

This report explores the economic contribution to Botswana of the Partnership between the Government of the Republic of Botswana and De Beers. This is described both historically and specifically through an analysis of the economic contributions made by the Partnership in 2014. An embedded theme is the way in which the Partnership has endured for almost 50 years.

The research on which the report is based relied on both quantitative and qualitative techniques. Interviews were held with many of those involved with the Partnership and their insights have been incorporated in the report. De Beers would like to thank all those who participated for their invaluable contribution. The economic contribution of the Partnership in 2014 is calculated using input-output modelling techniques – and a full methodological description is provided in Appendix 1.

De Beers has authored this report with support from Genesis Analytics and PwC. Genesis Analytics facilitated a stakeholder engagement process, assisted with background information and provided development economics insights. PwC collected and analysed data from the Partnership, using internationally recognised methodologies to calculate the socio-economic impact of the Partnership in 2014. De Beers would like to thank Genesis Analytics and PwC for their contributions.

Several features of the study should be noted:

First, the contribution of the Partnership is measured at a national not a local level.¹

Second, the measurement framework is socio-economic and does not include an assessment of environmental impact.

Third, the results for 2014 are a snapshot in time that cannot be used to predict long-term trends.

The year 2014 was selected for analysis as it was the last complete year and provided the most up-to-date results. This is recognised to have been a strong fiscal year for Botswana.

Finally, the report does not take into account the extent to which some or all of the noted contributions might have happened in the absence of the Partnership. In other words, no attempt has been made to assess the counterfactual or substitution effect that might have applied in the absence of the Partnership.

ABOUT THE PARTNERSHIP

The Partnership is referred to throughout the report. In 2014, the Partnership comprised four companies, all operating from Botswana (see Figure 2):

- De Beers Holdings Botswana, the exploration arm of De Beers in Botswana;
- Debswana, a 50/50 joint venture between the Government and De Beers. This is the primary producer of diamonds in Botswana;
- Diamond Trading Company Botswana (DTCB), a 50/50 joint venture between the Government and De Beers, which sorts and values rough diamonds mined by Debswana; and
- De Beers Global Sightholder Sales (DBGSS), the rough diamond sales arm of De Beers, which is responsible for selling the bulk of De Beers' global production to its rough diamond customers (called Sightholders).

Authors

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