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Prospects for the Establishment of an Education Hub: The Case of Botswana

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indigenous growth

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Abstract

Trade in services generally is viewed as a potentially viable option to contribute to the much needed economic diversification in Botswana. This study is informed by the ongoing policy discussions about the need to develop an educational hub in Botswana. It is intended to be a constructive contribution to these policy discussions. We analyse trends in tertiary education trade. Both exports and imports of tertiary education are discussed. The study does an audit of the policies, regulations and institutions in the education sector with the view to assess their readiness to support the establishment and maintenance of an education hub. The data we use are obtained mainly from the Government of Botswana, which grants most of the scholarships to citizens studying in different countries across the globe. Other information is obtained from the local tertiary institutions, which offer education mainly to citizens but do enrol a few foreign students. Also, the study discusses the trade arrangements that Botswana is party to and makes an assessment of how they can assist (or inhibit) Botswana's endeavours to develop an education hub. The study is intended for policy makers and it is hoped that it will promote productive policy direction.

1. Introduction

Trade in education services is increasingly becoming important worldwide. Saner and Fasel (2003) observe that the value of annual trade in higher education services was estimated at US\$30 billion, which was 50% of trade in financial services. Botswana is a notable importer of education services, especially tertiary education. The deliberate policy of government to educate the citizens is clearly articulated in different public policy documents¹. Developing the skills of the population through education and training has been translated into tangibles through the government budgetary spending in education, which is substantial by international standards. A significant proportion of public funds are spent on educating citizens in foreign institutions.

Over the past few years, there have been discussions (spearheaded by the investment and export promotion authority, BEDIA and supported by other institutions) about education services sector's potential towards contributing to economic diversification away from minerals (especially diamonds). The need to diversify the economy has been a national concern over the past decades following the discovery and subsequent exploitation of diamonds, which later became the mainstay of the economy. In 2005, the President of Botswana established the Business and Economic Advisory Council (BEAC) whose mandate was to formulate a strategy and an action plan through which economic diversification and sustainable economic growth will be achieved. The BEAC proposed key projects to be implemented. Among the projects, the BEAC proposed the establishment of an Education Hub² (Botswana Government, 2008).

Botswana has over the years had a stable democracy and is relatively a peaceful and secure nation, the attributes that are thought to be potentially conducive for attracting foreign students and foreign direct investments in the education sector. However, little research work has been done to inform these important development policy discussions and programmes. In this paper, we undertake to review Botswana's current state on trade in educational services and assess the country's prospects for developing an educational hub. We will confine our discussions to tertiary education.

The questions that we endeavour to answer in this project include:

¹ See Vision 2016 Booklet; National Development Plans (various years)

² Other proposed projects included the Diamond, Health, Agriculture, Innovation and Transport hubs.

- What are the current trends in trade in tertiary educational services from the viewpoint of Botswana? The study estimates Botswana's trade flows (exports and imports) of education services.
- What policies, regulations and institutions are in place to support the development and maintenance of education services in Botswana? Are these policies, regulations and institutions adequate to support, develop and maintain education services with good international standing? What role do trade agreements play in the development of trade in education services?

Most of these questions are subjective. We have employed some qualitative methods including questionnaires and interviews to collect information and opinions from the relevant institutions that include government departments, tertiary educational institutions, regulatory and accreditation institutions.

Section 2 outlines the methodology adopted in this paper. Section 3 briefly discusses development and trends in trade in education services. Section 4 discusses the role of education services in the Botswana economy. Section 5 deals with government policy on education, including regulation and its bearing on the establishment of an education hub. Section 6 concludes the paper.

2. Methodology

2.1 Objectives of the Study

The main objective of this project is to review the current state of trade in education services in Botswana, with particular emphasis on tertiary education, with the view to assess the country's standing on the prospects of establishing an educational hub. The specific objectives that the research project endeavours to address include the following:

- Discuss the flows (imports and exports) of trade in tertiary education services and the modes of supply involved.
- Analyse the policies, institutional and regulatory framework on tertiary education in view of their enhancement of the conditions for the establishment of an educational hub.

2.2 Data Needs and Availability and Methods of Data Collection

The biggest challenge in analysing services sectors, particularly in a developing country is the unavailability of information or the scantiness of the existing ones. Balance of Payments statistics are usually relied upon but in the case of Botswana they are highly aggregated to the extent they are not quite informative in analysing a specific sector, let alone a sub-sector. The information in this study, therefore, will be collected through structured questionnaires from

the relevant institutions, including, amongst others government departments, accreditation bodies and tertiary institutions. A checklist of questions and a comprehensive list of the institutions that will be surveyed are in the Annexes 1 and 2.

Most of the information needed in this project will be qualitative in nature. It will be obtained mostly from institutions through questionnaires and interviews. The following data will be needed in order to carry out the analysis intended in this project:

- Imports and exports³ of educational services
 - Incomes of local educational institutions obtained from their sales of educational services to foreigners. This will be an estimate of exports of educational services by Botswana. There are only a few tertiary institutions in Botswana, and even fewer that enrol foreign students. Estimates can be compiled using the institutions' enrolments and the tuition amounts they charge.
 - Expenditures by Botswana citizens on educational services rendered by foreign institutions. This will give an estimate of imports of educational services. This information will not be easy to obtain. However, in Botswana government is clearly the biggest importer of educational services through its expenditure on educating citizens outside the country. Also, a few other institutions, such as Debswana do provide external scholarships. Given the circumstances, this estimate will be considered adequate.
- Other information will be obtained from existing publications such as government and relevant parastatals' documents.

