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FINANCIAL JOURNAL

A BUSINESS WEEKLY & REVIEW SUPPLEMENT // JULY 2026 VOL.1 ISSUE #8

From
**WINDHOEK
ROOTS TO
REGIONAL
REACH**

THE CAPRICORN GROUP STORY: How the
Bank Gaborone parent company became a
Southern African financial services force

FINANCIAL
JOURNAL

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KWENANTLE OTUKILESHIFTING PARALLELS: THE RISE
OF REGIONAL POWERHOUSES AND
BOTSWANA'S ECONOMIC METAMORPHOSIS

The southern African corporate ecosystem is undergoing a profound structural evolution. At the center of this transformation is a clear departure from traditional, localised operations toward cross-border agility, aggressive digitisation, and high-impact domestic asset building. To appreciate where the regional market is heading, one must look closely at the baseline strategies being rewritten by corporate giants and institutional frameworks across Botswana and its neighbors.

Lessons from the Capricorn Group

The growth trajectory of Capricorn Group offers a masterclass in how a single, domestic entity can purposefully transform itself into a regional financial powerhouse. From its foundational roots in Namibian banking, the group has systematically engineered a highly diversified regional portfolio spanning banking, asset management, micro-finance, insurance, and telecommunications partnerships. By embedding itself deeply into neighboring economies, notably through its strategic vehicle, Capricorn Investment Holdings Botswana, which commands entities like Bank Gaborone and Peo Finance, the group has built a robust defense against localised economic shocks.

The lesson for corporate leaders is unmistakable: regional integration is no longer a luxury of scale; it is an imperative for survival. Capricorn Group's success is anchored in disciplined capital allocation, risk diversification, and deliberate ecosystem building. Rather than deploying copy-paste models into foreign territories, Capricorn prioritises localised intelligence, institutional capacity building, and robust digital transaction platforms to boost non-interest income stream volumes. Forward-looking corporate players must mimic this strategic playbook. To build lasting resilience, companies must aggressively break past domestic borders, actively manage asset portfolios, and leverage specialised subsidiary footprints to generate regional value.

Driving Transformation: The Mandate of BDC

Within Botswana's borders, the push toward industrialisation and macro-stability demands a powerful state-led investment catalyst. This is the exact mantle that the Botswana Development Corporation (BDC) is actively positioning itself to carry.

As the primary investment arm of the state, BDC is pivoting from standard funding protocols into an aggressive driver of long-term economic diversification. The mandate requires directing vast capital pools into commercially viable, highly scalable projects that enhance national resilience and expand cross-border trade corridors.

Through strategic milestones - including massive partnerships with alternative real estate networks, green value-chain development initiatives, and critical

infrastructure allocations - BDC is setting a new pace.

By de-risking new industrial sectors and crowding in private investment, the corporation is establishing the foundational infrastructure necessary for a modern, self-sustaining economy. BDC's approach signals to the wider business ecosystem that structural diversification can only occur when capital allocation is met with strict institutional governance and a relentless focus on domestic value addition.

Leading Through Tech:

Mascom's Digital Frontier

No nation can achieve modern industrialisation without a sophisticated, localised digital engine. Telecommunications giant Mascom is answering this call by attempting to lead the tech services market through its top-tier digital and contact center infrastructure.

Mascom understands that being a mobile service provider is no longer enough; true market leadership belongs to the enterprise that successfully controls digital business process management solutions.

Through its dedicated ecosystem - including advanced contact center operations under Direct BPO and expansive rural ICT access via the Mascom Kitsong Centres - the company is building the infrastructure for a competitive knowledge-based economy. By providing scalable tech outsourcing, secure digital remittance channels like MyZaka, and proactive cloud-era support structures, Mascom is empowering local businesses to optimise their systems. This technological push gives local enterprises the digital platforms required to compete regionally, matching the high transaction volumes seen across Africa's modern corporate landscape.

Preserving Value: De Beers
and Natural Diamonds

Simultaneously, the foundational pillar of Botswana's wealth is undergoing a crucial narrative shift. Through initiatives like the recently launched Desert Diamonds campaign in the United States, De Beers is working to position Botswana's diamonds as natural luxury goods with a definitive, positive socio-economic impact. In an era where lab-grown alternatives threaten to commoditise the gemstone industry, the joint marketing strategy between the state and De Beers focuses on transparency, ethical luxury, and direct provenance.

By showing that a diamond mined from places like Jwaneng or Orapa funds national education, critical healthcare systems, and foundational infrastructure, the campaign redefines consumer value. This structural focus on provenance and ethical traceability allows Botswana to capitalise on global premium luxury trends. It serves as a reminder to all sector operators that product survival depends on embedding a transparent, sustainable human story directly into the core asset architecture.

The P1 Trillion Metric: Financial Capital Maturity

The rapid evolution of these distinct industries has culminated in a monumental milestone for the local capital market. The Botswana Stock Exchange (BSE) has officially shattered the P1 trillion ceiling in total market capitalisation. This massive valuation landmark firmly positions the BSE as a tier-one investment hub on the African continent, with a market value that comfortably exceeds the country's immediate domestic product.

While heavyweight listings like Anglo American Plc continue to anchor the bulk of this valuation, the P1 trillion milestone highlights a deep accumulation of institutional local wealth and growing international asset placement. The historic Single-Day Trading records seen in mid-2026 show that the BSE possesses the necessary structural depth to execute large-scale, high-value capital movements. This structural depth offers regional firms an unmatched corporate playground to raise expansion capital, project financial stability, and anchor future cross-border joint ventures.

Fueling Growth: BPOPF's Strategic Capital

This capital market growth is backed by an ultra-liquid institutional investor base. The Botswana Public Officers Pension Fund (BPOPF) has firmly institutionalised its growth trajectory, moving past the P100 billion asset threshold to sit comfortably at over P128.4 billion in assets under management. As the country's single largest domestic institutional investor, the BPOPF holds influential equity stakes across retail, banking, telecommunications, and real estate portfolios.

The fund's current strategy focuses on transforming this vast retirement asset base into an engine for domestic expansion. Through targeted local private equity incubation programs and major capital allocations for infrastructure development, the BPOPF is directly addressing national funding bottlenecks. By deploying patient institutional capital into power generation, transport corridors, and modern water distribution, the fund ensures that national savings are actively driving national industrialization.

The Bottom Line

The path forward for regional corporate players is clear. The success of Capricorn Group proves that cross-border asset integration is the key to building resilient scale. Simultaneously, the combined power of BDC's industrial funding, Mascom's technological footprint, De Beers' ethical market positioning, and the trillions in capital moving through the BSE and BPOPF show that Botswana has built a sophisticated financial launchpad. The infrastructure is set, the capital is pooled, and the economic engines are fired up. The responsibility now lies with corporate leaders to match this institutional momentum with bold, cross-border strategies.

EDITORS NOTE





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Bank Gaborone
a member of Capricorn Group

FROM WINDHOEK ROOTS TO REGIONAL REACH

The Capricorn Group story: how the Bank Gaborone parent company became a Southern African financial services force.

In the history of Southern African finance, the most consequential institutions are not always the loudest, the largest, or the most aggressively acquisitive. Some are built more deliberately: through proximity to clients, disciplined balance-sheet management, local credibility, and a patient understanding of the markets they serve.

Capricorn Group belongs to that category. Its story begins not as the tale of a multinational banking giant entering a small market with imported systems and inherited power, but as a local proposition born in Namibia at a time when the country's financial landscape was overwhelmingly shaped by institutions whose ultimate decision-making sat elsewhere.

What emerged from that context was Bank Windhoek: a bank founded on the conviction that Namibia required a financial institution rooted in its own soil, accountable to its own people, and responsive to the commercial realities of its own economy.

More than four decades later, that founding instinct has matured into one of the region's most compelling financial-sector stories. Capricorn Group has grown from a local banking initiative into an

integrated financial services group with meaningful interests in banking, asset management, specialised finance, sustainability-linked funding, and corporate citizenship.

Its footprint extends beyond Namibia into Botswana, while its strategic centre remains anchored in the ethos that built Bank Windhoek: local knowledge, trusted relationships, and measured expansion.

The result is a Group that has not merely participated in the financial development of Namibia. It has helped shape it. In doing so, Capricorn has demonstrated that local ownership and regional ambition are not opposing forces. Properly governed, well-capitalised, and strategically disciplined, they can reinforce one another.

A bank born of local ambition

The story begins in 1982, when Namibia's financial sector was dominated by foreign banking institutions. For many clients, the centre of gravity was distant. Decisions were often filtered through external structures, and local entrepreneurs, farmers, families, and emerging businesses did not always encounter banking systems calibrated to

their realities.

Bank Windhoek was founded in response to that gap. Its establishment was modest in scale but significant in intent. It sought to become more than a transactional bank. It wanted to be a local financial partner capable of understanding the rhythms of the Namibian economy and the aspirations of the people building it.

That distinction mattered. Banking is often described through ratios, loan books, capital adequacy, margins, and regulatory frameworks. Yet at its core, banking is also a business of confidence. A client must believe that an institution understands both the opportunity and the risk in front of them. In a market where trust is not an abstraction but a lived economic necessity, Bank Windhoek's ability to cultivate deep relationships became one of its defining strengths.

Its early growth was therefore not simply a matter of product expansion. It was a process of embedding itself in communities and commercial networks. The bank financed farmers, supported



Capricorn Group
Chief Executive
Officer **David
Nuyoma**

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businesses, served households, and became a familiar presence in Namibia's financial life. Over time, that relational model became a strategic advantage. It allowed the institution to compete not only on rates or reach, but on relevance.

From Bank Windhoek to Capricorn Group

By the turn of the millennium, the institution had outgrown the narrow confines of a traditional banking structure. Its leadership understood that long-term resilience would require a broader platform: one capable of diversification, investment, acquisitions, and specialised financial services.

The Group was founded in 1996 as Bank Windhoek Holdings. The formation of this holding structure marked a turning point. It gave the business an architecture through which to expand beyond retail and corporate banking into a wider financial ecosystem. In time, that structure evolved into Capricorn Group, a name now associated with one of Namibia's leading financial services platforms.

The logic was clear. A bank could serve clients at particular points in their financial lives, but an integrated group could serve them across a much wider arc. Through asset management, microfinance, specialised finance, and regional banking interests, Capricorn could engage individuals, institutions, corporates, and communities through multiple channels.

That strategic diversification would become one of the principal drivers of the Group's ascent.

The Group's 2013 listing on the Namibian Stock Exchange was another major milestone. Public listing brought capital, visibility, and a wider ownership base. It also affirmed Capricorn's transition from a locally admired banking institution into a publicly accountable financial services group with broader market significance.

Capricorn Asset Management expanded the Group's reach into investment and wealth solutions. Entrepo added specialised micro-lending capacity. Peo Finance and other entities broadened its financial services architecture. Bank Gaborone became an important expression of its regional ambitions in Botswana.

Today, Capricorn Group's rise rests on three interlinked pillars: strategic diversification, public-market discipline, and regional expansion. Each has helped the group grow while retaining the local character that remains central to its identity.

The leadership question

At the centre of the Group's current direction is David Nuyoma, Group CEO of Capricorn Group. His professional background gives him a distinctive vantage point. His career has moved across the private sector, non-governmental organisations, public policy, development finance, investment promotion, and institutional asset management.

Following Namibia's independence, Nuyoma joined the Ministry of Trade and Industry as Special Advisor and later served as Chief Economist, with a focus on small business development. He went on to hold a senior management

also spent more than ten years at the helm of the Government Institutions Pension Fund, Namibia's largest corporate entity by asset management, with an asset base of approximately N\$220 billion.

That background matters because Capricorn's strategic challenge is not merely operational. It is institutional. The Group must grow, digitise, manage risk, allocate capital, retain talent, strengthen subsidiaries, contribute to society, and compete with both local and multinational players. Nuyoma's career has been shaped by many of those questions in different forms.

His framing of Capricorn's purpose

extent to which an institution creates value in the communities and economies that sustain it.

