

Mophuting defends Sovereign Wealth Fund OP placement

Potlako Bogatsu
Bf reporter

The Assistant Minister for State President, Defence and Security, Maphuting Mophuting, has defended the government's decision to place the Botswana Sovereign Wealth Fund (BSWF) under the Office of the President, saying the Fund's broad developmental mandate requires centralised oversight.

Responding to a parliamentary question, Mophuting said the (BSWF) is not merely a financial reserve but an asset management entity that will incorporate both cash and non-cash holdings, including state-owned enterprises (SOEs) from various ministries.

As such, she argued that the Fund requires the "convening power of the Presidency" to coordinate effectively across government.

She explained that while a purely cash-based fund would typically fall under the Ministry of Finance, the hybrid structure of the BSWF justifies its placement within the Ministry of State President, Defence and Security.

She added that the decision aligns with constitutional provisions allowing the President to assign responsibilities, as well as the Public Authorities (Functions) Act, which permits the delegation of functions in the public interest.

Mophuting noted that the arrangement mirrors other key development

entities such as the National Planning Commission and the Public-Private Partnership Unit, which are also housed under the Office of the President to ensure coordination.

On governance, she said the Board of Directors was selected in accordance with Part X of the Companies Act, guided by principles of merit, transparency and professional competency, as well as international best practices under the Santiago Principles.

The board includes a mix of international and local expertise, including the immediate past chairperson of Nigeria's sovereign wealth fund, a former United States representative to the International Monetary Fund Board, and a global development finance expert.

Locally, members include the Governor of the Bank of Botswana, the Presidential legal advisor, senior public service leadership, and private sector representatives, including from De Beers.

Regarding executive leadership, Mophuting said the Chief Executive Officer was appointed through a rigorous recruitment process aligned with global standards.

The CEO was selected based on experience managing Botswana's largest pension fund, with the government expressing



Assistant Minister for State President, Defence and Security, Maphuting Mophuting

confidence in her ability to lead the sovereign fund.

She added that the CEO has undergone induction programmes with international sovereign wealth fund bodies, including the African Sovereign Wealth Fund Forum.

The Assistant Minister indicated that while the BSWF has been legally established, initial capitalisation is still underway. She explained that the Fund's initial portfolio will largely consist of non-cash assets, particularly underperforming SOEs

earmarked for restructuring. She said future capitalisation will follow a three-pronged strategy: ring-fenced mineral revenues, dividends from restructured SOEs, and reinvestment of returns generated by the Fund. The approach, she noted, is designed to avoid shortcomings observed in existing funds such as the Pula Fund.

Mophuting confirmed that the (BSWF) was established in 2025 under the Companies Act through the registration of Botswana Sovereign Wealth Fund Limited.

RDC to be transformed into a Commission

Nicholas Mokwena
Bf reporter

The Minister of Local Government and Traditional Affairs, Kethalatlhe Motshegwa, says a major shift in the proposed Revised National Policy for Rural Development is its institutional reform, which advocates for transforming the Rural Development Council into a Commission.

He stated that the reasons advanced are that a Council usually refers to an administrative arrangement, which in this case is an advisory body. Such an arrangement, he said, restricts the organ to recommending only the desired actions, without the power to enforce them.

"Its functions generally involve planning, identifying challenges, developing strategies, and providing policy advice. A Council is also responsible for coordination and fostering collaboration among stakeholders," Motshegwa said.

A Commission, on the other hand, is a special-purpose body with a precise mandate. He said Commissions are usually established through legislation and have delegated powers.

"A Commission is not



Minister of Local Government and Traditional Affairs, Kethalatlhe Motshegwa

established through an administrative arrangement, as is the case with a Council, and it has formal executive authority, its own budget, and staff.

A Commission also performs a regulatory function, controls and disburses funds, and executes projects," he said. According to Motshegwa, given the need to revitalise and accelerate rural development, reforming the RDC of Botswana offers an opportunity to enhance institutional effectiveness and advance inclusive economic growth.

This reform will help Botswana more effectively address rural poverty and advance

national transformation

goals, thereby strengthening alignment among national policies, district initiatives, and community-level interventions.

According to the Minister this policy approach is demonstrative of government's diligence and persistent effort to changing people's lives and empowering them towards an egalitarian society in the context of a development state.

He said there must be a policy context in terms of the fundamental question of what kind of state is necessary to fight poverty, unemployment and inequalities in the country and advance human centred development.

DFRC strengthens development finance institutions across SADC

Bf reporter

The Southern African Development Community's Development Finance Resource Centre (SADC DFRC) is intensifying efforts to mobilise finance at scale, with a sharp focus on blended finance and climate aligned funding.

Established under the SADC Protocol on Finance and Investment, the DFRC serves as the secretariat and centre of excellence for the regional Development Finance Institutions (DFIs) Network.

Headquartered in Gaborone, the Centre has been under the leadership of South African development finance executive and engineer Zweilhanzi Sapula since 2025.

Sapula says the Centre's mission is twofold: mobilising finance for DFIs while improving the quality

and readiness of project pipelines to overcome persistent bankability challenges.

"We are strengthening institutional capacity and resilience across DFIs to enhance delivery and developmental impact," he explained in an interview.

Beyond financing, the DFRC is advancing regional integration initiatives, including trade corridors and cross border value chains. Collaboration with DFIs, governments, and development partners is being deepened to improve coordination and accelerate implementation.

The Centre's work is anchored in promoting sustainable and inclusive growth, particularly through support to SMEs, industrialisation, and climate aligned investments.

Its mandate is delivered through four interconnected areas. First, the

Centre undertakes capacity building initiatives to enhance the technical, operational, and strategic capabilities of DFI professionals, with emphasis on governance, risk management, project finance, and environmental, social and governance (ESG) practices.

It also engages in policy research, advisory and advocacy, generating evidence based insights and providing technical support to improve policy, regulatory, and supervisory frameworks while promoting an enabling environment for development finance.

In addition, the DFRC focuses on resource mobilisation, facilitating access to financial and technical resources from international partners, promoting blended finance approaches, and supporting DFIs in strengthening their ability to attract

and deploy capital effectively.

Complementing these efforts, the Centre plays a key role in project preparation and development, supporting the identification, structuring, and advancement of bankable projects, particularly in infrastructure and regional value chains.

These efforts target sectors central to regional transformation—energy, transport, water, digital systems, agriculture, food systems, and SME development.

By bridging gaps in financing and project development, the DFRC is positioning itself as a catalyst for unlocking investment and driving long term economic transformation across SADC.

Sapula's leadership has added a personal dimension to the Centre's

work. He hosts the monthly Meet the CEO Forum in Botswana, offering young professionals direct engagement with leaders in finance and industry—a programme he plans to roll out across SADC member states.

Outside the boardroom, Sapula is active in charitable initiatives and cycling for cause events, raising awareness and support for community programmes.

For SADC, the DFRC's role is clear: strengthening DFIs, aligning financial flows with regional priorities, and ensuring that sustainable growth translates into jobs, inclusion, and poverty reduction.

As Sapula puts it, "Our task is to catalyse development finance so that regional integration and transformation are not just aspirations, but realities."