

UNITED NATIONS



GENERAL ASSEMBLY SECURITY COUNCIL

Distr.
GENERAL

A/35/162
S/13870
19 June 1980

ORIGINAL: ENGLISH

GENERAL ASSEMBLY
Thirty-fifth session
Item 64 (b) of the preliminary list*
SPECIAL ECONOMIC AND DISASTER RELIEF
ASSISTANCE

SECURITY COUNCIL
Thirty-fifth year

Assistance to Botswana

Report of the Secretary-General

1. In its resolution 34/125 of 14 December 1979, the General Assembly requested the Secretary-General, *inter alia*, to continue his efforts to mobilize the necessary resources for an effective programme of financial, technical and material assistance to Botswana, to keep the situation in Botswana under constant review and to submit a report on the progress achieved in time for the matter to be considered by the Assembly at its thirty-fifth session.
2. In its resolution 460 (1979), adopted on 21 December 1979, the Security Council, in paragraph 5, called upon all States Members of the United Nations and the specialized agencies to provide urgent assistance to Southern Rhodesia and the front-line States for reconstruction purposes and to facilitate the repatriation of all refugees or displaced persons to Southern Rhodesia. Further, in paragraph 8, the Security Council requested the Secretary-General to assist in the implementation of paragraph 5 by organizing, with immediate effect, all forms of financial, technical and material assistance to the States concerned in order to enable them to overcome the economic and social difficulties facing them.
3. In pursuance of these resolutions, the Secretary-General arranged for a mission to visit Botswana in February 1980 to consult with the Government. The report of the mission, which is annexed hereto, describes the economic and financial position of the country, summarizes the progress which has been made in implementing the projects included in the special economic assistance programme, provides a list of the Government's priority requirements to deal with the serious situation facing the country as a result of drought and the outbreak of foot-and-mouth disease, and lists the projects and programmes necessary for reconstruction

* A/35/50.

and to enable Botswana to overcome the economic and social difficulties facing it.

4. In paragraph 8 of resolution 34/125 the General Assembly invited a number of specialized agencies and other organizations of the United Nations system to bring to the attention of their governing bodies, for their consideration, the assistance they are rendering to Botswana and to report the results of that assistance and their decisions to the Secretary-General in time for consideration by the Assembly at its thirty-fifth session. The responses of the agencies and organizations will be reproduced in a report of the Secretary-General covering Botswana and the other countries for which the General Assembly has requested the Secretary-General to organize special economic assistance programmes.

ANNEX

Report of the review mission to Botswana
 (25 to 28 February 1980)

CONTENTS

	<u>Paragraphs</u>	<u>Page</u>
I. INTRODUCTION	1 - 9	3
II. SUMMARY	10 - 14	4
III. GENERAL BACKGROUND	15 - 42	5
A. Economic situation	15 - 19	5
B. Balance of payments	20	6
C. Government budget	21 - 23	8
D. Fifth National Development Plan	24 - 25	9
E. Drought	26 - 31	9
F. Foot-and-mouth disease	32 - 38	11
G. Security and defence review	39	12
H. Refugees	40 - 42	12
IV. IMPLEMENTATION OF THE SPECIAL ASSISTANCE PROGRAMME . .	43 - 58	14
A. Completed projects	44	14
B. Projects recommended in previous reports which have not been completed	45 - 58	14
1. Emergency railway operation	46 - 49	15
2. Oil storage depots	50 - 51	16
3. Botswana-Zambia road	52 - 53	16
4. Airport construction	54 - 58	16
V. REHABILITATION AND DEVELOPMENT NEEDS	59 - 99	18
A. Overview	59 - 64	18
B. Rehabilitation programmes	65 - 74	19
1. Arable farming inputs	65 - 67	19

/...

CONTENTS (continued)

	<u>Paragraphs</u>	<u>Page</u>
2. Rehabilitation of forest infrastructure . . .	68 - 69	19
3. Rehabilitation of fisheries	70 - 72	20
4. Rehabilitation of tourism	73 - 74	20
C. Foot-and-mouth disease control	75 - 86	20
1. Vaccination campaign	77	21
2. Palapye-Makoba cordon fence	78 - 79	21
3. Ramokgwebana-Maikengwe-Tamasanka Pan cordon fence	80	21
4. Botswana Vaccine Institute	81 - 83	21
5. Emergency meat cannery	84 - 86	22
D. Transport and communications projects	87 - 98	22
1. Dumela-Ramokgwebana road	88 - 90	23
2. Railway track renewal programme	91 - 93	23
3. Civil aviation	94 - 95	24
4. Telecommunications	96 - 98	24
E. Summary of rehabilitation and development projects	99	24
Map showing location of proposed projects		26

