignment with the Commission's risk appetite

and strategic objectives.

- **Strategic Risk Mitigation Plan (SRMP)** - SRMP was introduced to strengthen monitoring and ensure that strategic risks are actively managed and tracked.

- **Enhanced Risk Reporting** - A structured quarterly risk dashboard was developed to improve reporting, support decision-making, and enhance oversight by FARC.

12 .4 | Key Risk Drivers

During the 2025/26 financial year, the Commission's risk profile was influenced by several key factors, including:

- Dependence on government subventions
- Downtime of the OPMS
- Risk of non-compliance with the Data Protection Act.
- Vacant critical positions affecting operational capacity.
- Absence of a Technical Board Sub-Committee.

These risks were actively monitored and managed within the Commission's ERM framework.

The Risk Maturity Level Illustratrion



2025/26 FY



13 Internal Audit

13 .1 | Purpose

The Commission established the Internal Audit function whose primary purpose is to support the Commission in achieving its strategic objectives by providing independent assurance on the effectiveness of governance, risk management, and internal control processes.

13.2 | Independence and Reporting Structure

To ensure independence and objectivity, the Internal Auditor reports functionally to the Board of Directors through the Finance, Audit and Risk Committee, and administratively to the Chief Executive Officer. The Internal Auditor has direct and unrestricted access to the Board Chairperson, the Chairperson of the Finance, Audit and Risk Committee, and the Chief Executive Officer.

13 .3 | Key Developments

During the period under review, the key initiatives included the development of the Internal Audit Charter and Internal Audit Policy, which provide the framework for its operations and governance.
To further strengthen governance, risk management, and internal control processes, the Internal Audit function submits quarterly assurance reports to the Finance, Audit and Risk Committee. These reports provide independent assurance on key risks and the effectiveness of control activities across the Commission, supporting informed oversight and decision-making.

Internal Audit continues to play a coordination and monitoring role by periodically following up on audit findings to ensure that Executive Management implements agreed corrective actions. As at year-end, more than 80% of audit recommendations had been implemented, with the remainder at various stages of completion.

Future Outlook

The Internal Audit section will focus on strengthening its capability and enhancing assurance delivery through the following key initiatives:

- Development and implementation of an Internal Audit Strategy.
- Preparation of a risk-based three-year Internal Audit Plan aligned to the Commission's corporate risk profile and five-year corporate strategy, for Board approval.
- Implementation of a Combined Assurance Framework to enhance coordination among assurance providers.
- Review and strengthening of the Whistleblowing Policy.
- Development of a comprehensive Internal Audit Manual to standardise audit processes and methodologies



BOTSWANA TRADE COMMISSION

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

RSM

GENERAL INFORMATION

Country of incorporation and domicile	Botswana	
Nature of business and principal activities	Regulation of imports and exports of goods in Botswana	
Members of the board	Dr Kealeboga Bojosi - Chairperson	Tenure ended on November 2025
	Ms Shirley Moncho - CEO	
	Mr Ernest Kelapile - Vice Board Chairperson	Tenure ended on June 2025
	Mr. Thulaganyo Moanaphala Mabe	Tenure ended on March 2026
	Ms. Keatlaretse Dintle	Tenure ended on March 2026
	Ms. Gaone Lucy Arieff	Tenure ended on March 2026
	Mr Philiso Phodiso Valashia	Appointed on March 2026
	Dr Howard Kgalemang Sigwele- Chairperson	Appointed on March 2026
	Mr Ofentse Khumomotse	Appointed on March 2026
	Ms Johanah Segotlong	
	Ms Boitshoko Keabofe-Medupe	Appointed on March 2026
	Ms Mmantlha Sankoloba	Appointed on March 2026
	Ms Keolebogile Lebogang Diswai	Appointed on March 2026
Registered office	Plot 55745 Main Airport Road Block 8 Gaborone	
Business address	Plot 55745 Main Airport Road Block 8 Gaborone	
Postal address	Private Bag 003 Poso House Gaborone	
Bankers	First National Bank Botswana Stanbic Bank Botswana Limited	
Auditors	RSM Botswana, Certified Auditors	
Legal form	This is a statutory entity formed in terms of the Botswana Trade Commission Act, 2013.	

