



From Transition Planning to Implementation: Economic Diversification and Productive Transformation in Botswana

1. Name of proposing Party or organization.

Government of Botswana

2. Brief description of the proposed study:

Botswana provides a relevant case for examining how a coal-dependent developing economy can move from identifying transition pressures and development priorities towards the implementation of economic diversification and productive transformation pathways. The proposed case study would examine the opportunities, structural constraints and institutional conditions shaping Botswana's efforts to develop nationally determined pathways that protect existing economic value while creating new productive sectors. Particular attention would be given to the sequencing and implementation of diversification strategies, identification and development of potential new sectors, productive capacity, access to finance and the cost of capital, technology and technical capacity, market access, and the institutional arrangements required to translate national development and climate priorities into implementation. The study would also examine how structural characteristics of developing and landlocked economies, including limited fiscal space, dependence on external markets and technology, high financing costs and constraints on industrial policy affect the feasibility and sequencing of diversification and transformation pathways. It would consider how these constraints interact with changing global markets, climate-related policies and transition pressures affecting carbon-intensive sectors. The proposed study will place a focus on the gap between policy planning and implementation: the institutional, financial, technological and market conditions required to move from identified priorities and strategies towards viable new productive activities. The study would examine opportunities for international cooperation to connect nationally identified priorities with appropriate finance, technology, investment, markets and technical capacity, while maintaining national ownership and nationally determined pathways. The case study would seek to identify practical lessons for Botswana and other African and developing countries on the design and implementation of economic diversification strategies, including lessons



on sequencing, institutional coordination, productive transformation and the enabling conditions required to make diversification pathways economically viable.

3. United Nations region to be covered by the case study:

Africa;

4. Country or countries to be covered by the case study

Botswana

5. Area of the case study:

The design and implementation of economic diversification strategies ;Impacts of global macroeconomic structures on diversification ;

6. Expected duration for completion of the case study (in months):

6 months

7. Contribution of the submitting organization

in kind;

8. Can the study be developed without financial support from the UNFCCC?

No

9. If no, please provide the estimated range of required financial support in USD (Please note that the UNFCCC is not a donor organization and has limited funding):

200000

10. Please provide the status of any preliminary work undertaken that could serve as a basis for the study, including a link to any available reports, if available.

Botswana Economic transformation plan, Botswana LTS, Botswana NDC



Framework Convention on
Climate Change