INTRODUCTION

1. In pursuance of Security Council resolution 403 (1977) of 14 January 1977, the Secretary-General dispatched a mission to Botswana in February 1977. In its report a/ the mission recommended a programme of international assistance totalling about \$54 million. Of this sum, nearly \$28 million represented the amount of resources which Botswana would have to divert from normal development purposes in order to undertake unexpected security expenditures required by the rapidly deteriorating situation along its border with Southern Rhodesia. The remainder, about \$26 million, was for specific projects and programmes arising out of the emergency situation.
2. In resolution 406 (1977) of 25 May 1977, the Security Council endorsed the programme recommended by the mission, and the Secretary-General's appeal to States and international organizations, including those of the United Nations system, to help Botswana, materially and financially, in the fields indicated.
3. In response to Economic and Social Council resolution 2095 (LXIII) and to General Assembly resolutions 32/97 and 33/130, the Secretary General submitted reports to the thirty-second (A/32/287-S/12421), thirty-third (A/33/166 and Corr.1) and thirty-fourth (A/34/419-S/13506) sessions of the General Assembly which reviewed the economic situation in Botswana and the progress which had been made in implementing the special assistance programme.
4. On 14 December 1979, the General Assembly adopted resolution 34/125 in which, inter alia, it requested the Secretary-General to arrange for a review of the economic situation in Botswana and the progress made in organizing and implementing the special economic assistance programme for that country in time for the matter to be considered by the Assembly at its thirty-fifth session.
5. Following the successful outcome of the Lancaster House Conference in producing agreement on the Constitution for a free and independent Zimbabwe and on arrangements for a cease-fire, the Security Council, at its 2181st meeting on 21 December 1979, adopted resolution 460 (1979). In paragraph 5 of that resolution, the Security Council called upon Member States and the specialized agencies to provide urgent assistance to Southern Rhodesia and the front-line States for reconstruction purposes and to facilitate the repatriation of all refugees or displaced persons to Southern Rhodesia. In paragraph 8, the Secretary-General was requested to assist in the organizing of financial, technical and material assistance to the States concerned.

a/ Official Records of the Security Council, Thirty-second Year, Supplement for January, February and March 1977, document S/12307.

6. In response to Security Council resolution 460 (1979) and General Assembly resolution 34/125, the Secretary-General arranged for a mission to report on the general economic situation, the Special Assistance Programme, and rehabilitation and reconstruction needs.

7. The mission visited Botswana from 25 to 28 February 1980. It was led by the Joint Co-ordinator of Special Economic Assistance Programmes in the Office for Special Political Questions, and included representatives of the Food and Agriculture Organization of the United Nations, the United Nations Conference on Trade and Development and the Department of Technical Co-operation for Development.

8. The mission was received by His Excellency Sir Seretse Khama, President of Botswana, and by the Honourable Dr. Q. K. J. Masire, Vice-President and Minister of Finance and Development Planning. In the course of its stay, the mission held meetings with senior officials of the Ministries of Agriculture, Commerce and Industry, Finance and Development Planning, and Works and Communications.

9. The mission wishes to record its appreciation of the very full co-operation it received from the Government and from the Office of the United Nations Development Programme (UNDP) in all aspects of its work.

II. SUMMARY

10. Since the Special Assistance Programme began in 1977, 12 of the 16 projects required to meet Botswana's emergency and strategic needs have been completed. The remaining four are:

- (a) Emergency railway operation;
- (b) Oil storage depots;
- (c) Tarring of Botswana-Zambia road;
- (d) Airport construction.

Implementation of these projects is either beginning or in progress with varying amounts of finance negotiated.

11. Drought and foot-and-mouth disease are seriously affecting the well-being of the rural population in the north of the country. Measures to tackle these problems are:

- (a) Supplementary feeding and relief projects in drought areas;
- (b) New veterinary cordon fences;

/...

- (c) More intensive cattle vaccination;
- (d) Expansion of the Botswana Vaccine Institute to meet regional needs;
- (e) Emergency installation of a meat canning plant in the worst affected area, Ngamiland.

12. In many of the border areas, economic development was seriously disrupted by the security situation. Programmes have been designed to restore fishing, forestry, agriculture and tourism in those areas.

13. A resumption of normal relations with Zimbabwe will increase the demand for improved communications between the two countries. In addition to the railway and aviation projects mentioned above, the road between Francistown and the border needs to be tarred, and a microwave link installed.

14. Because of its geographical position as a land-locked country in southern Africa, the economy of Botswana remains highly vulnerable to political and economic developments in the region which are outside the control of Botswana. Continued assistance by the international community is therefore required to support the normal development programme, the Special Assistance Programme and the country's rehabilitation needs.

III. GENERAL BACKGROUND

A. Economic situation

15. Preliminary estimates for the growth of gross domestic product (GDP) during 1979 show a continuation of the recovery noted in the previous year, due mainly to higher prices for the major exports - diamonds and beef. Government revenues and foreign exchange reserves increased and the over-all balance of payments was favourable as a consequence of a surplus on capital account.

16. While increasing diamond exports have enabled the Government to maintain recurrent and development programmes, the country has been badly affected by drought and by foot-and-mouth disease in the past two-and-a-half years. In 1979, many parts of the country experienced the lowest rainfall for several decades, and extremely low crop yields in most growing areas were recorded. On 1 June 1979, the President declared a drought emergency in Botswana. Although the eastern part of the country enjoyed rains in February 1980, they occurred too late for a satisfactory crop, and the 1980 harvest will again be well below average.

17. Since 1977, parts of northern Botswana have reported outbreaks of foot-and-mouth disease which have disrupted the marketing of beef. Beef is the country's traditional export, the bulk of which is sold in European markets. The initial outbreak, which occurred in the north-west, was ended by early 1978, but a further

/...

outbreak occurred in 1979. Through intensive vaccination, this outbreak was largely brought under control by the end of the year. However, a few days before the mission's arrival a fresh outbreak occurred in the central part of the country, causing the abattoir at Lobatse to suspend operations for an indefinite period.

18. The combination of drought and cattle disease is causing great hardship to rural populations, particularly in the north of the country, who are deprived of both a return from subsistence cropping and income from the sale of livestock. To mitigate the hardship, the Government has introduced relief measures directed towards the hardest hit groups. It has also been considering how to render the country more secure against future outbreaks of foot-and-mouth disease. Drought relief measures and the foot-and-mouth disease situation are described more fully in paragraphs 32 to 39 and 75 to 86 below.