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DIRECTORS RESPONSIBILITIES AND APPROVAL OF ANNUAL STATEMENTS

The directors are required in terms of the Botswana Trade Commission Act, 2013 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 Commission 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 IFRS® Accounting Standards as issued by the International Accounting standards Board. The external auditors are engaged to express an independent opinion on the financial statements.

The annual financial statements are prepared in accordance with the IFRS® Accounting Standards as issued by the International Accounting Standards Board and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Commission and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set 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 Commission and all employees are required to maintain the highest ethical standards in ensuring the Commission's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Commission is on identifying, assessing, managing and monitoring all known forms of risk across the Commission. While operating risk cannot be fully eliminated, the Commission endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors 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 directors have reviewed the Commission's cash flow forecast for the year to 31 March 2027 and, in light of this review and the current financial position, they are satisfied that the Commission 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 Commission's annual financial statements. The annual financial statements have been examined by the Commission's external auditors and their report is presented on pages **56** to **58**.

The annual financial statements set out on pages **59** to **80** which have been prepared on the going concern basis, were approved by the board of directors on ...**10/08/2026**..... and were signed on their behalf by:

Approval of financial statements



Director



Director

INDEPENDENT AUDITOR'S REPORT

RSM Botswana

RSM House
Plot 39, Commerce Park
Box 1816
Gaborone
Botswana
T +267 3912805 and 267 7231 0333
rsm.co.bw

INDEPENDENT AUDITORS' REPORT

To the Minister of Trade and Entrepreneurship

Report on the Audit of the Annual Financial Statements

Opinion

We have audited the annual financial statements of **Botswana Trade Commission** (The Commission) set out on pages 59 to 80 , which comprise the statement of financial position as at 31 March 2026, and the statements of surplus or deficit and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the annual financial statements, including significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the Commission as at 31 March 2026, and its financial performance and cash flows for the year then ended in accordance with IFRS® Accounting Standards and the Botswana Trade Commission Act, 2013.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission in accordance with the International Ethics Standards Board for Accountants *'Code of Ethics for Professional Accountants (IESBA code)* together with the ethical requirements that are relevant to our audit of the annual financial statements in Botswana ,and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code .We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion .

Other Information

The Directors are responsible for the other information. The other information comprises of all the information in this report, except for annual financial statements set out on pages 59 to 80.

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

In connection with our audit of the annual financial statements, our responsibility is to read the other information. We consider whether other information is consistent with the annual financial statements, or our knowledge obtained in the audit. If based on the work we have performed, 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.

INDEPENDENT AUDITOR'S REPORT

Responsibilities of Directors for the Financial Statements

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

In preparing the annual financial statements, Directors are responsible for assessing the Commission'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 Directors either intend to liquidate the Commission or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the 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 (ISAs) 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 ISAs, we exercise professional judgment 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 Commission's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of Directors' 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 Commission'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 Commission to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors 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.

INDEPENDENT AUDITOR'S REPORT

We also provide the Directors 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 related safeguards.

Report on other legal and regulatory requirements

Further, in accordance with Section 29(2) (a) to (d) of the Botswana Trade Commission Act, 2013 (the Act), we report as follows;

(i) we received all the information and explanations which, to the best of our knowledge and belief, were necessary for the performance of our duties,

(ii) the accounts and related books of the Commission were properly kept,

(iii) the Commission complied with the financial provisions of the Act with which it is its duty to comply with, and

(iv) the financial statements prepared by the Commission were prepared in accordance with IFRS® accounting standards, which basis is consistent with the prior year. Our opinion on the truthfulness and fairness of the financial statements is set out in the opinion paragraph of this report.

RSM Botswana.

