

*BOTSWANA INSTITUTE  
FOR  
DEVELOPMENT POLICY ANALYSIS*



**ANNUAL REPORT**



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## ***BOTSWANA INSTITUTE FOR DEVELOPMENT POLICY ANALYSIS***

### **Mission Statement**

In line with BIDPA's Trust Deed, the objectives to be pursued and the functions to be performed by the institute are the following:

- a) Promote and conduct research, analysis and publication on development policy issues which are of relevance to Botswana and the Southern African region.***
- b) Monitor the performance of the Botswana economy and the management of public policy implementation, especially with regard to the implications for economic and social development.***
- c) Offer advice and consultancy services to agencies of Government and other clients under suitable contractual and other arrangements.***
- d) Provide technical and financial assistance, directly or indirectly, to individuals and organisations in Botswana as deemed desirable for purposes of facilitating policy analysis.***
- e) Conduct professional training and public education of Botswana citizens in matters relating to policy analysis, and encourage collaboration between expatriates and local professionals in these matters in ways which build or augment national capacities for performance and understanding of policy analysis.***
- f) Employ staff members who will themselves, or jointly with other organisations or qualified people, carry out research, consultancy, training and education projects, including arrangement and management of contractual relationships designed to facilitate such activities by persons affiliated with the Institute.***
- g) Present or publish, as the case may be, the outcome of its policy analysis, orally or in writing, to individuals, organisations or the general public at large.***
- h) Mobilise and administer funds to be used for achievement of the objectives and performance of the functions of the Institute.***

## Contents

	<i>Photographs</i>	1
	<i>Board of Trustee</i>	2
1.	<i>Introduction</i>	3
2.	<i>Institutional Development</i>	5
3.	<i>Research, Consultancy and other Activities</i>	7
4.	<i>Cooperation with other Institutions</i>	11
5.	<i>Publications</i>	
6.	<i>Seminars and Conferences</i>	
7.	<i>BIDPA Staff</i>	15
8.	<i>Abridged Financial Report</i>	18
9.	<i>BIDPA Library and Information Resources</i>	23

BOTSWANA INSTITUTE FOR  
DEVELOPMENT POLICY ANALYSIS

2007 -03- 30

**LIBRARY**

28894

**BIDPA**

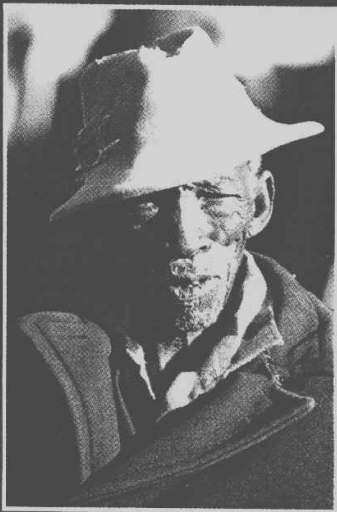
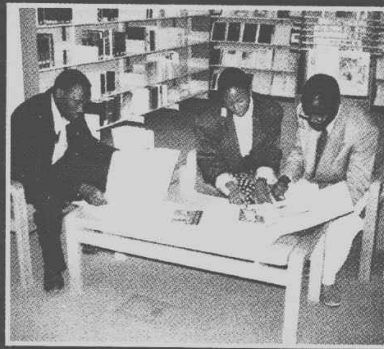
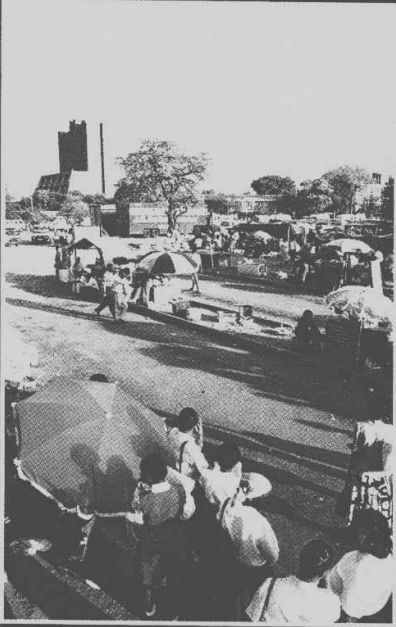


Botswana Institute for Development Policy  
BIDPA  
Book

Annual Report Box

*Photograph front cover: Sunrise over the bush by Illustrative Options*  
*Inside photographs: Illustrative Options and BIDPA*  
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# **BIDPA's Board of Trustees**

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# 1

## Introduction

**T**his is the first annual Report from the Board of Trustees of the Botswana Institute of Development Policy Analysis (BIDPA). It covers the activities of the Institute from 7 March 1995 to 31 March 1996, the first year that BIDPA was active. The main task during the year has been the establishment of BIDPA, in terms of infrastructure and in terms of its place in Botswana's institutional landscape. Although none of these tasks are completed as yet, the first year has brought us a long way.

A major event of the year was the conference on "Southern Africa and Eastern Asia: Experiences and Opportunities in Development". The arrangement was of great interest to policy makers and analysts from Botswana and the Southern African region and also helped spread information on BIDPA domestically and internationally.

The year also saw the beginnings of two major research projects. A project on Poverty Alleviation was co-financed by the Government of Botswana (MFDPA) and the UNDP. A project on macroeconomic modelling, with the aim of providing Government with a sound technical basis for economic projections has been planned in cooperation with the Government of Botswana (MFDPA).

Infrastructurally, BIDPA is now very well equipped with a Local Area Computer network, a number of databases and connections to the Internet. Special mention should be made of the library which has made great strides since the employment of the Chief Librarian in August 1995. The collection of books and periodicals has more than doubled and the information system is running smoothly.