19. Botswana has an unusually open economy, with imports and exports equivalent to over two thirds of GDP. This openness makes it highly susceptible to imported inflation, and vulnerable to developments and conditions outside its control.

B. Balance of payments

20. The main feature in the external accounts of Botswana has been the sharp rise in the volume and value of diamond exports. Imports have also risen, reflecting higher petroleum prices and increased investment in the minerals sector. As a consequence, the country has continued to face a deficit on its current account. However, capital inflows have been more than sufficient to cover the deficit, and as a consequence the foreign exchange reserves have risen. Balance-of-payments estimates are shown in table 1 below. The reduction of beef exports as a result of foot-and-mouth disease could have a serious effect on the foreign exchange position.

Table 1

Balance of payments
 (In millions of pula)

	<u>1977</u>	<u>1978</u>	<u>1979</u> (provisional)
<u>Current Account</u>			
Exports f.o.b.	162	183	338
of which: diamonds	(47)	(76)	(181)
beef	(45)	(30)	(80)
Imports c.i.f.	-199	-237	-348
Balance visible trade	<u>-37</u>	<u>-54</u>	<u>-10</u>
Services	-21	-52	-75
Transfer payments	79	67	81
Balance current account	<u>22</u>	<u>-39</u>	<u>-5</u>
<u>Capital Account</u>			
Balance capital account	<u>2</u>	<u>69</u>	<u>86</u>
<u>Over-all balance of payments</u>			
Over-all balance	<u>24</u>	<u>30</u>	<u>81</u>

Note: Since 14 September 1979 the rate of exchange for Botswana's currency has been 1 Pula = \$US1.2679. All conversions in this report have been carried out at this rate.

Source: Bank of Botswana.

C. Government budget

21. The budget estimates for the financial year beginning 1 April 1980 project a rise in revenues of 21 per cent and a rise in both recurrent and capital spending of 30 per cent. The domestic deficit of P65 million is 74 per cent above the estimated deficit for the previous year. The Government hopes that external grants and loans will be forthcoming to meet the deficit. Table 2 presents the salient figures of the budget.

Table 2

Government budget
 (In millions of pula)

	<u>1978/1979</u> (Actual)	<u>1979/1980</u> (Revised estimates)	<u>1980/1981</u> (Budget estimates)
<u>1. Domestic revenues</u>			
Mineral revenues	38.8	63.6	78.8
Customs revenues	49.8	80.9	98.0
Other revenues	48.3	45.2	52.4
Total domestic revenues	<u>136.9</u>	<u>189.7</u>	<u>229.2</u>
<u>2. Expenditures and net lending</u>			
Recurrent expenditure	99.1	131.2	152.7
Development expenditure	79.0	90.0	120.0
Net lending to parastatals	-5.9	5.9	21.5
Total expenditure and net lending	<u>172.2</u>	<u>227.1</u>	<u>294.2</u>
<u>3. Domestic deficit</u>			
Domestic deficit (-)	<u>-35.3</u>	<u>-37.4</u>	<u>-65.0</u>
<u>4. Financing of domestic deficit</u>			
External grants	29.6	30.4	36.3
External loans (net of amortizations)	13.6	9.2	32.5
Other financing (excluding Treasury Bills)	2.0	0.4	0.5
Change in cash balances (excluding Treasury Bills)	<u>-9.9</u>	<u>-2.6</u>	<u>-4.3</u>

Notes: (1) A negative sign (-) denotes an increase in the cash balances of the Government.

Source: Ministry of Finance and Development Planning.

/...

22. The growth of mining exports has had a very positive effect on both the Government's revenue and the balance of payments. It needs to be noted, however, that Botswana's position as a land-locked country in southern Africa creates a great deal of uncertainty about the future. With so large a proportion of total output dependent on imports and Government revenue dependent on customs receipts, Botswana's geographic setting calls for caution in assessing the future.

23. Development prospects are good, the mission believes, but if the Government's development programme is to be carried out in a balanced way continued financial assistance, on favourable terms, from the international community will be necessary.

D. Fifth National Development Plan

24. The Government informed the mission that preparation of Botswana's Fifth National Development Plan, covering the period 1979-1985, has now been completed. The strategy of earlier plans, namely, the channelling of mineral revenues into social and physical infrastructure and rural development will be continued. In the rural sector, support will be given to arable farming. Rural health services, water supplies, primary schools and roads will be improved, and district administration will be strengthened. In view of the persistent national shortage of skilled manpower, emphasis will continue to be given to education and training.

25. A major concern will be to increase employment. As a result of population growth and increasing pressure to provide employment opportunities for those who previously sought paid employment abroad, the labour force seeking work within Botswana is likely to increase by 16,000 to 17,000 a year. The Plan will thus emphasize both job creation in the modern sector and raising the returns to productive activities in the rural sector.

E. Drought

26. As described above, this year's uneven pattern of rainfall has prolonged in many regions of the country the drought that affected the whole of Botswana in 1978/1979. Table 3 shows the estimated production of sorghum and maize, the principal grain crops, in 1978/1979, compared to the average production in the period from 1973 to 1976 when rainfall was more normal.

Table 3

Grain production
(in metric tons)

	<u>Annual average</u>	
	<u>1973/1976</u>	<u>1978/1979</u>
Sorghum	53,000	4,300
Maize	<u>41,000</u>	<u>2,300</u>
<u>Total</u>	<u>94,000</u>	<u>6,600</u>

Source: Ministry of Agriculture, Livestock and Crop Survey.

27. Except in unusually good years, Botswana is not self-sufficient in cereals, and the deficit is made good by imports. An important contribution has been made by supplies under the World Food Programme's (WFP) institutional feeding programme for school children, nursing mothers and infants, and other vulnerable groups.