RSM Botswana
Certified Auditors
Practicing member: P. Muonde
Membership number: CAP0024

Date 13 August 2026
GABORONE

STATEMENT OF FINANCIAL POSITION

Statement of Financial Position as at 31 March 2026

Figures in Pula	Note(s)	2026	2025
Assets			
Non-Current Assets			
Equipment	3	1,879,556	1,935,982
Right-of-use assets	4	4,480,398	324,996
		6,359,954	**2,260,978**
Current Assets			
Other receivables	5	179,180	191,553
Cash and bank balances	6	5,930,922	1,517,673
		6,110,102	**1,709,226**
Total Assets		**12,470,056**	**3,970,204**
Funds and Liabilities			
Funds			
Accumulated surplus		1,921,944	275,599
Liabilities			
Non-Current Liabilities			
Lease liabilities	4	3,936,069	-
Capital grant	7	1,889,558	2,036,407
		5,825,627	**2,036,407**
Current Liabilities			
Lease liabilities	4	753,199	330,688
Other payables	8	3,969,286	1,327,510
		4,722,485	**1,658,198**
Total liabilities		**10,548,112**	**3,694,605**
Total funds and liabilities		**12,470,056**	**3,970,204**

STATEMENT OF SURPLUS/(DEFICIT AND OTHER COMPREHENSIVE INCOME

Statement of Surplus/ (deficit) and Other Comprehensive income

Figures in Pula		2026	2025
Revenue	9	23,753,704	13,037,854
Other operating income	10	602,157	657,208
Other operating gains		(2,902)	-
Operating expenses		(22,506,022)	(13,894,918)
Operating surplus /(deficit)	11	**1,846,937**	**(199,856)**
Finance income		1,754	1,109
Finance costs	13	(202,346)	(25,206)
Surplus/(deficit) for the year		**1,646,345**	**(223,953)**
Other comprehensive income		-	-
Total comprehensive Surplus /(deficit) for the year		**1,646,345**	**(223,953)**

STATEMENT OF CHANGES IN FUNDS

Statement of Changes in Funds

Figures in Pula	Accumulated surplus/ (deficit)	Total funds
Balance at 01 April 2024	**499,552**	**499,552**
Deficit for the year	(223,953)	(223,953)
Other comprehensive income	-	-
Total comprehensive Loss for the year	**(223,953)**	**(223,953)**
Balance at 31 March 2025	**275,599**	**275,599**
Surplus for the year	1,646,345	1,646,345
Other comprehensive income	-	-
Total comprehensive income for the year	**1,646,345**	**1,646,345**
Balance at 31 March 2026	**1,921,944**	**1,921,944**

STATEMENT OF CASHFLOWS

Statement of Cash Flows

Figures in Pula	Note(s)	2026	2025
Cash flows from operating activities			
Cash generated from operations	14	5,769,226	1,432,193
Cash flows from investing activities			
Purchase of equipment		(444,186)	(521,766)
Proceeds from sale of equipment		2,369	-
Net cash outflow from investing activities		**(441,817)**	**(521,766)**
Cash flows from financing activities			
Interest income	12	1,754	1,109
Finance costs	13	(202,346)	(25,206)
Repayment on lease liabilities		(713,568)	(805,612)
Net cash outflow from financing activities		**(914,160)**	**(829,709)**
Net increase in cash and cash equivalents		**4,413,249**	**80,718**
Cash and cash equivalents at the beginning of the year		1,517,673	1,436,955
Cash and cash equivalents at the end of the year	6	**5,930,922**	**1,517,673**

ACCOUNTING POLICIES

1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement to 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, IFRS® Accounting Standards and International Financial Reporting Interpretations Committee ("IFRIC") 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 principal accounting policies set out below. They are presented in Pulas, which is the commission's functional currency.

These accounting policies are consistent with the previous period.