A detailed presentation of the development and activities of the library is included as Section 9 of this report.

BIDPA's rapid development from the conception of the idea to its present relatively mature state at the end of its first year, has been made possible thanks to the support and hard work of a large number of people and institutions. The board would first like to commend the staff of BIDPA for its efforts. Outside BIDPA, an even greater number of people contributed, most of them as consultants acknowledged under section 7 below. The Board would like to take this opportunity to thank a number of people whose efforts for BIDPA were voluntary and often went much beyond the "call of duty":

**Dr. Dwight Brothers**, serving as an Economic Consultant to MFDPA was instrumental right from the start. **Taufila Nyamadzabo**, in addition to all his other official duties functioned efficiently as the MFDPA contact point as well as secretary to most board meetings and as a member of the selection panel. The careful work of the selection panel in addition benefited greatly from the membership of **Serwalo Tumelo**, **Clark Leith**, **Happy Fidzani** and **Patrick Moloutsi**. **Tony Hegarty** gave generously of his time to make sure that BIDPA's accounting and banking was in an orderly state right from the start and helped, together with

**Joe Lesindi** to seek out the best candidate for our Financial Administrator.

We would also like to thank **Jay Salkin** for his donation of books, periodicals and a valuable collection of Government documents for the library.

We also want to acknowledge three institutions which played a main role in BIDPA's first year. The **Chr Michelsen Institute of Norway** contributed not only as a consultant but also as a true supporter and institutional friend. Gratitude particularly goes to the CMI research director **Gunnar Sorbo** and the staff members who undertook two successful missions to Gaborone before and during the establishment phase. In Botswana, the Ministry of Finance and Development Planning and the Bank of Botswana gave assistance in a number of ways to smoothen the path from the beginning to the end of our first year.

The board feels a special debt of gratitude to the **Vice President of Botswana, Honourable Festus Mogae** for his strong support and keen interest in setting BIDPA off on a sound footing.

Last but not least, the Board would like to express their great appreciation for the support of our three main donors who provided the initial capital: the **African Capacity Building Foundation**, the **Government of the Kingdom of Norway** and the **Government of the Republic of Botswana**.



## 2 Institutional Development

**T**he decision to establish BIDPA was taken in March 1994 and announced in Presidential Directive No. CAB. 9/94 dated 30th March of 1994. This Directive gave the approval "to establish a new institution to facilitate development of an augmented national capacity for analysis of economic policies and management problems."

An interim board, consisting of most of the present Members of the Board of Trustees met for the first time 30th May 1994 and started the process of institution building. This included negotiation of external funding, drawing up a legal charter, staffing plan and recruitment as well as planning of office infrastructure. Since its start the Board of Trustees has held 10 ordinary meetings and one extraordinary meeting.

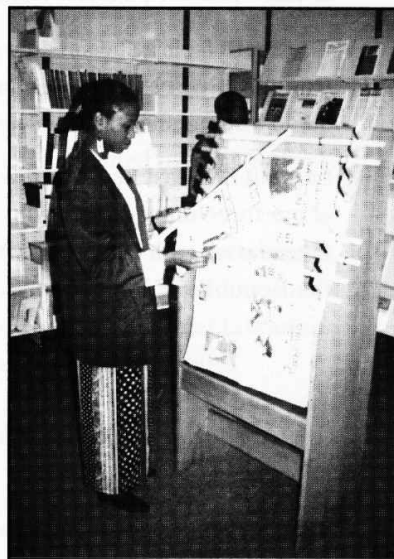
A major milestone was the registration of the Trust Deed on 7 March 1995. The "year" reported on in this annual report spans from that date to 31st March 1996. In this period, **institution building** has naturally been the main task and at the end of the year it can safely be said that all the important legal and infrastructural components of the organisation are in place. Some important achievements are highlighted below:

Even before the registration of the Trust Deed a number of preparatory steps had been taken. Support for the planning and implementation of premises, library system and computer system had been sought from the Chr Michelsen Institute (CMI). A memorandum of understanding dated June 1994 provided for a planning mission in October 1994 and an implementation mission in March 1995. On the library side, a librarian from the CMI undertook a three months start-up and training consultancy which made it possible to commence the build-up of the collection before the selected Chief Librarian joined BIDPA.

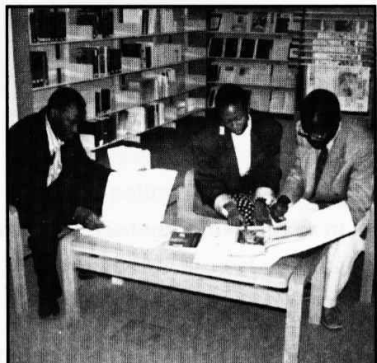
By May 1995 the selected premises in Tshomarelo house were partitioned, most furniture was in place, the computer network with 10 work stations, printer and a library system was functioning. A local consultant oversaw these developments.

During June - October 1995 key administrative and research staff took up their positions with the Institute. The Executive Director started his work at the end of July.

Positions for eight Senior Research Fellows were advertised in two rounds, in mid June and mid July.



A work programme and an operational budget was drawn up and approved by the Board in its August 1995 meeting.



Terms and conditions of employment and a remuneration system based on contract employment and performance pay, was drawn up and accepted by the Board. An accounting system and reporting routines were developed.

At the end of March 1996 BIDPA took responsibility for managing a technical assistance programme furnishing the Botswana Government with economic expertise. The programme had so far been administered by an outside agent, the University of Toronto in Canada.

From 1st April BIDPA will manage the programme on behalf of the Ministry of Finance and Development Planning and in close consultation with client Ministries.

