



Bangor Business School – Executive Education

Chartered Banker MBA Conference 2022

CONTINUING PROFESSIONAL DEVELOPMENT AND THE ROLE OF BANKING INSTITUTIONS BOTSWANA CONTEXT

8 SEPT 2022-0900HRS

INTRODUCTION



Source: Worldatlas.com

DEMOGRAPHICS

Currency: Botswana Pula (BWP)

GDP: \$ 7 348 (2021)

Population:

- ❖ 2.346 Million (2022) from
- ❖ 2.025 Million (2011) suggestion 1.4% annual growth rate (from 1.9%)

Politics:

- ❖ Republic/Secular state/multi-party democracy
- ❖ Gained independence from Britain in 1966

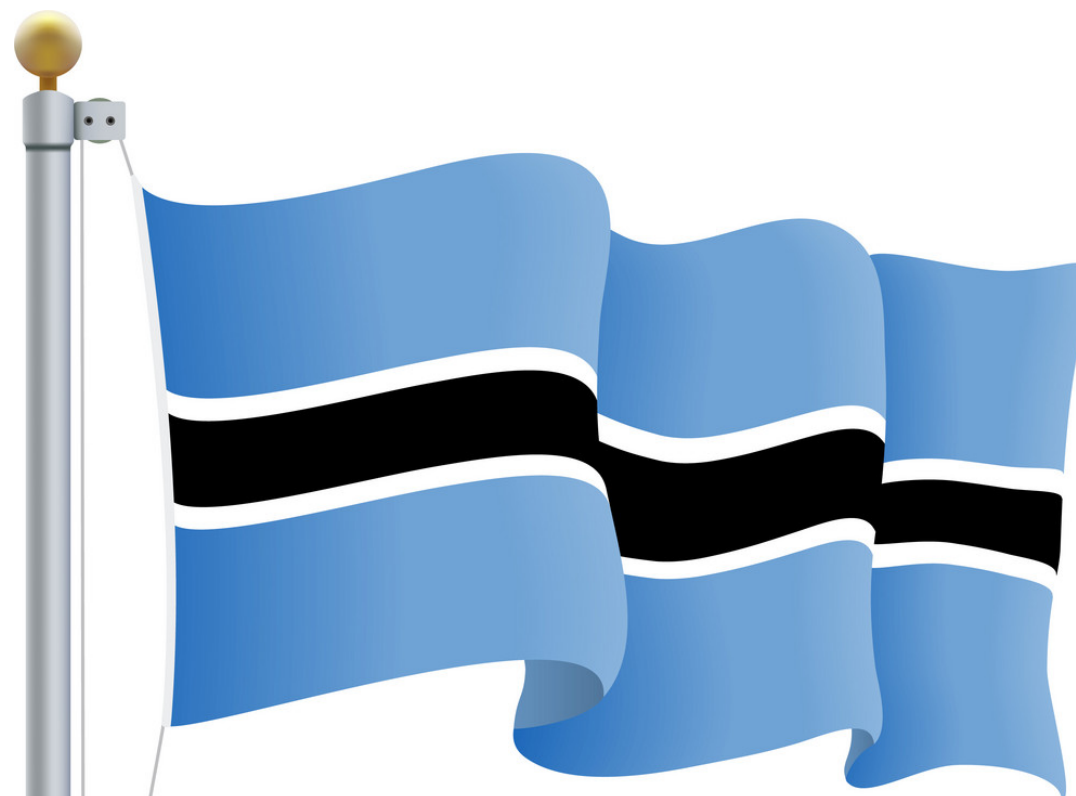
Banking Sector

Banking sector and the broader financial sector in Botswana is dominated by majority owned subsidiaries of international banks.

COVID STATS (Sept 2022)

- Confirmed Cumulative Cases: **325 864**
- Confirmed Covid 19 Related Deaths: **2778**
- Doses Given: **3.63 M**
- Fully Vaccinated: **1.51 M**
- % Fully Vaccinated: **64.3%**
(World Av. 63.1%)
- New Cases: 0

Source: WHO





BACKGROUND:FAFT ISSUES

- ❖ In 2018, Botswana was grey-listed by the Financial Action Task Force (FAFT) for non-compliance with FAFT standards and requirements for AML and CTF.
- ❖ As a result, the country was blacklisted by the European Union and the United Kingdom.
- ❖ In 2021 the country was removed from the FAFT grey list after developing a new legal framework to address AML/CTF deficiencies previously identified by FAFT.
- ❖ Botswana developed an action plan post delisting from FATF grey list to implement FAFT recommendations.



