

Based on information collected up to May 2006**1. TARIFF MEASURES****Structure of the tariff schedule**

Botswana as a member of the Southern African Customs Union (SACU) which also includes Lesotho, Namibia, South Africa and Swaziland uses a common customs tariff set by the customs laws of South Africa and applies an eight-digit tariff nomenclature based on the Harmonized Commodity Description and Coding System which shows in two columns, the general and the MFN rates of customs duty.

Tariff publications

Customs Laws, Customs and Excise Act, Act No. 91 of 1964 as amended to goods imported into the common customs area from outside the union.

12 MFN duties

MFN rates of customs duties are levied on a large range of items imported from most countries, including the United States of America and most signatories to the World Trade Organization. Customs duty comprises the following levies that all bear ad valorem rates, and are assessed between 0% to 55% under SACU's common customs tariff: "mixed duties" levied on fish, beverages, sugar, wool and apparel products; "special duties" on agricultural products such as products of the milling industry, fishing products, beverages, spirit and vinegar, sugar and sugar confectionery and petroleum products; "formula duties" (which combat disruptive competition) on preserved tomatoes, corn-flour, cherries, tobacco, not stemmed or stripped, and tobacco partly or wholly stemmed or stripped; and "compound duties" which apply only to wheat or meslin flour, and sealed containers of mineral water. As the SACU system allows each member certain flexibility in fixing duty rates for goods outside the customs union, South Africa in accordance with its WTO commitments binds itself with the following levies: 0% to 10% are assessed on primary and semi-primary products, capital goods; 15% on components, 15% to 30% on consumer products.

13 Bound rates

SACU countries under the leadership of South Africa bound 96 per cent of the customs tariff at the HS eight-digit level: chapters of HS 01-24 and HS 25-97, with exceptions according to the country; animals and animal products, dairy products, coffee and tea, cocoa, sugar etc., cut flowers, plants, fruit and vegetables, grains, oil seeds, fats and oils and their products, beverages and spirits, tobacco, wood, pulp, paper and furniture, transport equipment, non-electric machinery, metals, electric machinery, chemicals and photographic supplies, textile and clothing, leather, rubber, footwear and travel goods, mineral products, precious stones and precious metals, fish and fishery products, and petroleum.

16 Temporary reduced duties

The general rebate of Duty exemptions and concessions is set on imports of raw materials, equipment imported on a temporary basis for a given project and other inputs necessary to the export oriented manufactures which produce goods for non SACU markets.



Preferential duties under trade agreements

19.1 Interregional agreements

The 1889 customs union which comprised Botswana, Lesotho, South Africa and Swaziland became after successive amendments, and the accession of Namibia on 10 of July 1990, the new SACU agreement on the 21 of October 2002. The SACU agreement signed in Gaborone Botswana, will be effective after its ratification by all member states. The objectives of this new agreement are: free movement of goods within SACU area, to enhance economic development, fair competition and substantial investment, diversification, industrialization and competitiveness of member states, all in the common customs area. However, Lesotho, Namibia and Swaziland are trying to establish a secretariat that will establish transparent and democratic institutions that ensure equitable trade benefits to member states since South Africa dominates SACU established during Apartheid.

Goods imported to Botswana from the other SACU countries, enter duty free.



19.2 Regional and sub-regional agreements

Botswana together with the other SACU members belong to the Southern African Development Community (SADC) established on 17 August 1992; it superseded the SADCC, Southern African Development Co-ordination Conference created in 1980.

SADC as an economic grouping brings together fourteen East, Central and Southern African countries such as Angola, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. Among its many protocols, the SADC Protocol on Trade signed in Maseru, Lesotho on 24 August 1996 by all members except Angola one of the founding members, aims at the creation of a Free Trade Area.

On September 2000, 11 members ratified the implementation of the protocol based on the principle of reciprocity. To fulfil the conditions of the Free Trade Agreement, products have been distributed as follows: capital goods and equipment have been liberalized the first year; goods constituting important sources of customs revenue will be liberalized gradually by 2008; and products considered as sensitive by many member countries, e.g. sugar for SACU will be liberalized between 2005 and 2012; on this issue a category of sensitive goods specific to each participating state, will remain excluded from any preferential treatment for general and security reasons in accordance with Articles 9 and 10 of the protocol; elsewhere, textiles will not be included in the free trade agreement. These arrangements have been made by SADC in order to achieve a zero tariff rate for 98% of goods by 2012.

Botswana as a member of the African Union (AU) established on July 2001 when it replaced the Organization of African Unity (OAU) signed on 25 May

1963, is also signatory to the treaty for the African Economic Community (AEC) signed in June 1991 in Abuja, Nigeria; it aims at the creation of a pan-African economic and monetary union over a period of 34 years.