This view sits at the heart of Capricorn's corporate narrative. The Group supports over 300 employees in Botswana and nearly 1 800 in Namibia. It contributes to national treasuries through taxation, procures local services, and channels corporate social investment through the Capricorn Foundation.

The Group, furthermore, is a major investor in the Republic of Namibia and Botswana government issued bills and bonds in aggregate roughly N\$30 billion.

Its stated social focus includes health, hunger, education, and entrepreneurship development.

Nuyoma's strategic emphasis is growth, but not growth at any cost. The Group's subsidiaries have their own boards and governance structures, and Capricorn's role is to provide strategic alignment while respecting the autonomy required for effective subsidiary leadership. In his view, sustainability depends on relevance. A business must keep expanding its space by providing services that remain attractive to clients.

Technology is a central enabler of that ambition. Digitisation improves client experience, drives efficiency, and reshapes how financial institutions operate. Yet Nuyoma's emphasis is not only on systems. It is also on talent. The group's ability to remain competitive depends on sharpening, retaining, and deploying the people capable of serving clients in a changing environment.

Financial discipline as competitive advantage

If Capricorn's institutional story is about local legitimacy and regional ambition, its financial story is about discipline. Johan Maass, Group Financial Director, manages the finances of one of the largest companies listed on the Namibian Stock Exchange. The Group's market capitalisation is approximately N\$14.5 billion.

Most of Capricorn's assets remain in Namibia. Bank Windhoek accounts for roughly 70 percent of Group assets, while Bank Gaborone contributes about 8 to 10 percent. Bank Windhoek's position in Namibia is especially significant: it controls approximately 35 percent of the Namibian banking sector loan book and is larger than many South African banking brands in that market. In profitability terms, Maass notes that Bank Windhoek sits second to First National Bank.



Capricorn Group Financial Director **Johan Maass**

role at the Namibia Development Corporation, where he led the country's investment promotion arm for six years. He subsequently founded and led the Development Bank of Namibia for nearly a decade.

Before joining Capricorn Group, he

is therefore notably broader than a conventional profitability mandate. He describes the group's mission as being "connectors of positive change." For him, corporate value is no longer defined only by year-end dividends. It is also measured by operational legitimacy: the

The underlying explanation, however, is not simply scale. Maass returns repeatedly to relationships.

"Our long-term strategy has always been to serve through real relationships and that does cost more in the shorter term to do but in long-term that is what creates real value for our clients and us."

This relationship-led model is reinforced by decentralised decision-making. In many banks, authority has become increasingly centralised, with branch-level discretion narrowed by risk systems and procedural layers. Bank Windhoek has retained a more localised approach in certain areas.

"Our branch managers still have mandates to approve loans up to certain levels," Maass explains. "Other banks do not apply that anymore."

That decentralisation is not presented as looseness. Rather, it is a way of aligning credit decisions with local knowledge while maintaining risk discipline. It supports speed, responsiveness, and client intimacy without abandoning the fundamentals of sound banking.

Digitisation is equally important. Bank Windhoek has invested in online banking and launched WhatsApp banking, but Maass is careful to emphasise that technology is not intended to remove people from the system. In a relationship-driven institution, digital tools must enhance service rather than hollow it out.

The composition of Bank Windhoek's client base also shapes its identity. According to Maass, approximately 70 percent of the bank's clientele measure in assets is corporate, while retail accounts for 30 percent. That corporate concentration requires deep sector knowledge, rigorous credit assessment, and a clear view of balance-sheet resilience.

Maass is explicit about the group's caution. Capricorn prioritises balance-sheet resilience over opportunistic short-term growth. During periods of market stress, when other banks decline clients, it may become tempting to capture market share quickly. But that is precisely when credit discipline matters most.

The Group applies its credit policies consistently, avoiding the temptation to add weak loans simply because competitors have withdrawn. Its risk strategy is founded on understanding. Capricorn does not aggressively enter sectors where it lacks sufficient expertise.

Mining is a case in point. Maass notes that the Group had no direct exposure

to mining in Botswana. In Namibia, it only took its first exposure after building internal expertise, taking time to understand the risks and the operating dynamics of the sector. The same approach has applied to other sectors the Group historically avoided. Where it understands the nuances, it is willing to take considered risk. Where it does not, it proceeds cautiously.

Commercial real estate, factories, and large warehouses are sectors the Group understands well. Renewable energy is another area where it has been building skills, with an eye toward taking more exposure as its knowledge base deepens.

The story begins in 1982, when Namibia's financial sector was dominated by foreign banking institutions. For many clients, the centre of gravity was distant. Decisions were often filtered through external structures, and local entrepreneurs, farmers, families, and emerging businesses did not always encounter banking systems calibrated to their realities

Liquidity, capital and the lesson of resilience

The Botswana market has offered a revealing test of Capricorn's banking philosophy. Recent liquidity challenges in Botswana placed pressure on banks and drove up the cost of funding. For Maass, the lesson is stark: liquidity is existential.

"If you don't have money, that is your product," he says. "Money is the bank's product you sell."

He compares a lack of liquidity to a car crash: sudden, severe, and potentially fatal for a bank. This is why Bank Gaborone has always prioritised liquidity and capital preservation rather than short-term income-statement performance. The Group also maintains contingency facilities: N\$300 million available to Bank Gaborone in times of need and N\$700 million accessible to Bank Windhoek in Namibia.

This money is independently managed by Capricorn Asset Management to always keep it available.

Such facilities matter because confidence in banking depends not only on profitability but on resilience. A strong income statement can be undermined quickly if liquidity is

mismanaged. Capricorn's approach suggests a preference for durable performance over dramatic but fragile expansion.

In addition, Capricorn has always favoured to hold enough surplus capital in order to bolster the Group's ability to go through cycles of tight market liquidity and has been criticised in the past that it should either declare dividends or buy something but it has always been a deliberate decision to be conservative when it comes to the lifeblood of the Group.

This discipline is particularly important in smaller markets, where talent pools, liquidity conditions, sector concentration, and macroeconomic shifts can have outsized effects. For a regional financial group, the ability to adapt without overextending is a defining competitive advantage.

The war for talent

Across Southern Africa's banking sector, scarce skills have become one of the most pressing constraints on growth. Maass describes the competition for talent as intense in Namibia and even more pronounced in Botswana, where Bank Gaborone operates with a smaller market share.

The issue is not simply recruitment. It is retention. Financial institutions require experienced people who understand credit, regulation, technology, treasury, compliance, customer behaviour, and sector-specific risk. Losing such talent can affect institutional memory and execution quality.

Capricorn has therefore built retention mechanisms

that include both short-term and longer-term incentive schemes, particularly for the high-performing staff it wants to keep. This emphasis echoes Nuyoma's broader point: the future of financial services will be determined not only by digital platforms, but by the calibre of people able to use those platforms intelligently.

The asset management leap

One of Capricorn's most important diversification stories sits in asset management. It is also one of the clearest examples of the group identifying a market gap and building a local solution.

Tertius Liebenberg joined Bank Windhoek in 1996 as Treasury Manager after working at the South West Africa Building Society, known as Swabou. At the time, building societies were converting into banks because they could no longer compete effectively in their existing form. At Bank Windhoek, Liebenberg focused on treasury and foreign exchange operations before becoming Chief Treasurer and joining the executive committee around 2001.

When he joined in 1996, his work centred on funding the bank. But in the process, he saw a recurring client need. Large customers wanted more diverse investment product choices, and

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Managing Director, Capricorn Asset Management
Tertius Liebenberg



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Bank Windhoek had to compete not only with other banks but also with insurers and asset managers. At that time, South African firms exerted significant control over the market.

He added that he always found it counterproductive to have to fly to South Africa and try to get Namibia investor money back from there for Bank Windhoek.

The opportunity was clear: to build a Namibian platform capable of managing Namibian money in Namibia.

The first breakthrough came with the Bank Windhoek Selekt Fund, launched in March 2000 as Namibia's first money market fund. At that time, money market funds did not have the legislative framework similar to other markets such as South Africa. The team therefore approached the regulator and explained what they intended to build.

Permission was granted, and the fund began with N\$20 million. That money came from Namib Building Society, which Bank Windhoek had acquired. The acquisition included a tax-free status book of investors, but that status was ending on 28 February 2000. Bank Windhoek needed a solution for that N\$20 million book, and the Selekt Fund became that solution.

The product, run as a unit trust, and grew rapidly. Within a year, it had reached N\$500 million. Within two years, it had grown to N\$1 billion. Capricorn then launched a second money market unit trust, the Capricorn Investment Fund under the Capricorn Unit Trust Management Company, which was what the management committee originally established in 2000. During the time up to 2005, these two funds grew to a combined size of N\$5.5 billion.

The business expanded to the point where it could no longer sit comfortably inside treasury. Liebenberg convinced the shareholder to establish Capricorn Asset Management, where he became the first Managing Director in 2007 upon when, he moved into the asset management company while managing its transition out of treasury.

"We added lots of new funds over the years spanning all major asset classes from cash to international equity funds now totalling 17 funds with combined assets under management of N\$54 billion. We also launched a combined offering with Bank Windhoek for our higher income and higher net worth clients under the Capricorn Private Wealth in 2016 and we are proud to say that arguably we are the largest business of that type in Namibia. We also ventured in the unlisted debt

market space and established the Caliber Capital Fund in 2018 and today its one of the largest Unlisted Manager in Namibia with assets in excess of N\$500 million."

Today, Capricorn Asset Management has approximately N\$65 billion in assets under management, with a unit trust market share of 39.6 percent. It leads the market.

For Liebenberg, this is not only a business achievement. It is a national story.

"It is a proud Namibian story because we are here," he says. "We did a lot of change for our markets. We introduced many first products. We are proud to have built Namibian talent and we have played a major role in development of the Namibia money and capital markets to the benefit of Namibians and the government."

Bank Gaborone and the regional proposition

In 2005, Capricorn Group began looking seriously at investing in Botswana. Liebenberg was involved in the project specifically in the treasury space of the newly launched Bank Gaborone, which sits within the Group's Botswana structure through Capricorn Investment Holdings Botswana.

The idea was not to impose a Namibian brand on Botswana. It was to build a Botswana brand supported by Capricorn's experience, systems, capital and ultimately repeat the success model of Bank Windhoek in Botswana. That was indeed why it was named Bank Gaborone.

"We felt we came with the right people, Botswana people, and support," Liebenberg says. "We can build a proud Botswana brand and something that Botswana can be proud of."

This distinction is important. Regional expansion often fails when institutions underestimate local context. Capricorn's stated model is more patient: establish a brand that belongs to the market it serves, while drawing on the group's wider institutional capability. In Bank Gaborone, the group has sought to apply its relationship-based banking ethos in a market with its own regulatory, liquidity, talent, and client dynamics.

The result is a regional strategy that is ambitious but not detached from local identity. Capricorn's roots in Namibia have not prevented expansion. They have informed it.

Corporate citizenship beyond charity

Capricorn's public narrative also places significant emphasis on social contribution. The Capricorn Foundation, spearheaded by Marlice Horn, Group

Chief Brand and Corporate Affairs Officer, serves as the primary corporate social investment vehicle for the group's Namibian subsidiaries, including Bank Windhoek, Entrepo, and Capricorn Asset Management.

Since its formal establishment in 2020, the Foundation has invested tens of millions of Namibian dollars into more than 100 community upliftment projects. Its work is organised around core priority areas: education and training, vulnerability initiatives, economic advancement, health, and sustainability programmes. Horn positions these efforts within the group's broader vision of becoming "connectors of positive change."

A key area of focus is early childhood development. The Foundation supports early education in alignment with Namibia's National Development Plan 6. One example is its partnership with the AMS Project, which equips informal preschools in remote and farming areas with specialised curricula and learning materials. The aim is to prepare thousands of five- and six-year-old children across Namibia for formal schooling each year.

