



# Botswana Climate Change Network

Empowering communities for meaningful climate action

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**Gaborone, Botswana, 21 February 2024**

## **BCCN STATEMENT ON THE 2024/2025 BUDGET SPEECH**

### **Introduction**

The Botswana Climate Change Network (BCCN) acknowledges government's presentation of the 2024/2025 Budget Speech, recognizing its pivotal role in shaping our nation's economic trajectory and addressing the urgent challenges of climate change. We commend the government's commitment to economic resilience, growth, and the initial steps towards embracing a green economy.

The allocations towards agricultural development, research and innovation, and infrastructure enhancement are commendable moves that lay a foundation for sustainable growth. The emphasis on renewable energy initiatives and the allocation of funds towards climate resilience indicate a positive shift towards acknowledging and addressing environmental challenges. These efforts are crucial for Botswana to mitigate the impacts of climate change and transition towards a sustainable future.

In the absence of detailed mitigation and adaptation strategies, the following highlights from the budget are noted:

- In the 38-page 2024 budget speech, the Minister mentions 'climate change' 14 times, proposing a development budget of P1.37 Billion for Green Transitioning.
- A substantial portion is allocated to infrastructure development, indirectly supporting climate adaptation by enhancing our adaptive capacity through resilient infrastructure.
- The Ministry of Agriculture receives funds to promote national self-sufficiency in food production, crucial in the face of increasing climatic shocks, including the Temo

Letlotlo Programme, aimed at supporting farmers with grants for inputs and production services.

- Increased funding for Research and Development focuses on key areas, including Food and Agriculture, Livestock and Veterinary Research, Water Environment, and Climate Change, aiming to generate practical knowledge for economic benefit and addressing climate challenges.

## Commentary

In its Nationally Determined Contribution (NDC) submitted in November 2016, Botswana outlined its ambitious plan to achieve a 15% reduction in greenhouse gas (GHG) emissions by 2030, estimating a financial requirement of US\$ 18.4 billion. This translates to an annual spend of approximately USD 1.3 billion or BWP 17 billion. While the government acknowledges the need for substantial international contributions in line with the Polluter-Pays Principle, concerns arise regarding the adequacy of the allocated national budget, constituting less than 0.06% of the required funds. While the proposed budget of **P1.37 Billion** under the Green Transition section on page 16 emphasises climate change mitigation, the speech lacks explicit targets, national projects, or milestones. Further clarity is also necessary on the value of the “existing donor funds” this allocation for the green transition is proposed to augment.

The emphasis on transitioning from fossil fuels to renewables, with a goal of increasing the renewable energy rate from 2% to 30% by 2030, is commendable. However, discrepancies emerge when comparing this commitment with existing plans, such as the Integrated Resource Plan (IRP) approved in October 2020, which targets a 15% contribution from renewable energy by 2030. While we celebrate the apparent increased commitment to advancing renewable energy development, clarity and alignment between the Minister's recent announcements and established strategies are imperative to avoid perceptions of greenwashing from the Minister's statement.

The budget speech also highlights Botswana's commitment to the Coalition of Financial Ministers for Climate Change, showcasing an innovative approach to mobilising climate finance and fostering international collaboration. This aligns with the outcomes of the Africa Climate Summit 2023, where African leaders pledged to pursue green and inclusive growth, estimating significant climate investment opportunities in energy, infrastructure, and agriculture.

While acknowledging the positive steps outlined in the budget speech, it is crucial to ensure transparency in the implementation of climate initiatives. The speech lacks detailed breakdowns of fund distribution among specific projects, a monitoring and evaluation

framework, and engagement strategies with stakeholders such as civil society. As Botswana updates its climate policies and frameworks, particularly the National Adaptation Plan (NAP) and Nationally Determined Contributions (NDCs), addressing these gaps becomes imperative for effective climate action.

The budget's strategic intervention categories, such as Mining, Human Health, Agriculture, and Water, indicate a comprehensive approach to climate challenges. However, the absence of specific targets and milestones hampers the ability of civil society to contribute meaningfully. To enhance transparency, detailed information on budgets for energy, adaptation, mitigation, capacity building, community engagement, and biodiversity conservation is needed. The budget's emphasis on economic resilience and acknowledgment of climate vulnerabilities, particularly in agriculture and tourism, underscores the need for targeted responses to protect livelihoods. However, the delicate balance between job creation, environmental goals, and potential job losses in transitioning industries such as mining and energy requires continuous dialogue and collaborative efforts.

The urgency of climate action necessitates a holistic approach across **all** sectors, integrating climate change adaptation and mitigation into sectoral plans. While the Minister acknowledges climate change in sectors like Agriculture and Research development, the need for explicit budget allocations towards addressing climate pressures in other sectors such as health, infrastructure and education remains vital.

### **Recommendations: Green Budgeting**

Recognizing the imperative to align fiscal policies with the national climate agenda, we recommend the swift adoption of Green Budgeting principles within the national budgeting framework. Green Budgeting, an approach that integrates climate and environmental considerations into financial decision-making, is essential for promoting sustainable development and addressing the pressing challenges of climate change. We believe that the national budget plays a key role in resourcing and prioritising government actions, and thus has a crucial impact on progress towards meeting national climate commitments.

The following recommendations outline the key steps towards the implementation of Green Budgeting principles:

#### **1. Establish a Green Budgeting Framework:**

Develop a comprehensive Green Budgeting framework that explicitly outlines the incorporation of environmental and climate considerations into the budgetary

process. This framework should guide the allocation, execution, and evaluation of expenditures, ensuring a holistic approach to sustainable development.

**2. Mainstream Climate Considerations Across All Budget Components:**

Integrate climate considerations into all stages of the budget cycle, from planning and formulation to execution and evaluation. Ensure that climate-related goals and targets are embedded in sectoral budget allocations, emphasising the interconnectedness of economic, social, and environmental priorities.

**3. Allocate Dedicated Funds for Climate Action:**

Allocate specific and dedicated funds within the budget for climate change mitigation and adaptation efforts. This includes investments in renewable energy, resilient infrastructure, climate-smart agriculture & sustainable food systems and other initiatives crucial for achieving climate adaptation targets. This should align with planned strategic interventions including those detailed in the National Climate Change Strategy.

**4. Enhance Transparency and Accountability:**

Improve transparency by clearly communicating how budget allocations contribute to established climate goals. Establish robust monitoring and evaluation mechanisms to track the impact of green expenditures, fostering greater accountability and public trust.

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