A Senior Research Fellow (Econometrician) was recruited and joined BIDPA in late September 1995. An Assistant Research Fellow was recruited shortly thereafter. After a careful selection process including interviews by a selection panel, the Board, in its meeting in March 1995, decided to invite four more candidates to take up Senior Research Fellow positions at BIDPA.

As soon as these senior staff are in place, and BIDPA has the supervisory capacity, the plan is to recruit four or five more researchers at the Fellow and Assistant Fellow level. By September 1996 it is likely that the number of research staff at BIDPA will be between 10 and 15.

# 3 Research, Consultancy and other activities

**D**espite the small number of research staff in post, a number of research and consultancy activities have been started up or reached planning stages during the first year. BIDPA has utilised consultants to fill in for lacking capacity in the organisation itself. Below, projects and activities are arranged under three main headings:

- a) **Incomes, Welfare and Poverty,**
- b) **Macro Economic Forecasting, Projections and Planning**
- c) **Botswana in Transition.**

Over time, as senior staff members are recruited, the plan is to shape comprehensive research programmes in these or similar areas.

A number of interesting opportunities for study projects have emerged during the year. Because of shortage of staff a number of them have not been taken up. Below we also include, as projects, studies which are still basically at the **ideas-stage**, but where significant work has been done to develop them into projects.

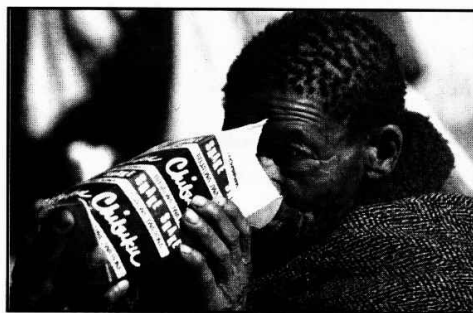
## Incomes, Welfare and Poverty

### • Study on Poverty Alleviation:

The Botswana Government shares its concerns about poverty and poverty alleviation with a number of organisations, among them the UNDP. In September 1995 BIDPA was requested by Government to carry out a thorough, policy oriented study focusing on poverty alleviation.

The study project aims at:

- **An update of the overall poverty situation in Botswana through available statistics and limited field research.**
- **An analysis of six policy, programme or project areas which have been important in Government attempts at poverty alleviation.**



The following areas were chosen: basic education, basic health, the Financial Assistance Programme (FAP), Arable Lands Development Programme (ALDEP), Labour Intensive Public Works (LIPW) and the Destitutes Policy.

The project is aimed at yielding conclusions and recommendations for use in the ongoing preparation of Botswana's National Development Plan No. 8 (NDP 8). A stage II project with a greater emphasis on poverty monitoring and capacity building in the field of poverty analysis





is possible. The project is executed under a contract with the Government of Botswana.

Consultants for the project have been drawn from the University of Botswana and local consultancy firms. BIDPA has taken the overall responsibility for the project and functions as a resource and coordination centre. This approach to project implementation has already shown

BIDPA's effectiveness in acting as a centrepiece for nationally based policy studies.

The contacts developed with the University of Botswana and various consultancy firms through this project are likely to be strengthened and multiplied in the future.

• ***Assistance to Botswana Society's Symposium on the Quality of life and Income distribution.***

BIDPA has contributed with finance for a major overview paper for the October 1996 Symposium on Income Distribution and the Quality of Life in Botswana. Also, the BIDPA library helped undertake a major scan of sources for a bibliography for some 2000 titles on the symposium theme. This has led to a major upgrading of BIDPA's library in the area of poverty and income distribution. BIDPA's library catalogue on this issue is probably now the most extensive in the country.

## Macro Economic Forecasting, Projections and Planning

• ***Construction of a new macro planning model for Botswana.***

The planning model presently used by the Ministry of Finance and Development Planning is called the Macro Economic Model for Botswana (MEMBOT). It has served Botswana well during almost two decades. An improvement of modelling tools and modelling capability is now necessary.

The project has been formulated in close cooperation with the MFDP and is likely to start in mid 1996. The aim would be not only to undertake the technical work of constructing the model but also to build institutional and individual capacity to construct, operate and interpret economic models within relevant institutions in Botswana.

Preparatory work undertaken by BIDPA has shown that it will be possible to build the new model on a spreadsheet. This should greatly enhance transparency and user friendliness. Compared to the old MEMBOT, the new model would be expanded to include a fuller picture of the finance and monetary side of the economy as well as other features enabling analysis of important future policy issues.

• ***Support to MFDP through membership in NDP 8 Reference Group.***

BIDPA was early in its existence asked to contribute to the Reference group set up to supply inputs to MFDP staff working on various aspects of the NDP 8.

The Executive Director has served on the Reference Group since July 1995.

• **The Planning system of Botswana.**

This small study project focuses on the origins of the Botswana planning system, how it functions and whether there would be a need, in the future, for changing certain aspects of the system. The results will be presented in a forthcoming volume of "Papers on the economy of Botswana" edited by the Bank of Botswana.

• **The 1985 - 91 boom in Botswana.**

The period from approx. 1985 to 1991 in Botswana is popularly referred to as "the boom". During the period most sectors of the economy, but particularly housing and construction, were extremely buoyant but "ran out of steam" by the end of the period. This project will, through a brief essay, review the size and nature of cyclical swings, consider the reasons for the upturn and downturn and assess long term effects on the economy. The results will be presented in a forthcoming volume of "Papers on the economy of Botswana" edited by the Bank of Botswana.

• **A study of the economic effects of AIDS in Botswana.**

Present estimates indicates that by the year 2000 Botswana will have more than 300,000 persons infected with HIV, of which some 60,000 may have developed full blown AIDS.

