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# BPOPF TO LEND BILLIONS TO GOVT

AFRICA'S THIRD LARGEST PENSION FUND BY ASSET, THE BOTSWANA PUBLIC OFFICERS PENSION FUND (BPOPF) IS WELL POSITIONED AND DISPOSED TO ENABLE THE GOVERNMENT TO PLUG ITS MOUNTING DEFICIT BY LENDING IT BILLIONS OF PULA. STAFF WRITER **KEABETSWE NEWEL** REPORTS.

STORY ON PAGE 03

BPOPF Interim Chief Executive Officer Moemedi Malindah *(Press Photo)*

# STANBIC'S PERJURY EXPOSED

AFTER SOMEHOW CONVINCING THE COURT THAT A LOAN WAS NOT A LOAN, LAWYERS ACTING FOR STANBIC BANK BOTSWANA HAVE RETURNED TO COURT WITH DOCUMENTS CALLING THE LOAN A LOAN AND NOW WANT TO EXACT CLAIMS ON THE CLIENT WHOSE CAR THE BANK REPOSSESSED AND SOLD WITHOUT THE CLIENT'S KNOWLEDGE. STAFF WRITER TSHEPISO GABOTLHOMOLWE REPORTS.

STORY ON PAGE 05

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## INSIDE



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# ASIAN COMPANIES POCKET BPOPF'S P2BN MANDATE

- Interim CEO says the decision will not be affected by Botswana's blacklisting over Money Laundering

**KEABETSWE NEWEL**
Staff Writer

In its quest to aggressively expand its portfolio, the Botswana Public Officers Pension Fund (BPOPF) has concluded and awarded a P2billion mandate to two Chinese Fund Management Companies, Interim Chief Executive Officer (CEO) Moemedi Malindah has confirmed.

The companies are Investec Hong Kong, which has since rebranded to Ninety One China. The other one is Schroders Asset Management Company in China.

Just recently, the BPOPF decided to withdraw P2 billion housed in local commercial banks for investment in China and other mostly Hong Kong.

The P2 billion was consolidated in one account at one of the leading commercial bank, First National Bank Botswana (FNBB), and was eventually moved to China.

This week at the BPOPF-Editors Roundtable, this publication asked Malindah if the movement of such huge amounts of money at a time when Botswana was blacklisted by the European Union for Anti-Money-Laundering non-compliance was a good decision, Malinda said it was. Further, the global economic trends as influenced by the COVID-19 outbreak which originated from China are not an issue according to Malindah. He said despite the COVID-19 originating in China, the Chinese economy is projected to expand in 2020, which he said will support businesses and the capital markets growth. China, the world's second largest economy by domestic output is the only country that is forecast to record positive Gross Domestic Production (GDP) in 2020, while the rest of world is forecast to record negative growths as a result of the COVID-19 effects according to statistics provided by Global Data PLC show.

The Chinese economy will expand by 1.9 percent in 2020, and it will be the only country in the world to record positive growth in 2020. By August this year, China had recorded over 84 978 confirmed cases of COVID-19 with 4 634 deaths. The Chinese market indices had recorded a 10.5 percent growth by August 2020, and are expected to grow further.

Moreover, Malindah said the P2 billion, will be invested in lucrative equities which are not easily swayed and influenced by economy's response to COVID-19 crisis.

"The recent Blacklist by European Union does not prohibit investors including the BPOPF from investing," he replied, adding further that the BPOPF has an account from which it funds new investments. He further said the transfer of capital is done through the custodian of the Fund, and that the money is for China and Africa Markets.

Malinda was appointed Acting CEO after the departure of Boitumelo Molefe, whose contract recently ended. During her captaincy, the BPOPF announced plans to venture into the Chinese market, which was at the time described by Malinda as a market with pleasing returns. At that time, Malinda was BPOPF Director for Investment and Portfolio. He was responsible for identifying lucrative investment opportunities for the pensioner.

When making the announcement sometime last year, Malinda said the BPOPF indentified China as an ideal investment destination during their continued hunt for investment opportunities.

"They will help us tap into the Chinese market. It is a very interesting market with pleasing returns," he said.

Furthermore, Malinda said they also have their eyes on the African market.

"By Africa, we mean the continent at large. There are profitable companies in this continent which can bring us returns," he stated

Currently at P 66 billion, the BPOPF intends to reach the P 90 billion mark in assets under management in the near future.

# BPOPF TO LEND BILLIONS TO GOVT

Africa's third largest pension fund by asset, the Botswana Public Officers Pension Fund (BPOPF) is well positioned and disposed to enable the government to plug its mounting deficit by lending it billions of pula. Staff Writer **KEABETSWE NEWEL** reports.

Estimations of the Minister of Finance and Economic Development, Dr. Thapelo Matsheka, are that Botswana will need approximately P40 billion to tackle the effects of COVID-19 and even return to pre-pandemic growth trajectories.

The P40 billion will be used to implement the government's Economic Recovery and Transformation Plan (ERTP) that was released a few months back. The estimated total cost of the ERTP is P20 billion over 2.5 years. With Botswana's anticipated budget deficit standing at P20 billion over the same period, the tally is P40 billion.

The government has five main options to fund the ERTP via the budget. It plans to draw down from its portion of Botswana's foreign exchange reserves (Government Investment Account), which has about only P20 billion. Further, the government plans both external/foreign borrowing and domestic borrowing (bond issuance). The sale of assets through privatisation is also an option, as is raising domestic revenue generation.

Dr. Matsheka says there is considerable potential for increased borrowing through the issuance of government bonds, which currently amount to around 7.5 percent of GDP. This compares with a legal limit on total domestic borrowings (including guarantees) of 20 percent of GDP, and an 'ideal' size for an efficient and liquid government bond market of 15 percent of GDP.

Minister Matsheka says finance for budget deficits and ERTP can be raised by doubling the size of total government borrowing from P15 billion to P30 billion, meaning that government is currently in the process of borrowing P15 billion.

In a conversation with The Business Weekly & Review at the BPOPF-Editors Roundtable this week, the interim CEO Moemedi Malindah of BPOPF said the Fund is in talks with government about lending it money to address its financial shortfalls. As a matter of fact, Malindah said, lending to government is a safe and guaranteed investment that BPOPF has been willing to do from day one. He noted that since government is considering doubling its bond programme, BPOPF will simply invest in it.

Asked on how much they would lend government, Malindah responded: "We have allocated a P3 billion mandate to infrastructure (exclusive of property mandates). However, we are still in talks with government to see the kind of agreement we can reach. Then we will decide."

Government currently has in place a P15 billion bond programme that it plans on doubling to P30 billion. The bonds are mostly listed on the Botswana Stock Exchange (BSE), and are among the best performing investment instruments there. On average, bonds pay up to 8 percent in returns annually. This means that should BPOPF invest P3 billion in government bonds, it stands a chance of making P240 million annually until the bond matures. However, it may make more, depending on how much the fund lends to the government.

But apart from domestic borrowing, government plans "revenue mobilisation," which simply means raising money through increased taxes and levies. Dr. Matsheka says an additional P5 billion will be drawn down from the Government Investment Account, which together with increased domestic borrowing would cover half (P20 billion) of the government's financing needs through to the end of NDP 11 (2022/23).

Against the initial projected revenue of P62.4 billion, Botswana's economy is expected to generate only about P48 billion. Further, the national budget has been trimmed from P67.6 billion to P59.6 billion.

The budget deficit also shot up from just P5.2 billion (2.4 percent of GDP) to over P10 billion. Mining and mineral revenue, which is the driver of economic activity, is expected to shrink by 33 percent. Trade and hotels revenue (part of tourism) will fall by 32 percent while tax, transport and other economic sectors will also contract in 2020.

Minister of Finance and Economic Development, Dr. Thapelo Matsheka

# BOTSWANA BLACKLISTING COMES INTO FORCE

- The EU's Amended List of High-Risk Third Countries Comes into Force

The EU has amended its list of high-risk third countries, as a step in its wider plan to overhaul its anti-money laundering and terrorist financing laws and clamp down on these activities in the bloc.

The EU's revised list of high-risk third countries took effect on the 1st of October 2020. On 7 May, the European Commission (EC) announced a revised list of high-risk third countries to align with the Financial Action Task Force (FATF). The new third countries listed by the EU have been identified as having strategic deficiencies in their AML/CFT regimes.

In the amendment, there countries which have been newly listed, being the the Bahamas, Barbados, Botswana, Cambodia, Ghana, Jamaica, Mauritius, Mongolia, Myanmar, Nicaragua, Panama and Zimbabwe.

Countries which have been delisted are Bosnia-Herzegovina, Ethiopia, Guyana, Lao People's Democratic Republic, Sri Lanka and Tunisia.

Countries which remain on the list are Afghanistan, Iraq, Vanuatu, Pakistan, Syria, Yemen, Uganda, Trinidad and Tobago, Iran and North Korea.

**Legislative background**

Pursuant to Article 9 of Directive (EU) 2015/849 (the 4th Anti-Money Laundering Directive), there is a legal requirement to identify "third-country jurisdictions which have strategic deficiencies in their national AML/CFT regimes that pose significant threats to the financial system of the Union ('high-risk third countries')".

On 7 May 2020, the EC adopted Delegated Regulation (EU) 2020/855 (the Regulation) which amends Delegated Regulation (EU) 2016/1675 supplementing the 4th Anti-Money Laundering Directive. The Regulation sets out the amendments to the EU's existing list of high-risk third countries with reference to jurisdictions that have been identified by the FATF as having strategic AML/CFT deficiencies for which the relevant jurisdiction has developed an action plan with the FATF.

**Implications for companies**

Pursuant to Article 18 of the 4th Anti-Money Laundering Directive, countries that appear on the list are subject to enhanced customer due diligence (CDD) checks by banks, financial institutions and other "obliged entities" under the EU's AML regulations. Affected companies must therefore ensure that their AML processes and procedures are up-to-date and fit for purpose. In relation to any qualifying transaction, an "obliged entity" will need to take appropriate steps to identify and assess the risks of money laundering on its business, before establishing and maintaining policies and procedures to manage and mitigate those risks effectively.

Due to the on-going coronavirus pandemic, the Regulation provides for a transition period to give the stakeholders sufficient time to prepare for enhanced CDD procedures in relation to the newly listed jurisdictions. This transition period is coming to an end and companies must now have systems in place to address these amendments.