3 Developments and Trends in Trade in Education Services: The Global Context

3.1 Global Trends

A rapid increase of mobile tertiary education seekers has been observed over the years. In 2005, more than 2.7 million tertiary education students were studying in a country other than their own, representing an increase of about 61% since 1999. It is further shown that the OECD countries are the most important destinations of these mobile students (Verbik and Lasanowski, 2007).

While the provision of primary and secondary education generally remains the responsibility of governments in different countries, provision of tertiary education continues to gradually

³ Note that the estimates that will be obtained from institutions will by and large depend much more on Mode 2. While this will not show a true picture, it is argued that in the context of Botswana most of the trade in educational services are through this mode. While other modes are relevant, the level of development of the sector in the country is such that Mode 2 is still significantly dominant. Thus, this estimate will suffice.

move away from being in the purview of governments⁴. Schoole (2004) observes that the pressures of globalisation have a role to play in redefining the market forces that govern the provision of higher education. Education is increasingly becoming a private good that is paid for, as opposed to a public good to be provided solely by governments as it used to be the case in the past. Further, there is an observation that the demand for publicly provided education is growing against the limited capacities of governments due to budget limitations, the changing role of governments and the increased emphases of market economy and privatisation.

Knight (2002) expresses a view that the developments in information technologies have made possible new alternative innovative ways of delivering education services across borders. Knight (2006) elaborates the increasingly changing phenomenon that involves the movement of education providers across a national border to establish presence in order to offer education and training programmes and /or services to students and clients. Raychaudhuri (2007) acknowledges that the movement of learners to the location of service providers (Consumption abroad; Mode 2) is still the prime mode of exports of education services. However, there are new developments that involve the movement of the service providers. Knight (2006) explains the alternate ways of delivering education services across borders, including branch campuses, independent institutions, acquisitions/mergers, study centres/teaching sites, affiliation/networks and virtual universities.

3.2 The Regional Perspective

In the African continent, Botswana imports tertiary education services mainly from South Africa. In 2006, South Africa had a total of 53,738 foreign students and 10.9% of them were from Botswana, with Zimbabwe and Namibia accounting for 18.0% and 13.2% respectively⁵. The targeted export market for South Africa's tertiary education services is the Southern African region. About 65% of all foreign students in the South African public educational institutions are from the Southern African region.

There is a lot of potential for regional exports of tertiary education services. However, most African countries, including Botswana are not able to tap on these opportunities. Enrolment into tertiary education institutions from Sub-Saharan African countries is estimated to have grown by 8.6% annually between 1970 and 2007, compared to the global average of 4.6% during the same time period. Four million Sub-Saharan African students were enrolled in tertiary institutions in 2007. Due to the inability of the local tertiary institutions to absorb

⁴ It should be emphasised that the policy development and regulatory aspects of education is expected to and by and large remains the responsibility of governments.

⁵ The data are obtained from the Institute of International Education, sourced on 29th May 2009, from <http://www.atlas.iienetwork.org/?p=53607>. The data cover only number of students in public institutions

these students, a sizeable number of these students were in foreign institutions outside the African continent (UNESCO Institute for Statistics, 2009).

This puts pressure on governments to expand their tertiary education facilities to cater for the growing demand for tertiary education services. The phenomenon also presents an opportunity for the expansion of intra-regional exports of tertiary education services. The challenge is that there is need for huge investments to establish tertiary education systems that can produce export-ready tertiary education services. It is not feasible for governments of developing countries such as Botswana to single-handedly finance the needed investments in tertiary education systems. Approaches such as the public-private partnerships and the several methods of attracting foreign direct investments in the tertiary education sector should be vigorously pursued. However, caution should be exercised that the quest to expand tertiary education systems is not fulfilled without the development and strengthening of regulatory measures in order to ensure the maintenance of acceptable standards and quality. The existence of demand for tertiary education services has been found to lead to proliferation of substandard tertiary institutions in some countries such as Nigeria and India (Obasi, 2007).

3.3 The Botswana Case

In terms of liberalisation at the regional level, Botswana is not party to any regional trading agreement that includes services. Botswana is a member of the Southern African Customs Union⁶ (SACU), the oldest customs union. SACU essentially prescribes trade policy and practices for Botswana considering that it sets common external tariffs for all SACU members. Despite being the oldest customs union, having been established in 1910, the SACU Agreement is exclusively a merchandise trade arrangement and has never included trade in services.

Botswana is also a member of the Southern African Development Community (SADC). SADC is a free trade agreement among Southern African countries, inclusive of all the SACU members. The SADC FTA came into effect in August 2008⁷ to implement tariff liberalisation schedules by members and is expected to graduate into a customs union in 2010. To date, the SADC FTA does not cover trade in services; only negotiations on services trade are ongoing.

However, some members of SADC, namely Botswana, Lesotho, Mozambique and Swaziland have recently initialled an Interim Economic Partnership Agreement (IEPA) with the European Union. A full EPA between SADC and the EU is to include trade in services. That

⁶ The other members of SACU are Lesotho, Namibia, South Africa and Swaziland.

⁷ Not all the Member States of SADC are implementing the FTA.