If these predictions are borne out, serious repercussions will be felt throughout the Botswana society. The proposed study would focus, in particular, on the economic effects of AIDS.

Some preparatory work has been done and development of a project proposal is under way.



## Botswana in Transition

It is clear that Botswana, in the years ahead, will go through a period of transition from the extremely high economic growth rates of the past to more "normal" ones. The future sources of growth and policies for growth will become critical issues and clearly need attention from the research side. How can Botswana cope economically and socially with the prospect of low growth rates? How may growth rates be boosted ?

• **Conference on Southern Africa and Eastern Asia: Experiences and Opportunities in Development.**

More than eighty government officials, business leaders and academicians participated in this conference in Gaborone on January 25 - 26, 1996. This was a major undertaking for our young organisation, supported by MFDP and Bank of Botswana. The conference



discussed the relevance of recent development experiences in Eastern Asia to the contemporary circumstances of countries in Southern Africa. The specific purpose of the conference was to consider the factors behind the extraordinary pace of economic development registered by some East Asian countries, and whether there are lessons applicable to Southern Africa and to Botswana.

The conference was jointly sponsored by BIDPA and the International Centre for Economic Growth (ICEG), a non-profit international institution based in the United States with an Africa Regional Office in Nairobi. The conference was officially opened by H. E. President Masire, and Vice President Mogae conducted the closing ceremony after participating actively in sessions.

Papers and proceedings from the conference have been edited and will be published as a book later this year jointly by BIDPA and ICEG by ICS press, San Francisco. The book will be widely distributed in the region and internationally through the ICEG network.

• **A framework for public private cooperation for employment creation in Botswana.**

The project briefly considers main aspects of the East Asian philosophy of development with a view to drawing relevant lessons for development of a better private / public sector cooperation for economic growth in Botswana. The paper will be presented at the Private Sector Conference in Francistown.

• **A study of Beef and Maize sectors in five southern African Countries.**

Beef and maize are important commodities in many southern African economies. Recent (Uruguay round) and upcoming (Lomé) changes in the international markets as well as domestic policies will have major effects on the production, processing and consumption of these commodities. The study, which is a cooperative effort by research and policy institutions in five Southern African countries, aims at exploring the effects of these changes for people engaged in these sectors, as producers, processors or consumers. BIDPA will be engaged in the Botswana part of the study. The Namibian Economic Policy Research Unit is the overall coordinator of the project.

• **Construction of a long term perspective model for the economy of Botswana.**

For a period of almost two decades the economy of Botswana has experienced impressive growth. To a major extent this growth has been generated by ever-increasing mining revenues. With such revenues now reaching their peak Botswana will, in the years ahead, both have to find alternative "engines of growth" and learn to live with more moderate growth rates. The initial effects of these developments will be felt already in the medium term, but their full impact will only become evident in the longer term. This constitutes the setting for the project which will establish a simple macro economic model capable of illustrating



# 4 Cooperation with other Institutions

- ***Cooperation with the University of Botswana (UB)***

Cooperation with UB has flourished, even without a formal agreement. The links to the Economics Department are particularly close. The Executive director has attended the recently established "Economics Technical Committee" at the Economics Department. Joint seminars and workshops have been held and research cooperation has been started. BIDPA has drawn heavily on UB staff for its contract research on poverty alleviation, not only from the Economics Department. The project on "Beef and Maize in five countries in Southern Africa" will have a major contribution from the Economics Department.

- ***Cooperation with the Central Statistics Office (CSO)***

During the year, close liaison has been kept with the Central Statistics Office. A considerable amount of data collected by CSO are yet to be analysed and the two organisations aim at developing relations that can couple BIDPA's analytical capacity with the data collected by the CSO. This has already happened in the analysis of poverty issues, where BIDPA and CSO staff are cooperating closely.

In order to give main users easy access to relevant statistical data, a system is presently being established by the CSO allowing its major "clients" direct on-line access to its data sources. BIDPA and the Bank of Botswana are CSO's initial cooperating partners in this effort.

- ***Planning of Library cooperation***

***(Bank of Botswana, Ministry of Finance and Development Planning / CSO)***

BIDPA's library is being built up rapidly. An important emphasis is to make the Library not just a place to "store books" but to active and outwardly oriented information centre, making full use of the most recent advances in information technology. The relatively nascent state of the library gives an opportunity to plan its growth not only as an institutional resource but as a national information resource in important areas of BIDPA's activities. Some more established libraries in Botswana, among them the CSO and the Bank of Botswana, are interested in coordinating and technologically updating their libraries. The project, in which BIDPA would be the lead implementing agency, might start with the coordination of library management and acquisitions. Users would be linked to compatible library search systems. Subsequent development stages could include the coordination of CD ROM databases and Internet use.

- ***Cooperation with The Botswana Society***

BIDPA has financially and otherwise supported the preparation of a broad overview paper on Quality of Life and Income distribution in Botswana. BIDPA's Executive Director has been co-opted to the organising committee for the Botswana Society's October Symposium on the topic. It is hoped that the cooperation with the Botswana Society can be developed further.

• **Cooperation with the International Centre for Economic Growth (ICEG)**

The conference on Southern Africa and East Asia was arranged in cooperation with ICEG. The partnership exposed BIDPA to a number of interesting potential cooperating institutes in the ICEG network and was invaluable in mobilising prominent Asian, American and other economists for the conference. The venture has led to lasting links between BIDPA and ICEG. BIDPA has applied for membership of the ICEG network. It is possible that the two institutions will develop a joint research project on the topic of "state and market".