1.2 Critical accounting judgments and key sources of estimation uncertainty

In preparing these annual financial statements, management has made judgements and estimates that affect the application of the commission's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1.3 Financial instruments

Financial instruments held by the commission are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the commission, as applicable, are as follows:

Financial assets which are debt instruments:

- Amortised cost

Financial liabilities:

- Amortised cost

Note 16 Financial instruments and risk management presents the financial instruments held by the commission based on their specific classifications.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the commission are presented below:

1.3 Financial instruments (continued)

Financial assets at amortised cost

Financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets held by the commission are presented below:

Other receivables are initially recognised at fair value, and are subsequently classified and measured at amortised cost using the effective interest rate method.

Cash and cash equivalents comprise cash on hand, demand deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Cash and cash equivalents are measured at amortised cost.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at each reporting date and impaired where there is objective evidence that as a result of one or more events that occurred after initial recognition of the financial assets, the estimated future cash flows of the investment have been impacted.

Under IFRS 9, the commission calculates the allowance for credit losses by using the ECL model for financial assets. A simplified approach is applied in determining the ECL for financial assets which require the lifetime losses to be recognised from initial recognition of the asset.

Derecognition of financial assets.

The commission 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 entity. If the commission neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the commission recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the commission retains substantially all the risks and rewards of ownership of a transferred financial asset, the commission continues to recognise the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Financial liabilities at amortised cost.

Non-trading financial liabilities are recognised at amortised cost. Amortised cost represents the original debt less principal payments made, the impact of discounting to net present value and amortisation of related costs. The financial liabilities held by the commission are presented below:

Trade and other payables are liabilities to pay for goods and services that have been received or supplied and have been invoiced or formally agreed with the supplier. Trade and other payables are initially recognised at fair value and are subsequently classified and measured at amortised cost using the effective interest rate method.

The Commission derecognizes the financial liability when and only when, the Commission's obligations are discharged, cancelled or have expired

1.4 Equipment

Equipment are tangible assets which the commission holds for its own use which are expected to be used for more than one year.

ACCOUNTING POLICIES

1.4 Equipment (continued)

An item of equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the commission, and the cost of the item can be measured reliably.

Equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets.

Expenditure incurred subsequently for major services, additions to or replacements of parts of equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the commission 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.

Equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the commission. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 Years
Motor vehicles	Straight line	4 Years
Office equipment	Straight line	5 Years
Computer equipment	Straight line	3 Years
Other fixed assets	Straight line	5 Years
Mobile phones	Straight line	3 Years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on equipment when there is an indicator that they may be impaired. When the carrying amount of an item of equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.5 Tax

Current tax assets and liabilities

The commission is exempt from Income tax in accordance with paragraph XIV of the Second Schedule of the Income Tax Act (Cap 52.01) as amended.

1.6 Leases

Commission as lessee

At inception of a contract, the commission assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the commission uses the definition of a lease in IFRS 16.

At commencement or on modification of a contract that contains a lease component, the commission allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. The commission recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located,less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the commission by the end of the lease term or the cost of the right-of-use asset reflects that the commission will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the commission's incremental borrowing rate. Generally, the commission uses its incremental borrowing rate as the discount rate.

The commission determines its incremental borrowing rate by obtaining prevailing prime lending rate as set by Bank of Botswana at contract commencement date, and where necessary makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the commission's estimate of the amount expected to be payable under a residual value guarantee, if the commission changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of use asset has been reduced to zero.

Details of leasing arrangements where the commission is a lessee are presented in note 4 Leases (commission as lessee).

ACCOUNTING POLICIES

1.7 Impairment of assets

The commission assesses at the end of each reporting period whether there is any indication that an asset or right of-use asset may be impaired. If any such indication exists, the commission estimates the recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset or cash generating unit. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

The commission assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss is limited to the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation is recognised immediately in the statement of profit or loss and other comprehensive income.

1.8 Equity

Equity is the Commission's accumulated funds, which includes all current and prior period retained surplus/ deficit.

1.9 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Post employment and long term benefits

Contract staff members of the commission are entitled to gratuities on leaving the employment of the Commission or at the end of their contracts at the rates, and in accordance with terms specified in their contract of employment. An accrual is raised as the employee renders services to the commission.