Youth empowerment and protection form another important pillar. Through collaboration with the One Economy Foundation, the Capricorn Foundation supports the #BeFree Centre, a multi-dimensional safe space providing Namibian youth with psychological support, holistic healthcare, and STEM education. Through regional initiatives such as the Acacia Children's Trust, it also supports feeding programmes, after-school tutoring, and technical computer literacy training for vulnerable children and single mothers.

In socio-economic advancement, the Foundation supports interventions addressing food insecurity and unemployment through vegetable gardening schemes and community-led micro-enterprises. These initiatives are designed to foster household income

generation rather than short-term dependency.

The significance of this work lies in its systems orientation. Capricorn's Foundation is not framed merely as a charitable outlet for corporate goodwill. It is positioned as a mechanism for investing in the social infrastructure that strengthens communities, builds local leadership, and supports long-term economic independence.

Sustainability as financial strategy

Capricorn's sustainability journey predates the establishment of the Capricorn Foundation, which was launched in February 2020 as the group's formal corporate social



The Capricorn Group Chief Brand and Corporate Affairs Officer, **Marlice Horn**



Treasury, where he was involved in sustainable funding initiatives and the development of sustainability-related financial products for the group. During this period, Bank Windhoek participated in the Sustainable Use of Natural Resources and Energy Finance programme, known as SUNREF, which supported renewable energy and sustainable agriculture financing in Namibia.

The experience was useful, but it also highlighted an important strategic lesson. External concessional funding can support market development, but it often comes with detailed conditions, reporting requirements, and limited flexibility.

The Capricorn Foundation has invested tens of millions of Namibian dollars into more than 100 community upliftment projects. Its work is organised around core priority areas: education and training, vulnerability initiatives, economic advancement, health, and sustainability programmes. Horn positions these efforts within the group's broader vision of becoming "connectors of positive change."

responsibility and social investment vehicle.

According to Ruan Bestbier, Group Head of Sustainable Finance and Advisory, sustainability was already formally embedded in Bank Windhoek Holdings as early as 2014, when the executive team published the institution's first sustainability report. That report confirmed sustainability integration as a strategic enabler and communicated to stakeholders how the group understood sustainability, its relevance to the business, and the ambitions it held at the time.

Between 2014 and 2020, Bestbier worked in Bank Windhoek

Capricorn therefore recognised the need to develop its own local funding capability to support local projects more effectively.

This thinking contributed to Bank Windhoek's issuance of a green bond, which helped finance qualifying local projects with green credentials or environmental benefits. The instrument became an important catalyst in Capricorn's broader sustainability integration journey and helped shift sustainability from a corporate responsibility matter to a strategic business enabler.

Capricorn subsequently established a dedicated Sustainability Department,

with Bestbier appointed as its head. The department was created because sustainability integration cut across the organisation, including culture, community impact, operational footprint, risk management, product development, and data systems.

Bestbier describes the logic through the familiar triple bottom line of people, profit, and planet. However, Capricorn's approach has remained deliberately practical. The department developed a phased, multi-year sustainability integration programme covering the group's operations, business model, and organisational culture. Participating entities included Bank Windhoek, Bank Gaborone, Capricorn Asset Management, and Capricorn Group. The programme began in 2022 and became formally operational in 2023.

The process started with a gap analysis against major commercial banking peers. This helped Capricorn assess where it stood, where improvement was needed, and how sustainability could be integrated in a way that was practical, measurable, and relevant to the group's strategy.

Five focus areas emerged. These included environmental risk management, sustainability-related business opportunities, the group's operational footprint and internal culture, ESG data and reporting infrastructure, and coordinated execution across subsidiaries.

The Sustainability Department was mandated by the Group Executive Committee and the Group Board Social and Ethics Committee to guide implementation and ensure that each subsidiary understood its role in the group's three-year sustainability integration journey.

Financing the transition

Capricorn's sustainable finance activity initially focused on environmentally beneficial projects, including renewable energy and resource efficient infrastructure. Over time, the group recognised that its impact could not be defined by renewable energy alone. Namibia's social and developmental needs also require bankable financing solutions.

This broader view informed Bank Windhoek's sustainability bond issuance in 2021, which enabled funding to be allocated to both environmental and social projects that met clear financial and sustainability criteria. Eligible areas included healthcare, sustainable agriculture, biodiversity-related initiatives, and sustainable housing, where the economics were commercially sound.

Bestbier is clear that Capricorn's role is not the same as that of a development

finance institution. The group can support projects that contribute to environmental or social outcomes, but these projects must also be financially viable and aligned with responsible lending principles.

"At the end of the day, we do responsible lending," he says. "We do not allocate funding simply for the sake of positive impact. We must ensure that the recipient can repay the funding and that the transaction remains commercially sound."

This captures Capricorn's broader approach to sustainability. Its ambition is grounded in financial discipline. Its banking model remains relationship-based, but not careless. Its social contribution is increasingly structured around long-term value creation, not one-off interventions.

The Capricorn thesis

The Capricorn Group story is ultimately a thesis about local financial leadership. It argues that African financial institutions need not choose between rootedness and sophistication. A bank can be deeply local and technically advanced. It can preserve relationship banking while digitising. It can grow across borders without erasing local identity. It can pursue sustainability without abandoning credit discipline. It can generate shareholder value while strengthening the social and economic systems around it.

This balance is difficult to achieve. It requires governance, patient capital, institutional memory, talent, and a clear understanding of risk. It also requires humility: the willingness to enter new sectors only after learning them, to decentralise decisions without weakening controls, and to let subsidiaries retain meaningful autonomy within a coherent group strategy.

From its origins in 1982 to its evolution into a publicly listed regional financial services group, Capricorn has built its reputation on precisely that balance. Bank Windhoek remains its anchor, but the Group is no longer only a banking story. It is an asset management story, a sustainability finance story, a regional expansion story, and a corporate citizenship story.

In a Southern African financial landscape still shaped by questions of ownership, trust, development, and resilience, Capricorn Group offers a powerful example of what can happen when local ambition is matched by institutional discipline. Its rise suggests that the future of finance in the region will not be determined solely by scale. It will be shaped by the institutions that understand their markets deeply enough to serve them, strengthen them, and grow with them.

STATE CAPITAL, MARKET DISCIPLINE:

REPOSITIONING **BDC** FOR GROWTH, INDUSTRIALISATION AND REGIONAL RELEVANCE

At a time when Botswana is confronting one of the most consequential economic transitions in its post-independence history, the role of development finance has moved from the margins of policy implementation to the centre of national economic strategy. Reduced diamond revenues, tighter liquidity conditions, a more demanding global investment environment and the urgent need to build new engines of growth have sharpened the question of how the state should deploy capital in a modern, increasingly competitive economy.

For Oteng Keabetswe, Managing Director of the

Botswana Development Corporation, that question is not theoretical. It defines the institutional task before him.

BDC, one of Botswana's most important state-owned investment institutions, has historically played a formative role in building sectors, backing strategic enterprises and supporting the country's development ambitions. But the economic context that shaped many of those interventions has changed. Botswana is no longer operating in an era where mineral revenues can comfortably underwrite long-term development choices. The country is now required to be more disciplined, more selective and more commercially rigorous in how it converts national priorities into productive assets.

Keabetswe's central argument is clear: BDC must evolve from a traditional development financier into a catalytic investment institution capable of deploying patient capital with market discipline, developmental intentionality and measurable impact.

"When I assumed the role of Managing Director," he reflects, "it was clear that BDC was operating at a very important point in Botswana's economic cycle." The institution, he says, had to respond not to one isolated problem, but to a convergence of strategic demands: mandate clarity, portfolio performance and institutional capability.

In his view, the task is not to look backwards or attribute blame. It is to reposition BDC for the next phase of Botswana's growth. That means actively managing legacy exposures, improving cash conversion, strengthening execution discipline and building a new

investment book capable of producing more predictable returns. It also means moving from passive capital allocation toward a more active, equity-led and impact-focused investment model.

This is a decisive shift in institutional posture. BDC is not abandoning its development mandate. Rather, it is redefining that mandate for a more constrained and demanding economic era.

A Catalytic Investor, Not a Passive Financier

Keabetswe describes BDC as operating at the intersection of investor, catalyst and policy instrument, but he is careful to define the institution's role with precision. BDC is not a policy-making body, nor is it a purely commercial investor. Its function is to translate national development priorities into bankable, commercially disciplined investment platforms.

In his words, BDC is fundamentally "a catalytic investor."

That distinction matters. A policy instrument may execute directives. A passive financier may provide capital. But a catalytic investor must do something more complex: identify market gaps, structure viable transactions, de-risk strategic sectors and crowd in private capital where the market alone is not yet prepared to move.

For Botswana, this role is becoming increasingly important. Diversification has long been a national aspiration, but aspiration does not automatically produce investable projects. Keabetswe argues that the bridge between policy intent and economic transformation is project preparation. National frameworks can identify priority sectors, but institutions such as BDC must convert those priorities into bankable platforms, co-investment structures, fund vehicles and commercially executable projects.

This requires a different institutional muscle. It demands not only capital, but structuring capability, due diligence, sector expertise, governance discipline and active portfolio management.

In practical terms, success under Keabetswe's tenure will not be measured by a single metric. Higher returns matter, but so do jobs, industrial capacity, value-chain development, import substitution and environmental responsibility. He frames BDC's mandate through a triple bottom line: People, Planet and Profit.

Profit ensures continuity and responsible stewardship of capital. People reflects job creation, skills development and inclusive participation. Planet introduces the long-term sustainability dimension required of modern development finance.

"Financial returns ensure continuity,"

he argues, "but impact across society and the environment is what ultimately defines our mandate."

The New Discipline: Cash, Capital Recycling and Portfolio Quality

Perhaps the most significant internal reform Keabetswe identifies is the shift from incremental portfolio management to active restructuring, recovery and capital redeployment. This is the language of a development finance institution confronting the realities of balance-sheet discipline.

BDC's challenge, as he describes it, is not merely to approve new projects. It is to ensure that existing assets generate cash, that underperforming exposures are addressed early, and that capital is recycled into higher-quality opportunities. In this respect, development finance cannot be separated from financial sustainability.

The point is especially important in the current macroeconomic environment. Botswana is adjusting to reduced diamond revenues and tighter funding conditions. Liquidity and the cost of capital have become material risks. In such an environment, development impact that does not preserve or recycle capital becomes difficult to sustain.

The task is not to look backwards or attribute blame. It is to reposition BDC for the next phase of Botswana's growth. That means actively managing legacy exposures, improving cash conversion, strengthening execution discipline and building a new investment book capable of producing more predictable returns.

Keabetswe's position is pragmatic. BDC can support projects where financial returns are moderate but developmental impact is high, provided the risks are properly structured and the funding source is aligned with the developmental objective. But there is no appetite for undisciplined capital deployment. Every investment must be capable of standing before the Board and shareholder as a clear trade-off between financial return, development impact, risk and national priority.

This approach marks an important philosophical line. BDC must remain



additional enough to matter but disciplined enough to avoid becoming a vehicle for short-term visibility or political allocation.

The mechanisms are technical but essential: rigorous due diligence, politically exposed person screening, beneficial ownership checks, independent review where required, committee approvals, covenants, collateral, information rights, milestone-based disbursements, reserved matters, early-warning triggers and exit provisions.

In other words, development finance is not concessionary sentiment. It is structured risk-taking.

Balancing Development Impact and Commercial Sustainability

Many development finance institutions struggle with a familiar dilemma: if they become too commercially conservative, they risk duplicating the behaviour of banks and private equity firms. If they become too accommodating, they undermine their own capital base and weaken public confidence.

Keabetswe's response is to reject the false binary. BDC must take calculated risks in sectors where commercial financiers may be hesitant, but those risks must be priced, structured and monitored.

He notes that BDC has historically entered frontier spaces, including early investments in institutions such as Air Botswana, Kgalagadi Breweries and BA ISAGO University. Such interventions helped establish or deepen sectors that later became commercially viable. This first-mover role remains relevant, particularly in areas critical to national transformation.

However, Botswana's financial ecosystem has matured.