• **Cooperation with Regional Research Institutions**

BIDPA will be cooperating with the Namibian Economic Policy Research Unit (NEPRU) and three other regional institutions on the above mentioned "Beef and Maize" project. Cooperation with the Tanzanian Economic and Social Research Foundation (SRDF) about a conference on macro economic management is under consideration.

• **Cooperation Agreement with the Chr Michelsen Institute of Bergen, Norway (CMI)**

CMI was early called upon by the BIDPA board to assist in setting up the research infrastructure at BIDPA. The support by CMI particularly concentrated on the choice and deployment of computer equipment and library system. On 8 June 1995 a five year co-operation agreement was signed between the two institutions. The objectives of the cooperation agreement comprises institutional development, capacity building and dissemination of output. Main areas of cooperation are Research and Analysis; Commissioned Assignments; Research Management and Administration; Staff Development, Training and Technical Assistance as well as Information Technology, library and Information Services.

The existence of this agreement has had considerable advantages for BIDPA, ranging from short term financial assistance to stand-by support for library and computer systems. BIDPA's executive director visited Bergen in December 1995 where he gave a brief introduction to BIDPA's activities and plans. In January 1996, the Research Director of CMI visited BIDPA in connection with the Southern Africa / East Asia conference. At that time, the two directors also conducted talks about future cooperation. In February a member of CMI's administrative staff visited Gaborone on a familiarisation tour.

After a year of cooperation, the arrangement will be reviewed and an annual report and a plan of action for the coming year will be submitted. CMI is presently seeking finance from the Norwegian Ministry of Foreign affairs for a major study on Development Assistance in Botswana. If the finance is obtained, a number of interesting cooperation possibilities would emerge and form a basis for a cooperation programme for the second year of the agreement.

# 5 Publications

During its first year BIDPA concentrated on institutional development. It has not been the aim to finalise projects and distribute publications. Even so, the draft of proceedings from the conference on Southern Africa and Eastern Asia is nearly finished.

Also, a BIDPA Working Paper Series has been started. The Working Papers are meant to reflect work in progress which may be of interest to researchers and policy makers outside BIDPA even as "semi products". Four working papers have been produced and will be published shortly after the end of the year.

- ***Working Paper No 1.***

***A Note Concerning the Revision or Rebuilding of the MEMBOT Model. some Preliminary Observations and Suggestions.***

PER GRANBERG. 6 MARCH 1996

The paper discusses some central issues in relation to the revision of MEMBOT.

- ***Working paper No 2.***

***A Study of the Potential Economic Effects of AIDS. Some Preliminary Thoughts.***

PER GRANBERG 28 MARCH 1996

The paper present some thoughts related to a possible project on the economic effects of Aids in Botswana.

- ***Working Paper No 3.***

***Study on Poverty Alleviation in Botswana. Inception report.***

TYRRELL DUNCAN (ED). MAY 1996

This inception report sets out the various steps planned in completing the study which comprises a statistical review of poverty utilizing the 1985/86 and 1993/94 Household Income and Expenditure Survey. The study will focus six special areas: Basic Education, Preventative Health, Labour Based Public Works, Destitutes Policy, Financial Assistance Policy and Arable Lands Development Programme."

- ***Working Paper No 4.***

***Main Ingredients for a Public - Private Sector Strategy for Private Sector Employment Creation in Botswana.***

JAN ISAKSEN. PREPARED FOR THE FOURTH PRIVATE SECTOR CONFERENCE ON EMPLOYMENT CREATION, FRANCISTOWN 26-28 MAY 1996.

The paper attempts to draw lessons from policy experiences in Eastern Asia. On the basis of such lessons the paper suggests number of practical policy steps which hopefully would be relevant to the policy debate in Botswana.



# 6 Seminars and Conferences

The *Conference on Southern Africa and Eastern Asia*, reported under section 2 above, was, without doubt, BIDPA's major event of the year. Apart from the professional outcome, the conference helped profile BIDPA locally, regionally and to some extent internationally and helped provide a contact network of potential benefit to BIDPA and to Botswana.

Although a regular seminar series is still to be established, a small number of seminars and meetings have taken place:

In June 1995, BIDPA played host to a *World Bank / MFDP seminar on Macro Economic Modelling*.

In July 1995, BIDPA arranged a *meeting of selected research libraries in Gaborone*. The meeting was very well attended and helped inform local libraries about BIDPA's facilities and its potential for playing a constructive part in the overall library system of Botswana. A plan for formalisation of exchange relations between the participating libraries was presented and is now considered by the National Library service.



In November 1995, BIDPA arranged, in cooperation with the Bank of Botswana, BIDPA an afternoon seminar on *Computable General Equilibrium Modelling*, featuring one of the authorities in this field, Dr John Whalley from the University of Western Ontario, Canada.

BIDPA, jointly with Economics Department at UB arranged an evening seminar on *Peoples, Nations and Development in Africa* with Dr. Stephen McCarthy. Dr. McCarthy is the author of "Africa: The Challenge of Transformation" Tauris, London 1994 and co author of "The Political Economy of Botswana: A Study of Growth and Distribution" Oxford University Press 1980.

BIDPA members have also participated in: various seminars and conferences, some of which were: The CSO User Seminar, Gaborone, October 1996; Seminar on Aid effectiveness in Botswana Gaborone May 1996; Partnership for Capacity Building in Africa, World Bank, Johannesburg, April 1996 and BOCCIM conference on Interest Rates, May 1996.

# 7

## **BIDPA Staff**

### **Executive Director**

#### **• *Jan Isaksen***

Mr Isaksen joined BIDPA as its Executive Director in Late July 1995. He was seconded from a senior staff position at the Chr Michelsen Institute, Bergen, Norway. His experience covers a wide field of activities related to development economics, development planning, industrialisation, research administration, and capacity building particularly concentrated on Southern Africa.