19.3 Bilateral agreements

A joint bilateral trade agreement was signed in South Africa on the 2nd of June 2003, between Botswana as a SACU (Lesotho, Namibia, South Africa, Swaziland) and the United States of America, its objective is to create a comprehensive infrastructure for trade, and build on the success of the African Growth and Opportunity Act (AGOA).

On the 16th of December 2004 was signed in Belo Horizonte, Brazil, a Preferential Trade Agreement (PTA) between Botswana and other SACU members and the MERCOSUR namely Argentine, Brazil, Paraguay and Uruguay. It aims at creating a legal framework for improved and expanded trade relations on preferential basis between the two economic groupings; in addition, it addresses other important trade-related issues like customs cooperation, phyto-sanitary measures and larger product coverage for preferential treatment.

Botswana participates in the Cotonou Agreement i.e. the former Lomé Convention, an economic partnership between the ACP countries (the African, Caribbean, and Pacific regions) and the European Union. During the June 2000 partnership also called the Cotonou Agreement, negotiations for a series of new economic associations were concluded, and were expected to begin from September 2002 and enter into force as of 1 of January 2008. Most partnerships are based on progressive and reciprocal removal of trade barriers, replacing old trade preferences that South Africa and other ACP countries enjoyed under the Lomé Convention. The partnership Agreement is valid for twenty years and is subject to revision every five years.

Botswana maintains bilateral arrangements as the one signed in 2001 with India, its 1998 reciprocal duty-free entry with Zimbabwe except for clothing imports, and an old reciprocal customs agreement signed in 1956 with Malawi on a de facto basis, which includes a duty free entry of all goods except spirits, reared, grown or produced.

Botswana has concluded MFN agreements which set a general framework for the bilateral trade with China, Czech Republic, Cuba, India, Slovakia, Romania, Russia, Republic of Korea and Zambia.



2. PARA-TARIFF MEASURES

23.1 General sales taxes

The value-added tax introduced on July 2002 is computed with the FOB value, the customs duty together with the value of any services related to the goods i.e., commission, packaging, transportation, short term warranty insurance and warranty expenses, and is levied at the rate of 10% on domestically or imported goods including from SACU countries. The following product: petrol, diesel, paraffin, maize and sorghum meal are exempt from value-added tax levy.



23.2 Excise taxes

Excise tax levies are assessed on domestically and imported products as follows: tobacco, vinegar, alcohol and petroleum goods. For imports the excise levies are paid at the customs when clearing the goods.

6. QUANTITY CONTROL MEASURES

61.1 Licence with no specific ex-ante criteria

Licensing requirement for all importers from the Department of Trade and Consumer Affairs in the Ministry of Trade and Industry and The National Licensing Authority.

Any importation of goods in Botswana must be covered by an import license excluding the Southern African Customs Union with the exception of Malawi.

61.4 Licence linked with local production

An import permit from the Ministry of Agriculture is issued for the following products upon domestic market deficit: poultry import, maize, wheat, sorghum and related products, pulses, fresh milk, fruits as oranges, watermelons and vegetables; vegetables as cabbages, choumollier, rape, spinach, potatoes and tomatoes.

61.7 Prior authorization for sensitive product categories

Import measures set for health, environmental or security reasons are regulated by the Department of Trade and Industry.

61.71 To protect human health

For food security reasons, the importation of certain agricultural products such as vegetables, dairy products, meat and meat products and poultry are subject to import license issued by the Ministry of Trade and Industry. Import of fresh milk is subject to permit.

Food Control Act, 1993 sets the provisions concerning the issuance of permits for the importation of raw and pasteurized cow's milk.

61.73 To protect plant health

An approval or a permit from the Ministry of Agriculture is required for imports of agricultural products and plants.

61.75 To protect wildlife

Imports of endangered species covered by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) require license issued by the Ministry of Environment, Wildlife and Tourism.

61.77 To ensure human safety

The importation of second-hand goods such as motor vehicles and clothing are subject to licensing.

61.78 To ensure national security

A license is required for the importation of firearms and ammunition; in

addition, the department of Minerals, Energy and Water Affairs subjects to licensing the importation of boats and aquatic apparatus.



Prohibitions

63.3 Seasonal prohibition

A seasonal import prohibition is set on some vegetables, meat and dairy products.