28. The impact of the drought in 1978/1979 is clearly shown in the dramatically low crop figures for that year. Following the poor harvest, emergency feeding arrangements beyond the normal institutional feeding programmes of WFP (which cover about 20 per cent of the population) were instituted. The Government imported 5,000 tons of maize and WFP increased its level of food assistance by 50 per cent.

29. Rainfall has been better in 1979/1980. However, the rains have been late and the pattern of rainfall has been uneven. Crop failures are expected in the Kweneng, parts of Central District, Bobirwa, Ngamiland and the Boteti. b/ Total grain production is unlikely to exceed 50,000 tons.

30. Relief measures need to be continued in 1980 for the worst affected areas. Fortunately, with international support, the Government has been able to establish a Strategic Grain Reserve of 6,000 tons of sorghum, which is now stored at 16 distribution centres throughout the country. This greatly improves the speed with which the Government can respond to feeding needs. However, if the grain reserve is drawn down, the Government may need to seek the assistance of the international community to replace stocks. A preliminary estimate of the cost of replacement grain is \$2.5 million.

31. In addition to supplementary feeding, the Government introduced in 1979 a package of relief measures in the affected areas. These measures comprise: destitute relief, bush clearing, suspension of secondary school fees, water development, purchase of cattle for local consumption and the provision of cattle

b/ See maps at end of report.

trucks, fencing and other minor works. The total cost of these programmes is estimated at \$5.7 million. The Government of Sweden has provided \$1.5 million for these programmes, the remaining costs are being borne from government resources.

F. Foot-and-mouth disease

32. Botswana's traditional export of beef to European and other world markets has been seriously disrupted during the past two-and-a-half years by recurring outbreaks of foot-and-mouth disease. The first outbreak since the early 1960s occurred at the end of 1977, and was brought under control by the beginning of 1978. Shipment of meat to the European market (for which Botswana has a quota of 18,900 tonnes a year) was immediately halted, but resumed after the disease had been eliminated. A further outbreak occurred in Ngamiland in August 1979 but was being steadily brought under control by the end of the year through intensive vaccination in the affected area. With the agreement of the veterinary authorities of the European Community, sales to Europe of cattle slaughtered in the southern part of the country were resumed in January 1980. In a normal year, the average kill is 200,000 head, of which the European market would absorb half.

33. The veterinary authorities have been deeply concerned for many years about the prevalence of the disease in Southern Rhodesia. A particular danger existed in the areas adjacent to Botswana, where, because of the security situation, the normal veterinary controls had broken down. The Botswana veterinary authorities have repeatedly vaccinated cattle in the border areas and have slaughtered cattle illegally brought into the country. Until recently, these measures kept foot-and-mouth disease at bay.

34. However, in February 1980 the Department of Animal Health identified an outbreak of infection in the eastern part of the country, near Serule, 95km from the Southern Rhodesian border. The virus has been typed SAT 2, the strain most prevalent in the part of Southern Rhodesia closest to Serule. Investigations have confirmed that the source is cattle from Southern Rhodesia which passed through the border cordon fence.

35. The implications of the new outbreak are serious. Although the existence of the disease in Ngamiland has prevented cattle being drawn from the north of the country, cattle from the south, which has always been free of foot-and-mouth disease, were slaughtered and the meat exported by agreement with overseas markets. Thus Botswana has been able to fulfil its quota of boneless beef for the European market by maintaining a disease-free buffer zone between the infected cattle and cattle for slaughter. The incidence of the disease in the east of the country eliminates the buffer zone and thus shuts off access to European markets for the entire country for an indefinite period.

36. The disruption of the normal marketing pattern has several unfavourable consequences. First, the inability to sell in the profitable European market lowers the average return per beast. Second, the restriction in the area of the country

/...

from which cattle may be taken reduces the total kill. Preliminary estimates are that no more than 100,000 cattle, or half the normal quantity, can be slaughtered during 1980, which, combined with lower average prices, could mean a fall in sales of at least \$50 million to 60 million compared to the previous year. Most of this burden will fall on rural people in the north of the country, who not only continue to be unable to market their cattle but are also facing a drought.

37. The transmission of foot-and-mouth disease from Southern Rhodesia to Botswana indicates the vulnerability of the cattle industry in southern Africa to outbreaks of disease. In recent years, there have been reports of foot-and-mouth disease in Zambia, Mozambique, Southern Rhodesia and South Africa. Long-term marketing stability for Botswana depends upon the effective control of the disease in the entire region.

38. The veterinary authorities in Botswana meanwhile are concentrating their efforts on eliminating the new outbreak and preventing reinfection from Southern Rhodesia. Additional cordon fences and further vaccination campaigns are planned. However, vaccination in the other affected countries is needed to control and eventually eliminate foot-and-mouth disease from the region. The expansion of the Botswana Vaccine Institute, now producing in temporary facilities, will allow the supply of a vaccine known to be effective against southern African strains of the virus to be increased. Details of the additional cordon fences, vaccination measures and a programme to increase vaccine production are given in paragraphs 75 to 86 below.

G. Security and defence review

39. During the past three years, considerable resources have been applied to border security, and this has diverted money and manpower from the development effort. Although the immediate security situation has eased, Botswana, being a land-locked country, remains vulnerable to political, security and economic events in southern Africa as a whole. As well as maintaining its defence force, the Government believes that the strategic projects outlined in earlier reports continue to be important. The cost of completing and maintaining these projects means that normal development inevitably has been delayed. While total Government budget expenditure in the past three years has been broadly within planned targets, implementation of the development component of the budget has lagged because of the diversion of finance and real resources to strategic needs largely unforeseen when the development plan was prepared and to emergency needs arising from drought and foot-and-mouth disease.