SADC as a regional trading bloc does not cover trade in services has implications on its negotiations with the EU on the subject:

- The selected SADC countries that initialled the IEPA are unlikely to have adequate negotiating capacity to match the EU. All the SADC member states that initialled the IEPA do not have any trade arrangement that includes trade in services.
- However, trade in education services is not among the services that are likely to be on the table for negotiations. The envisaged negotiations therefore could be a learning experience for the concerned countries when they later negotiate other services with the EU or any other partners in future. Further, the benefits from the agreement thereof could be used as a stepping stone and justification for negotiating other services sectors, including education in future, not only with the EU but with other countries or trading blocs.

SADC member states have committed to a Protocol on Education and Training (PET). The PET, by and large, spells out the member states' endeavour to cooperate in areas of education and training in order to harness the scarce resources available in the region and thus achieve efficiency and effectiveness. Because the protocol is not a trade agreement in trade in education services per se, it falls short in elaborating pertinent issues relating to market access and treatment of regional investors and third-country relationships.

On higher education, the PET endeavours to improve access to universities by regional students. However, member countries can only recommend to their universities and other tertiary institutions in their countries to reserve at least 5% of admissions to students from the SADC countries other than their own.

3.4 Benchmarking on Educational Hubs: Lessons for Botswana

Education hubs or some arrangements resembling them exist in different countries and regions. However, they are not without challenges. The manifestation of the challenges is the development of institutions with low academic standards thus offering low quality educational programmes. There have been cases of proliferation of private tertiary institutions necessitated by the inadequacy of the public institutions to cope with the demand for tertiary education programmes. For example, between 1979 and 1983, twenty-six private universities were established in Nigeria. However, these universities are described as 'glorified secondary high schools' owing to their poor planning with bad infrastructural facilities and lack of serious-minded academics in their foundation lists (Obasi, 2007). Another example is given of the State of Chhattisgarh in India where the number of private universities increased drastically, only for them to offer low quality programmes (Obasi, 2007).

In the Southern African region, South Africa has positioned itself as a destination of choice for regional students seeking higher education. An example of the provision of questionable tertiary qualifications is cited whereby the South African Council for Higher Education declined to recognise some MBA programmes offered by some private institutions (Tertiary Education Council, 2005). The Caribbean islands have established medical schools which admit students from around the world, including developed countries such as the USA. Some Botswana students are pursuing their medical degrees in the Caribbean islands. However, the challenges of the Caribbean medical schools to provide high quality programmes abound. There is evidence that some of the Caribbean universities' degree holders are not allowed to practice medicine in the USA.

These examples show that the establishment of an education hub has to be cognisant of the challenges embedded in the provision of education services beyond the borders. This calls for measures to be put in place to ensure that education institutions adhere to standards and practices and thus deliver high quality education programmes.

4 Trade Agreements and Botswana's Education Services

4.1 Trade Agreements and Education Services

In this section the issue of trade in services and trade agreements are discussed from the view point of Botswana. Botswana is a signatory to the General Agreement on Trade in Services (GATS) and a number of other trade agreements such as Southern African Customs Union (SACU) and SADC. It is important to examine how Botswana's membership to these trade agreements could assist the endeavour to develop an education hub.

In the sectoral classification of the GATS, education services sector is categorised into five sub-sectors: primary education, secondary education, higher education, adult education and other. Different authors recognise education as the least committed sector in the WTO (Larsen, Martin and Morris, 2002; OECD-CERI, 2002; Knight, 2006; Raychaudhuri and De, 2007). Only a few countries have made commitments and even fewer have committed a substantial proportion of the five sub-sectors of education services.

The WTO member countries make services liberalisation commitments according to four modes of supply through which trade of the service could take place. These modes are defined according to the location of the provider and the recipient of the services(s). They are Mode 1 (Cross-border Supply); Mode 2 (Consumption Abroad); Mode 3 (Commercial Presence and Mode 4 (Presence of Natural Persons). Table 1 shows these modes and examples of how they relate to trade in educational services.

Table 1: Modes of Supply of educational services

Mode of Supply	Explanation	Examples of Educational Services	Botswana Example
Cross-border Supply (Mode 1)	The provision of a service where the service crosses the border (does not require the physical movement of the consumer)	<ul style="list-style-type: none"> • Distance education • Virtual education institutions • Education software • Corporate training through ICT delivery 	<ul style="list-style-type: none"> • Distance education programmes through universities based in South Africa and Europe
Consumption Abroad (Mode 2)	Provision of the service involving the movement of the consumer to the country of the supplier	<ul style="list-style-type: none"> • Students who go to another country to study 	<ul style="list-style-type: none"> • Botswana sends a lot of students to study abroad every year. • A few foreign students study in Botswana, particularly at the University of Botswana
Commercial Presence (Mode 3)	The service provider establishes or has presence of commercial facilities in another country in order to render service	<ul style="list-style-type: none"> • Local university or satellite campuses • Languages training companies • Private training companies e.g. Microsoft, CISCO etc. 	<ul style="list-style-type: none"> • Branch campus of the Limkokwing University • UNISA Study Centre (BA ISAGO University College)
Presence of Natural Persons (Mode 4)	Persons travelling to another country on a temporary basis to provide service	<ul style="list-style-type: none"> • Professors, teachers, researchers working abroad 	<ul style="list-style-type: none"> • Delivery of specialised short courses by professionals resident outside Botswana. For example, Project Management

Source: OECD-CERI (2002)

To date, Botswana has not scheduled liberalisation commitments in educational services in the GATS. This trend obtains in most WTO developing member countries. In the OECD-CERI (2002), it is observed that developing countries that scheduled liberalisation commitments after 1995 have tended to include more educational sub-sectors. It is posited that among other reasons, countries may have gained an appreciation of the potential benefits of trade in educational services owing to the growth in the new means of supplying educational services and therefore endeavour to use the GATS to achieve trade in educational services in order to reap the benefits.