Mr. Isaksen's main task has been to direct the development of infrastructural and staff resources at BIDPA, and to initiate research programmes in the various fields of BIDPA's activities. In doing so he has cooperated closely with the Board of Trustees.

### **Research Staff**

#### **• *Ndaba Gaolathe***

Mr Gaolathe joined BIDPA as an Assistant Research Fellow early December 1995 after completion of his BA and BSc. level studies in economics and mathematics in the United States and a brief spell with the Ministry of Trade and Industry in Namibia.

His activities at BIDPA have evolved around learning and familiarising himself with The Macro Economic Model for Botswana (MEMBOT); and working on a project on Botswana's boom experience.

#### **• *Per Granberg***

Mr Granberg joined BIDPA as a Senior Research Fellow in late September 1995, seconded from a senior staff position at the Chr Michelsen Institute, Bergen, Norway. Mr. Granberg has a wide experience as a macro economist, econometrician and national accounts statistician in a number of developing countries, including Botswana where he, as macro economist in MFDPA and later as consultant, was responsible for the development and operation of the Macro Economic Model for Botswana (MEMBOT) from 1977 to 1983.

His main activities at BIDPA have focused upon the preparation for, and formulation of, a project proposal in the area of macro economic modelling. He has undertaken preliminary construction of various tentative model-elements. These efforts were essentially undertaken in order to learn what would, or would not, be practicable or feasible options, given the technological environment at hand. He has also had responsibility for the updating of a 1993/1994 Poverty Datum Line for Botswana and a tentative construction of a long term economic projection model for Botswana.

## Support Staff

### • *Colleen Blumton*

Ms. Blumton joined BIDPA early October 1995. She is an associate member of the Chartered Association of Certified Accountants and an associate of the Botswana Institute of Accountants. Before she joined BIDPA she had worked with Price Waterhouse and BMS (Pty) Ltd.

Her main activities during the year have been to develop accounting system and procedures, including the establishment of separate bank accounts as per donor requirements. Monthly accounts from April 1995 up to date have been produced. Ms. Blumton has also implemented internal control procedures as regards finance and administration, been involved in the transfer to BIDPA of the "Toronto" technical assistance project, and prepared documents for BIDPA's first audit, including input required from various donors. She has also maintained contact with representatives from donor agencies establishing their financial reporting requirements.

### • *Chedza Molefe*

Mrs. Molefe joined BIDPA early August 1995 from The University of Botswana Library. She has a masters degree in librarianship from the University of Western Ontario, Canada and was centrally involved in the computerisation of the UB library.

Her main task at BIDPA has been to build up the collection of books and journals as well as a CD-ROM data base in close cooperation with BIDPA's research staff. A major part of the acquisitions was from donations and documents acquired from the Ministry of Finance and Development Planning. Mrs Molefe was also involved in the compilation of bibliographic data for an overview paper for the Quality of Life Symposium to be arranged by the Botswana Society. She has also taken several initiatives to link the BIDPA library with external sources, including a document delivery service. The library has frequently and efficiently used temporary assistance from Tirelo Sechaba, Library students form and secondary school leavers.

### • *Rita Sanoto*

Mrs. Sanoto joined BIDPA as an Executive Secretary in July 1995. She is a qualified secretary and receptionist formerly employed at Extas Computers.

Her activities during the year have been varied: being in charge of reception and switchboard, filing, office supplies and running various office equipment like scanner and fax. She performed a particularly important role as an office centrepiece for the organisation of the Southern Africa - East Asia conference in January 1996

• **Boitumelo Sebeso**

Ms. Sebeso joined BIDPA as a library assistant in mid October 1995. She is a Tirelo Sechaba student participant.

Her main activity has been to enter books and periodicals records into the library catalogue.

• **Motsumi Tladi**

Mr Tladi joined BIDPA as a Driver and Office Support Worker in early January 1996. His previous positions was as a Stock File Controller at Corner/Payless Warehouse.

His main activities at BIDPA have been to assist in a broad range of administrative daily duties both in the office and outside. He is currently undergoing training in the use of computers.

**Temporary assistance**

A number of people outside the ordinary BIDPA staff have assisted the Institute through consultancy and short term engagements:

On the research side, in addition to his role in conceiving and establishing BIDPA, **Dr Dwight Brothers** served as a consultant during a busy month when the East Asia / Southern Africa conference was held and proceedings were edited. He worked closely with the technical editors **Janet Hermans** and **Doreen Nteta** of Logistics Ltd.

Several consultants have been called upon for the preparation of the study on Poverty Alleviation: **Tyrrell Duncan** (Maendeleo) has been appointed study coordinator. A number of members have been appointed including **Patrick Moloutsi** (UB), **Mantseta Marope** (UB), **Keith Jefferis** (Bank of Botswana), **Derek Hudson** (Phaleng Consultancies), **Peter Olsen** (Tsa Badiri), **Ruud Jansen** (IUCN) and **Samuel Ndegwa** (Independent consultant).

On the administrative side **Chris Sharp** played a crucial role in getting infrastructure functional and dealing with a whole range of institution building issues right from the beginning until the permanent staff was recruited and could take over. **Peter Olsen** (Tsa Badiri) made an extremely valuable contribution to the formation of remuneration system, staff rules and performance evaluation system. **Mike Ngazimbi** (Info World) has been maintaining, extending and adapting the BIDPA computer system. **Mr. Kagiso** and **Miss. Jackalass** (Secondary school leavers) helped out in the library during some months of peak activity.