H. Refugees

40. During 1979, the number of Zimbabwean refugees in Botswana continued to increase. By the end of December 1979, it was estimated that there were

/...

23,000 refugees in camps at Francistown, Dukwe and Selebi-Phikwe, an increase of 3,500 over May 1979. In addition, Botswana has provided refuge for many people from South Africa and Namibia.

41. Following the cease-fire in Southern Rhodesia, a major repatriation exercise was mounted in co-operation with the United Nations High Commissioner for Refugees. Under the procedures laid down in the Lancaster House Agreement, 18,203 refugees were repatriated. A large number of refugees appear to have left the camps and returned on their own without assistance. At the time of the mission's visit, there were only 200 Zimbabweans left in the camps and these were people who, for various reasons, did not wish to be repatriated.

42. Although the Zimbabwean refugees have now returned home, international assistance is still required to meet the needs of refugees from Namibia and South Africa.

IV. IMPLEMENTATION OF THE SPECIAL ASSISTANCE PROGRAMME

43. Earlier reports have recommended a number of emergency projects and projects designed to help Botswana carry out its normal development in the face of diversion of resources from development to security. The full list of the projects in the special assistance programme and of contributions by the international community was provided in the report of the Secretary-General (A/34/419-S/13506).

A. Completed projects

44. The following projects, which were recommended in previous reports, have now been completed with the assistance of the international community:

1. Foot-and-mouth disease vaccination campaign;
2. Vakaranga-Tuli Circle Cordon Fence;
3. Cattle Watering Points
4. Palapye-Tuli Link Fence
5. Service roads and airstrips;
6. Strategic grain reserve;
7. Grain requirements for famine relief;
8. Emergency improvements to Francistown Refugee Centre;
9. Emergency supplies for refugees;
10. Selebi-Phikwe Refugee Centre;
11. Vaccine production factory;
12. Dukwe Refugee Agricultural Settlement Scheme.

B. Projects recommended in previous reports which have not been completed

45. Four emergency projects have not yet been completed. The situation with regard to these four projects is given below. Of the four, only the oil storage project has been completely funded.

/...

1. Emergency railway operation

46. The Government of Botswana emphasized to previous missions its fear that the situation in Southern Rhodesia might reduce the capacity of Rhodesia Railways to continue railway operations in Botswana. Government contingency planning has thus centred on acquiring a capacity to operate the railway on an emergency basis should circumstances so require. In the new circumstances, this outcome appears less likely and attention is now being focused on a phased take-over of the railway line within Botswana. The Government believes that economic security requires that Botswana develop a capability to operate the railway with its own resources.

47. The take-over of the railway will occur in three phases, as follows:

(a) Phase I

Establishment of an Area Headquarters in Francistown.

(b) Phase II

Purchase of locomotives, rolling-stock, signalling equipment, creation of maintenance facilities, training school, headquarters and staff housing.

(c) Phase III

Purchase of further locomotives and rolling-stock, and other investments still to be determined.

48. The Government estimates that the total number of staff required to operate the railway is 1,650 of which 200 to 220 initially would need to be recruited abroad. Rolling-stock required for domestic traffic consists of 12 mainline locomotives, 4 shunting locomotives, and 426 wagons. So far, to meet these rolling-stock requirements, the Government has purchased 47 coal wagons. Of the 379 still to be acquired, 209 are for cattle, 100 for coal, and 70 for general purposes. It has been estimated that 9 mainline locomotives are required for transit traffic, implying 5 trains a day in each direction. No wagons are needed since transit goods would be loaded in wagons of the originating system.

49. The take-over of the railway is estimated to cost at least \$82 million. Towards this total, the Federal Republic of Germany has pledged DM 24 million for the purchase of 12 locomotives, signalling equipment and the establishment of an area headquarters in Francistown, and \$6.3 million is being made available under the aid programme of the United Kingdom of Great Britain and Northern Ireland. The Government is anxious to obtain the substantial additional funding required.

/...

2. Oil storage depots

50. Botswana continues to be vulnerable with regard to its petroleum supplies. The country's total consumption of refined products is approximately 141 million litres, mainly petrol, diesel and kerosene. The Government estimates consumption of oil products will rise to 278 million litres by 1985. Most of the increased consumption will be by the mining sector.

51. To provide a cushion against possible disruption of supplies, the Government has built oil storage depots in Gaborone, Francistown and Selebi-Phikwe. The storage tanks are now completed and are designed to hold three to four months' supply at current rates of usage. The Federal Republic of Germany has made DM 13.5 million available for this project. Negotiations to obtain refined products to fill the tanks are under way.

3. Botswana-Zambia Road

52. The Government believes that transit traffic will continue to use the Botswana-Zambia Road, and private transporters share this view. Until the Kazungula ferry was sunk by the forces of the illegal régime in Southern Rhodesia, considerable use was made of the road by heavy lorries carrying goods to Zambia and Malawi. Bitumenization is necessary to protect the road from further deterioration.

53. The Government informed the mission that detailed designs and tender documents for the bitumenization of the Botswana-Zambia Road have been completed, and the contract is ready to go to tender. Total estimated cost is \$24.2 million. A grant of \$1.4 million from the United States Government is available for design and supervision, and \$12.7 million was pledged from regional funds of the European Economic Community. The Government has discussed with the Community the question of a further allocation to complete funding of the project.

