

WAVES BOTSWANA

Updates to Annual Partnership meeting

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Wealth Accounting and the Valuation of Ecosystem Services
www.wavespartnership.org



Policy Issues

The economy is characterized by:

- **Reliance on Mining** - How can NCA results inform aspirations for optimal use of natural resources and support economic diversification?
- **Water Scarcity** - Can water accounts provide results for improved water use efficiency?
- **Energy Crisis** - what are the available energy mix choices and is it viable to exploit the large-scale coal resources?
- **Competing Demand For Land** – what options are available to better manage fragile ecosystems within growing needs for agricultural, mining and tourism development?



Priority areas and Progress

A) **Water Accounts** - Second water accounts report for 2013/14 available

B) **Mineral Accounts** - Compiled resource rents for diamonds, copper/nickel, soda ash and coal; economic data for mining updated

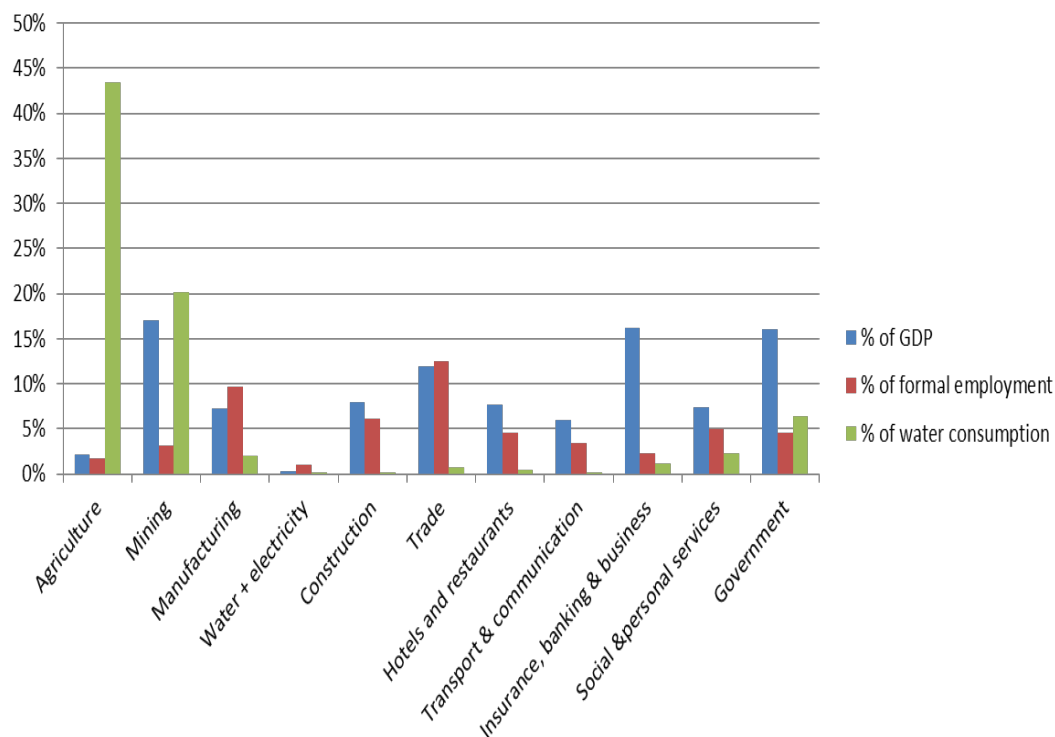
C) **Energy Accounts** - Prioritised electricity and client data coding and economic classification done and analysis commenced

D) **Ecosystem** - prioritised for tourism accounting following a scoping study for ecosystem accounts – data capturing ongoing