HRD POLICY ENVIRONMENT: POTENTIAL FOR CPD

- ❖ **Vision 2036 : Achieving Prosperity for ALL**
- ❖ SMARTBOTS Initiative
- ❖ **Financial Sector Development Strategy**
- ❖ RESET Agenda



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POLICY ENVIRONMENT

Vision 2036

- ❖ Strongly aligned to SDGs framework.
- ❖ Botswana will be a knowledge-based high income economy by 2036
- ❖ This will be achieved by promoting use of science, technology and innovation throughout the economy
- ❖ Training and skills development systems will be developed to leverage on science, innovation and technology. Productive and competitive human capital seen as key to driving growth across the different economic sectors



POLICY ENVIRONMENT

Financial Sector Development Strategy

- ❖ Promotes investment in people and infrastructure in view of the ever-changing financial landscape and skills set required by the sector.
- ❖ Financial sector to be underpinned by professional, skilled, knowledgeable, agile, and adaptable bankers, (BIBF could facilitate that role)



POLICY ENVIRONMENT

SMARTBOTS INITIATIVE

- ❖ Education towards a knowledge-based economy grounded on use of technology and innovations.
- ❖ Focus on building institutional capacity and educational skills for the future.
- ❖ Develop relevant on-the-job courses for all levels of the structure
- ❖ Promotes partnership with industry and government to increase and focus on the quality and quantity of knowledge assets to meet the needs in the economic ecosystems.
- ❖ Promotes partnerships between institutions



POLICY ENVIRONMENT

RESET AGENDA

- A post-covid government programme intended to put the economy back on track
- One of the priority areas in the “Digitalisation” of the socio-economic lanscape.
- Of particular interest is emphasis on technology education and the use of technology for education and skills development with specific emphasis for life-long learning/CPD.

ROLE OF BANK OF BOTSWANA

THE CORE MANDATE OF THE CENTRAL BANK

- ❖ Effectively promote the goals of maximum employment, stable prices and moderate long-term interest rates- formulation and implementation of monetary policy.
- ❖ Promotion financial inclusion and public financial education
- ❖ Beyond the traditional roles of a central bank, Bank of Botswana is responsible for licensing, regulating and overall supervision of banking institutions, bureau de changes and money transfer services.

FINANCIAL SECTOR COVID MITIGATIONS

- ❖ In 2020 the central bank introduced COVID-19 relief measures to help the banking system support economic activity through continued effective financial intermediation.
- ❖ In Botswana, the relief measures by the central bank ranged from capital release, liquidity support to an increase in the transaction limits for mobile money operators.
- ❖ The banking sector complemented the central bank-initiated relief measures with the loan-payment moratorium arrangement and restructuring to ease the burden of COVID-19 on clients.

BOB COVID MITIGATIONS

Some measures implemented by the central bank:

- ❖ The central bank approved more self-service products during the Covid-19 era.
- ❖ Central Bank approved unique contact-less services that were introduced by the Banks
- ❖ The minimum capital adequacy ratio for banks was reduced from 15 percent to 12.5 percent; this should provide capital relief amounting to approximately P326 million for the entire banking industry;
- ❖ Agency Banking Services were introduced to allow more financial service provision coverage.
- ❖ Increased money value transfer limits for mobile money operators e.g., My ZAKA P4000 to P50 000.

COVID IMPACT ON TRAINING

- ❖ Increased demand for virtual training
- ❖ Increased demand for online courses
- ❖ Declining face to face training requests
- ❖ Increased demand for FINTECH related courses
- ❖ Increased demand for regulation and compliance courses
- ❖ Increased demand for high impact, CPD technical short courses in the banking and finance industry

ROLE OF BIBF

THE CORE MANDATE OF THE INSTITUTE

- ❖ Provide training and skills development to the banking and finance sector,
- ❖ Promote banking as a career and profession in Botswana and
- ❖ Developing a code of ethics and conduct for its membership (i.e., Banking professionals).

BIBF MITIGATIONS POST COVID

- ❖ Developing programmes and establishing strategic partnerships to service the post-covid professional needs of the banking and broader financial services industry.
- ❖ These would include offering of relevant CDP training, and the delivery of carefully designed and industry relevant short programmes.
- ❖ BIBF has established increased demand for courses at post-graduate levels since the majority of employees already had at least one junior degree qualification when joining the banking industry. Institute is working on directly providing post-graduate courses.
- ❖ Through strategic partnerships, BIBF working on Increased demand for high impact, credit bearing technical short courses.
- ❖ The institute is also leveraging on use of technology to provide online learning as per SMARTBOTS requirements.



Thank you

Any Questions?