It is worth observation that the setting up of some private tertiary institutions in Botswana in the last few years has significantly contributed to the improvement of access to tertiary

education, especially by the economically disadvantaged⁸, which, though seemingly indirectly, is a positive contribution towards the alleviation of poverty. The challenges that need to be dealt with include the need for the proper regulation of these institutions to ensure that they provide quality education. The ripple effects of the development of tertiary educational services for the export market could also be realised in the other goods and services sectors of the economy. Thus, businesses and communities that are not directly involved in the provision of the educational services could benefit.

Scheduling liberalisation commitments in the GATS could further enhance the benefits enumerated above. However, if Botswana is to consider making commitments in education, policy discussions need to be encouraged with the objective to adequately inform the policy makers and influence their prudence in making decisions to deepen the benefits for the country. This paper, it is hoped, will contribute to such discussions.

4.2 Education Services Trade in the Botswana Economy

Exports of services contributed an average of 7 percent to GDP over the last decade to 2008. On the other hand, imports of services accounted for about 8.5 percent during the same period (Bank of Botswana, 2009). The Balance of Payments data does not disaggregate further by other services except by ‘transportation’, ‘travel’ and ‘other services’, thus making it impossible to bring out the level of importance of specific services such as education.

4.2.1 Estimating Imports of Tertiary Education Services

In order to estimate Botswana’s imports of education services information on government scholarships was obtained from the Ministry of Education and Skills Development. This information, it is argued is the best approximation of the imports since in the case of Botswana, Government is the biggest sponsor of tertiary training. This information is supplemented by statistics from the UNESCO Institute for Statistics. The data are in two parts. The first part estimates the number of Botswana students studying in tertiary institutions in foreign countries. In the WTO GATS language, the services are delivered to Botswana students through Mode 4 (or movement of natural persons). The second part of the information consists of the number of and expenditure on them of Botswana students enrolled in locally based institutions, which are of foreign origin. These institutions have established institutions in Botswana to offer services to the Botswana students; this is referred to Mode 3 in the WTO GATS terminology (Commercial Presence). Table 2 below gives an estimate of imports of tertiary education services through Mode 4 for the years 2004 and 2007.

⁸ In Botswana, a significantly high proportion of the citizen students enrolled in tertiary institutions are fully sponsored by government. The increase in the number of tertiary institutions in Botswana has led to an increase in enrolment in tertiary education since government could afford to offer scholarships to more students owing to cheaper tuition and lower costs of upkeep.

Table 2: Estimates of Imports of Tertiary Education Services by Country (2004 and 2007) in Botswana
Pula: Botswana Students Studying in Foreign Countries

	2004			2007		
	# of Students	Average Cost per Student	Total Cost	# of Students	Average Cost per Student	Total Cost
Australia	550	160,000	88,000,000	537	184,000	98,808,000
United Kingdom	700	330,000	231,000,000	629	379,500	238,705,500
United States of America	488	340,000	62,900,000	232	391,000	90,712,000
Canada	137	215,250	29,489,250	123	247,538	30,447,113
Malaysia	152	77,000	11,704,000	1,218	88,550	107,853,900
South Africa	7,012	70,000	490,840,000	4,963	80,500	399,521,500
Other	327	198,708	64,977,625	398	228,515	90,948,804
Total	8,585		1,081,930,875	8,100		1,056,996,817

Sources: UNESCO Institute for Statistics and Botswana Ministry of Education

While there was a slight decrease in the number of Botswana students on Government scholarship in foreign countries, the overall cost of training students outside the country has remained more or less the same, owing to the increase in the cost of training per student. The decrease in the number of students placed in foreign tertiary institutions is compensated by the increase in the number of students enrolled in local institutions which increased since 2007 due to the establishment of new foreign owned tertiary institutions. Of particular importance is a Malaysian university which has established a campus in Botswana and has significantly increased enrolment within a short period of time. Other private tertiary institutions with South African and Indian ties have either been established or increased their enrolments. The only operational public university – University of Botswana has embarked on an expansionary programme and has gradually increased enrolment over the years.

Training students in foreign country, especially the developed countries, is significantly expensive. From the available information, it shows that in for every student enrolled in the United Kingdom or the United States of America in 2007, over seven students could be enrolled in Botswana in 2009⁹. Training students locally as opposed to Canada and Australia could release funds to locally train 4.9 and 3.6 students respectively. The cost of enrolling students in South and Malaysia is reasonably comparable with training students locally.

Comparing the costs of training between the developed countries and developing countries, it is clear that there are significant differences. For instance, it costs almost five more expensive to train a student in the United Kingdom or the United States of America than to train one in South Africa. In other words, by alternatively enrolling students in South Africa as opposed to the UK or the USA, Government of Botswana could increase enrolment by about five times. For a developing country like Botswana, where expansion of tertiary education

⁹ The average cost of enrolling a student in a Botswana based tertiary institution during 2008/2009 financial year was P50,995. Private tertiary institutions that have established operations in Botswana through branch campuses or franchise do not show any significant differences in terms of the costs of training students in them.

facilities and establishment of new are still a great priority, the funds used in importing tertiary education services from the costly countries could be used to augment budgets to develop the local facilities and reduce the level of dependence on foreign suppliers in the medium term and develop the ability to export some of the services in the long term.