1.10 Government grants

Government grants are recognised when there is reasonable assurance that:

- the commission 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

ACCOUNTING POLICIES

1.11 Government Collections

In accordance with IFRS 15, the amount collected should not constitute to revenue for the Commission, as the Commission acts as an agent in the collection of amounts where it does not control or assume significant risks or rewards of the fees. Collected permit fees are recognized as liabilities payable to the government.

The Liability is derecognized upon remittance of the funds to the government of Botswana. This treatment is consistent with IFRS 15 and provides transparency in distinguishing between the entity's own revenue and funds administered on behalf of the government.

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

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

IFRS	Effective Date	Brief description	Impact
IAS 21 The Effect of Changes in Foreign Exchange Rates	01-01-2025	Amendment: Lack of Exchangeability Currency exchangeability explained. Requirement to estimate currency that is not exchangeable by using either an observable exchange rate without adjustment or using another estimation technique. Additional disclosures are required when an exchange rate requires estimation.	The impact of the amendments is not material.

2.2 Standards and interpretations not yet effective

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

IFRS	Effective Date	Brief description	Impact
IFRS 9 Financial Instruments: Lease derecognition of lease liabilities.	01-01-2026	Amendment: Fees in the '10 per cent' test for derecognition of financial liabilities 1 clarifies the fees to be applied in the application of the '10 per cent' test when assessing whether to derecognise a financial liability to only include those fees paid or received between the borrower and the lender, including those	Unlikely there will be a material impact

Notes to the Annual Financial Statements

2. New Standards and Interpretations (continued)

		paid or received on the other's behalf.	
IFRS 18 Presentation and disclosure in Financial Statements	01-01-2027	New standard: presentation and disclosure of information in general purpose financial statements. Requirements include: New mandatory totals or subtotals within the statement of financial performance; disclosure regarding management-defined performance measures; aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes	Material impact expected on recognition and measurement and presentation and disclosure.

Notes to the Annual Financial Statements

Figures in Pula	2026	2025

3. Equipment

	2026			2025		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	720,452	(568,104)	152,348	588,070	(453,708)	134,362
Motor vehicles office	2,068,255	(1,012,653)	1,055,602	2,068,255	(750,289)	1,317,966
Mobile phones	-	-	-	69,273	(59,900)	9,373
Computer equipment	2,236,181	(1,749,199)	486,982	2,228,206	(1,801,268)	426,938
Other fixed asset	56,459	(45,875)	10,584	71,499	(51,817)	19,682
Office equipment	238,941	(64,901)	174,040	87,066	(59,405)	27,661
Total	**5,320,288**	**(3,440,732)**	**1,879,556**	**5,112,369**	**(3,176,387)**	**1,935,982**

Reconciliation of equipment - 2026

	Opening balance	Additions	Disposals and scraps	Transfers	Depreciation	Total
Furniture and fixtures	134,362	77,981	-	-	(59,995)	152,348
Motor vehicles office	1,317,966	-	-	-	(262,364)	1,055,602
Mobile phones	9,373	-	(5,271)	-	(4,102)	-
Computer equipment	426,938	306,691	-	(7,801)	(238,846)	486,982
Other Fixed asset	19,682	-	-	(593)	(8,505)	10,584
Office Equipments	27,661	149,936	-	7,801	(11,358)	174,040
	1,935,982	**534,608**	**(5,271)**	**(593)**	**(585,170)**	**1,879,556**

The transfer in other fixed asset represents the reclassification of office supplies from 'Other Fixed Assets' to the expense account 'Other Consumables.' The amount of 593 reflects the book value at the time of reclassification. Furthermore, assets at a cost of 370,098 were scrapped during the year. Scrapped assets were fully depreciated at the time of scrapping.