4. Airport construction

54. As previously reported, improvements have been carried out to the existing airport at Francistown. Reconstruction of the runway was completed in 1978 with a grant of \$2.5 million from the United States of America. With a length of 2,200 metres and a Load Classification Number (LCN) pavement strength of 40, Francistown currently has the best runway in Botswana, capable of accepting a fully loaded Hercules and a medium-range jet aircraft - such as the Boeing 737. There remains, however, a need to extend the terminal building. This is estimated to cost \$180,000.

55. Remedial work on the runway at Gaborone should enable it to handle the traffic until the new national airport is built. Detailed designs and contract documents for the new airport, located several miles to the north of the capital,

/...

are completed, and award of contract is scheduled for November/December 1980. The airport should be ready for traffic by the middle of 1983. The runway length will be 3,000 metres, and with a LCN of 80 the airport will be able to handle long-range jet aircraft.

56. A consortium of international agencies (African Development Bank (ADB), Arab Bank for Economic Development in Africa (BADEA), Kuwait Development Fund (KDF), Saudi Development Fund (SDF) and Kreditanstalt fur Wiederaufbau (KfW)) have indicated their willingness to contribute the bulk of the finance (approximately \$40 million) needed for the project.

57. The mission was informed that two further airfield development projects are considered important by the Government. The existing gravel airfield at Maun in Ngamiland is in poor condition, hindering the development of the rich tourist potential of the area. A runway length of 1,800 metres with a bearing strength of LCN 40 is envisaged. An accurate estimate of the cost will not be possible until investigations into the availability of suitable runway materials have been made. Consultancy studies will be completed by September 1980.

58. The second airfield the Government is considering improving is Kasana. The existing earth strip is operationally unsatisfactory and needs to be relocated, with the prospects of a renewal of tourism in the Chobe District. No estimate of costs is available. Kasana is in a remote part of the country, and the most practical way of handling construction would appear to be to treat the new airfield as an addendum to the main contract for the tarring of the Botswana-Zambia Road.

V. REHABILITATION AND DEVELOPMENT NEEDS

A. Overview

59. Botswana has about 800 km of common border with Southern Rhodesia, from Kazungula in the north to the confluence of the Shashe and Limpopo rivers in the east. Development programmes in the border areas have been dislocated and the normal routines of the people living in these regions have been disrupted. Assistance is needed to restore normal economic life in the border areas, and a number of rehabilitation projects were discussed with the mission. Fishing, forestry and tourism in the Chobe District have suffered, and in the border areas of the Central and North East Districts farming communities need help. Projects to rehabilitate these activities are given in paragraphs 65 to 74 below.

60. It was reported to the mission that, although every effort had been made to maintain rural services and projects, the security situation had adversely affected a number of programmes in the border regions of the Central and North East Districts. Circumstances made it difficult for the district administration to maintain rural building programmes and, in the North East District an important rural roads construction programme had to be abandoned. Problems were experienced staffing clinics in border villages, and primary school enrolments in a number of villages declined.

61. While the security situation in border areas has been harmful to development programmes and to agricultural activity, the most serious consequence of the fighting for the economy of Botswana has been the breakdown of veterinary controls and the transmission of foot-and-mouth disease to Botswana cattle. The threat of recurring outbreaks is considered a very serious matter by the Government, which is concerned to both eliminate foot-and-mouth disease in Botswana and to control it through regional co-operation in the whole of central and southern Africa. The Government's proposals in this regard are set out in paragraphs 75 to 86 below.

62. Finally, the restoration of normal relations with an independent Zimbabwe requires improved road, rail, air and telecommunications links between the two countries. Prior to its unilateral declaration of independence, Southern Rhodesia supplied up to a third of Botswana's total imports. The Government of Botswana lifted sanctions on 1 January 1980, and a resumption of normal trade links should see a considerable resurgence of imports into Botswana. Diversification of supply will be of general benefit to Botswana, especially for those living in the north of the country who will gain from lower transport costs and faster deliveries.

63. As far as Botswana's exports are concerned, the principal commodities (beef, copper-nickel matte and diamonds) are sold overseas in international markets. The reopening of transportation routes through Zimbabwe will be of both immediate and long-term benefit to Botswana which, as a land-locked country, stands to gain from having additional ways of reaching overseas markets and suppliers.

/...

64. Projects and programmes designed to rehabilitate border areas and to re-establish normal economic relations include:

- (a) Rehabilitation programmes;
- (b) Foot-and-mouth disease control;
- (c) Transport and communication projects.

B. Rehabilitation programmes

1. Arable farming inputs

65. During the past three years, many people have withdrawn from arable farming areas in the border regions. Farmers in scattered hamlets and isolated settlements have sought safety in numbers by moving to larger settlements, generally at a greater distance from the border. This has meant the abandonment of lands, huts, stores, threshing floors and cattle kraals, and the search for new ploughlands in areas where the best land is already occupied. The costs of moving and re-establishment have almost wholly been borne by the farmers.

66. Some expenditure by the Government is necessary to help the farmers who move back to their abandoned crop areas. Their return needs to be encouraged in a manner consistent with good land use. This will involve selection of areas of better soils for bush clearing, rehabilitation of local water supplies and some afforestation work on watersheds and steep slopes, thereby providing an opportunity to improve land use in areas which have been misused in the past.

67. Total cost of this project will be about \$380,000.

2. Rehabilitation of forest infrastructure

68. The Chobe District contains six forest reserves with a total area of 420,000 hectares, containing valuable timber species. Five look-out towers and firebreaks were installed in these areas between 1963 and 1968. This infrastructure has since deteriorated, mainly as a result of the security situation. A study of feasible rates of extraction was carried out in 1977, but exploitation was postponed until the situation in Southern Rhodesia was resolved. The Government now intends to call for tenders for exploitation of these forest reserves on a sustainable basis.