Table 3: Estimates of Imports of Education Services: Botswana Students Studying in Foreign Tertiary Institutions Based in Botswana

Name of Institution	2008			2009		
	# of Students	Average Cost per Student	Total Cost	# of Students	Average Cost per Student	Total Cost
Limkokwing University	5,395	48,740	262,952,300	10,056	48,740	490,129,440
BA ISAGO University College	894	50,422	45,077,268	477	50,422	24,051,294
NIIT Education and Training Centre	2300	47,740	109,802,000	3,700	47,740	176,638,000
Total	8,589		417,831,568	14,233		690,818,734

Source: Botswana Ministry of Education, NIIT and Tertiary Education Council

Between 2004 and 2007, the increase in enrolment in local tertiary institutions has only slightly reduced the number of students in foreign institutions from 8585 to 8,100 but the reduction in imports of tertiary education services is not equally significant during the same period. Table 3 shows the number of Botswana students studying in tertiary institutions that are located in Botswana but are of foreign origin. Both institutions have branch campuses in Botswana and only started operations recently. Limkokwing University is a Malaysian based university and BA ISAGO University College is a branch campus for the University of South Africa (UNISA). It is evident that the two institutions were attracted into investing in tertiary education in Botswana by evidence of availability of students shown by the Botswana students studying in the respective countries and these institutions in their home country campuses.

While the enrolment for Limkokwing University almost doubled between 2008 and 2009 BA ISAGO's was almost halved. The total enrolment for the two institutions totalled 6,289 in 2008 and increased to 10,533 in 2009. The cost of educating students in these institutions is considered as imports of education services by Botswana in that the institutions have set up branch campuses in Botswana to provide services to the Botswana students. In the WTO GATS language, Malaysia's and South Africa's exports of education services to Botswana through Mode 3 (Commercial Presence) and thus they are treated as imports by Botswana. These imports had increased from P308 million in 2008 to P514 million in 2009. Of great significance is that the estimates of these imports are based only on information on government funded scholarships and almost all of them are for first degrees. Therefore, although this expenditure on funding tertiary education forms the bulk of expenditure on tertiary education, it is somewhat an underestimation. Some scholarships are awarded by other government departments, semi-government institutions and to a limited extent private companies. What is worth observing is that the amount of money spent by government on scholarships is significantly high. This reality has been observed by policy makers, with the

Tertiary Education Council pointing that it is unsustainable in the long term and calls for the need to reform student financial assistance (Tertiary Education Council, 2005). The resultant challenge is that this has a bearing on the sustainability of the operations of institutions like Limkokwing University and BA ISAGO University College, whose continued existence is highly dependent on government expenditure. In the absence of a long term strategy, there is a negative effect on the ability of Botswana as a country to attract foreign direct investment on the provision of tertiary education services.

Table 3: Estimates of Tuition, Living Expenses and Other Fees Paid to the University of Botswana (2001/02 - 2007/08) (Botswana Pula)

Academic Year	2001/02	2002/03	2003/04	2004/05	2006/07	2007/08
Number of Foreign Students	772	935	960	913	726	839
% of Total Enrolment	6.7	7.9	6.6	6.2	4.7	5.7
Tuition Fees	8,106,000	11,313,500	13,344,000	14,608,000	15,362,160	20,416,226
Living Expenses	4,185,012	5,661,425	6,508,800	6,400,130	6,708,240	8,943,740
Other Fees	115,800	160,820	201,600	209,990	221,430	293,650
TOTAL	12,406,812	17,135,745	20,054,400	21,218,120	22,291,830	29,653,616

Source: University of Botswana

Table 3 above shows estimates of imports by the only public university that is currently operational in Botswana. It is shown that the number of foreign students attracted to the University of Botswana has remained more or less constant between the years 2002/03 and 2004/05, and thereafter decreased substantially in 2006/07. The proportion of these students to total university enrolment remains at about 6%, an indication that the university caters mainly for the local students. However, due to the increase in fees, there has been a gradual increase in exports of education services by the University of Botswana. These exports had reached P20 million in tuition fees in 2007/08 and just over P9 million in living and other fees in the same year.

Two other tertiary institutions do admit albeit very few foreign students. The Institute of Development Management is a public institution offering certificate and diploma courses in accounting, management, information technology and purchasing supply. Botswana Accountancy College, also a public institution offers training on accounting and management and information technology. The programmes are accredited by both the local accreditation bodies (Tertiary Education Council and Botswana Training Authority) and foreign institutions. Some of the programmes offered by BAC, especially in accounting and management are professional courses for chartered accountants and management accountants.

Table 4: Foreign Students in Other Tertiary Institutions in Botswana and their Expenses (2008/09) (Botswana Pula)

	Number of Foreign Students	% of Total Enrolment	Tuition Fees	Living Expenses and Other Fees	Total
Institute of Development Management	39	9	1,109,741	546,589	1,656,330
Botswana Accountancy	59	4	1,944,402	957,690	2,902,092

College					
Total	98		3,054,143	1,504,279	4,558,422

Source: Institute of Development Management and Botswana Accountancy College

Exports of education services by IDM and BAC are very negligible. During the 2008/09 academic year, the two institutions also attracted only 39 and 59 foreign students respectively. In both institutions' cases, foreign students make a fairly small proportion of the total enrolment. It is evident that like the University of Botswana, these institutions cater mainly for the local students with relatively few opportunities available for the foreign students. It is estimated that tuition fees amounting to a total of P3.05 million were collected from the foreign students at the institutions. It shows that the two institutions are focused on training the locals.