Reconciliation of equipment - 2025

	Opening balance	Additions	Other changes, movements	Depreciation	Total
Furniture and fixtures	9,129	76,877	101,200	(52,844)	134,362
Motor vehicles office	354,306	1,495,078	(137,951)	(393,467)	1,317,966
Mobile phones	59,858	-	(41,092)	(9,393)	9,373
Computer equipment	92,253	423,337	70,690	(159,342)	426,938
Other Fixed asset	25,814	3,762	1,282	(11,176)	19,682
Office equipment	15,913	17,792	(1,551)	(4,493)	27,661
	557,273	**2,016,846**	**(7,422)**	**(630,715)**	**1,935,982**

Notes to the Annual Financial Statements

Figures in Pula	2026	2025

3. Equipment (continued)

Cost of fully depreciated assets

Furniture and fittings	403,233	304,511
Computer equipment	1,474,155	1,661,619
Office equipments	44,716	50,576
Other fixed assets	25,891	15,053
Motor vehicles	238,177	238,177
	2,186,172	**2,269,936**

Assets Scrapped during the year

Furniture & Fittings	5,096	-
Computer equipment	290,915	-
Office equipment	5,860	-
Other fixed assets	15,040	-
Mobile Phones	53,187	-
	370,098	**-**

4. Leases (commission as lessee)

The Commission entered into a lease agreement for its office premises. The lease agreement details are as follows;

a) Lease is for a period of 60 months commencing on September 2025.

b) The lease has an option to renew for a further 24 months, with new terms and conditions. The commission has not exercised this option at the reporting date.

c) Rent escalation is 10% annually.

d) An incremental borrowing rate of 7.01% has been applied.

Further details pertaining to leasing arrangements, where the commission is lessee are presented below:

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are included in the following line items:

Buildings	4,480,398	324,996

Additions to right-of-use assets

Buildings	5,072,148	779,991

Depreciation recognised on right-of-use assets

Buildings	916,747	786,099

Notes to the Annual Financial Statements

Figures in Pula	2026	2025

4. Leases (commission as lessee) (continued)

Other disclosures

Interest expense on lease liabilities	202,346	25,206
Total cash outflow from lease	(915,915)	(830,818)

Lease liabilities

The maturity analysis of lease liabilities is as follows:		
Within one year	1,052,724	335,673
Two to five years	4,439,778	-
	5,492,502	335,673
Less finance charges component	(803,234)	(4,985)
	4,689,268	**330,688**
Non-current liabilities	3,936,069	-
Current liabilities	753,199	330,688
	4,689,268	**330,688**

5. Other receivables

Financial instruments:		
Staff Advance	108,333	35,590
Deposits	24,800	19,494
Non-financial instruments:		
PAYE refundable	36,047	36,047
Prepayments	10,000	100,422
Total other receivables	**179,180**	**191,553**

Financial instrument and non-financial instrument components of trade and other receivables

Financial Instruments	133,133	55,084
Non-financial instruments	46,047	136,469
	179,180	**191,553**

6. Cash and bank balances

Cash and cash equivalents consist of:

Cash on hand	356	444
Bank balances	5,930,566	1,517,229
	5,930,922	**1,517,673**

Bank balances include cash restricted for the settlement of employee gratuity and leave accrual obligations amounting to P3,458,904.

Notes to the Annual Financial Statements

Figures in Pula	2026	2025

7. Capital grant

Capital grants	1,889,558	2,036,407

Reconciliation of Capital grant

Opening balance	2,036,407	2,052,353
Additions	444,183	521,768
Disposal and transfers	(5,862)	(7,423)
Amortisation	(585,170)	(630,715)
Prepayment	-	100,424
	1,889,558	**2,036,407**

Capital grants are amounts received from the Government of Botswana for the acquisition of or refurbishment of non current assets. The amount spent on the acquisition of such assets is shown as a capital grant on the statement of financial position and amortized to the statement of surplus or deficit as other operating income over the estimated useful life of the acquired asset.