Banks, private equity firms, institutional investors and regional financiers now play a greater role. In this environment, Keabetswe believes BDC's bias should increasingly be toward catalytic co-investment unless first-mover capital is essential to

unlock a strategic sector.

That distinction is central to BDC's future. The institution does not need to fund every transaction alone. Its capital can be used to crowd in others, share risk, signal confidence and mobilise larger pools of capital. This is the evolution from balance-sheet lender to investment enabler.

BDC's experience with the RCL/RFG transaction illustrates the model. Structured through an en commandite partnership and leveraged buyout alongside regional institutional and private investors, the investment saw BDC deploy approximately P300 million for an effective stake of about 37.7 percent. The transaction generated dividend proceeds of roughly P39.7 million and a profit of approximately P139 million before exit.

For Keabetswe, the importance of that example lies not only in the return profile, but in what it demonstrates institutionally: disciplined structuring, capable partners, alignment of interests, exit discipline and capital recycling.

This is the model he wants to strengthen.

Sectors for Botswana's Next Economy When asked where Botswana's most realistic engines of diversification lie, Keabetswe points to agribusiness and agro-processing, manufacturing, energy and climate, healthcare, financial services, infrastructure, tourism and technology.

The list is broad, but his logic is not indiscriminate. Mining and beneficiation remain important, but BDC's strongest role is not simply to reinforce extraction. It is to build adjacent value chains, productive platforms and sectors capable of sustaining employment, exports and local participation.

REPOSITIONING BDC FOR GROWTH, INDUSTRIALISATION AND REGIONAL RELEVANCE

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Agriculture and agro-processing are especially significant. Botswana imports too much of what it can produce, and climate-resilient agriculture offers both food-security and rural-development benefits. Strengthening livestock production, water efficiency, cold-chain infrastructure and downstream processing can increase local value addition while reducing import dependency.

Manufacturing, often dismissed because of Botswana's small domestic market and landlocked geography, is treated by Keabetswe with nuance. The country cannot compete on scale alone. It must compete on reliability, quality, institutional credibility and regional access. Viable niches include agro-processing, medical and industrial inputs, construction materials, packaging, automotive components and regionally tradable light manufacturing.

The strategic horizon is regional. Botswana's domestic market may be limited, but through SADC and SACU it has access to a much larger Southern African market. The industrial question is therefore not whether Botswana can manufacture everything, but whether it can build specialised, export-oriented manufacturing niches linked to regional demand.

Energy is another major opportunity. Botswana's solar resources provide a clear basis for utility-scale renewable energy, energy security and potential participation in regional electricity markets. BDC's role, Keabetswe argues, should be to structure investable platforms, take catalytic positions where needed and mobilise specialist operators and long-term capital.

Tourism, too, requires a broader investment imagination. Botswana's high-end safari model remains globally respected, but future growth may depend on complementary segments: mid-market hospitality in gateway locations, urban tourism, event tourism, ecotourism and community-based cultural tourism. The test is not simply visitor volume, but whether investments increase local participation, length of stay, domestic supply-chain spend and year-round cash generation.

Financial services are also part of the diversification story. As Botswana works toward positioning itself as a regional platform for international financial services and investment management,

BDC sees potential for Gaborone to become a more competitive regional hub for financial and corporate services.

Across all these sectors, the principle is consistent: capital must move toward areas where Botswana has natural assets, institutional credibility, regional positioning or clear long-term competitiveness.

The Real Risks: Execution, Market Size and Cost of Capital

Botswana is often praised for political stability, respect for property rights and institutional predictability. Keabetswe agrees that policy risk is relatively low compared with many emerging markets. But that does not mean development investing is easy.

The more practical risks lie elsewhere: small market size, shortages of specialised technical skills, project preparation delays, stakeholder coordination, implementation capacity, liquidity and cost of capital.

Execution risk is particularly important. Many projects fail not because the concept is weak, but because permits, land, offtake agreements, technical partners, regulatory

approvals and financing structures are not sufficiently advanced. For an institution like BDC, a deeper pipeline of prepared, investment-ready projects would materially improve the speed and quality of capital deployment.

This is one of Keabetswe's strongest institutional messages. Capital alone is not the binding constraint. The real constraint is often the operating environment in which capital must be deployed.

Predictable regulation, timely approvals, reliable infrastructure and coordinated public-sector action reduce risk, shorten development timelines and improve investor confidence. Without these enabling conditions, even well-capitalised institutions struggle to convert ambition into execution.

Governance as Protection Against Political Allocation

The political economy of development finance is delicate. State capital can be transformative when deployed well. It

can also be misdirected if institutional safeguards are weak.

Keabetswe is explicit that BDC protects itself through governance structures, investment policies and documented decision-making. The Credit and Investment Policy guides how opportunities are screened, assessed and approved. Investment opportunities move through structured due diligence and committee processes, often supported by independent service providers.

The test, he says, is whether each decision can stand on its investment file: mandate fit, risk assessment, sponsor checks, committee approvals, expected returns and measurable impact.

This emphasis on documentation is important. It reflects a modern understanding of public-capital stewardship. Independence is not simply a matter of institutional assertion. It must be evidenced through process, records, risk analysis and accountability.

BDC also uses conflict declarations, politically exposed person screening and beneficial ownership checks to ensure capital is allocated to strong projects rather than well-connected sponsors. In Keabetswe's formulation, the institution must be additional without becoming politicised.

ESG as Risk Management and Value Creation

ESG, in Keabetswe's view, is not a reporting accessory. It is foundational to BDC's investment process. The Corporation operates under a Board-approved ESG policy integrated into screening, due diligence, structuring and post-investment monitoring.



Botswana's financial ecosystem has matured. Banks, private equity firms, institutional investors and regional financiers now play a greater role. In this environment, Keabetswe believes BDC's bias should increasingly be toward catalytic co-investment unless first-mover capital is essential to unlock a strategic sector.

This matters because ESG is often misunderstood in African markets as an imported compliance framework disconnected from local realities. Keabetswe's approach is more pragmatic. Standards must be credible enough to preserve access to international capital but proportionate enough not to make viable local projects unfinanceable.

The biggest climate-related investment opportunities in Botswana, he argues, lie in renewable energy and climate-resilient agriculture. Utility-scale solar generation can strengthen energy security, while smart agriculture, water efficiency, cold-chain infrastructure and modern food systems can improve food security and rural resilience.

The reconciliation of climate and development is therefore not a choice between long-term sustainability and immediate economic needs. It is about structuring projects that solve near-term constraints while making the economy more durable over time.

"The point is not to pause development for climate objectives," Keabetswe suggests. "It is to make development investable and durable."

Domestic Priority, Regional Possibility

BDC has previously invested beyond Botswana, including in companies such as Grit Real Estate Income Group, Masawara Group and RFG Holdings. Keabetswe does not dismiss the strategic value of regional investment. Cross-border exposure can diversify risk, generate returns, build relationships and integrate Botswana into wider regional value chains.

But in the short to medium term, his emphasis is domestic. Botswana's current economic adjustment requires local productive capacity, jobs and cash-generating assets. Capital must be onshored into projects that strengthen

the domestic economy.

Regional expansion remains part of the long-term strategy, but it must complement, not distract from, BDC's core mandate. The value of cross-border investments only materialises if returns can be repatriated, country risks are properly priced and the investment strengthens BDC's ability to support Botswana.

There is also a case for deeper collaboration among Southern African development finance institutions. BDC already engages partners such as IFC, AfDB, regional DFIs and commercial financiers. Greater collaboration can mobilise larger pools of capital, share technical expertise and support more complex regional projects.

Over time, Keabetswe believes BDC can evolve into a more regionally

merely execute deals.

Internally, this links to a broader cultural shift: from activity to outcomes. The metrics that matter include cash conversion, portfolio quality, disciplined approvals, recoveries, impact measurement and accountability for execution.

This is perhaps one of the most important aspects of Keabetswe's reform agenda. BDC's transformation is not only financial or strategic. It is cultural.

Rethinking the Role of the State

Keabetswe's view of the state's role in direct investment is neither statist nor laissez-faire. As Botswana moves toward a more private-sector-driven economy, the state should gradually shift from being a primary economic actor to a facilitator and catalyst.

Tourism requires a broader investment imagination. Botswana's high-end safari model remains globally respected, but future growth may depend on complementary segments: mid-market hospitality in gateway locations, urban tourism, event tourism, ecotourism and community-based cultural tourism. The test is not simply visitor volume, but whether investments increase local participation, length of stay, domestic supply-chain spend and year-round cash generation

significant development investor. With group assets of approximately P5.9 billion as at December 2025, the institution has a foundation from which to grow. But regional ambition must be built on domestic balance-sheet strength, portfolio quality and execution credibility.

Talent for a Modern DFI

The demands placed on BDC are changing, and so are the skills required to deliver its mandate. A modern development finance institution needs hybrid investment talent: corporate finance, private equity, project finance, sector expertise, ESG, data capability, legal structuring, stakeholder management and portfolio value creation.

This is a different skills mix from the one required 15 years ago. DFIs are no longer simply lenders of patient capital. They must originate projects, structure complex transactions, mobilise private investors, manage exits, measure impact and actively build value within portfolio companies.

For BDC, talent has become a strategic differentiator. Keabetswe argues that the institution competes with private equity firms, banks and multinationals not only through remuneration, but through purpose, complexity and national significance. The proposition is the opportunity to build industries, not

State capital is justified where markets are incomplete: energy, water, digital infrastructure, strategic industrial platforms and sectors requiring large upfront investment with long-term economic benefits. But the state should step back where markets can function effectively, particularly in competitive consumer and service sectors where private firms can drive efficiency and innovation.

In BDC's case, this means catalytic capital, not permanent state ownership of every commercial opportunity.

It also means recognising the limits of what DFIs can solve. Keabetswe acknowledges that African DFIs are sometimes asked to compensate for problems that are fundamentally regulatory, policy or infrastructure failures. DFIs can catalyse markets, but they cannot permanently substitute for weak regulation, slow approvals, infrastructure gaps or unbankable policy design.

This is a sober assessment. Development finance works best when it is part of a coherent institutional ecosystem, not when it is expected to repair every structural weakness on its own.

How Citizens Should Judge BDC

For Keabetswe, citizens should ultimately judge BDC by whether it generates sustainable cash, reduces

non-performing exposures, recycles capital into priority sectors, creates or preserves jobs, reduces import dependence and helps build industries that strengthen national resilience.

This is a demanding standard because it combines commercial and developmental expectations. But that is precisely the point. BDC is Government's main investment arm. It must deliver financial returns while building productive capacity.

Asked which investments best capture the BDC he wants to build, Keabetswe points not to a single emblematic project but to a type of investment: one that combines financial discipline with visible productive impact. Lobatse Clay Works represents industrial revitalisation and import substitution. Milk Valley reflects food security and local productive capacity. Other historic investments demonstrate the institution's role as a market builder rather than a passive financier.

Looking ahead ten years, Keabetswe says he would want to be able to say that BDC helped Botswana move "from ambition to execution." That would mean building sectors that create real economic opportunity for Botswana: enterprises that scale, industries that employ young people, value chains that include local businesses and platforms that continue generating income long after the initial investment.

The risk of failure is equally clear. Without effective capital deployment, Botswana remains too exposed to diamonds, continues importing too much of what it could produce and loses valuable time in building new engines of growth.

This is the urgency behind Keabetswe's leadership philosophy. BDC's mandate is not only economic. It is confidence-building. In a period of uncertainty, disciplined development finance can signal that Botswana is capable of converting its stability, institutions and national ambition into investable growth.

His philosophy of development finance can be summarised in one sentence: it is the disciplined use of patient capital to turn national priorities into commercially sustainable industries that create jobs, build resilience and recycle capital for future growth.

That sentence captures the challenge before BDC. It must be patient, but not passive. Developmental, but not undisciplined. State-owned, but market-facing. Nationally anchored, but regionally credible.

In Botswana's next economic chapter, those distinctions may determine whether diversification remains a policy aspiration or becomes an investment reality.