5 Development of Tertiary Education in Botswana

5.1 Government Policy on Tertiary Education

The development of tertiary education is premised on the achievement of a citizenry that is adequately skilled to contribute towards the country's realisation of its national development objectives. The Revised National Policy on Education of 1994 is the national blueprint which informs the overall policy on education. The policy provides for the establishment of some new institutions for the development and regulation of specific aspects of education. The key institutions have been set up. They are the Tertiary Education Council (TEC) and the Botswana Training Authority (BOTA).

The RNPE, however, does not explicitly mention the government's view and/or strategies on the development of tertiary education in the context of trade of education as a service. The emphasis of the national policy is rather on the development of education facilities and services to serve the citizenry. Therefore, the development of the education facilities is in no way in the context of the development of a service for the export market. The policy document, also, does not explicitly contextualise the country's position as an importer of education services.

Following the establishment of the Tertiary Education Council, the tertiary education policy was developed and approved by parliament in 2008. The policy has two major objectives. The first objective is to increase access to tertiary education, improve quality and align the tertiary education system with other national policies in order to ensure its national relevance. The second objective is to develop a nationally relevant and internationally competitive research capacity (Botswana Government, 2008b). The policy also proposes the rationalisation of institutions to ensure focused and cost-effective ways of delivering on its objectives. Among the major institutional changes, the policy proposes the merging of the

Tertiary Education Council with the Botswana Training Authority. It is also proposed in the policy that the colleges of education and institutes of health sciences be consolidated to establish multi campuses offering training in the respective areas of education and health respectively (Botswana Government, 2008b). This consolidation should be a welcome development that should be used to ensure cost-effective measures of delivering training in the two essential areas of education and health. In the medium-term to the long-term, such institutions could be strengthened and resourced to offer degree programmes (as opposed to only diploma programmes as is currently the case). Such a development could position these institutions to further improve the skills in education and health sectors and attract foreign students in these areas.

5.1 Institutional and Regulatory Set-up for Tertiary Education

In Botswana, education matters are handled by the Ministry of Education that is led by a Minister who is deputised by an assistant minister. The Ministry of Education deals with all policy and regulation matters relating to education from primary education through to “other” as per the GATS classification. Only primary education is provided by the Ministry of Local Government in terms of the provision and maintenance of infrastructure. This leaves all the other sub-sectors to be dealt with by the central government.

In the recent past, however government has established some parastatals and hived off some functions to them. In particular, the Tertiary Education Council (TEC) was established by an act of parliament in 1999, but began its operations in 2003. Its mandate is to coordinate the development of tertiary education. The TEC is also charged with the responsibility of determining and maintaining standards of teaching, examinations and research at the tertiary education level (Ministry of Finance and Development Planning, 2003). The TEC offers services that include among others, accreditation and regulation of tertiary institutions and the academic programmes that they provide. In the past three years or so, a few foreign tertiary institutions have been established in Botswana and the TEC has played an important role in registering them and accrediting their programmes. The establishment of these foreign institutions has notably contributed to the improvement of access to tertiary training of the secondary school leavers. It is still to be established how the presence of these institutions will contribute to the development of tertiary education services for the export market.

Table 4: Private Tertiary Institutions in Botswana

Name of Institution and Type	Year of Establishment	Year of Registration	Areas of focus	Accredited Programmes
NIIT Education and Training Centre (Franchise)	1997	2006	IT, Accounting and Business Studies	8 Diplomas 4 Bachelors Degrees 1 Masters Degree
Ba Isago University College		2006	Education, HRM, Accounting and Business, Health Sciences, Social	6 Diplomas 25 Bachelors Degrees

			Sciences	
Gaborone Institute of Professional Studies	1991	2006	IT, Accounting and Business Studies, HRM, Secretarial Studies	10 Diplomas 2 Bachelors Degrees
Limkokwing University College of Creative Technology		2006	Design, Multimedia, Broadcasting, IT, Tourism and Hospitality	42 Associate Degrees 15 Bachelors Degrees
New Era College of Arts, Science and Technology		2008	Engineering, Telecommunications	4 Diplomas
ABM University College		2007	IT, Accounting and Business Studies, Management, Tourism and Hospitality	13 Diplomas
Assembly Bible College		2008	Bible Theology	1 Diploma

Source: Tertiary Education Council

Tertiary institutions in Botswana have only been recently registered according to the Tertiary Education Council records. However, this only shows that the Tertiary Education Council is itself a new institution. Some of the institutions were established long before their dates of registration by the Tertiary Education Council. It was only established in 1999 but began its operations in 2003. It can be inferred from the educational programmes offered by these institutions that the institutions are still trying to find their ground. They offer mainly diploma and degree programmes but have not yet introduced masters and research degrees. Even among the public institutions, save for the University of Botswana, tertiary institutions offer mainly diploma programmes in a few specialised areas such as health sciences, education, secretarial, management, accounting and business studies.

It must be mentioned though that the enrolment levels in tertiary education in Botswana have increased significantly over the last few years. In 2003/04 the tertiary education enrolment for the 18 – 24 year olds was 7.7% but increased steadily over the years to 17.3% in 2008/09 (Tertiary Education Council, 2009). The contribution of studying abroad by Botswana students is significant. In UNECSO Institute for Statistics (2006), when combined with outbound mobility ratio, Botswana's 2004 tertiary gross enrolment ratio increases from 6% to 11%. Like most Sub-Saharan African countries, excepting only three countries, Botswana has an outbound mobility ratio that far exceeds the global average.

