Introduction

1.1 A National Rural Development Planning Workshop whose theme was “Sustaining Rural Development” was held in March, 1995. One of the main issues that emerged from the workshop was the problem of persistence of rural poverty. The workshop pointed out the need to commit more resources towards seeking solutions to this issue. This resulted in the commissioning of the study on Poverty and Poverty alleviation which was also to serve as input into the preparation of the current National Development Plan, 1997 – 2003 (NDP8). The study was conducted by the Botswana Institute for Development Policy Analysis (BIDPA).

1.2 The overall objective of the study was to assist the government in its efforts to effectively address the problem of poverty, within the context of the overall national development objectives of sustained development, rapid growth, economic independence and social justice.

2. Background

2.1 At independence in 1996, Botswana was predominantly a rural country, with agriculture as the mainstay of the economy. The country ranked amongst the poorest in the world in most respects, particularly, the country’s budgetary and economic performance, human development indices, and standard of living for its citizens. With the discovery of minerals, especially diamonds, it has since been transformed into one of the most progressive and fast growing economies in Africa. Over time the country has been able to run surpluses on both the balance of payments and the fiscal budget, accumulated some foreign exchange reserves, improved most measures of human development, and has progressively advanced the overall quality of life for its citizens.

2.2 Despite these achievements, Botswana still faces major challenges; the most fundamental being the challenge to
build a strong, stable, and balanced economy capable of generating growth and livelihoods for its citizens; adequate social protection for those without means of self-sustenance; access by all citizens to basic services; and ensuring sustained improvements in overall quality of life of all people. The magnitude, urgency and complexity of this challenge have been compounded by the persistence of poverty, particularly rural poverty, significant unemployment and high levels of HIV/AIDS especially amongst the sexually and economically active portion of the society.

3. **The need for an Over-Arching National Strategy on Poverty Reduction**

3.1 Despite the commitment by the Government to eliminate poverty as demonstrated by the existence of a wide range of citizen economic empowerment programmes, sustained growth in formal sector employment over the past 35 years of post independence period, the existence of a number of social safety-nets and income transfer programmes for the poor and the disadvantaged, access to basic services by a significant proportion of the population, and commendable improvements in the quality of life for the majority, the 1996 BIDPA Poverty Study report insufficient impact of these programmes resulting in significant proportion of the country’s population still living below the Poverty Datum Line. The report indicates that as a result of this sub-optimum programme impact, the national poverty rate has only declined from 59 percent of the population to 47 percent between 1985 and 1994. During the same period, the household poverty rate declined from 49 to 38 percent. It further reported that 55 percent of the rural population was found to be below the poverty datum line compared to 46 percent in urban villages and 29 percent in urban areas.

3.2 Key weakness of these programmes were identified as:

a) inadequate popular participation in programme design; implementation; and monitoring and evaluation; which resulted in poor targeting and under-utilisation of programmes;
b) inadequate co-ordination of poverty programmes leading to failure to capture synergies at both the central and local/district level; and

c) inadequate monitoring and evaluation; which means that programme output were not adequately reconciled with targets and gaps were not identified early enough.

3.3 This poverty level no doubt calls for renewed efforts to re-examine the problem, especially how it has been addressed over the years and how the country wishes to deal with it now and in the future. This task is presently constrained by the absence of a cohesive national poverty reduction framework. Past and contemporary efforts at poverty alleviation have largely been ad hoc, inconsistent and lacking synchronisation. An effective national poverty strategy should guide, synchronise, coordinate and consistently link the various poverty-related sectoral initiatives.

3.4 Based on the foregoing, in its 86th and Special Meeting, held in July, 2000, the Rural Development Council chaired by the Minister of Finance and Development Planning adopted the Terms of Reference for a consultancy that would formulate a National Strategy for Poverty Reduction. This consultancy is expected to undertake a comprehensive situational analysis of the problem, particularly with regard to policy gaps, strengths and weaknesses in the design and planning, implementation and monitoring and evaluation of existing poverty-related programmes.

4. Aims and Objectives of the Consultancy on the Formulation of a National Poverty Strategy

4.1 The aims and objectives of the consultancy on the formulation of a national poverty strategy is to augment capacity within Government by:

- undertaking in collaboration with the sectors and stakeholders affected, a comprehensive situational analysis of the problem, particularly with regard to policy gaps, and the strengths and weaknesses in the design and planning, implementation and monitoring and evaluation of existing poverty-related programmes,
including issues of coordination, institutional arrangements, stakeholder participation and constraints for individual self-reliance;

• develop effective instruments and policy framework for the design, implementation and monitoring of poverty-related interventions, including guidelines for managing such programmes; and

• develop a plan encompassing not only the goals, programmes and projects for poverty reduction, but also and more specifically strategically designed objectives with time bound targets including how the various stakeholders will collaborate and how the entire plan implementation process is to be managed.

5. **Status of the Consultancy**

5.1 Domestic resources have been acquired to undertake a four months consultancy starting in April, 2001. It is hoped that by September/October, 2001 Cabinet will approve a National Strategy for Poverty Reduction.

5.2 The Consultancy will be supervised by a reference group composed of relevant ministries, organisations and individual including Ministries of Local Government, Health, Education and Labour and Home Affairs, Government Statistician, Botswana Council of Non-Governmental Organisations, Vision 2016 Council, National AIDS Coordinating Agency, Botswana Community Based Organisations, UNDP etc.

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