MASCOM'S TIER III DATA CENTRE:

**THE INFRASTRUCTURE BACKBONE
OF BOTSWANA'S DIGITAL FUTURE**

In the architecture of a modern economy, some infrastructure is visible: roads, bridges, airports, rail corridors, border posts, power stations and office towers. Other infrastructure is less visible but increasingly more decisive. It sits behind mobile payments, banking platforms, cloud applications, government systems, enterprise networks, digital identity, e-commerce, cybersecurity, artificial intelligence, disaster recovery and the daily flow of information that allows an economy to function.

Data centres belong to this second category of infrastructure. They are the unseen engines of digital continuity. In a world where businesses no longer simply "use technology" but operate through it, the resilience of a nation's digital infrastructure is no longer a technical matter alone. It is a matter of competitiveness, productivity, investment confidence, national security and economic diversification.

This is the strategic context in which the Mascom Innovation Centre Tier III Data Centre must be understood. More than a technology facility in Phakalane, it represents a significant step in Botswana's transition from a consumer of digital services to a country capable of hosting, securing, protecting and scaling its own digital economy. It positions Mascom not only as a telecommunications provider, but as an enterprise ICT infrastructure player with the capacity to support banks, government agencies, SMEs, startups, mobile money platforms, cloud users and regional businesses seeking secure, reliable and locally hosted digital infrastructure.



At the heart of this proposition is a deceptively simple promise: continuity. In the digital economy, continuity is everything. A bank cannot afford systems that blink. A mobile money user cannot wait for a transaction to disappear into uncertainty. A government agency cannot lose access to mission-critical applications. A retailer cannot allow its point-of-sale systems to fail at peak trading hours. An SME cannot invest in technology that is too expensive to build and too fragile to depend on. A nation cannot credibly aspire to digital transformation if the systems beneath that transformation are unstable.

Mascom's Tier III Data Centre enters precisely at this point: the point where ambition must be matched by infrastructure.

What Tier III Really Means

For many outside the technology sector, the term "Tier III" can sound abstract, technical or even ceremonial. It is a very practical classification. It distinguishes a professionally designed, internationally audited and resilient data centre from a conventional server room or lower-tier hosting environment.

A standard server room may contain racks, cables, air-conditioning units and backup power. But a Tier III data centre is built around a fundamentally different principle: redundancy. Critical systems are duplicated across power, cooling, connectivity and infrastructure operations so that the failure or maintenance of one component does not bring down the entire environment.

The Mascom Innovation Centre Data Centre has been certified by the internationally recognised Uptime Institute, giving it an independent benchmark of reliability and availability. This matters because trust in digital infrastructure cannot be based on marketing language alone. In sectors such as banking, telecommunications, public

administration, insurance, healthcare, retail and logistics, the assurance of independent certification provides confidence that the facility meets global expectations for resilience, professional management and operational discipline.

The defining feature of Tier III is "concurrent maintainability." This means that any critical component within the facility can be serviced, repaired, upgraded or replaced without interrupting customer operations. Put differently, the data centre is designed so that maintenance does not have to mean downtime.

For businesses, this is not a minor technical benefit. It is a commercial advantage. It allows an organisation to keep running while infrastructure work happens in the background. If power systems require maintenance, redundant systems carry the load. If cooling equipment must be serviced, parallel systems continue the work. If network components require upgrades, traffic can be shifted through alternative routes. The customer's business continues.

In a market where operational interruptions carry reputational, financial and regulatory consequences, this form of resilience has real economic value.

The End of the Fragile Server Room

For decades, many organisations across emerging markets have relied on internal server rooms: small, often improvised environments located inside office buildings, branch networks or institutional premises. These rooms may have supported organisations during earlier phases of digitalisation, but the demands of modern business have outgrown them.

Today, the operating environment is different. Businesses require cloud services, cyber resilience, backup and recovery systems, remote work capability, always-on applications, regulatory compliance, high-speed connectivity and protection against power disruptions. A basic server room is rarely designed to meet this full range of requirements.

The contrast with Mascom's facility is therefore significant. The Tier III Data Centre incorporates multiple layers of physical security, including perimeter

and access control measures, biometric access systems and continuous CCTV surveillance. These layers are designed to ensure that only authorised personnel can access sensitive infrastructure. In addition, the facility is equipped with fire detection and suppression systems specifically designed for critical ICT environments. These systems are intended to detect fire early and suppress it without damaging sensitive electronic equipment.

This combination of access control, environmental protection, power resilience, fire suppression, cooling redundancy and continuous monitoring transforms the data centre from a storage space for servers into a controlled, secure and professionally managed digital infrastructure platform.

The point is not merely that customer equipment is housed in a safer environment. The deeper point is that businesses can move away from the operational burden of managing complex ICT infrastructure themselves. Instead of each bank, parastatal, retailer, SME or government unit attempting to replicate a miniature data centre internally, they can access specialised infrastructure as a service.

This is where the economic logic becomes powerful.

From CAPEX Burden to OPEX Flexibility

Building a Tier III-standard data centre is capital intensive. It requires land, buildings, electrical systems, backup power, generators, cooling infrastructure, fire suppression, security architecture, network systems, specialist personnel and continuous maintenance. It also requires regular technology refresh cycles and operational expertise.

For many organisations, especially those whose core business is not ICT infrastructure, this represents a heavy capital expenditure burden. A bank may need resilient digital infrastructure, but its core business is financial intermediation. A government agency may need secure hosting, but its core mandate is public service delivery. An SME may need cloud storage, backup and business continuity, but cannot reasonably finance enterprise-grade infrastructure on its own.



MASCOM'S TIER III DATA CENTRE

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Mascom's model allows such organisations to convert major upfront capital expenditure into a more predictable operational expenditure model. Rather than building their own facilities, customers can use Mascom's existing infrastructure and pay for the capacity and services they require. This reduces maintenance costs, lowers utility and energy burdens, reduces the need for specialised internal staffing, eliminates many technology refresh costs and speeds up deployment of new ICT services.

This is particularly important in a small economy where duplication of high-cost infrastructure can be inefficient. When multiple institutions each attempt to build and maintain separate internal technology environments, the economy bears a dispersed cost. Shared, certified infrastructure creates a more rational model: specialist providers invest in resilient platforms, while businesses and public institutions consume those services according to need.

The result is not only cost efficiency. It is faster modernisation.

Beyond Colocation: A Full ICT Services Platform

The Mascom Tier III Data Centre is not positioned merely as a "space and power" facility. Traditional colocation allows customers to place their own equipment in a secure data centre environment. That remains part of the offering. However, the broader value lies in the managed services layered on top of that infrastructure.

Mascom's services include white-space colocation for customer-owned equipment, Infrastructure as a Service, cloud hosting, disaster recovery, business continuity solutions, secure connectivity, backup and storage, and managed hosting services. This range of offerings reflects the

evolution of the data centre from a passive facility into an active digital services platform.

One of the most compelling elements is the disaster recovery proposition. Mascom's offering includes not only systems recovery, but also access to office workspace and operational facilities during disaster situations. This is important because business continuity is not only about restoring servers. In a serious disruption, an organisation may

is built with backup power systems using an N+1 redundancy model. This means that the facility has additional capacity beyond what is strictly required, ensuring that if one component fails or is taken out for maintenance, another can carry the load.

Most strikingly, the facility's generators can sustain operations for more than two weeks at full load without mains electricity and without requiring refuelling. This level

weaken the user experience.

Mascom's advantage is that its data centre is integrated with its existing fibre-optic backbone. The company operates redundant metropolitan fibre rings in Gaborone and Francistown, supported by a national fibre network connecting major towns such as Mochudi, Mahalapye, Palapye, Selebi-Phikwe and other strategic locations. The network also extends internationally through

improved reliability, stronger security and consistent access to digital platforms all depend on resilient backend infrastructure.

In this sense, the data centre is not only an enterprise facility. It is part of the digital experience of ordinary consumers.

Making Enterprise-Grade Infrastructure Accessible to SMEs

High-end data centres can appear designed only for large corporations, banks, government departments and telecommunications operators. But one of the important aspects of Mascom's positioning is its relevance to SMEs, startups and even individual users.

For smaller businesses, the barrier to digital transformation is often the cost of infrastructure. They may need secure storage, cloud capacity, backup, hosting or a reliable environment for applications, but cannot justify the cost of building and maintaining their own systems. The Mascom facility allows such customers to start small, whether through a single rack, a partial rack or virtualised cloud resources, and scale as their needs grow.

This is crucial for Botswana's enterprise development agenda. SMEs cannot become digitally competitive if enterprise-grade infrastructure remains available only to large institutions. Cloud-based access lowers the threshold. It allows smaller businesses to use secure and resilient technology without carrying prohibitive upfront costs.

The implications go beyond IT departments. A creative business can store and distribute digital assets more reliably. A financial technology startup can host applications locally. A retailer can improve data security and business continuity. A professional services firm can back up records and operate more confidently. A growing company can scale infrastructure without relocating systems every time it expands.

This kind of access democratises digital capability.



The Mascom Tier III Data Centre is not positioned merely as a "space and power" facility. Traditional colocation allows customers to place their own equipment in a secure data centre environment. That remains part of the offering. However, the broader value lies in the managed services layered on top of that infrastructure.

also need a place from which people can continue operating.

This integrated approach is especially relevant for institutions that provide essential services. In the event of a local site failure, a fire, a major power disruption or a broader emergency, the ability to recover systems and continue operations from an alternate facility can be the difference between interruption and institutional resilience.

For Botswana, this has national significance. The strength of a country's digital economy is not measured only by broadband penetration or smartphone use. It is also measured by the ability of critical institutions to withstand shocks.

Power Resilience as Economic Insurance

Energy reliability remains one of the defining infrastructure questions for African economies. Digital systems are only as resilient as the power systems that support them. A data centre therefore cannot simply depend on the grid and hope for the best. It must be engineered for autonomy.

The Mascom Innovation Centre Tier III Data Centre

of fuel storage capacity is a major differentiator. In the event of a national power crisis, prolonged outage, fuel supply disruption or localised infrastructure failure, the data centre is designed to continue operating.

For customers, this is an insurance policy. Not in the legal sense, but in the operational and economic sense. It protects against the cascading costs of downtime: lost transactions, interrupted services, reputational damage, customer dissatisfaction, regulatory exposure and productivity losses.

For the country, it creates a layer of resilience beneath the digital economy. As more services move online, continuity becomes a form of national competitiveness.

Local Hosting and the Latency Advantage

One of the strongest strategic arguments for local data centre infrastructure is latency. When applications and data are hosted overseas, local users often depend on international routes for access. This can introduce delays, increase dependency on external connectivity and

border connections into South Africa via Tlokweng and Zimbabwe via Ramokgwebana.

This gives Mascom an end-to-end proposition: infrastructure in the data centre, connectivity across the country, and links into the region. For local customers, hosting applications and data within Botswana means traffic does not always need to travel through regional or international routes. Response times improve. User experience improves. Dependence on offshore hosting environments is reduced.

This has direct implications for everyday users. A MyZaka customer, a mobile data user, a business using enterprise applications, or a customer accessing digital content may never see the data centre. Yet their experience depends on it. Faster application response times, fewer service



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FROM DESERT TO RED CARPET:

HOW DE BEERS ENGINEERED A GLOBAL LUXURY NARRATIVE FOR BOTSWANA DIAMONDS

BY THE TIME THE
DIAMONDS REACHED
THE RED CARPET,
THEIR WORK HAD
ALREADY BEGUN.

They were not simply being worn. They were being translated. Across the world's most photographed cultural stages, from awards-season arrivals to the amplified theatre of Hollywood styling, De Beers' Desert Diamonds campaign recast a category of natural stones once regarded as commercially secondary into one of luxury's most compelling contemporary propositions: diamonds of warmth, tone, individuality and origin.

For Botswana, the campaign carries implications far beyond jewellery. It raises a larger question about how a resource-rich country can move from extraction to authorship; from being the place where value is found to the place where value is named, narrated and culturally elevated. In this sense, Desert Diamonds is not merely a product campaign. It is a case study in the economics of meaning.