It can be appreciated that there are low levels of enrolment and a significant dependence on foreign tertiary institutions for educating Botswana students. The institutional mechanisms to support the advancement of tertiary education are still being developed. One can appreciate the infancy of the tertiary education sector in Botswana. The immediate challenge should be to aim to increase local tertiary enrolment by encouraging private and public sector investment in tertiary education. Coupled with the development of regulatory and accreditation institutions, it could be ensured that an increase in enrolment is achieved alongside

establishment of quality education programmes which in the long run could attract foreign students.

6. Conclusions and Policy Recommendations

The development of tertiary education services in Botswana is still in its infancy. As a result government still incurs a significant cost in imports of education services from countries where tertiary education is adequately developed. The number of Botswana students studying in the neighbouring South Africa is particularly high. However, there are developments in both the public and private sector which could in the medium to long term change the current status.

There are government plans to expand existing public tertiary education facilities as well as establish new ones. The University of Botswana, currently the only public university is currently pursuing an expansionary programme that will significantly increase its enrolment and introduce new programmes such as a medical school. The establishment of the new university – the Botswana International University of Science and Technology should also be expected to increase enrolment rates especially in science and technology fields which currently constitute a high proportion of tertiary education imports.

It is recognised that in the recent past there has been an increase in the establishment of new private tertiary education providers. The Tertiary Education Council has registered seven institutions between 2006 and 2008. This new and different phenomenon could signify potential for development and growth of the tertiary education sector in Botswana. In the short-term, this new development should be expected to alleviate Botswana's current high dependence on foreign tertiary education service providers to fulfil the national objective of developing the skills of the general populace. The imports of tertiary education should be expected to decrease without compromising tertiary enrolment rates and a negative impact on the national skills development objectives.

Botswana will not be able to develop an education hub in the short to medium term. It is acknowledged that there are positive developments such as the expansion of existing public education facilities and the establishment of new public and private institutions. However, more needs to be done to realise the vision of establishing an education hub. The Tertiary Education Council is a fairly new institution but needs to work hard to ensure that institutions that are registered and programmes that are accredited are of high quality and standards. The current period should be viewed as a formative development stage for the long-term objective of establishing an education hub and thus should be used to put in place measures that will ensure the development of attractive education programmes. Attracting the best investments in the tertiary education institutions now could lead to attracting quality students in the future.

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Annex 1: Checklist for Institutional Consultations

The questions that will be asked to obtain information from the relevant institutions will differ according to the types of institution. Below are some of the questions that for the educational institutions.

1. Name of Institution _____
2. Type of Institution (university/college) _____
3. Year of Establishment of the Institution _____
4. Type of ownership (public/private) _____
5. Origin of Institution (local/foreign); if foreign, specify country of origin _____
6. Does the Institution have a branch(es) outside Botswana? If yes, specify country(s) _____
7. Are the Institution’s programmes accredited by Tertiary Education Council? _____
8. Are the Institution’s programmes accredited by any other local body? If yes, specify _____
9. Are the Institution’s programmes accredited by a foreign body? If yes, specify _____

10. Fields of study (Current Academic Year)

	No of local students	No of foreign students
Health Sciences and Medicine		
Accounting and Management		
Arts and Social Sciences		
Natural Sciences		
Engineering		
Information & Communications Technology		
Other (specify)		

11. Fields of study (2008/09 Academic Year)

	No of local students	No of foreign students
Health Sciences and Medicine		
Accounting and Management		
Arts and Social Sciences		
Natural Sciences		
Engineering		
Information & Communications Technology		
Other (specify)		

12. Fields of study (2007/08 Academic Year)

	No of local students	No of foreign students
Health Sciences and Medicine		
Accounting and Management		
Arts and Social Sciences		
Natural Sciences		
Engineering		
Information & Communications Technology		
Other (specify)		

13. Fields of study (2006/07 Academic Year)

	No of local students	No of foreign students
Health Sciences and Medicine		
Accounting and Management		
Arts and Social Sciences		
Natural Sciences		
Engineering		
Information & Communications Technology		
Other (specify)		

14. Fields of study (2005/06 Academic Year)

	No of local students	No of foreign students
Health Sciences and Medicine		
Accounting and Management		
Arts and Social Sciences		
Natural Sciences		
Engineering		
Information & Communications Technology		

Other (specify)		
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15. Is the Institution financed by foreign entities? By what proportion of expenditure?

16. Is the Institution financed by domestic entities? Specify the proportion

17. During the last academic year, how much of the Institution's finance came from tuition fees?

a. How much came from local students?

b. How much came from foreign students?