# 8

## **ABRIDGED FINANCIAL REPORT**



# Deloitte & Touche



## Certified Public Accountants (Botswana)

P.O. Box 778

Tel: (267)351611

Barclays House

Fax: (267) 373137

Khama Crescent

Also in Francistown

Gaborone

Botswana

### To the sponsors of the Botswana Institute of Development Policy Analysis

*We have audited the annual financial statements set out on pages 20 to 22.*

*The presentation of these financial statements is the responsibility of the institute's trustees.*

*Our responsibility is to report on these financial statements.*

*We have conducted our audit in accordance with International Standards on Auditing.*

*These standards require that we plan and perform the audit to obtain reasonable assurance that in all material respects, fair presentation is achieved in the financial statements. An audit includes an evaluation of the appropriateness of the accounting policies, an examination, on a test basis, of evidence supporting the amounts and disclosures included in the financial statements, an assessment of the reasonableness of significant estimates and a consideration of the appropriateness of the overall financial statement presentation. We have examined the books, accounts and vouchers of the institute to the extent we considered necessary and have obtained all the information and explanations which we required.*

*We consider that our audit procedures were appropriate in the circumstances to express our opinion presented below.*

*In our opinion, the institute has kept proper books of account with which the financial statements are in agreement. Further, in our opinion, these financial statements give a true and fair view of the state of the institute's affairs at 31 March 1996, the results of its operations and cash flow information for the year then ended in conformity with International Accounting Standards.*

6 June 1996

**Deloitte Touche  
Tohmatsu  
International**

**Resident Partners:** V.R. Sanders, F. Caetano, M.E. Lait, M. Marinelli, J.Y. Stevens, J.M. Stevenson, R.S. Tinney, D.N. Walker  
**Non Resident Partners:** A list is available for inspection on request

## Income and Expenditure Account For the year ended 31 March 1996

	<u>Notes</u>	<u>1996</u>
		<u>P</u>
<b><u>INCOME</u></b>		
<i>Grant Revenue</i>		5,060,021
<i>Project Revenue</i>	<b>1</b>	24,272
<i>Other Operating Revenues</i>		138,549
<i>Interest Received</i>		70,458
		<hr/> 5,293,300 <hr/>
<b><u>EXPENDITURE</u></b>		
<i>Staff Costs</i>		758,983
<i>Office Operating Costs</i>		1,433,829
<i>Library and Information Services</i>		79,953
<i>Publications</i>		47,858
<i>Conferences and Seminars</i>		124,057
<i>Depreciation</i>		225,233
		<hr/> 2,669,893 <hr/>
<b>SURPLUS FOR THE YEAR</b>		<b>2,623,407</b>
<b>ACCUMULATED FUND AT THE BEGINNING OF THE YEAR</b>		<b>0</b>
<b>ACCUMULATED FUND AT END OF THE YEAR</b>		<b>2,623,407</b>



**Balance Sheet**  
**31 March 1996**  
**(Amounts in Pula)**

	<i>Notes</i>	<i>1996</i>
		<i>P</i>
<b><u>FUNDS EMPLOYED</u></b>		
<b>SURPLUS FOR THE YEAR</b>		<u>2,623,407</u>
<b><u>EMPLOYMENT OF FUNDS</u></b>		
<b>FIXED ASSETS</b>	<b>2</b>	<b>825,587</b>
<b>CURRENT ASSETS</b>		
<b>Debtors</b>	<b>3</b>	<b>101,855</b>
<b>Bank and Cash Balances</b>		<u>1,779,981</u>
		<u>1,881,836</u>
<b>CURRENT LIABILITIES</b>		
<b>Creditors</b>	<b>4</b>	<u>84,016</u>
<b>NET CURRENT ASSETS</b>		<u>1,797,820</u>
		<u>2,623,407</u>

## Note to the Financial Statements

### 31 March 1996

	<u>1996</u>
	<u>P</u>
<b>1</b>	
<b><u>GRANT REVENUE</u></b>	
NORAD	3,106,589
Botswana Government	1,400,000
African Capacity Building Foundation (ACBF)	553,432
	<u>5,060,021</u>

NORAD will provide NOK 12 000 000 in terms of an agreement between the Government of Botswana and Norway.

The Botswana Government has pledged financial support to match the ACBF contribution

The ACBF have agreed to disburse US\$ 3 000 000 over 5 years according to the provision of the agreement with Government of Botswana.

<b>2</b>	<b><u>FIXED ASSETS</u></b>	<b><u>Cost</u></b>	<b><u>Accumulated Depreciation</u></b>	<b><u>NBY</u></b>
	Motor Vehicles	66,804	16,701	50,103
	Office Machines	118,965	23,793	95,172
	Computers	405,660	101,415	304,245
	Furniture & Fittings	355,053	35,505	319,548
	Household Furniture	14,502	2,901	11,601
	Library Books	89,836	44,918	44,918
		<u>1,050,820</u>	<u>225,233</u>	<u>825,587</u>

The sponsors have agreed to finance these assets as follow:

NORAD	576,264
ACBF	458,704
GOVT	14,502
BIDPA	1,350
	<u>1,050,820</u>

<b>3</b>	<b><u>DEBTORS</u></b>	
	Deposits	33,900
	Sundry	6,912
	Prepayments	61,043
		<u>101,855</u>

<b>4</b>	<b><u>CREDITORS</u></b>	
	Gratuity Provision	29,803
	Accruals Expenses	12,973
	Audit Creditors	9,600
	Sundry Creditors	31,640
		<u>84,016</u>



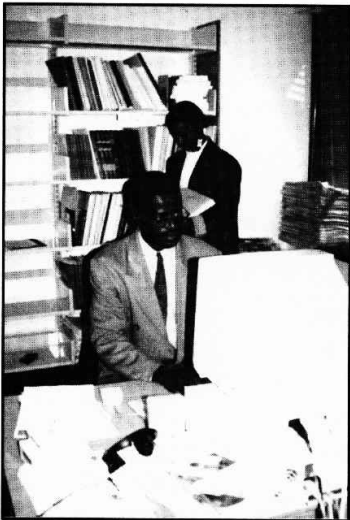
# 9

## **BIDPA Library and Information Resources**

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### **Introduction**

The BIDPA library, which was set up with the assistance of the Chr. Michelsen Institute early to mid 1995, has experienced tremendous growth during its first year. A particular effort has been made in acquiring a collection of "grey" literature, especially government documents.