At its centre is a strategic move that is both commercially astute and culturally sophisticated. De Beers is not asking consumers only to see diamonds as flawless, colourless and technically perfect. It is asking them to see diamonds as geological biography: stones shaped by time, pressure, landscape and provenance. In an age

when luxury consumers increasingly seek authenticity, individuality and ethical context, this shift is significant. It turns the diamond from a universal symbol into a particular story.

That story begins in the arid geographies of southern Africa, in deserts, ancient earth, mineral memory and the spectrum of natural colour that such landscapes produce. The campaign's palette is not built around the icy brilliance historically associated with classic diamond advertising, but around warmer tones: champagne, amber, cognac, honey, yellow-brown and sunlit white. These are diamonds that do not deny their earthly origin. They announce it.

James Kirby, Senior Vice President, Sales and Product at De Beers Group, positions the campaign as a response to a clear market signal: consumers want to connect with diamonds as "gifts of nature, forged in the wild." That phrase reveals the campaign's central intelligence. In a market shaped by synthetic alternatives, price pressure and heightened scrutiny of luxury consumption, De Beers is returning to the one attribute laboratory-grown diamonds cannot credibly replicate: natural origin.

But origin alone is not enough. In the contemporary luxury economy, provenance must be transformed into narrative capital. A diamond must travel not only through the supply chain, but through culture. Desert Diamonds therefore operates at several levels at once: as product repositioning, brand architecture, category defence, ESG messaging, soft-power storytelling and,



Lynn Serfaty, Sally Morrison, Teyana Taylor, Ciara, Sandrine
Conseiller at the De Beers Group Desert Diamond Launch on October, 2025.
Photo Credit: De Beers

potentially, national economic strategy.

It is also significant that this campaign sits within a broader architecture of partnership between the Government of Botswana and De Beers. Through the Joint Marketing Committee, established under the new Sales Agreement, Desert Diamonds reflects an effort to align commercial marketing with the wider ambition of elevating Botswana's diamond provenance in global consumer markets.

The return of the "beacon"

To understand the significance of Desert Diamonds, it is necessary to understand De Beers' use of the "beacon" model. Historically, De Beers has not only marketed diamonds; it has shaped the emotional grammar through which consumers understand them. The eternity ring, the three-stone "Past, Present, Future" concept, the Journey diamond and the Right-Hand Ring are all examples of how the company has helped create category-wide desire by attaching diamonds to stories of love, autonomy, memory, status and personal milestone.

Desert Diamonds marks the first time in more than a decade that De Beers has introduced a new beacon programme. A beacon is not simply a seasonal campaign or a jewellery collection. It is an attempt to create a broad market language that retailers, designers, stylists and consumers can adopt. It is infrastructure for desire.

Kirby's framing suggests that De Beers did not attempt to manufacture a trend from nothing. Rather, the company identified an existing consumer movement towards warmer natural tones and then validated it across multiple consumer groups. From there, the strategy was to create design ideas and marketing assets that could allow the wider industry to capitalise on the shift. This is luxury strategy at its most disciplined: observe the market, name the aesthetic, build the symbolism, distribute the language and allow the



Desert Diamonds by Neil Lane
Photo Credit: De Beers

category to move.

The timing is important. The diamond industry has faced a difficult period marked by weaker global demand, changing bridal behaviour, price sensitivity and the disruptive rise of lab-grown diamonds. In this environment, a campaign centred on natural difference is not ornamental. It is defensive and generative at once. Desert Diamonds offers a way to move the conversation away from technical comparison and towards emotional, geographic and cultural distinction.

The strategic pivot is subtle but profound: from perfection to character.

For decades, the dominant diamond lexicon revolved around standardised grading, carat, cut, clarity and colour. The closer a diamond came to colourless purity, the more it generally aligned with conventional ideals of value. Desert Diamonds challenges that hierarchy by making colour itself the source of desirability. Warmth becomes not deficiency but identity. Variation becomes not imperfection but individuality.

This is a powerful move in a generation increasingly resistant to inherited luxury codes. Younger consumers often do not want symbols that feel generic, overly formal or disconnected from personal expression. They want objects that carry story, texture and difference. Desert Diamonds meets that desire by making geological specificity part of the luxury proposition.

Botswana as more than source

For Botswana, the most important feature of the campaign is not that some of the diamonds are Botswana-sourced. It is that Botswana can be read as part of the story.

This distinction is critical. For much of modern commodity history, African countries have been treated as sites of extraction rather than authors of value. Minerals leave the ground, enter global markets, acquire branding elsewhere and return to the world as finished luxury, technology or infrastructure. The greatest margins often accrue after the point of extraction: in design, marketing, finance, retail, certification and cultural placement.

Desert Diamonds opens a different possibility. If Botswana's landscapes, geology and development story can help shape global luxury desire, then the country's role in the diamond value chain becomes not only material but symbolic. It becomes a question of brand origin.

This is where the campaign's economic significance lies. Botswana has long been one of the world's most important diamond-producing countries. Its partnership with De Beers through Debswana has been central to the country's post-independence development, funding infrastructure, public services and national growth. Yet the next frontier is not only how many carats are mined or sold. It is how much value Botswana can retain through beneficiation, downstream participation,

design, marketing, provenance certification and luxury storytelling.

The language of "Botswana as brand" is not cosmetic. It is economic. A country that can influence the meaning of its natural resources has a stronger claim on the premium attached to them. In the twenty-first-century luxury economy, value is increasingly produced through trust, scarcity, ethics, experience and narrative. Botswana's opportunity is to ensure that its diamonds are not absorbed into anonymous global luxury but recognised as part of a distinctive national and regional story.

Desert Diamonds is particularly interesting because it does not rely on clichéd representations of Africa. Its most effective register is not spectacle but atmosphere: desert light, ancient geology, warm colour, natural rarity, environmental stewardship and human impact. This allows Botswana to enter the luxury imagination not as an exotic backdrop, but as a place of origin, responsibility and cultural depth.

If developed carefully, this could support a broader repositioning of Botswana within global markets. The country could become not only a mining jurisdiction but a luxury provenance jurisdiction, a place associated with traceable natural diamonds, conservation-linked value, ethical sourcing, design innovation and cultural intelligence.

That transition will not happen automatically. It requires policy alignment, private-sector capacity, creative-sector integration, investment in jewellery design, stronger local branding platforms, and meaningful downstream opportunities for Botswana businesses and professionals. But campaigns like Desert Diamonds show what is possible when origin is treated as a strategic asset rather than a footnote.

The red carpet as economic theatre

The appearance of Desert Diamonds on the awards-season red carpet was not an incidental marketing flourish. It was the campaign's cultural acceleration mechanism.

In contemporary luxury, celebrity placement is not merely about visibility. It is about narrative transfer. When a stone is worn by an actor, artist or public figure at a high-profile global event, the jewellery absorbs layers of association: glamour, taste, aspiration, individuality, relevance and cultural timing. The red carpet becomes an economic platform because it converts adornment into media value.



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De Beers' approach to celebrity placement reflects this logic. According to Kirby, the company evaluates such moments through media monitoring, brand sentiment analysis, quality of coverage and longer-term shifts in engagement and desirability. The exact return on investment may be proprietary, but the broad mechanics are clear. A red-carpet appearance generates images; images generate press; press generates social circulation; social circulation reinforces desirability; desirability shapes demand.

But the most sophisticated element is not exposure alone. It is alignment. Pairing a particular stone with a particular personality allows De Beers to segment meaning. A classic stone on one figure can communicate timelessness. A warmer, bolder diamond on another can communicate contemporary individuality. A sculptural design can speak to fashion audiences, while a more restrained piece can speak to bridal or high-jewellery consumers.

This is why the collaboration between jewellery houses, stylists, designers and celebrity teams is central. The final red-carpet image is not accidental. It is a composed cultural object. The dress, the face, the gesture, the jewellery, the caption, the editorial angle and the social-media afterlife all form part of the same narrative architecture.

For Botswana, this matters because the red carpet is one of the few global stages where a natural resource can be converted almost instantly into soft power. A Botswana-sourced diamond worn at the Academy Awards is not only a luxury object. It is an export of national symbolism. It carries the possibility of linking Botswana to beauty, rarity, ethical provenance and global cultural relevance.

This is an underexamined dimension of resource economics. Countries of-

ten measure mineral value in production volumes, export receipts and fiscal revenues. These remain essential. But cultural visibility also has economic consequences. It shapes investor perception, tourism imagination, consumer trust and national brand equity. In the case of diamonds, where emotion is inseparable from purchase behaviour, symbolic value can influence commercial value.

Repositioning colour, defending nature

Desert Diamonds arrives at a moment when the natural diamond industry must sharpen its differentiation from lab-grown alternatives. The challenge is not only price. It is meaning.

Lab-grown diamonds have disrupted the market by offering chemically similar products at lower price points, often with sustainability claims and

and towards natural singularity. Instead of asking whether one diamond looks like another, it asks what story the stone carries. The answer is not only aesthetic; it is philosophical. A Desert Diamond is desirable because it is not perfectly replicable.

This repositioning is also aligned with broader luxury trends. Across fashion, design, interiors and collecting, consumers are increasingly drawn to materials that show trace, texture and irregularity. The sterile ideal of flawlessness has given way, in many luxury categories, to a preference for character. Handmade ceramics, naturally dyed textiles, patinated metals, organic forms and one-of-one objects all speak to this shift. Desert Diamonds belongs to that same movement.

Desert Diamonds opens a different possibility. If Botswana's landscapes, geology and development story can help shape global luxury desire, then the country's role in the diamond value chain becomes not only material but symbolic.

modern branding. For natural diamond producers, competing on technical equivalence alone is strategically weak. If the consumer sees the products as interchangeable, price becomes the dominant variable. De Beers' response is to reassert non-interchangeability.

A natural diamond, in this framing, is not only carbon crystallised under pressure. It is time, landscape, rarity and origin. Its value lies not only in appearance but in the fact that it emerged from a specific geological history. Desert Diamonds intensifies that argument by using colour as evidence of nature's authorship. Warm tones become visual proof of difference.

This is why the campaign's language matters. It shifts the consumer's attention away from laboratory precision

The warm diamond is therefore not simply being rebranded. It is being recontextualised within a wider cultural appetite for authenticity.

ESG as narrative and obligation

No luxury campaign rooted in natural resources can succeed today without addressing ethics, traceability and environmental responsibility. Consumers, investors and regulators are increasingly alert to the gap between sustainability language and sustainability practice. For De Beers, the challenge is to ensure that the Desert Diamonds story does not become merely atmospheric, desert landscapes, warm light, wild nature, but remains connected to measurable commitments.

The campaign's ESG framing draws heavily on conservation and community

impact. De Beers links its natural diamond operations to environmental stewardship, biodiversity protection and local development. Through the Okavango Eternal partnership with National Geographic, the company supports efforts to protect the Okavango Basin and its headwaters, working across a region whose ecological systems are vital to Botswana's environmental identity. The company also emphasises land conservation, biodiversity sanctuaries and the broader social contribution of the natural diamond industry through education, healthcare, infrastructure and livelihoods.

The strategic purpose is clear: to position natural diamonds not as isolated luxury objects, but as part of a wider ecosystem of benefit. The diamond becomes a funding mechanism, a conservation-linked object, a contributor to community development and a symbol of responsible extraction.

Yet this is also where scrutiny is necessary. Modern luxury consumers are not satisfied by generalised claims. They increasingly expect traceability, transparency and evidence. For Desert Diamonds to retain credibility, the provenance story must be precise enough to withstand interrogation. Which stones come from where? How are they traced? What communities benefit? What environmental indicators are measured? How are claims verified? What is the difference between brand narrative and operational fact?