**Brexit**

The timing for the implementation of the new listings means that the list will be adopted by the UK, whose AML regulations define a "high-risk third country" by reference to EU law. However, it is unlikely that the other elements from the EC's Action Plan (see below) will extend to the UK. Whilst currently in a transition period, the UK is due to finalise its exit from the EU at the end of the year. Many of the outcomes from the Action Plan are due to be tabled in 2021. Therefore, the assumption is that the UK would be excluded.

Revised EU methodology for the identification of high-risk third countries and measures to strengthen its AML/CFT powers

In addition to the revisions to the high-risk third country list, the EC also unveiled a new transparent methodology to identify high-risk third countries that pose a threat to the EU's financial system.

It is hoped that the refined methodology will bolster the EU's engagement with third countries and the FATF. The methodology will ensure greater cooperation with the FATF and its listing process, in addition to requiring consultation with experts from Member States.

**Due to the on-going coronavirus pandemic, the Regulation provides for a transition period to give the stakeholders sufficient time to prepare for enhanced CDD procedures in relation to the newly listed jurisdictions. This transition period is coming to an end and companies must now have systems in place to address these amendments.**

The revised methodology was introduced as a part of a "comprehensive and far-reaching" Action Plan for a Comprehensive EU Policy on Preventing Money Laundering and Terrorist Financing (Action Plan). The Action Plan sets out steps that the EC will take over the coming months to clamp down on money laundering and terrorist financing in the bloc. The Action Plan is built of six pillars, which includes a requirement for the EU to position itself as a leader in the fight against AML/CFT activities, which is based on ensuring better alignment with the FATF and updates to its methodology.

The EC has tabled further reviews to its processes and exploring additional measures to strengthen its AML/CFT powers in the period from 2018 to 2025. Various high-profile cases have exposed vulnerabilities in the EU's AML/CFT systems, and these moves represent the EU's commitment to eradicating these activities from the bloc. [jdsupra.com]

# STANBIC'S PERJURY EXPOSED

After somehow convincing the court that a loan was not a loan, lawyers acting for Stanbic Bank Botswana have returned to court with documents calling the loan a loan and now want to exact claims on the client whose car the bank repossessed and sold without the client's knowledge. Staff Writer **TSHEPISO GABOTLHOMOLWE** reports.

A case in which the bank is fighting one of its estranged clients has taken a strange twist. Court documents filed by Chibanda Makgalemele & Company, the law firm representing Stanbic, reveal how the lawyers, together with its client, have curiously changed their version of evidence submitted before court.

All this comes after a series of reports about questionable evidence submitted by Chibanda on behalf of Stanbic.

The recent files before court allegedly lay credence to claims that Stanbic and Chibanda deliberately lied before court to protect Stanbic. Law practitioners who spoke to this publication say Stanbic's conduct amounts to perjury.

The matter, which this publication has reported on extensively, involves Stanbic and Leshman (Pty) Ltd where the bank financed the purchase of 2011 BMW X5 for a principal price of P827,125.18 from Capital Motors on behalf of Leshman. The agreement showed that the credit facility carried interest charges of P277,830.62, loan admin fees of P5,178.27, and interest prime plus 1, resulting in monthly instalments of P18, 415.93 to be paid over 60 months. However, things turned sour after Leshman defaulted on instalments, triggering the bank to repossess the vehicle. What complicated the matter was that Stanbic eventually sold the vehicle unbeknownst to its client.

The matter reached court at the instance of Leshman which was questioning this sale. "It is common cause that the repossession order in question did not authorise you to sell and/or dispose the said motor vehicle...," Leshman's then lawyers, Ramalepa Attorneys, queried. "It is also common cause that no summons and/or any other claim in respect to the said motor vehicle was ever instituted against client apart from the repossession order."

In vehicle finance loan agreements, it is common industry practice that the financier demands claims from a client. Only if the client fails can the vehicle be sold to recoup outstanding value of credit facility. However, Stanbic sold the vehicle without following such a procedure. To defend its actions before court, Stanbic said the vehicle was its asset, hence it had authority to sell it whenever it so wanted.

Filing before Judge Mercy Garekwe, Stanbic, through Chibanda, told the court that the agreement between itself and Leshman was not a loan but a lease agreement. In other words, Stanbic submitted evidence that it had rented out the car to Leshman rather than provided credit to the company to purchase the vehicle. The bank told the court that after Leshman finished paying monthly instalments, the company would return the car to the bank.

It was a controversial version that stunned bankers across the industry. Yet, no matter the perplexity and stumper effect, Stanbic carried the day in court and Leshman was left stupefied after Justice Garekwe ruled in favour of Stanbic that this was a lease agreement and not a loan. In fact, the judge said Leshman could not prove that this was a loan. This is in spite of the fact that it carried interest.

In answer to a question from The Business Weekly & Review, the bank previously said "banking facilities, as standard practice, attract interest". After the ruling, Stanbic shied away from calling the facility a loan. However, one of its executive spoke, saying openly that this was definitely a loan. Asked why inside court it was a lease and outside court a loan, Stanbic said the word "loan"

TO PAGE 10

# BOTSWANA MULLS REOPENING BORDERS


- Only patients and students can travel at the moment
- Dr Mosepele prescribes reduced infection rates before opening borders

**KABO RAMASIA**
Staff Writer

Botswana is contemplating the difficult decision of re-opening its borders to international travellers and business in the midst of rising infection rates of Covid-19 in the country and around the world.

The Deputy Coordinator of the Covid-19 Task Force, Professor Mosepele Mosepele, hinted at this possibility this week, five months since Botswana sealed its borders closed as a part of other measures to contain the pandemic.

Briefing the nation in a televised broadcast on Tuesday, Professor Mosepele said the only people allowed to travel at the moment are those with medical reasons and students in the diaspora. However, he did not rule out Botswana re-opening its borders.

"When we open (borders) for people to travel in large numbers, we ought to have a strategy in place because at the moment countries which have opened borders require travellers to present valid Covid-19 results at own cost," he said I response to a question.

He added that authorities must first consider how to deal with travellers regarding logistics for testing and contact tracing. "Consider surveillance and increased movement," Dr Mosepele noted. "We need to be ready even (with) additional capacity to execute all these in a safe way," said Mosepele.

"The best way to open our borders is to unite as a country and imitate the likes of New Zealand which went for 102 days without registering new cases. Investors and tourists will then be attracted to this country because of its Covid-19 containment measures."

Mosepele's thinking is that a reduction in cases should inform the opening of borders. Since neighbouring South Africa announced the re-opening of its borders on 1st October 2020, pressure has been growing on other SADC nations to follow suit. "It's difficult to coordinate movement during Covid-19," Dr Mosepele observed. "The country's coordination is determined by the disease, not an administrative arrangement."

Due to travel restrictions imposed in April, the country has suffered a setback across sectors, with tourism - which is a high forex earner for Botswana - among the hardest hit.

# GABCON'S APPLICATION AGAINST COMPETITION AUTHORITY DISMISSED

- GABCON found to have been abusing market dominance

**KEABETSWE NEWEL**
Staff Writer

The Competition and Consumer Tribunal has dismissed with costs an application to file supplementary affidavits by Botswana Railways (BR) subsidiary, Gaborone Container Terminal (GABCON) in an abuse of dominance case lodged by the Competition and Consumer Authority.

A new tribunal known as the Competition and Consumer Tribunal was established to play an adjudicative role, at the Authority following the amendment of the Consumer Protection Act.

Following the amendment, the Competition Authority changed its name to the Competition and Consumer Authority (CCA) while the structure of the organisation was also changed to remove any conflict of interest within its governing body, the Competition Commission. The Commission initially serves as the adjudicating body in competition cases presented to it by the CA, and also served as the governing board of the CA. This arrangement posed conflict of interest concerns and has been the subject of contention by aggrieved parties who challenged the propriety of the structure while appearing before the Competition Commission.

The amendment brought with it a new governing body called the Competition and Consumer Board, which is responsible for the governance of the affairs of the Competition and Consumer Authority. A new tribunal known as the Competition and Consumer Tribunal was established to play an adjudicative role. At the commencement of the amended Consumer Protection Act, the consumer protection office ceased operations as a government department, and its functions and duties were transferred to the CCA.

It is the new Tribunal which turned dismissed GABCON's application with costs.

According to information availed by the CCA, GABCON had made an application challenging the jurisdiction of the Tribunal on the basis that it was a statutory monopoly and therefore fell outside the ambit of the Competition Act.

Pronouncing its decision recently, the Tribunal held that GABCON is not a statutory monopoly as it is not created by statute, and is therefore not protected by section 3 (3) (b) of the Competition Act, which exempts enterprises operating on the basis of a statutory monopoly in Botswana. GABCON was ordered to pay the costs of the Authority in the application.

Reading the decision, Presiding Tribunal Member and Vice President, Tendekani Malebeswa said "a statutory monopoly is created by statutory provisions excluding other enterprises from conducting or performing the reserved activities. GABCON is neither created by statute nor are any of its activities reserved solely to it by statute. It is a private company constitute under the Companies Act (Cap: 42.01)."

The Tribunal further held that, even if GABCON, just like Botswana Railways, had been created by statute, it would have to be subjected to a rigorous test to determine whether the condemned conduct falls within its core statutorily mandate services and not in ancillary services.

"The Authority has to demonstrate whether GABCON is dominant in both the upstream and downstream markets, or in either of them, and if it is, whether it is abusing its dominant position. This can only be done at the full hearing of the referral. Therefore, the Tribunal has jurisdiction to hear the referral," Malebeswa said.

Regarding the effects of GABCON's conduct on competition, the Tribunal noted that "its conduct shows that it has high market power in the business of hauling containers; and the barriers to entry do not only affect the private hauliers but customers too, because they do not have a choice in who provides them with haulage services, as GABCON forces and controls the direction of the haulage business. The conduct by GABCON signals abuse of dominance through refusal to deal."

The background to the matter is that on 6th June, 2017, the Competition Authority received a complaint from a group of private hauliers who alleged that GABCON had imposed restrictions preventing them from efficiently servicing their customers. The private hauliers complained that GABCON's behaviour negatively affected their businesses in that it had forcefully taken some of their customers, forced them to share deliveries with it, and coerced their customers to engage it for deliveries. They alleged that if this behaviour by GABCON continued without intervention, they would be forced to exit the market and close shop.

The Authority instigated an investigation against GABCON and subsequently referred the case to the Competition Commission on 26th November 2018. In response to the referral, GABCON raised points in limineon 10th and 21st December 2018 respectively, alleging amongst other things that the Authority's referral was irregular, the proceedings were a nullity (based on numerous reasons put forward).