In the near future we anticipate not only to increase our collections but also to make positive steps towards becoming a library not limited by its walls. The library applies modern technologies in its daily provision of information. Some developments along these lines are acquisitions of CD-ROM databases, connection to the Internet, a link with the Southern African Bibliographic Network (SABINET) and a link to a document delivery service.

As a matter of policy, BIDPA sees the library as a part of the overall system of research libraries in Botswana. At the end of the year under review, discussions about co-operation with libraries nearest to BIDPA in terms of subject matter had started.

### **Infrastructure**

By the end of the year 1995/96 the library with a floor space of about 140 square metres was equipped with shelving enough to hold a collection of about 7500 volumes, 100 current journal issues, 10 newspapers on display, and 400 pamphlets. Since the library mainly caters for BIDPA staff who have offices on the same floor, there is only limited sitting space for readers; four readers at a reading desk and four leisure or newspaper reading spaces.

There are three personal computers (PCs) in the library, two staff work stations and one multi-media workstation that also functions as a On-line Public Access Catalogue (OPAC) for users.

### **Staff**

The Chief Librarian joined BIDPA at the beginning of August 1995. Besides the usual library tasks of indexing, classification, ordering etc., the Chief Librarian was involved in literature search and compilation of a bibliography for the Botswana Society studies on quality of life in Botswana. The librarian also assisted in public relations activities and was a member of the Botswana Library Association and the secretary of the Professional Development Sub-Committee.





In mid October a Tirelo Sechaba participant joined the library and was trained in data entry. She has been involved in data entry in the library system cataloguing module, typing of spine labels and pamphlet labels and binding of library materials.

Two form five school leavers were also employed temporarily for the collection and registration of government documents. They were involved in

the selection of documents from the storage room and later in data entry and the production of the catalogues for the Ministry of Finance and Development Planning. Two students from the university of Botswana, department of library and information studies were attached to the library part time.

## Collections

At the end of the year the BIDPA library had a collection of about 2000 volumes, subscribed to 57 journal titles and two CD-ROM titles. Almost two thirds of the main collection was government documents acquired through an agreement between the Ministry of Finance and Development Planning (MFDP) and BIDPA. The Ministry allowed BIDPA staff to take inventory of the collections and collect any duplicate copies identified during the exercise in some of their offices. BIDPA produced a bibliography of the contents of the selected offices. BIDPA was also allowed to select documents from the storage room in the basement of the MFDP.

## Library users

By the end of the year 1995/96 it was apparent that besides BIDPA staff, the Ministry of Finance and Development Planning staff had become active users of the library. 15 users were registered during the year.

## Terms of use

The library, without intending to function like a public library, has remained open to the public. Researchers, scholars and students from other institutions have been allowed to browse the collections and read within the library, but without borrower rights. There are two types of borrowers, viz. BIDPA staff who have unlimited loan periods and loans and staff from co-operating institutes who are allowed twenty eight days loan period. References, periodicals and newspapers are not to be checked out. The library reserves the right to claim any library materials on loan after fourteen days.

## The Library Automated database

The library is automated using a library system called Bibelation.  
The database has grown as follows during the year:

Month	Main Catalogue	Sub Catalogue	Articles	Periodicals	Issues
April 95	6	5		14	1
May 95	1	7		2	
June 95	31	91		6	
July 95	1	1		2	
August 95	41	7	2	6	1
September 95	89	145	5	1	19
October 95	411	35	105		
November 95	727	148	145	10	297
December 95	368	120	41		25
January 95	338	207	2	1	43
February 95	519	308	78	3	75
March 96	73	89		1	69
<b>Total</b>	<b>2,605</b>	<b>1263</b>	<b>376</b>	<b>46</b>	<b>530</b>

### Future activities

In future the library intends to acquire a wider collection of CD-ROM and diskette based databases. Depending on the information demands, it may be necessary to subscribe to on-line commercial databases such as DIALOG. During the year under review, BIDPA library has borrowed or copied various library documents from other libraries. This has been done under an informal co-operation between librarians. BIDPA will continue to pursue other librarians to formalise the local Inter-Library Loans (ILL) activities. The formalisation issue which was discussed at a meeting organised by BIDPA in 1995 was referred to the Library Association. The latter in turn referred the matter to the Botswana National Library Services, which has mandate to co-ordinate co-operation activities.

As part of its task as an information centre the library also focuses Public Relations activities and conveys news about BIDPA's activities to the outside world. An important step in the regional and international information drive for BIDPA will be the creation and maintenance of a BIDPA World Wide Web home page for which the library will be responsible. The introduction of a home page is planned for June / July 1996.

It has become clear that there is considerable scope for improvement in the information system serving economic policy analysis and management institutions.

A common concern for information capture and retrieval shared by BIDPA, MFDP / CSO and the Bank of Botswana, has produced opportunities for improvement through cooperation. Spurred by this, BIDPA has produced a concrete proposal for a comprehensive library and information cooperation between the institutions working within the field of policy analysis. It is hoped that major parts of the proposed system, e.g. a joint library catalogue can be implemented before the end of third quarter 1996.