The strongest version of Desert Diamonds is one in which ESG is not decorative language, but part of the value proposition itself. That requires discipline. It also requires acknowledging complexity. Mining has environmental impacts. Luxury consumption raises ethical questions. The task is not to pretend otherwise, but to demonstrate how natural diamond value can be governed, mitigated, shared and made accountable.

For Botswana, this is particularly important. The country's global diamond reputation has historically been tied to governance, partnership and development impact. If Botswana-linked diamonds are to command a provenance premium, that premium must be built on trust. Traceability and ethical assurance are therefore not back-office functions. They are brand assets.

Cultural economics and national soft power

The most compelling aspect of Desert Diamonds is that it reveals a convergence between luxury strategy and cultural economics. The campaign understands that value is produced not only in mines, factories or retail stores, but in images, stories, symbols and emotional associations.



Unveiling Timeless Beauty

Monday - Friday: 8am - 8pm
Saturday & Sunday: 8am - 6pm
Holidays: 8am - 6pm
Contact: +267 3184121
Email: gaborone@forevermark.com

At:
Sir Seretse Khama International Airport
Main Concourse, Unit 0126
Gaborone, Botswana

F◊REVERMARK

DIAMOND JEWELLERY

DE BEERS GROUP

FROM DESERT TO RED CARPET

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This is where Botswana's creative sector should pay close attention. If diamonds can be positioned through landscape, colour, story and origin, then artists, designers, curators, photographers, filmmakers, writers and cultural strategists are not peripheral to the value chain. They are part of the value chain.

Too often, beneficiation is discussed narrowly in terms of cutting and polishing. These are important, but they are not the full downstream story. In the contemporary luxury economy, beneficiation must also include intellectual and cultural beneficiation: the ability to design, narrate, brand, exhibit, document and sell the meaning of a product.

Botswana has a significant opportunity to build this capacity. Imagine a diamond ecosystem in which local designers develop jewellery lines rooted in Botswana's landscapes and contemporary aesthetics; where curators create exhibitions on mineral heritage and modern luxury; where filmmakers document the journey from mine to market; where digital platforms authenticate provenance; where local writers shape the language of Botswana diamonds for international audiences; where young creatives are trained in luxury storytelling, product

photography, styling, retail experience and brand strategy.

Such a model would move Botswana beyond participation in the physical value

chain towards participation in the symbolic value chain. That is where margins can expand. It is also where national identity can be shaped with greater agency.

Desert Diamonds could therefore be read as both opportunity and challenge. It demonstrates the power of Botswana-linked provenance in global luxury markets, but it also raises the question of who gets to tell the story. If the story of Botswana diamonds is told only from global headquarters, the country remains a source. If Botswana's own creative and commercial institutions participate in the storytelling, the country becomes an author.

Beyond commodity dependence

The campaign also arrives at a sensitive economic moment. Botswana's dependence on diamonds has long been both its great advantage and its structural vulnerability. Diamond revenues have enabled extraordinary development gains, but market downturns expose the risks of concentration. Weak demand, changing consumer preferences and synthetic competition have sharpened the urgency of diversification.

Desert Diamonds does not solve this macroeconomic problem. A campaign cannot substitute for industrial policy, fiscal reform or economic diversification. But it does point towards a more sophisticated way of thinking about Botswana's remaining diamond opportunity.

The question is not only how Botswana can mine more efficiently. It is how Botswana can extract more value from what it already produces. That means moving up the value chain wherever possible, but also expanding the definition of value. In global luxury, value is not simply embedded in the stone.

It is embedded in certification, trust, design, emotional resonance, scarcity management, retail experience and cultural prestige.

If Botswana can capture even a greater share of those layers, the national benefit of diamonds can be

deepened. That does not remove the need to diversify beyond diamonds. Rather, it strengthens the bridge towards diversification by using the diamond sector to build adjacent capabilities: creative industries, high-end tourism, conservation finance, luxury services, digital traceability, specialised training and international brand partnerships.

In this sense, Desert Diamonds should not be treated as a marketing event alone. It should be studied as a signal of where mineral economies may need to go: from volume to value, from extraction to experience, from commodity to culture.

The future of diamond desire

The future of Desert Diamonds will depend on whether it becomes a durable category or remains a campaign-led moment. Its early expansion into bridal suggests that De Beers sees the concept as more than red-carpet theatre.

Bridal is one of the most commercially significant arenas in the diamond industry, and introducing a warmer, softer desert palette into engagement and wedding jewellery is a meaningful attempt to reshape consumer taste at scale.

This is where the beacon strategy becomes visible. If retailers, designers and consumers adopt the language of Desert Diamonds, the category can move beyond De Beers' own campaign assets and become part of the wider market vocabulary. The goal is not only to sell individual pieces, but to create a new lens through which consumers understand natural diamonds.

The next stage is likely to involve deeper integration across digital, experiential and retail channels. Younger luxury consumers do not encounter brands through a single point of sale. They move between social media, editorial content, celebrity styling, immersive retail, sustainability claims, peer influence, resale culture and personal identity. Diamond marketing must therefore become more layered, more transparent and more emotionally precise.

For Botswana, the challenge is to ensure that as the story expands, the country's role expands with it. The most powerful version of Desert Diamonds would not merely mention Botswana as origin. It would create pathways for Botswana-based participation in design, storytelling, conservation communication, luxury tourism and creative production. It would allow the country to benefit not only when diamonds are mined, but when they are imagined.

A new grammar of value

The Desert Diamonds campaign succeeds because it understands something essential about luxury: the most valuable objects are never only objects. They are containers of meaning.

A diamond may begin as geology, but it becomes luxury through narrative. It becomes desirable because it is placed within a system of rarity, beauty, emotion, trust and aspiration. De Beers has long understood this. What is new is the particular language now being used: less about perfection, more about origin; less about uniformity, more about individuality; less about abstract brilliance, more about landscape, warmth and natural character.

For Botswana, this shift is potentially consequential. It suggests that the country's diamonds can carry more than fiscal value. They can carry reputational value, cultural value and strategic national value. They can help position Botswana as a country of ethical natural luxury, conservation-linked provenance and contemporary African sophistication.

But that promise must be actively claimed. The next chapter cannot rest solely on global narratives that reference Botswana as origin. It must be also be shaped by Botswana building the institutions, skills and creative confidence to participate in the authorship of that language.

Importantly, this intent is not theoretical. Desert Diamonds has already demonstrated what is possible in practice, showing how coordinated effort can elevate provenance into global relevance and shared meaning.

Desert Diamonds has shown that the journey from desert to red carpet is not simply a journey of stones. It is a journey of shared value creation. Through the efforts of the Joint Marketing Committee, the campaign signals what is possible when origin, partnership and strategy are aligned with clear intent. The diamonds may leave the earth, but the meaning attached to them is shaped collectively – by government, industry, creatives and communities working in concert.

In this sense, Desert Diamonds is more than a successful luxury campaign. It represents a forward-looking model for how Botswana's natural endowment can be elevated into global relevance and influence. As this narrative continues to evolve, it affirms Botswana's place not only as a leading producer of exceptional diamonds, but as a co-author of their value: rare, cultural, ethical, symbolic and enduring.

De Beers Group,
Senior Vice President, Sales
and Product **James Kirby**



DEBSWANA HANDS OVER **P100 MILLION ROAD**, STRENGTHENING COMMUNITY CONNECTIVITY

BOTSWANA'S NATURAL DIAMONDS CONTINUE TO CREATE LASTING VALUE BEYOND MINING.

Debswana Jwaneng Mine officially handed over the newly constructed 40-kilometre Jwaneng-Magagarape tarred road, a P100 million investment that will improve connectivity, enhance safety, and support economic activity across surrounding communities.

The road also provides improved access to the Magagarape Wellfields in Maboane, a strategic water source that has for years played a vital role

in supplying water to Jwaneng Mine, Jwaneng Township, and neighbouring villages including Sese. The wellfields continue to contribute significantly to water security in the region, supporting households, businesses, and essential services while sustaining economic activity.

During construction, the project created employment opportunities for more than 240 Batswana, contributing to local livelihoods and skills development.

Speaking at the handover ceremony, Jwaneng Mine General Manager, Goitseone Gadifele, said: "This development is not only about infrastructure. It is about progress, connectivity, safety, opportunity, and the shared future we continue to build together with our communities."

Officially opening the road, Minister of Sports and Arts and Member of Parliament for Takatokwane, Jacob Kelebeg, described the project as a catalyst for development, saying:

"Roads connect communities to opportunity, businesses to markets, children to education, and families to healthcare and essential services."

More than a road, this investment reflects how Botswana's natural diamond wealth continues to support critical infrastructure, strengthen water security, connect communities, and create opportunities that improve lives and contribute to Botswana's development journey.

Anatomy OF THE P1 TRILLION BOURSE

The Botswana Stock Exchange (BSE) made economic history on May 11, 2026, by officially surpassing P1 trillion in total market capitalisation for the first time since its inception. Closing the historic trading session at approximately P1.1 trillion, the local bourse cemented its position as Africa's third-largest stock exchange by market capitalisation.



BSE
Chairperson
Neo Mooki

This milestone signals a transformative era for Botswana's financial sector. It highlights the country's rapid evolution from a localised equity market into an increasingly mature and competitive hub for international capital.

A Historic Performance

The P1.1 trillion milestone achieved by the BSE reflects a robust blend of equity depth, expanding debt security, and specialised alternative asset classes. According to official data released by BSE Chairperson Neo Mooki, the trillion-pula breakdown showcases an ecosystem that has scaled significantly across multiple segments.

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Equity (Billion)	P974.5055121
Serala (Billion)	P0.341216784
Etf (Billion)	P42.09328765
Bonds (Billion)	P43.7
Total (Billion)	P1,060.64
Total (Trillion)	1.06

While the aggregate figure paints a picture of a massively capitalised market, a closer analysis of the trading session reveals specific triggers. The final surge past the trillion-pula mark was driven heavily by price appreciations in two specific instruments: global mining giant Anglo American and the NewGold ETF. Anglo American's share price

climbed by P56.06 to close at P737.52, while the NewGold ETF rose by P25.04 to close at P613.54 per unit.

This concentration highlights a dual reality for the BSE. On one hand, the exchange successfully attracts and sustains heavy global counters, with Anglo American remaining the largest entity listed at a valuation of P868 billion. On the other hand, the performance underscores the ongoing need to deepen domestic trading volumes across other local counters to match the massive scale of these dual-listed global enterprises.

Despite macroeconomic headwinds—including a slowdown in the global diamond industry that limited Botswana's domestic GDP growth—the local bourse has consistently displayed remarkable resilience. In its recent operational cycles, the Domestic Company Index (DCI) and the Domestic Company Total Return Index (DCTRI) posted impressive double-digit returns. This decoupled performance proves that the BSE has matured into a reliable cushion for capital preservation during broader economic downturns.

The Modernisation and Transformation Journey

The path to P1 trillion was not accidental. It is the product of an

aggressive, multi-year regulatory and operational transformation. Historically viewed as a conservative, slow-moving exchange, the BSE has systematically dismantled legacy barriers under its structural transformation frameworks.

Technological Modernisation

Technology has transitioned from a backend operational tool to the primary driver of market accessibility. The BSE modernised its core technological infrastructure by upgrading its Central Securities Depository (CSD) and Automated Trading System (ATS). These advancements opened direct channels for automated trading, minimised settlement risks, and enabled real-time data feeds. This digital shift has lowered transactional friction, making it easier for retail investors and international asset managers to trade seamlessly from anywhere in the world.

Internationalisation and Strategic Alliances

A core pillar of the BSE's evolution is its alignment with international benchmarks. The exchange successfully strengthened its collaboration with the London Stock Exchange Group (LSEG). This partnership established clear pathways for dual listings, harmonised compliance standards, and elevated foreign institutional investor

participation. By positioning itself as an outward-looking platform, the BSE has integrated Botswana directly into global capital flows.