The Authority opposed the points in limine raised by GABCON, and the Parties appeared before the Competition Commission on 19th March 2019, for argument. On 28th May 2019, the Competition Commission handed down its decision and dismissed all the points in limine that were raised by GABCON.

When the matter was now ripe to proceed to the merits of the cases, GABCON yet again, now before the Competition and Consumer Tribunal, made an application to be allowed to file further supplementary affidavits and to raise a defence that they are operating on the basis of a statutory monopoly and cannot be subjected to Competition Regulation as per section 3 (3) (b) of the Competition Act.

Naturally CCA had opposed this application and wanted the matter to proceed on to the merits. The application was heard by the Tribunal and was dismissed with costs.

# BQA ADMITS ITS FAILURE

- CEO says public universities have mandates defined by Acts of Parliament
- BQA not authorised to revoke licences of non-compliant institutions

**KABO RAMASIA**
Staff Writer

The Botswana Qualifications Authority (BQA) is currently too crippled to regulate the country's education sector, hence the declining standards and results, The Business Weekly & Review has established.

BQA crises consist in the institution's inability to penalise institutions clients that fail to comply with the regulatory framework because the BQA's "hands are tied".

This emerged this week when the organisation's CEO, Dr Botsalano Mosimakoko, appeared before Parliamentary Committee on Governance and Oversight where she admitted that BQA is failing to provide oversight for national tertiary institutions such as the University of Botswana (UB), Botswana Open University (BOU), Botswana University of Agriculture and Natural Resources (BUAN) and Botswana International University of Science and Technology (BIUST) because they were established by Acts of Parliament and therefore have their own mandates.

"In my view, we have not classified national universities," Dr Mosimakoko said. "Our Act doesn't give us (any) mandate over public universities." she said. The BQA Act, she noted, fails to consider how universities are classified across the world. In her opinion, this is because public universities currently have the mandate to govern their own affairs and therefore BQA has a problem supervising them and dealing with their accreditation of courses.

**Dr Botsalano Mosimakoko, appeared before Parliamentary Committee on Governance and Oversight where she admitted that BQA is failing to provide oversight for national tertiary institutions such as the UB, BOU, BUAN and BIUST because they were established by Acts of Parliament and therefore have their own mandates.**

Established to coordinate education training and quality assurance, BQA has over the years come under heavy scrutiny for its lax controls and failure to regulate the education sector, resulting in a mushrooming of fly-by-night institutions that offer half-baked courses and low quality education.

Dr Mosimakoko said is for this reason that BQA is failing to crack the whip on defaulting Education Training Providers (ETPs). "It is very difficult to revoke the licences of non-complying institutions," she asserted. "We don't have a law that supports revoking of licences for non-complying universities."

The MP for Selibe-Phikwe West, Dithapelo Keorapetse, who is a member of the committee, raised concern that despite young Batswana roaming the streets with qualifications, "professional bodies don't accept qualifications accredited by BQA". Dr Mosimakoko said she is aware of this because students often approach BQA with complaints that professional bodies do not recognise qualifications accredited by the institution. As a result, she added, "currently we engage professional bodies from the onset".

Set up in 2013, BQA was established to drive internal quality assurance processes. However, is soon attracted criticism that it was failing to do so. Over time, a mushrooming of private tertiary institutions has resulted hordes of graduates who are not market ready and have studied courses and programmes that are unrecognised internationally.

# CHINA ERASES ANOTHER LOAN TO BOTSWANA

· P107m debt cancelled · A cumulative four Botswana loans cancelled since 2018 · $3.4bn African debt erased from 09-2019

**KABO RAMASIA**
Staff Writer

The Government of China has cancelled a P27 million loan to Botswana, making it a total of four loans cancelled since 2018, The Business Weekly & Review can reveal.

In 2018, following a successful meeting with his Chinese counterpart Xi Jingping, President Mokgweetsi Masisi announced that China had agreed to write off an P80 million loan to Botswana while at the same time extending a grant of P340 million grant. Botswana then obtained a P10.2 billion loan for transport infrastructure from China.

News of cancellation of Botswana's debt to the world's second largest economy was announced by the Ministry of Finance and Economic Development on Wednesday this week. "The Government of Botswana, represented by the Ministry of Finance and Economic Development, and the Government of the People's Republic of China, represented by the Embassy of China in Botswana, signed a protocol on the exemption from payment of an interest-free loan on the 7th October 2020," said a statement from the ministry.

According to a press release making the announcement, the P27 million debt cancellation will assist Botswana refocus its finances on National Development Plan (NDP11) which was recently reviewed and scaled down due to unavailability of funds. It says finance minister Thapelo Matsheka told the Ambassador of China to Botswana, that exemption from payment of this loan will allow the government to undertake priority development projects as outlined in the currently revised NDP 11 and the Economic Recovery and Transformation Plan," states the statement.

China's waiving of Botswana's debt comes at the time when the world is grappling the Covid-19 pandemic, which has killed millions around the world.

In that regard, China was among the first countries to assist Botswana in the Covi-19 fight and has to date sent 9 batches of medical consignments.

However, over time, there has been a school of thought that the Chinese loans to African countries comes with "strings attached."

A report titled "Debt relief wise. with Chinese characteristics" zoomed into how China as Africa's major creditor aided these third world countries. "As China is poised to become the world's largest creditor, concerns about debt sustainability have grown. Yet considerable confusion exists over what is likely to happen when a government runs into trouble repaying its Chinese loans. In this working paper, we draw on data from the China Africa Research Initiative (CARI) to review evidence on China's debt cancellation and restructuring in Africa, in comparative and historical perspective. Cases from Sri Lanka, Iraq, Zimbabwe, Ethiopia, Angola, and the Republic of Congo, among others, point to debt relief patterns with distinctly Chinese characteristics."

According to the research paper published in June 2020, in the last two decades China has written off billions of African debt. "In nearly all cases, China has only offered debt write-offs for zero-interest loans. Our study found that between 2000 and 2019, China has cancelled at least US$ 3.4 billion of debt in Africa. There is no "China, Inc.": for interest-bearing loans, treatment for inter-governmental debt and Chinese company loans are negotiated separately, and often loan-by-loan rather than for the entire portfolio. While rescheduling by increasing the repayment period is common, changes in interest rates, reductions in principal ("haircuts"), or refinancing are not. We found that China has restructured or refinanced approximately US$ 15 billion of debt in Africa between 2000 and 2019."

As per the report, the lack of transparency regarding China's decision to cancel these debt "fueled suspicion about Chinese intentions."

Although China's kind gesture has always caused concern, some observers believe it's part of the country playing its social responsibility role to the international world.

"The Chinese government provides overseas loans to developing country governments and their state-owned enterprises using a variety of instruments: interest-free foreign aid loans (offered by the central government), concessional foreign aid loans and preferential export buyers' credits (only offered by China Eximbank), export buyers' credits, and other commercial loans. China has three policy banks that operate as official creditors (China Eximbank, China Development Bank, and China Agricultural Bank), but these banks also provide commercial loans that are not government-to-government. Chinese companies and commercial banks also provide supplier's credits and commercial loans," states the report. "Our findings suggest that as an official creditor, China is roughly following the path laid out earlier by the Paris Club. Between the 1970s and 2000, when Chinese lending was mostly limited to interest-free foreign aid loans, Beijing's first response to debt distress was to lengthen the repayment period, without a face-value reduction in the principal. In 2000, the Chinese government began offering write-offs of interest-free loans that had gone into default in the debt crisis of the 1980s and 1990s. This program parallels the World Bank and IMF Highly Indebted Poor Countries (HIPC) Initiative. More than US$ 4 billion has been written off globally, involving more than 376 individual projects. Our study found that between 2000 and 2019, China has cancelled at least US$ 3.4 billion of debt in Africa. In almost all of the countries where Chinese debt was cancelled (aside from high profile cases in Iraq and Cuba), the cancelled debt was limited to mature, interest-free foreign aid loans that had gone into default. The vast majority of China's recent lending in Africa – concessional loans, preferential buyer's credits, and commercial loans – has never been considered for cancellation."

Despite the negative perception regarding this bailout to African sovereigns, the report kind of absolves China of any wrongdoing as it states that China has not seized assets for defaulting countries in all the cases they examined.

"Moreover, despite critics' worries that China could seize its borrower's assets, we do not see China attempting to take advantage of countries in debt distress. There were no "asset seizures" in the 16 restructuring cases that we found. We have not yet seen cases in Africa where Chinese banks or companies have sued sovereign governments or exercised the option for international arbitration standard in Chinese loan contracts. Restructuring a loan is only one of a menu of options for an underperforming project. Other options might include public-private partnerships (PPPs) involving equity injections from Chinese companies. Yet, although Chinese firms participated in some African debt-equity swaps in the 1990s, we have not yet seen this happening in the new millennium."

China is accused of re-colonising African nations and offering them "free-lunches" which has hidden intentions.

Since assuming office in 2018, Masisi has rekindled diplomatic relations with China after and the brotherhood appears to grow by the day.

FROM PAGE 05

# STANBIC'S PERJURY EXPOSED

was loosely used to make reference to the banking facility and was not intended to create a contradiction to what was offered to the company, that being a facility in the form of a lease agreement.

But even with that being the case, Stanbic bank's lawyers took the matter back to court where their shenanigans were laid bare for all to see. Stanbic has filed a contradictory summons before court to seek claims for the car. This time around, Stanbic says the material terms of the agreement are the purchase price that in terms of the agreement amounted to P821, 946.91, including finance charges and excluding interest. This is in spite of the same Stanbic Bank's earlier position that all banking facilities carry interest.

It important to point out that this time Stanbic's lawyers refer to this facility as a loan. They wrote that "the loan would bear interest at the rate of 10.5 percent per annum calculated daily and compounded monthly and any arrear payments would bear an additional penalty interest at a rate not exceeding 3 percent above the AIR calculated on a daily basis". Further, Stanbic now says ownership of the motor vehicle was to remain vested in Stanbic until receipt by the bank of all amounts payable by the defendant under the agreement. Before Justice Garekwe, Stanbic said the car would return to them and that Leshman could release it again on the same terms.

**the loan would bear interest at the rate of 10.5 percent per annum calculated daily and compounded monthly and any arrear payments would bear an additional penalty interest at a rate not exceeding 3 percent above the AIR calculated on a daily basis**

Significantly, Stanbic sold the vehicle but is now seeking claims on it. Industry experts say Stanbic ought to have followed this process before selling the car. However it did not and to protect its misconduct they sold the court the story that the car was rented out and remained theirs and would return to the bank after Leshman fully paid instalments.