18. Current Enrolment of Institution

	No of local students		No of foreign students
	Govt-sponsored	Other Sponsorship	
Undergraduate			
Postgraduate			
Masters			
PhD			
Other (Specify)			

19. 2008/09 Enrolment of Institution

	No of local students		No of foreign students
	Govt-sponsored	Other Sponsorship	
Undergraduate			
Postgraduate			
Masters			
PhD			
Other (Specify)			

20. 2007/08 Enrolment of Institution

	No of local students		No of foreign students
	Govt-sponsored	Other Sponsorship	
Undergraduate			
Postgraduate			
Masters			
PhD			
Other (Specify)			

21. 2006/07 Enrolment of Institution

	No of local students		No of foreign students
	Govt-sponsored	Other Sponsorship	
Undergraduate			
Postgraduate			
Masters			
PhD			
Other (Specify)			

22. 2005/06 Enrolment of Institution

	No of local students		No of foreign students
	Govt-sponsored	Other Sponsorship	
Undergraduate			
Postgraduate			
Masters			
PhD			
Other (Specify)			

23. Number of faculty members: Citizens _____; Foreigners _____

24. Cost of study by level (Current Academic Year)

Course level	Costs per year (Botswana Pula)	
	Botswana Student	Foreign Student
Undergraduate		
Postgraduate		
Masters		
PhD		
Other (Specify)		

25. Cost of study by level (2008/09 Academic Year)

Course level	Costs per year (Botswana Pula)	
	Botswana Student	Foreign Student
Undergraduate		
Postgraduate		
Masters		
PhD		
Other (Specify)		

26. Cost of study by level (2007/08 Academic Year)

Course level	Costs per year (Botswana Pula)	
	Botswana Student	Foreign Student
Undergraduate		
Postgraduate		
Masters		
PhD		
Other (Specify)		

27. Cost of study by level (2006/07 Academic Year)

Course level	Costs per year (Botswana Pula)	
	Botswana Student	Foreign Student
Undergraduate		
Postgraduate		
Masters		
PhD		
Other (Specify)		

28. Cost of study by level (2005/06 Academic Year)

Course level	Costs per year (Botswana Pula)	
	Botswana Student	Foreign Student
Undergraduate		
Postgraduate		
Masters		
PhD		
Other (Specify)		

29. Cost of study by field (Current Academic Year)

	Costs per year (Botswana Pula)	
	Botswana Student	Foreign Student
Health Sciences and Medicine		
Accounting and Management		
Arts and Social Sciences		
Natural Sciences		
Engineering		
Information & Communications Technology		
Other (specify)		

30. Cost of study by field (2008/09 Academic Year)

	Costs per year (Botswana Pula)	
	Botswana Student	Foreign Student
Health Sciences and Medicine		
Accounting and Management		
Arts and Social Sciences		
Natural Sciences		
Engineering		
Information & Communications Technology		
Other (specify)		

31. Cost of study by field (2007/08 Academic Year)

	Costs per year (Botswana Pula)	
	Botswana Student	Foreign Student
Health Sciences and Medicine		
Accounting and Management		
Arts and Social Sciences		
Natural Sciences		
Engineering		
Information & Communications Technology		
Other (specify)		

32. Cost of study by field (2006/07 Academic Year)

	Costs per year (Botswana Pula)	
	Botswana Student	Foreign Student
Health Sciences and Medicine		
Accounting and Management		
Arts and Social Sciences		

Natural Sciences		
Engineering		
Information & Communications Technology		
Other (specify)		

33. Cost of study by field (2005/06 Academic Year)

	Costs per year (Botswana Pula)	
	Botswana Student	Foreign Student
Health Sciences and Medicine		
Accounting and Management		
Arts and Social Sciences		
Natural Sciences		
Engineering		
Information & Communications Technology		
Other (specify)		

34. Origin of foreign students

	No of students
Southern Africa	
Other Africa	
Other Countries	

35. Facilities/Services provided at the Institution

Facility/Service	Provided by Institution	Provided by another service provider
Accommodation		
Library		
Internet Access		
Food/catering		
Bookshop		
Photocopying services		
Telephone		
Transport		
Other (Specify)		

Annex 2: List of Tertiary Institutions

Table A2.1 below shows a list of registered tertiary institutions in Botswana according to the Tertiary Education Council.

Table A2.1: List of Registered Tertiary Institutions

PUBLIC INSTITUTIONS		
No.	Name of Institution	Registration Date
1	Institute of Health Sciences - Gaborone	12/12/2006

2	University of Botswana	12/12/2006
3	Institute of Development Management	12/12/2006
4	Institute of Health Sciences – Francistown	12/12/2006
5	Deborah Retief Memorial School of Nursing	12/12/2006
6	Institute of Health Sciences – Lobatse	12/12/2006
7	Seventh Day Adventist School of Nursing	12/12/2006
8	Tlokweng College of Education	12/12/2006
9	Botswana College of Agriculture	12/12/2006
10	Bamalete Lutheran School of Nursing	12/12/2006
11	Serowe College of Education	12/12/2006
12	Tonota College of Education	12/12/2006
13	Molepolole College of Education	12/12/2006
14	Botswana College of Distance and Open Learning	12/12/2006
15	Botswana Wildlife Training Institute	08/03/2007
16	Institute of Health Sciences – Molepolole	08/03/2007
17	Institute of Health Sciences – Serowe	08/03/2007
18	Lobatse College of Education	08/03/2007
19	Francistown College of Education	08/03/2007
20	Botswana Institute of Administration and Commerce	14/06/2007
21	Botswana Accountancy College	14/06/2007
22	Botswana International University of Science and Technology	13/09/2008
23	Francistown College of Technical and Vocational Education	15/07/2008
PRIVATE INSTITUTIONS		
No.	Name of Institution	Registration Date
1	NIIT Education and Training Centre	27/06/2006
2	Ba Isago University College (UNISA Study Centre)	27/06/2006
3	Gaborone Institute of Professional Studies	27/06/2006
4	Limkokwing University College of Creative Technology	06/10/2006
5	ABM University College	08/03/2007
6	New Era College of Arts, Science and Technology	15/07/2008
7	Assembly Bible College	15/07/2008

Source: Tertiary Education Council