Legislative and Regulatory Overhauls

The transformation is anchored by the Securities Act, which continuously updates market governance to preserve absolute integrity. Regulatory agility has allowed the bourse to introduce diverse asset classes beyond traditional equities. These commodity ETFs, are the African Domestic Bond Fund ETF and the Vunani Global Equity Prescient Feeder Actively Managed ETF. Moreover the successful integration of specialised Debt Markets and gold-backed ETFs demonstrates a regulatory environment capable of structuring complex financial products safely.

The Road Ahead: The "10x by 2030" Strategy and Beyond

Reaching the P1 trillion milestone is treated by the BSE leadership not as a final destination, but as an inflection point. Under the guidance of Chief Executive Officer

(CEO) Aobakwe Aupa Monyatsi, the exchange is actively executing its ambitious '10x by 2030' Transformation Strategy.

This roadmap is specifically designed to transition the bourse into Africa's

premier capital-raising hub while making wealth creation more inclusive across the domestic economy.

Aggressive Product Innovation

To expand the market beyond equities and traditional bonds, the BSE is preparing to introduce an array of advanced financial instruments. The forward-looking portfolio includes building a robust framework for financial derivatives, expanding asset-backed tokens, and introducing innovative digital assets. These tools will provide institutional investors with sophisticated hedging mechanisms and give retail investors diverse choices for wealth diversification.

The path to P1 trillion was not accidental. It is the product of an aggressive, multi-year regulatory and operational transformation. BSE has systematically dismantled legacy barriers under its structural transformation frameworks.

Pioneering Sustainable and Green Finance

The BSE is positioning itself at the absolute forefront of Africa's green revolution. Having formally joined the Net Zero Financial Services Providers Alliance (NZFSPA), the exchange is embedding Environmental, Social, and Governance (ESG) reporting mandates into its listing requirements. Moving forward, the BSE plans to aggressively promote the issuance of green bonds and social impact bonds. This strategy directly taps into global climate-finance pools seeking sustainable, transparent destinations in Sub-Saharan Africa.

Democratising Wealth and Activating the SME Space

One of the most critical challenges facing the BSE is ensuring that its trillion-pula scale translates into broad-based domestic growth. While the Tshipidi SME Board was designed to give local medium-sized enterprises access to public capital, initial adoption has been slow due to listing costs and rigid compliance anxieties among founders.

To counter this, the BSE's future plans involve a concerted effort to operationalise dedicated SME funds, offer targeted listing incentives,

and lower administrative barriers. By doing so, the exchange aims to cultivate the next generation of home-grown public companies.

Capturing Domestic Long-Term Savings

The BSE's future growth strategy relies heavily on absorbing local capital. Botswana holds a massive pool of long-term savings, with total national pension fund assets valued at over P150 billion. Historically, a substantial majority (around 60 percent) of these assets were invested offshore.

The BSE's forward mandate is to design and list premium, high-yielding local corporate debt and equity instruments. This will incentivise domestic pension funds to repatriate capital and invest it directly back into Botswana's infrastructure and enterprise sectors.

A New Era for Africa's Premier Hub

The Botswana Stock Exchange's climb past the P1 trillion mark serves as a powerful signal to international financial markets. Through systematic technological modernisation, tight international integration, and a clear vision for sustainable finance, the bourse has evolved into a highly competitive national asset.

As the '10x by 2030' framework gains momentum, the BSE is well-positioned to convert this massive capital footprint into a tool for real domestic industrialisation, small-business empowerment, and inclusive wealth creation for all Batswana.

BSE Chief Executive Officer
Aobakwe Aupa Monyatsi



The Botswana Public Officers Pension Fund (BPOPF) remains financially strong despite mounting global and domestic economic pressures, supported by steady growth in assets under management and solid investment performance.

Acting Chief Executive Officer Kwenantle Otukile says the fund has made significant progress under its 2022–2027 corporate strategy, which focuses on growing assets, safeguarding members' retirement incomes and maintaining disciplined, long-term investment stewardship.

By December 2025, assets under management had risen to P128.4 billion, nearing the fund's P133 billion target set for March 2027. The fund also exceeded its net replacement ratio target, achieving 86 percent against a target range of 66 percent to 81 percent.

"This signals strong investment stewardship amid global and domestic market volatility," Otukile says.

Despite this resilience, the fund faces a challenging operating environment.

Globally, economic growth is projected at about 3 percent, in line with recent years, but structural risks are building. Otukile says geopolitical tensions in the Middle East are pushing up energy prices, feeding into higher production, transport and living costs, and raising the risk of renewed inflation.

Central banks, expected to ease interest rates, have taken a cautious stance, keeping borrowing costs elevated and adding to market uncertainty. Trade tensions and concerns over sovereign debt sustainability in major economies are also contributing to volatility.

At home, Botswana faces pressures centered on the diamond sector. Otukile says the slowdown reflects both cyclical and structural factors,



including shifting consumer preferences, increased competition from synthetic diamonds and weak export demand.

These challenges have weighed on mining activity, government revenues and the country's external balance, contributing to modest

economic growth, a sovereign credit rating downgrade and a tighter fiscal environment.

The domestic financial market also remains constrained, characterised by limited size, concentration and low liquidity. A lack of new listings continues to restrict investment opportunities for institutional investors such as BPOPF.

Following amendments to the Retirement Funds Act, the fund has repatriated P6 billion in assets, Chief Investment Officer Tshepang Loeto notes. However, he says further that no repatriation was required in the first year after the changes, reflecting the fund's early positioning to take advantage of domestic opportunities.

The repatriated funds are now being deployed strategically to generate returns while meeting long-term obligations to members.

Liquidity constraints persist, underscoring the market's reliance on government spending to support liquidity. In response, the fund has adopted a selective investment approach, focusing on opportunities aligned with its risk and return objectives.

BPOPF has shown growing interest in private markets, including property and private equity, while maintaining exposure to listed assets to balance its portfolio.

Property has emerged as a key focus area. Loeto states that real estate offers a combination of rental income and potential capital appreciation, providing predictable long-term cash flows that align with pension liabilities.

Historically underweight in property, the fund now sees repatriated capital as an opportunity to increase exposure.

While the property market has underperformed alongside bond yields, the fund views current conditions as an attractive entry point.

"What continues to cushion property is rental income, which has helped sustain returns," Loeto says.

Cash holdings have also performed strongly amid tight liquidity, as competition among banks has pushed up short-term yields. However, the fund expects these returns to normalise over time as liquidity conditions improve.

In offshore markets, BPOPF continues to take a long-term approach, accepting short-term volatility driven by global risks. The fund remains cautious about currency movements, particularly a stronger pula, which can reduce offshore returns.

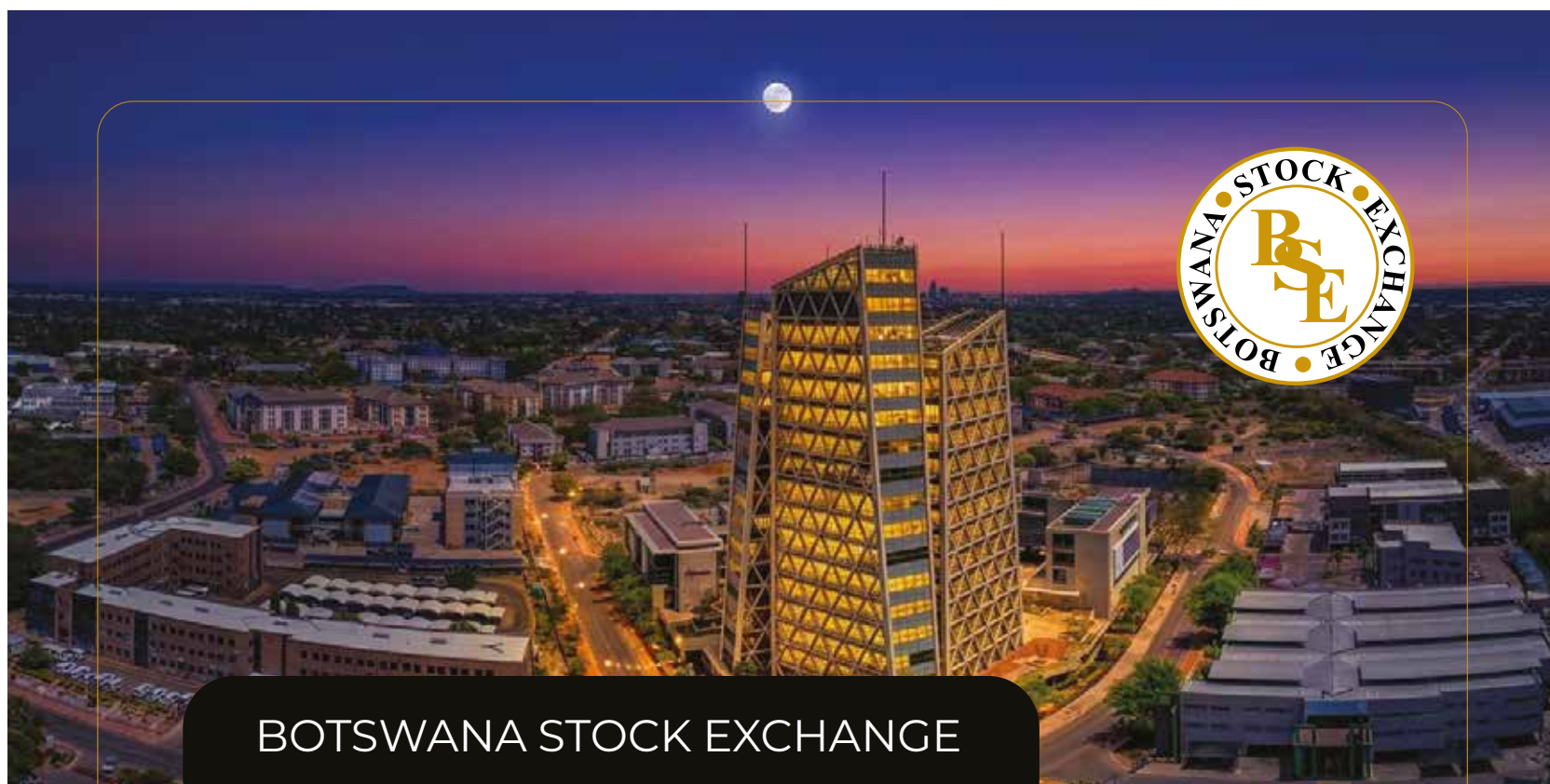
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"For investors offshore, a stronger local currency works against returns. This is a short-term headwind the fund currently faces," Loeto notes.

Geopolitical risks, including tensions involving the United States and Iran, also pose challenges for emerging market investments.

The fund is also active in private credit and unlisted debt, working with asset managers to provide financing outside public markets. While current exposure is considered adequate, BPOPF continues to monitor opportunities to expand in this area.

Despite the challenging environment, the fund reported continued strong performance, delivering low double-digit returns. Loeto says the fund expects to report favorable results once financial audits are completed.



BOTSWANA STOCK EXCHANGE

A Multi-Currency. Multi-Product. International Exchange.

The Botswana Stock Exchange (BSE) is a world-class securities exchange connecting investors, issuers and capital across Botswana, Africa and global markets.

Through our robust trading, clearing and settlement infrastructure, the BSE provides access to a diverse range of investment and capital-raising opportunities.

Our Market Offers:

- ✚ Equities (Shares)
- ✚ Bonds
- ✚ Exchange Traded Funds (ETFs)
- ✚ Commercial Paper
- ✚ Structured Products
- ✚ Commodities Trading through the Botswana Mercantile Exchange (BMX)

Why BSE?

- ✚ Multi-Currency Listings
- ✚ International Issuers Welcome
- ✚ No Exchange Controls
- ✚ Automated Trading System
- ✚ Central Securities Depository
- ✚ Strong Regulatory Framework
- ✚ Access to Regional and Global Investors
- ✚ Gateway to African Capital Markets

POWERING INVESTMENT • ENABLING GROWTH • CREATING WEALTH.

YOUR LENS INTO BOTSWANA'S ECONOMIC PULSE

THE
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DUAL PERSPECTIVES: *One Mission: Empowering Botswana's Financial Literacy.*

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