In its summons, the bank says should the amount realised from disposal of the goods be less than the present balance outstanding, it would be entitled to enter judgment against Leshman for the amount of the shortfall. Stanbic says the vehicle was sold for P194, 000, leaving a shortfall of P268, 158 which is due and is claimable from Leshman.

# Tax Column

Commentaries, letters and columns present here are the views of the authors and not necessarily those of The Business Weekly & Review

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# TAX LAWS FAVOUR BUSINESSOWNERS OVER EMPLOYEES

**JONATHAN HORE** Managing Consultant Aupracon Tax Specialists

Allow me to share some insights into the structure of the tax laws, which internationally favour businesspersons than employees. Botswana is no exception to this trend. I know that may not sound so good but it is what it is, no matter which country you go to. They say facts are stubborn and I guess this is one of them. I will analyse in detail how tax systems favour entrepreneurs over employees. In this article, words importing the masculine shall be deemed to include the feminine.

**Tax on employees**

As is common knowledge, employees pay a tax called PAYE, which is deducted by employers at source. Employees are almost taxed on 100% of their remuneration as very few deductions can be made in arriving at the remuneration subject to tax. One of the most common deductions employees can take is pension contributions. The amount of the pension must however not exceed 20% of the employee's employment income. I must state that besides pension, most employees cannot have any other deductions allowed, besides the not so common donations to approved persons.

Now, one may ask whether fuel, insurance and repairs made to vehicles driven by an employee to go to work are tax deductible. The answer is a big 'no,' as that is considered a private expense to the employee. A second question will be whether food, clothing and other such expenses incurred by the employee at work can be used to reduce the taxable amount. The answer to that is a stubborn, 'no.' Man, I don't like giving anyone a 'no' as an answer but I can't lie to you buddy. The same applies on the cost of education that an employee voluntarily incurs to improve chances of performing better at work. Whilst I still have your attention, let me make you more uncomfortable by detailing what a businessperson is allowed to deduct in arriving at taxable income.

**Enter the businessperson**

A businessperson can claim repairs, maintenance and insurance of laptops, cellphones, tablets, CCTVs etc owned by the company. He is also allowed to claim repairs and insurance of a house he constructs using company funds, which he may after all be staying in. Further allowable tax deductions include the cost of gardening, security and salary for a maid or gardener. The entrepreneur's business can also deduct pension, life and other insurance paid on behalf of the businessperson, which cannot be deducted in the hands of an employee. Further, a businessperson can claim tax depreciation or capital allowances on almost all assets he uses for business.

In addition, the business can claim tuition and school-fees incurred for the business-owner, his spouse and or children. As if that's not enough, the business can pay and claim a tax deduction in respect of clothes and entertainment allowances paid to the entrepreneur. Whilst there may be PAYE implications, the fact remains that an employee can't get the same tax deductions.

**Conclusion**

As I come to a conclusion, I am sure someone feels angered by this article but this is how tax laws are structured worldwide, Botswana included. There may be tax consequences to the benefits and allowances that the businessowner enjoys but he can still duck the taxes by requiring that he wants his salary untouched, meaning that the company will bear his PAYE for him. Yes, you read that right, that's quite possible. Now, that sounds like rigging, doesn't it? I must stop here before you think of tearing this paper or smashing your phone. If this article made you angry, maybe it's time for you to consider starting a business. If that's too much of a task, just shrug me off for today only by saying, 'Boo, Yours Truly!' Ok, I quit! See you next week and I promise to be well-behaved next time.

Well folks, I hope that was insightful. As Yours Truly says goodbye, remember to pay to Caesar what belongs to him. If you want to join our Tax whatsapp group or know more about our 8 Tax e-books, send me a text on the number below.

***Jonathan Hore is a Managing Tax Consultant at Aupracon Tax Specialists and feedback on this article can be relayed to jhore@aupracontax.co.bw or 71815836.***

THE BWR

# Companies & Markets

## MARKET HIGHLIGHTS

### MAJOR MARKET MOVERS (Thebe)

08/10/2020

| Counter | Share price | Change (%) |
|---|---|---|
| | | |

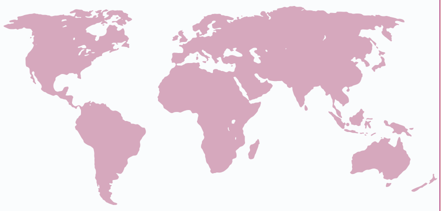
Source: BSE

### DOMESTIC EXCHANGE RATES

08/10/2020

| | Rate |
|---|---|
| CNH/BWP | 0.05964 |
| EURO/BWP | 0.0756 |
| GBP /BWP | 0.0679 |
| USD /BWP | 0.0853 |
| ZAR/BWP | 1.4643 |
| YEN/BWP | 9.1700 |

Source: BOB



### WORLD MARKETS

As at 08/10/2020

| INDEX | VALUE | % CHANGE |
|---|---|---|
| AMERICAS INDEXES | | |
| Dow Jones Industrial Average | 26067.28 | +0.68 |
| S&P 500 | 3169.94 | +0.78 |
| NASDAQ | 10492.50 | +1.44 |
| EUROPE, MIDDLE EAST & AFRICA INDEXES | | |
| EURO STOXX 50 Price EUR | 3305.92 | -0.60 |
| FTSE 100 Index | 6144.24 | -0.19 |
| DAX | 12637.10 | +1.14 |
| ASIA-PACIFIC INDEXES | | |
| Nikkei | 22529.29 | +0.40 |
| Hong Kong Hang Seng Index | 26210.16 | -0.31 |
| TOPIX | 1557.24 | +0.00 |

Source: Bloomberg

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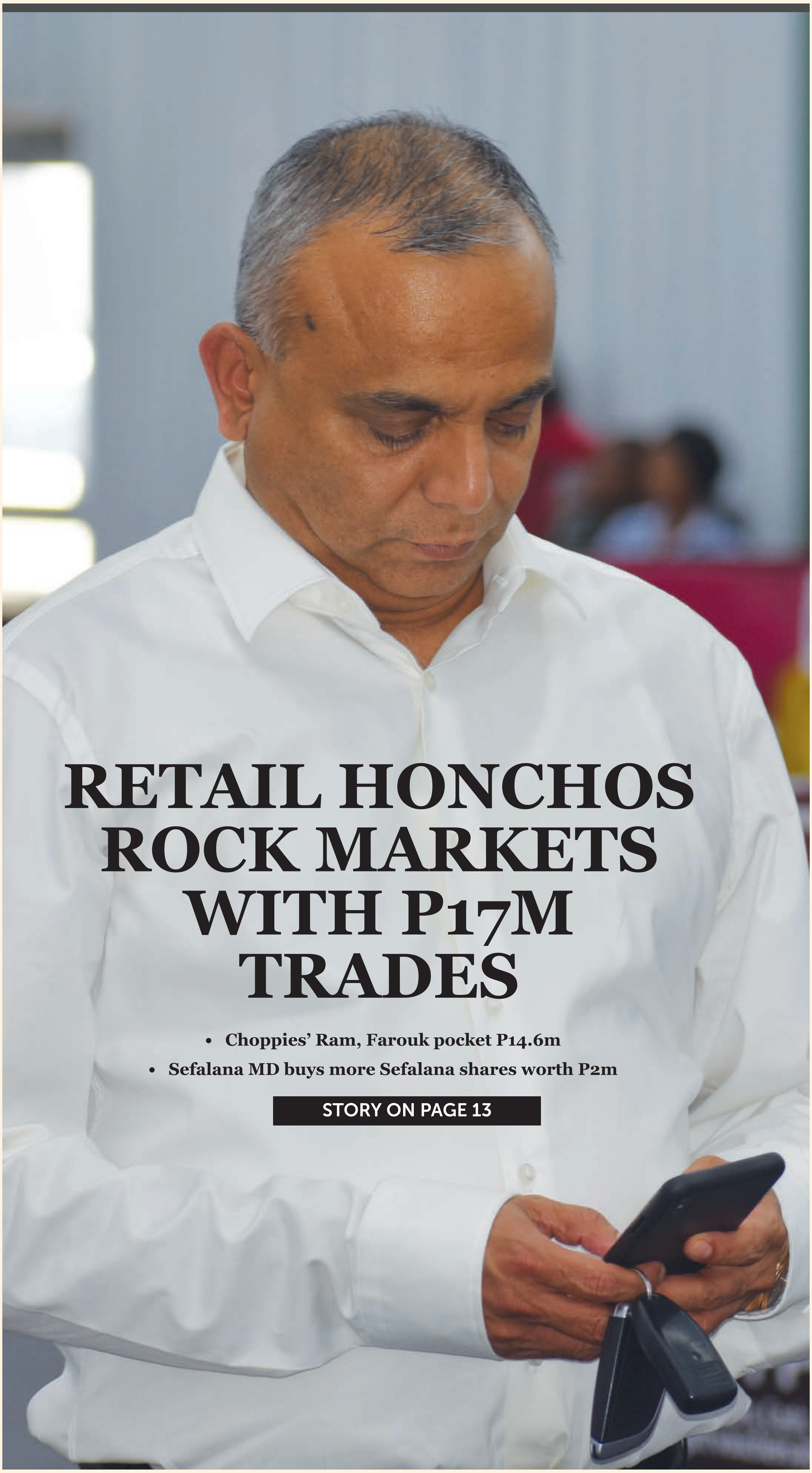

# RETAIL HONCHOS ROCK MARKETS WITH P17M TRADES

- Choppies' Ram, Farouk pocket P14.6m
- Sefalana MD buys more Sefalana shares worth P2m

STORY ON PAGE 13

# FOSCHINI BOTSWANA PROPOSES TO BUY JET

STAFF WRITER

The Competition and Consumer Authority says it has received a merger notification involving the acquisition of parts of the Jet business (consisting of certain assets and identified liabilities) conducted by Edcon Limited, through Jet Supermarkets Botswana (Pty) Ltd (Edcon Botswana), in Botswana (Jet Business or the target enterprise), as a going concern, by the Foschini Group Limited (TFG), acting through Foschini (Botswana) [Pty] Ltd (Foschini Botswana or the acquiring enterprise).

The acquiring enterprise, Foschini Botswana, is a company incorporated in accordance with the Laws of Botswana. Foschini Botswana is wholly controlled by Foschini Retail Group (Pty) Ltd (Foschini) based in South Africa. Foschini is in turn wholly owned by Foschini Group Limited which is a public company listed on the Johannesburg Stock Exchange (JSE) Limited and is also based in South Africa.