8. Other payables

Financial instruments:		
Sundry payables	438,284	244,063
Governments Collections	71,324	-
Accrued expenses	299	299
Non-financial instruments:		
Accrued employee benefits	3,459,379	1,083,148
	3,969,286	**1,327,510**

Financial instrument and non-financial instrument components of other payables

Financial instruments	509,906	1,327,510
Non-financial instruments	3,459,379	-
	3,969,286	**1,327,510**

9. Revenue

UNDP Grants	-	109,754
Government Grants	23,753,704	12,928,100
	23,753,704	**13,037,854**

Notes to the Annual Financial Statements

Figures in Pula	2026	2025
10. Other operating income		
Amortisation of capital grants	591,032	630,715
Other income	11,125	26,493
	602,157	**657,208**
11. Operating surplus / (deficit)		
Operating surplus /(deficit) for the year is stated after charging (crediting) the following, amongst others:		
Auditor's remuneration - external		
Audit fees	150,765	164,141
Remuneration, other than to employees		
Consulting and professional services	76,489	573,294
Employee costs		
Basic pay	8,069,065	4,310,092
Other short term costs	531,668	256,571
Allowances	3,589,719	1,847,643
Gratuity and leave pay	4,393,949	2,328,758
Total employee costs	**16,584,401**	**8,743,064**
Depreciation and amortisation		
Depreciation of equipment	585,170	630,715
Depreciation of right-of-use assets	916,747	786,099
Total depreciation	**1,501,917**	**1,416,814**
12. Finance income		
Interest income		
Investments in financial assets:		
Other financial assets	1,754	1,109
13. Finance costs		
Lease liabilities	202,346	25,206

Notes to the Annual Financial Statements

Figures in Pula	2026	2025
14. Cash generated from operations		
Surplus/(deficit) for the year	1,646,345	(223,953)
Adjustments for:		
Depreciation	1,501,917	1,416,814
Losses on disposals of assets	2,902	-
Interest income	(1,754)	(1,109)
Finance costs	202,346	25,206
Non cash movement in equipments	593	-
Prepayments	(90,422)	(1,487,660)
Changes in working capital:		
Other receivables	12,373	1,421,349
Other payables	2,641,775	297,492
Capital grant	(146,849)	(15,946)
	5,769,226	**1,432,193**

Notes to the Annual Financial Statements

Figures in Pula		2026	2025

15. Related parties

Relationships

Members of the board	Refer to general information page
Members of key management	Ms Shirley Moncho Ms Pako Ralehika-Phiri Ms Khutsafalo Sekolokwane Mr John Y. Soopu Mr Thero B. Moroka Ms Ketlhapile Segakise Ms Olebile Q. Garikai Ms Elizabeth Mokaloba Mr Ernest Ketlhaetse Ms Kebatshabile Keloneilwe

Related party transactions

	2026	2025
Remuneration of members of the Board		
Board sitting fees	255,186	293,267
Government grants received		
Ministry of Trade and Entrepreneurship	24,197,887	13,550,290
Compensation to directors and other key management		
Short-term employee benefits	6,968,026	3,025,044
Long-term employee benefits	2,364,598	904,334
	9,332,624	**3,929,378**
Short-term employee benefits and other key management		
Salaries	4,042,347	1,628,996
Allowances	2,811,670	1,396,048
Other benefits	114,008	114,008
	6,968,025	**3,139,052**

In previous years other benefits had not been disclosed under short term benefits. The current figure and comparative have been disclosed.

Long-term employee benefits to directors and other key management		
Gratuity, leave and pension	2,364,598	904,334

Notes to the Annual Financial Statements

16. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2026

	Note(s)	Amortised cost
Other receivables	5	133,133
Cash and cash equivalents	6	5,930,922
		6,064,055

2025

	Note(s)	Amortised cost
Other receivables	5	55,084
Cash and cash equivalents	6	1,517,673
		1,572,757

Categories of financial liabilities

2026

	Note(s)	Amortised cost
Other payables	8	509,906
Finance lease obligations	4	4,689,268
		5,199,170

2025

	Note(s)	Amortised cost
Trade and other payables	8	244,362
Finance lease obligations	4	330,688
		575,050

Notes to the Annual Financial Statements

16. Financial instruments and risk management (continued)

Fund management

The Commission's objectives when managing its liquidity include ensuring a positive operating cash flows in order to meet its mandate to regulate imports and exports, at the same time, safeguarding the commission's ability to continue as a going concern. The commission considers the following items as funds:

Excess cash balances and the accumulated funds. The commission is not subject to any externally imposed capital requirements.