Macro-Economic indicators for sustainability being initiated

Key Results - Water

Sector shares in water use, GDP, and formal employment

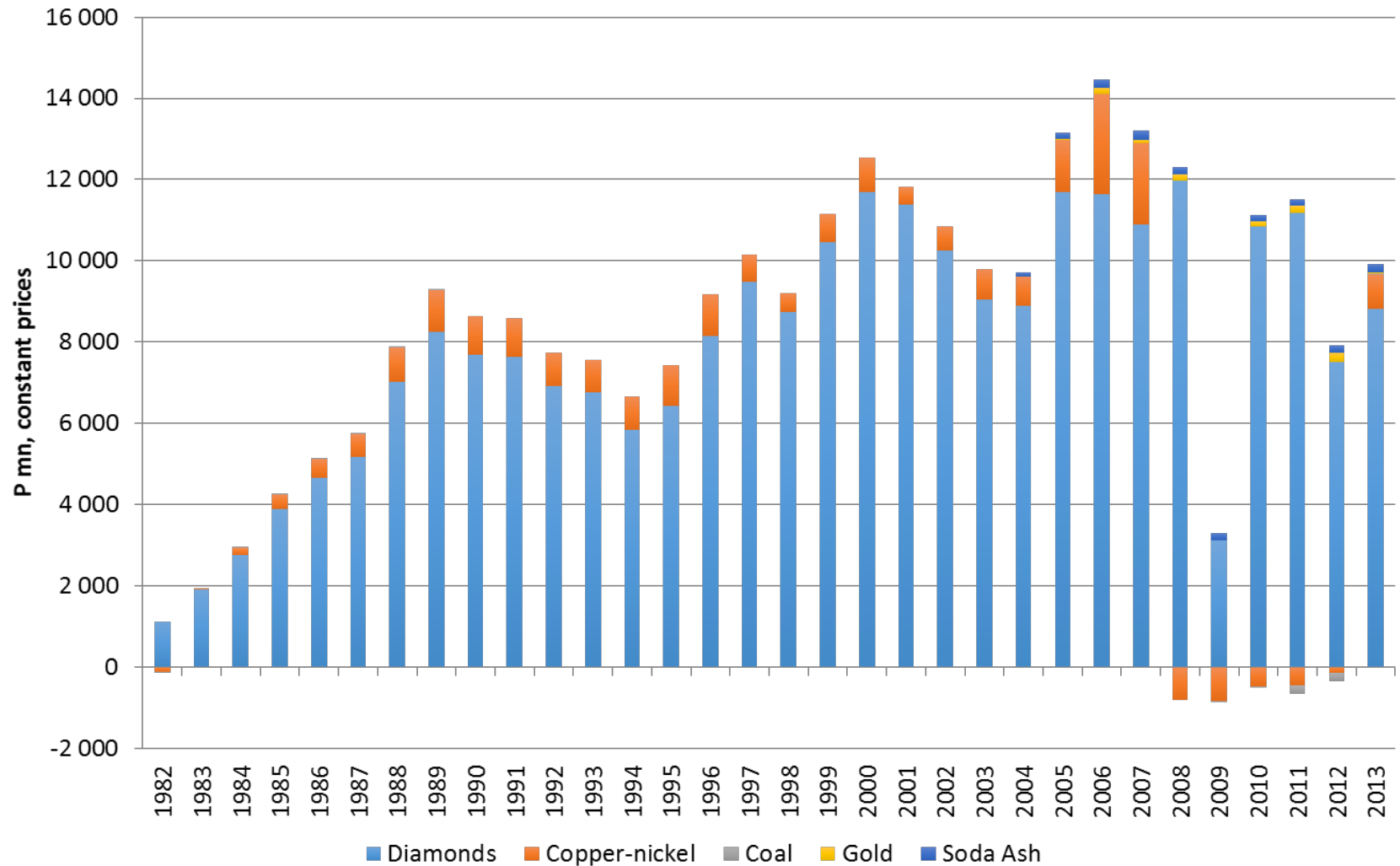


Policy messages from water accounts

- Do we have enough water for mining expansion?
- Better monitoring of water use
- More use of non-fresh water
- Where possible, livestock should use seasonal surface water sources which should be well maintained
- Better utilisation of serviced land and available water resources
- Large scale irrigation projects must be subjected to economic cost benefit analysis
- The opportunity cost of water consumption by such projects and the ability to pay for water should be considered
- Choice of crops should be linked to economic benefits and food security
- What should be the irrigation tariffs?

Key Results - Minerals

Diamonds dominate the mineral rents profile for three decades but note the 2009 economic recession



The Road Ahead

1. Integrate NCA results into National Development Plan 11 to inform major development priorities
2. Integrate NCA into institutional arrangements
3. Strengthen understanding of NCA through implementation of Communication Strategy and build capacity of key players
4. Sharing Botswana NCA experience with other countries and regional frameworks such as:
 - Gaborone Declaration on Sustainability for Africa
 - African Ministerial Council on the Environment
 - African Ministerial Council on Water

THANK YOU!!!