Foschini Group is a chain store group in Southern Africa and has diverse fashion retail brands in Botswana, offering clothing, jewellery, cell phones, accessories, cosmetics, sporting apparel and equipment, homeware and furniture, from value to upper market segments in larger urban centres across Botswana. It is not controlled by any enterprise/s and for completeness, the three largest shareholders of the group holding shares greater than 5 percent as at 27th March 2020 are: Government Employees Pension Fund (16.2 percent), Public Investment Corporation (13.2 percent), Old Mutual Limited (6.7 percent) and Investec Asset Management (6.3 percent). The remaining issued share capital in the group is widely held.

The Directors of Foschini Botswana are: Abdool Rahim Khan (Motswana); Ganeswari Shani Naidoo; Anthony Edward Thunström; and Gustav Jansen (alternate director) [all South Africans].

The Jet Business, as the primary target enterprise, is solely controlled by Edcon Botswana, which is a company incorporated in accordance with the Laws of Botswana. Edcon Botswana is in turn controlled by Edcon, a company wholly owned by Edcon Consolidated Stores Limited (ECSL), a limited liability company incorporated under the Laws of South Africa. Edcon's trading names are: Edgars; Jet; Thank U; and Credit and Financial Services.

The Jet Business is Edcon's discount department store division, selling clothing, footwear, homeware and some cosmetics as well as cellular products and targets lower-to-middle income consumers throughout Botswana. The Jet Business does not directly or indirectly control any enterprises.

The Directors of Edcon Botswana are: Charles Mzwandile Vikisi, Shane Van Niekerk (both South African), and Jethro Kamutsi (Zimbabwean). According to section 50 (3), of the Competition Act of 2018, "any person, including a third party not a party to the proposed merger, may voluntarily submit to the inspector or the Authority any document, affidavit, statement or other relevant information in respect of a proposed merger."



# FNBB UNVEILS COVID-19 LOAN GUARANTEE SCHEME

STAFF WRITER

First National Bank Botswana (FNBB) has recently partnered with the Botswana Government on a Loan Guarantee Scheme as part of broad measures to mitigate the economic impact of the COVID-19 pandemic. The Government COVID-19 Loan Guarantee Scheme is worth P1 billion and will be administered by Export Credit Insurance and Guarantee Company Botswana (BECI).

The Government of Botswana, as the guarantor, will cover up to 80 percent of the loan amount requested by FNBB. BECI will then regard the loan application valid until November 30th 2020. The tenor of the guarantee will provide cover for 24 months from the date BECI approves. Under the Scheme, companies are eligible to borrow up to P25 million.

FNBB's participation in the Loan Guarantee Scheme, allows the Bank to offer businesses the financial support needed to sustain themselves as they navigate the challenges and changes the world is currently undergoing.

"At FNBB, we understand that the pandemic has introduced a new set of challenges for businesses. The purpose of the guaranteed facility is to fund working capital requirements to cover operating and administrative expenses to ensure stability of operations that were adversely affected by the COVID-19 pandemic," said First National Bank of Botswana, CEO Steven Bogatsu. Therefore, all businesses are eligible to apply with FNBB except businesses with direct Government shareholding and Government aided entities such as non-governmental organisations and Parastatal Entities.

"I would like to encourage eligible customers to take up this opportunity that provides financial relief to their businesses. Customers should engage their Relationship Managers or their branches for applications," concluded Bogatsu.

FNBB says it continues to take vast measures to ensure the economic relief and alleviate some of the negative impacts of the COVID-19 pandemic to affected individuals and businesses. The businesses who wish to apply should be tax compliant, duly registered with the Companies and Intellectual Property Authority (CIPA), have been in operation and bankable for at least a year prior to 03 April 2020, demonstrate how COVID-19 has disrupted their business, and provide a sustainable business model.

# CHOPPIES EMERGES FROM THE DUST

**OLIVER MODISE**
Staff Writer

Following boardroom squabbles which eventually led its suspension on both the Botswana Stock Exchange (BSE) and the Johannesburg Stock Exchange (JSE), local retail giant Choppies Enterprises Limited seems ready to mount a meaningful fight for its rightful place in the market and defeat the challenges it faced recently.

The shakeup at the top saw the exit of five directors, appointment of three new directors and the reinstatement of its charismatic CEO Ramachandran Ottapathu who was previously suspended by the old board.

In its recently released financial statements both the company and the group have made significant operational strides to turn the entity around. The company has been able to reduce its loss from continuing operations from P227,340, 000 for the year ended June 2019 to P102,263,000 for the year ended June 2020 marking a 55 percent year on year improvement.


Choppies CEO Ramachandran Ottapathu

The group on the other hand posted a profit from continuing operations of P98,929,000 for the year ended June 2020 up from P6,984,000 for the same period last year marking an improvement of about 1,317 percent.

All this good work was however undone by losses from discontinued operations which increased from P435,676,000 to P469,563,000 which basically wiped out the entire profit resulting in a comprehensive net loss of P386,907,000 for the year ended June 2020. Earnings per share is -25.34 thebe up from -30.20 thebe for the same period last year.

Although the losses from discontinued operations are expected to dwindle and eventually fade away as the years go by, what is of great concern is its impact on the group's solvency which has been flagged by the auditors as they have indicated that "a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern".

The Group's total liabilities exceed its total assets by P467 million which renders the group to be technically insolvent.

Total current liabilities exceed total current assets by P777 million. Liquidity might be a problem going into the future as financiers are likely to be turned off by the current solvency position hence future investments might have to be put on hold. Ottapathu, the Group CEO was however not too worried by the current situation and credited the huge losses to the impairment of its Zimbabwean operations as a result of hyperinflation that followed the reintroduction of the Zimbabwean Dollar. As a result, the impairment of the Zimbabwean operations was in the region of P289 million. Despite the CEO's comment, exchange differences on translating foreign operations in hyperinflationary economies was P 87 million up from P 71 million for the year ended June 2019. The strength of the Pula however or more specifically the unstable regional currencies continued to weigh in heavily on the Group's foreign operations even though there was a significant improvement in exchange rate differences on translating foreign operations from a loss of P 299 million pula to a loss of P 103 million. Ram, as he is passionately known, remains optimistic about the regional efforts more especially Zambia where the Group has increased its market share and are now the second largest retailer in that market. He hailed the group's community partnership approach where they partnered with local communities along the value chain to create long lasting and mutually beneficial relationships. In the short term they are looking at implementing efficiency improvements initiatives which he credited for the improved operational profit and increasing stores in the Namibian market.

# THE EVOLVING NATURE OF RISK MANAGEMENT

## Navigating the history to the opportunity

**NATURE MOGOTSI,** Operational Risk Manager, Banking

Although as risk management practitioners we often refer to risk management as a new phenomenon to the business world, it actually isn't! Risk management has always been somewhat embedded especially at senior management level to support decision making, although not standardised and consistent. The novelty comes in through the associated well-designed risk management approaches and more defined practices being formalized into a distinct body of knowledge. This article focuses on the evolution or journey of where risk management was, the current as well as the future. In terms of the future, the article touches on the aspect of opportunity risk which encompasses innovations that came because of the need to manage risk. As risk management evolves, opportunity risk is one of the aspects that risk managers need to deviate towards, and not so much on the downside of risk.

It is important to note that the aim of risk management is to provide a structured and proven methodology for the management of risk within the organization. This then promotes a reduction in operational losses and enables sustainable and controlled business growth. While there is no scientific approach that can validate the beginning of management of risks, we can almost ascertain it started with the advent of mankind. We even manage risks at a personal level through practices such as buckling up when driving, eating healthy, and having various income streams as opposed to one. From old age, the act of Noah building an ark to safeguard his family and some animal species against the risk of flood was a form of managing a risk. Looking back to our fore-fathers' practices such as use of raw and traditional medicines to prevent risk of many infections to how they harvested and stored food in silos to manage the risk of inadequate food security also indicates that risk management goes way back. In modern day, we now see a more scientific approach to risk management being adopted, which supposedly started in the 1990s. As we know, risk in a business context is the effect of uncertainty on the objectives of a business establishment or organization. The object of Risk management is to embed a program designed to reduce uncertainty, through the identification, measuring, evaluation, implementation, monitoring and evaluation. There


are internationally recognized frameworks such as COSO and ISO that provide a practical approach to risk management. This does not mean risk management is new, but rather that now there is a more refined model in place to ensure effective management of risks. Over the years, there are more robust risk management processes being embedded to manage global risks. As an example, there are AML/CFT practices such as customer screenings, KYC, sanctions etc. to manage the risk of terrorism financing and money laundering. These have given rise to regulatory technology "RegTech" which is the use of technology to identify and monitor regulatory related risks. As the management of risk evolves, there is a deviation from manual controls to more innovative solutions that promote real-time flagging of risks and enhance monitoring, possibly without human intervention. For smaller businesses, the owner managers have always been in charge of the management of key processes and associated risks. They can therefore enhance risk management through record keeping and reporting of all risk events such as stock shrinkage, cash till shortages/surpluses or customer complaints. In the short to medium term, they will notice significant changes. Where employees know there is oversight and monitoring, they are less likely to steal from the business as they know someone is watching. This shows the upside of risk that can add value to the business and support its growth.

Going back to the discussion on opportunity risk, not only are risks bad, but they also create opportunities for innovation and even new employment roles such as Risk Managers for various risk types, AML specialists and Compliance roles. The learning and development streams are also benefiting through creation of long term training solutions for continuous professional development. Since risks evolve on a daily basis, continuous professional development has since been a major consideration. This has therefore created a sustainable business and career opportunity for various trainers and consultants across the globe. Risks to evolve as new processes are introduced as such Risk Management practitioners need to keep up with the emerging trends and the changing nature of risks. The conversation of risk maturity starts with looking back to its history of risk management and considering its evolution throughout the years within the industry and organization. This will help the risk managers come up with relevant and effective strategies to drive the risk maturity as opposed to embedding more robust controls that the organization may not be accustomed to.

It is evident that risks are evolving, and new strategies are needed to be ahead of the game. It is important to be proactive in managing risks to guard against the risks materializing through embedding technological controls. This is the more reason risk managers need to focus on the upside of risk and help the organization identify opportunities in risk, while also navigating the past to enhance the risk management practices.

# AFRICAN DEVELOPMENT BANK WINS GLOBAL AWARD FOR COVID-19 BOND ISSUE

The bond issue is part of a suite of interventions the Bank has rolled out to strengthen African countries' responses to the health and economic impacts of the COVID-19 pandemic

The African Development Bank was selected in a poll of bond market players as the best issuer in 2020 of a COVID-19 bond for its $3 billion dollar-denominated Fight COVID-19 social bond issued on March 27, 2020.