63.7 Prohibition for sensitive product categories

An import prohibition for health, environment, security and moral reasons, is set on the following goods; Butane gas, cigarette lighters, honey and preparations of honey, royal jelly, preserves sweetened with honey and flypaper; prison-made goods; used clothing for sale, used boots and shoes; bank notes, currency notes (paper money), securities payable to bearer, and traveller's checks; manufactured and un-manufactured gold, silver and platinum, precious stones, jewellery and other valuable articles.



63.71 To protect human health

Importation of fresh pork is prohibited.



63.72 To protect animal health and life

The Ministry of Agriculture, Department of Animal Health bans imports of cloven-hoofed animals, their products, and feed from South Africa due to the foot-and-mouth disease.



63.76 To control drug abuse

Habit-forming drugs are prohibited at importation.



63.77 To ensure human safety

Hazardous products such as toxic or radio-active waste are banned for importation.



63.9 Prohibitions n.e.s.

An import prohibition is set on obscene material such as pornographic magazines and videos.



8. TECHNICAL MEASURES

Technical regulations

81.10 Product characteristics requirements

Information on standards in Botswana is available at:
The Botswana Bureau of Standards-BOBS
Private Bag BO 48
Gaborone-Botswana

Telephone: (267) 316 40 44
Telefax: (267) 316 40 42

The standards Act No.16 of 1995 created the Botswana Bureau of Standards established in 1997, it is responsible for standards, quality assurance, testing of goods, metrology/calibration, quality, and environmental management systems of goods. The Bureau also maintains microbiological specifications for raw and processed milk.

As a rule all products standards that affect health, safety and the environment are mandatory.

Presently there are 238 registered standards in Botswana, and compulsory standards are being enforced on seven products i.e., petroleum, gas, poultry feed, pre-packaged goods for consumers, cereals/sorghum grains for consumption, cattle feeds, garments, and drinking water.

BOBS coordinates the work of its technical committees in their task of developing specific standards. In addition BOBS monitors a product certification scheme to prove product conformity with the relevant standard. As a member of ISO, an inquiry point under the WTO TBT Agreement, it also participates in international and regional standardization initiatives.



81.11 To protect human health

The National Food Control Act, 1993 through regulation DPR-9 lay out the provisions governing the manufacture and processing of cereal-based foods, domestic or imported, intended for infants, young children and children particularly with respect to composition, protein and protein concentrates content and quality, nutritional value, allowed levels of vitamins, minerals and other ingredients.

In this regard it excludes the use of ionizing radiations during production, sets the maximum permitted levels of food additives, requires finished products to be free from residues of hormones, antibiotics, contaminants, pharmacologically active substances, or any pathogenic micro-organisms such as E-Coli or Salmonella in amounts which may present a risk to children's health, and specifies the conditions necessary to ensure safe packaging and hygienic storage of the foods concerned.

In the same context Food Control Act, 1993, DPR-8 rules the provisions for the processing and manufacture of domestic or imported infant and/or follow-up formula in terms of composition, energy and carbohydrates, protein and fat content, quality, nutritional value, allowed levels of vitamins, minerals and other ingredients, consistency and particle size. As it prohibits ionizing radiation, it establishes the maximum permitted levels of food additives and nitrates contained in water during the manufacturing process, requires the end-products to be free from residues of hormones, antibiotics, contaminants or any pathogenic micro-organisms such as E-Coli or Salmonella in amounts which may present a risk to babies' health.

And DP-11-1996 B of the Food Control Act, 1993-, governs cow's milk regulations which applies to all raw and/or pasteurized cow's milk produced, manufactured, packaged, labelled, stored, transported, displayed, distributed, sold or traded in Botswana.



81.13 To protect plant health

The Pest and Disease Act of 1959 governs the importation of agricultural products and sees to the health conditions of imports of seeds, bulbs, plants and plant products.

Imports of cereal must be free from disease such as grain borer and Khapra beetle.

Imports of plants, plant products, seeds and fresh fruits and vegetables must be accompanied by a phytosanitary certificate.



81.2 Marking requirements

81.3 Labelling requirements

81.4 Packaging requirements

As there are no formal marking, labelling or packaging requirements, it is suggested that food product labels indicate the descriptive name of the product, the list of ingredients, product expiration date; for marking, packages should bear the consignee and the port mark with numbers for shipment to be identified easily; wooden boxes rather than fibreboard cartons are advised as packing system in order to prevent damage to goods from rough handling and protect them against water damage.



81.5 Testing, inspection and quarantine requirements

The Food Control Act, 1993, Regulations DP-11-1996B lays out the provisions concerning inspection of dairy farms and milk plants, sampling procedures, physical, chemical and microbiological requirements for raw and pasteurized milk, plants sanitation facilities and equipment.