69. A project has been drawn up which includes clearing 400 km of old firebreaks and the cutting of 300 km of new firebreaks, repair and construction of look-out towers, and purchasing maintenance and fire-fighting equipment. Total cost of the project is provisionally estimated at \$500,000.

/...

3. Rehabilitation of fisheries

70. As a result of conflict in the region, the fishing industry in the Chobe District lost its markets in Kasane and Victoria Falls. The Government intends to revive the industry by encouraging fishermen to enter the higher value fresh fish market where there is known demand, both externally and within Botswana.

71. A small freezer and an ice-making plant at Kasane will be needed so that fishermen can freeze and chill their catch while it is still fresh, and traders can buy ice to keep fish cold while they transport it to markets in Francistown, Livingstone, Victoria Falls and Bulawayo. The freezer and ice-making plant would initially be operated by the Ministry of Agriculture, with a view to handing it over to a co-operative. A fisheries extension officer would be posted to Kasane. A refrigerated tank should be supplied to transport the fish to markets.

72. Total capital cost of the project is estimated to be \$96,000.

4. Rehabilitation of tourism

73. Although the Department of Wildlife and Tourism kept open the Chobe National Park, the number of tourists visiting the Park dwindled to a small trickle because of the proximity of fighting in nearby areas. The largest hotel in the area, the Chobe Game Lodge was forced to close. With the prospects of large-scale tourism being resumed in the adjacent Victoria Falls area, the number of tourists visiting the Chobe District should increase, with consequent gains in park fees and local employment.

74. Although maintenance work on the existing Park infrastructure was not completely discontinued, a backlog of both maintenance and development work has built up, and the Government is anxious that renewed emphasis should be given to tourism in the Chobe District. A preliminary estimate of the cost of remedial and development works in the Park is \$250,000.

C. Foot-and-mouth disease control

75. There are several parts to the Government's plans to deal with the present outbreak of foot-and-mouth disease in Botswana. The immediate need is to eradicate the outbreak as rapidly as possible by vaccination of the cattle at the focal point of the disease and in surrounding areas. A further objective is to secure the country from future transmissions of foot-and-mouth disease by extending the present border cordon fence. Local production of vaccine should be expanded in order to ensure control of the disease in the region. Vaccine supplies and advice on disease control should be made available to neighbouring countries, perhaps as part of an agreed regional project.

76. There is also a need to provide a marketing outlet for people in the north

/...

of the country who for most of the past two-and-a-half years have been denied access for veterinary reasons to the abattoir at Lobatse. It is proposed to establish a small cannery in Maun on an emergency basis. For the longer term, the feasibility of a Northern Abattoir near Francistown is being studied.

1. Vaccination campaign

77. The appearance of foot-and-mouth disease among unvaccinated cattle west of the railway line at Serule calls for immediate vaccination in this hitherto unvaccinated area, and the intensification of vaccination in already treated border areas. Vaccine requirements are estimated at 500,000 monovalent (SAT 2) doses for Central District and 300,000 bivalent (SAT 1 and 2) doses for the North East District and Bobirwa. The vaccine will cost approximately \$450,000. In addition to the cost of the vaccine, there will be administrative, labour and transport costs that the Government will need to bear. Furthermore, patrols of the border fences will need to be intensified.

2. Palapye-Makoba cordon fence

78. The part of the Central District between the Central Ngwato fence and the railway line is very big containing over half a million head of cattle (the national herd is about 3 million). In the interests of controlling future outbreaks of foot-and-mouth disease, it would be an advantage to divide this area by extending the existing fence from Sherwood to Palapye to meet the Ngwato cordon fence.

79. The cost of a double fence, including materials and erection, is \$3,400 per km. With a distance of 230 km, the total cost of the fence would be about \$780,000.

3. Ramokgwebana-Maitengwe-Tamasanka Pan cordon fence

80. Construction of this fence will provide a physical barrier along the border north of Ramokgwebana to a point beyond the Nata River, in a region where population densities on both sides of the border are high. The cost of materials for a double fence, bush clearing, erection by contract, and the construction of a simple patrol road is approximately \$780,000. The total length is 230 km. The Government informed the mission that the Ramokgwebana-Maitengwe-Tamasanka Pan fence is extremely urgent.

4. Botswana Vaccine Institute

81. The Government also informed the mission that vaccine from its traditional overseas supplier had proved ineffective against current southern Africa virus types. It had, therefore, been decided to manufacture an effective vaccine locally. Through a technical co-operation agreement with the Institut Merieux of France, foot-and-mouth vaccine which is effective against SAT 1 and SAT 2 viruses is now being produced in Gaborone.

82. At present, vaccine is being produced on an emergency basis in temporary facilities. The quality of the vaccine is extremely good, and plans are in hand to build permanent facilities at a cost of \$10 million. Current production, which is funded by the European Economic Community, is at an annual rate of 5 million doses. The new facilities, which should be completed in 1981, will enable 15 to 20 million doses to be produced, providing a substantial surplus for the control of foot-and-mouth disease in the rest of southern Africa.

83. The mission was informed that the vaccine produced in Botswana has evoked considerable interest in the region and that neighbouring States are anxious to obtain supplies. The mission believes that Botswana vaccine could form the cornerstone of a regional programme to control and eventually eliminate the disease.

5. Emergency meat cannery

84. The cattle population of Ngamiland is about 350,000 head. Because of foot-and-mouth disease, farmers in the north of the country, particularly Ngamiland, do not have access to the abattcir at Lobatse and therefore lack a source of cash income as long as the disease persists. The problems of foot-and-mouth disease are compounded by drought. In this region many trading stores have closed, nutritional standards are falling and there is severe overstocking of cattle. To meet the emergency and to provide a source of cash income, the Government proposes to install a meat cannery at Maun. A site has been selected where water is available. The cannery would be designed to process 15,000 head of cattle a year under normal conditions, though initially the cannery would be operated on a double shift basis, processing 25,000 to 30,000 head a year.