The winners of the GlobalCapital Bond Awards 2020 were announced on 30 September at a ceremony held virtually for the first time in 12 years. GlobalCapital is a leading source of information on global capital markets with coverage of all market segments.

"We are grateful for the market's recognition of the Bank's effort in responding quickly to the needs of the continent with its Fight COVID-19 Social Bond which is an important instrument in alleviating the impact of the Covid-19 pandemic on African economies and lives. Thanks to the very strong support received by investors, we were able to provide an efficient response at a very challenging time while also catering to the needs of socially responsible investors looking for impactful investments," said Ms. Bajabulile Swazi Tshabalala, the Bank's Senior Vice President and Chief Finance Officer.

The Fight COVID-19 bond, floated on the Luxembourg Stock Exchange and significantly oversubscribed, was the world's largest social bond at time of issuance. The bond has since been listed on the London Stock Exchange and was admitted on the Nasdaq Sustainable Bond Platform. Bond proceeds, with a three-year maturity, will go to alleviate the impact of the pandemic on livelihoods and Africa's economies.

"The primary debt capital markets' response to the coronavirus crisis has been resilient and robust. Institutions all over the world from governments and multilateral development banks, to domestic lenders, to companies have raised vital financing to see them through this extraordinary period," GlobalCapital noted in its winners' announcement release.

The bond issue is part of a suite of interventions the Bank has rolled out to strengthen African countries' responses to the health and economic impacts of the COVID-19 pandemic. This includes a COVID-19 Response Facility of up to $10 billion to provide flexible and emergency assistance to the Bank's members to shore up their national budget, economies and livelihoods of their citizens.

"The African Development Bank is proud of the success of its landmark "Fight Covid-19 Social Bond", launched to help alleviate the impact of the pandemic on people's lives and livelihood. This transaction, the largest social bond at the time of issuance, reflects investors' confidence in the Bank's Social Bond framework, and its capacity to deliver. We were among the pioneers in the Social Bond market, and would like to thank all our partners, including the arrangers and investors, for their continued trust and support and share this award and success with them," said Hassatou N'Sele, Treasurer of the Bank.

The Bank is a recognized pioneer in the social bond sphere. In March 2020, it received the Environmental Finance's 2020 bond of the year award—SSA category—for a successful one billion Norwegian krone (NOK) social bond issued in 2019. It was the first social bond ever launched in the Norwegian market, and the Bank's first transaction in Norwegian Krone.

In 2018, the Bank was recognized as "Second most impressive social or sustainability bond issuer" at the Global Capital Socially Responsible Investments Awards. Since 2017, the Bank has launched nearly $5 billion worth of such instruments denominated in US dollars, euros and Norwegian krone.

The Bank is rated AAA by all the major rating agencies. In late 2019, the Board of Governors of the Bank Group approved a 125% increase in the General Capital of the Bank, raising its capital from $93 billion to $208 billion, the largest increase in the institution's history. (APO)

# RETAIL HONCHOS ROCK MARKETS WITH P17M TRADES

- **Choppies' Ram, Farouk pocket P14.6m**
- **Sefalana MD buys more Sefalana shares worth P2m**

**KITSO DICKSON**
Staff Writer

On Tuesday this week, the capital market saw retail honchos engage in three transactions which generated P17 million combined on the Botswana Stock Exchange (BSE).

While Chandra Chauhan, Sefalana Holdings Limited Managing Director (MD) bought more Sefalana shares, Choppies Enterprises Limited Chief Executive Officer (CEO) Ramachandran Ottapathu and Director Farouk Ismail, offloaded some of their shares in Far Property Company (FAR). Ram and Farouk are the founders of both Choppies, and the Botswana Stock Exchange Limited (BSE) listed property firm, Far Property Company.

**FAR HOUSES CHOPPIES OPERATIONS.**

Ram and Farouk sold a part of their stake in Far Property Company Limited, in order to be compliant with the Botswana Stock Exchange Limited's (BSEL) 30 percent free floating listings requirement. The deadline to have complied is 31st December 2020. According to information gathered by this publication, Ram and Farouk, the founders of FAR held around 80 percent shares in the company. This meant that FAR did not meet the 30 percent free floating requirement set by the BSE given that only 20 percent was held publicly.

The 30 percent free floating requirement applies to companies listed on the BSE Main Board, where FAR trades.

On Tuesday this week, FAR through a cautionary statement on the BSE announced that Ram and Farouk jointly sold 6, 053, 928 (2,938,806 each) shares worth P14, 676, 477.76. A unit was sold at P2.48. Each one of them walked away with P7.2 million each. Ram has confirmed to this publication that the sale of the shares was done to meet the BSE free floating requirements. However he would not share with this publication the buyer(s) due to confidentiality. BSE rules dictate that transactions by directors be disclosed to the market.

While that is the case, analysts speculate that it is highly unlikely to be a local investor, more so that a similar previous deal was debatable.

**Ram and Farouk, the founders of FAR held around 80 percent shares in the company. This meant that FAR did not meet the 30 percent free floating requirement set by the BSE given that only 20 percent was held publicly.**

In the similar previous deal, Ram and Farouk had each sold 46 million shares at a price of P2.47. At that time, they cashed in P113.620 million each. The sale happened at a time when the Property Company was supposedly in a closed period. According the new listing requirements closed period is the date from the financial year end up to the date of earliest publication of one of the following: Preliminary financial statements, Audited financial statements or the date from the end of each half year up to the date of the publication of the half year financial statements. During a closed period, an issuer deals with a potentially price sensitive matter of a material nature, known to insiders only even if the issuer is not trading under a cautionary announcement. The assumption is that during that period, parties within the organisation and related are now in possession of information that is not public and hence can be seen to be using it to their advantage.

At such time, FAR properties was presumably preparing financial results for the year ended June 30th 2019. For the BSE, a closed period window can last up to 3 months. Experts say a closed period is intended to prevent trading in a company's shares by its insiders before publicly disseminating its financial results. Trading by insiders during a closed period is known as insider trading. It later turned out that shares were being sold to a related company owned by Ram.

Meanwhile, Chandrakant Chauhan, the MD of Sefalana has bought P2, 080, 930.80 worth shares of Sefalana, increasing his stake in the second largest retail company.

# HOW FATE CONSPIRED AGAINST CRESTA

- AS LETLOLE REAPS THE BENEFITS

Just after Cresta, the leading hospitality outfit bought properties from Letlole La Rona for P235 million which left a dent on its finances, COVID-19 struck further exacerbating the financial woes. Staff Writer **KITSO DICKSON** explores events that left Cresta limping.

For a long time, Cresta Marakanelo Group was the sitting tenant in four of Letlole La Rona's commercial hotel immoveable properties, Plot 50719 Cresta Lodge in Gaborone, Plot 1169 Main mall in Gaborone, Plot 6348 Thapama Hotel in Francistown and Plot 267 Bosele Hotel, Selibe Phikwe.

It had 10 year leases with Letlole, which were expected to expire on the 30th of June 2020. Before they could expire, both parties were negotiating renewal terms. However they were at loggerheads over a mutually beneficial lease agreement.

For as long as the parties were unable to settle on a mutually acceptable agreement, Letlole's worst fear was that there could be no lease agreement in place post June 2020.

Cresta as the largest hotel operator in Botswana was a key income generator for the property company. Even so, when competition became intense in the tourism industry, Cresta reportedly struggled and could not keep up with the rentals while negotiations with its landlord, Letlole, hit a snag. So Cresta proposed to buy Letlole's



**IN THE HIGH COURT OF THE REPUBLIC OF BOTSWANA**
**HELD AT LOBATSE**

**CASE NO. CVHGB-004138-19**

In the matter between:
**STANDARD CHARTERED BANK BOTSWANA LIMITED** — **PLAINTIFF**
**and**
**GOMOLEMO ZIMONA** — **DEFENDANT**

**NOTICE OF SALE IN EXECUTION**

**BE PLEASED TO TAKE NOTICE** that pursuant to the judgment of the above Honourable Court, the movable property of the above named Defendant shall be publicly sold in execution by the Deputy Sheriff as follows:

**DATE OF SALE : 6th November 2020**
**PLACE : Lot 64729, Gaborone**
**TIME : 10:30 a.m**

**PROPERTY TO BE SOLD**: Certain piece of land being Lot 64729, Gaborone, situate in the Gaborone North Extension 64, measuring 1620m$^2$ (One Thousand Six Hundred and Twenty Square Metres) which is held underDeed of Transfer No. 2557/2009 dated 16th day of November 2009 registered in favour of **GOMOLEMO ZIMONA** together with the developments thereon being a 5 (five) bedroomed house comprising of master en-suite, Four bedrooms with en-suite each, Two toddler Toilets, One store room, fitted kitchen, three-doors garage. It also comprises of two bedroomed Guest Wings with lounge, shower, bath and kitchenette. The guest wings are both attached to the main house with an open space storage.

**CONDITIONS OF SALE:** Details and conditions of sale may be inspected at the Plaintiff's Attorneys offices.

**TERMS OF SALE: Cash or bank guaranteed cheques.**

**DATED AT GABORONE THIS 28th DAY OF SEPTEMBER 2020.**

**DEPUTY SHERIFF QUEEN KHAME: Cell: 72670000/75524033**
**C/O BOGOPA, MANEWE, TOBEDZA & CO**
Plaintiff's Attorneys
Plot 54368 New CBD
Unit 16 CD, 16th Floor
iTowers North
**GABORONE**
**Tel:** 3905466, **Fax:** 3905451

Bogopa, Manewe, Tobedza & Co.
Attorneys, Notaries, & Conveyancers



properties which it was leasing.

Since Cresta would not renew lease agreements under Letlole's terms, the latter was worried that if Cresta refused to renew, it would not find any tenant of such magnitude.

Several options that the company explored as replacements were unsuccessful. It emerged that all potential operators of the hotel preferred either to enter into management contracts or variable rental agreements. However, Letlole cautioned that variable rental agreements are not ideal for the company.

As a property income investor whose key investment thesis is predictable and increasing pay-outs to its unitholders, a rental lease of this type would result in fluctuating rental income and expose the company directly to the operational vagaries of the hotel business.

If Letlole was to retain the properties, there were concerns that there will be massive financial losses in June 2020 when the lease between Cresta and Letlole expires and in subsequent years. At the time of its assessments, the company worried that it would be left with unoccupied hotels, properties which constitute 28 percent of the property portfolio. It was as if the group management had envisaged a crisis the magnitude of the current COVID 19 pandemic which has left hotel operators gasping for revenue as Cresta is.