Planning, annual budgeting and controls over major investment decisions are the primary tools used to manage the commission's capital. Updates are made as necessary to both capital expenditure and operational budgets in order to adapt to changes as required from time to time.

The board reviews the funds management structure of the commission at quarterly board meetings

Financial risk management

Overview

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

- Credit risk;
- Liquidity risk;

Credit risk

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

The commission is exposed to credit risk on cash and cash equivalents and other receivables.

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 commission only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary.

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

The commission applies the simplified approach to providing for expected credit losses as prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all short-term receivables. No expected credit losses was considered.

Credit risk is assessed as low if there is a low risk of default (where default is defined as occurring when amounts are 90 days past due).

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

	2026			2025		
	Gross carrying amount	Credit loss allowances	Amortised cost	Gross carrying amount	Credit loss allowance	Amortised cost
Other receivables	179,180		179,180	191,553		191,553
cash and bank balances	5,930,922		5,930,922	1,517,673		1,517,673
	6,110,102		**6,110,102**	**1,709,226**		**1,709,226**

Notes to the Annual Financial Statements

16. Financial instruments and risk management (continued)

Liquidity risk

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

The commission manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through government subventions.

The maturity profile of contractual cash flows of non-derivative financial liabilities are presented in the following table;

2026

		Less than 1 year	2 to 5 years	Total
Lease liabilities	4	-	3,936,069	3,936,069
Current liabilities				
Other payables Lease	8	3,969,286	-	3,969,286
liabilities	4	753,199	-	753,199
		4,722,480	**3,936,069**	**8,658,549**

2025

		Less than 1 year	Total
Current liabilities			
Other payables	8	1,327,510	1,327,510
Lease liabilities	4	330,688	330,688
		1,658,198	**1,658,198**

17. Contingencies

There are no known contingent assets and or liabilities for the commission as at year end.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Detailed Income Statement

Figures in Pula	Note(s)	2026	2025
Revenue			
UNDP Grants		-	109,754
Government Grants		23,753,704	12,928,100
	9	**23,753,704**	**13,037,854**
Other operating income			
Amortization of capital grant		591,032	630,715
Other income		11,125	26,493
	10	**602,157**	**657,208**
Other operating gains (losses)			
Losses on disposal of assets		(2,902)	-
Expenses (Refer to Page 82)		**(22,506,022)**	**(13,894,918)**
Operating surplus/ (deficit)	11	**1,846,937**	**(199,856)**
Investment income	12	1,754	1,109
Finance costs	13	(202,346)	(25,206)
Surplus/ (deficit) for the year		**1,646,345**	**(223,953)**

DETAILED INCOME STATEMENT

Detailed Income Statement

Figures in Pula	Note(s)	2026	2025
Other operating expenses			
Advertising		41,930	75,584
Auditor's remuneration - external audit	11	150,765	164,141
Bank charges		12,674	13,483
Board expenses		17,734	2,550
Board sitting allowances		255,186	293,267
Computer expenses		21,411	-
Consulting and professional fees		76,489	573,294
Depreciation		1,501,917	1,416,814
Donations		10,902	46,970
Employee costs		16,584,401	8,743,064
General expenses		-	240
Insurance		218,947	227,689
Licenses		143,829	29,924
Meals		32,713	23,118
Motor vehicle expenses		54,021	75,801
Recruitment expenses		96,101	134,153
Postage		321	-
Printing and stationery		204,190	280,640
Repairs and maintenance		360,682	58,431
Security		233,151	152,053
Seminars		352,818	68,248
Staff welfare		215,194	211,302
Subscriptions		134,549	190,033
Telephone and fax		495,919	425,785
Training		659,847	14,943
Travelling expense		411,037	388,918
Water and electricity		194,911	94,378
Workshop expenses		24,383	190,095
		22,506,022	**13,894,918**



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