85. To ensure that export markets were protected, animals would be quarantined before slaughter so that no meat from infected cattle was canned. Canned meat from the north of Botswana could be sold without difficulty on world markets. The Government estimates that the prices to be paid to farmers for cattle at the cannery will compare favourably with the prices obtainable in Maun for cattle to be delivered to the abattcir.

86. The estimated cost of the cannery is \$2 million to \$2.5 million. The mission strongly endorses this project and shares the Government's view that it should be implemented on an emergency basis.

D. Transport and communications projects

87. A resumption of normal relations will require the reactivation and development of transportation and telecommunication links between Botswana and Zimbabwe. The main requirements are set out below.

/...

1. Dumela-Ramokgwebana road

88. The most important road link is the section of the North-South road between Francistown and the border at Plumtree. The construction of the North-South road to fully engineered all weather bitumen standards has now largely been completed. When the contract for the Serule-Palapye section is finished in June 1980, the entire road between Lobatse and Francistown will be tarred. The road between Plumtree and Bulawayo has been surfaced for a number of years. There remains, however, a section of unengineered and unsurfaced road between the Dumela industrial estate 6 km north of Francistown and the border at Ramokgwebana.

89. Preliminary discussions have been held with the World Bank and negotiations for a loan have been tentatively set for the end of 1980. A contract could therefore be let early in 1981 with completion of the project scheduled for the second half of 1982.

90. A recently completed feasibility study estimated total construction costs at \$10.4 million and an internal rate of return, conservatively calculated, of 11.6 per cent. However, the strongest argument in favour of building the road is strategic. The tarring of the North-South road has always had strategic importance for the Government, and the completion of the remaining link would provide an all-weather road as an alternative to the railway.

2. Railway track renewal programme

91. One consequence of the situation in Southern Rhodesia since the unilateral declaration of independence has been the inability of Rhodesia Railways in recent years to fund renewal of the rail track in Botswana. Normal railway practice is to adopt a fixed annual renewal programme. Track relaying was carried out until 1976, but records show that, because of difficulties in obtaining the required track materials, mainly second-hand rails of uncertain age were used. Track renewals are now at least 90 km in arrears.

92. The weight of rail in use on the mainline at present is 40 kg per metre on steel sleepers. It is proposed that 45 or 48 kg rails with concrete sleepers be used in future track renewals, thus permitting increased wagon loadings and the use of more powerful locomotives.

93. The approximate cost of the annual renewal programme of 40 km is \$4.6 million, and of making good the present arrears in track renewals \$10.3 million. It should be noted that, under the arrangements for the Government of Botswana to take over the railway, the permanent way and any improvements will pass to Botswana, while locomotives and wagons will revert to Rhodesia Railways.

/...

3. Civil aviation

94. With improvements under way at Selebi-Phikwe, an extended runway at Francistown, and with the financing package for the new Gaborone airport well advanced, the airport infrastructure necessary for resumed air links between Botswana and Southern Rhodesia is in hand.

95. The Government informed the mission that it hoped that discussions could begin shortly with the civil aviation authorities of the new Government in Zimbabwe, with a view to signing an air services agreement before the end of the year. This would pave the way for a resumption of scheduled flights between the two countries by the respective national airlines.

4. Telecommunications

96. Telecommunications traffic between Botswana and Zimbabwe is carried by an openwire landline between Francistown and Bulawayo. Twelve channels are available at present, barely sufficient for the low level of current traffic. The reliability of service is below standard, and the link is vulnerable to lightning, bushfires and vehicle damage.

97. A resumption of commercial links with Zimbabwe should generate a sharp increase in traffic, and the authorities in Botswana believe that a microwave link would cope with the increased demand and provide a service consistent with international standards. The new link would connect with the microwave system between Lobatse and Francistown, which is due to become operational in mid-1980, and the system between Bulawayo and Salisbury. Construction of a Francistown-Bulawayo microwave link would take the integration of African telecommunications an important step further.

98. A 120 channel link, initially equipped for 24 or 36 channels, is being considered. The capital cost of the link, which would require two repeater stations between Francistown and Bulawayo, is estimated at \$760,000. It is expected that the cost would be shared evenly by the two countries.

E. Summary of rehabilitation and development projects

99. The following table lists the rehabilitation and development projects requiring financial support from the international community, and their estimated costs:

/...

Table 4

Rehabilitation and development projects requiring
 international assistance

		<u>(In United States dollars)</u>
1.	Replacement grain for Strategic Grain Reserve (para. 30)	2 500 000
2.	Extension of Francistown Terminal (" 54)	180 000
3.	Arable farming inputs (" 67)	380 000
4.	Rehabilitation of forest infrastructure (" 69)	500 000
5.	Rehabilitation of fisheries (" 72)	96 000
6.	Rehabilitation of tourism (" 74)	250 000
7.	Vaccination campaign (" 77)	450 000
8.	Palapye-Makoba cordon fence (" 79)	780 000
9.	Ramokgwebana-Maitengwe-Tamasanka Pan cordon fence (" 80)	780 000
10.	Emergency meat cannery -- Maun (" 86)	2 500 000
11.	Dumela-Ramokgwebana road (" 90)	10 400 000
12.	Railway track renewal programme (" 93)	14 900 000
13.	Microwave link (" 98)	380 000
		<u>\$34 096 000</u>