Hotels are unique specialised assets. Letlole was worried that any new operator would, in line with global hospitality industry trends, demand that the company pay for refurbishing and re-modelling of the hotels to its specifications and also accept a lease agreement where the rentals varies with the performance of the hotel.

While Letlole feared for the loss of the rental revenue, the hotels would also need to be refurbished and outfitted for a new tenant together with a material cash outflow for the capital budget of 'speccing' them to the new operator's requirements.

There was also a possibility of reduced rental income in the event of another operator leasing the hotel based on variable rental agreements.

In addition, in the event of failure to secure a suitable tenant, Letlole said it may have to dispose the properties at an even lower value in a fire sale. So, Cresta had an upper hand in the negotiations.

Letlole sold its commercial immovable hotel properties to Cresta, planning to utilise the sale proceeds to invest in other value accretive assets. Both parties negotiated a sale consideration of P235 million which took into account market realities and the fact that the consideration of the properties will be in cash.

Due to this sale, the company's profits took a huge knock in the reporting period of June 2019 from P78.8 million to P53 million. Further, in the six months ending 31 December 2019, Letlole La Rona's contractual revenue reported P37.4 million, coming 21 percent below the past corresponding period when the company posted P47.5 million. According to then CEO Chikuni Shenjere-Mutiswa's statement, the fall was directly as a result of the sale of the hotel portfolio, which he said accounted for 25 percent of total group revenues. During the six months ended 31 December 2019, leisure portfolio profit reported P1.4 million compared to P8.32 million.

Although costly, the move saw Letlole dramatically reduce its risk profile, removing exposure to a single tenant who occupied up to a third of its portfolio while the same time unlocking capital to carry its restructuring and growth path. Selling its hotel properties to the sitting tenant Cresta 'liberated' Letlole to chart a course to restructuring in which the company is keenly looking at retail space in vibrant.

At a time when hotel operators are battling the impact of travel restrictions due to COVID-19, credit has been given to Letlole for discarding its hotel properties and expanding into retail. Where most companies are struggling to make profits, the company continues to post impressive results. For the year ended June 2020, the company's profit before tax went up by 24 percent in comparison to prior year's performance. The improved profitability was mainly as a result of the recovery from the prior years' profit which was depressed by a one-off book loss of P27 million upon the sale of the hospitality portfolio.

Meanwhile, Cresta revenue declined by P94.5 million (50 percent) in the first half of 2020 compared to prior year, primarily attributable to COVID-19 related cancellations or postponements as well as the national lockdown period. Cresta reported a loss of P33 million as a result of the impact of the COVID 19 pandemic. After Botswana Government COVID-19 Regulations, the Group's hotels in Botswana were closed for normal operations from 1 April 2020 to 4 June 2020. In order to mitigate the negative effects of the hotel closures on the Group's ability to continue as a going concern, the group suspended all major capital expenditure projects, froze all discretionary

FROM PAGE

STRATEGIC WEALTH

# THE BOTSWANA PENSION FUND COLUMN

## SPONSORED BY STRATEGIC WEALTH

**NADINE DAVIES** – CEO Strategic Wealth

### ECONOMIC PERFORMANCE AROUND THE WORLD

| REGION | GDP | INFLATION | INTEREST RATES |
|---|---|---|---|
| BOTSWANA | -24.8% (JUN-20) | 1.0% (AUG-20) | 4.25% (AUG-20) |
| USA | -31.4% (JUN-20) | 1.3% (AUG-20) | 0.25% (AUG-20) |
| EUROZONE | -11.8% (JUN-20) | -0.3% (SEP-20) | 0% (SEP-20) |
| UNITED KINGDOM | -19.8% (MAR-20) | -0.4% (AUG-20) | 0.1% (SEP-20) |
| CHINA | 11.5% (JUN-20) | 2.4% (AUG-20) | 3.85% (SEP-20) |

### HOW HAVE INVESTMENTS PERFORMED OVER THE LAST 12 MONTHS TO JUNE 2020?

| 1 Year Botswana Local shares (Price) | 1 Year Botswana Local Bond Performance (Fleming Bond Index) | 1 Year money market (BWP) (Overnight Call rate +2%) | 1 Year MSCI ACWI (BWP) | 1 Year MSCI Emerging Markets | 1 Year change Botswana Pula vs US$ |
|---|---|---|---|---|---|
| -6.07% | 5.64% | 5.06% | 12.9% | 17.3% | -0.59% |

**WELCOME** to our monthly feature.

**What's happening?**

The Covid 19 pandemic continues to dominate investment headlines worldwide and remains a moving target; just when it looks like coming back under control, we see renewed outbreaks leading to state interventions and new negative market impacts. The main victims in recent days has been emerging market currencies and US tech stocks. The US dollar has tended to stay strong with investors preferring the safety of "safe" currencies like the US dollar to exposure to equity markets. This "risk off" approach has tended to depress emerging market currencies and gold. Even the mighty S&P 500 has not been immune, with this index currently at 9.6% below its 2 September all-time high.

At the same time, we note that the S&P 500 has been a stellar performer over time. Even with the current downturn, over the past five years the index has risen by almost 68% and over ten years, that return number rises to 161%.

There is mounting evidence that further stimulus of the world's major developed economies such as the US, UK and Euro Area will be needed, as economic momentum in these areas appears to be flagging. Provided policymakers in the US end up agreeing on a new stimulus plan that involves printing more money, we may well start to see some dollar weakness, which would be good for gold, emerging markets and probably for the S&P 500 as well.

Meanwhile the race to develop a safe and effective vaccine continues apace. Out of a total of 300 plus global candidates for vaccine development, nine have reached the final stages of testing. The UK's AstraZeneca/Oxford University is widely regarded as showing the most promise but America's.

Pfizer/BioNtech and Moderna's messenger RNA vaccine are also showing good early results. There is a further American vaccine being developed by Johnson & Johnson in final trials, as well as four in China and Russia's Sputnik V vaccine.

Realistically, none of the vaccines being developed are expected to deliver complete immunity. Probably the best result that can be hoped for is for a year's worth of immunity, but that is still massively better than the current situation.

An optimistic assessment sees the first (fully tested) vaccine rollouts starting from November this year, while a more pessimistic estimate is for mid-2021. Taking an average view gives us early 2021 as the most likely time for vaccine rollout and, by extension, a meaningful and sustained reduction in the prevalence of the virus.

As mentally and physically debilitating as this unprecedented shock to the global financial system has been, there are good reasons to be upbeat about the future. Safe and effective vaccines, rolled out on an industrial scale, will change the current situation profoundly for the better. By mid-2021, the virus will, hopefully, be no more than an unpleasant nightmare.

Unfortunately, that is when the really hard work will need to start in terms of rebuilding ruined economies and wrecked livelihoods. Even with a concerted global approach, this will be a major undertaking and will take time and effort. A different mindset will also be required, one that does not merely concentrate on lower taxes and interest rates to help lift economies out of trouble. Furthermore, if countries cannot find elegant and creative solutions to their economic and employment problems post-virus, then it seems likely that we continue to see low levels of growth and heightened financial repression in the form of higher taxes for a while at least.

Thankfully, entrepreneurship and innovation have always marked the upward surge of mankind and we can expect that these two elements will arise again to help overcome the awful legacy left behind by the virus. Chris Gilmour

Planning for a comfortable retirement is quite a simple task, so long as you start early enough and apply some discipline, although many people will be put off by the investment jargon. You just need to save between 12 and 18% of your monthly income from when you start working until the day you retire. If you do this, you will have enough capital at retirement to buy a pension close to your last month's income, that will pay you for the rest of your life.

Seen another way, you need to decide if retirement planning is a priority and if yes, you need to plan your monthly expenditure to take your retirement contribution into account, even if you are not on a pension fund. Many people just accept that their employer will provide a pension fund and assume that that will be enough. In many cases even if it is, if you have not committed to a retirement plan, you will probably take money out of your pension fund at the first opportunity or fail to save the monthly contribution when you go off a pension fund, or cash out one third of your pension when you retire.

If this simple approach makes sense, you should start by working out a personal budget. Take your monthly income and after making provision for your retirement contribution, say 12%, work out how you will live on what is left. In other words, balance your lifestyle to your income after you have provided for retirement. If you are on your employer's fund, then you are lucky because your monthly income already takes this contribution into account.

If you are on a pension fund or are already a few years into your working career, then you need to check where you stand today. A good rule of thumb is to get a statement from your fund on how much retirement capital you have, say an amount of P100 000 has already built up, and then multiply that number by 8%, in this case to get an answer of P8 000. In effect, this rough calculator shows that if you retired today with P100 000 in your pension fund, you would receive an annual pension of some P8 000 per annum for the rest of your life, i.e. a monthly pension of [P 8 000 / 12] P 667 per month. Compare this to your current monthly salary. If your salary today is for example P6 000 per month, your pension will be around 10% of your salary at retirement if you continue to save the way you have up to now.

Your living expenses should fall by about 25% when you retire, (school fees and travel costs) so it is safe to plan for your target pension annuity to be around 75% of your last months' income. Note however that some expenses like medical aid and insurance bills will continue to grow.

If you have done the 8% calculation and do not like the result, you should ideally seek out a personal financial advisor to help you. If you do not do this, here are some tips that can help.

Accept that your lifestyle is too high, and make some serious cuts immediately – draw up a new budget; save more money towards retirement and avoid any new debt; plan to continue working for longer and to retire later; do not dip into your pension fund if you leave employment or at retirement; plan to have all your debts settled before retirement, do not use your pension to pay off debts or to start a business venture; and re-channel expenses (like school fees) that fall away towards savings, not lifestyle. Lame Botshoma

FROM PAGE 17

## HOW FATE CONSPIRED AGAINST CRESTA

expenditure, negotiated with management level employees, landlords and other strategic suppliers of the business to reduce the contractual obligations. Further the group says it deferred bank loan facility capital payments due, temporarily closed some hotels to eliminate some operating costs; and encouraged guests to postpone events and trips rather than cancel.

Cresta's MD, Mokwena Morulane says the COVID-19 pandemic has significantly changed the short to medium term outlook of the tourism industry in general and brought in an unprecedented level of uncertainty. He says any local lockdowns or COVID-19 restrictions have an immediate negative impact on the Group's performance. "Management will continue to actively assess whether certain properties need to be temporarily closed to minimise costs if occupancies remain subdued," he said adding that engagements with staff and strategic partners will also continue, in order to reach agreements to further reduce costs and ensure that the business remains sustainable. "Concerted efforts will also continue to market attractive holiday and retreat packages to the domestic market to drive more business to the leisure properties."

**What is Strategic Wealth?**

Strategic Wealth is a Botswana retirement funds investment specialist. The firm is 100% citizen and female owned and committed to improving retirement fund knowledge in Botswana. Please send all comments or questions to: info@strategicwealth.info.

**COMPETITION**

Our competition remains suspended till further notice.

**FORTHCOMING ATTRACTIONS**

Our annual Trustee Training Workshops and Conference remain suspended till further notice.

**IN THE HIGH COURT OF THE REPUBLIC OF BOTSWANA**
**HELD AT GABORONE**

**CASE NO. CVHGB-003064-18**

In the matter between:
**STANDARD CHARTERED BANK BOTSWANA LIMITED** — **PLAINTIFF**
and
**LESOLE OBONYE** — **DEFENDANT**

**NOTICE OF SALE IN EXECUTION**

**BE PLEASED TO TAKE NOTICE** that pursuant to the judgment of the above Honourable Court, the movable property of the above named Defendant shall be publicly sold in execution by the Deputy Sheriff as follows:

**DATE OF SALE** : 5th November 2020
**PLACE** : Lot 24776, Gaborone
**TIME** : 10:30 a.m

**PROPERTY TO BE SOLD**: Certain piece of land being Lot 24776, Gaborone, situate in the Gaborone West Extension 24, measuring 600m² (Six Hundred Square Metres) which is held under Deed pf Fixed Period State Grant No. 2150/99 dated 20th day of December 1999 registered in favour of **LESOLE OBONYE** together with the developments thereon being a 4 (four) bedroomed house comprising of master en-suite, three bedrooms, fitted kitchen, common bathroom and double garage.

**CONDITIONS OF SALE:** Details and conditions of sale may be inspected at the Plaintiff's Attorneys offices.

**TERMS OF SALE: Cash or bank guaranteed cheques.**

**DATED AT GABORONE THIS 28th DAY OF SEPTEMBER 2020.**

**DEPUTY SHERIFF QUEEN KHAME: Cell: 72670000/75524033**
**C/O BOGOPA, MANEWE, TOBEDZA & CO**
Plaintiff's Attorneys
Plot 54368 New CBD
Unit 16 CD, 16th Floor
iTowers North
**GABORONE**
**Tel:** 3905466
**Fax:** 3905451

Bogopa, Manewe, Tobedza & Co.
Attorneys, Notaries, & Conveyancers

**IN THE HIGH COURT OF THE REPUBLIC OF BOTSWANA**
**HELD AT LOBATSE**

**RADIJENG J.**

**CASE NO. CVHGB-002064-18**

In the matter between:
**STANDARD CHARTERED BANK BOTSWANA LIMITED** — **PLAINTIFF**
**and**
**ELIZABETH KHELELE MOGOIWA** — **DEFENDANT**

**NOTICE OF SALE IN EXECUTION**

**BE PLEASED TO TAKE NOTICE** that pursuant to the judgment of the above Honourable Court, the movable property of the above named Defendant shall be publicly sold in execution by the Deputy Sheriff as follows:

**DATE OF SALE** : 4th November 2020
**PLACE** : Lot 5689, Mochudi
**TIME** : 10:30 a.m

**PROPERTY TO BE SOLD**: Certain piece of land being Tribal Lot 5689, Mochudi, situate in the Bakgatla Tribal Territory, measuring 725m² (Seven Hundred and Twenty Five Square Metres) which is held under Memorandum of Agreement of Grant of Lease No. TL1866/2013 dated 23rd day of December 2013 made in favour of **ELIZABETH KHELELE MOGOIWA** together with the developments thereon being a 3 (three) bedroomed house comprising of master en-suite, two bedrooms, fitted kitchen, common bathroom Dinning with screen wall.

**CONDITIONS OF SALE:** Details and conditions of sale may be inspected at the Plaintiff's Attorneys offices.

**TERMS OF SALE: Cash or bank guaranteed cheques.**

**DATED AT GABORONE THIS 28th DAY OF SEPTEMBER 2020.**

**DEPUTY SHERIFF QUEEN KHAME: Cell: 72670000/75524033**
**C/O BOGOPA, MANEWE, TOBEDZA & CO**
Plaintiff's Attorneys
Plot 54368 New CBD
Unit 16 CD, 16th Floor
iTowers North
**GABORONE**
**Tel:** 3905466
**Fax:** 3905451

Bogopa, Manewe, Tobedza & Co.
Attorneys, Notaries, & Conveyancers



**IN THE HIGH COURT OF THE REPUBLIC OF BOTSWANA HELD AT GABORONE**

**CASE NO: CVHGB-000445-18**

In the matter between:
**AFRICAN BANKING CORPORATION OF BOTSWANA LIMITED T/A Banc ABC** — **PLAINTIFF**
and
**NAMETSO CHARLOTTE TSIE** — **DEFENDANT**

**NOTICE OF SALE IN EXECUTION**

**BE PLEASED TO TAKE NOTICE** pursuant to the Judgment granted by the Honourable Court the following immovable property of the Defendant will be sold by public auction by **Deputy Sheriff Opelo Mothibi** of Cell **No: 77 636 760/72 234 419** to the highest bidder as follows:

**DATE OF SALE:** 06TH NOVEMBER 2020
**TIME OF SALE:** 10:00AM
**PLACE OF SALE:** LOT 18539, FRANCISTOWN

**PROPERTY TO BE SOLD** : Defendant's rights, title and interest on a certain piece of land being Lot 18539, Extension 27, Francistown measuring 380m² with developments thereon being a two and half house, Fitted Kitchen and fitted Bathroom.

**TERMS AND CONDITIONS**: Cash or Bank guaranteed cheque otherwise details and conditions of sale may be inspected at the Plaintiff's Attorneys offices or Deputy Sheriff's office situated at Plot 398, Kgasa Close, Extension 4, Gaborone.

**DATED AT GABORONE THIS 21ST DAY OF SEPTEMBER 2020.**

**DEPUTY SHERIFF OPELO MOTHIBI c/o**
SEBEGO Attorneys
Notaries, Conveyancers and Patent Agents
Plaintiff's Attorneys
Plot 387, Independence Avenue
Private Bag Bo 177
**GABORONE**
(SBP/lr/11966)

**IN THE HIGH COURT OF THE REPUBLIC OF BOTSWANA HELD AT GABORONE**

**CASE NO: CVHGB-000106-20**

In the matter between:
**AFRICAN BANKING CORPORATION OF BOTSWANA LIMITED T/A Banc ABC** — **PLAINTIFF**
and
**PHENYO DINAKE** — **DEFENDANT**

**NOTICE OF SALE IN EXECUTION**

**BE PLEASED TO TAKE NOTICE** pursuant to the Judgment granted by the Honourable Court the following immovable property of the Defendant will be sold by public auction by **Deputy Sheriff Ikageng Seloi** of Cell **No: 71 472 478** to the highest bidder as follows:

**DATE OF SALE:** 07TH NOVEMBER 2020
**TIME OF SALE:** 10:00AM
**PLACE OF SALE:** LOT 34702, GABORONE

**PROPERTY TO BE SOLD** : Defendant's rights, title and interest on a certain piece of land being Lot 34702, Gaborone measuring 414m² with developments thereon being a 3 bedroomed house, 2 and half house and a screen wall.

**TERMS AND CONDITIONS**: Cash or Bank guaranteed cheque otherwise details and conditions of sale may be inspected at the Plaintiff's Attorneys offices or Deputy Sheriff's office situated at Plot 387, Independence Avenue, Gaborone.

**DATED AT GABORONE THIS 23RD DAY OF SEPTEMBER 2020.**

**DEPUTY SHERIFF IKAGENG SELOI c/o**
SEBEGO Attorneys
Notaries, Conveyancers and Patent Agents
Plaintiff's Attorneys
Plot 387, Independence Avenue
Private Bag Bo 177
**GABORONE**
(SBP/lr/13241)


**IN THE HIGH COURT OF THE REPUBLIC OF BOTSWANA HELD AT GABORONE**

**CASE NO: CVHGB-002661-17**

In the matter between:
**AFRICAN BANKING CORPORATION OF BOTSWANA LIMITED T/A Banc ABC** — **PLAINTIFF**
and
**DAVEKOM INVESTMENTS (PTY) LTD T/A DAVKOM COMPUTERS** — **1ST DEFENDANT**
**DAVID KIRINYA MUGAMBI** — **2ND DEFENDANT**
**WILFRED MURITHI KIRIMA** — **3RD DEFENDANT**

**NOTICE OF SALE IN EXECUTION**

**BE PLEASED TO TAKE NOTICE** pursuant to the Judgment granted by the Honourable Court the following immovable property of the 1st Defendant will be sold by public auction by **Deputy Sheriff Opelo Mothibi** of Cell **No: 77 636 760/72 234 419** to the highest bidder as follows:

**DATE OF SALE:** 20TH NOVEMBER 2020
**TIME OF SALE:** 10:00AM
**PLACE OF SALE:** LOT 26279, GABORONE

**PROPERTY TO BE SOLD** : 1st Defendant's rights, title and interest on a certain piece of land being Lot 26279, Gaborone measuring 435m² with developments thereon being a 3 bedroomed house with fittedwardrobes (master ensuite), sitting room, Dining room. Fitted kitchen, Toilet and bathroom, Toilet, Paved yard, Screen wall, Electric fence and a Bachelor pad.

**TERMS AND CONDITIONS**: Cash or Bank guaranteed cheque otherwise details and conditions of sale may be inspected at the Plaintiff's Attorneys offices or Deputy Sheriff's office situated at Plot 398, Kgasa Close, Extension 4, Gaborone.

**DATED AT GABORONE THIS 23RD DAY OF SEPTEMBER 2020.**

**DEPUTY SHERIFF OPELO MOTHIBI c/o**
SEBEGO Attorneys
Notaries, Conveyancers and Patent Agents
Plaintiff's Attorneys
Plot 387, Independence Avenue
Private Bag Bo 177
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(SBP/lr/10474)



Full Chicken
+ 3 Sharing Sides
+ 2L Soft Drink
229,90
2020 problems
but flavour ain't one
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Serving suggestion only. Tableware not included.
Ingredients and allergens list available on request.
Valid in Botswana restaurants only. Price valid until
09 November 2020 or while stocks last.
Nando's